

A New Rival in Europe's Showrooms



China's Electric Cars Are the New Rivals in Europe's Showrooms

FRANKFURT — The name MG used to be synonymous with spirited but finicky sports cars from Britain. Nowadays the iconic octagonal badge serves a different kind of motoring ambition: China's push to become a big player in the global auto market.

SAIC Motor, one of China's Big Four automakers, bought the MG brand in 2007 and is stamping it on a line of electric sport utility vehicles on sale in Germany and other European markets. MG is an example of how Chinese carmakers are exploiting the shift to electric cars to challenge the American, European and Japanese carmakers that have dominated the industry.

The Chinese automakers are arriving as electric cars surge in popularity, accounting for almost 10 percent of new car sales in Western Europe, and consumers are in a mood to buy, with savings built up during the pandemic. At the same time, car manufacturers are cutting back production because of

shortages of microprocessors.

MG has 350 dealers in 16 European countries and is still expanding. Two other Chinese automakers, Nio and BYD, are moving into Europe by way of Norway, the world's most electrified large car market. Nio, based in Shanghai, opened a dealership in Oslo at the end of September, its first outlet outside China. BYD, based in Shenzhen, delivered an electric S.U.V. called the Tang, to the first Norwegian customer in August.

Great Wall Motor, another Chinese manufacturer, has announced plans to start selling a battery-powered compact and a hybrid S.U.V. in Europe next year.

Polestar, which is based in Sweden but belongs to Geely Holding of China, has been selling a Chinese-made battery-powered model in Europe and the United States since 2020. And many of the Teslas on European roads were imported from the company's factory in Shanghai. (That will change once



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the company finishes building a factory near Berlin.)

Foreign automakers like Volkswagen, Mercedes-Benz or General Motors sell millions of cars in China, so they can hardly complain when Chinese automakers encroach on their turf. Even though China is the world's largest car market, its brands have

Bastian Stark added MGs, the British turned Chinese brand, to the Bavarian dealership where he is general manager.

only a sliver of the global market.

Unclear is whether fussy European buyers will buy a Chinese car. When an MG representative approached Rumpel & Stark, a Ford dealership in the north Bavarian town of Unterpleichfeld, about selling the Chinese brand, the general manager, Bastian Stark, was skeptical. He demanded that the rep hand over the keys to the MG he had arrived in.

Rumpel & Stark's mechanics gave the MG a thorough going over. Their verdict: thumbs up. "They said this car is good," Stark said, noting that the MG is equipped with parts from established suppliers like Bosch, Valeo and Continental, all of which have large operations in China.

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