## Game Changer

Z Claire Quinn

Tesla's plan to put out a mass produced affordable electric car has arrived, welcome to the future.

rom their headquarters in Los Angeles this spring Tesla motor company founder and CEO, Elon Musk, took to the stage to unveil the new mass-market, Tesla model 3. This much-awaited car is the latest release from the dynamic Electric Vehicle (EV) sector. Positioning the car as an environmental gamechanger Musk explained, "We have record CO2 levels, recently passing 403 parts-per million. The last time there was this level of carbon concentration it was 11 million years ago. It's very important to accelerate the transition to sustainable transport."

To do this Tesla recognised the need to deliver a breakthrough vehicle that is fast, stylish and performance focused: enabling electric cars to fully enter the mainstream market. The Tesla Model 3, electric saloon will go head-to-head with the established big sellers in the compact executive car class, counting cars like BMW's 3 Series, Audi's A4 and the Mercedes C-Class as rivals. Unlike its rivals the Model 3 is powered solely by advanced lithium ion batteries and an all-electric powertrain. This is the latest innovation in a market that is fast becoming a quiet revolution. New research by Bloomberg New Energy Finance suggests that further, big reductions in battery prices >



18 New European Economy



New European Economy 19

lie ahead, and that during the 2020s EVs will become a more economic option than petrol or diesel cars in most countries. Recent studies also forecast that sales of EVs will hit 41 million by 2040, representing 35% of new light duty vehicle sales. This would be almost 90 times the equivalent figure for 2015, when EV sales are estimated to have reached 462,000, 60% up on 2014.

If projections are correct then the EV sector needs to invest heavily in research and design so that capability and style can surpass that presently offered by its fossil fuelled counterparts. This is exactly what Tesla has increasingly focused on. In the first quarter of 2014 the company spent a staggering \$81.5 million USD on research and development and about half as much again in the same period of 2015. It costs money to make expensive technology cheap and this perceived overspend leads directly to the technology needed if we are going to step away from fossil fuelled cars.

The fruits of such an expensive endeavor are the Model 3 itself. This cutting edge EV offers power and style whilst maintaining impeccable environmental credentials. It has a minimum range of 215 miles on a full battery

and can shift from 0-60mph in just six seconds. Faster versions and improved battery duration are promised to follow. With its electrical equipment taking up so little space the Model 3 offers two boots, front and rear. The space continues on the inside with the Model 3 comfortably seating five adults. Having moved the instrument panel and front seats forward

in 2006. First came the Tesla Roadster, an expensive low-volume car intended to show the world how compelling electric vehicles could be. Step two: The Model S, a mid-production, not-quite-so-expensive car show-casing the practical and positive qualities of electric car ownership. Now in Spring 2016 we have step three: A high end but affordable

## "THIS CUTTING EDGE EV OFFERS POWER AND STYLE WHILST MAINTAINING IMPECCABLE ENVIRONMENTAL CREDENTIALS."

we're promised better legroom, even for taller passengers. All Model 3s will come standard with Autopilot hardware," Musk explains, "and all Autopilot safety features will be present in every car."

Unlike other global car giants Tesla's latest release isn't just another design in their portfolio of cars. The Model 3 was always part of Musk's plan from the company's inception

mass-market, electric car in the guise of the Tesla Model 3.

The car's current release date is the end of 2017 and with a starting price of \$35,000 (£24,400) in the US, pundits have predicted a surge in orders. In-line with media interest and predictions Tesla CEO, Elon Musk, recently tweeted that total global pre-orders had already reached 276,000. ❖



20 New European Economy