LUCID



Business Summary

Lucid Group is a technology and automotive company. Co. designs, engineers, and builds electric vehicles powertrains, and battery systems in-house using its own equipment and factory. It sells its car online and in its own retail stores with options to customize it to the buyer's preference. They have a single platform that they configure into different models primarily by leveraging two battery sizes and additional features like all-wheel drive

Pricing & Packaging

Only Model sold in 2021

EPA ESTIMATED RANGE UP TO[2] 410 MI

480 HP



$87400



$161500 + 7500 = $169000

IMITED EDITION

503 MI PROJECTED RANGE[2]

1080 HP

EPA ESTIMATED RANGE UP TO[2] 516 MI

1,050 HP



$138000



$107400

EPA ESTIMATED RANGE UP TO[2] 425 MI

620 HP

Definition & Scoping of Market

Industry : Automotive Manufacturing specifically EV

Type : Electric Vehicles

Category : Luxury Vehicles, Sports

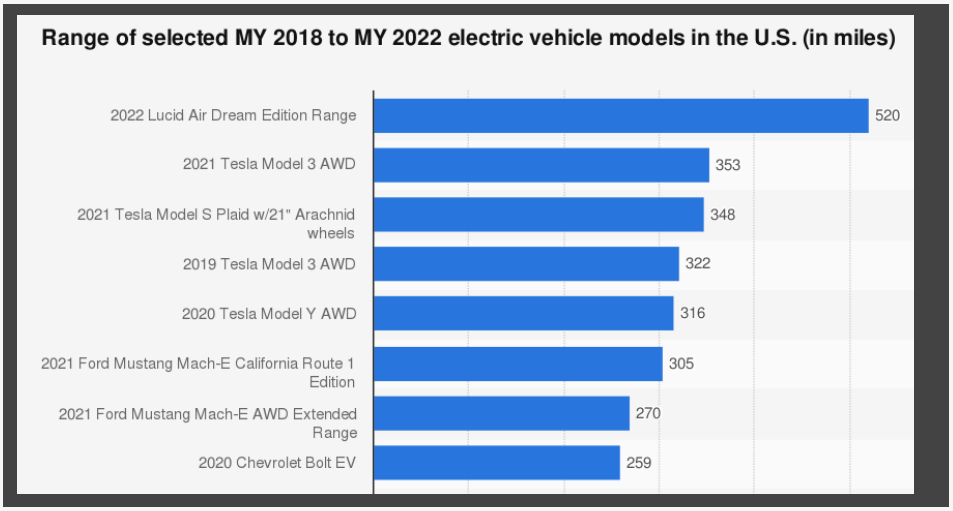
Definition & Scoping of Market

Lucid Motors competes in the emerging luxury electric car market with a single platform that is directly comparable to the Tesla S range. BMW, Mercedes, and Lexus also compete in this segment. Prized attributes of this segment are the luxury elements of the car including interior finish, paint quality, infotainment, ride comfort, and interior space. The other increasingly contested attribute is range where Lucid holds the lead due to the most efficient motor/battery combination in the industry to date.

Industry : Automotive Manufacturing specifically EV
Type : Electric Vehicles
Category : Luxury Vehicles

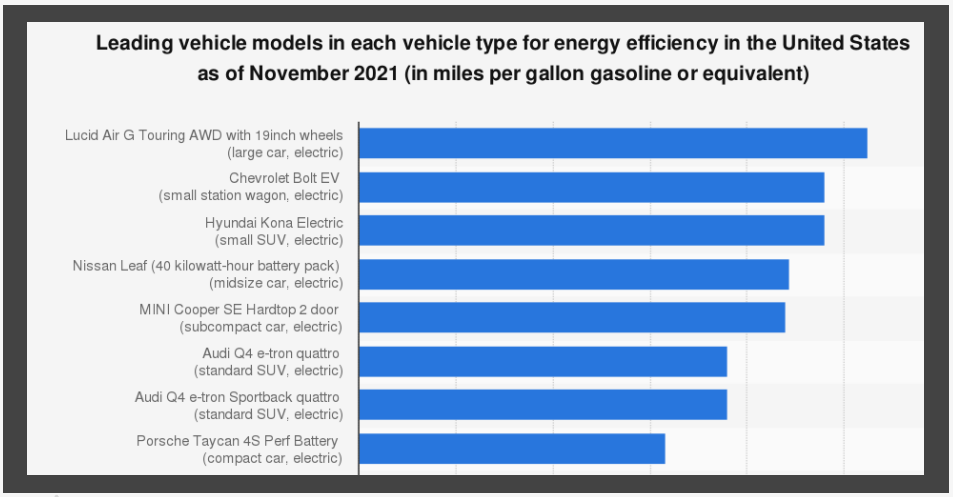
Competitive Market Analysis :

