

Samsung Lee Jae-yong and Hyundai Motor Chung Eui-sun meet to foster the electric vehicle industry

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Samsung Group Vice Chairman Lee Jae-yong (left) and Hyundai Motor Group Executive Vice Chairman Chung Eui-sun (right)

Samsung Group Vice Chairman Lee Jae-yong and Hyundai Motor Group Executive Vice Chairman Chung Eui-sun will join hands to foster the electric vehicle industry.

The management of Hyundai Motor Group and Samsung Group visited Samsung SDI's workplace in Cheonan on May 13 and exchanged opinions on the situation and the directions for development of all solid batteries, those for next-generation electric vehicles, business sources said..

From the Hyundai Motor side, Executive Vice Chairman Chung Eui-sun, Albert Bierman, president of Hyundai and Kia's R&D headquarters, and Seo Bo-shin, CEO of the product division, visited the site.

Samsung's key executives related to electric vehicle batteries, including Jeon Young-hyun, CEO of Samsung SDI, Hwang Sung-woo, CEO of Samsung Advanced Institute of Technology, attended the meeting.

Business circles are paying attention to whether the meeting will lead to full-fledged cooperation among leading third-generation managers in Korea.

It is the first time that Vice Chairman Lee and Executive Vice Chairman Chung have held a solo meeting, although they have met with the heads of major conglomerates at the same time at government-invited events. Chung has never visited Samsung's operations.

Vice Chairman Lee and Executive Vice Chairman Chung had an evening meeting with Chairman Chey Tae-won of SK Group, Chairman Koo Kwang-mo of LG Group and Chairman Shin Dong-bin of Lotte Group, attended by Saudi Crown Prince and Deputy Prime Minister Muhammad bin Salman, who visited Korea on June 26 last year at Seungjiwon, Itaewon, the guesthouse of Samsung Group.

A solo meeting between the heads of Samsung and Hyundai Motor also took place in about two decades. When Hyundai Honorary Chairman Chung Ju-yung died in 2001, the then Samsung Group Chairman Lee Kun-hee visited the mortuary and Chairman Chung Mong-koo reportedly visited Seungjiwon to express his gratitude.



Hyundai Motor is expected to launch the next-generation electric vehicle in January next year. (Courtesy of Hyundai Motor)

For Samsung, if the "electric vehicle battery alliance" with Hyundai Motor becomes a reality, it would be an opportunity for electric vehicle batteries, a key business that Chairman Lee Kun-hee picked as one of the five new businesses in 2010, to take off.

Samsung SDI is working with European carmakers, but it does not supply products to Hyundai Motor, the No. 1 automaker in Korea.

Samsung SDI is preparing to supply Zen 5, a next-generation electric vehicle battery product, with the aim of next year.

Zen 5 has a driving range of more than 600 kilometers on a single charge, which is currently 20% higher than the current mass-production electric vehicle. In March, Samsung Electronics' Advanced Institute of Technology released the results of its research on an all-solid battery that can run 800 kilometers on a single charge and recharge batteries more than 1,000 times.

Hyundai Motor and Kia Motors are currently supplied with batteries from LG Chem and SK Innovation, respectively. At the end of last year, Hyundai and Kia selected SK Innovation as the battery supplier for pure electric vehicles, which are scheduled to be mass-produced starting in 2021.

About 500,000 electric vehicles will be supplied for five years from the end of next year, which will be worth about 10 trillion won (\$8.2 billion). At the time, Hyundai and Kia said that after the first round of the fourth order plan, other companies were also open to winning orders.

