

AUTOMOTIVE

## Volkswagen AG streamlines vehicle software development

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Audi is one of the brands in Volkswagen's parking pilot. Image credit: Audi

By SARAH RAMIREZ

German automaker Volkswagen Group is investing in automation and electrification with the launch of a new unit dedicated to improving vehicle software and services.

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Moving forward, Volkswagen Group which sells luxury vehicles under marques including Audi, Bentley, Bugatti, Lamborghini and Porsche will be uniting numerous groups and digital ecosystems under the Volkswagen Automotive Cloud. As demand for automated or electrified vehicles builds, Volkswagen intends to standardize software and technology to better serve drivers.

### Speeding up software

By 2025, Volkswagen's new "Car.Software" unit will encompass more than 5,000 experts in software development, user experience, automated driving, ecommerce and more.

Currently, the unit includes 500 experts focusing on five key areas, including operating systems and connectivity, energy performance and mobility services. The unit's workforce is scheduled to more than triple by the end of 2020.



## *Volkswagen Group plans to streamline its software processes*

Although each brand within the group has its own models and identities, other features are commonplace. For instance, vehicles are equipped with infotainment systems that perform basic functions such as searches for electric charging stations.

By having a consistent software platform, Volkswagen will be able to cut costs while simplifying processes.

Less than 10 percent of Volkswagen's car software development is currently handled in-house, but this is expected to rise to 60 percent in the coming years. "Car.Software" is intended to reduce the group's reliance on strategic partnerships and acquisitions.

Earlier this year, Volkswagen Group became part of a collaboration to use blockchain to source materials for cars in a more sustainable and transparent way.

Originally launched in January and founded by partners including Ford Motor Company and IBM, the open group is working on a pilot program to trace cobalt from mines to end user. Volkswagen is making a commitment to responsible sourcing and transparency by continuing to invest in blockchain technology ([see story](#)).

### Luxury leaders

Volkswagen's subsidiaries are among the luxury leaders regarding vehicle technology.

German automaker Audi is seeking more alignment throughout the car industry's supply chains and greater electronic advancement through a special group.

Audi is one of the founding members of Semi Global Automotive Advisory Council, a group that includes more than 2,000 companies and focuses on advancing electronic developments. The automaker is taking its role in Semi one step further, joining its supply chain platform as the first auto original equipment manufacturer ([see story](#)).

Volkswagen Group expects to sell more than 10,000 connected vehicles each year.

Meanwhile, rival German automakers BMW Group and Daimler AG are heightening their partnership by working together to advance autonomous driving.

A new long-term strategic cooperation will see the partners join to tackle technologies geared toward driver assistance, autonomous highway driving and parking. The competitive groups are already working together on a joint mobility project, looking to pool their collective expertise and talent to tackle the changes happening in transportation ([see story](#)).