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## **Automotive News Europe**

## Ford to make EV technology patents available to rivals



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DETROIT -- Ford Motor Co. is following Tesla Motors in opening up hundreds of patents on electric-car technology to competitors in a move aimed at accelerating development of electrified vehicles.

Ford's plan differs from Tesla's, though, in that Ford is licensing its patents for a fee, whereas Tesla last year made its patents available to anyone for free.

"Innovation is our goal," Kevin Layden, director of Ford electrification programs, said today in a statement. "The way to provide the best technology is through constant development and progress. By sharing our research with other companies, we will accelerate the growth of electrified vehicle technology and deliver even better products to customers."

Ford said it has more than 650 patents and about 1,000 pending patent applications related to hybrid and plug-in vehicles. The automaker said it filed more than 400 patents for those technologies last year alone, accounting for more than 20 percent of its 2014 filings, and plans to hire 200 more electrified-vehicle engineers this year to further its research in that area.

Among the patents Ford is making available are ones covering a method for extending battery run time and overall life, a technology to maximize the amount of energy recaptured through regenerative braking, and a system that monitors a person's driving and provides feedback on how to improve fuel economy.

## **Obtaining patents**

Ford said its patents can be obtained through its technology commercialization and licensing office or through the AutoHarvest Foundation, a nonprofit that Ford helped found in 2012. Ford has previously made some patents, such as one for inflatable seat belts, available for licensing through AutoHarvest, as have other automakers and suppliers.

A Ford spokesman said pricing for the patents varies, with "some in the hundreds and some in the thousands." More specific dollar figures were not immediately available.

The news comes nearly a year after Tesla CEO Elon Musk surprised the industry by releasing its patents into the public domain for free. In doing so, Tesla gave up significant potential licensing revenue in the hopes of promoting wider acceptance of electric vehicles and thus becoming a more successful company in the end. It also encourages other companies to adopt standards that Tesla developed, which would help position itself as the leader in such technology and benefit its customers.

"Our true competition is not the small trickle of non-Tesla electric cars being produced, but rather the enormous flood of gasoline cars pouring out of the world's factories every day," Musk wrote in a <u>blog post</u> announcing the move.

"Technology leadership is not defined by patents, which history has repeatedly shown to be small protection indeed against a determined competitor, but rather by the ability of a company to attract and motivate the

world's most talented engineers. We believe that applying the open source philosophy to our patents will strengthen rather than diminish Tesla's position in this regard."

Musk was later asked if there was a licensing process required to access the patents. "No. You just use them," he said. "Which I think is better because then we don't need to get into any kind of discussions or whatever."

## Not popular

Despite enormous hype while cars such as the Chevrolet Volt plug-in hybrid and all-electric Nissan Leaf were under development, electrified vehicles have not proven popular among U.S. consumers. Alternative-power vehicles represent just 1.6 percent of total industry sales in 2015 through April, according to the Automotive News Data Center. The Toyota Prius accounts for almost two-thirds of the volume in that segment.

Yet automakers continue to roll out more nameplates as they work to meet rising fuel-economy standards.

"If you look at the growth in nameplates and models, it has been incredible and yet the percentage of the industry has actually declined year-over-year," Joe Hinrichs, Ford's president of the Americas, said in an April 30 interview. "So that's one pressure point. You just have so many models and no growth."

Ford currently offers six hybrid or fully electric vehicles. Its C-Max, the only Ford vehicle offered exclusively as a hybrid, has been among the company's slowest sellers.

The cost of electric vehicles is a big reason they haven't caught on, as the technology remains relatively expensive to produce on a small scale. Lower gasoline prices have made them even less practical from a financial perspective.

"As an industry, we need to collaborate while we continue to challenge each other," Ford's Layden said. "By sharing ideas, companies can solve bigger challenges and help improve the industry."



The Focus EV is one of Ford's six fully electric or hybrid vehicles.

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