



# AD PUNCTUM

## Autos & Mobility Industry Briefing -- 15<sup>th</sup> April to 21<sup>st</sup> 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)

- BMW's CFO denied plans to jointly develop a compact car with "a German competitor". ([Reuters](#))
- Launched a refreshed Mini Clubman. ([BMW](#))

#### **Daimler** (history)

- New CEO Kallenius reportedly plans to save an incremental €6 billion and set the company on a course to be CO2 neutral by 2040. The relationship with Renault-Nissan is rumoured to be on the chopping block. ([Manager Magazin](#))
- Hopes that van production in Russia will soon restart at the GAZ site after GAZ's sanction-hit controlling shareholder said he was ready to reduce his stake in the firm. ([Reuters](#))
- Invested in battery developer Sila Nanotechnologies. ([Sila](#))
- Confirmed earlier rumours that a compact all-electric SUV called the EQB will launch in 2021, with a conventionally powered cousin, the GLB, on sale at the end of this year. ([Reuters](#))

#### **FCA** (history)

- Unions said FCA was planning to invest \$355 million in the Windsor, Canada plant. ([Detroit News](#))
- Recalling about 330,000 vehicles to correct problems with gear changes that could lead to the car rolling away. ([FCA](#))

#### **Ford** (history)

- Agreed terms with Mahindra for a new C-sized SUV built on a Mahindra platform and powertrain. ([Mahindra](#))
- The head of Ford's automaking division appears bullish on the economic outlook, saying that the US market peak auto "story" has been around for ages and that he would be surprised by a no deal Brexit. ([CNBC](#))
- Ford's CTO says that not only do self-driving vehicles need lidar, but high definition (i.e. areas pre-mapped with lidar) are also a must. He believes that vehicles lacking these features have no more than "really good driver-assist technology" and pointed to Tesla as one such example. ([Recode](#))
- Told investors that switching production at Wayne from Focus and C-MAX to Ranger would increase profits by about \$1 billion over the product cycle. ([Reuters](#))

#### **Geely (includes Volvo)** (history)

- Geely showed the Preface concept at Shanghai, suggesting the brand's design language is moving much closer to subsidiary Volvo. ([Geely](#))
- Lotus revealed teaser images of the all-electric Type 130 hypercar, apparently planning to build less than 50. ([Autocar](#))

## General Motors (history)

- PR for GM's new emerging market models gave some insight into the cost trade-offs OEMs make on mass-market cars: \$7 per unit saved by integrating a headrest on a driver's seat; \$2 per vehicle to strengthen an axle. ([Reuters](#))

## Honda (history)

- Will eliminate the second shift at the Marysville, USA plant. ([Japan Today](#))

## Hyundai / Kia (history)

- Confirmed the announcement of ex-Nissan executive José Muñoz as COO. ([Hyundai](#))
- Wants more information about government policy to decide the optimum sourcing strategy for electric vehicle components in India. ([Economic Times of India](#))

## Nissan (includes Mitsubishi) (history)

- Vehemently denied newspaper reports that the 2019/20 fiscal year plan will reduce production by (15)%. ([Nissan](#))
- Suing Carlos Ghosn, alleging that he made payments to distributors that were actually going to him. ([Nissan](#))

## PSA (includes Opel/Vauxhall) (history)

- Released its annual sustainability report. ([PSA](#))
- Opel brand commercial vehicle sales are up 35% in Q1 2019 versus prior year. ([Opel](#))
- Opel will move to an importer model in the Czech Republic and Slovakia. ([Opel](#))

## Renault (history)

- The head of Renault India says that new products will double sales because the portfolio will extend from 24% of the market to more than 50%. He is concerned that Renault's profitability in the country is dependent on the performance of Nissan because the two firms share a 480,000-unit factory and believes that the market for small diesel vehicles will disappear by 2023. ([Autocar](#))

## Tata (includes JLR) (history)

- JLR's design director hates large touch screens (12" or so) in cars, revealing that he frequently changes the seat or mirror locations whilst driving at 80 miles per hour. ([Detroit News](#))

## Tesla (history)

- CEO Musk said that Tesla's latest iteration of Autopilot would have redundancy through two processing chips, however upon questioning he conceded that the chips and processing logic were identical so the redundancy is akin to having two engines, not independent decision making (at 9:30 on video). Once full self-driving is released, Tesla drivers will still have to keep their hands on the wheel until Tesla can determine that the system operates safely, a time period Musk predicts as six months (18:00 on video). ([Lex Fridman](#))
- Released an environmental impact report. ([Tesla](#))
- Investigating a fire in a stationary Chinese vehicle that went viral. ([Reuters](#))
- [Planmning](#) to shrink the size of the board down to seven and reduce the term to two years (from three). When the moves are complete, in around 2021, Tesla will have three independent directors. ([CNN](#))

## Toyota (history)

- Took a stake in Uber's self-driving car unit and agreed to invest \$300 million over the next three years to build a commercial fleet of vehicles. ([Toyota](#))
- Licenced the eQ all-electric city car design to Chinese start-up Singulato, who will launch a vehicle based on Toyota's model called the iC3. ([Reuters](#))
- Showed the next-generation Highlander SUV. ([Toyota](#))
- Unveiled the US market Yaris, based on the Mazda 2. ([Autocar](#))

