

AUTODATA



From the Top
Johannes Roscheck,
of Audi



SOUL-CLEANSED SCANIA

Factory in Sao Bernardo do Campo starts to produce the new family of NTG trucks

RANKING BRAZIL

Market increase in 2018 brings back old truths in the top sellers list

RANKING LATIN AMERICA

On the decrease, Argentina and Mexico will challenge our export expectations in 2019

SPECIAL ANNIVERSARIES

20 years since the arrival of VW/Audi and Renault to Paraná and 10 years of Fiat Chrysler union

THE POWER OF THE NEW

The centennial Detroit Auto Show succumbs to the young CES Las Vegas and moves to summer



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AUTOMOTIVE IND

MARCH 25/26
09:00 • 5:30
CENFORPE RUTH CARDOSO

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By

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SCHEDULE

MARCH 25

09:00 am - Official opening, with the presence of federal, state and municipal governmental authorities of Brazil and Argentina

11:00 am - Break

11:15 am - Round table with presidents of the main business entities in the automotive industries of Brazil and Argentina

Theme - The 2030 convergence between the automotive industries of Brazil and Argentina

12:45 pm - Break

2:15 pm - Lecture by Marcos Cintra Cavalcanti de Albuquerque, special secretary of Receita Federal do Brasil

Theme - The future of the Brazilian economy faced with the proposal of a new tax structure for Brazil

2:45 pm - Round table with executives from systems suppliers and auto parts manufacturers

Theme - The need for technological evolution of the automotive industry in the short term and the difficulties imposed by the legislations of Brazil and Argentina for this to happen

3:45 pm - Break

4:15 pm - Round table with the presidents of the main manufacturers of commercial vehicles in South America

Theme - Industry 4.0 and the future of Brazil as one of the most efficient and competitive centers of production and sales of commercial vehicles

5:00 pm - First day closure

MARCH 26

09:30 am - Round table with the presidents of the dealership entities of Brazil and Argentina

Theme - The automotive market perspectives of Brazil and Argentina regarding the crisis of 2016 and 2017

10:00 am - Break

10:30 am - Round table with the presidents of vehicle importers associations of Chile, Ecuador, Peru and Colombia

Theme - The image and the potential of vehicles manufactured in Mercosur in other South American markets

12h15 pm - Break

2:00 pm - Lecture by a technology professional

Theme - The interaction of the automotive sector with the internet

15:00 pm - Break

3:30 pm - Round table with the automakers' presidents

Theme - The consolidation of the automotive industry in Brazil and Argentina as a supply base for Latin America and North Africa

5:15 pm - Closure

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Organization



AUTOMAKERS SCANIA	16	With the definitive start of a new truck family series production, Scania's factory in Sao Bernardo do Campo is at the height of the modernization process started in 2016
INDUSTRIAL POLICY ROTA 2030	22	The new Brazilian automotive regime became law at the end of the past government, but confirmed itself to be much more modest than initially imagined and negotiated
MARKET RANKING 2018	26	The return to more encouraging levels in the domestic market last year provoked a resumption of more traditional posts in the top-selling automakers list
MARKET LATIN AMERICA	32	Two of the three largest Latin America's markets ended 2018 on the decrease, but Brazil counterbalanced the check to end the year in the black. Exports in 2019, on the other hand...
ANNIVERSARY AUTOMOTIVE HUB OF PARANA	38	How Parana went from a small producer of trucks and fiberglass vehicles until the 90's to become one of the largest automotive hubs of Brazil in only two decades
ANNIVERSARY FIAT CHRYSLER	44	Born from a historical crisis and under signs of doubt, Fiat Chrysler Automobiles, or simply FCA, has consolidated itself in ten years in Brazil and globally as well

EVENTS CES AND DETROIT AUTO SHOW

It was not enough being a centennial: the Detroit Auto Show could not stand competing with the CES Las Vegas and held its last winter edition this year – the next one will be in June, under the sun



