



# AD PUNCTUM

## News Review -- 20<sup>th</sup> November to 26<sup>th</sup> November

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

- Selling its stake in carbon fibre joint venture SGL Automotive Carbon Fibre to partner SGL (in which BMW is a shareholder). ([BMW](#))
- Will invest \$200 million in a battery cell competence centre, employing 200 people, opening in 2019. ([BMW](#))
- Published a vision for two-wheeled emission free transport in future cities involving elevated roads reserved for such vehicles. ([BMW](#))
  - Implication: Although much is being made of the threat to cars of autonomy, the impact on motorcycles of emerging technologies is doubly bad: electrification means vehicles must either have very low range or heavy batteries that impair handling; and the safety case for travelling at high speed with only a millimetre of leather for protection may also appear dubious to many. BMW and others will have to work hard to find a way to re-position the motorcycle.
- Sensing an opportunity in a French regulation that says large companies and towns must provide comprehensive mobility plans; Alphabet, BMW's wholly-owned leasing company and a select group of partners are offering an out-of-the-box multi-modal package that includes car-sharing, bicycle-sharing and asset financing. ([Journal Auto](#))

#### Daimler

- Said that it will launch electric drive in all Mercedes-Benz products. The first product, eVito, launches in 2018 and further products will follow starting in 2019. The eVito will have a range of around 150km and a top speed of up to 120km/h. ([Daimler](#))
- Has asked employees to submit ideas for new businesses with the aim of identifying 100 million of benefit from the best 15 ideas. It wasn't clear if this is revenue or profit. ([Daimler](#))

#### FCA

- Signed an MoU with fuel company Eni for further collaboration on fuel research. ([Journal Auto](#))

#### Ford

- Denied it may exit some or all South American markets following a note to investors from JP Morgan implying knowledge of management plans for an "out-of-the-box transformation plan". ([Detroit News](#))
- Despite last week's announcement of a new product in Valencia, local unions are unhappy with recent proposals from Ford to change holiday patterns and terminate the contracts of over 100 temporary employees. ([Europa Press](#))

## Geely (includes Volvo)

- Volvo signed a non-exclusive supply agreement to supply “tens of thousands” of vehicles (the number was quoted as up to 24,000) to Uber between 2019 and 2021 for Uber to install its autonomous driving suite. Volvo said that it wants to be the supplier of choice for robo taxi services. ([Volvo](#))
- Started production of the XC40 small SUV in Belgium, saying it already has 13,000 orders. Reflecting Tesla’s contribution to automotive culture, the company was keen to emphasise its robot nicknamed “the Beast”. ([Volvo](#))

## General Motors

- GM Korea unions, concerned at the negative impact of Opel’s transformation plan (which will bring work in-house), are pressing the company to guarantee replacement products. ([Wards](#))

## Nissan (includes Mitsubishi)

- Said that it will introduce a new internal combustion technology, variable compression, in the 2019 Infiniti QX50, claiming at least 30% improvement in fuel economy over the prior generation vehicle. ([Nissan](#))

## PSA (includes Opel/Vauxhall)

- Said that it will no longer build a new engine plant in Slovakia and will build engines in an existing Opel plant instead. ([Les Echos](#))
- Announced the appointment of a new importer for the Opel brand in South Africa. ([PSA](#))
- Has launched an e-payment platform, administered by its finance arm in partnership with a bank and online payments company, to be used across the range of mobility services PSA will offer. ([PSA](#))
- Said it had learned from the failure of its Berlin carsharing operation Multicity that in future it must provide more vehicles and suffered from having a 3<sup>rd</sup> party (in this case DB) run the software platform. ([Usine Nouvelle](#))

## Renault

- Signed a joint venture agreement with Al-Futtaim to manufacture and sell vehicles in Pakistan. Construction will begin on a new plant in Karachi in Q1 2018 and car sales will commence in 219, with locally built units becoming available in larger quantities from 2020. ([Renault](#))

## Suzuki

- May move production of the Swift and Baleno between plants in India in a bid to maximise output of the Suzuki and Maruti Suzuki footprint in the country. Suzuki is launching 3 plants between now and 2020 and has reportedly already purchased land for an additional three. ([Economic Times of India](#))

## Tata (includes JLR)

- Will reportedly supply glider Nanos to Jayem Automotive, who will add an all-electric powertrain and market the vehicle as the Jayem Neo. Tata NEO. The vehicle is said to be powered by a 48V system. ([Autocar](#))

## Toyota

- Is reportedly seeking to “heighten awareness” of US employees about their need to improve cost competitiveness by creating an internal video that says it is cheaper to import cars from Japan than make them in the US. Presumably the video doesn’t highlight the c.(30)% depreciation of yen to dollar over the past few years. ([Bloomberg](#))
- Issued a new €600 million green bond which will be used exclusively to finance retail contracts on Toyota and Lexus vehicles that meet certain emissions criteria. ([Daimler](#))

## VW Group

- Union representatives from VW’s Works Council held meetings with investors in London and appeared to indicate a willingness to support an arms-length relationship, and even possibly a spin-off, provided that it was in the best interests of the company and the employees. ([Bloomberg](#))

