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Autos & Mobility Industry Briefing -- 14th October to 20th October 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)

- CEO Zipse wants to add partners to BMW and Daimler's joint venture for mobility businesses. ([Reuters](#))

Daimler (history)

- Daimler's app reportedly suffered a technical glitch that meant users had access to other people's data (for a short time). Daimler said it was cached location data so although strangers could see where your car had been, they didn't know your current location (unless you hadn't moved). ([TechCrunch](#))

FCA (history)

- Will pay \$79 million in fines for failing to meet US fuel economy targets in 2017. ([Reuters](#))

Ford (history)

- Recalling almost 20,000 Ranger pick-up trucks because the air conditioning can catch fire. ([Ford](#))
- Will make remote connectivity features free for all vehicles, reversing an earlier strategy where users were charged (something many competitors continue to pursue). Ford's suggestion is that increased customer loyalty will offset the costs of running the infrastructure necessary to enable the service. ([Ford](#))
- Signed a deal with VW's Electrify America charging network to allow Ford owners to use their chargers. ([Ford](#))
- Ford's forthcoming electric vehicles will only be capable of charging at up to 150 kW, despite Ford being a founder member of the Ioney network that can facilitate 350 kW. ([Ford](#))
- Ford's head of mobility said that although the company hopes to meet its declared target of putting autonomous taxis on the road during 2021, there isn't any pressure being put on the team to scale up after that. ([Forbes](#))

Geely (includes Volvo) (history)

- Volvo will badge battery electric cars under the Recharge sub-brand. ([Volvo](#))
- Volvo plans to be carbon neutral by 2040. ([Volvo](#))
- Volvo's CEO says that most start-ups "underestimate the challenge" of building a new car. ([Telegraph](#))

General Motors (history)

- Reached a deal with US unionised workers (who will stay on strike until it is ratified). ([GM](#))
- Agreed not to close the Detroit-Hamtramck, USA, plant and will build a new electric vehicle there. Factories in Lordstown, Warren and Baltimore will close when their product lifecycle ends. ([Detroit Free Press](#))
- Rumours swirled that the reprieved plant will build a Hummer badged pick-up and SUV. ([Reuters](#))
- Working with the US Army on cybersecurity improvements. ([GM](#))

Hyundai / Kia (history)

- Invested in automotive cybersecurity developer Upstream Security. ([Upstream Security](#))
- Has developed an adaptive cruise control system that recalibrates itself based on the owner's behaviour (distance to vehicles in front, rate of acceleration, time to respond to actions of the vehicle in front). Hyundai makes clear that some "unsafe" driver behaviour will be ignored by the system. ([Hyundai](#))
- Plans to spend \$35 billion on new product and M&A by 2023. ([Reuters](#))
- Kia says that because of shortages of batteries and electric motors it won't launch the all-electric version of the Soul in the US market until 2021. ([Inside EVs](#))

Mazda

- Published the detail sustainability report and annual report covering 2018/19. ([Mazda](#))

PSA (includes Opel/Vauxhall) (history)

- Sold 674,055 vehicles in Q3 2019, a (4)% decline versus a year earlier. ([PSA](#))
- Citroën thinks that a hard Brexit would reduce UK industry sales by at least 10%, and up to 25%. The Brand also believes that UK dealers must be multi-franchise to be profitable ([Automotive Manager](#)) and "a lot" of UK dealers can only make money with an industry level of 2.5 million units or above. ([Car Dealer](#))
- PSA's forthcoming all-electric 1 tonne vans will have larger batteries than some competitors are considering -- 50 kWh for base models and a 75 kWh longer range (300km WLTP) version. ([PSA](#))
- Faurecia announced third quarter revenues of €4.2 billion. ([Faurecia](#))

Renault (history)

- Renault sold 852,699 vehicles in Q3 2019, a (4.4)% decrease on a year-over-year basis. ([Renault](#))
- Pre-announced Q3 2019 revenues of €11.3 billion, down (1.6)% on a year-over-year basis and issued a profits warning. Renault say that full year revenues will fall about (3)% - (4)% and operating margin will be around 5%. Even worse, the executive team is re-assessing whether it can meet medium term targets. Renault said the problem was the economy and higher regulatory costs (less clear was why this was a surprise). ([Renault](#))
- Reorganising the UK sales network, but doesn't intend to reduce the number of dealer sites. ([Automotive Manager](#))
- A French minister suggested it was very likely Renault's new CEO would be an external candidate. ([Reuters](#))
- Invested in automotive cybersecurity developer Upstream Security. ([Upstream Security](#))

Tata (includes JLR) (history)

- Tata's chairman said JLR would not be sold and that although he was interested in new partnerships, Tata wouldn't give up operational control because automotive was a core business and his job is to "run companies". ([Live Mint](#))

Tesla (history)

- Delivery times for US customers imply that Tesla could be adopting a process of producing vehicles for export early in the quarter and US customers later (so that they can all be delivered before the end of the quarter). ([Electrek](#))

Toyota (history)

- Unveiled the fourth generation of the Yaris B-sized car. ([Toyota](#))
- Planning to release an ultra-compact all-electric car in Japan in 2020. ([Toyota](#))

VW Group (history)

- VW Group delivered 2.64 million vehicles in Q3 2019, a 1.1% rise on prior year. ([VW](#))
- Extended the deadline for proving that sufficient managerial and cultural changes had been made in the aftermath of the diesel scandal from early 2020 to the middle of the year. VW said the extra time was for testing of the changes made, rather than because it needed to do more. ([VW](#))
- Said there are "concrete" plans for VW Group's CO₂ emissions to meet EU targets in 2020 and beyond. ([VW](#))

