

Renault-Nissan-Mitsubishi's Alliance Ventures to invest \$1bn in startups

Automotive alliance, Renault-Nissan-Mitsubishi, has launched a new corporate venture capital fund that plans to invest up to \$1bn to support open innovation over the next five years.



François Dossa

The fund will be led by François Dossa, who has over 20 years of experience in investment banking, plus six years of experience within the Alliance, most recently, as chief executive officer of Nissan Brazil. The team will also draw on the expertise and business opportunities identified by a cross-functional team of experts from Renault, Nissan, and Mitsubishi.

In its first year, the fund, called Alliance Ventures, expects to invest up to \$200m in startups and open innovation partnerships with technology entrepreneurs focused on new mobility, including vehicle electrification, autonomous systems, connectivity and artificial intelligence.

Carlos Ghosn, chairman and chief executive officer of Renault-Nissan-Mitsubishi, said: “Our open innovation approach will allow us to invest and collaborate with startup companies and technology entrepreneurs, who will benefit from the global scale of the Alliance.”

The new fund is unique because it offers potential partners access to the global scale and scope of Renault-Nissan-Mitsubishi, which sold more than 10 million vehicles in 2017 through ten separate brands with a presence in all major automotive markets. Alliance Ventures will invest in startups to bring new technologies and businesses to the Alliance while ensuring a fair financial return.

First deal

The fund will make strategic investments at all startup stages and will incubate both new automotive entrepreneurs and forge new partnerships. The first deal by Alliance Ventures will be a strategic investment in Ionic Materials, a promising US-based company which is developing solid-state cobalt-free battery materials.

The equity acquisition coincides with the execution of a joint-development agreement with the Alliance for R&D cooperation. Ionic, based in Massachusetts, is the developer of a pioneering solid polymer electrolyte that enables improved performance and cost-effectiveness of high-energy density batteries for automotive and multiple other applications.

By making such investments, Alliance Ventures will help identify and support the development of new technologies for potential use by Alliance members.

“This investment initiative is designed to attract the world’s most promising automotive technology startups to the Alliance,” said Ghosn.