



AD PUNCTUM

Autos & Mobility Industry Briefing -- 4th October to 17th October 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)

- Sold 583,189 cars in Q3 2021, down (12)% on a year earlier. Electrified vehicles saw sales increases and the Rolls-Royce brand jumped more than 20%. ([BMW](#))
- Invested in lithium extraction firm Lilac Solutions. ([BMW](#))
- CEO Zipse says that BMW will be ready for a wholesale transition to electric cars by 2030. ([Reuters](#))
- Union strikes over pay are harming output at BMW's South African plants. ([Economic Times of India](#))

Daimler (history)

- Sold 428,361 cars and light vans in Q3 2021, down (30)% versus prior year. Mercedes trumpeted the performance of its fully electric cars, with EQC and EQA selling just over 30,000 units on a year to date basis, slightly under half the number of cars sold by Nio in the same timeframe. The Maybach sub-brand sold almost 11,000 cars in the first nine months. ([Daimler](#))
- AMG built a new customer reception at the factory so that owners can pick up the keys in person. Some buyers are more equal than others: only those collecting top end models will be allowed a special Formula 1-themed zone. All others must make do with a more pedestrian "Business Lounge". ([Daimler](#))
- On top of existing sub-brands AMG, G (Class) and Maybach, Mercedes has added "Manufaktur". The portfolio comprises a line of ultra-expensive options over and above the existing palette. The offerings are mainly trim and paint but there are some extra-cool puddle lights available. ([Daimler](#))
- The CTO of the AMG division poured scorn on the idea of artificial sounds for sportscars to recreate the engine note. Instead, all-electric products will use vibration to communicate the idea of sound. He believes that top speeds below 155 mph will be acceptable to the customer. ([Golem](#))
- Mercedes CEO Källenius says that electric vehicles with performance capable of "tens of laps" around a race track are "further away" than 2025. ([High Snobiety](#)) When asked in another interview about whether it will be confusing for customers that there will be an EQS SUV and a EQS car, with EQE then following the same pattern, he said that Mercedes thinks it will be "so obvious when you see the vehicle, you know whether you're buying an SUV or a sedan". ([The Detroit Bureau](#))

Ford (history)

- Will start making electric motors, instead of manual transmissions, at the Halewood, UK, plant. ([BBC](#))
- Ford and GM appear to have resolved their legal case over both having driver assistance systems with "Cruise" in the name. ([Reuters](#))

Geely (includes Volvo) (history)

- Volvo will list at the end of October on the Nasdaq Stockholm exchange. The brand hopes to achieve a market capitalisation of between 163 billion – 200 billion SEK (about \$19 billion - \$23 billion). ([Volvo](#))
- Volvo reported Q3 2021 sales of 149,892 cars, down (17)% versus prior year. ([Volvo](#))
- Volvo agreed terms to take over the Luqiao, China, plant where the Polestar 2 is built from Geely. ([Volvo](#))
- Volvo is looking to sell surplus European CO₂ vehicle emission credits for 2021. ([EU](#))

General Motors (history)

