

This copy is for your personal, non-commercial use only. To order presentation-ready copies for distribution to your colleagues, clients or customers visit <https://www.djreprints.com>.

<https://www.wsj.com/articles/tesla-supplier-shows-off-more-powerful-battery-11635144493>

TECH

# Tesla Supplier Shows Off More Powerful Battery

Panasonic looks to sell new product to U.S. EV maker



Panasonic's new 4680 battery designed for Tesla electric vehicles is larger than 1865 and 2170 models currently used in Tesla cars.

PHOTO: PETER LANDERS/THE WALL STREET JOURNAL

By [Peter Landers](#) and [Yang Jie](#)

Updated Oct. 25, 2021 6:40 am ET

TOKYO— Tesla Inc. [TSLA 12.66%▲](#) supplier Panasonic Corp. [PCRFY 4.82%▲](#) said it has mostly solved the technology challenges with a larger lithium-ion battery that Elon Musk has called the lowest-cost way to power an electric car.

Panasonic on Monday showed off for the first time its 4680 cylindrical battery, which gets its name from being 46 millimeters in diameter and 80 millimeters high. It is larger than previous battery cells Panasonic has supplied to Tesla.

Mr. Musk, Tesla's chief executive, has been touting the 4680 since a battery event he held in September 2020. In July of this year, he said: "From a physics standpoint, this is the best architecture, and from an economic standpoint, it is the lowest-cost way to go."



Panasonic executive Kazuo Tadanobu shows off Panasonic's new 4680 battery, left, which is larger than the battery currently used in Tesla cars, right.

PHOTO: PETER LANDERS/THE WALL STREET JOURNAL

During its earnings call in October, Tesla said that it expected vehicles with battery packs composed of 4680 cells to be delivered next year.

Mr. Musk has said putting more energy capacity into each battery cell, along with other improvements, should help EVs boost their power and drive longer on a single charge. A related technology incorporated in the 4680 battery cells allows them to charge faster.

However, Mr. Musk has also said that manufacturing the new battery on a large scale is a challenge Tesla and its partners haven't fully overcome. "Prototype production is easy, but high-volume production is hard," he said in July.

The head of Panasonic's battery unit, Kazuo Tadanobu, said his company sees the light at the end of the tunnel and is moving beyond prototypes.

"We've got the technology under our belts now, and we're moving ahead with preparations for commercialization soon," he said.

Panasonic plans to start test production of the 4680 battery cells in Japan by March 2022, Mr. Tadanobu said. He described the product as tailor-made to Tesla's requirements and said Panasonic planned to supply it to the U.S. company, but he declined to give details.

Panasonic has supplied batteries for Tesla cars for more than a decade, and the two companies jointly operate what Tesla calls the Gigafactory in Nevada. After years of losses, Panasonic has said the unit that supplies Tesla is now profitable.

Once the exclusive supplier of batteries for Tesla, Panasonic lost that status when Mr. Musk added other suppliers including China's Contemporary Amperex Technology Co. or CATL.

Mr. Tadanobu said he wasn't worried about losing business, saying Tesla was ready to buy everything Panasonic could make and then some because of higher demand for EVs.

"Tesla's expectations for shipments from our North American factory are extremely strong," he said.

After a recent expansion, Panasonic's annual North American battery capacity has risen to 38-39 gigawatt hours, up from 35 gigawatt hours in the year ended March 2021, the company said. That would be enough to provide batteries for more than 400,000 Tesla Model S vehicles.

**Write to Peter Landers at [peter.land@wsj.com](mailto:peter.land@wsj.com) and Yang Jie at [jie.yang@wsj.com](mailto:jie.yang@wsj.com)**

*Appeared in the October 26, 2021, print edition as 'Tesla Supplier Panasonic Unveils Powerful Battery.'*

Copyright © 2021 Dow Jones & Company, Inc. All Rights Reserved

This copy is for your personal, non-commercial use only. To order presentation-ready copies for distribution to your colleagues, clients or customers visit <https://www.djreprints.com>.