



AD PUNCTUM

Autos & Mobility Industry Briefing -- 8th October to 14th October 2018

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 (history)

- Confirmed plans to take a majority share of its Chinese joint venture with Brilliance. Under a new agreement that extends to 2040, BMW will see its stake rise to 75%, local production capacity will rise to 650,000 units annually and the two partners will invest €3 billion “in the coming years”. ([BMW](#))
- Sold 1,834,810 units globally in Q3 2018, a 1.3% increase on a year earlier. ([BMW](#))
- BMW’s greater joint venture share will cost the company €3.6 billion and the deal will close in 2022. ([Reuters](#))
- Concluded the formation of its 51% software joint venture with Critical Software based in Portugal. ([BMW](#))

Daimler (history)

- Sold 1,715,087 units in Q3 2018, down (0.1)% on Q3 2017. ([Daimler](#))
- Reportedly in talks with Geely to create a Chinese joint venture offering car sharing and ride hailing. ([Just Auto](#))

FCA (history)

- Italian unions are becoming increasingly alarmed about repeated down days at plants in Turin. ([Torino Oggi](#))
- Ended production of diesel powered Pandas. ([Fleet Europe](#))

Ford (history)

- Reportedly part of a yet-to-be-announced German battery consortium that will be supported by €1 billion of government cash and is set to be officially launched on 13th November. ([Reuters](#))
- Said that the previously reported assembly of pure electric Transit vans in Germany employed 180 employees working in two shifts, for a capacity of 3,500 vehicles per year. ([Ford](#))
- Recalling around 200 GTs to correct problems that can cause fires. ([Ford](#))
- Kanye West stopped by the White House to tell Donald Trump that Ford needed to have “the highest design” and the “flyest, freshest, most amazing car” but declined to elaborate on how to do so. Ford’s spokesman replied “like we always say, you can’t spell fresh, fly and dope without Ford”. ([Detroit Free Press](#))
- CEO Hackett said no one was ahead of Ford in developing autonomous vehicles. ([Axios](#))

Geely (includes Volvo) (history)

- Launched production of Geely vehicles at its factory in Tunisia. ([Xinhua](#))
- Reportedly in talks with Daimler to create a Chinese joint venture offering car sharing and ride hailing. ([Just Auto](#))
- Looking at an expansion of the Care by Volvo subscription service to include used vehicles. ([CNET](#))

General Motors (history)

- Workers in South Korea may go on strike over the company's moves to separate its R&D operations there from the plants. Unions said the restructuring "appears to be a move to sell its car plants". ([Yonhap](#))
- GM executives think some people turn down ride hailing if the driver has an Infiniti QX60 rather than a Chevrolet Suburban. ([Digital Trends](#))

Hyundai / Kia (history)

- Hyundai's Cradle VC unit invested in Perceptive Automata, a firm developing software to predict intent of pedestrians near to self-driving cars. ([Hyundai](#))

Nissan (includes Mitsubishi) (history)

- The Alliance Ventures VC unit invested in mobility data company Coord. ([RNA Alliance](#))
- Delayed pay talks with UK unions until 2019, awaiting the outcome of Brexit negotiations. ([Sky News](#))

PSA (includes Opel/Vauxhall) (history)

- Confirmed already rumoured changes to the Opel / Vauxhall line-up, saying that Adam, Karl/Viva and Cascada will be dropped by the end of 2019, mainly because of poor CO₂ performance. In 2020, Opel / Vauxhall vehicles will cover 80% of "mainstream market volume". ([PSA](#))
- CEO Tavares sent a letter from the year 2038 where he lives in a world of 230 kmh autonomous sports cars, where L5 capability counts for 25% of sales and ride hailing services that match him with other motorsport nuts. He declined to say who was Formula 1 world champion the prior year, presumably having watched Back To The Future II before writing. His main message was that stakeholders needed to come together to accept revolutionary change should not stand in the way of progress, even though automotive employment accounts for around 6% of the European total. ([Les Echos](#))
- Will finalise the strategy to enter the US market by spring 2019. ([Automotive News](#))
- Started offering Opel vehicles under Free2Move branded lease deals. ([Opel](#))

