

Volvo's Chinese parent buys London taxi firm

Written by Staff reporter

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China's Zhejiang Geely Holding Group – that bought Swedish car maker Volvo from Ford Motor in 2010 – has announce a new 250 million pound investment in the London Taxi Company to further enhance the company by building a new factory site in Coventry, England, it said in a statement.

British Prime Minister, David Cameron and London Mayor Boris Johnson were both on site to tour the current production facility in Coventry with Geely Chairman Li Shufu and unveiling a scale model of the new site to the current workforce.

The new facility will create 1000 immediate jobs in the Coventry area and several hundred in the supply chain as the new ultra low emission and pure electric London Taxi moves from concept to a reality over the course of the next 24 months.

Volvo Car Group said last month its 2014 operating profit rose 17.5 percent in its best year of sales to date as rapid expansion in China and recovery in Europe took the sting off lingering weakness for the brand in the United States, Reuters said.

Volvo sold a record 465,866 cars last year but is still far from its goal of selling 800,000 cars in 2020.