- Held an investor day to lay out GM's future plan. The firm was clear that it sees a place in the market for internal combustion engine powered vehicles into the next decade, but probably not for cars. Despite the increased cost of technology to deal with emissions legislation in many parts of the world, GM says that margins on internal combustion engine vehicles will increase, presumably through a combination of digital services and increased technology such as driver assistance. GM promises all-electric vehicles will reap margins comparable to internal combustion engine models – which will be higher than today – by 2030. ([GM](#))
- GM says that in the next-next generation of battery cells (that come after the ones it hasn't yet launched) will see a 60% cost reduction from today's levels, and around a third less than soon-to-be-launched models. GM says that the firm will develop a leadership position in automotive based on its new technologies, but since it will be such a smash hit success it is unclear why it isn't forecasting substantial revenues from licencing to less clever competitors. ([GM](#))
- GM is working on potential entry into 20 new developing business lines. The smallest has an estimated market size of \$3 billion, whilst the largest, aerial mobility, could one day be worth \$500 billion according to GM's maths. GM says that it receives \$2 billion in annual revenue from connected vehicle services and that could rise to \$6 billion annually for smart insurance alone by 2030. The company was silent on how a famously cut-throat industry will deliver massive margins in future simply because the quality of information has improved. Overall, GM says that these new businesses (which include defence and the Brightdrop commercial vehicles as a service division) will yield \$80 billion in revenue by 2030, up from \$2 billion today (the connected vehicles business). ([GM](#))
- In a review of self-driving subsidiary Cruise's outlook, GM showed a dimensionless Boston matrix chart (high to low performance versus high to low cost) suggesting that SAE L2 systems in future may be almost as capable as Cruise's vehicles are today, or maybe it didn't because the chart didn't specify whether the axes were linear or a meaninglessly variable scale of Cruise's own design. The company promises a 90% reduction in computing power cost by 2025, although since it doesn't yet have a fully working system, this remains speculative. Nevertheless, the plan is to rapidly scale from 2023 onwards, following pilot roll outs in San Francisco and Phoenix, Arizona. Cruise reckons that it will be able to charge far less than human-driven ride hailing yet make bumper profits. Assessing the claims was difficult due to the iffy chart sizing GM presented. GM reminded investors of the truism that if autonomy is a smash hit success, it will lower costs and therefore increase market size. GM also suggested Cruise should attract a first to market premium, without proving that the business will in fact be first to market. ([GM](#))
- In an analysis of the costs to transition to electric vehicles, GM told investors that it could save \$1 billion to \$1.5 billion per plant by re-using assets, which seems relatively straightforward to prove, since assets such as the press shop, paint and body shop could all expect considerable re-use. But the foundation for the claim seems suspect: you can claim the same conversion benefits for replacement internal combustion engine programs today. The maths proves the case for retaining existing plants and people rather than shuttering existing factories and starting afresh: it doesn't prove that there is a manageable transition plan in place to move from internal combustion engines to EV and explains little of how the redundant engine and transmission infrastructure is dealt with. ([GM](#))
- Announced an advanced driver assistance system called Ultra Cruise which GM says will one day offer hands free driving in "95% of all driving scenarios" suggesting that a combination of weather conditions and less-used roads will probably never be covered. GM hopes to activate the feature on 3.4 million miles of North American roads, with 2 million having been mapped by the time of launch, slated for 2023. At first, it will only be available on GM's most expensive vehicles, such as the Cadillac brand. GM's system incorporates lidar. ([GM](#))
- GM announced that LG has agreed to foot \$1.9 billion of a \$2 billion bill to recall Bolt all-electric vehicles that have faulty batteries. ([GM](#)) LG said that it would pay less than that – about \$1.1 billion. ([Economic Times of India](#))
- A judge dismissed a suit that GM brought on FCA (now part of Stellantis) accusing the latter of increasing labour costs through a corrupt relationship with the UAW union. ([Reuters](#))

- Launching a Cadillac financing company. Apparently the deals offered won't differ in substance to those on offer from GM's existing captive lender (which will write the new loans too). GM sees unspecified brand-specific benefits in having its own finance presence. ([Detroit Free Press](#))

Honda (history)

- By 2030, Honda will only sell heavily electrified or fully electric vehicles in China. As part of the announcement, Honda showed off two new all-electric SUVs bound for the Chinese market and three slab-sided concepts covering an SUV and two passenger cars. ([Honda](#))
- Honda will roll out a new driver assistance system called Honda Sensing 360, starting in China but gradually making it to all major markets by 2030. ([Honda](#))

Hyundai / Kia (history)

- Kia announced a minor refresh of the Forte. ([Kia](#))

Mazda

- Mazda is planning to bring a series of large crossovers to market in Europe and North America. Named the CX-50 to CX-90 (and going up in units of 10), the range will deliver plug-in hybrids and although the cars in the two regions sound similar, they will be different enough to have unique names. ([Mazda](#))

Nissan and Mitsubishi (history)

- Nissan wants all its vehicles to be carbon neutral in both manufacturing and use by 2050. ([Nikkei](#))
- Mitsubishi unveiled the next generation Outlander plugin hybrid SUV. ([Mitsubishi](#))

Stellantis (formed via the merger of PSA and FCA)

