



AD PUNCTUM

Autos & Mobility Industry Briefing -- 7th September to 13th September 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)

- Chose a new agency group to lead marketing communications for Europe. Unusually, the team will not be entirely marketing specialists and will include strategy consultants from Berylls. ([BMW](#))
- Cut the ribbon on a new battery plant in Tiexi, China, doubling local capacity. ([BMW](#))
- Invested in 3D printing marketplace Xometry. ([FINSMES](#))

Daimler (history)

- CEO Källenius says that coronavirus has made him question the firm's competitive strengths and that he is willing to eliminate underperforming models. ([FT](#))
- Lost a patent infringement case brought by Sharp. Daimler says it will appeal. The ultimate sanction could be a stoppage of sales in Germany but Daimler considers this unlikely since a sub-supplier is now paying a licence fee and the case is about historic royalties. ([Handelsblatt](#))
- Collaborated with Off White, who have helped Nike to make several ranges of extraordinarily expensive trainers, to make a concept G-Class that explores future interpretations of luxury. Apparently this means abandoning materials that damp noise, vibration and harshness. ([Daimler](#))

FCA (history)

- Maserati unveiled the new MC20 sports car. The design has been in development for only 2 years. ([Maserati](#))
- In detailing the organisation for the MC20's Italian launch, Maserati made the unbelievable claim that 7,500 meals were served, yet only 4,000 cups of coffee were drunk. ([Maserati](#))

Ford (history)

- Selected by the Canadian autoworkers' union as the lead company in pattern bargaining. ([Detroit News](#))
- Said in an investor presentation that logging data from connected cars was helping to choose what content to delete from cars to make them cheaper to build. Ford gave a specific example of showing how often owners locked the car using the rear doors -- where it found the answer varied by vehicle line. ([Ford P10](#))
- The forthcoming Mustang Mach E will identify drivers based on the signature of their key fob and mobile phone, so that individual settings are applied before they even settle in. The car's infotainment system will learn all sorts of regular habits, such as regular routes and phone calls, assuming owners don't find it creepily effective. ([Ford](#))

General Motors (history)

- Took an 11% stake in hydrogen electric truck company Nikola and agreed to supply battery and fuel cell technology, plus engineer and build the already announced Nikola Badger pick-up truck. GM received the equity, worth around \$2 billion at current levels for free in return for unspecified in kind consideration (e.g. the technology transfer). The

forecast value of the supply contracts is another \$2 billion. Since the Badger was announced in 2020 and is planned to launch in 2022, GM's engineering team will have to get a move on, even if it runs of the forthcoming all-electric platform that will be used for the new Hummer. ([GM](#))

- Sold the Lang Lang, Australia, test track to VinFast. ([Economic Times of India](#))
- Says that using a next generation battery management system from supplier Analog Devices will reduce wiring within the battery pack by up to 90%, reducing weight, and increasing pack density. ([GM](#))
- Announced a fleet supply deal with Uber that will offer substantial discounts (the same level that employees receive) to Uber drivers if they buy a GM electric car. ([GM](#))

Hyundai / Kia (history)

- Hyundai's marketing department need to start saying potential names out loud before committing to them. The brand's latest camper van conversion is called the "Porest" -- seemingly a clever combination of the donor vehicle (Porter) and the idea of leisure (rest). ([Hyundai](#))

Nissan and Mitsubishi (history)

- Nissan's COO says the tipping point for electrification will be when battery cost falls below \$95 / kWh, but that Europe is already in the midst of a change despite prices still being above that level. ([Autocar](#))
- The Japanese government has reportedly provided massive loan guarantees for banks giving Nissan credit, and would be on the hook for around \$1.2 billion if the company failed. ([FT](#))
- Nissan plans to raise \$8 billion in US dollar bonds after Japanese bond issues raised less than hoped. ([Nikkei](#))
- Has now produced half a million Nissan Leaf all-electric car (over two generations). ([Nissan](#))
- Nissan's COO confirmed that the next generation Micra will be developed and built by Renault. ([Reuters](#))

PSA (history)

- Opel continued its clear out of national sales companies in smaller European markets, announcing an importer had been chosen for Serbia, North Macedonia, Montenegro, Kosovo and Albania. ([Opel](#))

Renault (history)

- In a memo to staff, new CEO de Meo said that the company would probably need to increase cost saving targets for the restructuring plan announced before he started to escape the "red zone". He called the cashflow projections he has seen "alarming" and suggested that there was scope for 25% price increases in mid-size cars, whilst cutting the portfolio by around one third. ([Reuters](#))
- Renault and Nissan are hoping to bag a sizeable slice of Uber's demand for electric vehicles in the near term, signing a fleet deal with the ride hailing operator to sell vehicles to drivers. ([Renault](#)) A separate release by GM about a similar scheme in the USA indicates that drivers will be entitled to heavy discounts. ([GM](#))
- Testing a blockchain-based parts tracking system called XCEED sponsored by several major suppliers. Methods to increase the current capacity of 500 transactions per second must be found if the system is to be used across the supply base. ([Renault](#))
- Dacia unveiled new Sandero and Logan models. ([Dacia](#))

Suzuki

- Slightly increased its shareholding in Maruti Suzuki, from 56.28% to 56.37%. ([Economic Times of India](#))

Tata (includes JLR) (history)

- Reportedly exploring the sale of stakes in Tata Technologies and a construction machinery joint venture with Hitachi to raise cash. ([Live Mint](#))

Tesla (history)

- Once Tesla's Chinese plant is running at full steam, the plan is reportedly to export cars to Europe and Asian markets. ([Reuters](#))

Toyota (history)

