



AD PUNCTUM

Autos & Mobility Industry Briefing -- 6th January to 12th January 2020

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)

- Sold 2.52 million cars in 2019, up 1.2% on 2018. ([BMW](#))
- Rolls-Royce's CEO peppered journalists with statistics about the brand's customer base: 20% of them are celebrities (using a broad definition); only 25% of the cars it now sells are chauffeur driven; one third of customers visit the factory and; 80% of Cullinan sales are to customers new to the brand. ([Telegraph](#)) The CEO appears set to stay for at least another two years, following a contract extension, despite nearing the normal retirement age for BMW executives. ([Telegraph](#))
- Invested in machine vision firm Alltheon's \$15 million funding round. ([FINSMES](#))

Daimler (history)

- Sold 2.46 million Mercedes and Smart branded cars in 2019, up 0.7% on prior year. ([Daimler](#))
- Daimler and Geely formally created the joint venture that will develop and sell cars under the Smart brand in future. Geely will take over most of the engineering responsibility. ([Daimler](#))
- Daimler unveiled a concept car called the Vision AVTR, created in partnership with the makers of the movie Avatar. It isn't entirely clear whether the vehicle contains any ideas that Daimler hopes will make it into production, or it is purely an artistic endeavour. ([Daimler](#))
- CEO Källenius said Daimler now supports a universal CO₂ tax across industries. ([Korea Times](#))

FCA (history)

- Idling two plants in the USA and Canada making minivans and Jeep Cherokees for two weeks because of softening demand. ([Detroit News](#))
- Chrysler took a concept called the Airflow Vision to CES. ([Top Gear](#))

Ford (history)

- Sold 2.42 million vehicles in the US during 2019, down (3)% on a year-over-year basis. Improvements in truck sales failed to offset falls in cars and SUVs. ([Ford](#)) In China Ford sold 567,854 vehicles, down (26.1)%. The company said it was all down to macroeconomic factors. ([Ford](#))
- Garmin will provide the mapping for Ford's next-generation infotainment. ([Garmin](#))

Geely (includes Volvo) (history)

- Daimler and Geely formally created the joint venture that will develop and sell cars under the Smart brand in future. Geely will take over most of the engineering responsibility. ([Daimler](#))
- Volvo sold 705,452 cars in 2019, up 9.8% on 2018. ([Volvo](#))
- Taxi brand LEVC sold 2,507 cabs in 2019. ([LEVC](#))
- Rumoured to be in talks to buy a stake in Aston Martin. ([Reuters](#))

General Motors (history)

- Sold 3.09 million units in China, more than the 2.9 million in the USA, a year-over-year increase of 3.9%. ([GM](#))
- Rumours resurfaced that GM is planning to relaunch Hummer as an all-electric brand. ([The Guardian](#))
- Will hold a capital markets day on 5th February. ([GM](#))

Honda (history)

- Honda released a video -- part of its CES display -- showing short snippets of different customer experiences in the year 2035. The AI in the video seems obsessed with birthday cake. ([Honda](#))
- Honda has reportedly told the brand's European arm to ensure that it complies with EU emissions rules and avoids paying any fines. ([Clean Technica](#))

Hyundai / Kia (history)

- Hyundai showed off an air taxi called the S-A1 and says it will partner with Uber to put it into service. ([Hyundai](#))
- Hyundai is taking air taxis so seriously that it has hired the entire team from consultancy Ascension Global to develop the strategy. ([Hyundai](#))
- Hyundai Mobis wants to distance itself from Hyundai and Kia, targeting sales from 3rd parties to rise to 40% of revenues by 2025 (up from 10% today). ([Korea Herald](#))
- Hyundai has a vision of a modular vehicle architecture with omni-directional wheels (think of the Audi in I, Robot if you've seen it) that can be built to fulfil passenger and cargo carrying roles. ([Hyundai](#))
 - Significance: Whilst others have shown concepts based on a flexible moving platform with interchangeable tops, Hyundai appears more convinced in the benefits of purpose-built vehicles, but with modularity that lowers costs.

