



AD PUNCTUM

News Review -- 25th September to 1st October

News is arranged by company and topic. Stories that apply to more than one company or topic are duplicated.

News about the major automakers

BMW

- Said that from mid-2018, all BMW and Mini vehicles would feature Amazon Alexa. At the moment, BMW vehicles do have Alexa but capability is limited to information about vehicle diagnostics. ([BMW](#))
- Reportedly planning to release a wireless charging pad that can be placed in a customer's garage and will have a 3.2kW rating. Previous examples have suffered from being extremely sensitive to vehicle position over the pad so it remains to be seen whether BMW have conquered this problem. ([Futurism](#))

Daimler

- Said that it will begin trials of truck platooning (where several trucks drive behind a lead vehicle in order to minimise air resistance -- the same principle as a peloton in cycling) on public highways in the US. Because of the small gaps between the vehicles, platooning involves automating the driving by connecting all vehicles to the action of the lead driver. ([Daimler](#))
- Amid concern from employees at the Smart factory in Hambach, France that sales drops are threatening their jobs, Daimler is rumoured to be planning to transfer pilot plant activities to the site, plus make an unspecified Mercedes product there from 2019 onwards. ([Les Echos](#))
- According to government officials, Daimler is set to open a new logistics hub in Egypt. ([Economic Times of India](#))
- Daimler has bought Fliinc, an on-demand mobility platform. Fliinc originally started as a peer-to-peer ridesharing service but then built a white label service for car sharing, used by Opel among others. ([Daimler](#))
 - Implication: Daimler's recent deals (outright purchase of companies in the car sharing ecosystem and shareholdings in ride hailing companies) possibly point to a view that it should concentrate on fleet management and schemes where the customer relationship lasts longer (e.g. shared ownership) and keep a watching brief on the ride hailing market. It could also be that Daimler feels it has already established a path to profitability in car sharing whereas the ride hailing business model is less mature.

FCA

- Subsidiary Magneti Marelli is building a plant in Tangier, Morocco that will start production in 2019 and employ 500 workers by 2025. ([Magneti Marelli](#))

Ford

- Ford said that it would work with Lyft to integrate fleet vehicles (as opposed to driver-owned) into the Lyft system as a precursor to offering robo taxis. In the system that Ford described, it would have a technology platform that operated a pool of vehicles that could be assigned to jobs from companies such as Lyft. ([Ford](#))
- Ford said that production of JLR engines in its Bridgend plant will end in September 2020. According to Ford, this is 3 months earlier than expected (around half the plant's 2,000 employees work on the engine). From 2021 onwards,

the plant will only build a small petrol engine at a rate of around 125,000 per year; a marked decline from current levels. ([BBC](#))

Geely (includes Volvo)

- Volvo officially announced the additional production line and investment in the South Carolina plant it still has under construction. The move was leaked by sources last week but mis-reported the 1,900 additional jobs as 2,500. ([Volvo](#))
- Proton's new CEO said that he wanted the company to be a "top three ASEAN brand in the next 10 years". His immediate focus is on a 10 week study of product planning, R&D, quality and procurement. Geely's joint venture partner expects Proton to break even within three years and be profitable in five years. ([New Straits Times](#))

Honda

- Will unveil a Sports EV concept at the Tokyo show on 25th October -- the 2nd electric vehicle in as many months. The pre-show press release suggests a MX-5 fighter / S2000 replacement. (Honda)

Mazda

- Toyota, Mazda and Denso (a Toyota-affiliated supplier) are creating a joint venture to work on electric vehicle development. The new business, to be called EV C.A. Spirit Corporation, will have around 40 employees and will seek to create a common architecture for electric vehicles. Toyota and Mazda hope that the common platform can be scalable to a range of vehicle sizes. ([Toyota](#))
- Said at the launch of CX-5 production at its Malaysian JV plant that vehicles made in the factory will be exported to markets previously served by Japanese exports. ([Mazda](#))

Nissan (includes Mitsubishi)

