

## **Electric Vehicle Company (2020, USCMarshall)**

- *Full Name of the Case:* Business Model Challenges: The Electric Vehicle Company
- *Teaching Note(s) Available?* Yes
- Case is available through Harvard Business Publishing (product #: SCG566-PDF-ENG)

The Electric Vehicle Company (EVC) was an early American manufacturer of electric cars, and a leading early provider of an electric cab service in U.S. cities such as New York. It was founded in 1896 (note that this is a “historical” case study).

The case traces the early history of the transportation industry, which exploded in the 19th century with an extensive array of new technologies (such as trains, bicycles, streetcars and automobiles). It then presents the story of the Electric Vehicle Company, at one point the biggest producer—and operator—of electric automobiles in the U.S. From an early business model of selling electric cars to consumers, EVC developed an electric taxi service in New York, which also required building a network of charging stations. Given strong early demand, the company attempted to scale up its business, but it faced significant operational and technical challenges.

We recommend assigning this case primarily for **Chapter 4**, as students will be surprised to find out that electric cars—and innovative mobility business models—are not as new as they might think, and some of today’s well-known electric car companies may even be facing similar issues as this early player, from over a century ago. The case also allows students to make a sharp distinction between product innovation and business model innovation.

Another possibility would be to use this case in conjunction with **Chapter 5**, as it clearly shows the power of templates (in this particular case, for the design of the new vehicles, and also for the rental service business model).