Disclosure/Mercedes-Benz

6

LENSES

The backstage of the automotive industry. And the situations in the hornet's nest that nobody pokes

10

FROM THE TOP

Johannes Roscheck, Audi's CEO, talks about Rota 2030, premium market, electric cars and more

34

AUTODATA ASKS

We choose a theme monthly and invite a specialist to respond

55

PEOPLE & BUSINESS

Executive moves and other news from the Brazilian automotive industry

59

END OF CHAT

The most relevant and irrelevant headlines of the month, handpicked by our editors

Good friends are always welcome (or at least should be)

Marcos Rozen, editor

On the last day of January, the employees of the German Porsche received a gift: free tickets to visit the museum of... Mercedes-Benz. The kindness was sponsored by Mercedes itself as a way to celebrate ten years after inauguration of the museum... of Porsche.

It may seem mockery, a typical thing created to disdain a classic arch-rival. The initiative, however, is quite serious.

What happens is that both museums, of Porsche and Mercedes, are located in Stuttgart, Germany. And it didn't take too long before their managers realize that instead of stirring up hatred for the rival on the part of each brand fans it was much, much wiser to create ways to make tourists visit not one or another museum, but both.

And this way, more than two years ago, they set a partnership. An example: today, the visitor who shows a ticket bought to visit the Porsche Museum at the ticket office of Mercedes-Benz Museum earns a 25% discount. And vice versa.

In the publicity material to announce the gratuity to Porsche employees Mercedes-Benz underlined in good German: "Good friends are always welcome". The director of the M-B Museum, Christian Boucke, affirmed he sent "sincere congratulations to the Porsche Museum and we wish you continue on your successful journey as it has been so far".

The reason is simple: both institutions know that one's success will automatically pull the other's.

Can anyone find a better example of which way the Brazilian automotive industry needs to learn?



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AUTODATA

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NOT THE FIRST ONE

A director of the institutional area at a respected automaker (an old one) was seen entering the ground area of Sao Paulo State Treasury at a fast pace, on Rangel Pestana Avenue, the one that provides access to the elevators. Whoever saw it said that he was not the first one that day, always pressing the very same elevator button...

ANFAVEA'S ELECTION

Yes, it was a surprise the solution adopted for the election of the new board of directors in Anfavea and Sinfavea, period 2019-2022: both still unfinished slates were dissolved and a tertius created to, in theory, avoid the principle that impaired the negotiation, which was the rotation regarding the two main executive board positions, president and the first vice-president, by representatives of only five associated companies and leaving newcomers' professionals out of the chair dispute and also those older ones such as Toyota, Scania, Volvo, companies of agricultural machinery et caterva who little said no to the rule of the game. The second surprise went a little further: the internal dissensions of the entity were rarely made public - dissensions that, coupled with the chemistry of new times, hold the potential to generate truly unexpected solutions this time.



Disclosure/MBB

ANFAVEA'S ELECTION 2

Finally, after a lot of excitement and debate, internally and mainly outside the walls of the mansion on Indianapolis Avenue, both slate heads, Rogelio Golfarb, of Ford, ex- president with a mandate from 2004 to 2007 and Ricardo Martins, of Hyundai, which few people know, gathered behind closed doors with their vice presidential candidates, Luiz Carlos Moraes of Mercedes-Benz and Fabrício Biondo of PSA Group. And there would have been decided, by direct indication of Golfarb, and after much more than a chat, that Moraes would head the new slate and Biondo would be his first vice president. Everything in the name of the best interests of the group's associates and the sector. None of them told me about what happened, and there is a non-manifestation pact from the Anfavean people - which is understandable. Golfarb, whom I had never hidden my sympathies about his second term, joined the others in the pact. But, as always happens, there are those who know everything and confidences become bar talk.

