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R\$ 2.6 billion in the new VW

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VW

R\$ 2.6 billion in the new VW

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"Volkswagen is reinventing itself with a number of initiatives that will build this new brand, with a new mentality, a lot more energy, and increasingly aligned with the expectations of our customers."

The R\$ 2.6 billion, from a package of investments totaling R\$ 7 billion by 2020, brought innovations into every production phase and the locally produced Polo itself, which is different than its recently launched European version in some aspects: engine adaptation to meet local norms and fuel, development of the suspension, which turned out 20 mm higher than the European model to support the conditions of Brazilian streets and roads with increased comfort and safety, and exclusive frontal design, results of clinics conducted with resident customers.

The production of the new model and its sedan version, the Virtus, which should be presented during the first quarter of 2018, is almost entirely new, at the almost 60-year-old Anchieta plant: the stamping area received 214 new tools; the body setup area gained 373 last-generation, faster, more precise, and efficient robots; new laser welding equipment; the painting was reprogrammed and customized to receive new vehicle colors; new wax application equipment in the cavities, guaranteeing extra protection against corrosion; at the final assembly stage, where the car receives all of the mechanical and electrical components, a new Fahrwerk was installed - where the vehicle's engine, transmission, and suspension are joined to the body.

The investments also included a complete upgrade of the planning, infrastructure, and the IT and logistics areas with a focus on the application of Industry 4.0 innovations, according to VW.

All this apparatus is receiving the MQB modular platform, the base of the new Polo and four brand-new models that will be produced in South America in the coming years. "We will have 20 launches in the region by 2020, some of them brand-new."

New Polo - The premium VW hatchback is arriving with a package of solutions that will leave no doubt that this is the mark of a new phase in the company. Its body is composed of 50% of hot-rolled special high and ultra-high resistance steels. The frontal design and some parts, such as the hood, were designed to lower the risks in the case of accidents with pedestrians. There are four airbags from factory for every version. Result: during the presentation of the new Polo, LatinNCAP sent a confirmation that the model received 5 stars, the highest grade, for adults and children.

Because of the MQB platform, the new Polo is 167 mm longer, has an additional 100 mm between

axles, and is 100 mm wider than the previous generation. Therefore, it offers additional internal space and comfort, very similar to its bigger Golf brother. It is also lighter, with the difference reaching 44 kg in the case of the versions equipped with the 1.6-liter engine.

Still thanks to the modular platform, which enabled the configuration of many passive and active electronic safety items, the New Polo offers electronic stability control in some versions, as well as electronic differential blockage and those that are exclusive in the segment, such as the after-collision braking system (automatically engages the brakes in the case of a collision) and the automatic cleaning of disc brakes, guaranteeing less space while braking, according to VW.

In the interior, the main news relates to the top-of-the-line version, the Highline 200 TSC: it will exclusively be equipped with the 2nd generation of the Active Info Display, a completely digital instrument panel with all of the information projected in a 10.25-inch screen, the size of a tablet. The New Polo is the first Volkswagen to be equipped with this resource, which also projects information from the navigation system in 2D or 3D.

Outside, in addition to the development of the frontal design to match the Brazilian market, which is more aggressive than the European version, according to VW, there is more of the same from the other models of the brand. To an inattentive person, one who may not pay attention to details, such as the more protruding waistline, the Polo can be mistaken for a Golf or a Gol.

The New Polo was launched in Brazil practically simultaneously with Germany. Starting today, the pre-sales campaign will be aired in the Internet, with prices being divulged on Monday evening by AutoData News Agency. On Tuesday, 10 AM, 100 units had already been ordered. The model will go on sale in November at the more than 500 Volkswagen dealers in Brazil, equipped with three engine and two transmission options. It will be available in four versions: Polo, Polo MSI, Polo Comfortline 200 TSI, and Polo Highline 200 TSI.

David Powels said he is very enthusiastic with the Polo mission and, soon to arrive, the Virtus: "Volkswagen do Brasil is preparing itself for the biggest offensive of product in its history and it is working towards being faster, cleaner, and more efficient. By 2025, we will be the leaders againWE

Zen wants plants in China and Mexico

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Half of Zen's annual production volume of 9.2 million components and systems is shipped abroad. Given the significant amount of shipments to other countries, the company wants to position itself internationally, building a plant in China and another in Mexico.

"We are studying and planning the construction of a plant Mexico and another one in China, which would reduce our logistics costs and get us closer to customers outside Brazil. Soon we will have new information," stated David Catasiner, director of sales and marketing.

Starter drives and clutch pulleys represent Zen's chief exports. The former is the major production item at its plant in Brusque, in the state of Santa Catarina, while the latter has three market options.

Currently, Zen's major markets are located in North America, Europe, China, and South America. Since the company plans to produce more than 11 million components in 2018, export costs should increase, since the company only has warehouses in Hong Kong, China, Detroit, Michigan, Miami, Florida and San Luis Potosi, Mexico, from where the products are distributed to customers.

With the estimated increase in production up to 2018, Zen estimates a revenue increase of 5% this year, and 15% in 2018. The company is fully owned by Brazilians.

