



AD PUNCTUM

Autos & Mobility Industry Briefing -- 19th August to 25th 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

Daimler (history)

- Rumoured to be planning local manufacture of Mercedes trucks in China. ([Reuters](#))

FCA (history)

- Renault and Nissan are reportedly making progress in discussions that will see Renault reduce its Nissan stake in return for the latter's approval to a tie up with FCA. ([Il Sole 24 Ore](#))
- Says that it probably won't make a successor to the 124 roadster. ([Autocar](#))

Ford (history)

- Ford executives believe that self-driving cars will only last for four years. ([Telegraph](#))
 - Significance: Since commercial taxis typically reach 500,000 miles in their lifetime (through a combination of heavier duty components, more regular servicing and, normally, careful driving) versus more like 150,000 for a private car, the comments either indicate that Ford believes self-driving cars will travel around 125,000 miles per year, or that the firm has forgotten the current vehicle lifecycle.
- Reportedly struggling to make progress in the electric car JV with China's Zotye and is thinking of calling the whole thing off. ([China Daily](#))
- Ford's European chairman was announced as the president of its Chinese JV with Changan instead. ([Ford](#))
 - Significance: Although not presented as such, the move is effectively a two-rung demotion.
- Ford is starting an esports car racing team called Fordzilla. ([Ford](#))
- Donald Trump attacked Ford for signing up to California's emissions regime -- which features more stringent targets than he is intending to implement -- saying Henry Ford would be ashamed of them and declaring the cars to be less safe (without any foundation in fact). ([Reuters](#))

Geely (includes Volvo) (history)

- Geely reported first half 2019 revenue of 47.56 billion yuan (about \$6.7 billion), down (11)% on a year-over-year basis and profit of 4.01 billion yuan (about \$560 million), down (40)%. ([Geely](#))
- Volvo says that a travelling pop-up showroom used in Germany has been to 80 events and attracted 1.4 million visitors. ([Autohaus](#))
- Some Volvo dealers complained to California's licencing body that Volvo's Care subscription program violates laws protecting dealer's rights to sell cars. ([Autoblog](#))

General Motors (history)

- GM Korea workers started a series of short strikes, demanding better pay. ([Yonhap](#))
- Tweaks to the battery chemistry improved the Chevrolet Bolt's range by almost 10%. ([GM](#))

Nissan (includes Mitsubishi) (history)

- Renault and Nissan are reportedly making progress in discussions that will see Renault reduce its Nissan stake in return for the latter's approval to a tie up with FCA. ([Il Sole 24 Ore](#))

PSA (includes Opel/Vauxhall) (history)

- Opel is starting a one-make rally series for electric cars, using the Corsa-e. ([Opel](#))

Renault (history)

- Renault and Nissan are reportedly making progress in discussions that will see Renault reduce its Nissan stake in return for the latter's approval to a tie up with FCA. ([Il Sole 24 Ore](#))
- Renault Samsung has apparently told unions it wants to reduce production volume by 25% and plant staffing levels by 20%. ([Korea Herald](#))

Tata (includes JLR) (history)

- Rumoured to have called off a plan to issue \$1.5 billion in debt because of insufficient interest. ([Live Mint](#))
- JLR has reportedly reduced the size of the new standard showrooms it is telling dealers to create after suffering pushback because of the investments involved. Rather than space for 16 cars to be on display, the requirement will only be eight cars. ([Automotive Manager](#))
- Tata thinks that a range of 200km - 250km is ideal for electric cars in India and thinks that customers might be prepared to pay a price premium of up to 25% over a car with a combustion engine. ([Live Mint](#))

Tesla (history)

- Reportedly has agreed a supply deal with LG for batteries to go into Chinese-made cars and is in serious talks with CATL for a similar contract. ([Bloomberg](#))
- Walmart sued Tesla, saying SolarCity (the company Tesla acquired which then became the solar panel division) had supplied dodgy solar panels that caused fires. ([Business Insider](#)) Tesla apparently has an ongoing effort to rectify defective units call Project Titan (not to be confused with Apple's self-driving car effort). ([Business Insider](#))
- Tesla's representatives have apparently been spotted checking out sites for a new factory in the German state of North Rhine Westphalia. ([Reuters](#))

Toyota (history)

- Lexus is planning to show a concept for an all-electric small car at the Tokyo show. ([Autocar](#))
- Partnering with Pony.ai to develop driverless cars in China. ([Venture Beat](#))
- Didn't deny reports that the Land Cruiser will be withdrawn in Western markets from 2022. ([Gear Patrol](#))

