

# Daimler, BMW to merge car-sharing, other digital services

March 28 2018, by David Mchugh

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In this Feb. 29, 2016 file photo a car2go car stands at the victory column in Berlin. Automakers Daimler and BMW have agreed Wednesday, March 28, 2018 to merge their transportation services businesses so they can expand their offerings in ride-hailing apps, car-sharing, parking and charging electric cars. Those businesses include car-sharing, an area where Stuttgart-based Daimler AG operates its car2go service and Munich-headquartered BMW AG has DriveNow. (Bernd von Jutrczenka/dpa via AP,file)

Automakers Daimler and BMW have agreed to merge their transportation services businesses so they can expand offerings in ride-hailing apps, car-sharing, parking, and charging electric cars.

The two companies said Wednesday they aim to become a "leading provider" of new ways to get around cities, where more people will see cars as a service they use when needed.

Those businesses include car-sharing, an area where Stuttgart-based Daimler AG operates its car2go service and Munich-headquartered BMW AG has DriveNow. Customers use a smartphone app to find and unlock cars parked on city streets and use them for short periods when needed.

Also part of the deal is Daimler's moovel startup, which allows users to book and pay for trains, cars, taxis and rental bikes. BMW's digital parking service enables ticketless, cashless on-street parking and helps users find spaces in garages.

The combined business would also offer charging services for battery-powered cars. So far, electric cars have only a small market share due to higher cost, limited range and lack of places to charge. Once electrics become as cheap or cheaper than conventional cars, their market share could expand quickly, and with it the demand for charging.



In this Feb. 26, 2014 file photo man sits in a Drive Now car sharing car in Berlin. Automakers Daimler and BMW have agreed Wednesday, March 28, 2018 to merge their transportation services businesses so they can expand their offerings in ride-hailing apps, car-sharing, parking and charging electric cars. Those businesses include car-sharing, an area where Stuttgart-based Daimler AG operates its car2go service and Munich-headquartered BMW AG has DriveNow. (Inga Kjer/dpa via AP)

The 50-50 joint venture requires approval from regulators. The companies did not say what its name, headquarters, or annual revenue would be, or what executives would run it.

Auto companies are developing services businesses to fend off competition from industry outsiders such as Uber and Lyft. Volkswagen has set up services company Moia, aiming to develop and offer on-demand mobility; General Motors is operating its Maven car-sharing app.

"As pioneers in automotive engineering, we will not leave the task of shaping future urban mobility to others," Daimler CEO Dieter Zetsche said in a statement. "There will be more people than ever before without a car who will still want to be extremely mobile. We want to combine our expertise and experience to develop a unique, sustainable ecosystem for urban mobility."

Daimler's Car2Go operates in more than two dozen cities and has more than 3 million registered users with access to 14,000 rental vehicles. At three locations—Stuttgart, Madrid and Amsterdam—the fleets are electric-only. BMW's DriveNow has a fleet of 6,000 cars in nine countries.

BMW shares were trading down 0.6 percent on the day at 85.26 euros while Daimler shares were off 0.5 percent at 66.14 euros in afternoon trading in Europe. German's DAX index was off 0.3 percent.

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Citation: Daimler, BMW to merge car-sharing, other digital services (2018, March 28) retrieved 2 April 2024 from <https://phys.org/news/2018-03-daimler-bmw-merge-car-sharing-digital.html>

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