Lightning unplugged

Ford rebalances EV plans, takes $19.5 billion hit, shifts back toward gasoline and hybrids plus extended range

Equal parts huge sea change or return to status quo, Ford is responding comprehensively to the abrupt drop in consumer interest in EVs.

Ford is shifting to higher-return business, leveraging its US manufacturing footprint to add trucks and vans to the lineup, while no longer producing select larger electric vehicles where the business case has eroded due to lower-than-expected demand, high costs and regulatory changes.

The plan prioritizes affordability and choice for customers, profits for the company. Expanded powertrain choices will have a range of hybrids and extended-range electric vehicles (EREVs, which are recharged by their own on-board gasoline engine, which does not directly drive the vehicle).

To sharpen the Ford+ plan, redeploy capital, meet customer demand and drive profit growth, Ford has dropped a planned new EV commercial van for Europe, but will continue to maintain its full lineup of electrified vans in that market. ("Electrified," in industry parlance, covers gasoline-powered hybrids and extended range electrics.)

Ford also plans to replace a planned electric commercial van for North America with a new, affordable commercial van (gas or hybrid), to be produced at Ohio Assembly Plant. New pickups will be assembled at BlueOval City in Tennessee.

Ford will concentrate its remaining North American full-electric vehicle development on its new, low-cost, flexible Universal EV Platform. This next-generation architecture is engineered to underpin a high-volume family of smaller, highly efficient and affordable electric vehicles designed to be accessible to millions of customers. The first vehicle on the Universal EV Platform will be a fully connected midsize pickup truck assembled at Louisville Assembly Plant starting in 2027.

Ford plans to expand hybrids with a range of executions based on customer needs and duty cycle—including economical, performance hybrids and hybrids with exportable power.

Ford's strategy for larger trucks and SUVs aims to better align with customer demand for capability, towing and range—which includes adding extended-range electric options to its lineup.

As part of this plan, the next-generation F-150 Lightning will shift from pure EV—its original raison d'être—to extended-range electric vehicle (EREV) architecture. Production of the current generation F-150 Lightning EV has concluded. Ford is redeploying employees to Dearborn Truck Plant to support a third crew for F-150 gas and hybrid truck production (as a result of the Novelis fires), while the revised F-150 Lightning, now as an extended-range truck, will be assembled at the Rouge Electric Vehicle Center in Dearborn.

By 2030, about 50 percent of Ford's global volume is expected to comprise hybrid, extended-range and full-electric vehicles, an increase from 17 percent today, though with the mix evolving.

Ford is also launching a new, high-growth battery energy storage business, leveraging wholly owned plants in Kentucky and Michigan and leading LFP technology to provide solutions for energy infrastructure and growing data center demand. Ford plans to begin shipping BESS systems in 2027 with 20 GWh of annual capacity.

These actions provide a path aiming for profitability in the Model e research and development division by 2029. Ford has improved profit plans for Model e, as well as Ford Blue and Ford Pro over time, targeting first signs of benefits in 2026.

In the course of these comprehensive recalibrations, Ford expects to have about $19.5 billion of loss (recorded as special items), logged from ate 2025 into 2027. The company expects about $5.5 billion in related cash effects, the majority paid in 2026 and the remainder in 2027.

To support these actions, Ford and its subsidiaries plan to hire thousands of employees in the US over next few years, reinforcing the company's reputation as the top employer of US hourly autoworkers. ■