Nissan introduces luxury hybrid, doubles mileage

YURI KAGEYAMA - AP Business Writer - Associated Press

Nissan is playing catchup with Japanese rivals Toyota and Honda in introducing its own hybrid car, the luxury Infiniti M, which delivers double the mileage of the gasoline-engine version.

Nissan Motor Co. showed the new gas-electric hybrid, called Fuga in Japan, Tuesday at its headquarters in Yokohama, southwest of Tokyo.

The hybrid goes on sale in Japan Nov. 2, starting at nearly 5.8 million yen ($72,000) — more expensive than the regular gasoline version which starts at about 4.3 million yen ($53,000).

It is planned for sale in the U.S. early next year and also for Europe, although that date was not disclosed. Nissan is targeting sales of 200 vehicles a month in Japan.

Nissan Chief Operating Officer Toshiyuki Shiga said sales will likely be bigger than 200 in the U.S., where the Infiniti is popular, but did not give a number or price tag.

Mileage is estimated at 19 kilometers a liter (45 miles per gallon) under Japanese test-driving conditions, about double the comparable gas-engine vehicle. Mileage for the U.S. is still undecided, according to Nissan.

The car boasts the same stylish design, fancy interior and expensive sound system that are the trademark of the Infiniti luxury brand.

But as a hybrid, it switches between a gasoline engine and an electric motor to deliver a more efficient drive, reducing emissions and boosting mileage.

"This premium car delivers both the highest quality mileage and the highest quality drive," Shiga told reporters.

The Nissan hybrid is packed with a lithium-ion battery, a kind that is more commonly found in gadgets like laptops. Nissan works with Japanese electronics maker NEC Corp. on the batteries.

Toyota Motor Corp.'s popular Prius hybrid uses nickel metal hydride batteries, although all automakers are experimenting with lithium-ion.

Nissan has not had a mass-produced hybrid in its lineup, except for the hybrid Altima sedan, sold only in the U.S., but that used Toyota's hybrid system.

Shiga said Nissan is working on other hybrid models, including smaller models, but declined to give details.

The arrival of the hybrid highlights how Nissan is trying to catch up with Toyota, a world leader in the technology, offering hybrid versions of its luxury Lexus models, as well as Honda Motor Co., which offers the Insight, Fit and CR-Z hybrids in its lineup.

In recent years, Nissan Chief Executive Carlos Ghosn has stressed Nissan's priority is in zero-emissions, embodied in the Leaf electric vehicle, set for delivery in December.

But he has also acknowledged that Nissan could not focus on some new technology when it was still struggling financially in the late 1990s and early 2000s, and was more intent on turning its business around.

Shiga brushed off reporters' questions about Nissan's foray into hybrids, and said the new car reflects continuous efforts to develop various green technologies and answer different customer needs.

"We hope the number of Nissan fans will grow around the world," he said.

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