- Announced a plan to create a North American joint venture for battery cells with LG. This is in addition to the existing European battery joint venture which Daimler recently bought into. ([Stellantis](#))
- Maserati delayed the launch of the new Grecale SUV, blaming the semiconductor shortage and saying that the car is so advanced that it is particularly hard hit. Tesla's ability to launch new factories and products with advanced technology suggests the existence of semiconductors in the car isn't the sole obstacle. ([Maserati](#))
- Stellantis is making moves to remove Opel's legal responsibilities for German factory management and hand it to Stellantis HQ, worrying German labour unions who feel that the brand is being dismembered. ([Handelsblatt](#)) Unions are becoming increasingly concerned that the Eisenach and Aspern plants, which have been shuttered since the summer because of a shortage of semiconductors, are secretly slated for closure because other Stellantis factories make the same products. ([WSWS](#))
- Will reportedly cease carmaking at the Grugliasco, Italy, plant by shifting its (Maserati) models to the Mirafiori site in Turin. ([Detroit News](#))
- Removing a shift at the Windsor, Canada, plant that produces minivans. ([Detroit News](#))

Tata (includes JLR) (history)

- Tata (including JLR) sold 251,689 vehicles in Q3 2021 (Tata's fiscal Q2), up 24% on a year-over-year basis. JLR sold 92,710 cars, down (18)%. JLR's number includes China sales, unlike the Tata overall figure. ([Tata](#))
- Raising \$1 billion by creating a new subsidiary that will specialise in electric vehicles and selling a shareholding to investor TPG. The plan is for the offshoot to create 10 EVs within five years. ([Tata](#))
- Unveiled the Tata Punch, a small SUV. ([Tata](#))
- Will start making tools in-house at Halewood. ([JLR](#))
- JLR is trialling the use of blockchain to track supplies of real and artificial leather interior trim. The idea is that the ledger will contain environmental data. ([JLR](#))

Tesla (history)

- CEO Musk said Tesla's new German factory will soon start production, but that it will take until the end of 2022 for the plant to reach full capacity. ([Reuters](#))
- Tesla has removed pricing and specification details of the Cybertruck from its website, prompting speculation that it is encountering further problems in executing the product. ([Futurism](#))
- After losing a racial discrimination case, Tesla was told to pay a former employee \$137 million. ([Reuters](#))
- Although Tesla said that only drivers with top safety scores (determined using a Tesla-proprietary algorithm) would be invited to test the beta version of advanced driver assistance, it emerged that an investor with a relatively high public profile and a score of 37/100 had been allowed into the program. ([Electrek](#))

Toyota (history)

- Lexus unveiled the LX large SUV. ([Lexus](#))
- Toyota is being sued by Nippon Steel because of a supply deal Toyota made with Baosteel that Nippon Steel says uses its IP. Toyota said it wished Nippon Steel would have resolved the matter amicably. ([Toyota](#))
- Toyota Tsusho is collaborating with raw materials supplier BHP and battery producer PPES to create a lifecycle for electric car batteries. ([Toyota](#))
- Toyota will build a battery plant in the USA in partnership with Toyota Tsusho. ([Toyota](#))

VW Group (history)

- CEO Diess invited Tesla CEO Elon Musk to address a gathering of top VW executives and let them observe first hand the culture of the US automaker. ([Reuters](#))
- Q3 sales of all-electric vehicles showed that the ID4 is now outselling ID3 almost 3:2. The VW ID vehicles sold around half as many in full nine months as Tesla's Model 3 and Model Y sold in Q3 2021. ([VW](#))
- Porsche is offering customers a 3D printed insert for bucket seats to make their car seem racier. The almost €3,000 option can be retrofitted. ([Porsche](#))
- Lamborghini announced that it is installing a new biomethane power plant at its factory as part of emissions reduction efforts. ([Lamborghini](#))
- Rumours emerged that CEO Diess had told the supervisory board that the company might need to shed 30,000 jobs if it gets the transition to electric vehicles wrong. ([Automotive News](#))

Other

- **NEVS, Evergrande's** Swedish factory (ex-Saab), says that it is up for sale. ([Reuters](#)) The Chinese part of the carmaking business says it is on course to make cars, despite the problems of the parent firm. ([Reuters](#))
- **WM Motor** is looking to raise \$500 million. ([WM](#))
- **Foxconn** showed off three prototypes it has been developing: an SUV, a car and a bus. ([Reuters](#))
- **VinFast** confirmed that the brand was still planning to launch in North America, using the LA auto show as a platform. ([VinFast](#))
- Fuel cell vehicle developer **Hyzon** was forced to deny a report issued by a short seller that called into question the business relationships Hyzon has and its longer term outlook. ([Hyzon](#))

News about other companies and trends ...