VW Group (history)

- US VW dealers say that diesel cars repaired following the emissions scandal are flying off the lots -- helped by prices that are about the same as petrol versions, and with a better warranty. ([New York Times](#))
- Porsche released interior shots of the all-electric Taycan's interior. ([Porsche](#))
- Sacked 204 staff in Q1 2019 for not obeying compliance standards. ([Detroit News](#))
- Bentley has spent about four million pounds on Brexit measures, including switching the port used to import components from Porsche's factory and doubling inventory of high-risk parts. CEO Hallmark says that since he joined, productivity at Crewe has improved 25 percent through changes such as re-processing door production so shopfloor workers only walk six metres for each installation, instead of 54 metres previously. ([Handesblatt](#))
- Will unveil a new take on the VW logo at the Frankfurt show. ([Autocar](#))
- Porsche performed an endurance test with the Taycan (on a closed course), driving 2,128 miles in 24 hours, with stops for fast charging and driver changes. ([Porsche](#))
- FAW-VW opened a new test track in Jilin Province, China. ([China Daily](#))
- Recalling 679,000 vehicles in the US to fix a problem with the parking brake. ([Economic Times of India](#))

- Reportedly interested in buying stakes in Chinese suppliers to secure key technologies, with battery developer Guoxuan High-Tech mentioned as a candidate. ([Deal Street Asia](#))
- Audi is said to be joining BMW and Daimler's collaboration on advanced driver assistance systems (but not the fully autonomous kind), with an announcement set for the Frankfurt show. ([Reuters](#))
- After a German magazine article implied that VW was interested in acquiring a stake in Tesla, VW said the rumour was unfounded. ([CNBC](#))
- Porsche invested in infra-red camera developer TriEye. ([Porsche](#))
- Audi showed teaser images of the AI:Trail SUV concept it will show at Frankfurt. ([Auto Express](#))
- Rumoured to be planning to reveal the next member of the ID family, via an almost production-ready concept, at the Los Angeles show in November. ([Green Car Reports](#))
- VW plans to install 4,000 charging points in Germany by 2025 and says that by then, VW and its dealers will have installed 36,000 charging points across Europe. Note that these are not high powered chargers. ([VW](#))

Other

- **Nio** plans to reduce staff numbers by around 1,200 to 7,500 by the end of September, according to leaked emails. The firm says that operations won't be affected as the cuts will fall in administrative areas. ([China Daily](#))
- **Evergrande** plans to unveil the vehicle developed by the **NEVS / Koenigsegg** JV at Geneva. ([SCMP](#))
- **BYD** reported 62.2 billion CNY (about \$8.7 billion) of revenue and 1.45 billion CNY (about \$200 million) in net profit, selling about 145,000 electric vehicles and capturing nearly 25% of the Chinese market. ([Xinhua](#))
- **Aurus** plans to make about 200 of the Senat luxury car in 2020 -- some of which will be available for consumers, with a \$272,000 starting price. ([TASS](#))
- **Lixiang Automotive** (formerly CHJ Automotive) raised \$530 million. ([Deal Street Asia](#))

News about other companies and trends ...

Economic / Political News

- After **China** imposed a new round of **tariffs** on **US** imports, president Trump "ordered" US companies to seek alternatives to doing business in China. ([Reuters](#))
- A report by **UK** politicians worried that private ownership could be "incompatible" with attempts to decarbonise the economy by 2050, because of all the emissions involved in making new cars for fickle customers. ([Autocar](#))

Suppliers

- **Continental** is reportedly in talks with German union representatives about slashing capacity in the powertrain division with nine out of the units's 32 factories (~4,000 jobs) at risk. Union leaders confirmed the discussions but downplayed the extent of the possible cuts. ([Handelsblatt](#))

Ride-Hailing, Car Sharing & Rental (history)

- **Uber** is opening a new US administrative hub in Dallas, USA, expected to employ 3,000 people. ([Xinhua](#))
- **Grab** says it will cost several hundred million dollars to reach maturity in Vietnam. ([Reuters](#))
- **Uber** issued a proposal laying out how it hoped to be taxed. The firm wants to continue with the sort of analytical, transfer pricing, method that annoys European politicians. ([Uber](#))
- **Mail.ru** acquired a controlling stake in short term car rental firm **YouDrive**. ([Reuters](#))