Renault (history)

- The Alliance Ventures VC unit invested in mobility data company Coord. ([RNA Alliance](#))
- Signed cooperation agreements with three major European energy companies -- EDF, Enel and Total -- to establish electrical charging infrastructure. ([Renault](#))

Suzuki

- Proceeding with land acquisition for production of a second plant in Gujarat, India, 35km from an existing factory. Construction will begin once capacity increases at other plants are in place. ([Economic Times of India](#))

Tata (includes JLR) (history)

- Reportedly considering ending all conventionally powered Jaguar vehicles within the next five to seven years (e.g. at the end of the current model cycle, including the yet-to-be launched but heavily rumoured J-Pace). Internal forecasts are that a four to five car line-up could sell 300,000 units annually. ([Autocar](#))
- Planning a major revamp of Indian dealers from 2019 onwards. ([Live Mint](#))
- A letter to agency staff said the Solihull shutdown was due to a backlog of 25,000 unsold units. ([Birmingham Mail](#))
- Rumoured to be considering buying V8 engines from BMW to replace high power units currently sourced from Ford for the next generation F-Type. ([CAR](#))

Tesla (history)

- Customers in the US wishing to qualify for a full fat federal tax credit had to order cars by the 15th October. ([Reuters](#))
- Reportedly struggling to maintain production of Model S, 5,000 units per week. ([CNBC](#))
- CEO Musk denied that James Murdoch was in the running to replace him as Chairman. ([Bloomberg](#))

- Registered trademarks for a Tesla-branded Tequila. ([Business Insider](#))
 - Implication: Tesla once again upends industry convention that drinking and driving should never be associated by laying plans to put its brand on a bottle. In a world where beer companies pay Formula 1 drivers to appear in adverts turning down their product at parties, it's a bold move.

Toyota (history)

- Toyota AI Ventures invested in Perceptive Automata, a firm developing software to predict intent of pedestrians near to self-driving cars. ([Toyota](#))

VW Group (history)

- CEO Diess said a 40% reduction in CO2 levels by 2030 would mean losing “around a quarter of the jobs in our factories” -- 100,000 by his estimate. He wants a slower transition to full electric vehicles to avoid a “painful revolution”. ([VW](#))
 - Implication: Despite having a more bullish EV forecast than most OEMs, VW is concerned about a pace of change that is probably beyond its control. OEMs need to do more to prepare themselves for the uncertainty of a transition to electrification. Finding ways to stop developing unique models for pure electric vehicles would be a good start.
- VW Group sales in Q3 were 2,611,300 units, a drop of (1.5)% on the prior year. ([VW](#))
- Having a 20-day shutdown at its Taubaté, Brazil plant because of weak Argentinian sales. ([Reuters](#))
- Audi's interim CEO is lobbying to have the job on a permanent basis. ([Handelsblatt](#))
- Launched production of the Audi A1 at SEAT's Martorell plant. ([VW](#))

Other

- **Bollinger** announced an all-electric pick-up truck version of the SUV it has been developing. ([Bollinger](#))
- **VinFast** agreed a \$950 million credit line to by manufacturing equipment from German companies ([Vietnam News](#)). Unfortunately, VinFast's parent had its credit rating outlook downgraded because of its carmaking plans. ([VnExpress](#))
- Electric car start-up **e.Go** says that changes in supplier controls have delayed the start of production but it now has a roadmap to make vehicles from April 2019 onwards. ([Golem](#))
- **RBW** is offering all-electric **MGBs** with powertrain from **Zytek**. ([Green Car Reports](#))
- **Lamborghini** might be calling their lawyers in Tehran about a **Hyundai**-powered Murcielago-clone. ([Russia Today](#))

News about other companies and trends ...

