

AUTOMOTIVE

BMW, Daimler form joint venture for mobility, ridesharing

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BMW and Daimler are looking to challenge Uber and other startups. Image credit: BMW/Daimler

By STAFF REPORTS

BMW and Daimler, two of the biggest names in luxury automotive today, have announced that they are joining forces to merge their urban mobility and car-sharing units.

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The two companies have both invested heavily in ridesharing services, smartphone applications for calling taxis and other on-demand mobility services. As car brands seek to compete with the likes of Uber and Lyft, this merger will allow them to pool their resources and present a stronger challenge.

"The BMW Group is shaping future mobility and striking out in new directions to do so. Our strategy Number One > Next provides the BMW Group with a roadmap to a digital and emission-free future," said Harald Krger, chairman of the board of management of **BMW AG**, in a statement. "Combining our mobility services as planned will create a unique digital ecosystem.

"This alliance will make it easier for our customers to discover the emission-free mobility of the future. We remain competitors when it comes to the best premium vehicles," Mr. Krger said. "The planned merger of our mobility services will pool our resources and sends a strong signal to our new competitors."

Joint venture

Ever since the rise of Uber, countless tech startups have arisen claiming to be revolutionizing the way people travel around urban areas.

Ridesharing apps, the sharing economy and rental cars are all effects of this movement.

To remain competitive against the slew of new brands and startups looking to cash in on this trend, BMW and Daimler have partnered up to pool their resources on mobility services.

The joint venture will be split equally between the companies, who stress that they will remain competitive in their core business of selling cars.

In the meantime, the two will work together on projects such as ridesharing, taxi apps and more.



BMW and Daimler will remain competitive outside of this agreement. Image credit: BMW

The two companies will focus on making urban mobility more luxurious, such as by offering customers electric and luxury car rentals and ridesharing. The services already owned by the two companies, such as Car2Go, Chauffeur Priv and more, will all be merged into one holistic platform.

"As pioneers in automotive engineering, we will not leave the task of shaping future urban mobility to others. There will be more people than ever before without a car who will still want to be extremely mobile," said Dieter Zetsche, chairman of the board of management of **Daimler AG** and head of Mercedes-Benz Cars, in a statement. "We want to combine our expertise and experience to develop a unique, sustainable ecosystem for urban mobility.

"At Daimler, we are vigorously and systematically pursuing our transformation from automobile manufacturer to provider of mobility services with our CASE strategy," he said. "CASE stands for connectivity, automated driving, sharing & services and electric mobility."

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