- Toyota's advanced research institute -- [to be rebranded as Woven](#) -- is launching a venture fund with an \$800 million war chest. ([Toyota](#))
- Announced an online store selling used cars across Japan. The company hopes to expand the offering into new cars in future. ([Toyota](#))

VW Group (history)

- The Traton truck unit increased its takeover bid for Navistar. ([Navistar](#))
- The head of Škoda's Czech organised labour complained that the company plans to move too much production out of the Czech Republic, calling it a campaign against the brand. His comments could bring him into conflict with VW's union leader in Germany who has applauded such moves in the past. ([Reuters](#))
- Highlighted the challenges of procuring ethically sourced batteries by revealing that 134 suppliers and 18 mines are used to produce component parts for VW Group's batteries. ([VW](#))
 - Significance: With VW forecasting battery electric vehicle production rising by an order of magnitude in the next few years, keeping tabs on suppliers threatens to become a substantial bureaucratic overhead.
- Former CEO Winterkorn will face trial in Germany, charged with fraud over the diesel emissions scandal. ([Reuters](#))
- Showed off the station wagon and rugged estate versions of the new Golf. ([VW](#))

Other

- **Lucid** revealed the production version of the Air, with the brand's CEO saying it was aiming squarely at the **Mercedes** S-Class (which sold 71,300 units globally in 2019 including 12,500 in the USA). The car boasts a massive 113 kWh battery (good for almost 520 miles) and a price tag well north of \$100,000. Lucid says cheaper versions with lower range will become available post launch. ([Lucid](#)) Executives announced at the launch event that the second product – already confirmed as an SUV – will be called Gravity. ([TechCrunch](#)) The company also intends to launch a range of stationary storage products. ([Economic Times of India](#))
- **McLaren** is contemplating a sale and lease back of its headquarters in a bid to raise cash, despite recent statements from the Formula 1 team that there was no longer a problem with liquidity. ([The Guardian](#))
- **VinFast** acquired **GM's** Lang Lang, Australia, test track. ([Economic Times of India](#)) There was also a new limited edition SUV announced: The President, which has a \$164,000 price tag and of which only 500 will be built. ([Nikkei](#)) The brand's parent denied that it was interested in selling off some of the non-automotive businesses in its portfolio to raise money. ([Reuters](#))
- After the high of [announcing a tie-up with GM](#), **Nikola** had to vehemently deny claims made in a research note that the company's technology was sub-par. ([Nikola](#))

News about other companies and trends ...

Economic / Political News

- Under the recently-signed Formula 1 commercial contract, new teams will have to pay \$200 million to enter the championship, with the money going to existing teams. Good news for the likes of **Daimler**, **Ferrari**, **McLaren** and **Renault** should anyone have a big enough chequebook. ([Autosport](#))

Suppliers

- **Schaeffler** announced a new restructuring plan aimed at saving €250 million - €300 million annually. The firm is looking to cut around 5% of the workforce. ([Schaeffler](#))
- The CEO of German steel supplier **Salzgitter** is not interested in a merger with **Thyssenkrupp's** ailing steelmaking division. ([Reuters](#))
- **Kongsberg's** CEO stepped down. The firm appointed interim co-CEOs whilst a replacement is found. ([Kongsberg](#))
- Battery supplier **Envision** is reportedly hunting around for a new site in France. ([Reuters](#))
- **KCC Glass** is acquiring all of the **Korea Autoglass** joint venture it operates with **AGC**. ([Yonhap](#))

Ride-Hailing, Car Sharing & Rental (history)

- **Uber's** target is for 100% of trips to be in all-electric vehicles by 2040, with an earlier target of 2030 for US, Canada and Europe. The company is creating an \$800 million fund to help drivers buy new cars. ([Uber](#)) The company is negotiating large discount programs with OEMs such as [GM](#), [Nissan](#) and [Renault](#).
- Indian all-electric ride hailing business **BluSmart Mobility** raised \$7 million. ([Live Mint](#))
- Rental operator Europcar is in talks with lenders over a debt restructuring. ([Auto Rental News](#))

Driverless / Autonomy (history)

- Lidar developer **Ouster** raised \$42 million. ([Ouster](#))
- A **Cruise** blog post gave an overview of the complexity involved with machine learning for self-driving vehicles – and demonstrated that the group have no intention of writing detailed rules for coping with extreme manoeuvres, seeing the task as “impossible”. ([Cruise](#))
- **Waymo** published a blog explaining how it combines real world data with scenarios for rare problems it stages at a test track called Castle. ([Waymo](#))
- **ZF** has teamed up with **Aeva** to bring the latter's lidar technology into production. It is unclear how this affects ZF's existing relationship with **Ibeo**, which it part-owns ([the rumour is that the stake is up for sale](#)). ([Aeva](#))

Electrification (history)

- A study of **British** car buyers found half of those asked will NEVER buy an electric car because of a shortage of charging points. The disconnect between a transient number of charging points and a supposedly absolute level of disinterest didn't stop headline writers from seizing on the news. ([The Telegraph](#))
- **Charging provider Wallbox** acquired Spanish firm **Electromaps**. ([Europa Press](#))
- **GM** says that using a next generation battery management system from supplier **Analog Devices** will reduce wiring within the battery pack by up to 90%, reducing weight, and increasing pack density. ([GM](#))

Connectivity

- **Nvidia** is acquiring chip designer **ARM** from **SoftBank** in a \$40 billion deal. ([BBC](#))
- Parking app **SpotHero** is acquiring Canadian rival **Rover Parking**. ([FINSMES](#))

Other

- **AYLI** says that it has letters of intent from a buyer who wants lots of the electric motorcycles the company has under development. ([AYLI](#))
- Ad-funded bicycle rental firm **HumanForest** raised £1.8 million. ([TechCrunch](#))