



AD PUNCTUM

Autos & Mobility Industry Briefing -- 6th July to 12th July 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 485,701 cars in Q2 2020, (25)% down on prior year. In China, BMW sold 212,617 cars, up 17% year-over-year and down (6)% on a year to date basis. ([BMW](#))
- Signed a contract for Moroccan cobalt. The deal size (€100 million) implies that BMW expects to spend about €500 million on the material between 2020 – 2025. ([BMW](#))

Daimler (history)

- Sold 461,949 cars in Q2 2020, down (24)% versus Q2 2019, and 61,358 vans, down (34)%. Mercedes was keen to talk about the recovery in China, where sales of 207,107 units were up 22% on the prior year (on a year to date basis they are almost flat). ([Daimler](#))
- Daimler's HR chief thinks the firm may need to cut more than the 15,000 jobs currently planned. ([Automotive News](#))
- Ineos emerged as a candidate to take over the Hambach, France, factory. ([BBC](#))

FCA (history)

- Recalling 1.2 million vehicles, 925,239 of which in the USA, because clips around the air bag could become loose and be propelled into the cabin if the air bags went off. ([FCA](#))
- A judge dismissed GM's lawsuit against FCA (GM contends that FCA bribed union officials to agree to pay conditions that indirectly harmed GM). GM intends to appeal. ([Reuters](#))

Ford (history)

- Working with startup ReJoule to create processes for automatically grading used electric vehicle batteries, to determine their suitability for used in stationary storage. ([ReJoule](#))
- After a group of employees demanded that Ford stop supplying police forces with vehicles, the CEO wrote to them saying the firm would carry on but that their concerns had helped him write a note back to them. ([Fox](#))
- Complained that coronavirus-related safety rules in Mexico were stifling production and risking plant stoppages elsewhere. ([Reuters](#))

Geely (includes Volvo) (history)

- Geely's Chinese brands sold 324,419 cars in Q2 2020, up 14% on a year-over-year basis. Within these results, Lynk&Co sold 36,320 cars, up 35%. ([Geely](#))
- Volvo invested in Circular, a firm using blockchain to trace the source of raw materials. ([Volvo](#))
- Lotus is opening a new chassis and body shop in Norwich after outgrowing existing facilities. ([Lotus](#))

General Motors (history)

- Appointed a new head of the North American business, his predecessor is leaving GM. ([GM](#))
- A judge dismissed GM's lawsuit against FCA (GM contends that FCA bribed union officials to agree to pay conditions that indirectly harmed GM). GM intends to appeal. ([Reuters](#))

Honda (history)

- Handed a battery supply deal to CATL and took a 1% stake in the firm. ([Honda](#))

Hyundai / Kia (history)

- Kia is launching an app that lets prospective customers have a video call with staff at the dealership, who can show them around the car and answer any questions they have. ([Kia](#))

Nissan and Mitsubishi (history)

- Workers at Nissan's Sunderland plant are in uproar after the company said it wanted to end the defined benefits pension scheme (which only applies to employees who joined before 2003). ([Sunderland Echo](#))

PSA (history)

- PSA's van plant in Luton, UK, has taken on an additional shift. ([Just Auto](#))

Renault (history)

- Turning to Google for help with analysing production data generated at Renault's factories. ([Google](#))

Tata (includes JLR) (history)

- Tata's Q2 wholesales of 91,594 units – of which JLR was 65,425 cars -- fell (64)% compared with Q2 2019. ([Tata](#))
- DHL is reportedly contemplating laying off up to 2,200 logistics workers dedicated to JLR facilities. ([Bloomberg](#))
- Jaguar applied to trademark "EV-Type", spurring speculation over what type of car might use the name. ([Autocar](#))

Tesla (history)

- CEO Musk said Tesla had overcome the fundamental challenges behind self-driving cars and was confident that the firm would have "basic functionality" this year. ([Sky News](#))
- Elon Musk tweeted that the Model Y produced in Germany would be a revolution in body engineering, implying that either the design or the manufacturing process will be different to the US-built model. ([Clean Technica](#))

Toyota (history)

- Unveiled a minor freshening to the Lexus LS. ([Toyota](#))
- Toyota's UK sales in June were up on 2019 levels, with hybrid vehicles driving much of the performance. Almost two thirds of Toyota brand sales are hybrids (including non plug-in models), for Lexus it was over 99%. ([Toyota](#))
- Unveiled the Toyota Corolla Cross SUV, a cheaper alternative to the RAV4. ([Toyota](#))

