



## Azure Dynamics Files For Bankruptcy, Suspends Ford Transit Connect Electric Production

By [Ronnie Schreiber](#) on March 28, 2012



The [Detroit News](#) is reporting that the company that electrifies Ford's Transit Connect Electric vans, Azure Dynamics, AZD, has filed for bankruptcy and suspended the production of the small battery electric van. Azure Dynamics announced that 120 employees, including 50 at their Oak Park facility just outside Detroit where AZD performed the conversions, have been laid off. So far about 500 Transit EVs have been made since late 2010. There is no word if the company will be able to restart production.

A Ford spokesman said, "Our priority is to ensure that Azure's Transit Connect Electric customers continue to have support throughout their ownership experience," but declined to say if FoMoCo is looking for a new producer to pick up production. AZD also produces the Balance Hybrid Electric, a medium duty hybrid truck based on the Ford E-450. Last year AZD said they had 2,200 orders in hand for the Transit Connect Electric, including a \$112 million order from the U.S. government's General Services Administration. The state of Michigan gave AZD a tax credit of \$1.7 million over seven years and the city of Oak Park gave them an abatement on local taxes for 11 years to persuade the company to locate in Michigan. An AZD spokesman expressed optimism that the company would be able to reorganize under bankruptcy. "I think we really have a bright future," he said. The Canadian based company will not be making a planned public stock offering. It doesn't have enough cash to cover the cost of appealing an Ontario Securities Commission ruling concerning that IPO. In a statement the company said, "We wish to convey to the company's stakeholders our terrible sadness at this outcome."

Ronnie Schreiber edits **Cars In Depth**, a realistic perspective on cars & car culture and the original 3D car site. If you found this post worthwhile, you can dig deeper at **Cars In Depth**. If the 3D thing freaks you out, don't worry, all the photo and video players in use at the site have mono options. Thanks for reading – RJS

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**Feds**

March 28th, 2012 at 11:12 am

Azure staff includes a handful of former co-workers, and one of my best friends from my graduating class, so this is sad news indeed. Good luck to all the Azure employees.



**APaGttH**

March 28th, 2012 at 11:25 am

Another one goes down, and this one with a deal with a healthy non-bailout-tinged automaker. This doesn't bode well for vehicle electrification in general. America just isn't ready, and the affordable technology just isn't there.



**gslippy**

March 28th, 2012 at 11:36 am

A hundred years ago, the same thing happened to whole car companies; this is just market forces at work, but this time, it's with nascent EV businesses.



**redmondjp**

March 28th, 2012 at 4:01 pm

I was going to comment as to the same thing.

Jet Industries of Texas, who took a Dodge 024 glider and made a Jet Electrica 007 EV out of it 32 years ago, similarly went out of business.



**blowfish**

March 28th, 2012 at 12:18 pm

It is very sad, the EVs seem to attract these celebrities, yuppies or movie stars who can afford 100k for a car that can make a statement.

For running a biz concern, we all need to justify what goes in and what the outcome be, just cant dump money into the sea and wait for the water level to rise.



**cRacK hEaD aLLeY**

March 28th, 2012 at 12:49 pm

This is very sad. We have three V8's in our driveway. I would seriously consider using an electric vehicle for my daily commute if range-anxiety could be minimized. No charging stations at work or anywhere nearby. Province does not issue EV rebates and city makes installing home charging system an exercise in bureaucratic paperwork.

So the V'8's stay.

Too bad.



**icemilkcoffee**

March 28th, 2012 at 1:07 pm

Sounds like horribly bad management is at fault here. Seems like they have an ongoing contract with Ford and they are cranking out these electric vans. How did they manage to go broke in the middle of a production run for a paying customer?



**GS650G**

March 28th, 2012 at 4:20 pm

I think the statement that "electric rates will necessarily rise" is putting people off from taking the plunge. Once you go electric you are stuck with the utility rates, no shopping around much. Gas is high but as recently as 3 years ago was half as much. Electricity will only go up as coal is eliminated, more electric usage occurs, and the grid is strained.



**charly**

March 29th, 2012 at 12:55 pm

You can always install your own generator.



**George B**

March 28th, 2012 at 4:34 pm

The problem is battery price, not range. With an electric car you get the utility of a used beater car for the price of a luxury car. I'd love to have an electric car for short trips around town if it had a low enough price to match how much time it spends parked.