

Rivian teams with Mercedes-Benz on electric vans

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A Rivian logo is shown on one of the company's electric pickup trucks, Dec. 15, 2021, in Atlanta. Rivian and Mercedes said Thursday, Sept. 8, 2022, that they are teaming up to produce electric vans, starting in a few years. Credit: AP Photo/John Bazemore

U.S. electric vehicle maker Rivian is partnering with Mercedes-Benz to build a factory in Europe that will produce electric vans for both companies.

The companies announced a memorandum of understanding Thursday and plan to create a joint-venture to create the factory within a few years.

The companies are looking to produce two large vans, one based on VAN.EA, the electric-only platform of Mercedes-Benz Vans, and the other based on the second generation electric-van, Rivian Light Van platform.

The agreement comes two years after Amazon said it would buy 1,800 electric delivery vans from Mercedes-Benz. That was one year after Amazon, founded by Jeff Bezos, took a 20% stake in Rivian.

Now Rivian needs to scale up rapidly to prove to investors that it can produce enough vehicles to satisfy demand. It would need to more than double the production of its most recent quarter to reach its goal of 25,000 this year.

One thing Rivian has produced an abundance of is hype.

Within days of becoming a publicly traded company last year, Rivian briefly rocketed past Ford, then General Motors in [market capitalization](#) as investors eager to get in on a fast-growing EV manufacturer gobbled up its stock.



The logo of Mercedes is photographed at the annual news conference at the company's headquarters on Feb. 2, 2017, in Stuttgart, Germany. Rivian and Mercedes said Thursday, Sept. 8, 2022, that they are teaming up to produce electric vans, starting in a few years. Credit: AP Photo/Matthias Schrader, File

It was given \$1.5 billion in incentives this year to build a 7,500-job, \$5 billion electric vehicle plant east of Atlanta. It hopes to begin production at the plant in 2024 with the goal of producing 400,000 vehicles annually in Georgia.

But it has long lost its title as the second-most valuable U.S. car company behind Tesla. Global markets, including the U.S., have tumbled this year on larger, macro anxieties. High-growth, or potentially more risky companies, have suffered the most.

Shares of Rivian Automotive Inc. have plunged 65% this year. Tesla is down 19%. Rivian's stock jumped 8% Thursday.

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