ANFAVEA'S ELECTION 3

It does not seem useful to me at the moment, there is not so much space either, to turn everything upside down, but it is reasonable to deal with some general ideas. The first of them is the effort spent in maintaining the minimum unit of thought and action in the Anfavean group, a concern since its foundation in 1956, rarely broken. Showing cohesion, understanding, strength and knowledge accumulated. The dispute led participants to exchange ideas, debate, the reasons for pros and cons regarding the rotation, to workshops for the best comprehension. But successive entity's boards, this century, have left open the new representative reality question and the criticism to the rotation - including the current one -, and the current situation is its responsibility. Take a look at Fiesp (Federation of Industries of the State of Sao Paulo), Anfaveans: do you want an Anfavea as dispensable, anachronistic, obsolete as Fiesp today?

ANFAVEA'S ELECTION 4

Another general idea is the quality of the representatives that the associate companies liberate to represent them - not exactly their number one team, because this is expensive. One of the vice presidents made this observation: "My impression, attending board meetings in recent years, is that I was surrounded by some professionals with very little appreciation for vehicles, for the automotive industry. For people who know little about that business and who make no effort to learn. It looks like they are waiting for a new job there. Everything very different from times of Beer, Chiaparini, Scheuer... and even Mendonça."

ANFAVEA'S ELECTION 5

And there is the ardent question regarding the victory of, let's say, the rebels, who would have broken the backbone of the polarized system that they were fighting, the rotation power from FCA, Ford, General Motors, Mercedes-Benz and Volkswagen. It is a debatable thesis since there is always someone who reminds us that Golfarb - who is not silly at all -, besides choosing president and vice president, he made president the one who would be his obvious successor exactly in the old system. In other words: will it be the case to wait for the next election, in another three years, to define winners and losers, something that, until then, may not be important at all?

ANFAVEA'S ELECTION 6

And why it may not be important at all? Because the automotive world, as it receives the strong impacts of new technologies proposed to change the habitual way that people move, is also under the very strong pressure of its own business reinvention and the system's greed, that already fiercely disputes every possible profit crumb - and, in this sense, is certainly worthwhile to pay attention to the history and the novel alliance agreement of Ford and Volkswagen, which I believe that has absolutely unsuspected intentions until now. In other words: it is a story that has not yet ended so it is possible to be written - with many eye colors and visions.

ANFAVEA'S ELECTION 7

Maybe this has been another opportunity missed.

SINDIPEÇAS'S ELECTION

In Sindipeças, the election to choose its (and of Abipeças) new board will have single slates, projecting the re-election of Dan Ioschpe. On Wednesday, February 13th.





SICKLE, HAMMER.

It is no surprise that the Brazilian government which took office in January has held a sickle to open spaces in Brasília, DF. The blade's reach is still uncertain, but it is already known that the people of the former MDIC (Ministry of Industry, Foreign Trade and Services) was in its trajectory. With regard to the vehicles business Margareth Gandini, the industry's main interlocutor in the process of creating Rota 2030 and thinking head of the Secretariat for Industrial Development, will have functions that are far from the sector. According to a person close to the subject, she is a professional with no ties to parties, but with still insufficient retrospect not to be, in the words of the source, left aside.

SICKLE, HAMMER.2

Rota 2030 became law and will guide the Brazilian vehicle industry for the next fifteen years. Uncertainties, however, keep running through the heads of decision makers. This is because whoever hits the hammer in the government about the manufacturers' wishes is inclined to promote changes in the new policy's text. The current minister would have said (inside the same room occupied by his predecessor) that will not "deal with Rota at this moment, but we will make punctual changes in the course of time and the new policy". There are those who would say that changes will be made precisely at the vital point of the new policy, which is no other thing than the incentives granted. Other measures, in the economic area, also scare and cause trouble sleeping, according to the source: "These guys will open the market, the exchange will fall, things will be more complicated for those who produce here in Brazil."



Por Vicente Alessi, filho

Sugestões, críticas, comentários, ofensas e assemelhados para esta coluna podem ser dirigidos para o e-mail vi@autodata.com.br

IMPASSE IN RS

General Motors is about to launch its new line of vehicles for emerging markets and, in Gravataí, RS, tests have been made since last year on the new line, which have prompted stops for adjustments and something else: it was committed to solving a very important question in the supply chain. In short: it has determined its new partners through a competition based on the lowest price. Those who won kept their eye on the business scale because it was about global supply, and forgot to check - or decided to leave it later - if they could afford the price they affirmed possible to apply in the BIDs. Some companies encountered difficulties to comply with what had been established, and that generated problems for GM, especially in meeting production deadlines.

