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Mercedes-Benz secures battery production partner, eyes full EV transition by 2026

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Rock Tech Lithium Inc announced plans to produce high-quality lithium hydroxide for the automaker and its battery suppliers. Image credit: Mercedes-Benz

By LUXURY DAILY NEWS SERVICE

German automaker Mercedes-Benz is investing in its future fleet, using its foresight on sustainability in the auto industry to the cement resources necessary for the coming demand.



Rock Tech Lithium Inc announced plans to produce high-quality lithium hydroxide for the automaker and its battery suppliers. By way of the agreement, Mercedes-Benz takes a step closer to its goal of making an all-electric transition by the end of the decade.

"With the envisaged agreement, we intend to provide Mercedes-Benz not only with high-quality lithium hydroxide but also to establish a strategic partnership that is expected to set new standards in sustainable supply chains," said Markus Bruegmann, Chief Executive Officer at Rock Tech Lithium, in a statement.

Sustainability at scale

The luxury carmaker's latest strategic partnership is helping make EVs a reality.



New Mercedes-Benz sedan released last year includes EQ Power plug-in hybrid. Image credit: Mercedes-Benz

Rock Tech Lithium Inc's battery-grade lithium product is essential for high-performance vehicle batteries.

Following a commitment to ensuring all newly launched vehicle architectures from 2025 onwards are electric, Mercedes-Benz has entered an agreement spanning five years with the Canadian-German supplier, entertaining the option to extend at the contract's end.

"Mercedes-Benz plans to go all-electric by the end of this decade, wherever market conditions allow," said Markus Schaefer, chief technology officer of research & development and procurement and member of the board of management at Mercedes-Benz Group AG, in a statement.

"To scale up our electric vehicle production, access to raw materials is needed to improve the resilience and sustainability of the electric vehicle supply chain," he said. "With the Rock Tech partnership, we intend to take a direct sourcing approach to secure the lithium supply for Mercedes-Benz battery production."

Rock Tech Lithium Inc. aims to close a gap in lithium supply, making supply chains more resilient, to its luxury partner's ultimate benefit.

Reuters reports that less than 1 percent of the 250 million vehicles in the U.S. are electric, yet as consumers learn from the most recent gas price climb, several luxury automakers are announcing plans to go fully electric in the next decade, suggesting potential upcoming consumer demand explosions (see story).

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