



# AD PUNCTUM

## Autos & Mobility Industry Briefing -- 17<sup>th</sup> May to 23<sup>rd</sup> May 2021

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)

- Expects to be fined a lower amount by the EU in a case related to how German OEMs shared ideas for new emission technologies. Instead of the original €1.4 billion provision, BMW expects to pay around €400 million and says, that it won't appeal the smaller penalty, if issued as the company currently expects. ([BMW](#))
- BMW trumpeted its decision to use Pirelli tyres made from a variety of sustainable raw materials. BMW claims to be the first manufacturer in the World to do so. ([BMW](#))
  - Along with plans for battery raw materials and other moves, BMW signals a belief that sourcing will be a key differentiator in years to come (requiring baby steps now).

#### **Daimler** (history)

- Splitting its financial services, Daimler Mobility, into two units in line with the spin-off of the trucks division. It isn't clear how the investments in mobility services and other emerging industries will be split. ([Daimler](#))
- Developing hydrogen infrastructure for trucks in partnership with Shell. ([Daimler](#))
- The Trucks division hosted an investor day to lay out its ambitions as a separate entity. ([Daimler](#))

#### **Ford** (history)

- Announced a joint venture with SK Innovation called BlueOvalSK to build batteries. CEO Farley suggested this was the start of a far-reaching plan to “vertically integrate key capabilities”. Ford expects the battery joint venture to provide at least 25% of global needs by 2030. ([Ford](#))
- Unveiled the all-electric version of the F-150 pickup truck. Mid-priced models will have a MSRP of \$53,000. The model is clearly differentiated by an always-on light bar that runs across the front grille. Unfortunately the company hasn't taken the opportunity to create a Knight Rider style fade -- which is what Elon Musk would do. ([Ford](#))
- CEO Farley says that solid state batteries are needed for all retail sales in richer markets to shift to electric models. He is less clear on a transition in markets such as Thailand and Australia. He says that Ford's market research says customers are far more interested in the all-electric F-150 in the Tesla Cybertruck. The vehicle's conservative styling is because potential buyers told Ford that they don't want “spaceships”. He thinks that, with improvements through learning real world driving habits range can be improved by 10 miles per year. When asked about how long car companies have a duty to keep computing current, Farley said the question was “important” and then didn't answer it. He did say that he thinks cars will become physically upgradable in future. ([The Verge](#))
- Despite contrary findings from competitors, Ford believes that only 10% of UK buyers are interested in all-electric vehicles for their next car. ([BBC](#))

#### **Honda** (history)

- Honda's head executive in North America is also now in charge of electric vehicles. ([Honda](#))

- Absorbing Honda Kaihatsu, which provides non production services, such as canteens, to Honda. ([Honda](#))

## Mazda

- Discontinuing the Mazda 6 (large car) and CX-3 (small SUV) in the USA, the two slowest selling models after the MX-5 sports car. ([Mazda](#))

## Nissan and Mitsubishi (history)

- Former CEO Ghosn lost a legal case for wrongful dismissal and was ordered to pay €5 million to Nissan. Ghosn said that he will appeal ([The Guardian](#))

## Stellantis (formed via the merger of PSA and FCA)

- Forming a 50/50 joint venture with Foxconn called Mobile Drive to develop infotainment systems. The new company will bid competitively for Stellantis contracts (it clearly expects to win some of them) and will also sell to other automakers. The vision is for the car to ultimately become a “third living space”. ([Stellantis](#))

## Tata (includes JLR) (history)

- Tata reported full year (to 31<sup>st</sup> March) financial results. Revenue of 250 Cr INR (about \$34 billion) fell (4)% year-over-year, more than explained by JLR where revenue fell (14)% to £19.7 billion. There was a loss before tax of (10,474) Cr INR (about \$(1.4) billion). JLR was responsible for £(861) million of the total loss, although the brand preferred to concentrate on a profit before exceptional items figure. JLR now says it can breakeven below 400,000 units annually and still plans to reduce capacity by 25% between 2024 and 2027. ([Tata](#))

## Tesla (history)

- A Norwegian court awarded damages of around \$16,000 each to owners of older Model S cars after the company slowed down charging speeds via a software update. ([The Verge](#))
- Elon Musk watchers got excited over a trip to the UK, speculating that he might be scouting for potential factory sites (surely something that Musk does himself rather than leaving it to underlings). ([BBC](#)) Musk said he was interested in building a production site in Russia. ([Economic Times of India](#))
- Reportedly suffering a parts shortage at the Fremont, USA, factory that has seen between 10,000 and 20,000 partially completed vehicles stockpiled whilst they await delivery. ([Electrek](#))

