



AD PUNCTUM

Autos & Mobility Industry Briefing -- 4th June to 10th June 2018

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

Our Latest Research

We asked car owners what they think about their vehicle's user interface and user experience (UI / UX), the findings don't look good for OEMs but provide plenty of food for thought on how to change things:

- Over one third of owners said their car's UI was NOT easy to operate
- Over one third said it had the WRONG capabilities
- Over one third use SOMETHING ELSE (e.g. smartphone, navigation) to fill the capability gap
- And much more

[Read it here](#)

p.s. the presentation doesn't have all the results, just some highlights. If you'd like to know more then please get in touch to arrange a discussion.

News about the major automakers

BMW (history)

- Said that Magna will produce the new Z4, starting in late 2018. ([Magna](#))
- BMW headquarters was evacuated for a bomb alert. After a robot had carried out a controlled explosion, investigators determined that it was an alarm clock designed to look like sticks of dynamite. ([SZ](#))

Daimler (history)

- Will invest €1 billion to build an additional car plant at Kecskemét in Hungary, saying the new factory will be fully flexible and have capability to produce a range of drivetrains and vehicle types on a single line. ([Daimler](#))
- Daimler Trucks held a capital markets day where the company promised to boost profitability and create an electric truck division which will offer a range of large electric commercial vehicles, up to and including a Tesla Semi-fighter called the Freightliner eCascadia. ([Daimler](#))

Ford (history)

- In line with long-running media speculation, after it said in March that it would not allocate a new product to the plant, Ford announced it was seeking a buyer for the Bordeaux, France automatic transmission factory. ([Ford](#))
 - Implication: [Ford watchers may remember the company selling the same factory in 2009](#), as an alternative to closure -- only to take it back on [when the new owners spent all the dowry Ford provided](#). Will the company fall into the same trap again?
- Began production of the Ecopsort in Russia. ([Autocar](#))

Geely (includes Volvo) (history)

- Volvo announced a set of objectives for around 2025. It wants 50% of sales from fully electric cars, one third of sales to be autonomous, and for subscriptions to be responsible for half of retail sales. The company wants to have 5 million direct consumer relationships. ([Volvo](#))
- Lotus have a new CEO -- Geely insider Qingfeng Feng. ([Autocar](#))

General Motors (history)

- GM and Honda agreed to collaborate on next generation batteries. The partners will use GM's battery chemistry as the basis for the collaboration and the intent is for GM to supply Honda with battery packs. ([Honda](#))
- Will offer (hands off highway driving) SuperCruise on all Cadillac products by 2020 and begin rollout to other GM vehicles after that. Cadillac also plans to have V2X capability on some vehicles by 2023. ([GM](#))
 - Implication: This announcement shows that SuperCruise isn't dead, despite the lack of activity or apparent enthusiasm within GM. It also shows that the technology set appears sufficiently different to that of Cruise that GM is not planning to fuse the two anytime soon.
- GM's top powertrain executive said diesels can "still play a role for years to come", especially in the US market where they can improve the fuel economy of pick-up trucks. ([Automotive News](#))

Honda (history)

- GM and Honda agreed to collaborate on next generation batteries. The partners will use GM's battery chemistry as the basis for the collaboration and the intent is for GM to supply Honda with battery packs. ([Honda](#))
- Honda's UK sales head said it would take three years to win back customers after dropping diesel from the CR-V line-up. The longer term sales objective is 50/50 petrol and hybrid. ([Autocar](#))

Hyundai / Kia (history)

- KIA is recalling around 500,000 vehicles in the US to fix problems with airbag deployment. ([Detroit News](#))

Mazda

- Said it is continuing to develop next generation diesel engines and remains sceptical on EV demand. ([Detroit News](#))

Nissan (includes Mitsubishi) (history)

- Launched a new sustainability strategy with goals for the year 2022 covering the environment, society and governance. ([Nissan](#))
- Reportedly decided to end development of diesel engines. ([Nikkei](#))

