

Administration of Barack Obama, 2012

Remarks at Daimler Trucks North America Manufacturing Plant in Mount Holly, North Carolina

March 7, 2012

The President. Hello, North Carolina! Hello, Mount Holly! Thank you, Juan, for that introduction. I did not know he was a preacher. [*Laughter*] He must be at least a deacon. [*Laughter*] I was—"Well"—[*laughter*]. He was starting to get the spirit up here. I'm going to take Juan on the road to introduce me everywhere. [*Laughter*] Can I hear an "amen"?

Audience members. Amen!

The President. Amen.

I want to thank Mark Hernandez, Ricky McDowell, and Martin Daum for hosting us and being such great tour guides. Thank you so much, everybody. Give them a big round of applause.

We've got a few outstanding North Carolinians in the house. You've got your Governor, Bev Perdue, is here. Your mayors, Bryan Hough and Anthony Foxx are here. Two outstanding Congressmen, Mel Watt and Heath Shuler are here. Thank you all for being here.

It is good to be in North Carolina. Anthony Foxx pointed out that I decided to wear a tie that could be a Tar Heel, but it's got a little Duke color in there too. I didn't want to get in trouble with anybody, so I was hedging my bets. [*Laughter*]

I always tell people I am one of the best advertisers for North Carolina. I love this State. Love this State. Everybody here is so nice, so welcoming. Even the folks who don't vote for me, they're nice to me. They usually wave five fingers. [*Laughter*] So it's just a great pleasure.

And I just had a chance to see some of the folks who are doing the work here today. I couldn't be more impressed. Some people have been here—like Juan—32 years, 25 years. Some folks had been here for 4 months or 6 months, had just gotten hired. But everybody had such pride in their work.

And the Freightliner trucks that you're making here at this plant run on natural gas; and that makes them quieter, it makes them better for the environment, it makes them cheaper to fill up than they would be with diesel. I hear you sold your 1,000th natural gas truck last November—the first company to reach that milestone. And it was made right here in Mount Holly. And last year, this plant added more than 1,000 workers, hiring back a lot of folks who were laid off during the recession. That is something to be proud of.

Now, here at Daimler, you're not just building trucks. You're building better trucks. You're building trucks that use less oil. And you know that's especially important right now because most of you have probably filled up your gas tank a time or two in the last week, and you've seen how quickly the price of gas is going up. A lot of you may have to drive a distance to work. Higher gas prices are like a tax straight out of your paycheck.

And for companies that operate a whole fleet of trucks, the higher costs can make a big difference in terms of the profitability of the company.

Now, here's the thing, though, this is not the first time we've seen gas prices spike. It's been happening for years. Every year about this time, gas starts spiking up, and everybody

starts wondering, how high is it going to go? And every year, politicians start talking when gas prices go up. They get out on the campaign trail, and you and I both know there are no quick fixes to this problem, but listening to them, you'd think there were.

As a country that has 2 percent of the world's oil reserves, but uses 20 percent of the world's oil—I'm going to repeat that—we've got 2 percent of the world oil reserves; we use 20 percent. What that means is, as much as we're doing to increase oil production, we're not going to be able to just drill our way out of the problem of high gas prices. Anybody who tells you otherwise, either doesn't know what they're talking about or they aren't telling you the truth.

Here is the truth: If we are going to control our energy future, then we've got to have an all-of-the-above strategy. We've got to develop every source of American energy, not just oil and gas, but wind power and solar power, nuclear power, biofuels. We need to invest in the technology that will help us use less oil in our cars and our trucks, in our buildings, in our factories. That's the only solution to the challenge. Because as we start using less, that lowers the demand, prices come down. It's pretty straightforward. That's the only solution to this challenge.

And that's the strategy that we've now been pursuing for the last 3 years. And I'm proud to say we've made progress. Since I took office, America's dependence on foreign oil has gone down every single year. In fact, in 2010, it went under 50 percent for the first time in 13 years.

Now, you wouldn't know it from listening to some of these folks out here—[laughter]—some of these folks—[laughter]—but a key part of our energy strategy has been to increase safe, responsible oil production here at home. Under my administration, America is producing more oil today than any time in the last 8 years. Under my administration, we've quadrupled the number of operating oil rigs to a record high. We've got more oil rigs operating now than we've ever seen. We've opened up millions of new acres for oil and gas exploration. We've approved more than 400 drilling permits that follow new safety standards after we had that mess down in the Gulf.