IMPASSE IN RS 2

But there is more: reasonable contingent of those companies, those who won contracts, it was surprisingly communicated that they - the contracts - were frozen until further notice: until the company decides if it will, or not, stay in Brazil.

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The challenge of the four rings

PhD in mechanical and industrial engineering and CEO of Audi do Brasil since February 2017, the Austrian Johannes Roscheck has a deep connection with Brazil in his career. As one of his first works at the German headquarters, from 1995 to 1997, he participated in the team that developed the project of the VW-Audi

factory construction in Sao Jose dos Pinhais, PR.

He came to Brazil and stayed from 1997 to 2001 exactly in that same unit, as CFO and later director of the division – reason why he is fluent in Portuguese. Later, still for Audi, worked in the United States and Hungary.

The executive received

AutoData's journalist team for his first interview on this From the Top section at the company's offices in the South Zone of Sao Paulo, capital, where he talked about the Inovar-Auto heritages, Rota 2030, the Brazilian vehicle competitiveness, strategy for the internal market in the premium segment and much more. Check out next.

During Sao Paulo Auto Show, in November, you have expressed concern about the lack of definition on Rota 2030. Now that the program has become a law, is it an encouragement for larger Brazilian production of Audi models?

The approval was a very important step, but there are still some definitions and important details for us to solve. We're moving on with our local production planning in Brazil, but it's too soon for something more concrete.

The approved regime was essentially focused on R&D. Was that what you expected?

During the final approval phase of Rota there was a discussion about local incentives in Brazil, which was a very big strategic mistake. The industry lost credibility because Rota is not an

incentive program, but it gave origin to a discussion about the topic. Besides, many important things did not enter the program, but I am convinced that once this new government is fully established we will be able to define that soon.

What about the question regarding the IPI credit that remained from Inovar-Auto to the low-volume manufacturers, which had already been agreed with the previous government?

This has not been solved yet and is an important thing for us. We intend to speak to the new government from February about this subject. There was an agreement with the previous government: first it would be a separate decree, then it entered as part of the Rota program, which although not being the ideal so-



lution, it was a solution. But in the end, it was postponed to 2019.

Does Rota 2030 represent a definer for new Audi investments in Brazil?

Yes and no. For not having solved the question of credits return, it creates a bit of a doubt with regard to Brazil's responsibility and the industry's ability to solve some issues: you can't discuss the same thing forever without solving it. The previous government ended without defining that point.

The current government has, at least in theory, a different attitude from the previous one regarding issues like this. Does that worry you?

Yes, there is some concern. It is like if we had money in a bank that closed and it was sold to another: the owner of the previous bank had already recognized that the money was ours, but now that the bank has been sold we have to re-discuss the matter with the new owner.

Also in theory, the new government defends a general reduction of taxes, not concerning about specific sectoral questions. What is your evaluation about that?

We need to solve the past, close that chapter and look ahead. The Rota program provides a basis, defines a policy in terms of technology. I think that the most important thing is having a clear path for the industry, to know where Brazil wants to get. The rest is a matter of time, of making adjustments. The tax subject is also very relevant because it addresses competitiveness. Today, we can't even export to Latin American countries from Brazil, and one of the reasons is the very old tax policy. In Brazil, the percentage of taxes is not absurdly high, but they are cascade taxes and the industrial process suffers from it. That policy is bad for the development of labor and technology because the industry reduces to a maximum the number of stages in the production process to pay less tax as much as possible.



You have already expressed non-conformism for not being able to export Audi models from Brazil to Argentina, but a competitor of the same segment in Brazil has already exported from Brazil to the United States. What is the difference?

