



AD PUNCTUM

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

Daimler (history)

- Reported Q2 2021 financial results. Revenue of €43.5 billion rose 44% versus the prior year whilst EBIT of €5.2 billion was strongly up from a year ago. Mercedes is happy with its double digit margins but sad that it has come through supply being restricted due to semiconductor shortages. Executives assured customers that “we are doing what we can”. ([Daimler](#))
- Daimler held an investor day and updated its electric vehicle strategy. From 2025 onwards, only all-electric architectures will be launched, although this doesn't prevent new non-electric cars being launched after that date. To fill in the gaps from the already-announced electric products there will be three new platforms, one for vans, one for cars and one for sportscars (AMG). The large car EVA platform is being dumped for a newer one called MB.EA. The goal is to position Mercedes to completely switch off conventional powertrain by 2030, if the market moves that way. Daimler says that the core business plan assumptions are now that new car sales have “in essence [switched] to fully electric by the end of the decade”. Due to a drop in battery costs, margins are expected to be comparable to products with internal combustion engines today, however this rests on an assumption that ICE costs will increase and part of the gap closure is through higher battery electric revenues as the cost-only chart ([p. 29 in the strategy presentation](#)) shows a cost gap remaining into the 2030s. The prior target of 50% of sales from BEV and PHEV by 2030 has been pulled forward to 2025. ([Daimler](#))
- Daimler made a point of describing its strategy as moving capital from “EV-first to EV-only”, however spending on traditional technologies isn't ceasing. The company says it will drop by 80% between 2019 and 2026 – seemingly measuring only the powertrains. Mercedes hasn't explained how it will keep conventionally powered products up to date if customer interest is sustained for longer than expected. ([Daimler](#))
- Expects to grow revenue per unit from Mercedes cars and vans through mix, net pricing, revenue from digit services and the direct (or agent) sales model currently being implemented. ([Daimler](#))
- Acquired electric motor manufacturer YASA as part of an ongoing strategy to develop motors in-house. Mercedes says that it will have a global battery capacity of 200 GWh, not necessarily owned outright, and similar to VW the company plans to use the same batteries across a large swathe of the line-up, In Mercedes's case, 90% (although since this terminology allows for changes in size and chemistry they won't really be the same). ([Daimler](#))
- Claims to have met with 5,000 startups in the past five years. ([Daimler](#))
- Will reportedly bundle AMG, Maybach and G-Class into a combined group with a single leader. ([Automotive News](#))
- Will reportedly offer improved rear wheel steering on the EQS (10 degrees rather than 4.5 degrees) to customers who pay a subscription of €489 per year. In some markets it will come as standard. ([Auto Motor Und Sport](#))

Ford (history)

- Ford's autonomous vehicles will be available for paying customers in two US cities, with the company opting to use Lyft's ride hailing service, rather than create its own. ([Ford](#))

- Agreed a deal for customisation company MS-RT, affiliated with Ford rally partner, to build a facility at Ford's Dagenham location, close to where vehicles are shipped into the UK. ([The Manufacturer](#))
- Facing a lawsuit from GM saying that Ford's driver assistance name BlueCruise infringes trademarks belonging to GM and self-driving subsidiary Cruise. ([CNBC](#))

Geely (includes Volvo) (history)

- Volvo reported financial results for the first half of 2021. Revenue of 141 billion SEK (about \$16.4 billion) rose 26% versus prior year, slightly lagging wholesales which grew 28% to 357,000 cars. Operating income of 13.2 billion SEK (about \$1.5 billion) rose from a loss the year before. ([Volvo](#))
- Volvo is taking full ownership of its Chinese manufacturing operations, with parent Geely handing over some of its shares. The move is seen as a precursor to a listing and will complete after local regulations change in 2022. ([Volvo](#))
- Volvo's CEO says that he wants the firm's products to have names rather than code numbers. ([Auto Express](#))

General Motors (history)

- GM's Super Cruise advanced driver assistance will soon be able to tow a trailer. ([GM](#))

Hyundai / Kia (history)

- Hyundai reported financial results for Q2 2021. Sales of 30.3 trillion KRW (about \$26.4 billion) rose 39% from prior year. Operating profit of 1.9 trillion KRW (about \$1.6 billion) more than trebled from Q2 2020. Hyundai said high margin cars were selling well but it was worried about semiconductor shortages. ([Hyundai](#))
- Kia reported Q2 2021 financial results. Revenue of 18.3 trillion KRW (about \$16 billion) rose 61%, outstripping sales which rose 46% to 754,000 cars. Operating profit of 1.5 trillion (about \$1.3 billion) rose more than tenfold from prior year as volume and mix more than offset exchange headwinds. ([KIA](#))
- Invested in connected car software company Sonatus. ([TechCrunch](#))

Stellantis (formed via the merger of PSA and FCA)

