

REE Automotive and BorgWarner's Cascadia Motion partner for next- gen electric drive unit development

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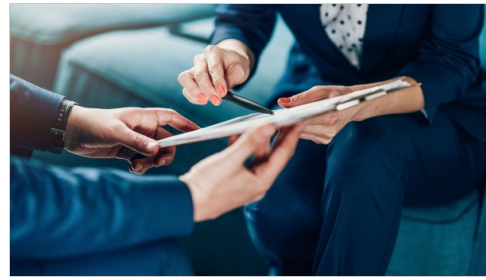
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REE and Cascadia Motion's collaboration aims to accelerate EV development with a compact, efficient EDU for OEMs

On Dec. 29, 2025, REE Automotive, an automotive technology company specializing in software-defined vehicle (SDV) technology solutions, signed a strategic, nonbinding memorandum of understanding (MOU) with Cascadia Motion, a subsidiary of BorgWarner. The MOU establishes cooperation in manufacturing, commercialization and sales of a next-generation electric drive unit (EDU) using REEcorner technology for electrification programs of global original equipment manufacturers.



Source: Getty Images Plus/VioletaStoimenova

The EDU product will be developed jointly by Cascadia Motion and REE, featuring Cascadia Motion's iM-125 drive unit integrated with REEcorner technology. The collaboration aims to offer a compact EDU to help OEMs accelerate electric vehicle development. It includes a phased commercial plan and a royalty-bearing agreement granting Cascadia Motion an exclusive, time-limited option to distribute the EDU. REE plans to provide Cascadia Motion with access to its existing EDU assembly line and resources, subject to final negotiations. The collaboration intends to support higher levels of functional safety, efficiency and market readiness with secure, stable over-the-air updates.

“Integrating Cascadia Motion’s iM 125 drive unit with REEcorner technology bolsters our portfolio of off-the-shelf electric drive solutions, providing our customers with even more flexibility in their electrification programs,” said Joseph McHenry, general manager of BorgWarner Portland and the Cascadia Motion brand. “This collaboration reflects our commitment to delivering innovative, ready-to-integrate drive units that help OEMs reduce development time and streamline vehicle launch.”

Daniel Barel, CEO and co-founder of REE Automotive, said that the MOU advances the company's three-year collaboration with Cascadia Motion, reinforcing its mission to transition the industry to software-defined, by-wire mobility.

Additionally, REE and Cascadia Motion will evaluate demand for complete SDV solutions, including stand-alone REEcorner units and software products. REE's zonal architecture aims to simplify design, reduce wiring and accelerate development of SDVs. REE's advanced system integrates seamlessly with legacy systems to enhance safety, performance and reliability. The MOU builds on REE's momentum as OEMs increasingly seek modern software-defined architectures for innovative vehicle configurations and ongoing improvement.

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