

## “The Automotive Industry Moves from Euphoria to Reality”



*Steve Dawson, President & CEO of SinterCast, foresees a significantly growing market for the company in the wake of stricter emissions regulations.*

**Despite the buzz around electrification, one thing is clear: the combustion engine still has a future. So says Steve Dawson, President & CEO of Sweden-based SinterCast, a company specialising in technology for lighter and more efficient engines. “Stricter emissions regulations have always benefited SinterCast. We have a proven technology,” he says.**

A quick and complete transition to electric heavy-duty vehicles has been seen by some as an inevitable development, even in the realm of commercial vehicles. Although battery-electric vehicles dominate headlines, it has become clear that the transition is taking longer than many initially predicted. According to the Clean Fuels Alliance America and the European Automobile Manufacturers' Association, 96 and 97 percent, respectively, of the commercial vehicles sold last year in the US and Europe were diesel-powered. Only 0.2 and 1 percent, respectively, were electric.

For Steve Dawson, President & CEO of SinterCast, which provides process control systems for the production of compacted graphite iron (CGI), this development comes as no surprise.

“We have been clear that a shift to an electric future will take longer than expected and that a mix of technologies will be needed for a long time to come,” he says.

In his view, we can only expect a low penetration of electric heavy-duty vehicles in the next five years.

“I don't think battery technology will gain the traction many expect, as it has proven more complicated than anticipated. Fleet operators still prefer the range, refuelling options, and infrastructure that current technology provides.”

For SinterCast, whose CGI manufacturing technology increases diesel engine efficiency and reduces emissions, he foresees a growing market. He highlights that the proportion of heavy trucks in Europe using CGI is expected to rise from 40 percent today to 80 percent by 2028. The company thus anticipates that the number of engine equivalents sold per year, currently at 3.5 million, will exceed 5 million by 2026 and reach 7 million by 2029.

This growth is driven by stricter emissions regulations and the resulting increased demand for more efficient combustion engines.



*A collection of engines in which SinterCast's compacted graphite iron (CGI) manufacturing technology has been used.*

“What we’re seeing now is a shift from an era of euphoria around electrification to an era of reality. Stricter emissions legislation has always benefited SinterCast, and it will continue to do so. We have a proven technology for more sustainable engines,” he says, adding:

“Over the past 25 years, we have seen gradual tightening of emissions regulations. Each time, engines have needed to become cleaner. Step by step, more manufacturers have also moved from conventional cast iron to CGI. The same drivers are at work now, and that’s why we expect double-digit growth for SinterCast until 2030, just as we’ve seen in the past.”

Steve Dawson also believes that the focus will shift from the engine itself to the fuel. He sees potential in net-zero fuels like eFuels, renewable diesel, and hydrogen – gaining ground rapidly in both the US and Europe – as these can be used within existing infrastructure without requiring major investments.

“The engines are already very good – if we can use cleaner fuels, it’s a win-win,” he says.

The company, which currently has 28 employees, sees no need to expand its workforce in the coming years despite expecting a significant market expansion.

“Our business model is scalable. We can grow without needing to hire more. Our costs will not increase until 2028.”