I have already had a similar experience in the factory in Sao Jose dos Pinhais, when we exported the Golf model from there to the United States, and I can guarantee that it wasn't because our production in Brazil is more competitive than in Germany. The point is that you close a factory or you don't, you get people fired or you invent something to not necessarily close a factory or part of it.

“During the final approval phase of Rota 2030 there was a discussion about local incentives, which was a very big strategic mistake. The industry lost credibility.”

Does that picture come from a merely cost issue or there are other complicating factors?

By a matter of bureaucracy, that generates cost. For example: there is a drawback system in Brazil in which we pay the import tax of a part to later receive a credit when we export that part inside a car. That is a very long and complicated process. In the European Union, you already import the part with no taxes because it will be exported later, you just declare it and that's it. In Brazil, we need ten people to let the part in and then leave the country. Also, there are the homologation rules of each country, there is one in Brazil, another in Argentina, a third one in Uruguay... it is unfeasible to do that whole process to export one hundred units to one country, three hundred to another. I would really like

to produce in Brazil to export to Latin America, but it is almost impossible with the current rules.

Volkswagen, Audi's factory partner in Parana, is making an investment of R\$ 1,4 billion to produce the T-Cross there. Can it benefit Audi somehow?

That is very good for us. (silence)

The T-Cross's platform, the MQB, is also applied on Audi models, right?

All of our vehicles with a transverse engine are MQB.

Nowadays, what is the production capacity of Audi at the factory in Sao Jose dos Pinhais?

26 thousand a year. We are far from achieving it, we made six thousand in 2018. We are not worried about lack of capacity (laughs). I'd like to have that problem, to be honest.

So, according to what you say, Audi's focus is in Brazil's domestic market, but the premium segment is highly competitive and has decreased a lot. How to balance that equation?

The Inovar-Auto rules have favored local production in Brazil but today, now, the reality has changed a lot: we have four factories that fight for 50 thousand customers a year, which is certainly not the best scenario. We expect that the market will get better, but it is going to take a while.

Something has been said about 100 thousand units for the premium market a year in Brazil...

I think it is a possible number, but I repeat that it will take a while. Anyway, 2018 was very good for us, we reached all of our goals, not necessarily in volume but that was not our priority now. We certainly made an initial planning with a much larger volume than the current one, four, five years ago, and we were not the only ones. Now we are in a different course, we changed the way we work internally

and with the chain, focusing on the main attributes of a premium brand. It was a strong change of strategy for us, which will be successful in a year or two. We want to be the most desired premium brand in Brazil and that will be reflected in the vehicles we are launching this and next year, with the most sophisticated technologies on the market.

What exactly is that new strategy?

The premium market can't be defined by discounts, especially for a customer who bought a car and the price got lower the following month. That is still a reality of our luxury market in Brazil and we have to get out of it, it does not create value for anyone, it is bad for the whole chain and for the customer. Our focus has to be the value for the customer in driving an Audi, the feeling of having something special, a privilege and not buying market at the highest discount possible.

Globally, Audi is investing heavily in electrification. Do you see a future for that technology in Brazil?

Yes, but we need to separate things a little bit. The electric mobility for the volume market will take a long time in Brazil, but the premium market is already prepared. We took the test at Sao Paulo Auto Show, to understand the reaction of the public. Many customers wanted to buy the e-tron [the first 100% electric Audi] immediately, and we didn't even have the car available yet, it will arrive this year. The interest was great.

“The fact that the IPI credit return regarding Inovar-Auto was not resolved leaves a little uncertainty about Brazil's responsibility and the industry's own capacity to solve some of its issues.”





Ok, but the impact of a static presentation of a new technology and its everyday use are quite different things...

