



AD PUNCTUM

Autos & Mobility Industry Briefing -- 5th November to 11th November 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)

- Released financial results for Q3 2018. BMW delivered 592,303 vehicles, up 0.3% on a year-over-year basis. Revenue increased 3.3% YoY to €21.1 billion but group profit before tax fell (26)% to €1.8 billion. ([BMW](#))
- Started selling battery packs and electric motors to Turkish bus maker Karsan, who will use them to make a small bus for urban use. BMW also supply Deutsche Post's StreetScooter with batteries. ([BMW](#))
- When asked about the possibility of more cooperation with other industry players, BMW executives stressed the difficulty in coordinating timing of new products so that all participating companies benefitted from them at similar times. They were happier to share mobility services. ([Seeking Alpha](#))
- Already planning the localisation of a further product in China after X2, but didn't say which. ([Seeking Alpha](#))
- The EU approved the merger of BMW and Daimler's car sharing assets, subject to measures to protect competition in six cities. ([Reuters](#))

Daimler (history)

- Daimler will launch a driverless ride hailing pilot in San José, California in partnership with Bosch. The service will use modified S-Class limousines and be offered to "a selected user community". ([Daimler](#))
- The EU approved the merger of BMW and Daimler's car sharing assets, subject to measures to protect competition in six cities. ([Reuters](#))
- Said that new facilities at the Kamenz, Germany battery plant were ready to produce parts for EQC. ([Daimler](#))

FCA (history)

- An investor called for FCA to sell its European operations, spin off Alfa Romeo and Maserati and then merge its US operations with Ford or GM. ([Detroit Free Press](#))

Ferrari

- Reported financial results for Q3 2018. Revenue of €838 million was almost unchanged from a year earlier although shipments of 2,262 units were 11% higher. Adjusted EBIT of €203 million was 0.4% higher. ([Ferrari](#))

Ford (history)

- Acquired bicycle and scooter rental firm Spin. ([Ford](#))
- Will present updates to its "fitness" initiatives at a conference on 13th November, focusing on complexity management; capital equipment reuse and; yield management. ([Ford](#))
- Closing the Warley, UK site by the end of 2019 and consolidating administrative functions at the Dunton location. Ford hopes that 350 new homes will be built on the location. ([BBC](#))

- Redesigned the entire “soundscape” of the new Lincoln Aviator to create 125 sounds recorded by concert musicians to replace the “dings and beeps” regular Ford customers must contend with. These were then whittled down to 25 through focus group testing. ([Detroit Free Press](#))

Geely (includes Volvo) (history)

- Geely Holding is working on a joint research project that aims to create supersonic trains. ([Geely](#))
- Volvo’s subscription service is proving so popular that the brand has starting rationing vehicles and there is now a waiting list into 2019. Although Volvo hasn’t disclosed figures, it says the scheme beat its first year target within four months and has been capped at 10% of vehicle sales (against around 15% demand). ([Automotive News](#))

General Motors (history)

- GM believes air transport will become integrated with autonomous vehicles and leverage similar electric power technology but that in the near future (and the next “couple of decades”) gasoline will dominate North America sales. The firm is not intending for there to be “any AV/EV pickups”. ([Detroit Free Press](#))
 - Significance: GM might find that if Tesla successfully execute the pick-up truck Elon Musk has promised for the early 2020s, it has no choice but to revisit these statements.
- Moving three quarters of the employees at the Pontiac propulsion development centre to the main technical campus in Warren, Michigan, raising speculation over the future of the site. ([Detroit Free Press](#))
- Transferring 200 workers from the Lansing plant (cars) to Flint (pick up trucks). ([ABC12](#))

Hyundai / Kia (history)

- Invested a further \$250 million in Grab and agreed a series of joint projects to better use electric vehicles in providing ride hailing services. ([Hyundai](#))
- Invested in machine vision company allegro.ai. ([Allegro.ai](#))
- Senior Kia executives called on employees to “overcome the crisis of today” through “self-help”. ([Yonhap](#))
- Hyundai’s forthcoming large SUV will be called Palisade and is set to feature eight seats. ([Hyundai](#))

Mazda

- Intends for future powertrain developments to improve driving performance as well as fuel economy. ([Reuters](#))
- Recalling 640,000 vehicles because of problems with the valve springs in the engine. ([Reuters](#))

Nissan (includes Mitsubishi) (history)

- Nissan reported financial results for the second quarter of the financial year (Q3 2018). Revenue of 2.8 trillion yen (about \$24.7 billion) fell (2.7)% on a year-over-year basis. Operating income of 101 billion yen (about \$890 million) fell (21)% YoY. ([Nissan](#))
- Nissan will make a new small van, called the NV250, based on Renault’s Kangoo and produced in Maubeuge, France. Mitsubishi will launch a 1 ton van based on the Renault Trafic to be manufactured in Sandouville. ([Renault](#))
- The Alliance Ventures VC unit invested in Canadian multi-modal app Transit. ([Renault](#))
- Mitsubishi reported financial results for the second quarter of the financial year (Q3 2018). Revenue of 1.2 trillion yen (about \$10.2 billion) was up 23.4% on a year-over-year basis whilst operating income of 56.9 billion yen (about \$500 million) was up 28.6% YoY. ([Mitsubishi](#))
- Mitsubishi believe that plug-in hybrids will not be cost effective for a few years and that 60 miles EV-only range will be the standard in the next generation. ([Autocar](#))
- Magazine tests suggested that Infiniti’s new variable compression engine wasn’t having quite the fuel economy benefit that was hoped for. ([Green Car Reports](#))
- Opened a new technical centre in St Petersburg, Russia, that houses 120 staff. ([Nissan](#))

