



AD PUNCTUM

Autos & Mobility Industry Briefing -- 20th May to 26th May 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)

- Says that it will only participate in motorsport which relates to core brand values such as electrification (Formula E) and handling (DTM touring cars). ([BMW](#))
- Launching an electric scooter with a 12km range that will retail for €800. ([BMW](#))
- Recalling a small number of i3 models for electronic components that could cause a shutdown. ([Green Car Reports](#))
- The BMW / Daimler mobility joint venture acquired Validated, a service for companies to subsidise travel costs for employees and customers. ([Validated](#))
- There was media speculation that CEO Harald Krüger might not have his contract renewed. ([Business Times](#))

Daimler (history)

- Opening a new factory making truck cabins in Russia. ([Daimler](#))
- The BMW / Daimler mobility joint venture acquired Validated, a service for companies to subsidise travel costs for employees and customers. ([Validated](#))

FCA (history)

- Made a public proposal (FCA stressed it was not an offer) for a 50:50 merger with Renault, following weeks of secret meetings between executives of the two firms. FCA estimates that a combined business could save €5 billion annually by 2025, mainly in the fields of purchasing, R&D efficiency and manufacturing economies of scale. The firm foresees €3 billion - €4 billion of implementation costs. FCA says that since it is worth more, its shareholders will have to be paid a €2.5 billion special dividend. ([FCA](#))
 - Significance: Although many welcomed the move, FCA appear to have an optimistic view of their worth, especially given the tough European CO₂ outlook which the company is poorly positioned to weather.
- CEO Mike Manley told employees that even if a merger with Renault went ahead, it could take a year. ([Reuters](#))

Ford (history)

- US insurance data shows that, as promised, the aluminium-bodied F-150 pick-up is no more expensive to repair than steel-bodied rivals. In fact, repair costs are about 7% lower. ([Automotive News](#))
- Despite reducing the production footprint and portfolio in Russia, Ford's joint venture hopes that 99% of dealers will continue with the brand. ([World News Monitor](#))
- Ford wants to use fold-up robots to deliver packages. They will sit in the boot/trunk when not in use. ([Ford](#))

Geely (includes Volvo) (history)

- Everything in Lynk&Co showrooms will be for sale, including sofas and coffee cups. ([Automotive News](#))
- Volvo wants to sell 10,000 cars in South Korea this year. ([Korea Times](#))

- Will use voice recognition from Nuance for in-car assistants. ([Nuance](#))

General Motors (history)

- Will reduce the number of cities in which the Maven car sharing scheme operates from 17 to nine, saying that it wants to focus on demand and growth. ([Wall Street Journal](#))

Honda (history)

- Recalling 137,000 SUVs to fix problems (unrelated to Takata) with the airbags. ([Reuters](#))
- Claims 25,000 expressions of interest for the Honda e electric city car. ([Express](#))

Hyundai / Kia (history)

- Received over 17,000 pre-orders from Indian customers for the Venue SUV. ([Autocar](#))
- Hyundai's executive vice chairman says the company needs to focus on customers more and look at what competitors are doing less, citing a need to boost R&D efficiency as the greatest challenge. ([Hyundai](#))
- Kia showed some sketches of what the interior of the next generation small SUV will look like. The designers should probably expect a call from BMW. ([Kia](#))

Nissan (includes Mitsubishi) (history)

- FCA says that if the proposed merger with Renault went ahead, Nissan and Mitsubishi would save €1 billion per year on top of current alliance plans. ([FCA](#))
- Mitsubishi will reportedly change the sizes of SUVs in the next generation to create a gap of around 200mm between the overall lengths of different models. ([Autocar](#))

PSA (includes Opel/Vauxhall) (history)

- Released pictures of the next generation Corsa. ([Opel](#))
- 1,340 German engineering staff have apparently agreed to take voluntary redundancy from Opel. ([Handelsblatt](#))

Renault (history)

- FCA Made a public proposal (FCA stressed it was not an offer) for a 50:50 merger with Renault, following weeks of secret meetings between executives of the two firms. FCA estimates that a combined business could save €5 billion annually by 2025, mainly in the fields of purchasing, R&D efficiency and manufacturing economies of scale. The firm foresees €3 billion - €4 billion of implementation costs. FCA says that since it is worth more, its shareholders will have to be paid a €2.5 billion special dividend. ([FCA](#))
- Renault's board said they will study the FCA proposal with interest. ([Renault](#))
- France's finance minister said the status quo of the Renault-Nissan alliance was harming Renault. ([Reuters](#))

Tata (includes JLR) (history)

- Reported full year financial results for the year ending March 2019. Revenue of 301 KCr (about \$43 billion) rose 3.7% on a year-over-year basis, JLR's revenue fell (6.1)% with Tata Motors up 20.3%. There was a full year loss of (1.720) KCr but JLR had some good news: 4th quarter free cash flow of £1.4 billion. ([Tata](#))
- JLR's CFO is leaving, to be replaced by the chief transformation officer. ([JLR](#))
- Started talks with factory workers in Coventry about job losses when production of the XJ ends in the summer. JLR confirmed that the nameplate will continue. ([Birmingham Mail](#))