Economic / Political News

- The **UK** is reducing the generosity of its EV incentives and “focusing its attention” on BEVs. ([Reuters](#)) The industry body said it was putting the transition to electrification “at risk”. ([SMMT](#))
- **EU** governments backed a proposal for passenger car CO₂ emissions to be reduced by 35% from 2021 levels. That is lower than the European Parliament's 40% threshold but higher than the original suggestion of 30%. ([Reuters](#))
- **Israel** intends to stop sale of new gasoline or diesel-powered cars by 2030, insisting that by then vehicles must either be electric or powered by natural gas. ([Reuters](#))
- **Germany's diesel fund** which OEMs and the government funded in a bid to see off actions to ban diesels from cities hasn't dispersed all the money, so **VW**, **Daimler** and **BMW** will get millions back. ([Manager Magazin](#))

Suppliers

- **Continental** was forced by its unions to say there would be no plant closures in Germany and executive calls for improved efficiency were aimed at global operations. ([Handelsblatt](#))
- **Borg Warner** opened a new plant for electric vehicle motors and drive system components in Wuhan, China on the site of a former Remy factory (acquired by Borg Warner last year). ([Borg Warner](#))
- **Denso** took a small stake in software developer **eSol**. ([Autocar](#))

- **Bosch** says diesel is still a “pillar” of its business and that it will continue to invest in the technology. The company also believes that although some OEMs are announcing in-house production of electric motors, they are doing it “for reasons of jobs” and that ultimately it will become a supplier business. ([Les Echos](#))
- **Magna** opened a seating plant in the Czech Republic to serve **BMW**. ([Magna](#))
- **Volvo** will use **NVIDIA** chips in its future cars. ([Volvo](#))

Dealers

- The head of the **Indian** dealer association expects consolidation, saying dealerships are under stress. ([Autocar](#))
- Mobile car repair service **YourMechanic** raised \$10.1 million. ([FINSMES](#))
- Consumers say **UK** dealers need to provide more parking spaces and coffee machines, indicating that there are many who aren’t yet convinced by an online purchasing experience. ([Motor Trader](#))

Ride-Hailing, Car Sharing & Rental (history)

- **Microsoft** made a strategic investment in **Grab**. ([Microsoft](#))
- **Ola** is reportedly courting a \$100 million investment from a private investor. ([Economic Times of India](#))
- UK **Uber** drivers staged a strike to protest for higher fares. ([TechCrunch](#))
- **Careem** says employees can have as much holiday as they want. ([Careem](#))
- **Bosch** is starting a battery electric van rental business in Germany. ([Reuters](#))
- **Renault-Nissan-Mitsubishi’s** Alliance Ventures VC unit invested in mobility data company **Coord**. ([RNA Alliance](#))
- **Daimler** and **Geely** are reportedly in talks to create a Chinese joint venture offering car sharing and ride hailing. ([Just Auto](#))

Driverless / Autonomy (history)

- Lidar developer **RoboSense** announced \$45 million in funding. ([RoboSense](#))
- **Uber** sponsored a study by **RAND** into safe testing of autonomous vehicles. ([RAND](#))
- **Waymo’s** fleet passed 10 million miles of testing on public roads and said it was racking up 10 million virtual miles each day. ([Waymo](#))
- **Hyundai’s Cradle** VC unit and **Toyota AI Ventures** invested in **Perceptive Automata**, a firm developing software to predict intent of pedestrians near to self-driving cars. ([Hyundai](#)) ([Toyota](#))

Electrification (history)

- **Bollinger** announced an all-electric pick-up truck version of the SUV it has been developing. ([Bollinger](#))
- **Ford** and **Varta** are reportedly part of a yet-to-be-announced **German** battery consortium that will be supported by €1 billion of government cash and is set to be officially launched on 13th November. ([Reuters](#))

Other

- **Lime** lost its case to enact a restraining order on San Francisco’s scheme to limit the number of scooter companies allowed to operate in the city. ([Engadget](#))