## VW Group (history)

- Audi reportedly wants to sell down stakes in engineering service providers. ([Reuters](#))
- Audi's AI:ME concept car in Shanghai, previewed an interior for a car with partial self-driving abilities. The 65 kWh battery of the concept suggested that VW doesn't see huge batteries as necessary for mid-sized cars. ([VW](#))
- Former CEO Winterkorn was charged by German prosecutors over the diesel scandal. ([Reuters](#))
- Joining a supplier traceability collaboration that uses blockchain, Ford is already a partner. ([VW](#))
- VW CEO Diess was accused of insensitivity over comments over Chinese camps for Uighurs. ([Washington Post](#))
- VW's Slovakian operations will reduce staff by 3,000 and aim for lower wages as part of efforts to improve efficiency by almost a third. ([Reuters](#))

## Other

- **Subaru** unveiled the next-generation Outback. ([Subaru](#))
- **Byton** says it has 50,000 orders and plans to fulfil 10,000 of them by the middle of 2020. ([Economic Times of India](#))
- **XPENG** revealed the P7 electric coupe. ([XPENG](#))
- **Apollo** started production of the IE supercar. The vehicles will be built by German engineering firm **HWA**. ([Apollo](#))
- **Nikola** said it has orders for over 13,000 trucks as it revealed further derivatives, including a truck aimed at European fleet customers. ([Nikola](#))
- **Karma** revealed a **Pininfarina**-badged concept built on the Revero's underpinnings. It isn't clear whether the vehicle will make it to production. The Revero is getting a light refresh. ([Karma](#))
- **Pininfarina** also helped hydrogen-only carmaker **Grove** to create a concept vehicle in Shanghai. ([Autocar](#))
- **Aston Martin** showed the production version of the all-electric Rapide. Although only 155 will be built, Aston Martin's press release suggests that some are still up for grabs.. ([Aston Martin](#))

## News about other companies and trends ...

### Economic / Political News

- **European** passenger car registrations in March 2019 of 1,770,849 units fell (3.6)% versus prior year. ([ACEA](#))

### Suppliers

- Precision toolmaker **Sandvik** said orders from automakers were strong (outside of Germany). ([Bloomberg](#))
- **Panasonic** disputed reports that the scrap rate at the Nevada battery factory built to supply **Tesla** runs to half a million cells per day, around 1/6<sup>th</sup> of output. ([Business Insider](#))
- **AESC** is building a 20 GWh /year battery factory in Wuxi, China. ([Bloomberg](#))
- **NXP** took a stake in long range radar developer **Hawkeye**. ([Reuters](#))
- **Nidec** is buying the automotive assets of **OMRON** for 100 billion JPY (about \$900 million). ([Nidec](#))

### Dealers

- Online business-to-business used car sales platform **BacklotCars** raised \$25 million. ([BacklotCars](#))

### Ride-Hailing, Car Sharing & Rental (history)

- **Via** announced two Japanese firms as investors. It hopes they will help it to break into the local market. ([Via](#))
- **Uber** sold a sizeable stake in its self-driving unit to **Toyota**, **Denso** and **SoftBank** in a move valuing the division at \$7.25 billion. ([Toyota](#))

### Driverless / Autonomy (history)

- Lidar developer **Aeva** said it had been working with **Audi's** AID self-driving car unit, which appears attracted by the path to a "right cost". [AID previously disclosed it was working with Luminar](#) so it isn't clear whether the two lidar makers are in competition or be used as redundancy for one another. ([Reuters](#))
- Remote driving firm **Phantom Auto** raised \$19 million. ([CNBC](#))

- **Daimler's** short term car rental subsidiary **Car2Go** had to pause operations in Chicago after a number of vehicles appear to have been involved in committing crimes. ([The Verge](#))
- **Byton** executives say the firm will be capable of L4 autonomy within the life of the latest M-Byte SUV (one would expect about five to six years). ([Autocar](#))
- **Ford's** CTO says that not only do self-driving vehicles need lidar, but high definition (i.e. areas pre-mapped with lidar) are also a must. He believes that vehicles lacking these features have no more than “really good driver-assist technology” and pointed to **Tesla** as one such example. ([Recode](#))

#### Electrification (history)

- Battery developer **Sila Nanotechnologies** raised \$170 million from a group including **Daimler**. ([Sila](#))
- **Lightyear's** solar panels will harvest about 700 kWh annually in Northern European countries, which the start-up says will be good for over 50km of driving each day in the summer. This seems about in line with [claims made by Sono Motors](#), adjusting for differences in vehicle size. ([Lightyear](#))
- **Continental** says that the latest brake by wire regenerative system can improve CO<sub>2</sub> performance by over 8g per mile compared to lower technology systems -- all-electric cars benefit too, albeit not by as much. ([Continental](#))
- **Toyota** licenced the eQ all-electric city car design to Chinese start-up **Singulato**, who will launch a vehicle based on Toyota's model called the iC3. ([Reuters](#))

#### Connectivity

- The EU backed a connected vehicle standard that uses **Wi-Fi**, rather than **5G**. ([Reuters](#))
- **Hyundai** electric car owners can adjust vehicle performance settings -- such as maximum torque, top speed and acceleration -- using their mobile phones. Less clear is why anyone will choose anything other than “max”. ([Hyundai](#))