Nissan and Mitsubishi (history)

- Nissan is reportedly making contingency plans to go it alone in engineering and manufacturing in the eventuality of a complete split with Renault. ([FT](#))
- After Carlos Ghosn held a press conference accusing Nissan executives and unnamed Japanese government officials of orchestrating his downfall, his former Nissan colleagues said the claims were predictable. Ghosn said that the root of the issue was the need to find a scapegoat for Nissan's performance, and moves by the French state to deny Nissan what the Japanese company saw as a fair say in Renault's governance. Ghosn also said that he had been about to retire before the board persuaded him otherwise and now wishes he hadn't listened. ([Bloomberg](#)) / ([CNBC](#))

PSA (history)

- Using smart glasses so that plant quality inspectors can flag issues to PSA's central staff and get quicker feedback on the correct next steps. ([Autocar](#))
- The head of the Peugeot family's investment vehicle confirmed the intention to increase its stake in a merged PSA and FCA and expects the French state to exit its investment in time. ([Reuters](#))
- Opel is reportedly planning to cut up to 4,100 jobs in the coming years. ([Bloomberg](#))
- PSA's opinion is that the sensor set and computing kit for an autonomous car costs between €15,000 - €20,000 per vehicle. ([Fleet Europe](#))

Renault (history)

- Hired Gilles Le Borgne, formerly of PSA, as the new head of engineering. ([Renault](#))
- Carlos Ghosn said he had been in negotiations to bring FCA into the alliance before his arrest but missed the key go-no go meeting because he had been arrested. ([Nasdaq](#))
- Nissan is reportedly making contingency plans to go it alone in engineering and manufacturing in the eventuality of a complete split with Renault. ([FT](#))

Tata (includes JLR) (history)

- JLR reported 2019 retail sales of 557,706 cars, down (5.9)% versus 2018 but focused on the performance in Q4 and December 2019, both of which improved over prior year, mainly driven by China and the USA. ([JLR](#))
- JLR's huge new £300 million UK warehouse will be owned by a South Korean investment firm. ([Telegraph](#))

Tesla (history)

- Tesla's share price soared to a level surpassing the combined value of GM and Ford. ([Reuters](#))
 - Significance: By rights, if Tesla is correctly valued, then a similarly large concern (for instance, VW Group's electric vehicle unit c. 2022) will also be worth tens of billions (concerns of the cash-generating legacy side of the business notwithstanding). Tesla has already previously chosen to use increases in the stock price as opportunities to issue equity, and therefore raise cash. Will something similar happen this time?
- CEO Musk said at the official opening of the Shanghai factory that he hopes to create a Chinese-designed car for export to global markets. It was unclear how much the comments were for the benefit of the local audience, rather than a serious undertaking. ([Electrek](#))

VW Group (history)

- The VW brand sold 6.278 million cars in 2019, up 0.5% on a year-over-year basis. ([VW](#))
- Audi sold 1.85 million cars in 2019, up 1.8% versus 2018. ([Audi](#))
- SEAT delivered 547,100 cars, up 10.9% on 2018's level. ([SEAT](#))
- Now collecting detailed data on real world driving habits from a stretch of German motorway, to better inform research and simulation for automated driving. ([VW](#))
- SEAT's CEO (a rumoured candidate for the Renault CEO job) stepped down from his role at the brand, although he remains a VW Group employee. ([VW](#))
- Bentley sold just over 11,000 cars in 2019, saying it had returned to profitability. ([Bentley](#))
- Bought out the remaining shareholders in software development firm diconium (VW previously held 49%), citing the opportunity to quickly beef up VW's software organisation. ([VW](#))
- VW's head of autonomous mobility says a cutting-edge sensor set costs \$100,000 today, but forecasts that prices will drop to only \$10,000 by 2030. ([SAE](#))
 - Significance: If the cost forecast is correct, this would put autonomy beyond the means of almost all retail consumers, whilst commercial owners who could dispense with the driver, or otherwise improve their utilisation on other duties, would find the feature affordable.

Other

- **Aston Martin** issued a profit warning, after selling 5,809 cars in 2019 (excluding specials) down (7)% from 2018. The company is in discussions with potential strategic investors, believed to include **Geely** ([AML](#)) On the bright side, the firm has 1,800 orders for DBX -- which opens up \$100 million of dearly-needed funding -- and announced another limited-edition supercar; 88 V12-powered speedsters are planned, with production to begin in 2021. ([AML](#))
- **Aston Martin** has reportedly cancelled the all-electric RapidE. ([Autocar](#))
- Electric car start-up **E.Go** reportedly needed a €100 million bailout at the end of 2019 to stay in business. So far the company has made about 500 cars. ([Manager Magazin](#))
- **FAW's** Hongqi (Red Flag) brand is aiming for annual sales of one million units by 2030. ([South China Morning Post](#))