Economic / Political News

- The head of the **UN** called for the end of production of vehicles with internal combustion engines in richer countries by 2035 and all others by 2040. ([Economic Times of India](#))
- **German** registrations of 196,972 passenger cars in September fell (25.7)% versus prior year. ([KBA](#))
- September passenger car registrations of 215,312 units in the **UK** fell (34)% year-over-year. ([SMMT](#))
- **Spanish** passenger car registrations of 59,641 units fell (16)% compared with September 2020. ([ANFAC](#))
- Passenger car registrations in **Italy** during September of 105,175 units fell (33)% versus prior year. ([UNRAE](#))

- **French** passenger car registrations of 133,835 units fell (20)% compared with September 2020. ([CCFA](#))

Suppliers

- **Sono Motors** is supplying solar panels for **ARI Motors's** electric vehicle. ([Sono Motors](#))
- **Novares** says that it wants to sue some customers because they have been cancelling orders at the last minute because of the semiconductor supply crunch. ([Reuters](#))
- Automotive software firm **NeuSAR** raised \$100 million. ([Deal Street Asia](#))
- Miner **Neo Lithium** is being acquired by **Zijn Mining**. ([Reuters](#))
- Magna called off its pursuit of **Veoneer**, which will instead be sold to **Qualcomm**. ([Magna](#))

Dealers

- South Korean automotive online marketplace **K Car** raised \$285 million in an IPO. ([Deal Street Asia](#))
- Indian car website **CarDekho** raised \$250 million. ([TechCrunch](#))
- **Auto1 FT** will offer car financing where the contracts are signed in blockchain via Ethereum. ([Auto1](#))
- UK dealer group **Motorline** was acquired by bigger rival **Marshall**. ([Motor Trader](#))
- Automatic tyre replacement company **RoboTire** raised \$7.5 million. ([TechCrunch](#))

Ride-Hailing, Car Sharing & Rental (history)

- Ex-Ford CEO Mark Fields has been appointed interim chief of **Hertz**. ([Auto Rental News](#))
- Ride hailing provider **Ola** acquired mapping data company **GeoSpoc**. ([Deal Street Asia](#))
- Car rental firm **Kyte** raised \$30 million. ([Auto Rental News](#))
- **Via** is trialling an on-demand bus service with a rural UK council. ([Via](#))

Driverless / Autonomy (history)

- Self-driving developer **Wayve** raised \$14 million. ([TechCrunch](#))
- **Hyundai Mobis** showed off a foldable steering system that the company has been developing. It seems that in trying to overcome design constraints stemming from airbag storage, the design team opted against a traditional steering wheel, instead creating two handles that can be used for left and right steering. Since the device is designed for occasional use, which is likely low speed, the lack of steering movement might not matter. ([Hyundai](#))
- Lidar maker **Ouster** is buying smaller rival **Sense Photonics**. ([TechCrunch](#))
- **GM** announced an advanced driver assistance system called Ultra Cruise which GM says will one day offer hands free driving in “95% of all driving scenarios” suggesting that a combination of weather conditions and less-used roads will probably never be covered. GM hopes to activate the feature on 3.4 million miles of North American roads, with 2 million having been mapped by the time of launch, slated for 2023. At first, it will only be available on GM’s most expensive vehicles, such as the Cadillac brand. GM’s system incorporates lidar. ([GM](#))

Electrification (history)

- Battery developer **Our Next Energy** raised an undisclosed amount. ([ONE](#))
- The **RAC**, one of the UK’s biggest roadside recovery services says that it is working towards 20% of the fleet being capable of providing emergency charging top-ups. Unfortunately, it won’t be fast. ([Autocar](#))
- **ITM Power** raised £250 million to build more machines to extract hydrogen from water. ([Motley Fool](#))

Connectivity

- **Apple** is reportedly working on a way to expand the role of CarPlay so that iPhone owners can adjust air conditioning, seat position and other settings. ([Bloomberg](#))

Other

- **Bird** increased the size of the loan facility it uses to buy scooters to \$150 million. ([Bird](#))
- German electric scooter rental firm **emmy** was acquired by **GoTo Global**. ([TechCrunch](#))