



AD PUNCTUM

Autos & Mobility Industry Briefing -- 8th April to 14th April 2019

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)

- Sold 605,333 vehicles in the first three months of 2019, up 0.1% on 2018. ([BMW](#))
- CEO Kruger criticised the amount of electric vehicle charging infrastructure in Germany, saying that Beijing had more than 2 and a half times the number of charging stations than the entire country. ([Handelsblatt](#))
- BMW says staff are able to use augmented reality to check new press tools for design mistakes. ([BMW](#))

Daimler (history)

- Released the sustainability report for 2018. ([Daimler](#))
- Sold 587,921 units in Q1 2019, a drop of (5.9)% from a year earlier. ([Daimler](#))
- German newspaper reports said that authorities had discovered defeat devices on GLK SUVs fitted with diesel engines but that the software had then been changed to remove the functionality. ([Bloomberg](#))

FCA (history)

- Expressed confidence that 2019 and 2020 financial goals would be met, despite headwinds. ([Reuters](#))
- Released the 2018 sustainability report. ([FCA](#))
- Will pay \$110 million to settle a lawsuit over diesel emissions in US pick up trucks. ([Detroit News](#))
- Unions complained that FCA is regularly suspending engineering and management activities in Turin. ([Torino Oggi](#))

Ford (history)

- Announced another executive reshuffle that sees the leader of Ford's smart mobility business retire, and the previous two roles covering automotive sales and operations amalgamated into a single job. Following the moves, CEO Hackett will have two key lieutenants: Joe Hinrichs as head of automotive and Jim Farley as head of new business. Although the roles are nominally the same status, the automotive operation is several orders of magnitude larger in both workforce and revenue. ([Ford](#))
 - Significance: Coming only two years after CEO Hackett created the structure that is now being overhauled, the reorganisation makes Hinrichs look a more likely CEO candidate than Farley.
- Recalling 327,000 pick up trucks that have already been recalled once because the repair procedure might have caused further damage. ([Ford](#))
- CEO Hackett said Ford will be ready for the recession. ([Detroit Free Press](#))
- Autonomous cars have been over-hyped and initial applications will be geo-fenced (i.e. the car will not be allowed to go beyond certain mapped areas), according to CEO Hackett. ([Fast Company](#))
- Ceasing production of the KA+ for Europe in September 2019, citing profitability problems and the expense to make the car compliant with more stringent CO₂ regulations. ([Car Scoops](#))
- Rumoured to be near to a 49% (Ford) / 51% (Mahindra) JV that would take control of Ford's Indian assets. ([Reuters](#))

- Researching solid state batteries in conjunction with Solid Power. ([Inside EVs](#))
- UK unions believe Ford is hiding the true scale of planned cuts. ([This Is Money](#))

Geely (includes Volvo) (history)

- Announced a new all-electric brand, Geometry, that intends to release 10 new vehicles by 2025. ([Geely](#))
- Kandi electric vehicles will be offered to around 300,000 Didi drivers via Didi's leasing program. ([Kandi](#))
- Confirmed the Polestar 2 will be produced in Luqiao, China, alongside the Lynk&Co 01 and Volvo XC40. ([Geely](#))
- Geely have enlisted Ricardo to develop a new transmission for plug-in hybrid vehicles. ([Green Car Congress](#))

General Motors (history)

- Set a release date for the next generation Corvette, confirming that the car will be mid-engined. ([GM](#))
- Talks over GM taking a stake in Rivian have reportedly halted with the resistance supposedly coming from Rivian's side as the business looks to keep its options open. ([Detroit News](#))

Honda (history)

- After previously implying that a new model would be built in Turkey once Civic production ends in 2021, Honda said that it would cease car production in the country at that point. ([Japan Times](#))
- Expects Honda sales in China to catch up with the US market in two to three years. ([Reuters](#))
- Opened a 120,000 units per year plant in Wuhan, China, in partnership with Dongfeng. ([Honda](#))

Hyundai / Kia (history)

- Reportedly close to announcing a new COO, Nissan's former chief performance officer. ([Bloomberg](#))

Mazda

- Recalling 190,000 vehicles for faulty windscreen wipers. ([Economic Times of India](#))

Nissan (includes Mitsubishi) (history)

- Will build the next generation Navara pick-up truck at the Rosslyn, South Africa, plant. ([Nissan](#))

PSA (includes Opel/Vauxhall) (history)

- CEO Tavares claimed that European CO₂ regulations would mean 40% of vehicle componentry (for pure electric cars) being sourced from Asia, because of the cost of the batteries, and that it will be "chaos" between now and 2030 as OEMs try to adapt to ever-increasing emissions standards. ([Autocar](#))
 - Significance: Tavares's 40% figure appears to imply little to no reduction in EV powertrain cost from today's levels, going against both received wisdom and historical trend. In addition, major EV powertrain suppliers have been looking for EU locations as demand grows to justify regional, rather than global, sourcing.
- Per vehicle profitability on the DS7 is apparently "sky high". ([Autocar](#))
- Confirmed that a second model will be produced at Opel's Rüsselsheim plant alongside the Insignia. Although the press release doesn't specify the car, rumours point to the next generation Astra. ([Opel](#))
- Tavares says he hasn't talked with Tata about a takeover of JLR, but that doesn't mean he hasn't spoken with mutual friends who might pass along a message or two. ([Autocar](#))