- **Fisker** says the Ocean SUV will be built in China, the USA and Europe, but the partner(s) won't be announced until the Geneva Motor Show. Amongst a series of announcements about the intended brand experience is that all servicing will include home collection and drop off. ([Fisker](#))
- **Neuron EV** announced another new product; an all-electric mid-sized SUV called Vega. ([Neuron](#))
- **Nio** delivered 8,224 cars in Q4 2019. Whilst the company was pleased with its highest ever quarterly sales, they were up only 3% on a year-over-year basis, despite the addition of a second model. ([Nio](#))
- **Faraday Future** said the FF91 is production ready. The firm is aiming for an IPO in 12-15 months. ([Faraday](#)) Initially it will give the European market a miss because customers "are not really prepared for electric and connected cars". ([Autocar](#))
- **Rinspeed's** latest people mover, the MetroSnap features extensive use of 3D printing. ([3D Printing Industry](#))

[News about other companies and trends ...](#)

[Economic / Political News](#)

- The new head of the European Commission said it would be impossible to reach a full fat **UK-EU** trade deal covering goods and services by the expiry of the post-Brexit transition period (December 31st) and that a bare bones deal around priorities, which could be augmented in future, was more likely than no deal at all. ([BBC](#))
- **Chinese** officials said that incentives for electrified vehicles would not be cut in July, as some feared. ([Reuters](#))
- Industry observers think that the **German** market showed signs of a December rush to register high emitting vehicles before they start to count for more stringent EU fleet CO₂ levels in 2020. ([FT](#))

[Suppliers](#)

- **Sony** brought its own concept car to CES. Dubbed the Vision S, it appears more as a demonstrator for new technologies Sony has to offer than a intent to enter the market. ([Sony](#))
- Lidar maker **Velodyne** has a new CEO. ([Velodyne](#))
- **Intel's Mobileye** will develop crowd-sourced maps with **SAIC**. ([Mobileye](#))
- **Lear** is investing in a VC fund run by **Autotech Ventures**. ([Lear](#))
- **Panasonic** will offer in car audio carrying the posh **Klipsch** brand. ([Panasonic](#))
- **Continental** thinks that speakerless audio technology could reduce the weight of the system by 90%. ([Continental](#))

[Ride-Hailing, Car Sharing & Rental \(history\)](#)

- **Uber** will shutter operations in Colombia after a court ruling that it was anti-competitive. ([Reuters](#))
- Car sharing firm **Getaround** is shedding staff but says everything is going well. ([Getaround](#))
- **Hyundai** showed off an air taxi called the S-A1 and says it will partner with **Uber** to put it into service. ([Hyundai](#))

[Driverless / Autonomy \(history\)](#)

- **Waymo** says it has now logged 20 million miles of self-driving. ([Fortune](#))
- **Intel's Mobileye** is developing a camera-only self-driving system separately from a lidar and radar based one to build redundancy. The company shared a video of a test drive -- the machine vision appears to have a range of below 50m in terms of when it identifies an object (the sensor range will be greater), making it suitable for low speed, fair weather driving at this stage (even if all the decision-making kinks were worked out). ([Intel](#))
- **Hella** is using software developed by **Oculii** -- a firm it recently invested in -- to improve the performance of radar chips for automated driving. ([Hella](#))
- Lidar developer **Hesai Technology** raised \$173 million. ([Robot Report](#))
- **VW's** head of autonomous mobility says a cutting-edge sensor set costs \$100,000 today, but forecasts that prices will drop to only \$10,000 by 2030. ([Electrek](#))
- **PSA's** opinion is that the sensor set and computing kit for an autonomous car costs between €15,000 - €20,000 per vehicle. ([Fleet Europe](#))
- **VW** is now collecting detailed data on real world driving habits from a stretch of German motorway, to better inform research and simulation for automated driving. ([VW](#))

Electrification (history)

- Rumours resurfaced that **GM** is planning to relaunch Hummer as an all-electric brand. ([The Guardian](#))

Connectivity

- **Mitsubishi** will use **Otonomo** to provide connected car services. ([Otonomo](#))

Other

- Motorbike rental start-up **Bounce** raised \$97 million. ([Deal Street Asia](#))