We're approving dozens of new pipelines. We just announced that we'll do whatever we can to speed up construction of a pipeline in Oklahoma that's going to relieve a bottleneck and get more oil to the Gulf—to the refineries down there—and that's going to help create jobs, encourage more production.

So these are the facts on oil production. If somebody tells you we're not producing enough oil, they just don't know the facts.

But how much oil we produce here at home—because we only have 2 percent and we use 20—that's not going to set the price of gas worldwide or here in the United States. Oil is bought and sold on the world market. And the biggest thing that's causing the price of oil to rise right now is instability in the Middle East. You guys have been hearing about what's happening with Iran; there are other oil producers that are having problems. And so people have gotten uncertain. And when uncertainty increases, then sometimes you see speculation on Wall Street that drives up gas prices even more.

But here's the thing, over the long term, the biggest reason oil prices will go up is there's just growing demand in countries like China and India and Brazil. There are a lot of people there. In 2010 alone, China added nearly 10 million cars on its roads. Think about that—2010, 10 million new cars. People in China, folks in India, folks in Brazil; they're going to want cars too, as their standard of living goes up, and that means more demand for oil, and that's going to kick up the price of oil worldwide. Those numbers are only going to get bigger over time.

So what does that mean for us? It means we can't just keep on relying on the old ways of doing business. We can't just rely on fossil fuels from the last century. We've got to continually develop new sources of energy.

And that's why we've made investments that have nearly doubled the use of clean, renewable energies in this country. And thousands of Americans have jobs because of it. It also means we've got to develop the resources that we have that are untapped, like natural gas. We're developing a near hundred-year supply of natural gas, and that's something that we expect could support more than 600,000 jobs by the end of the decade.

And that's why we've worked with the private sector to develop a high-tech car battery that costs half as much as other batteries and can go up to 300 miles on a single charge. Think about that. That will save you some money at the pump. And that is why we are helping companies like this one right here and plants like this one right here, to make more cars and trucks that use less oil.

When I ran for office, I went to Detroit and I gave a speech to automakers where I promised that I was going to raise fuel standards on our cars, so that they'd go further on a gallon of gas. I said we should do the same thing on trucks. I have to tell you, when I said it, I didn't get a lot of applause in the room, because there was a time when automakers were resisting higher fuel standards because change isn't easy. But you know what, after three decades of not doing anything, we got together with the oil companies, we got together with the unions, we got together with folks who usually do not see eye to eye, and we negotiated new fuel economy standards that are going to make sure our cars average nearly 55 miles per gallon by the middle of the next decade. That's nearly double what they get today—nearly double.

Now, because of these new standards for cars and trucks, they're going to—all going to be able to go further and use less fuel every year. And that means pretty soon you'll be able to fill up your car every 2 weeks instead of every week, and over time that saves you, a typical family, about \$8,000 a year.

Audience member. We like that.

The President. You like that, don't you?

Audience members. Yes!

The President. Eight thousand dollars—that's no joke. We can reduce our oil consumption by more than 12 billion barrels. And thanks to the SuperTruck program that we've started with companies like this one, trucks will be able to save more than \$15,000 in fuel costs every year. Think about that, 15,000.

It looks like somebody might have fainted up here. Have we got some of the EMS—somebody. Don't worry about—folks do this all the time in my meetings. [*Laughter*] You've always got to eat before you stand for a long time. That's a little tip. But they'll be okay. Just make sure that—give them a little room. All right, everybody all right? Okay.

So these trucks can save \$15,000 every year. I want people to think about what that means for businesses, what it means for consumers. It is real progress. And it's happening because of American workers and American know-how. It's happening because of you. It's happening because of you.

We're also making it easier for big companies—some of your customers, like UPS and FedEx—to make the shift to fuel-efficient cars and trucks. We call it the National Clean Fleets Partnership. And since we announced it last year, the number of companies that are taking part in it has tripled. And that means more customers for your trucks. We're creating more customers for your trucks.

