

CASE

NewMotion

Start small, think big



SUSTAINABLE PIONEERS

One quarter of global CO₂ emissions are caused by transport running on fossil fuels. The DOEN Foundation believes in a green society and therefore decided in 2009 to set up a programme that focuses entirely on sustainable transport. The first electric cars were yet to enter the Dutch market when Alef Arendsen and Ritsaart van Montfrans founded NewMotion with Tendris in 2009. This pioneer saw a solution in electric transport and DOEN had confidence in it.

Alef Arendsen:

“DOEN has given us a lot of space to allow our business model to develop. They gave us the confidence to start small and think big.”

AN AMBITIOUS MISSION

NewMotion’s mission was ambitious: to eradicate the use of fossil fuel in transport. There was also great urgency. In addition to the enormous amount of CO₂ emissions, transport also produces other substances that cause pollution and health problems. Although electric transport was already possible, the market was not yet moving. The entrepreneurs behind NewMotion wondered what was stopping us from driving electric.

Partly thanks to a grant from DOEN, they were able to conduct market research and identify key obstacles. For example, the availability of electric cars was still very low and the range of these cars was very limited. The available batteries quickly depleted and charging points were rare. The possible solutions marked the starting point of NewMotion. The organisation took shape as a service provider for the electric car driver, with the main

aim of facilitating the market for electric transport in the Netherlands.

Two major obstacles were that demand and supply were both too low. NewMotion increased the interest of manufacturers in supplying electric cars to the Dutch market by activating demand through a tender process, and committed itself to providing all necessary support services for electric car drivers. These ranged from applying for grants to arranging lease financing and organising charging points for the home and on the road.

MARKET DEVELOPMENT

NewMotion played a key role in the launch of the first electric cars on the Dutch market. The unique total solution they offered proved indispensable for motorists and car manufacturers. Electric transport became easier, more attractive and more affordable. But electric driving still had many challenges. The availability of charging points and associated online user systems had to be further developed. Additional support was needed in order to open up the market. NewMotion had proven to be a pioneer that could make a difference, which is why DOEN chose to invest in it through its investment fund DOEN Participaties B.V. This enabled NewMotion to help develop the market and build an important position in the value chain. Following two grants in 2009, DOEN provided a convertible loan in 2010, which was converted into an equity investment at the end of 2011, partly owing to the good progress of the company.

DOEN CONNECTS

DOEN brought experience as an impact investor and knowledge of the broad market, through which valuable connections could be made. For example, NewMotion looked for solutions to the Achilles heel of

electric vehicles: their limited range. Through DOEN, NewMotion found the answer at Epyon, a producer of fast chargers that until then had found no sales. DOEN brought them together, creating a partnership that benefited both parties and the market as a whole.

FROM INNOVATIVE NICHE TO ACCEPTED SYSTEM

At the end of 2017, nine years after the start of NewMotion and the arrival of the first electric car, 123,540 electric vehicles were operating in the Netherlands* and there were approximately 30,000 NewMotion charging points in Europe. The Netherlands now has 33,737 (semi-)public points and an estimated 80,000 private charging points. It is now generally accepted that electric transport is the future. Car manufacturers are committed to it, the government supports the market, and more and more influential players want to play an active role in the transition. These include Shell, which is investing in alternative fuels and energy forms in a new large-scale programme. As part of this programme they were interested in the acquisition of NewMotion, which had now become one of Europe's largest suppliers of charging points.

* Source: Netherlands Enterprise Agency / rvo.nl

In 2017, this acquisition became a fact. Wim Jacobs, DOEN Participaties' statutory auditor at NewMotion: *"We fought for years for a prominent place and now even Shell has realised that this is no longer stoppable."* Alef Arendsen sees the acquisition as a next step: *"Shell is a club that offers many opportunities internationally; an even greater change can now be achieved from within."*

NewMotion has developed a new approach as a pioneer, helping to successfully launch the electric transport market.

NewMotion and DOEN

- DOEN was involved in NewMotion from 2009 to 2017.
- In 2009, DOEN made two grants of €250,000 to NewMotion.
- In 2010, DOEN provided NewMotion with a convertible loan, which was converted to shares in 2011. From that moment on, DOEN was a shareholder in NewMotion.
- NewMotion was sold to Shell in 2017.

With the support of DOEN, NewMotion has been able to make a major contribution to the transition to sustainable transport, notably by launching the electric car market.