## Toyota (history)

- Lexus has now sold 2 million electrified vehicles, which in the brand’s definition includes hybrids. ([Lexus](#))
- A Toyota plant had its IT system hacked. Despite losing sensitive data, the company said that production systems weren’t affected. ([Nikkei](#))

## VW Group (history)

- Audi is working on a modular charging station which incorporates second-life batteries to enable charging at faster speeds than the local grid can provide, and contains a waiting area on the second level. ([Audi](#))
- Lamborghini said it will be spending €1.5 billion over the next four years on transitioning to electric powertrains. The brand will wave goodbye to purely internal combustion engine power in 2024, cars sold in the mean time will be a “celebration” of the powertrain. ([Lamborghini](#))
- CEO Diess said fuel cell cars were “proven not to be” a solution to emissions free mobility, calling ongoing debate over the matter “bogus”. ([Automotive News](#))

## Other

- **Canoo** announced a Q1 2021 loss of \$(97) million, almost four times the loss in the same period of 2020. The company is also under investigation by the US stock market regulator. It tried to pick up investors spirits by launching \$100 reservations for its “Lifestyle” vehicle. ([Canoo](#))
- **Fisker** is making an all-electric popemobile based on the Ocean SUV. ([The Verge](#))

- **Nio** signed a supply extension with **JAC** that runs to 2024. As a part of the deal, annual capacity will be expanded to 240,000 units. ([Nio](#))
- **Huawei** reckons it can sell 300,000 electric vehicles in 2022 from a standing start. ([China Money Network](#))
- **Changan** and **Huawei** are set to launch a new all-electric vehicle brand but have yet to reveal the name, instead referring to it as AB Brand. ([China Money Network](#))
- Revived brand **Radford** will be basing its new sports car on **Lotus** underpinnings. ([Autocar](#))

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

### [Economic / Political News](#)

- The **UK** government was criticised by parliamentary politicians for failing to do enough to plan for a phase out of internal combustion engine sales by 2035. ([Autocar](#))
- **European** passenger car registrations during April of 1.04 million rose 256% year-over-year. ([ACEA](#))

### [Suppliers](#)

- **Eberspaceher** is renaming its exhaust division “Purem”, potentially as a precursor to a spin-off. ([Autocar](#))
- **SK Innovation** says it has an order book of \$115 billion of batteries, amounting to 1,000 GWh (making it \$115 per kWh). ([ETNews](#))

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

- **GoJek** is merging with **Tokopedia** to create a firm spanning ride hailing to financial services. ([Deal Street Asia](#))
- Car rental firm **Virtuo** raised \$96 million. ([TechCrunch](#))

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

- **Waymo** is reportedly looking to raise \$4 billion. ([Bloomberg](#))
- Machine vision develop **SiLC** raised \$17 million. ([SiLC](#))
- Chinese self-driving firm **Maxieye** raised 150 million CNY. ([China Money Network](#))

### [Electrification](#) (history)

- Charging firm **DST** raised \$100 million in a round led by Ikea’s holding company. ([Deal Street Asia](#))
- **TomTom** says it can use mapping to predict the range of an EV to single digit percent accuracy and is selling the technology to OEMs. ([TomTom](#))
- Battery management software firm **Twaice** raised \$26 million. ([FINSMES](#))
- EV infrastructure software firm **WeaveGrid** raised \$15 million. ([WeaveGrid](#))
- Charging company **Magenta EV** raised \$15 million. ([Economic Times of India](#))
- **Ford’s** research suggests that only 10% of UK buyers are interested in all-electric vehicles for their next car. ([BBC](#)) Responses to a study by electricity provider Ofgem put the number at 25% of households. ([The Guardian](#))

### [Other](#)

- US workers at a **Volvo Trucks** plant rejected a new contract that was agreed with unions. The union promised that they wouldn’t immediately go on strike. ([Volvo Trucks](#))
- Car insurance marketplace **Jerry** raised \$28 million. ([TechCrunch](#))
- UK insurance startup **Wrisk** raised £5 million. ([FINSMES](#))