

AUTOMOTIVE

Mercedes-Benz moves to become fully electric by 2030

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CEO of Daimler AG and Mercedes-Benz AG, Ola Kllenius. Image credit: Mercedes-Benz

By LUXURY DAILY NEWS SERVICE

Germany's Mercedes-Benz is pledging to go all-electric by the end of the decade, becoming the latest automaker to commit to electrification.

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Positioning this as a shift from "electric-first to electric-only," Mercedes-Benz will have battery-electric vehicles (BEV) in all segments by next year. As part of its electrification push, the automaker is accelerating its R&D investments while focusing on its software-driven future.

"The EV shift is picking up speed especially in the luxury segment, where Mercedes-Benz belongs," said Ola Kllenius, CEO of Daimler AG and Mercedes-Benz AG, in a statement.

All-electric

By 2025, all new Mercedes-Benz vehicle architectures will be exclusively electric, giving drivers the ability to choose an EV alternative for every model.

Between 2022 and 2030, the automaker will invest more than 40 billion euros, or about \$47.1 billion at current exchange, in R&D for BEV.

As a result, investment in combustion engines and plug-in hybrid technologies will drop by 80 percent between 2019 and 2026.

"This step marks a profound reallocation of capital," Mr. Kllenius said. "By managing this faster transformation while safeguarding our profitability targets, we will ensure the enduring success of Mercedes-Benz."

We're committed to full and rapid electrification of our products. Catch up on all we announced at the Mercedes-Benz Strategy Update: <https://t.co/a6CSMpsk3k#MercedesBenz#MercedesEQ#AllElectric> pic.twitter.com/2wyIQt2Z0f

Mercedes-Benz (@MercedesBenz) July 22, 2021

Mercedes is ramping up its EV investments

Mercedes-Benz is also acquiring United Kingdom-based electric motor company YASA as part of its efforts to vertically integrate planning, development, purchasing and production.

The automaker plans to establish relationships with new European partners for cell manufacturing, future-proofing the continent's role in the electric era of the automotive industry.

Other priorities are expanding charging networks, including launching premium-charging sites in Europe; developing EV with greater ranges; carbon neutral production and ramping up electric-only manufacturing at its global facilities.

Mercedes' workforce will also be evolving through extensive re-skilling efforts to train employees on e-mobility. Worldwide, 3,000 new software engineering jobs will be created but the automaker also will be offering early retirement and buyouts in other areas.

Preparations to go fully electric are not a surprise as the automotive industry has been increasingly moving in that direction.

In March, Mercedes-Benz parent company Daimler AG announced plans to move forward with a structural realignment and acceleration toward electric mobility. In 2021, the automotive company plans to expand its offering of fully electric vehicles with four new models, as well as two new concepts for electrified vans ([see story](#)).

"Our main duty in this transformation is to convince customers to make the switch with compelling products," Mr. Kllenius said. "For Mercedes-Benz, the trailblazing EQS flagship is only the beginning of this new era."

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