VW Group (history)

- Completed (and passed) the third and final compliance audit imposed by US regulators after the diesel scandal. ([VW](#))
- Unveiled a near-production "concept" of a coupe version of the forthcoming all-electric Audi Q4. ([Audi](#))
- The head of VW's TRATON truck unit is stepping down. ([VW](#)) So is Škoda's CEO. ([Škoda](#))
VW's head labour representative doesn't think further headcount reductions are required, saying that plans put in place in 2016 (and still underway) will be sufficient to deliver the savings the company needs. If demand drops further, he sees short time working as the way to trim overheads. ([Reuters](#))
- VW's software head is reportedly to be replaced. ([Handelsblatt](#))
- CEO Diess reportedly told top managers the electric version of the VW Up! loses €4,000 - €5,000 per unit on a contribution margin basis (i.e. before considering fixed costs), and that figures for the outgoing electric Golf were similarly bad. ([Business Insider](#))

Other

- **Fisker** raised \$50 million. ([Fisker](#)) There was speculation that the company could go public via a merger with a listed special purpose company, in the same manner as **Velodyne's** recent listing. ([Reuters](#))
- **Karma** raised \$100 million. ([Bloomberg](#))
- **Li Auto** (formerly known as CHJ Automotive) filed for an initial public offering. ([SEC](#))
- **Rivian** raised a whopping \$2.5 billion. Existing investor **Ford** didn't participate. ([Rivian](#))
- **Ineos** put plans for factories for the Grenadier SUV in the UK and Portugal on hold, saying it was interested in **Daimler's** Hambach plant and that the Welsh government hadn't delivered on promised infrastructure improvements. ([BBC](#))

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

Suppliers

- **Linamar** doesn't expect global light vehicle production to match 2019 levels until 2024. ([Linamar](#))
- Aftermarket accessories supplier **Voxx International** acquired most of rival **Directed's** automotive business. ([Voxx](#))
- A rescue deal for **Amtek Auto** was given the go ahead by Indian bankruptcy courts. ([Economic Times of India](#))

Dealers

- Indonesian used car marketplace **TiinTiin.id** raised \$2.5 million. ([Nikkei](#))

Ride-Hailing, Car Sharing & Rental (history)

- **Uber's** CEO says the business will be 50/50 ride hailing and other delivery services in future. ([Business Insider](#))
- Indian ride hailing service **Blu Smart** raised \$5 million. ([Deal Street Asia](#))

Driverless / Autonomy (history)

- **WeRide**, backed by **Renault-Nissan-Mitsubishi's** VC fund, said it will begin operations without safety drivers in its autonomous test vehicles. ([Reuters](#))
- **Intel** is launching an autonomous ride hailing service in conjunction with Japanese firm **Willer**. ([Intel](#))
- **LeddarTech** acquired sensor fusion company **VayaVision**. ([LeddarTech](#))
- Autonomous shuttle developer **Navya** has started to withdraw the safety operators that were a feature of its service. The vehicles operate on a closed course and the safety operator was responsible for reassuring passengers, rather than driving the shuttle. ([Navya](#))
- **Aurora** has developed a new lidar unit, based on technology the firm acquired when it bought **Blackmore**. Although technical specifics were thin on the ground, Aurora have previously claimed over 300 metres of range, even for objects with poor reflectivity. ([Aurora](#))
- **Amazon** is reportedly planning to spend \$100 million to retain key staff at **Zoox**. ([Reuters](#))
- **Faraday Future** thinks that self-driving is only possible (for the foreseeable future) with “a few hundred thousand dollars of sensors—cameras, radars, LIDARs, etc.—and a computer system in the trunk that generates so much heat that it takes a heavy cooling system to keep it running”. ([Faraday Future](#))
- CEO Musk said **Tesla** had overcome the fundamental challenges behind self-driving cars and was confident that the firm would have “basic functionality” this year. ([Sky News](#))

Other

- Motorcycle maker **Harley Davidson** is shedding 700 staff. ([Harley Davidson](#))
- **Ampere Vehicles** (owned by **Greaves Cotton**) acquired e-rickshaw builder **Bestway Agencies**. ([Deal Street Asia](#))