



AD PUNCTUM

Autos & Mobility Industry Briefing -- 5th August to 11th August 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 planned joint venture for electric vehicles with Great Wall has been facing problems gaining regulatory approval. ([Reuters](#))

Daimler (history)

- Reportedly took longer to solve GLE launch problems than anticipated because specialist trouble shooters sent over from Germany had problems gaining work permits, but has now largely got on top of things. ([Handelsblatt](#))
- Working with BAIC on creating stationary storage with used batteries from electric cars. ([Daimler](#))
- Rumoured to be planning a major reveal of the all-electric EVA 2 platform at Frankfurt. ([Handelsblatt](#))

Ford (history)

- Recalled around 14,000 to correct improperly built vehicles. ([Ford](#))
- Already sees 3D printing as a "legitimate alternative" to traditional methods on some parts. ([Automotive News](#))

Geely (includes Volvo) (history)

- Lynk&Co still plans to launch products in Europe during 2020 and says that the decision to only produce cars in China (superseding an earlier scheme to make Europe-bound vehicles in Belgium) was taken because of the runaway success of the Volvo XC40 (made in the Belgian plant). The brand believes that the sweet spot for all-in subscription pricing is around €500 per month (but hasn't decided on ideal contract length) and wants 500,000 global sales per year by 2021 (currently at around 110,000). ([Automotive News](#))
- Kandi received approval from Chinese authorities to become an electric car maker. ([Kandi](#))

General Motors (history)

- Reducing Equinox SUV production by removing a shift at the San Luis Potosi, Mexico, factory and having a week of shutdown at the CAMI, Canada, plant. GM said sales of the model were still "very strong". ([Detroit Free Press](#))
- Applied for membership of the South Korean importers association (GM is already a member of the manufacturer's association), leading to speculation that local production could stop altogether. ([Korea Times](#))

Hyundai / Kia (history)

- Hyundai's Frankfurt show stand will include a concept for a vehicle with a customisable interior. ([Hyundai](#))

Mazda

- Recalling about 22,500 Mazda 3 cars to fix rearview mirrors that might fall off. ([Fox](#))

PSA (includes Opel/Vauxhall) (history)

- Reportedly slashing capacity at its Chinese joint venture with Dongfeng through a plan to close one plant, sell another and halve the workforce. PSA board sources said that the next step would be to withdraw from China entirely if things didn't improve. ([Reuters](#))
- Dongfeng is rumoured to be exploring options for its stake in PSA. ([Bloomberg](#))

Suzuki

- Announced Q2 2019 (fiscal first quarter) revenue of 908 billion JPY (about \$8.6 billion), down (8.1)% on prior year. Operating income of 72.4 billion JPY (about \$700 million) fell (46)%. Suzuki blamed production stoppages to improve inspection methods and weakness in the Indian market. ([Suzuki](#))

Tata (includes JLR) (history)

- Reporters speculated that rumoured new small SUVs for Jaguar might be built on the BMW platform that underpins Mini and 1-Series. ([Autocar](#))

Toyota (history)

- Isn't worried that the Prius is associated with private hire brands such as Uber in many European cities, seeing taxi drivers as "fantastic ambassadors" and confirmed intent to remain in the sub-B segment in Europe although many other brands are dropping their models. ([Automotive News](#))
- Will collaborate on development of customer-facing robots with Preferred Networks. ([Toyota](#))
- Recalling around 18,000 RAV4 SUVs to correct problems with the rearview camera. ([Toyota](#))

VW Group (history)

- Pininfarina reckon that VW's forthcoming PPE platform for all-electric premium vehicles (being developed by Audi and Porsche) is no good for SUVs. ([Automotive News](#))
- Bentley's boss says he is relatively unconcerned about Brexit because of the brand's pricing power, although he called the prospect of no deal "annoying and painful". ([Telegraph](#))
- Lamborghini says that 70% of Urus SUV buyers are new to the brand and that no firm decisions have been taken on a fourth model, although some discussion has clearly taken place since a 2+2 GT is "one possibility". The CEO remains open-minded on whether to install turbocharged engines. ([Autocar](#))
- Audi has designed an electric scooter that users can ride with only one hand on the controls. It will be on sale at the end of 2020 and cost "about €2,000". ([Audi](#))
- Audi is reportedly sub-contracting much of the next generation (all-electric) R8 powertrain to Rimac. ([Car](#))

Other

- **EDAG** says it has developed a scalable electric vehicle floor (i.e. what others call a skateboard, minus the parts that make it a rolling chassis) that it will offer to OEMs under licence. ([Autocar](#))
- **Subaru** reported financial results for Q2 2019 (fiscal year Q1). Revenue of 833 billion yen (about \$7.9 billion) rose 16% on a year-over-year basis and operating profit of 92 billion yen (about \$880 million) rose 48%. ([Subaru](#))
- A new **Malaysian** car brand headed by **DreamEDGE** and supported by **Daihatsu** is aiming to launch in 2021. The government is supporting the company through non-financial methods. ([Bloomberg](#))
- **Kalashnikov** revealed the UV-4 electric taxi. ([TASS](#))
- **BAIC's** chairman says the business needs to build up non-vehicle revenue. ([China Daily](#))
- **Russian** officials said that in 2020 they will announce a collaboration with a major international automaker to build an all-electric car in Russia. ([TASS](#))
- **Fisker** showed a teaser image of the rear of a pickup truck. ([Inside EVs](#))
- **Mahindra & Mahindra** released financial results for Q2 2019 (fiscal year Q1). Revenue of 12,997 Cr INR (about \$1.8 billion) fell (4)% on a year-over-year basis. PBT of 918 Cr INR (about \$128 million) fell (26)%. Mahindra blamed market weakness saying the Indian industry "de-grew" (12.3)%. ([Mahindra](#))

News about other companies and trends ...