Renault (history)

- Opened a new innovation hub and design centre in Shanghai, China, in partnership with Nissan. ([Renault](#))

Suzuki

- Expecting that recall costs will hit full year profits by over \$700 million. ([Japan Times](#))

Tesla (history)

- The \$35,000 version of the Model 3 has been withdrawn from the website and will only be available by ordering in stores or over the phone. Tesla confirmed that the car will actually be the same as the \$39,500 “Standard Plus” model but several features, including the full battery range, will be disabled via software. All cars will now come with Autopilot software enabled as standard. ([Tesla](#))
- Announced a leasing program for the Model 3 but, unusually, said that customers would not have the option of purchasing the car because the cars are destined for the Tesla ride-hailing network. ([Tesla](#))
 - Significance: Since many lease customers simply move to a new vehicle, ending the option of a payment will make little difference to the program desirability. The link to an autonomous ride hailing program raises questions: what makes Tesla think it can launch in around three years (when leases expire)? How are the number of lease vehicles miraculously the same as the ride hailing network requirement?

Toyota (history)

- Unveiled the next generation RAV4. ([Toyota](#))

VW Group (history)

- Reportedly having trouble with the development of both the next-generation Golf and the ID, and may fail to bring them to market within the planned timeframe. ([Handelsblatt](#))
- VW Group sold 2,605,600 units in Q1 2019, down (2.8)% from a year ago. ([VW](#))
- According to critical newspaper reports, CEO Diess has alienated labour leaders, top shareholders and many direct reports. Aggrieved parties, via journalists, caution that he must lead by consensus and his chances of becoming the Millwall of CEOs (no one likes us, we don't care) are slim. ([Handelsblatt](#))
- Škoda's boss claims the brand could have sold an additional 100,000 cars in 2018, had the production capacity been available. ([Autocar](#))
- Despite the overall fall in European diesel sales, Audi is withdrawing S6 and S7 petrol derivatives. ([Manager Magazin](#))
- Employees are going to have to make do without colour printing. Existing machines will be switched to black and white only mode and no new colour models will be purchased. The firm aims for less than five percent of print outs to be colour in future. ([Handelsblatt](#))
- Rumoured to be exploring options for a stake in Chinese joint venture partner JAC. ([Reuters](#))

Other

- Purists were in a state of shock after **MG's** latest product was unveiled -- a minibus based on a **Maxus** van. ([SAIC](#))
- **NIO** will reveal the ET7 at the Shanghai show. ([Green Car Reports](#))
- **Byton's** chairman might be on his way out, the company stressed that they were only rumours. ([Manager Magazin](#))

News about other companies and trends ...

Suppliers

- **SK Innovation** said it was discussing a joint venture factory with **VW**, in addition to similar talks with several Chinese carmakers. ([Reuters](#))
- **Hella's** revenue in the first fiscal nine months was €4.2 billion, with EBIT of €417 million. ([Hella](#))
- **Faurecia** acquired a majority stake in **Creo Dynamics**. ([Faurecia](#))
- **Webasto** acquired bought out its partner in a South Korean joint venture. ([Webasto](#))
- **Adient** said that Q1 2019 financial results would be worse than expected. ([Adient](#))
- **Benteler** and **Freudenberg (Vibracoustic)** are partnering on chassis systems for electric vehicles. ([Benteler](#))
- **Panasonic** won't make further investment to increase capacity for battery production at **Tesla's** Gigafactory until the firm is satisfied that existing assets are being suitably sweated for all they are worth. ([Reuters](#))
- **LG Chem** and **VinFast** have set up a joint venture for electric vehicle battery packs in Vietnam. ([VinFast](#))

Dealers

- Online used car sales portal **Shift** raised an additional \$40 million. ([TechCrunch](#))

Ride-Hailing, Car Sharing & Rental (history)

- **Uber** released a detailed report ahead of an IPO. ([SEC](#))
- **Via** is launching an on-demand public transport service in Indonesia called Tron. ([Via](#))

Driverless / Autonomy (history)

- **Pony.ai** raised \$50 million in a deal valuing the business at \$1 billion. ([Deal Street Asia](#))
- **Uber** executives said self-driving cars will be a reality within 10 years but declined to forecast how widespread because it will take a “long time” to get to scale. ([VentureBeat](#))
- Autonomous cars have been over-hyped and initial applications will be geo-fenced (i.e. the car will not be allowed to go beyond certain mapped areas), according to **Ford's** CEO. ([Fast Company](#))

Electrification (history)

- **BMW** CEO Kruger criticised the amount of electric vehicle charging infrastructure in Germany, saying that Beijing had more than 2 and a half times the number of charging stations than the entire country. ([Handelsblatt](#))

Connectivity

- Driver and occupant perception developer **Affectiva** raised \$26 million. ([FINSMES](#))

Other

- Scooter rental firm **Telepod** believes it has found a competitive advantage by offering electric scooters with swappable batteries to food delivery agents. ([Tech In Asia](#))
- Scooter rental start-up **Movo** raised \$22.5 million. ([TechCrunch](#))