- Suffered a setback in settling a case with Australian authorities over diesel cheating after the judge took issue with the implication that VW's senior management hadn't been aware of the scheme. ([The Guardian](#))
- CEO Diess expects full year sales of 20,000 Audi eTron SUVs and says that margins won't be negatively impacted by the application of electric vehicle technology because of the VW Group's component sharing strategy. ([Reuters](#))
- Announced an "entry level" Porsche Taycan with a lower power motor and smaller battery. ([Porsche](#))
 - Significance: The model is a strong signal that Porsche believes it will far outstrip initial volume expectations.
- VW said Turkish incursions into Syria has caused it to put plans for a new factory in the country on hold. Romania claimed that it was being considered as an alternative. ([Reuters](#))

Other

- **Evergrande** and **Pininfarina** announced a strengthened collaboration agreement to jointly develop new electric vehicles. ([Pininfarina](#))
- **Rivian's** manufacturing director revealed that the all-electric trucks being built for **Amazon** are "significantly larger" than the pick-up trucks the brand has shown so far. ([WGLT](#))
- **Subaru** suspended production at several Japanese plants because Typhoon Hagibis damaged some supplier facilities. The stoppage is expected to last around ten days. ([Subaru](#))
- **Faraday Future's** founder has declared bankruptcy in the US and looks set to give up his stake in the firm; the company hopes it won't be affected. ([Reuters](#))
- **Uniti** opened the order book for its electric city car. ([Uniti](#))
- **Mahindra's Ssangyong** brand reported Q3 revenue of 836.4 billion KRW (about \$710 million) and an operating loss of (106) billion KRW (about -\$90 million), mostly due to a (10)% drop in volume. ([Ssangyong](#))

News about other companies and trends ...

Economic / Political News

- **European** passenger car sales in September of 1,285,494 units rose 12.9% versus prior year, with increases in all markets except Bulgaria and Iceland. On a year to date basis, sales remain about (2)% worse. ([ACEA](#))

Suppliers

- **Piston Group** acquired **Marion Industries**. ([Piston Group](#))
- **Faurecia** is buying **Continental's** share of the SAS joint venture that makes interior components in a deal worth €225 million. ([Faurecia](#))
- **Hungarian** state aid for a **Samsung** battery factory is under investigation by the **EU**. ([Reuters](#))
- **Faurecia** announced third quarter revenues of €4.2 billion. ([Faurecia](#))

Dealers

- Used car sales site **Cars24** raised \$100 million. ([Deal Street Asia](#))
- Used car sales website **AutoScout24** is expected to fetch over €2 billion. ([Reuters](#))

Ride-Hailing, Car Sharing & Rental (history)

- German ride hailing firm **Clever Shuttle** is ending services in almost half the territories it operates, highlighting the difficulty of running a profitable service -- especially with drivers who are employees. ([Handelsblatt](#))
- In-car advertising start-up **StickEarn** raised \$5.5 million. ([Tech In Asia](#))

Driverless / Autonomy (history)

- A project called Earth Archives intends to create an **open source, lidar-derived, map** of the entire earth's surface, with the promoters claiming a resolution of 20cm. Unfortunately, it looks set to arrive too late to be a serious basis for self-driving vehicle technology. ([The Guardian](#))

- Although it has long disappeared from the headlines, **Uber's** fatal self-driving vehicle crash is still under investigation by US authorities. ([Reuters](#))
 - Significance: As demonstrated by the Boeing 737-MAX debacle, self-driving vehicle fleets could find themselves waiting a long time if bureaucrats need to step in and evaluate accidents in detail. The current standard of “safety reports” -- long on jargon and truisms, short on meaningful detail indicate that this lesson has yet to be learned.
- **Hyundai** has developed an adaptive cruise control system that recalibrates itself based on the owner's behaviour (distance to vehicles in front, rate of acceleration, time to respond to actions of the vehicle in front). Hyundai makes clear that some “unsafe” driver behaviour will be ignored by the system. ([Hyundai](#))

Electrification (history)

- **LG Chem** executives expect battery costs of \$100 / kWh in 2025, by which time the firm believes all-electric and plug-in hybrid vehicles will account for 15% of total industry sales. ([Reuters](#))
- Electric platform developer **Motiv** raised \$60 million from investors including recreational vehicle builder **Winnebago**. ([Motiv](#))
- **Ford's** forthcoming electric vehicles will only be capable of charging at up to 150 kW, despite Ford being a founder member of the **Ionity** network that can facilitate 350 kW. ([Ford](#))

Connectivity

- **Upstream Security** raised \$30 million from a group of investors including **Renault, Hyundai, Volvo Group** and **Maniv Mobility's** fund. ([Upstream Security](#))
- **Ford** is making remote connectivity features free for all vehicles, reversing an earlier strategy where users were charged (something many competitors continue to pursue). Ford's suggestion is that increased customer loyalty will offset the costs of running the infrastructure necessary to enable the service. ([Ford](#))

Other

- **Volvo Group** (Trucks) created a new division dedicated to autonomous vehicles. ([Volvo](#)) The company says that demand for new vehicles is declining. ([Volvo](#))
- Bicycle sharing firm **Wheels** raised \$50 million. ([TechCrunch](#))