

Starting up

- Which car manufacturer do you think is investing the most in electric vehicles?
- What solutions have you read about for charging the batteries of electric vehicles?

Reading

Volkswagen is planning to increase its investment in developing electric vehicles. To find out more, read the article and then answer the questions that follow.

Pre-reading vocabulary

To help you with some of the vocabulary in the article, match the words and expressions (1-11) with their meanings (a-k).

- | | |
|--------------------------------|--|
| 1 free up (para 1) | a forming an essential part of something |
| 2 massively (para 1) | b when something makes money |
| 3 procurement (para 3) | c produce or create something |
| 4 profitable (para 5) | d on a very large scale |
| 5 generate (para 5) | e placed to be used |
| 6 fund (para 5) | f the process of obtaining equipment or raw materials for an organisation |
| 7 margin (para 6) | g provide money for |
| 8 damages (para 8) | h the amount of charge left in a battery after it has been used a lot |
| 9 integral (para 10) | i money that a court orders a company to pay because they have caused harm or loss |
| 10 deployed (para 12) | j the difference between the cost of producing something and the price that it is sold for |
| 11 residual capacity (para 14) | k make available |

VW targets €2bn in savings by 2025 to accelerate electric cars push

¹Volkswagen will deliver €2bn in cost savings by 2025 as part of an effort to free up cash to “invest massively” in electric cars.

²VW will deliver the savings through its newly formed components brand, which produced more than 10m combustion engines and 8m gearboxes last year.

³Stefan Sommer, a board member who oversees procurement, said on Friday the components brand is now aiming to be a leader in batteries.

⁴“Group components is going to take complete responsibility for the battery — from the development of cell production competence through to recycling,” he said. “This is a key step for the entire group.”

⁵VW’s announcement of cost savings through its components arm came a day after Audi, its most profitable unit, set its own target to generate an additional €15bn by 2022 for investment in future technologies.

⁶“The goal of the Audi Transformation Plan is to generate an extra €15bn over five years on top of what we had planned before to fund electric mobility, new products and increase our margin,” an Audi spokesman said on Thursday.

⁷“We will achieve this by cutting costs on one side and by increasing our price and market position.”

⁸Three-and-a-half years after the VW Group was caught cheating emissions tests in the US, costing it \$30bn in damages so far, the group is now investing more in electric mobility than any other carmaker.

⁹Chief executive Herbert Diess said in November that the 12-brand group would spend €30bn over five years in an effort to produce as many as 3m electric vehicles a year by 2025.

¹⁰VW’s components group will be integral to this effort.

¹¹The components business is already spending 40 per cent of its investments on electric mobility, up from just 5 per cent a few years ago.

¹²The components brand announced on Friday it will begin mass-production of its “flexible fast charging station” in 2020. The station, a giant “powerbank” similar to portable chargers used to top up mobile phones, charges four vehicles at the same time. They can be deployed where infrastructure is lacking or for special events.

¹³VW said the stations will provide a “second life” for electric vehicle batteries, similar to how BMW is using old batteries to create a “battery farm” to power its factory in Leipzig.

¹⁴“When a vehicle battery has reached a defined, reduced residual capacity, it will be replaced. If this battery then passes a thorough analysis, it can be reused in a mobile charging station,” VW said.

¹⁵The power stations will be built in Hannover, making it the fourth site in Germany to produce electric mobility parts. In Braunschweig (Brunswick), VW develops battery cells; in Salzgitter and Kassel it will produce electric motors.



Reading comprehension

Based on the information in the article, find answers to the following questions.

- 1 Why is Volkswagen looking for extra cost savings?
- 2 What is Volkswagen's Group Components Brand responsible for?
- 3 What is Volkswagen's subsidiary Audi aiming to achieve over the next few years?
- 4 How does Audi intend to achieve this?
- 5 What happened to Volkswagen three and a half years ago?
- 6 What are Volkswagen's objectives as far as electric vehicles are concerned?
- 7 What proportion of Volkswagen's components group investment is currently spent on electric mobility?
- 8 What is the flexible fast charging station?
- 9 How is the flexible fast charging station powered?
- 10 Which sites in Germany will Volkswagen use for producing electric mobility parts?

Grammar – future with *will* and *going to*

- 1 There are a lot of examples in the article of the use of *will* to express future opinions and intentions, as well as statements of fact about the future.
e.g. *Volkswagen will deliver €2bn in cost savings by 2025...* (para 1).
Find eight more examples of this use of *will*.
- 2 Find one example of the use of *going to* used as an expression to describe future plans.

Discussion

- 1 Volkswagen is putting most of its efforts and much of its money into investing in electric mobility. Do you think this is the right strategy? Or is it doing it partly to compensate for its actions in 2015 when it was caught cheating emissions tests in the US?
- 2 What do you think of Volkswagen's flexible fast charging stations powered by old electric vehicle batteries? What other solutions do you know about for charging electric vehicles?

ANSWER KEY**Pre-reading vocabulary**

- 1 k
- 2 d
- 3 f
- 4 b
- 5 c
- 6 g
- 7 j
- 8 i
- 9 a
- 10 e
- 11 h

Reading comprehension

- 1 Because it wants to make more money available to invest in developing electric cars.
- 2 It produces engines, gearboxes and batteries for electric vehicles.
- 3 It is aiming to generate an extra €15 billion for investment in future technologies, especially electric mobility.
- 4 By cutting costs and also by increasing prices and its market position.
- 5 The VW Group was caught cheating emissions tests on diesel vehicles in the US, which cost it \$30 billion in damages.
- 6 Volkswagen intends to invest €30bn over five years in an effort to produce as many as 3m electric vehicles a year by 2025.
- 7 40 per cent.
- 8 The flexible fast charging station is a giant “powerbank” similar to portable chargers used to top up mobile phones. It can charge four vehicles at the same time.
- 9 By old batteries from electric vehicles which still have some residual capacity.
- 10 Hannover, Braunschweig (Brunswick), Salzgitter and Kassel.

Grammar

- 1 VW will deliver the savings through its newly formed components brand... (para 2)
We will achieve this by cutting costs... (para 7)
VW’s components group will be integral to this effort. (para 10)
The components brand announced on Friday it will begin mass-production of its “flexible fast charging station” in 2020. (para 12)
... the stations will provide a “second life” for electric vehicle batteries... (para 13)
When a vehicle battery has reached a defined, reduced residual capacity, it will be replaced. (para 14)
The power stations will be built in Hannover... (para 15)
... in Salzgitter and Kassel Volkswagen will produce electric motors. (para 15)
- 2 Group components is going to take complete responsibility for the battery... (para 4)

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