- Raised a new credit line of €12 billion, replacing earlier facilities of €9.5 billion. ([Stellantis](#))
- Recruited a new CTO, the previous head of Amazon's Alexa automotive division and a Toyota veteran. ([Stellantis](#))
- CEO Tavares says Stellantis still isn't sure how to reuse equipment designed for lithium ion battery cells to make solid state batteries, if the technology matures. ([Detroit News](#))

Suzuki

- Suzuki is joining Toyota's Japanese technology partnership for connected and electrified vehicles with advanced driver assistance, along with Toyota's Daihatsu brand. Both entities will take a share in the cooperative. ([Toyota](#))

Tesla (history)

- CEO Musk said that he wanted to build a factory in India, but Tesla needed to pay lower import taxes first, perhaps intentionally missing the point of protectionist tariffs. ([Business Insider](#))
- Sold assets from the Maxwell Technologies ultracapacitor business to UCAP Power. ([UCAP](#))

Toyota (history)

- Suzuki is joining Toyota's Japanese technology partnership for connected and electrified vehicles with advanced driver assistance, along with Toyota's Daihatsu brand. Both entities will take a share in the cooperative. ([Toyota](#))

VW Group (history)

- Porsche sold 153,656 cars in the first half of 2021, up 31% on a year earlier. Taycan sold just under 20,000 units, indicating the Porsche was wise to invest in additional capacity. ([Porsche](#))
- VW group sold almost 111,000 all-electric vehicles in Q2 2021. The growth rate potentially puts it on course to eclipse Tesla soon. ([VW](#))

- Audi's design boss says autonomy will change car styling more than electrification. He is slightly critical of newer arrivals, saying that companies such as Tesla "don't have a face, because they don't have a history". ([Autocar](#))
- Audi won't have a successor to the A1, arguing that emissions legislation is making the cost prohibitive. Reading between the lines, a battery electric city car isn't an impossibility, albeit with a different name. ([Automotive News](#))
- Audi is looking to switch to an agency sales model for electric cars, which soon will be all the brand makes. The brand plans to implement a switch beginning in 2023 for key European markets. First, a new dealer contract needs to be negotiated. ([Automotive News](#))
- Believes it is two to three years ahead of competitors in planning for a transition to electric cars. ([Handelsblatt](#))

Other

- **Rivian** raised another \$2.5 billion, taking the total investment to a whopping \$10.5 billion without a single car produced. ([Rivian](#))
- **Kandi** acquired a small battery producer, **Jiangxi Huiyi**. ([Kandi](#))
- **McLaren** is raising \$620 million, mainly to refinance existing loans, but with higher interest. ([McLaren](#))
- **Lightyear** agreed a deal for **Valmet** to contract manufacture its solar-powered car. ([Lightyear](#))
- Long-time suitor **HAAH** is apparently back in the running for **Ssangyong**. ([Yonhap](#))

News about other companies and trends ...

Economic / Political News

- The **UK** Government is interested in synthetic fuels, but sees the benefit as coming from aviation and shipping as those "sectors are hard to decarbonise". ([Autocar](#))

Suppliers

- **Veoneer** reported Q2 2021 sales of \$398 million and that it will be acquired by **Magna**. ([Veoneer](#))
- **Veoldyne's** CEO stepped down amid a war with the firm's deposed founder. ([The Verge](#))
- **Valeo** reported 2021 first half revenue of €9 billion and operating margin of €415 million. ([Valeo](#))
- **Nidec** reported Q2 2021 sales of 447 billion JPY (about \$4 billion) and operating profit of 44 billion JPY (about \$405 million). ([Nidec](#))
- **Nidec** and **Foxconn** are discussing deepening their relationship and may form a JV to produce electric vehicle motors and other components. ([Nidec](#))

Dealers

- Indian on-demand servicing website **Automovil** raised \$500,000. ([Economic Times of India](#))
- Vehicle inspection firm **UVeye** raised \$60 million. ([UVeye](#))
- Electric vehicle leasing specialist **WeVee** raised \$7 million. ([FINSMES](#))

Ride-Hailing, Car Sharing & Rental (history)

- **Ford's** autonomous vehicles will be available for paying customers in two US cities, with the company opting to use **Lyft's** ride hailing service, rather than create its own. ([Ford](#))
- **Uber** will acquire transport company **Transplace** for \$2.25 billion. ([Uber](#))

Driverless / Autonomy (history)

- Driverless vehicle developer **Venti Technologies** raised \$8 million. ([Tech In Asia](#))
- Driverless warehouse vehicle firm **Ati Motors** raised \$3.5 million. ([Deal Street Asia](#))
- Vision firm **CalmCar** raised \$150 million. ([Deal Street Asia](#))

Electrification (history)

- Charging operator **ChargePoint** acquired software maker **has.to.be**. ([TechCrunch](#))

Connectivity

- Connected car software company **Sonatus** raised \$35 million from **Hyundai** / **Kia** and others. ([TechCrunch](#))

Other

- Parking management business **ParkHub** acquired **CurbTrac**, a payments firm. ([ParkHub](#))