Tesla (history)

- CEO Elon Musk told employees that there had been more than 50,000 orders in the second quarter so far and that the current production rate of Model 3 was about 900 cars per day. ([Business Insider](#))
- An investment analyst says he has it on good authority that Apple wanted to buy Tesla for \$240 a share in 2013, and that the interest may be re-ignited given recent falls in Tesla's share price. ([CNBC](#))

- Will only let owners charge until their batteries are 80% full at some charging stations, to reduce queues. Tesla says that charging less, together with higher peak charging rates, will increase capacity by 34%. ([Economic Times of India](#))

VW Group (history)

- Scania will spend \$344 million to upgrade a truck factory in Brazil. ([Reuters](#))
- Created a service called We Experience to sell physical services located nearby to drivers. ([VW](#))
- A VW board member said the company was in the process of detailed planning for a battery factory with Northvolt and might add further European locations. ([Reuters](#))
- Audi's on-demand short term rental service will have about 10,000 cars in the fleet by late 2019. ([VW](#))
- Audi's CEO says the brand will be the benchmark for electric cars in two to three years. ([Manager Magazin](#))
- Audi will spend €40 billion on R&D and manufacturing assets between now and 2023, with €14 billion of that going towards electric vehicles, autonomous driving and digitalisation. ([Audi](#))

Other

- **Streetscooter** will develop a hydrogen fuel cell delivery van alongside electric offerings. It will be based on the same **Ford Transit** chassis used for the Work XL. ([DHL](#))

News about other companies and trends ...

Economic / Political News

- In elections for the European parliament, about 35% of UK voters supported no deal **Brexit** parties in what was seen by many as a proxy referendum. Politicians were left to ponder the significance. ([BBC](#))

Suppliers

- **Veoneer** said it would raise \$600 million - \$700 million through a mix of new shares and debt. ([Veoneer](#))
- **First Sensor** says it has been approached with a takeover offer by **TE Connectivity**. ([Reuters](#))
- **Denso** expects \$10 billion in annual revenue by 2025 from autonomous and mobility service offerings. ([Denso](#))
- German regulators have given **Bosch** a €90 million fine for the firm's role in the diesel scandal. ([Manager Magazin](#))
- **British Steel** entered insolvency. ([BBC](#))
- **Denso** invested in **Quadric.io**, a company developing a chip to control autonomous robots. ([TechCrunch](#))
- **Schaeffler's** CEO told staff that times are tough and will probably get even harder. ([Handelsblatt](#))
- **Continental** opened a new centre dedicated to 3D printing in Germany (3rd parties can use it too). ([Continental](#))

Dealers

- Indian online used car marketplace **Spinny** raised \$13.2 million. ([Deal Street Asia](#))

Ride-Hailing, Car Sharing & Rental (history)

- Nigerian ride hailing firm **Gokada** raised \$5.3 million. ([TechCrunch](#))
- **Consumer Reports** found that one in six **Uber** and **Lyft** vehicles have outstanding safety recalls against them. It wasn't clear what the rate is for the average private vehicle. ([Auto Rental News](#))
- **GM** will reduce the number of cities in which the Maven car sharing scheme operates from 17 to nine, saying that it wants to focus on demand and growth. ([Wall Street Journal](#))
- The **BMW / Daimler** mobility joint venture acquired **Validated**, a service for companies to subsidise travel costs for employees and customers. ([Validated](#))

Driverless / Autonomy (history)

- Researchers say that autonomous cars operating as a swarm can **reduce traffic** by 35% compared to the same volume of manually-piloted vehicles. ([BBC](#))

- **TuSimple** is undergoing trials with self-driving trucks for long distance routes in partnership with the US Postal Service, saying that it is targeting jobs that require multiple drivers. ([Reuters](#))
- **Aurora** is buying lidar developer **Blackmore**. ([Aurora](#))
- **Immense Simulations**, a maker of digital replicas of cities, raised \$4.6 million. ([Reuters](#))

Electrification (history)

- A study of **UK** consumers said only one in four would consider buying an all-electric car at present. Customers still seem to be conscious of range, and even if a reliable 300 mile range was on offer 10% of drivers said that they still wouldn't be interested. ([BBC](#))
- A **VW** board member said the company was in the process of detailed planning for a battery factory with **Northvolt** and might add further European locations. ([Reuters](#))

Other

- **Ravin.ai**, a firm developing automated vehicle inspections (e.g. post rental) raised \$4 million. ([Auto Rental News](#))
- **Bosch** believes that air taxis will probably cost about \$550,000, once mass production begins. ([IEEE Spectrum](#))
- US bus company **Gillig** launched an all-electric bus with a 444 kWh pack. ([Gillig](#))
- Bicycle rental firm **Lime** replaced its CEO. ([TechCrunch](#))