

Volkswagen Group's PowerCo, QuantumScape enter agreement to industrialize solid-state batteries

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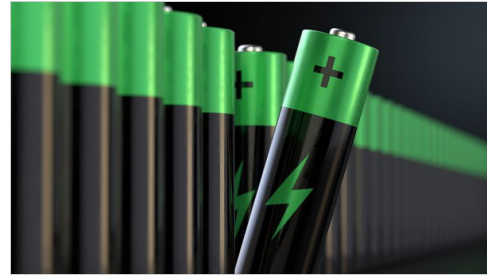
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PowerCo, the electric-vehicle battery company of the Volkswagen Group, has entered a strategic agreement with QuantumScape to begin commercial production of QuantumScape's next-generation solid-state lithium metal battery technology, the German automotive group said in a press release July 11. Solid-state batteries promise higher energy density than current liquid electrolyte batteries. The technology is seen as a major breakthrough in increasing driving range of EVs and support large-scale adoption of such vehicles.



Source: Getty Images/Andy

Under the agreement, PowerCo will receive a non-exclusive license to mass produce battery cells based on QuantumScape's technology platform, pending technological progress and certain license progress. PowerCo can manufacture up to 40 GWh per year using QuantumScape's technology, with an option to expand to 80GWh, enough to power one million EVs.

The latest agreement replaces an earlier joint venture between the VW Group and QuantumScape established in 2018. The German automaker owns 17% in QuantumScape. According to the two partners, the latest agreement creates "a highly collaborative partnership" that amplifies the companies' core competencies – QuantumScape's cutting-edge technology and PowerCo's global capabilities in industrialization and manufacturing facilities. Two partners will set up a large, dedicated team, comprising experts from both companies, to execute the industrialization activities.

"We want to redefine the future of battery technology, bringing the most sustainable and cutting-edge battery cells to our customers," said Frank Blome, CEO of PowerCo. "We have been collaborating and testing QuantumScape prototype cells for years now and we are looking forward to bringing this technology of the future into series production. QuantumScape's technology is poised to enter a pivotal stage where PowerCo's specialized expertise, resources and global factories can help facilitate the transition to industrial-scale production."

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