

Volvo's electric car brand Polestar unveils first model

17 October 2017, by Joe Mcdonald

Volvo Cars' performance electric car brand, Polestar, unveiled a four-seat coupe in lightweight carbon fiber as its first model Tuesday, adding to competition in a market dominated until now by Tesla.

The hybrid Polestar 1 promises a range of 150 kilometers (95 miles) on a charge, with a gasoline-powered engine to supplement that if needed. It is due to be produced at a factory in western China and released in 2019.

Volvo, owned since 2010 by Chinese automaker Geely Holding, announced in July that it would make only electric and [hybrid vehicles](#) starting in 2019.

The Swedish [brand](#), known for comfort and safety, launched Polestar to allow a different identity based on "really sporty performance cars," said its chief executive, Thomas Ingenlath.

"There will be a clear difference between the two brands that add to each other in a very good way," Ingenlath, a former Volvo senior vice president for design, said in a phone interview ahead of the [model](#) debut in Shanghai.

The company says it will follow up with an all-electric model in 2019 and an SUV in 2021.

All manufacturers are moving toward more hybrids, but industry analysts say a transition to full-electric vehicles is years away.

Volvo has announced plans to release three all-electric models under its own brand by 2021.

The next Polestar model, the mid-size Polestar 2, is intended to compete with Tesla's Model 3, the company says. Ingenlath declined to give a price, but the Tesla starts at \$35,000.

Polestar will use an internet-based sales system

with a monthly subscription fee, Ingenlath said. The company says that service will include the ability to rent other Volvo and Polestar models.

The market also faces competition from General Motors Co.'s Chevrolet Bolt and BMW AG's electric brand, BMW i, which has released four electric models. Volkswagen AG's Audi unit plans an electric SUV next year.

Sales of fully electric and hybrid vehicles have risen but last year's total was only 2.6 million, or about 3 percent of the global market. Navigant, a research firm, forecasts that will rise to about 3.7 million in 2018 and to more than 9 million by 2025, or about 9 percent of sales.

Polestar expects China, where the government is promoting electric car development, to account for about one-third of global sales, according to Ingenlath.

China is the world's biggest market for electrics and hybrids. It accounted for 40 percent of last year's global demand with sales of 336,000 units—more than double U.S. sales of 159,620.

Geely also launched another new brand, Lynk & Co., in 2016.

More information: Polestar: www.volvocars.com/intl/cars/polestar

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