

The Star

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Mercedes-Benz Club of America

Champion for the Ages
Rudolf Caracciola

SEPTEMBER - OCTOBER 2021 300SL & 190SL • RUDOLF CARACCIOLA PART III • 1978 280SE • EAST AFRICAN RALLY • THE FUN WAY HOME • GUNTER STEPHAN • RISING STAR: R129 THE STAR • MAGAZINE OF THE MERCEDES-BENZ CLUB OF AMERICA, INC.

A photograph of Dimitris Psillakis, CEO of Mercedes-Benz USA, leaning against the front of a dark-colored Mercedes-Benz EQS. He is wearing a dark blue blazer over a light blue shirt, dark trousers, and white sneakers. He has his arms crossed and is smiling at the camera. The car's front grille and 'EQS' badge are visible.

An exclusive interview
with Mercedes-Benz USA
CEO Dimitris Psillakis

CHALLENGE & OPPORTUNITY

A native of Greece, Dimitris Psillakis joined subsidiary Mercedes-Benz Hellas in 1992 as a management trainee and – with degrees from the University of Kent at Canterbury and the Imperial College Business School at the University of London, England – became general manager for passenger cars there by 2001. In 2009, he moved to Brazil as managing director of passenger cars for all South America. In six years, his team tripled sales to make Mercedes-Benz the leading luxury brand in Brazil.

His reward in 2015 was another big promotion and a trans-pacific move to Mercedes-Benz Korea as president and CEO, where he elevated North Korea to Mercedes-Benz's fifth largest global market for car sales. That performance netted him another trans-Pacific move in 2020, this time as president and CEO of Mercedes-Benz Canada. He was named to his current position as head of marketing and sales, Mercedes-Benz Cars North America, and CEO of MBUSA, with responsibility for all Mercedes-Benz cars in the U.S. and Canada, effective January 1, 2021.

In a May 31, 2021 interview with Automotive News, Psillakis talked of expanding the firm's electric vehicle portfolio in North America and rationalizing its internal combustion engine portfolio to reduce complexity and make room for more EVs. "When it comes to our ICE portfolio," he said, "we'll try to address the U.S. market with products that are most demanded." He added that U.S. Mercedes dealers are asking for electric vehicles because they see customers switching to EVs from competitive brands. "Our problem is not convincing the dealers," he said, "our problem is giving the dealers product to sell." Which is why M-B is launching a new EQ battery electric sub-brand with the EQS ultra-lux sedan this year and will follow next year with a mid-size EQ sedan and as many as three new electric crossovers.

We recently caught up with the very busy CEO of MBUSA for a very enlightening phone chat.

Your career with Mercedes-Benz has taken you to many different countries of the world. How many languages do you speak?

Greek and English, plus French, Portuguese and some German. I tried to learn Korean for nine months, but gave up. I learned just enough to find my way around, order beer and food and find my way home.

Which cars did you find most interesting when you were growing up?

I would go back to when I was sitting in a Mercedes pedal car, which was a 1960 Fintail – one of those little metal cars with pedals, and you would push your feet back and forth to make it move. That was my first memory of driving. I raced a 1957 190SL, one of my best friend's cars, in Greece for five or six years, and my love for cars caused me to move from engineering to a motorcar company when I joined Mercedes in 1992. Making my hobby my profession is what makes me happy, despite all the hard work. I now have a nice 1972 450SL that is being restored and should be done this year.

For Mercedes-Benz fans, the 2022 S-Class is looking like a real winner.

We have had very positive comments from the media on the new S-Class on its features and functionality. It is highly competitive in design, performance, and drivability.

The all-new C-Class is coming to America early next year. Tell us about that.

I would describe the new C-Class as a small S-Class. It very much resembles the S-Class in design, both exterior and interior, and it offers the latest-generation Mercedes-Benz User Experience (MBUX) technology along with Active Distance Assist DISTRONIC, Active Steering Assist, Active Lane Change Assist and new semi-autonomous Active Stop-and-Go Assist for traffic jams. It debuts our new turbocharged four-cylinder engine with integrated starter-generator and 48-volt mild hybrid technology. We will be very happy to get this new model to continue the success of the C-Class in the U.S.

What can you share with us about the EQS?

We are very proud to be launching the EQ brand with the EQS, which is the full

electric equivalent of our S-Class. It is a totally new-design vehicle on a new EV platform – very powerful, very long range and extremely aerodynamic with a 0.20 drag coefficient. It is getting 770 kilometers [478 miles] in European testing, and we are waiting for the official EPA range in North America. The interior is spectacular with a 56-inch-wide Hyperscreen display, available augmented reality, and many other unique features. It is being integrated into ongoing production on the same line as the S-Class in Factory 56 in the Sindelfingen plant, and we expect it to be here in the fourth quarter of this year.

With most major automakers promising more electric vehicles – some even saying they will go all electric in the next five, 10 or 15 years – do you believe that the U.S. market will be ready for all those millions of electric vehicles in the near future?

It will be a difficult challenge for the industry as well as for government regulation. On the one hand, we have responsibility to the environment and tough regulations that we must meet today and in the future. On the other hand, the challenge is to educate people on electric vehicle drivability and functionality and create sufficient infrastructure to charge all these products. It is a very complex equation. But we are developing very attractive EV products, not just in design but also in performance and functionality. Next year, we will launch the EQB entry level SUV, and another three or four EVs in the next few years.

Do you believe that the infrastructure will be ready for all these new battery electrics? If nearly everyone in any given neighborhood is charging electric vehicles, will their local infrastructure be able to handle that?

There are a lot of challenges, and still a long way to go. I hope and believe that local and state governments will be ready for more and more electric cars. We will do our part to make progress in building the infrastructure around the country. With Mercedes me Charge – our official charging ecosystem for the EQS and future products -- our EV customers will have access to the largest integrated charging network in the U.S. through our partnerships with ChargePoint and Electrify America. This will simplify the process of finding, using, and

paying for charging on all major networks in North America, and we will have complimentary fast charging for the first two years of ownership.

If the market resists a mass transition to electric vehicles, will you have the flexibility to continue ICE vehicle production to satisfy that demand without going too far into production of electric vehicles that may prove difficult to sell?

Yes, we will have that flexibility and will be producing gasoline-powered cars on the same lines as the battery-powered cars. But we do see the future as electric. How long the transition period will be is unpredictable.

How difficult will it be to find the optimum balance of ICE and EV production to meet demand for both as the market transitions in the years ahead?

I believe very much that the transition will accelerate, but how quickly is tough to say. It depends on public education and awareness and the performance and convenience of the vehicles. But over time, it will be accelerated by investments in clean energy and in the charging infrastructure.

How do you see AMG going forward? Will it continue with mostly high-performance vehicles with ICE engines, or will it necessarily transition to electric propulsion as well?

High performance is not an issue for electric. We are very successful with our current AMG line of performance luxury products, and we will be offering both internal combustion and electric AMG products with aggressive performance. The sounds of those vehicles may not be the same, but the feeling of performance will be very satisfying.

What additional message would you like to deliver to readers of The Star?

I am very thankful for this large family of Mercedes-Benz owners. They have been loyal to the brand over the years, and our job is to continue producing exciting vehicles while looking for different expressions of luxury. We will always be a luxury brand striving to provide the best customer experience and services through our dealerships.