Driverless / Autonomy (history)

- **AutoX's** CEO says testing self-driving cars in California is too easy and that the US and China should ensure that they build their own self-driving networks since the amount of data a vehicle needs to collect to properly operate would be a national security issue if handled unscrupulously. ([Nikkei](#))
- Self-driving vehicle developer **PlusAI** is hoping to raise \$200 million. ([Bloomberg](#))
- **Yandex** says a self-driving car costs \$98,000 to make and hopes to have a fleet of 1,000 by around 2021. The very first test cars cost the firm about \$145,000 each. ([Reuters](#))

- Lidar developer **Oryx Vision** has shut down -- even though there was enough money to continue for a few more years. In explaining the move, the CEO said that autonomous vehicle technology was not converging at the rate the company had hoped and that no one had wanted to buy the firm. ([CTech](#))
- **Waymo** released a dataset of 1,000 different driving situations for researchers to work on. Although that sounds like a lot, it equates to around 5.5 hours of driving time -- albeit without any boring bits. ([Waymo](#))
- **Suning Logistics** started offering local deliveries with small robotic vehicles in the Chinese city of Nanjing. The robots have a top speed of 15 kmh and are assisted by a remote driver if they get into trouble. ([China Daily](#))
- Robot delivery firm **Starship** raised \$40 million, saying it had completed 100,000 deliveries. ([Starship](#))
- Apparently, if you are a data labelling company using humans to help machine learning, **Venezuela** is the place to be. ([MIT Technology Review](#))
- **Waymo** executives poured scorn on rival self-driving vehicle developers who intend to make their own cars, saying it was a distraction, and “really hard”. ([Telegraph](#))
- **Sony** and **Yamaha** showed off an autonomous vehicle built to showcase both firms’ technologies. ([Sony](#))
- **DoorDash** bought **Scotty Labs**, a start-up working on remote control for cars. ([TechCrunch](#))
- A **Lyft** blog described some of the challenges involved in calibrating the various sensors on an autonomous car so that they don’t give confusing readings. ([Lyft](#))
 - Significance: As Lyft’s engineers admit, they haven’t yet fixed the problem of calibration without using a fancy rig -- demonstrating that test vehicles lovingly maintained in laboratory-like conditions have yet to confront the real world challenges of heavy-duty use and maintenance by less skilled / caring folk.
- **Ford** executives believe that self-driving cars will only last for four years. ([Telegraph](#))
- **Porsche** invested in infra-red camera developer **TriEye**. ([Porsche](#))
- **Toyota** is partnering with **Pony.ai** to develop driverless cars in China. ([Venture Beat](#))

Electrification (history)

- **Statkraft** agreed terms to acquire German charging network **E-WALD**. ([Reuters](#))
- Charging networks **EVgo** and **VW’s** Electrify America announced that customers can use both firms facilities without having to create separate accounts. ([EVgo](#))
- Insurance company **Axa** said that luxury electric vehicles were being involved in lots of accidents compared to their internal combustion engine powered counterparts, but that the data was preliminary and might not be statistically significant. Surprisingly fast acceleration was mooted as a likely factor. ([Reuters](#))
- German utility EnBW reportedly plans to order 14,000 electric cars from 2020 onwards. ([Handelsblatt](#))
- **Tesla** has reportedly agreed a supply deal with **LG** for batteries to go into Chinese-made cars and is in serious talks with **CATL** for a similar contract. ([Bloomberg](#))
- **Ford** and **Zotye’s** Chinese electric car JV is reportedly in doubt. ([China Daily](#))

Connectivity

- Media started focusing on the amount of conversations that services such as **Microsoft**, **Amazon** and **Apple** monitor to feed back into their various machine learning efforts. ([Futurism](#)) Apple recently stopped giving business to one monitoring firm after details about the work they did leaked. ([Irish Examiner](#))
- Driver monitoring firm **Zendrive** raised \$37 million from investors including **BMW**. ([Economic Times of India](#))
- **Ford’s** Autonomic will provide connectivity services to electric vehicle developer **Ayro**. ([Forbes](#))

Other

- **Volocopter** showed off designs for a two person air taxi. ([TechCrunch](#))
- Motorbike taxi operator **Rapido** acquired fleet analytics firm **Vahanalytics**. ([Live Mint](#))
- Parking app **SpotHero** raised \$50 million. ([TechCrunch](#))