- Announced that it will suspend all registrations of vehicles in dealer and factory inventory in Japan. Nissan cited unspecified type approval irregularities as the reason. The fix appears to be a check of the affected vehicles after which, if they pass, they can be released to customers. ([Nissan](#))

PSA (includes Opel/Vauxhall)

- Will develop a one-ton pick-up truck with ChangAn. The vehicle will be built in China for domestic and overseas markets. A small pick-up truck was a key open item from the "Push To Pass" product portfolio. ([PSA](#))
 - Implication: Given that Toyota and Mitsubishi (historic PSA partners) offer pick-up trucks, the choice of ChagAn implies either that PSA could not find an existing OEM partner willing to work with them, or that they are looking for a more budget-focused product.
- Opel will combine sales and marketing into a single function following the departure of their former head of marketing at the end of September. ([Opel](#))

Renault

- Will implement a line speed reduction in Douai -- producer of Espace, Scenic and Talisman models -- at the end of November. In place of the current two shifts operating at 60 vehicles per hour, one will become a mini shift operating at 30 vehicles per hour. Due to the change, about 700 workers on temporary contracts will be laid off. ([Usine Nouvelle](#))
- Powertrain demand appears to be holding up well: Renault's factory in Cléon aims to recruit an additional 100 staff, on top of the 200 hired since the beginning of the year. ([Usine Nouvelle](#))

Tata (includes JLR)

- Will end its large petrol engine supply arrangement with Ford in September 2020, signalling that the company intends to launch its own replacement for the V6/V8 petrol engines built there before the end of the decade (unless customers are going to buy I4s instead of V8s). ([BBC](#))
- JLR is reportedly interested in buying a luxury brand -- the move is apparently driven by Tata Motors wishing to add scale. ([Bloomberg](#))

- In a similar move to Audi's, JLR is changing the way it denotes the powertrain in the vehicle name. The new strategy sees fuel type, power and driveline (if AWD) being included. As with Audi, the move is likely a precursor to all-electric sales traditional ICE badging makes comparison across models difficult (until you read the brochure). ([Auto Express](#))
- JLR is reportedly looking at offers from Samsung SDI, LG Chem and Panasonic to supply batteries. The company is apparently requesting quotes for around 2 million 21700-size cylindrical cells each year. ([ET News](#))

Tesla

- As Model 3 vehicles began arriving in vehicles, videos emerged of Tesla employees demonstrating how the single large display within the vehicle works. By the way, people keeping tabs on Tesla VINs have got to number 313 so far, so they've made at least that many now. ([Jalopnik](#))

Toyota

- Toyota, Mazda and Denso (a Toyota-affiliated supplier) are creating a joint venture to work on electric vehicle development. The new business, to be called EV C.A. Spirit Corporation, will have around 40 employees and will seek to create a common architecture for electric vehicles. Toyota and Mazda hope that the common platform can be scalable to a range of vehicle sizes. ([Toyota](#))
- Published a white paper on the future of autonomous driving and gave details of its latest iteration of a driverless product in development -- Platform 2.1. Within the document, Toyota says that it sees SAE Level 3 autonomy "potentially as challenging to implement as Level Four automation" (it is hard because of the need to ensure a human driver can take control, something that human drivers have shown themselves to be often incapable of). ([Toyota](#))
- Toyota has separated capability into two areas -- Guardian and Chauffeur. Guardian roughly collects existing driver assistance aids and seeks to improve them so that a vehicle could try to always prevent a crash. Chauffeur is a full self-driving mode. Toyota aims to bring a highly capable highway-only Level 2 system, that it calls Highway teammate into production in 2020 and self-driving in cities, called Urban teammate in the 2020s. Toyota implies that both systems are driver-supervised, but given its earlier comments on the practical difficulties of SAE Level 3, this seems like more of a hedge in public statements. ([Toyota](#))
- Made an investment in PKSHA, a company that aims to develop natural speech for self-driving cars. ([Detroit News](#))

