

The New York Times: “As the Electric Vehicle Revolution Slows, Ferrari Enters the Race” [C1]

Sebbene la crescita delle vendite di veicoli elettrici sia diminuita negli ultimi mesi, la casa automobilistica di prestigio ha incrementato gli investimenti fissando obiettivi molto ambiziosi.

[Gliding](#) on robotic [haulers](#), a line of Ferrari [frames](#) manoeuvres through a [gleaming](#) new factory in northern Italy. At each station, engineers in cherry-red uniforms add a component — an engine block, a [dashboard](#), a [steering wheel](#)— as they transform the bodies into hybrid vehicles. Up next: fully electric. A lot is riding on Ferrari’s 200-million-euro e-building, which went into operation last month and is nearly twice the size of Rome’s Colosseum. The factory is intended to bring the seventy-seven-year-old sports-car maker, known for the sonorous vroom of its gas engines, into the age of electrification. But the effort comes at a precarious time for the auto industry. The transition to electric vehicles, which was supposed to quickly [usher in](#) an era of climate-friendly transport, has instead been [squeezed](#) by costly investments and slowing global demand. Other luxury carmakers have struggled to go electric: Mercedes-Benz and Lamborghini have reduced their ambitions, Tesla on Tuesday reported declining [second-quarter](#) sales, and Ford Motor said in April that it would [shift](#) production to more hybrids as EV (electric vehicle) losses [piled up](#). A growing [trade war](#) between China and the West also threatens [to stifle](#) growth. Despite the challenges, Ferrari sees an opportunity in the industry’s inevitable march toward electrification to reach a new consumer: the wealthy environmentalist. It intends to unveil its first fully-electric model in the fourth quarter of next year. As part of its strategy, the carmaker [has enlisted](#) LoveFrom — the agency founded by Jony Ive, Apple’s former design chief, and industrial designer Marc Newson — [to hone](#) the car’s appearance. There is plenty of mystery [shrouding](#) the [yet-to-be-named](#) car, including its battery life and what it will sound like. The company has not disclosed its look, production run or [price tag](#). But it could be one of the most expensive EVs on the market, analysts say, surpassing Porsche’s \286,000 Taycan Turbo GT. Ferrari’s [foray](## "incursione") into electric will be notable for other reasons. Regulators may be pushing EVs,

but there is [lingering](## "persistente") skepticism in the marketplace. Winning over fans of combustion engines will not be easy — even for Ferrari. And the industry is desperate for an automaker — any automaker — to prove that EVs can drive big profits. “It’s worth watching whether a Ferrari EV can maintain the kind of price premium you’d associate with a Ferrari,” said Martino de Ambroggi, an automotive analyst at Equita, an investment bank in Milan. “Often, a Ferrari [purchase](## "acquisto") is also viewed as a kind of investment. Only after a few years will we see if that investment in an electric Ferrari [holds up](## "reggere”).” Ferrari CEO Benedetto Vigna is doing his best [to keep the market in anticipation](## "mantenere in anteprima") In an interview last month in the new plant, he said the company would commence full-scale EV production by early 2026. By 2030, electric and hybrid cars will make up as much as 80 per cent of Ferrari’s annual [output](## "produzione") as the company seeks to meet [stringent](## "severi") European Union emissions mandates. In the meantime, the e-building [will roll out](## "produrre, commercializzare") two models: the SF90 Stradale, a plug-in hybrid, and the combustion engine Purosangue. Ferrari does not need an EV [to pad](## "gonfiare") its [bottom line](## "riga finale del bilancio"). Under Vigna, a former executive at chipmaker STMicroelectronics who took the [helm](## "timone") nearly three years ago, the company [has been on a tear](## "andare a gonfie vele"). The [stock](## "azioni, titoli") is one of the best performers in Europe this year, giving it a roughly \)75 billion market valuation, higher than that of Ford or General Motors. Profits are [soaring](#) alongside prices at Ferrari, which makes some of the most expensive cars on the planet. There’s a three-year waiting list for some models. Ferrari’s success over the years on the Formula One track has also led to a lucrative corporate sponsorship and merchandise business that has transformed it into a luxury brand with a sporty [flair](#). Ferrari’s [prancing horse](#) logo can be found on [high-end apparel](#) such as a cashmere sweater that costs 790 euros (about \$850). Vigna sees the EV as part of the company’s growth strategy, despite the industry’s slowdown. “There are some potential clients — I have them clearly in mind — who will never become part of the family unless there is an electric car,” he said. But challenges [loom](#). Enthusiasts who had gathered outside the factory gates last month wondered: Will it look, handle and sound like the classic Ferrari