And I am proud to say that the Federal Government is leading by example. One thing the Federal Government has a lot of is cars and trucks. We got a lot of cars and we got a lot of trucks. And so what I did was I directed every department, every agency in the Federal Government, to make sure that by 2015, 100 percent of the vehicles we buy run on alternative fuels—100 percent.

So we're one of the biggest customers in the world for cars and trucks, and we want to set that bar high. We want to set a standard that says by 2015, 100 percent of cars, alternative fuels.

So we're making progress, Mount Holly. But at the end of the day, it doesn't matter how much natural gas or flex-fuel or electric vehicles you have if there's no place to charge them up or fill them up. So that's why I'm announcing today a program that will put our communities on the cutting edge of what clean energy can do.

To cities and towns all across the country, what we're going to say is, if you make a commitment to buy more advanced vehicles for your community, whether they run on electricity or biofuels or natural gas, we'll help you cut through the redtape and build fueling stations nearby. And we'll offer tax breaks to families that buy these cars, companies that buy alternative fuel trucks like the ones that are made right here at Mount Holly. So we're going to give communities across the country more of an incentive to make the shift to more energy-efficient cars.

In fact, when I was up in New Hampshire, in Nashua, they had already converted all their dump trucks—they were in a process because of this program—they were converting it to natural gas-driven trucks.

This is something that we did in education—we called it Race to the Top. We said we'll put in more money, but we want you to reform. We're going to give you an incentive to do things in a different way. And if we do the same thing with clean energy, we can save consumers money and we can make sure the economy is more secure. So we've got to keep investing in American-made energy, and we've got to keep investing in the vehicles that run on it. That's where our future is.

And in order to continue this progress, we're going to have to make a choice. We've got to decide where our priorities are as a country. And that's up to all of you. And I'll give you an example. Right now 4 billion of your tax dollars goes straight to the oil industry every year, \$4 billion in subsidies that other companies don't get. Now keep in mind, these are some of the same companies that are making record profits every time you fill up your gas tank. We're giving them extra billions of dollars on top of near-record profits that they're already making. Anybody think that's a good idea?

Audience members. No!

The President. Me neither. [*Laughter*] It doesn't make any sense. The American people have subsidized the oil industry long enough. They don't need the subsidies. It's time to end

that taxpayer giveaway to an industry that's never been more profitable, invest in clean energy that's never been more promising.

So I called on Congress, eliminate these subsidies right away. There's no excuse to wait any longer. And we should put every Member of Congress on record: They can stand up for the oil companies, or they can stand up for the American people and this new energy future. We can place our bets on the fuel of the past, or we can place our bets on American know-how and American ingenuity and American workers like the ones here at Daimler. That's the choice we face. That's what's at stake right now.

So in between shifts, get on the phone or e-mail or send a letter or tweet—[laughter]—your Member of Congress, ask them where they stand on this, because it will make a difference. And you'll know where I stand on this. Let's make sure our voices are heard. The next time you hear some politician trotting out some three-point plan for two-dollar gas—[laughter]—you let them know, we know better.

Tell them we're tired of hearing phony election-year promises that never come about. What we need is a serious, sustained, all-of-the-above strategy for American-made energy, American-made efficiency, American innovation, American fuel-efficient trucks, American fuel-efficient cars. We may not get there in one term. It's going to take us a while to wean ourselves off of the old and grab the new. But we're going to meet this challenge because we are Americans. Our destiny is not written for us; it is written by us. We decide what that next chapter is going to be.

And I'm confident, working with folks like you, the outstanding working people of Mount Holly, of this plant, of North Carolina, of States all across the country, we can pull together and remind everybody around the world just why it is that the United States of America is the greatest nation on Earth.

Thank you very much, everybody. God bless you. God bless the United States of America.

NOTE: The President spoke at 12:50 p.m. In his remarks, he referred to Juan Smith, Mark Hernandez, and Ricky McDowell, employees, and Martin Daum, president and chief executive officer, Daimler Trucks North America; Mayor Bryan Hough of Mount Holly, NC; and Mayor Anthony R. Foxx of Charlotte, NC.

Categories: Addresses and Remarks : Daimler Trucks North America manufacturing plant in Mount Holly, NC.

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