

Peter Rawlinson on Bloomberg
Interview with Peter Rawlinson and Ed Ludlow
May 25, 2021

Ed Ludlow: Lucid motors is pretty far behind its original schedule. The company caught investors' attention in August, when it said its debut EV, the Lucid Air, could do more than 500 miles on a single charge. Production was supposed to start by the end of 2020. The timeline slipped, when, well, COVID hit.

Peter Rawlinson: COVID's wreaked havoc with our process. There's always gonna be weak links when you've got an international supply base of notionally around 250 suppliers.

EL: In February, Lucid did a deal with Churchill Capital, a blank check company that lets Lucid list as a public company, and will generate more than \$4 billion cash. But Lucid also agreed to delay the start of production because Churchill had quality control concerns. The net result: Lucid will build just 577 cars this year.

PR: It was so important to get the quality right. And it was so important to be responsible as a public company to under promise and over deliver, because it will kill us if we launched this anything other than top quality or kill the brand.

EL: Rawlinson says 20,000 units next year is realistic, but before customers get behind the wheel, more testing is needed.

PR: We're assessing them for quality, integrity of systems, finessing and developing software developing the ADAS and AD. We're developing ride handling.

EL: To get an idea of how much progress Lucid's making, we asked the company's CEO to take us for a ride. How much is the pace of pre-production in your hands right now?

PR: Some of it is in our control, some of it is frustratingly with some suppliers who are falling behind.

EL: Lucid has a plant in Arizona that's near completion and has hired hundreds of staff.

PR: It's a very fluid situation. I don't see improvement, right, right now, frankly, and that's why we're putting in further mitigation actions in right now. We're looking at alternative chips.

EL: The company has also tweaked the cost, performance, and cut weight. The debut version will have more than 1000 horsepower, my ride had a mere 800. [video shows Ed's ride] Well, that is sort of, it's head to the back of the headrest kind of stuff. Okay, so Lucid's prototypes are fast, but getting into serial production has been a challenge for Lucid, not quite lived up to the hype of being a potential challenger to Tesla, or the German car makers in the luxury space. Rawlinson was the chief engineer on Tesla's Model S. His old boss, Elon Musk, has been repeating the same line for a while now: prototypes are easy, production is hard. Do you agree with him?

PR: I think that to do a mediocre prototype is easy. To do a prototype of something which is really pushing the envelope and world class with world class technology can be super hard. And I think putting that into production, yeah, has its own challenges - undeniable.

EL: Do you think that is that line that he says is directed at you guys specifically? Interesting. Lucid is inching closer but it's still not revealed an official start of production date.

PR: We're going to continue building cars, and we will grind away at the quality. And when as a team, we will decide: look, we finally got to this stage, this car passes the test.

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