

# BMW Group

## U.S. Press Information

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### **BMW i Ventures Announces Investment in Software Motor Company.**

**Mountain View, Calif. (January 22, 2020)...** BMW i Ventures announced today an investment in Software Motor Company (SMC) a Silicon Valley-based company developing the world's most reliable, efficient and intelligent motor systems. The new funding will enable SMC to further scale its business and accelerate product development.

"Electric motors are a massive, \$100B market, and they move our modern world, while consuming over 45% of the world's electricity. So investing in a company that can deliver huge electrical cost savings, while selling motor systems that are lower cost, more reliable, and made from more sustainable materials seems like a no-brainer," said Greg Smithies of BMW i Ventures.

To-date, SMC has primarily focused on transforming the HVAC industry, since the operation of buildings is responsible for 40% of global CO2 emissions. This latest round of fundraising will enable SMC to expand its product line to support a complete breadth of HVAC retrofit motors and bring to market its full-stack Building Operating System (BOS) platform to optimize energy and maintenance through intelligent automation.

SMC also has the ability to reduce the energy intensity of the vehicle manufacturing process by retrofitting its demanding HVAC systems. It's not unusual for large manufacturing facilities to consume tens-of-megawatts of power, and a significant portion of that is typically driven directly by HVAC.

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“HVAC retrofit was the first step to drive adoption of our technology. Businesses and governments are seeking new energy efficiencies to address the urgency of the climate crisis and their own environmental goals, as well as just spend less on energy and improve the bottom line. But the applications for our software-defined motor systems are ubiquitous, and we foresee adoption into electric vehicles as clear future markets for SMC,” said Ryan Morris, executive chairman, SMC.

Electric Vehicles will require lower costs and longer ranges to reach ubiquity. SMC’s technology enables lower cost motors, and lowers the cost of the battery for comparable range, thanks to higher efficiency over a wide operating range.

"SMC’s unique architecture has the potential to improve the efficiency, cost, and safety of developing electric drivetrains, while reducing dependence on unsustainable rare earth minerals. That is a huge opportunity across all vehicle manufacturers," Smithies said.

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**About BMW i Ventures:**

BMW i Ventures, BMW’s EUR 500 million venture capital fund, invests money and resources in startups in the fields of autonomous driving, digital car and automotive cloud, e-mobility, artificial intelligence and data, industry 4.0, shared and on-demand mobility, customer digital life, and energy services. The firm has already partnered with innovative companies such as Bright Machines, Carbon3D, Chargepoint, Claroty, DesktopMetal, fair, Graphcore, Moovit, Tekion, Trifacta, Xometry, Yellowbrick and Zum. BMW i Ventures invests in all stages from seed to growth companies. For more information, please visit: [www.bmwiventures.com](http://www.bmwiventures.com)

**About Software Motor Company**

Software Motor Company (SMC) has developed the world’s most efficient electric motor system, based on revolutionary switched reluctance technology, managed by advanced cloud software. SMC’s vision is to eliminate the 25% of global electricity consumption that is wasted by legacy electric motors, thus accelerating the world’s transition from fossil fuels and leaving them in the ground where they belong. SMC is based in Sunnyvale, Calif., with offices in San Francisco; Arlington, Wash.; and Kennesaw, Ga. SMC is partnering with dozens of pilot customers and reducing their motor electricity consumption by more than half. SMC is also partnering with agriculture technology company VES to revolutionize the efficiency, environmental impact, and health of animal agriculture. For further information, visit [www.softwremotor.com](http://www.softwremotor.com).

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