VW Group

- Announced that it would take an additional one-time charge of €(2.5) billion in its Q3 results to increase the provision for repair of diesel vehicles in the US. The program is apparently "more technically challenging and time-consuming" than expected. ([VW](#))
- Audi's CEO said that the company would soon build all-electric cars outside Germany, citing Hungary and Mexico as specific examples. ([Elektrek](#))
- Launched a program in the US called "People First" that sees all VW vehicles receive a transferrable 6 year warranty (8 years in the case of the eGolf). ([Detroit Free Press](#))
- VW's sales manager for Germany said in an interview that the company needed to consolidate its dealer network more quickly and offer additional digital services to enhance the customer experience. ([Handelsblatt](#))
- VW is making changes to its distribution in Europe and will increase the capacity of its Emdershafen facility to 70,000 vehicles (from 60,000). The company intends to transport fewer cars by road, instead preferring train (faster) and ship (slower). ([wn.de](#))
- Lamborghini's R&D head said that the company would be "the last brand" to offer autonomy. This represents a departure from the thinking of some other luxury sports car makers who see autonomy as a selling point because it can teach owners how to drive their cars better. ([Digital Trends](#))
- VW is trialling a service with 300 customers in Berlin where deliveries from DHL can be placed into the boot of the car while it is parked, ready for the owner to collect at a later date. ([VW](#))
- VW's director of development appeared to suggest that the company will unveil an all-electric Phaeton replacement at the Geneva 2018 show. ([Motoring](#))

Other

- **Mahindra's** chairman said that the tipping point has been reached on electric vehicle profitability. ([Bloomberg](#))
- **Dyson** confirmed long-standing rumours that the electrical appliance company will make an electric car. The vehicle will be launched in 2020 and there are currently 400 employees working on the project. Dyson said that the budget for the program was £2 billion, split equally between the vehicle and the battery. No details of the program were released but according to reporters it will not be cheap. ([BBC](#))
- **MG Motor India** (owned by **SAIC**) celebrated taking over the former GM plant in Gujarat. Currently the company has only 70 employees at the site but plans on a product launch in 2019 by which time the plant will have a capacity of 80,000 units. ([Economic Times of India](#))
- **JD Power's** latest survey of Chinese automaker quality showed the gap to international brands continuing to narrow. The average Chinese vehicle now has an additional 13 TGW/1,000 vehicles over the average international product. ([Economic Times of India](#))
- **McLaren** showed off a test mule for its next hypercar called the BP23 and confirmed that it had sold all 106 units it intends to build (it said demand was three times that). The car will launch in 2019 and have a hybrid powertrain. ([Auto Express](#))
- **Aston Martin** Consulting have been building a submarine with Florida-based Triton. It wasn't clear if this was to build knowledge in anticipation of a self-diving car craze emerging in the next few years. ([Auto Express](#))

News about other companies and trends ...

Economic / Political News

- **China** issued new rules for electric vehicle sales in 2019 and beyond. Carmakers will get credits for each "New Energy" vehicle that they sell and the qualifying credit level will increase as time passes. ([Bloomberg](#))
- There were rumours that **California** is considering banning sales of vehicles with combustion engines. Further investigation confirmed that the governor had "indicated an interest" in such a measure. ([Bloomberg](#))
- **Saudi Arabia** will end its ban on women driving cars in June 2018. Media forecast a boom in car sales and troubling times for ride hailing companies. ([BBC](#))

Suppliers

- **Delphi** announced that its powertrain division will be called **Delphi Technologies** when it becomes a standalone entity. To avoid confusion, Delphi will rename itself (by that time a predominantly electronics business) as **Aptiv**, ([Delphi](#))
- **Toyota** said that it was using **Luminar**-supplied LIDAR in its Platform 2.1 test vehicles and credited the new sensors with enhancing the capability of the vehicle to spot and identify objects. Luminar said separately that it is working with three other OEMs. ([Toyota](#))
- **Magneti Marelli** is building a plant in Tangier, Morocco that will start production in 2019 and employ 500 workers by 2025. ([Magneti Marelli](#))
- **Autoliv** is buying LIDAR and time of flight camera (a way of using camera sensors to measure distance) assets from Swedish company **Fotonic I Norden AB**. Autoliv will get IP and take on some of Fotonic's employees as part of the deal. ([Autoliv](#))
- **Toyota, Mazda** and **Denso** are creating a joint venture to work on electric vehicle development. The new business, to be called EV C.A. Spirit Corporation, will have around 40 employees and will seek to create a common architecture for electric vehicles. ([Toyota](#))
- **Nvidia** has reportedly lost the business to produce chips for **Tesla's** infotainment system to **Intel**. ([Bloomberg](#))