PSA (includes Opel/Vauxhall)

- Declared that Opel was “back on course” following its restructuring plan. Opel has reduced senior management ranks by one quarter, cut fixed costs by 28% and says that sharing platforms with PSA has reduced the cost of new models by up to 50%. ([Opel](#))

- Peugeot's scooter plant will shut down until the end of the year. ([Usine Nouvelle](#))

Renault (history)

- Will make two new products for Nissan and Mitsubishi, improving plant utilisation and return on IP and manufacturing facilities. Nissan will get a Kangoo-based small van called NV250 from Maubeuge and Mitsubishi will have a Trafic-based one ton van from Sandouville. ([Renault](#))
- The Alliance Ventures VC unit invested in Canadian multi-modal app Transit. ([Renault](#))

Tata (includes JLR) (history)

- CEO Speth called for better cooperation between governments and industry to create standards for self-driving cars, especially in the domain of keeping information private whilst enabling connected services. ([Reuters](#))
- InMotion Ventures invested in Transit, the multi-modal app also backed by Renault-Nissan-Mitsubishi. ([JLR](#)) It also backed Arc, an early stage start-up hoping to bring an all-electric motorbike to production. ([JLR](#))

Tesla (history)

- Announced that existing director Robyn Denholm has been appointed as Tesla's new board chair. Once she has served the six month notice period with her current employer, she will take on the role full time. ([Tesla](#))
- A survey of electric car owners suggested that Tesla has a customer loyalty rate (i.e. a Tesla owner who intends to buy a Tesla as their next car) of over 80% in North America and Europe. ([Clean Technica](#))

Toyota (history)

- Reported financial results for the 2nd quarter of the financial year (Q3 2018). Sales of 2.18 million units were up marginally on a year-over-year basis. Revenue of 7.3 trillion yen (about \$64.3 billion) was up 2% and operating income of 579 billion yen (about \$5.1 billion) rose 11%. Toyota increased the full year outlook to an operating income of 2.4 trillion yen (about \$21 billion). ([Toyota](#))

VW Group (history)

- Unveiled the Tarok, a near-production car based pick-up destined for South American markets. ([VW](#))
- Having previously referred numerous times to a price target for its ID car that was comparable to an "equivalent" diesel, the company is reportedly planning an entry level BEV that will retail at under €20,000. ([CNBC](#))
- Reportedly planning to cease production of Passat in Germany by 2022 and manufacture electric cars at the Emden plant instead (having only recently moved Passat there). ([Bloomberg](#))
- Porsche Consulting published a "success formula" for cultural transformation. Since two of the steps are "decision making" and "risk taking", could this be a bid for VW group's much heralded transformation? ([Porsche Consulting](#))
- SEAT is going to start selling an electric scooter (a rebadged Segway model) that will retail at €599. ([SEAT](#))

Other

- **Aston Martin's** CEO thinks "the internal combustion engine and, in particular, the gasoline engine still has a lot of life left in it". ([CNBC](#))
- Danish firm **Biomega** unveiled the SIN electric car. The targeted release date is in the 2021 - 2023 timeframe and will include 20 kWh of battery power (of which 6 kWh is removable) for €20,000. ([Biomega](#))
- **Subaru** reported financial results for the first half of the financial year (Q2 & Q3 2018). Sales volumes, revenue and profits were all down versus a year earlier and the company reduced its full year guidance. ([Subaru](#)) The carmaker also expanded an existing recall to cover 530,000 vehicles. ([Subaru](#))
- **Workhorse** reported Q3 2018 financial results. Revenue was \$11,000. ([Workhorse](#))
- **VinFast** announced a pricing policy that includes zero depreciation, zero financing costs and zero interest rates on all electric motorbikes and cars, in effect discounting some products by 40%. ([Vietnam News](#))
- The **Nedcar** plant suspended several employees after random drink and drugs tests showed they were in no state to work. ([Dutch News](#))

News about other companies and trends ...