PSA (includes Opel/Vauxhall) (history)

- Began suspending its activities in Iran following the US withdrawal from the nuclear weapons monitoring deal, although it hopes to win an exemption and continue operations. PSA stressed that Iran accounted for less than 1% of revenue and so its profit guidance remained unchanged. ([PSA](#))
- Created a fourth shift at the Vigo, Spain plant, employing 900 temporary workers due to demand for Partner and Berlingo vehicles. ([Europa Press](#))
- Executives said the first Free2Move will begin offering leasing deals outside Europe from 2019. ([Europa Press](#))
- Launched the new-look Opel in-car entertainment system, starting with the Insignia. ([Opel](#))

Renault (history)

- Created the Blue dCi sub-nameplate to differentiate diesel vehicles fitted with urea SCR systems. ([Renault](#))

Tesla (history)

- Tesla's AGM featured several interesting comments from executives. Headlines were made by suggestions the company could reach the 5,000 units per week production level for Model 3 by June; but also of interest was CEO

Musk stating Tesla would reach \$100 / kWh at a cell level in late 2018 and \$100 / kWh at a pack level in the next two years. Tesla also plan to offer free trials of Autopilot again. ([EV Obsession](#))

- A report claimed Tesla internal documents said 40% of Gigafactory-produced parts for Model 3 were being either scrapped or reworked, amounting to \$150 million in 2018. Tesla played down the reports. ([Business Insider](#))
- Will release version 9 of its operating system in August. CEO Musk said the new software would “begin to enable full self-driving features”. ([Electrek](#))
- CEO Musk says the Roadster will feature an “augmented mode” that he likened to a flying metal suit, assumed to be a reference to a trademarked comic book character. ([Electrek](#))

Toyota (history)

- Invested in self-driving robot delivery company Boxbot. ([Toyota](#))

VW Group (history)

- Porsche announced the program previously known as Mission E will be called the Taycan. ([Porsche](#))
- Audi unveiled the new Q8, a large three seat SUV. ([Audi](#))
- VW will have to take production downtime in the third quarter of 2018 because it has not certified all vehicles under WLTP ahead of the cut-off date. ([VW](#))
 - Implication: Although VW talks about the problems in terms of temporary bottlenecks, it seems up to 250,000 units could be lost. ([Handelsblatt](#))
- Participated in the \$80 million fund raising round for Gett. ([FINSMES](#))

Other

- **Aston Martin's** CEO believes “we are at the beginning of the end of the traditional automotive industry” because of the likely commoditisation of the vehicle brought about by driverless technology. ([Automotive News](#))

News about other companies and trends ...

Economic / Political News

- German engineering union **IG Metall** released a study commissioned in partnership with OEMs and Tier 1s forecasting that, in Germany alone, a net 75,000 jobs will be lost because of increased use of electrification in vehicles (the scenarios used anticipate far more EVs than today, but still have 60% internal combustion mix). ([IG Metall](#))
- **German** passenger car registrations in May of 305,057 vehicles were down (5.8)% on a year-over-year basis. ([KBA](#))
- May passenger car registrations in the **UK** totalled 192,649 units, a 3.4% increase on a year earlier. On a year-to-date basis the market is down (6.8)% ([SMMT](#))
- The European trade body, **ACEA**, issued a riposte to a study that claimed recently launched diesel vehicles all failed emissions standards. The main point of contention was the TRUE study's reliance on short duration (one second) samples that ACEA said were unreliable. ([ACEA](#))