Economic / Political News

- The **USA** labelled **China** a currency manipulator, leading to threats of retaliation. ([Reuters](#))

Suppliers

- Despite tough times, **Continental's** union leaders don't expect any job cuts at German plants. ([Handelsblatt](#))
- **Continental** has been making components with too much lead content under EU rules. ([Manager Magazin](#))
- **Continental** says it is cutting back on research for combustion engine components and won't try that hard to win new business for parts like fuel injectors and pumps in future. ([Continental](#))
- **Magna** reported Q2 2019 revenue of \$10.1 billion and gross income of \$595 million. ([Magna](#))
- **Varroc Engineering** acquired a majority stake in OBD dongle maker **CarIQ**. ([Autocar](#))
- **China Automotive Systems** reported Q2 2019 earnings and reduced full year outlook. ([CAS](#))
- **Adient** reported Q2 2019 (fiscal Q3) revenues of \$4.2 billion and a net loss of \$(321) million. ([Adient](#))
- **Leoni** is reportedly facing a liquidity crunch and has hired external advisors. ([Reuters](#))
- **Hella** reported fiscal year end (June 2018 - May 2019) results. Revenue was €7 billion and adjusted EBIT was €585 million. ([Hella](#))
- **Bridgestone** reported first half revenue of 1.7 trillion JPY (about \$16.6 billion) and operating income of 158 billion JPY (about \$1.5 billion). ([Bridgestone](#))
- **Schaeffler** reported Q2 2019 revenue of €7.2 billion and EBIT of €483 million. ([Schaeffler](#))
- **Bosch** and **Hella** invested in holographic display maker Light Field Lab's \$28 million round. ([Venture Beat](#))

Dealers

- Singaporean used car website **Carro** raised another \$30 million and acquired Indonesian rival **Jualo**. ([TechCrunch](#))
- Chinese used car website **Uxin** has begun exporting second hand cars from China to Europe. ([Uxin](#))
- Brazilian used car website **Volanty** raised almost \$18 million from investors including **SoftBank**. ([Reuters](#))
- 38% of UK dealers responding to a survey intend to stock fewer **diesel** powered used cars. ([Motor Trader](#))

Ride-Hailing, Car Sharing & Rental (history)

- **Lyft** reported Q2 revenue of \$867 million, up 72% on a year-over-year basis. The net loss was \$(644) million. Lyft said that "active riders" had increased from around 15.5 million in Q2 2018 to 21.8 million now. ([Lyft](#))
- **Uber** reported Q2 revenue of \$3.2 billion, up 14% on a year earlier and an operating loss of \$(5.5) billion, \$3.9 billion of which was compensation. Uber says it has 99 million active users across all services. ([Uber](#))
- **Uber** is on the lookout for M&A opportunities but will turn them down if they aren't the "right deal", citing a recent decision not to buy delivery company **Caviar**. ([Business Insider](#))

Electrification (history)

- **Mushashi** Seimitsu invested in **KeraCel** and the two companies will collaborate to develop 3D printed solid state batteries for motorbikes. ([3D Printing Industry](#))
- **Continental** says that electric technology doesn't make the firm any money at the moment and that solid state batteries won't be commercially viable until after 2030. ([Handelsblatt](#))
- **Canada's** government says that a \$5,000 per vehicle grant increased electric vehicle sales by 40% -- but only from 2% of total sales to 3%. ([Green Car Reports](#))
- **NSK** says that by 2030, it is aiming for annual revenues of 4 billion JPY (about \$38 million) from bearings for electric vehicle powertrain. ([NSK](#))
- **Daimler** is rumoured to be planning a major reveal of the all-electric EVA 2 platform at Frankfurt. ([Handelsblatt](#))
- **Daimler** is working with BAIC on creating stationary storage with used batteries from electric cars. ([Daimler](#))
- **EDAG** says it has developed a scalable electric vehicle floor (i.e. what others call a skateboard, minus the parts that make it a rolling chassis). That it will offer to OEMs under licence. ([Autocar](#))

Connectivity

- Journey tracking firm **Teralytics** raised \$17.5 million from investors including **Bosch**. ([Teralytics](#))
- **Varroc Engineering** acquired a majority stake in OBD dongle maker **CarIQ**. ([Autocar](#))

Other

- **EHang** hopes to begin trials of air taxis in Guangzhou, China. ([EHang](#))
- Motor scooter rental firm **Bounce** is reportedly about to receive \$200 million in funding. ([Tech Circle](#))
- **Gogoro's** announced that other manufacturers including **Yamaha** and **PGO** will start to use its scooter battery swapping network. ([TechCrunch](#))
- **Nikola** says it has 14,000 orders for its trucks. ([Nikola](#))