

Rivian (NASDAQ: RIVN) builds adventure EVs and Amazon's delivery vans in one Illinois plant and sells them direct, and today the cars still cost more to make than they sell for: automotive gross profit was –\$432M in FY2025. The margin comes from elsewhere: a software and services segment that earned \$576M of gross profit on \$1.56B of revenue (37%), more than half of it from the Volkswagen joint venture (\$836M, INFERENCE 54%), plus \$197M of regulatory credits. FY2025 revenue was \$5.39B (+8%) on 42,247 deliveries (–18%), total gross profit \$144M and an operating loss of \$3.59B. Revenue is concentrated: Chase Bank (leasing buyer) was 36% of revenue, Amazon about 17% and VW about 16% (INFERENCE). Then the volume bet: R2, a cheaper midsize SUV, began external deliveries on June 9, 2026. Q2 2026 revenue was \$1.658B (+27%), gross profit \$179M (11% margin, with \$108M of credits), operating loss \$836M and free cash flow –\$849M; Q3 2026 deliveries were 19,248 and Rivian reaffirmed 65,000–70,000 for the year. Rivian has funded the gap with partner money (VW, Uber, a July equity offering) and a \$4.5B Department of Energy loan for a Georgia plant — Rivian itself says its path to profit depends on R2 volume, software and services, and cost reduction, which are goals, not yet results.

BUSINESS MODEL CANVAS

Rivian

Research date: Oct 10, 2026

Evidence-backed - sources in companion brief

KEY PARTNERS

- **Amazon** — first commercial customer; 40,000+ vans active; 100,000-van initial order; 12.7% of voting power at 12/31/25 (FACT).
- **Volkswagen Group** — 50/50 joint venture; \$836M of FY25 revenue; \$1.0B equity in Q1 2026; \$1.0B loan funded Oct 7, 2026 (FACT).
- **Uber** — \$300M invested; up to \$950M more on four milestones; R2-based Level 4 robotaxi collaboration (FACT).
- **Chase Bank** — buys vehicles and leases them to consumers; ~36% of FY25 revenue; Rivian shares some residual value risk (FACT).
- **Suppliers** — hundreds, mostly single- or limited-source; battery raw materials and rare-earth magnets flagged as vulnerable (FACT).

KEY ACTIVITIES

- **Build vehicles** — 42,284 produced in FY25; 19,751 in Q3 2026 (FACT).
- **Integrate vertically** — own motors, inverters, battery packs, RAP1 chip (FACT).
- **Develop software** — Autonomy+, Rivian Assistant, in-house AI training (FACT).
- **Engineer for VW** — joint venture builds software and electrical architecture (FACT).
- **Run infrastructure** — Adventure Network chargers, service centers (FACT).

KEY RESOURCES

- **Factory** — Normal, Illinois: up to 215,000 vehicles a year; new R2 line (FACT).
- **People** — 15,232 employees at 12/31/25 incl. the joint venture (FACT).
- **IP** — over 1,200 granted patents, 2,000+ pending (FACT).
- **Fleet data** — 187,759 cumulative deliveries; autonomy data recorder in every vehicle (FACT).
- **Capital** — \$5.31B cash and short-term investments at 6/30/26: \$1.0B VW loan

VALUE PROPOSITIONS

- **Consumer EVs** — R1T pickup, R1S SUV; R2 midsize SUV external deliveries began June 9, 2026 (FACT).
- **Commercial vans** — Electric Delivery Van and Commercial Van platform; the van platform passed one billion miles driven in Q2 2026 (FACT).
- **Software that updates** — OTA, Connect+, Autonomy+ (Universal Hands Free covers 3.5M+ miles of North American roads), Rivian Assistant (FACT).
- **Charging** — Rivian Adventure Network, over 95% open to non-Rivian EVs (FACT).
- **Platform for others** — zonal architecture and software stack developed with Volkswagen Group (FACT).

CUSTOMER RELATIONSHIPS

- **Demo drives** — 57,000+ in Q2 2026, a company record (FACT).
- **OTA updates and subscriptions** — Connect+ monthly/annual; Autonomy+ one-time or monthly since April 2026 (FACT).
- **Service** — physical service centers, mobile service vehicles, partner collision centers (FACT).
- **Trade-ins and used cars** — sold directly to customers on Rivian's website (FACT).
- **Fleet management** — FleetOS subscription for commercial customers (FACT).

CHANNELS

- **Website and app** — order, configure, finance and insure through the purchase flow (FACT).
- **Company-owned spaces and demo drives** — go-to-market footprint expanded for the R2 launch (FACT).
- **Service centers and mobile service** — Rivian-run; partner collision centers (FACT).
- **Rivian Adventure Network** — chargers as a touchpoint, largely open to other EVs

CUSTOMER SEGMENTS

- **Consumers** — R1T, R1S, and R2; 42,247 deliveries in FY25, 19,248 in Q3 2026 (FACT).
- **Commercial fleets** — Amazon is the first and largest named; Rivian Commercial Van sold to other fleets (FACT).
- **Volkswagen Group** — joint venture pays for engineering services; \$836M of FY25 revenue (FACT).
- **Credit buyers** — other companies buy Rivian's tradable regulatory credits (FACT).
- **Autonomy partners** — Uber collaboration on R2-based Level 4 vehicles (FACT, early stage).

COST STRUCTURE

- **Cost of revenues** — \$5.24B in FY25 vs \$5.39B revenue; automotive \$4.26B, software and services \$0.98B (FACT).
- **R&D** — \$1.67B FY25; \$466M in Q2 2026, driven by software and AI/autonomy spend (FACT).
- **SG&A** — \$2.06B FY25; \$549M in Q2 2026 for R2 launch, spaces and software (FACT).
- **Capex** — \$1.71B FY25; \$734M in H1 2026; 2026 guide \$1.7B–\$1.8B (FACT).
- **Free cash flow** — –\$849M in Q2 2026 and –\$1.92B in H1 2026 (company-defined, FACT).

REVENUE STREAMS

- **New EVs** — \$3.64B FY25 (FY24 \$4.16B); \$1.04B in Q2 2026 (+12%) (FACT).
- **Regulatory credits** — \$197M FY25 (FY24 \$333M); \$108M in Q2 2026 (FACT).
- **Software and services** — \$1.55B FY25 (FY24 \$0.48B); \$513M in Q2 2026, 60% from the VW joint venture (FACT).
- **Segment gross profit** — Automotive –\$432M, Software and Services +\$576M in FY25 (FACT).
- **Guidance** — 2026 deliveries 65,000–70,000; adjusted EBITDA –\$2.0B to –\$1.8B (company outlook, not a result).