Suppliers

- Battery systems supplier **Akasol** is expecting a valuation of around €500 million from its IPO. ([Handelsblatt](#))
- **CATL** had a successful IPO, with share values rising 44% on the first day of trading. ([Bloomberg](#))
- **CATL** made a “sizeable investment” in **Byton**. ([Deal Street Asia](#))
- **Cosworth** says it is planning an IPO in 2019. ([Reuters](#))
- **Continental** took the unusual step of issuing a press release to announce an internal ban on some messaging services claiming they do not properly protect privacy. ([Continental](#))
- **Prevent** said it would close the Leipzig NHG foundry, blaming cancelled orders from **VW**. ([Manager Magazin](#))
- **Magna** will produce the new **BMW Z4**, starting in late 2018. ([Magna](#))

Dealers

- Chinese online used car sales platform **Tiantian Paiche** raised \$100 million whilst rival **Chezhibao** received \$125 million. ([Deal Street Asia](#))
- Automotive servicing marketplace **Caroobi** raised \$20 million, including funds from existing investor BMW. ([TechCrunch](#))

Ride-Hailing, Car Sharing & Rental (history)

- **Lyft** announced a major makeover for its app to put more emphasis on shared rides as it aims for 50% of trips to be shared by 2020. The app now also includes multi-modal input from a variety of public transport partners. ([Lyft](#))
- Peer to peer ride hailing start-up **HyreCar** hopes to raise around \$10 million in its IPO. ([HyreCar](#))
- The mayor of **Paris** said she was contemplating ending the contract of **Bolloré's Autolib** car sharing service in favour of one that did not require fixed stations, or such large subsidies. ([Les Echos](#))
- **Grab** announced a venture fund and accelerator program called Grab Ventures. ([Grab](#))

Driverless / Autonomy (history)

- **Innoviz** is partnering with **HiRain** to provide lidar-based driverless technology sets to Chinese OEMs. ([Innoviz](#))
- Autonomous car software developer **AutonomousStuff** has been acquired by **Hexagon**. ([Hexagon](#))
- **Waymo's** CEO said that company's brand probably wouldn't be as strong as incumbent brands in Europe and this could lead to a service branded by a partner. ([Reuters](#))
 - Implication: Although a truism that Waymo is less well known than incumbent brands, it is hard to see how this is a Europe-specific phenomenon, are the citizens of Nebraska any more familiar with Waymo than those of Newquay?
- According to executives, **Waymo** has reached 7 million miles of on-road driverless testing. ([Ars Technica](#))
- Driverless pod maker **Navya** is hoping to list in Paris. ([Les Echos](#))
- **Tesla** will release version 9 of its operating system in August. CEO Musk said the new software would "begin to enable full self-driving features". ([Electrek](#))
- Self-driving delivery robot company **Starship Technologies** (**Daimler** invested in a prior round) raised \$25 million. ([TechCrunch](#))
- **Toyota** participated in a \$7.5 million investment in self-driving robot delivery company **Boxbot**. ([Toyota](#))
- **GM** will offer (hands off highway driving) SuperCruise on all Cadillac products by 2020 and begin rollout to other GM vehicles after that. ([GM](#))
- **GM's Cruise** settled a legal action brought by a cyclist who collided with one of their cars but the terms were not made public. ([Reuters](#))

Electrification (history)

- **GM** and **Honda** agreed to collaborate on next generation batteries. The partners will use GM's battery chemistry as the basis for the collaboration and the intent is for GM to supply Honda with battery packs. ([Honda](#))

Connectivity

- **Apple's** CarPlay system will soon allow 3rd party navigation apps such as **Google Maps**. ([The Verge](#))
- **TomTom** and **Toyota** launched functionality that allows phones with the TomTom maps app to mirror the display in the car dashboard. ([TomTom](#))
- **GM** plans to have V2X capability on some Cadillac vehicles by 2023. ([GM](#))

Other

- Bicycle rental company **Lime** is raising \$250 million, for a valuation of around \$1 billion. ([Deal Street Asia](#))
- Chinese start-up **AlphaCar** announced a blockchain-based system for tracking vehicle history. ([AlphaCar](#))
- **Hailo**, a start-up developing chips for deep learning in devices such as driverless cars, raised \$12.5 million. ([FINSMES](#))