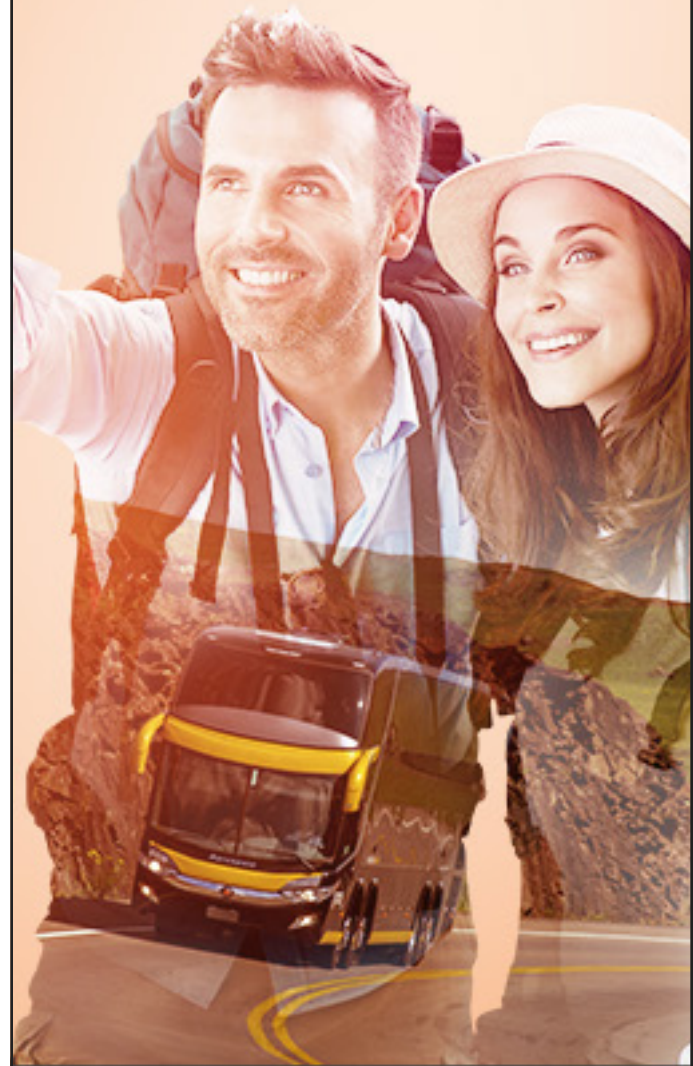
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Yaris will share the Etios production line

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A portion of the R\$ 1 billion investment announced by Toyota on Monday, 25, for the local production of the Yaris, is already being used to configure the manufacturing line of the Etios hatchback and sedan versions in Sorocaba, SP, which will be shared for the assembly of the two models.

According to Rafael Chang, president of Toyota do Brasil, the company has already begun to import equipment to the plant and develop suppliers for the construction of the new model,



Toyota

which should be launched in the second semester of next year: “this will be the first plant where we will produce two models in the same line. The investment will be used to share production. A portion of the line will be entirely new.”

This is the third investment in the Sorocaba facility since its inauguration, in 2012. The first, R\$ 1.92 billion, was the base for the construction, which generated 1.5 thousand jobs. In 2015, the second investment, valued at R\$ 600 million, was used to expand annual production capacity from 60,000 to 108,000 units. The most recent investment should generate 500 jobs, including 150 workers who should be hired by December.

With the arrival of the Yaris, Toyota had to spend R\$ 600 million to expand its engine production capacity in Porto Feliz, SP. Although the company has not divulged the details regarding the engine of the new vehicle, there are indications that it will be produced in Porto Feliz.

Édson Orikassa, manager of vehicle regulation, said the company is performing a consolidation strategy of the current portfolio, and producing new engines will still take some time: «We have a very competitive technology in terms of consumption and emissions that will be further explored in the country. There is a lot of talk about three-cylinder (engines), and our time will come one day, but not now.»

Rafael Chang said that the choice of the engine of the new vehicle will depend on market demand, adding that it will not be linked to the definition of the new industrial policies energy efficiency parameters for the automotive sector, Rota 2030: «Our definition of engines is independent of what will happen with Rota 2030. The market will decide for us, not the contrary.»

The company expects to increase the local content of components in the new model next year: it should have 70% of its parts produced in the country, including engine components. There is a margin for additional local content, stated the president of the company: «The VVT valve command system and the transmission may take a little longer to be defined here. But we will wait for the market to evolve in order to exert this production.

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Steel production recovers to 2015 level

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Steel production in Brazil during the first eight months of the year registered an increase of 9.3% when compared to the same period in 2016. This year, 22.5 million tons were produced in the country, when compared to 20.6 million tons produced last year, according to data from Worldsteel. The performance takes the country's production level back to the year of 2015, when 22.75 million tons were produced during the first eight months of the year. This year's performance maintained Brazil as the ninth biggest steel producer in the world.

The increased production is a reflection of the recovery of the industrial activity, as the automotive sector representing one of the growth vectors. According to Ipea, the applied economics research Institute, industrial production in August registered an increase of 0.2% when compared to July. When compared to August 2016, there was a 5.3% increase.

Leonardo Mello de Carvalho, from Ipea's research and macroeconomics division, stated on Monday, 25, during the presentation of the data, that the performance and monthly indicators of activity throughout 2017 support the diagnostic of a gradual economic recovery, despite «the persistence of fiscal issues remaining as conditioners of medium and long-term trajectory.»

Domestic vehicle sales in August demonstrated that more vehicles should be licensed during the second semester. The scenario drove new vehicle production forecasts for the year. Anfavea projects that light vehicle production should increase 25.1% when compared to 2016.

According to the association, 216,534 vehicles were licensed in August, the best volume registered since December 2015, confirming market expectations of a recovery in sales and the improvement of consumer confidence. The number of vehicles licensed represented an increase of 17.75% when compared to August of last year.

In the global context, China continues to be the biggest steel producer: between January and August, 555.4 million tons of steel were produced in the country, representing an increase of 5.6% when compared to the same period last year. It was followed by Japan, with production of 69.6 million tons, representing a drop of 0.4% compared to the same period. India, third biggest producer, registered an increase of 5.1%, representing 66.5 million tons. In the fifth position, the United States, with 54.7 million tons, followed by South Korea, with 47.01 million tons. WE