

Daimler to offer electrified versions of all Mercedes 'by 2022'

FRANKFURT, Germany: The world's largest luxury carmaker Daimler plans to offer an electric or hybrid version of every Mercedes-Benz model within five years, its chief executive said this week.



"By 2022, we'll have the entire Mercedes-Benz product portfolio in electrified version as well, to offer a maximum of choices for our consumers," CEO Dieter Zetsche told investors. "The time is right."

The change will mean more than 50 vehicles bearing the Mercedes three-pointed star boast all-electric or hybrid drive.

With ever-more-capacious batteries and falling costs, it was "realistic to expect that by 2025, an electric driveline could be in the range of the cost of a combustion engine driveline," Zetsche said.

Meanwhile, Daimler will only offer fully electric versions of its Smart city cars by 2020 - "the first conventional car brand that will offer its entire portfolio with e-drive only," he added.

The electric transformation at Daimler won't happen at the flick of a switch.

Executives aim to find some €4bn (\$4.8bn) of savings to maintain the 10-percent margin Daimler achieved in 2016 and 2017 - despite lower profitability from electric cars.

"Half the margin of an ordinary car"

Electric vehicles only offer "half the margin of an ordinary car," financial director Frank Lindenberg said.

But Germany's automakers have been rattled by a diesel emissions cheating scandal, which has so far cost the world's largest car firm Volkswagen more than €20bn.

Suspicion has since fallen on other manufacturers, including Daimler.



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And executives and politicians have scrambled to avoid draconian measures to reduce air pollution, including mooted diesel driving bans in some cities.

While the worst appears averted, for now, most in Germany agree combustion engines are living on borrowed time as a "bridge technology" to future emissions-free vehicles.

European economic heavyweights France and Britain announced this year they plan to ban combustion engines from 2040.

And a surprise announcement from China - the world's biggest car market - that it was mulling a ban of its own has ramped up the pressure for carmakers, although Beijing has yet to name a firm date.

Source: AFP

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