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The market speaks – against electric vehicles

Ford lost $3.7 billion on its EV sales

By Joshua Antonini | December 2024

The entirety of Ford's normal vehicle profits was undone by its losses on electric vehicles.

Ford's 2024 Q3 Earnings Presentation delivers the details: The year-to-date losses on Ford's EV business (what the company calls "Ford Model e") totaled $3.7 billion. Profits from Ford's "Model Blue" division, which sells traditional internal combustion vehicles, also happened to be $3.7 billion.

This past quarter, Ford reported losses of $1.2 billion on its EV business. Energy reporter Robert Bryce calculated that Ford likely lost almost $60,000 for every electric vehicle it sold this past quarter. "Ford has been hemorrhaging cash on EVs for the past two years," Bryce wrote. "It lost $4.7 billion on EVs in 2023 and $2.2 billion on EVs in 2022."

> **"Taxpayers should not cover the cost of luxury vehicles."**

General Motors is having problems as well. The company missed its EV production goals by half last year due to issues with the battery technology.

Stellantis CEO Carlos Tavares won't be deterred by the massive losses.

The company's dealers recently told the Detroit News that monthly sales have in some cases turned down by 50% or more compared to previous years. The Stellantis dealer council has complained to Tavares twice this year about these problems, but the objections apparently fell on deaf ears. A true climate ideologue, Tavares is not deterred by his company's colossal failures. "We want to be on the right side of history," Tavares said at the Paris Motor Show last month.

Of course, he also admits his company needs to lobby for government subsidies "so that they don't have to push the EVs in the mouth of consumers that may not be so excited about it."

"Not so excited about it" is an understatement. A Gallup poll from March found that 48% of respondents would not consider buying an electric vehicle – a number up 7% from the year prior – while a McKinsey reported in June that 46% of Americans who owned electric vehicles were very likely to buy a gas-powered vehicle next time.

What is actually happening seems plain. We don't want to spend our money on electric vehicles, so the Biden-Harris and Whitmer administrations take our

Continued on back

money and give it to motor companies to build them anyway. This is done in the name of saving the planet, when the actual climate impacts of these policies are too small to measure.

This is not to say that electric vehicles are bad. They're interesting pieces of technology which will certainly garner interest and demand into the future. Current electric vehicles are luxury items, gimmicks that owners appreciate as fun (albeit expensive) toys. As the market works to lower their prices and as charging infrastructure grows, electric vehicles may find more of a place in the market. But an "EV transition," in which electric vehicles make up 100% of the market (as ruled by bureaucrats in California) or even 50% (the Biden-Harris administration's goal) by 2035 – a little over a decade– is delusional. Taxpayers should not cover the cost of luxury vehicles.

In the overwhelming majority (89%) of households with electric vehicles, the EV is not the only vehicle. In fact, 81% of these households have a second, gas-powered car.

It is morally wrong to take the earnings of working families and give it to motor companies so that someone else can get a better deal on a second car. It doesn't become right just because progressives do it in the name of climate change.

Available online at: www.mackinac.org/v2024-36

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