Honestly, with the structure we have in Brazil today the electric car is not practical at all. On the other hand, the e-tron has autonomy of 400 kilometers. Ok, that's on paper: in Sao Paulo traffic, in real use, it will be lower. We're still going to run tests, but let's say it reaches, maybe, something around 300 kilometers: people drive an average of fifty kilometers a day in Sao Paulo, which means that in theory you could charge the battery only on weekends. It's a car to go to work, then to a meeting, a restaurant, etc. and return home in the evening. There would be only a problem in case of a longer trip, to Belo Horizonte or Curitiba, for example. In other words: for a family that has only one car, the electrics are not practical. But those who buy an e-tron, which should cost from R\$ 400 thousand to R\$ 500 thousand, certainly will have another car in the garage. For travel, they will use the Q7. (laughs)

“With the structure we have in Brazil today, the electric car is not practical at all. The premium segment is ready for it, but the volume segment isn't.”

What about the ethanol?

We have to get rid of the idea that a strong investment in electric vehicles will make combustion cars disappear. That will not happen. It is a process of more than 20, 25 years until we have adequate solutions for everyone. Brazil is the country with the largest use of renewable fuel in the world, so the discussion should be about how to combine ethanol with the mobility of the future and not say that ethanol is yesterday's technology and that now everyone will drive electric cars without knowing where the energy comes from. With the ethanol, Brazil could be a leader in alternative technologies, aside from the electric car. ■

By Marcos Rozen, from Sao Bernardo do Campo

A FRESH RESTART

With the start of production of the NTG trucks, Scania's factory in the ABC region of Sao Paulo has lived the apex of a modernization process that lasted two years

January 28, 2019, was a historic day for Scania's factory in Sao Bernardo do Campo, born in 1962. The apex of a modernization process started in 2016 happened there, costing more than R\$ 2 billion – in all, the manufacturer's investment program until 2020 in Brazil reaches R\$ 2.6 billion.

That day, the production of the NTG family's new trucks started in serial way, which fully replaces the traditional PGR trucks in one fell swoop. To get an idea of what that means, the PGRs (launched in 2007) accounted for more than 113 thousand of 264 thousand trucks that Scania has sold since its arrival to Brazil, in 1957.

The process is unique because the NTGs arrived in Europe in 2017, but they were launched gradually in a much slower and smoother process. In Brazil, it will happen in only seven weeks, from the beginning of that January 28, until the pace of the assembly line in the ABC region is completely reestablished compared to the PGR. And that's it.

The first models manufactured are the ones with the simplest configurations, like the 4x2, with a gradual advance of the productive complexity until reaching, for example, the 10x4 trucks along the seven weeks.

"Industrially speaking, we went from a mature and well-known product to something completely new, with at least six hundred brand new parts per unit. We changed everything, from suppliers development to production processes", attests Christopher Podgorski, president of Scania Latin America, in an exclusive interview to AutoData.



Disclosure/Scania



The final and critical training phase happened in December, when three NTGs started to be daily assembled even with the PGR trucks production. In all, 235 units of the new family were manufactured in pre-series, but before that, more than 1 thousand cabins of the new trucks were also produced to validate the vehicles and its processes.

IN THE FACTORY

Of the total invested, R\$ 340 million were just to build a new laser welding unit for the cabins, in nineteen variations - there were only seven in the previous family. The area of 13 thousand m² houses 75 robots in total, responsible for the whole process. Scania ensures that it is the only truck manufacturer in Brazil to carry out the laser welding process in 100% of its cabins and the technology, according to the company, raises the quality of the seal and the structural resistance, besides ensuring perfect and necessary geometry so one of the new truck's characteristic, the best aerodynamic index, which alone reduces fuel consumption by 2%, is actually achieved.

For Podgorski, that unit "is one of the most modern existing in Brazil today": there

SO MUCH DIFFERENT
Christopher Podgorski,
president of Scania Latin
America: only the facade
of the administrative
building at the unit in
Sao Bernardo do Campo
remained unaltered. As
for the manufacturing
area...

is a new measuring cell, with an optical system that digitally evaluates the cabins produced in each of its millimeter fractions - a technology not yet available even in the Swedish headquarters. The production capacity is 25 thousand cabins/year.

The factory has also gained a structure for sealing test, which confirms if there is not any infiltration point in the cabin. The water content to bathe the trucks is so high that, according to the president, "would represent a flood of great proportions if it occurred in nature".