Some statistics



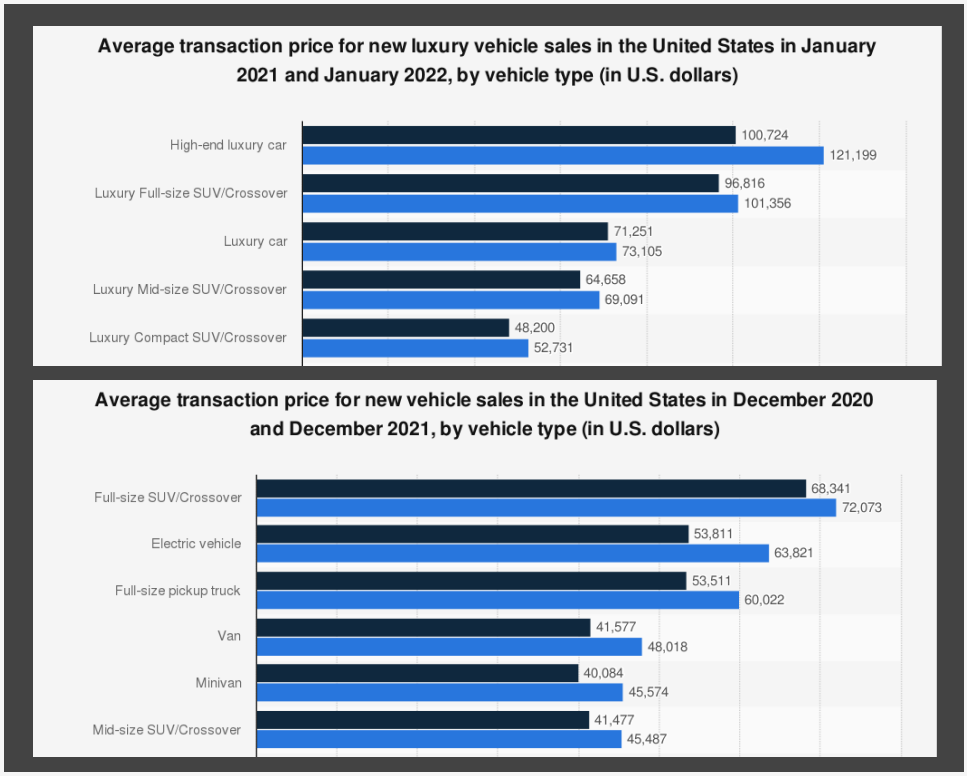
Best Range in EV

410 - 516 miles vs 353 miles
The next best in market



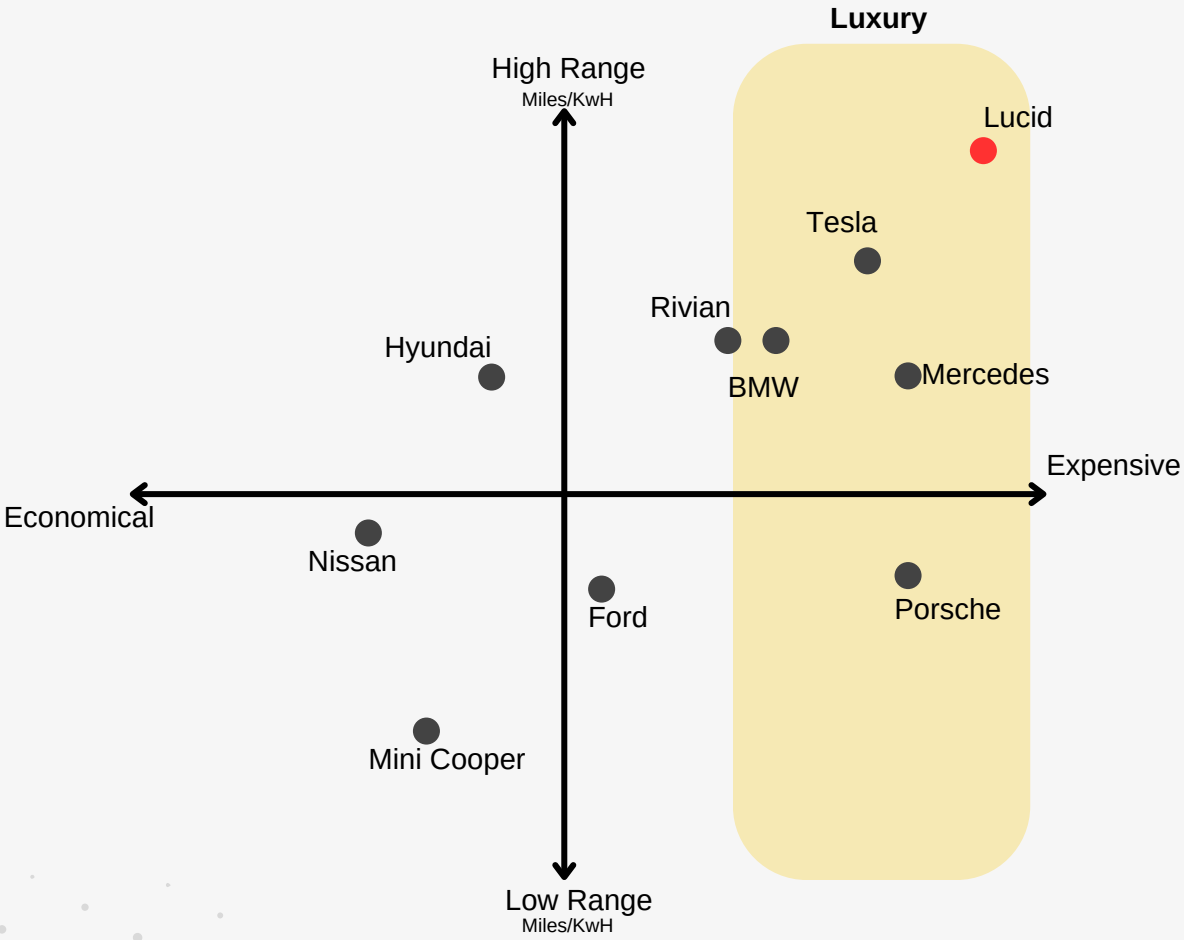
Best in Energy Efficiency

Charts on this page courtesy of Statista.



More Expensive than most EV and Luxury Cars

Competitive Positioning : High end luxury EV with best range **



Charts on this page courtesy of Statista.

** Mapped based on similar model avg price and range on websites and Statista

Financial Metrics and Economics

Business Metrics			Unit Metrics	
	Year X	2022	Year X	2022
	Target (max 90k Casa Grai	Actual	Target per Car	Per Car or Customer
Total Revenue	12,943,270,414	628,323,872	143,814	143,814
Total Acquisition cost (Estimated) **(CAC)**	3,041,668,547	147,656,110	33,796	33,796
Total COGS (Total Cost of Revenue)	7,312,947,784	1,642,062,517	81,255	375,844
Business Gross Margin	2,588,654,083	-1,161,394,756	28,763	-265,826
Average Length of Time a New Car Kept (Yrs) / customer	-	-	-	8.4
Average Total Revenue from Repeat purchase (Purchase of 2 more cars over lifetime with churn rate or 40%)	-	-	-	278,999
Average Total revenue of maintenance (Maintenance of 2 more cars over lifetime with churn rate or 40%)	-	-	-	16,580.93
Average CLTV	-	-	-	**295,580**

Charging as a possible Source of Future Revenue (assumes licensing deal with large provider)				
Optional Charging (Assuming licensing is possible from a larger provider)				**2924.09**
Total CLTV inclusive of Charging				**298,504**

Current CAC > Per Car Margin makes CAC unsustainable

Sustainable CAC

LUCID should look at getting **CAC < $28736** ~20% which is the best margin in the Automobile industry and a margin their rival Tesla is close to. Their advantage of directly selling to customers instead of dealers could make the margin possible.

LEGEND	From Source	(see hyperlink)
	Estimated Calc	
	Industry Plug	

- Source links added in excel
- Calculations shown in excel
- Industry average for Industry plug to further calculate

- Average CLTV is calculated as a cycle or as a repeat customer with +2 possible lifetime purchases based on customer segment and potential purchase considering churn rate. We have also added Maintenance revenue to the CLTV which also considers the churn rate

- Target X is based on Lucid's factory in Arizona with an estimated production of 90000 cars/year. All calculations were made taking the Unit price from our estimations and don't factor in possible price reduction due to scale. We can estimate that with a reduced price we also have a similar scale of reduction in costs associated and have an approximate margin which is ~20% of the price which is the industry's best.

Link to Financial Model

https://docs.google.com/spreadsheets/d/10rG86M-xZQbSJBEZh7yCgHpwcIszIR4kmW8nXy7DSlQ/edit?usp=sharing