

Protean Electric: Innovation upon innovation

The business environment in March 2020 was, for many firms, the gloomiest in over a decade. A global economic slowdown caused by trade disputes and political issues¹ was made worse by the spread of COVID-19, and stock markets tumbled in response. One sector that was expected to weather the storm better than most was electric vehicles (EVs), given that another factor contributing to the turbulence was a recent surge in public concern over climate change, sparked by headlines ranging from unprecedented wildfires in Australia² to damaging floods in Britain³. In response, national and local governments were expected to continue tightening regulation and increasing taxes on traditional fossil fuel-powered internal combustion engine vehicles (ICEs).

Andrew Whitehead, CEO of Protean Electric, a pioneer in the EV sector, was nevertheless facing a number of challenges. In the short term, the company, based in Farnham, Surrey – just south of London – had seen its operations disrupted by travel restrictions to China, the headquarters of its parent, the Evergrande Group. Following Protean's acquisition by Evergrande in June 2019, Whitehead had become accustomed to spending a significant amount of his time in China, where the company's new development and production facilities were being built.

As China was the first country battling COVID-19, the economic crisis resulting from the outbreak, along with the reduction of Chinese government subsidies for EVs, had resulted in a sudden and steep decline in EV sales in China, by far the world's largest market. In the medium term the company had to decide whether to abandon some of the market niches in which it had acquired its first customers and, instead, concentrate exclusively on establishing its position within Evergrande's portfolio of EV products.

Founded in 2008, Protean was a pioneer of in-wheel motor (IWM) technology. Instead of simply replacing an ICE with an electric motor and inverter, Protean designed integrated electric motor and inverter units that were mounted inside either two or four of a vehicle's standard road wheels. "We cannot just ride the electric wave. We are attempting to introduce a new vehicle design, and so we have to bring about a shift in thinking and technology," commented Whitehead. Although still operating in start-up mode, Protean had recently acquired its first customers in specific market applications: local pod transport and refrigerated trailers. Evergrande, a Chinese property developer based in Shenzhen, had acquired Protean and many other EV companies as part of a sweeping and radical vision to become "the world's biggest and strongest electric vehicle group within three to five years."⁴

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