Economic / Political News

- **Brazil** re-established incentives for ethanol powered vehicles and local production that had expired in 2017. ([Reuters](#))
- **BMW, VW** and **Daimler** each agreed to offer €3,000 for hardware that will improve emissions of existing diesel vehicles, although BMW positioned it as compensation rather than a contribution to the cost of the updates. None of the companies intends to develop the solutions themselves. ([Bloomberg](#))
- **UK** passenger car registrations in October of 153,599 units fell (2.9)% on a year earlier. ([SMMT](#))

Suppliers

- **Faurecia** invested in wireless charging supplier **PowerSphyr**. ([PowerSphyr](#))
- **Delphi** reported financial results for Q3 2018, including revenue of \$1.2 billion. ([Delphi](#))
- **Schaeffler** announced the closure of two UK plants. The company said that although Brexit wasn't the only deciding factor, it hadn't helped. ([BBC](#))
- **Magna** reported Q3 2018 revenue of \$9.6 billion and operating profit of \$674 million. ([Magna](#))
- **Continental** released financial results for Q3 2018 and said that it would be sticking with the recently downgraded forecast for the rest of the year. ([Continental](#)) The firm is investing in new equipment at the Winchester, Virginia, fabrics factory. ([Continental](#))

Ride-Hailing, Car Sharing & Rental (history)

- **Taxify's** CEO hopes to grow by ten times in the next two years, with much of the growth coming from operations in Africa and believes it can become the European market leader. ([Reuters](#)) He also said that he believes the company can become 100 times larger than it is today. ([CNBC](#))
- **Lyft** removed an option that lets users split a fare between them, saying an improved version would be coming along in a while (but for some reason stopping the current system now). ([Business Insider](#))
- **Hyundai** and **Kia** invested a further \$250 million in **Grab** and agreed a series of joint projects to better use electric vehicles in providing ride hailing services. ([Hyundai](#))
- **Renault-Nissan-Mitsubishi** and **JLR** invested in Canadian multi-modal app **Transit**. ([Renault](#))
- The **EU** approved the merger of **BMW** and **Daimler's** car sharing assets, subject to measures to protect competition in six cities. ([Reuters](#))

Driverless / Autonomy (history)

- **Ouster** published a blog post arguing the merits of the 850 nm wavelength and saying that its lidar had been designed to scale with improvements in chip technology, meaning a 640 line system is "extremely likely" in future. ([Ouster](#))
- One of **Waymo's** cars crashed into a motorcyclist. The company blamed the human driver and that the automated system would have avoided the incident, even though the safety driver had only recently taken over because they were concerned that the actions of a car in front were too difficult for the automated system to deal with. ([Waymo](#))
- **Optimus Ride** said it would use **Nvidia's** hardware for self-driving vehicles, starting immediately. ([Optimus Ride](#))
- **ComfortDelGro** will start trials of driverless vehicles using equipment supplied by **EasyMile**. ([Channel News Asia](#))
- The inaugural season of **Roborace** seems set to use human drivers for half of each race. ([Engadget](#))
- **Luminar** says it now has contracts with 16 OEMs and is in detailed discussions with 16 more. ([TechCrunch](#))
- **Velodyne** published a blog post highlighting what they see as a number of drawbacks with the 1550 nm wavelength for lidar units, much-vaunted by some companies because it allows higher powered lasers to be used whilst remaining eye-safe. Velodyne argue 1550 nm can have worse impacts on eyes in some circumstances; are worse in rain, fog and snow than 905 nm lidars (Velodyne's chosen wavelength) -- a weakness that is offset by increasing power. Finally, Velodyne argues that 1550 nm units are inherently more costly due to the componentry required, something not all lidar developers accept as fact. ([Velodyne](#))
 - Significance: Whilst the main audience of the article appears to be investors who are being wowed by the claims of Velodyne competitors operating at 1550 nm, there seems to be something of a change of heart going on in the lidar community at present with companies (e.g Ouster, Velodyne and Quanergy) becoming more and more willing to discuss their technical solutions. Next stop, performance benchmarks?

- **Daimler** will launch a driverless ride hailing pilot in San José, California in partnership with **Bosch**. The service will use modified S-Class limousines and be offered to “a selected user community”. ([Daimler](#))

Electrification (history)

- **Mitsubishi** believe that plug-in hybrids will not be cost effective for a few years and that 60 miles EV-only range will be the standard in the next generation. ([Autocar](#))
- **Nikola** showed off a European version of its fuel cell truck saying that it was planning to have 700 North American hydrogen (production and) filling stations by 2028 and was sitting on an order bank worth \$11 billion. ([Nikola](#))
- Further to [previous announcements](#) that it would use existing telecoms infrastructure to create electric charging stations, **Deutsche Telekom** said that its stations could support 11kW charging and would also build fast charging stations that provided 150 kW charging. ([Economic Times of India](#))
- Battery developer **TIAX** says its technology can reduce the amount of cobalt needed for batteries by four-fifths and a major automaker has already committed to use it. ([Bloomberg](#))
- **GM** believes gasoline will dominate North America sales for the “next couple of decades”. The firm is not intending for there to be “any AV/EV pickups”. ([Detroit Free Press](#))

Other

- **Panasonic** announced a collaboration with **Kent** to adapt its Japanese e-bikes to the US market. ([Panasonic](#)) The firm is also looking into making IoT connected bikes with Mobike. ([Panasonic](#))
- **SoftBank** is reportedly considering an investment in **HelloChuxing**. ([Deal Street Asia](#))
- **Lime** is retiring scooters made by Chinese supplier Okai because they are susceptible to stress fractures. ([The Verge](#))
- **Harley-Davidson** showed off the production version of the LiveWire electric motorbike. ([TechCrunch](#))