

Amazon taps Rivian to build 100,000 custom electric delivery vans at its Illinois factory, starting in 2021

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Rivian, the startup electric truck manufacturer, will build 100,000 custom electric delivery vehicles exclusively for Amazon beginning in 2021, the companies said Thursday.

The huge order by Amazon represents a previously unrevealed commercial vehicle to be designed and built at Rivian's factory in downstate Normal, alongside the manufacturer's consumer-focused electric truck and SUV lines. Online retail giant Amazon is also a significant investor in Rivian.

"This has been in the works for some time," Rivian spokeswoman Amy Mast said Thursday. "The idea that you can marry consumer applications to these more commercial applications ... is just really exciting."

Target production is to have 10,000 electric delivery vans on the road for Amazon by late 2022, ramping up to the full 100,000 order by 2030. The first of the new vans are expected to begin delivering packages in 2021, the companies said.

Terms of the deal were not disclosed. Mast said Rivian will not sell the custom electric delivery vans to any other customers.

The Amazon order is just the latest boost for Rivian, a 10-year-old company which has yet to produce a single vehicle, but one that has generated significant buzz—and investment.

Last week, Rivian, announced a \$350 million equity investment from Cox Automotive. In April, Rivian announced a \$500 million investment from Ford, following a \$700 million investment round led by Amazon in



February. Amazon's share of that investment was \$440 million, the company said Thursday.

Amazon CEO Jeff Bezos revealed the Rivian van purchase Thursday as part of a newly formed climate change pledge for businesses to achieve net zero carbon emissions by 2040—a decade ahead of the Paris Agreement, from which President Trump withdrew.

"If a company with as much physical infrastructure as Amazon—which delivers more than 10 billion items a year—can meet the Paris Agreement 10 years early, then any company can," Bezos said in a news release.

The Amazon delivery vans will share a number of elements with Rivian's truck and SUV lines, Mast said, including battery, powertrain and the electrical network. The van's body, <u>interior design</u>, application software and suspension will be custom designed for Amazon.

"Those are all developed specifically for Amazon's last mile delivery operations, so that they fit seamlessly into Amazon's existing logistics network," Mast said.

Details on the van's size, charging capacity and performance will be released later, Mast said.

Amazon is projected to reduce carbon emissions by 4 million metric tons per year by 2030, when the full 100,000 electric <u>delivery</u> van fleet is on the road. Deliveries may get there a little quicker too, if performance is anything like Rivian's truck and SUV, which are expected to begin rolling off the production line in late 2020.

The company unveiled sleek prototypes of its electric pickup truck and SUV models last year. Rivian says the high-end model of its pickup, the



R1T, will be able to go from zero to 60 mph in about 3 seconds and travel up to 400 miles on a single charge.

There are currently more than 130 employees at the Normal plant as the automaker continues to gear up for production, Mast said.

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