## Other

- **Mahindra & Mahindra's** chairman said that the company was looking to sell electric vehicles in the US but had not yet decided which brand to use from Mahindra, Pininfarina and Ssanyong. The company has just opened a new US factory -- dedicated to production of off-highway vehicles for the time being. ([Times of India](#))
- **Mahindra & Mahindra** announced that it was collaborating with **Uber** to put electric vehicles in the hands of Indian drivers. ([Mahindra](#))
- **Aston Martin** revealed the new Vantage, saying "most" of the 2018 production is already sold out. ([Auto Evolution](#)).
- **Scuderia Cameron Glickenhaus** unveiled the SCG 004S, a \$400,000 all-carbon fibre supercar with a three-abreast seating layout. The company aspires to produce around 250 vehicles each year. Deliveries of the first 25 vehicles are set for 2018. ([Car](#))
- **Devel Motors** announced pricing for its V16 12.3 litre supercar. Deliveries of the \$1.8 million Sixteen, which has a claimed output of 5,000hp will hopefully start in the next 18 months. The company is also planning an SUV. ([GT Spirit](#))

## News about other companies and trends ...

### Economic / Political News

- **European** commercial vehicle sales in October were up 10.7% on a year-over-year basis. ([ACEA](#))
- The **UK** government announced more funding for all-electric vehicles and infrastructure development in addition to a reform of laws that will allow more extensive use of autonomous vehicles by 2021. ([The Guardian](#)). The industry body was disappointed that government support was aimed at BEVs to the detriment of PHEVs and that negative messages were being sent on diesel's future. ([SMMT](#))

### Suppliers

- An investment firm is buying a 40% stake in **Carglass**, control will remain with the existing owners. ([Journal Auto](#))
- Echoing the scandal surrounding Kobe Steel, **Mitsubishi Materials** said that the company had shipped material that failed to meet internal quality standards -- although the company stressed that the materials are safe. ([Seattle Times](#))
- **Divergent 3D** said that it had raised \$65 million to fund development of flexible manufacturing processes for automobiles and aircraft. ([Press Release](#))

### Dealers

- Parisian used car peer-to-peer marketplace **Kyump** raised €2.4 million to fund expansion. The company says that it is already self-sustaining. ([Journal Auto](#))
- A possible sign of things to come due to weakness in the UK: **Marshall Motor Holdings** announced the closure of five franchised dealerships (Honda, Nissan, Vauxhall, Citroën and Maserati) and a used vehicle centre. ([Motor Trader](#))

### Ride-Hailing, Car Sharing & Rental

- **Uber** suffered a data breach in 2016, losing control of data for 57 million drivers and customers. The company, apparently with the knowledge of the then-CEO, paid for the data to be deleted and stayed silent on the matter until the new CEO decided it needed to be transparent. ([Uber](#))
- Chinese ride-hailing company **Shouqi** said that it had secured new investment of around \$195 million from companies including **NIO** and **Baidu**. ([Press Release](#))
- **Sixt** intends to expand the MyDriver ride hailing service from its existing 16 US cities, including launching the service in Europe. ([Bloomberg](#))
- **HopSkipDrive**, the ride hailing service dedicated to transporting children, said it had raised a further \$7.5 million, bringing total funding to over \$21.5 million. ([TechCrunch](#))
- **Lyft** is looking to raise an additional \$500 million. ([Axios](#))
- Messaging service **LINE** acquired Indonesian carpooling platform **TemanJalan**, citing the company's local language chatbot expertise, rather than business model, as the primary reason for the purchase. ([Deal Street Asia](#))

## Driverless / Autonomy

- **Singapore** is planning to put driverless buses onto the streets in three locations from 2022. The idea is for the vehicles to operate on-demand during off-peak times. ([Straits Times](#))
- **Volvo** signed a non-exclusive supply agreement to supply “tens of thousands” of vehicles (the number was quoted as up to 24,000) to **Uber** between 2019 and 2021 for Uber to install its autonomous driving suite. Volvo said that it wants to be the supplier of choice for robo taxi services. ([Volvo](#))

## Electrification

- Utilising some of the technology contained in their fuel cell trucks, **Nikola** unveiled the Zero off-road vehicle. It is offered with a range of battery packs, the largest being 125 kWh. ([Futurism](#))
- Taiwanese start-up **Xing Mobility** said that it would launch an all-electric supercar named Miss R, with the equivalent of over 1,300 hp and capable of 0-60mph in 1.8 seconds, in 2018. The primary purpose of the vehicle is as a technology demonstrator for the company’s electric drivetrain technology. ([Xing Mobility](#))
- **Mahindra & Mahindra** announced that it was collaborating with **Uber** to put electric vehicles in the hands of Indian drivers. ([Mahindra](#))

## Other

- Chinese bike-sharing firm **Mingbike** is reportedly close to failure. ([Deal Street Asia](#)). **Bluegogo** and **Coolqi** appear to be falling into the arms of **Biker** -- it isn’t yet clear what the implications are for existing customers of either firms. ([Tech In Asia](#))
- Indian bike-sharing start-up **Yulu** will soon launch in Bangalore. ([TechCrunch](#))