[growler](#) or have the [understated whine](#) of most EVs? “When you think of a Ferrari, it still has that kind of engine sensation, and you also think of the [roar](#),” de Ambroggi said. “I don’t know how Ferrari resolves this.” Vigna [fields](#) that question often, especially from long-time customers, or Ferraristi. They seem to be channeling the deceased founder, Enzo Ferrari, who once [broke down](#) in the simplest terms how he built some of the fastest cars on the planet: “I build motors and attach them to wheels.” Vigna’s EV [pitch](#) has a different ring. “The electric engine will not be silent,” he said. “There are ways to make sure that the emotion comes through from driving an electric Ferrari that is the same as when you drive a hybrid or when you drive a thermal Ferrari.” Battery life is another puzzle piece. Because Ferraris often sell for a higher price on the secondary market, the concern about battery degradation, and its impact on the long-term value of the car, may be felt more acutely by the Ferraristi. “The EV transition raises a whole lot of new issues for them in terms of how you maintain the vehicle,” said Stephen Reitman, an auto analyst at Bernstein. And then there is the matter of price. Last month, Reuters reported that the car would cost at least 500,000 euros. Vigna [pushed back](#) on the speculation, saying it is too early to talk price. Ferrari still follows its founder’s principle for producing a limited number of extremely expensive cars. Ferrari made fewer than 14,000 last year; even with the e-building, production is not expected to increase much at the start. The limited numbers may explain why fans make the [pilgrimage](#) to Maranello hoping to catch a glimpse of a Ferrari, either on the company’s Formula One test track or near its red brick factory. Knowing demand is high, Vigna has increased the base price of most models more than 25 per cent. “Ferrari consistently sells less than the market demands, leading to a multi-year order book,” said Reitman. With a profit margin of nearly 30 per cent, Ferrari’s business more resembles that of a luxury brand such as Hermes or Rolex, analysts say. Vigna is already thinking about how to market the new EV. The target customer probably will not be buying the car for purely practical or even planet-saving reasons, he said, adding, “The emotional part of the brain is driving the [purchase](#).” **Published in The New York Times on 6 July, 2024. Reprinted with permission.**

Glossary

- **squeezed** = spremere
- **price tag** = etichetta del prezzo
- **holds up** = reggere
- **high-end apparel** = capi di abbigliamento di alta gamma
- **growler** = ringhio
- **fields** = rispondere
- **gleaming** = scintillante
- **steering wheel** = volante
- **second-quarter** = secondo trimestre
- **has enlisted** = ingaggiare
- **stock** = azioni, titoli
- **soaring** = aumentare
- **understated** = sottile
- **Gliding** = planare
- **usher in** = dare inizio a
- **trade war** = guerra commerciale
- **to stifle** = soffocare
- **shrouding** = avvolgere
- **prancing horse** = cavallino rampante
- **whine** = gemito, lamento
- **haulers** = camion
- **to hone** = perfezionare
- **helm** = timone
- **broke down** = spiegare
- **piled up** = accumularsi
- **foray** = incursione
- **to keep the market in anticipation** = mantenere in anteprima
- **roar** = ruggito
- **pilgrimage** = pellegrinaggio
- **dashboard** = cruscotto
- **stringent** = severi
- **will roll out** = produrre, commercializzare
- **to pad** = gonfiare

- **loom** = incombere
- **pitch** = proposta promozionale
- **shift** = spostare
- **yet-to-be-named** = dal nome ancora da definire
- **lingering** = persistente
- **output** = produzione
- **bottom line** = riga finale del bilancio
- **has been on a tear** = andare a gonfie vele
- **frames** = telai
- **purchase** = acquisto
- **flair** = stile
- **pushed back** = respingere