Ride-Hailing, Car Sharing & Rental

- **Daimler** has bought **Fliinc**, an on-demand mobility platform. Fliinc originally started as a peer-to-peer ridesharing service but then built a white label service for car sharing, used by **Opel** among others. ([Daimler](#))
- **Bollore** are set to launch an all-electric car sharing scheme called **BlueSG** in December with an initial 80 vehicles and 30 separate sites. ([Auto Rental News](#))
- **Didi** has reportedly invested \$200 million in peer-to-peer car sales site **RenCheChe**. ([TechCrunch](#))
- **Ford** said that it would work with **Lyft** to integrate fleet vehicles (as opposed to driver-owned) into the **Lyft** system as a precursor to offering robo taxis. In the system that Ford described, it would have a technology platform that operated a pool of vehicles that could be assigned to jobs from companies such as Lyft. ([Ford](#))

Driverless / Autonomy

- Drafts of a **US** senate bill on self-driving vehicles have excluded trucks from the same categorisation, leading to speculation that union leaders have successfully lobbied to make introduction of self driving technologies more difficult in their industry. ([Wired](#))
- **Drive.ai** has raised \$15 million from ride-hailing firm **Grab** and will open an office in Singapore, where the two firms may collaborate on a self-driving car program. Memo: Grab is already working with **Nutonomy** and drive.ai recently announced a project with **Lyft**. ([TechCrunch](#))
- **Toyota** published a white paper on the future of autonomous driving, saying SAE Level 3 autonomy is “potentially as challenging to implement as Level Four automation”. It said it would have a human-supervised highway only system on sale by 2020 and a system capable of operating in urban areas in the 2020s. ([Toyota](#))

Electrification

- **Toyota, Mazda** and **Denso** (a Toyota-affiliated supplier) are creating a joint venture to work on electric vehicle development. The new business, to be called EV C.A. Spirit Corporation, will have around 40 employees and will seek to create a common architecture for electric vehicles. Toyota and Mazda hope that the common platform can be scalable to a range of vehicle sizes. ([Toyota](#))
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- **JLR** is reportedly considering offers from **Samsung SDI, LG Chem** and **Panasonic** to supply batteries. The company is apparently requesting quotes for around 2 million 21700-size cylindrical cells each year. ([ET News](#))
- **Mahindra's** chairman said that the tipping point has been reached on electric vehicle profitability. ([Bloomberg](#))
- A report by **used car** sales website [iseecars.com](#), 6 out of the top 10 fastest selling used cars in the US are either fully electric or plug in hybrid. ([iseecars.com](#))
- **BMW** is reportedly planning to release a wireless charging pad that can be placed in a customer's garage and will have a 3.2kW rating. Previous examples have suffered from being extremely sensitive to vehicle position over the pad so it remains to be seen whether BMW have conquered this problem. ([Futurism](#))
- **VW's** director of development appeared to suggest that the company will unveil an all-electric Phaeton replacement at the Geneva 2018 show. ([Motoring](#))

Other

- **Airbus** is creating a flying taxi accelerator program for Chinese start-ups that offers participants \$100,000 of investment and a four-month long stint in an incubator located in Shenzhen. ([TechCrunch](#))
- **Gogoro**, an electric scooter company, is starting a scooter sharing scheme in Japan. ([Wired](#))
- According to news reports, mapping company **HERE's** current rate of spending on R&D is €640 million annually, nearly 60% of revenue. ([Reuters](#))