

Chinese electric car brand NIO looks at expansion abroad

August 20 2020, by Joe McDonald



NIO Chairman William Li speaks during an event at the company flagship store in Beijing on Thursday, Aug. 20, 2020. The chairman of Chinese electric car brand NIO says it plans to start expanding to Western markets next year. William Li said the company might export a battery-swapping service already offered in China that might help it compete with rival Tesla. (AP Photo/Ng Han Guan)

Chinese electric car brand NIO plans to start expanding to Western markets next year and might export a battery-swapping service that could help it compete with rival Tesla, the company's chairman said Thursday.

NIO, founded in 2014, pushed back foreign plans due to the coronavirus pandemic, William Li told reporters. He said the company is studying which market to start in and how to structure its operations.

"Hopefully, in the second half of next year, we can start some small batch exploration in countries where EVs are popular," Li said. "We would like to start with European countries."

NIO Inc. is the most prominent premium-priced Chinese brand in a crowded electric vehicle industry with dozens of competitors including startups, state-owned automakers and joint ventures with foreign partners.

The ruling Communist Party has promoted electrics with multibillion-dollar subsidies that have made China the biggest EV market, accounting for about half of global sales. Subsidies were due to end but have been extended through 2022 to help producers weather the pandemic.

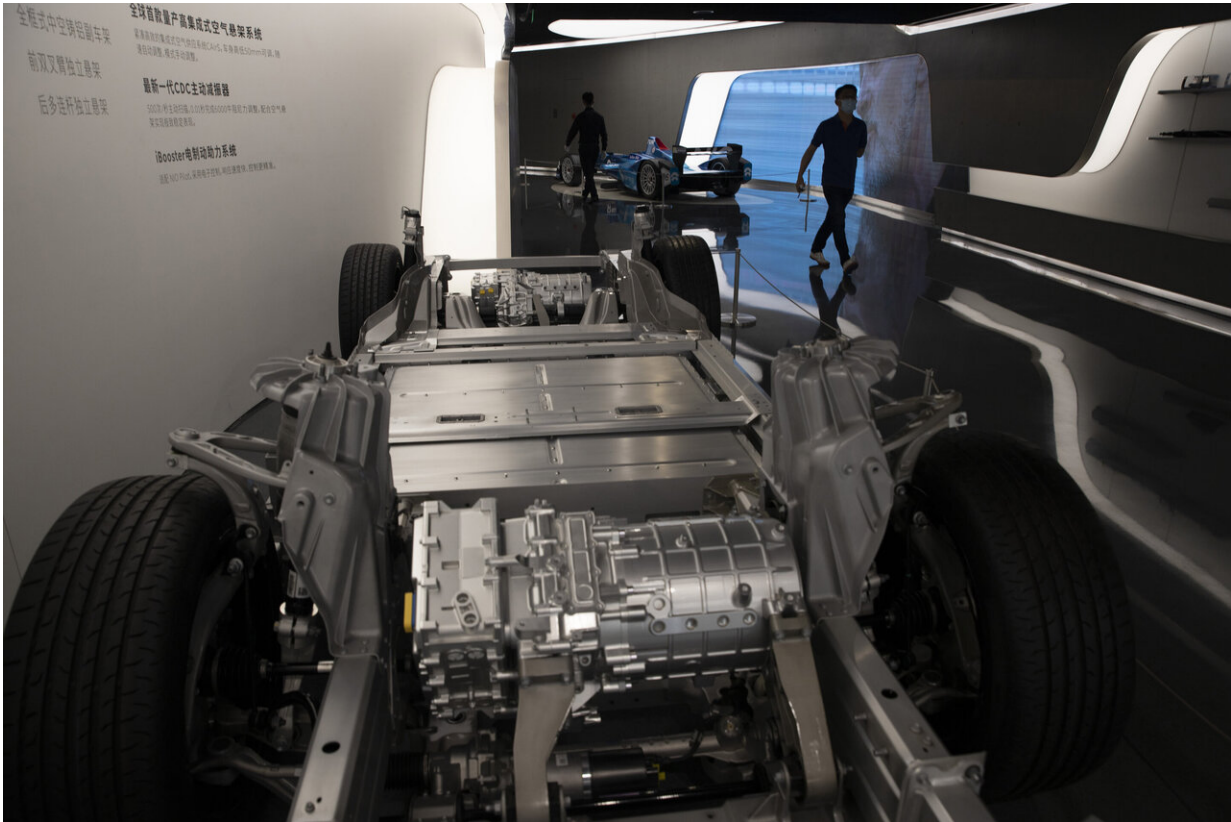
NIO, whose early investors included Chinese tech giants Tencent, Baidu and Lenovo, has struggled financially, but Li said the company is more stable as sales improve.



Visitors look at vehicles at the NIO flagship store in Beijing on Thursday, Aug. 20, 2020. The chairman of Chinese electric car brand NIO says it plans to start expanding to Western markets next year. William Li said the company might export a battery-swapping service already offered in China that might help it compete with rival Tesla. (AP Photo/Ng Han Guan)



A man lifts a child away from a race car displayed at the NIO flagship store in Beijing on Thursday, Aug. 20, 2020. The chairman of Chinese electric car brand NIO says it plans to start expanding to Western markets next year. William Li said the company might export a battery-swapping service already offered in China that might help it compete with rival Tesla. (AP Photo/Ng Han Guan)



Visitors wait past a vehicle chassis displayed at the NIO flagship store in Beijing on Thursday, Aug. 20, 2020. The chairman of Chinese electric car brand NIO says it plans to start expanding to Western markets next year. William Li said the company might export a battery-swapping service already offered in China that might help it compete with rival Tesla. (AP Photo/Ng Han Guan)



A child pose for photos near a race car displayed at the NIO flagship store in Beijing on Thursday, Aug. 20, 2020. The chairman of Chinese electric car brand NIO says it plans to start expanding to Western markets next year. William Li said the company might export a battery-swapping service already offered in China that might help it compete with rival Tesla. (AP Photo/Ng Han Guan)



NIO Chairman William Li speaks during an event at the company flagship store in Beijing on Thursday, Aug. 20, 2020. The chairman of Chinese electric car brand NIO says it plans to start expanding to Western markets next year. William Li said the company might export a battery-swapping service already offered in China that might help it compete with rival Tesla. (AP Photo/Ng Han Guan)

The company lost \$164 million in the quarter ending in June but said sales of its two SUV models, priced at up to 370,000 yuan (\$53,000), rose to a record 10,331. A third model, a coupe, goes on sale in September.

Li said a potential competitive advantage is NIO's service that allows owners to swap drained batteries instead of recharging them. The company has set up 143 battery-swap stations in cities including Beijing

and Shanghai.

Li said that if NIO decides to offer that service in Western markets, it could help the company compete with Tesla in crowded cities such as New York and Chicago where owners park in the street or cannot set up a charging point at home.

"A lot of people need this battery swap because they cannot install a charger at home," Li said.

More information: NIO Inc.: www.nio.com

© 2020 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed without permission.

Citation: Chinese electric car brand NIO looks at expansion abroad (2020, August 20) retrieved 8 May 2024 from <https://techxplore.com/news/2020-08-chinese-electric-car-brand-nio.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--