Still in October 2016, as part of the NTG's production preparation process, an area pompously named as Appearance Approval Report & Matching was inaugurated, where all external and internal items involving the appearance of the cabins, such as texture, depth, brightness and color. Seven hundred parts of plastic and metal are checked.

The area that least needed updating was painting: the current one, built from scratch, was inaugurated in 2015 and since then, it already had a lot of automated processes - it consumes 40% less paint than the old one, for example.

It is natural that most of the attention has been reserved to the assembly line. Podgorski sees that this was the most outdated area of the complex in Sao Bernardo do Campo and is now one of the most modern: "The remodeling was complete". Highlight for the complete automation processes of stickering and windshield installation.

There and in the other productive areas of the factory, which also include the production of chassis, engines and transmissions, there was a lot of IT work to integrate not only the machinery of the whole complex but also the computer systems to the new standards demanded by the NTG trucks, based on the precepts of Industry 4.0. As Podgorski says that "it is an invisible work, it can only be noticed if it does not work".

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This whole bunch of things, which today is called connectivity, is fundamental to put into practice another link that involves the NTGs: the trading system. With the new trucks Scania wants to change the sales method, offering practically customized vehicles to the customers, configured according to the type of business, transportation, route and profitability. A joint dealership-buyer analysis via software will evaluate items such as average speed, fuel expense and load capacity and give the verdict.

"We took the study of each application to deeper levels. When we talk about long-distance transport, for example, we identify eleven subsegments: the cost and profitability of a customer who transports refrigerated products is quite different from another customer that works with liquid cargo. Our proposal is to offer the vehicle specification that most favors the buyer's revenue."

The trouble is that there are about 1 thousand possible combinations of NTG trucks, which increases at the same level the complexity of vehicle manufacturing in all production stages at the plant in Sao Bernardo do Campo. "That's why we went through a long and expensive process, which involved a lot of preparation and training. But, now, enough training: it's time to play."

SOME GO, OTHERS GO BACK

As if all that complex issue involving production and commercialization was not enough, the change of PGRs to NTGs will also interfere deeply with one of the pillars at the factory in the ABC region, the one with regard to exports. The sending of trucks abroad was absolutely crucial to keep the unit idle at very low levels in recent years, even with a domestic market facing brutal reductions in Brazil.

For Podgorski, however, the account will be balanced with the return of more traditional customers of the Brazilian operation, such as Russia, South Africa, Malaysia, Indonesia and India, which were supplied by Europe to the customers that have already opted for the new truck while the Brazilians supplied less common markets that still bought from Brazil the discontinued models in Europe.

A confirmation that exports will continue to represent a strategic role was the inauguration of another new area in the factory, in June last year, dedicated to the assembly of vehicle kits totally or partially dismantled. Some NTG units in that way actually have already been dispatched to other countries even before starting the production of the complete trucks in the assembly line.

For all that, that January 28 represented a kind of restart to the Brazilian Scania, bringing with it the expectation and typical freshness. It may even be said that the factory in Sao Bernardo do Campo starts the year with its soul cleansed – and absolutely modern. ■





THE WAY IT COULD BE DONE

Rota 2030 became law in the last government's stoppage time, but much smaller than imagined when the negotiations started, almost two years ago

After nearly two years of gestation and exhausting discussions, the new Brazilian automotive regime, better known as Rota 2030, was sanctioned by the president of Brazil and published in the form of law 13 755 in the Diário Oficial da União on Tuesday, 11, December 2018, exactly one day before the



BRASILIA, JULY 2018
 Temer signs the PM that
 creates ROTA 2030: later,
 the path of the program
 in the Congress of Brazil
 would be slow, tortuous
 and quite inventive.



Disclosure/MDIC

deadline of the Provisional Measure that gave origin to it.

Thus, in practice, the country spent a whole year without counting on a specific policy for the automotive sector: since the end of Inovar Auto, on December 31, 2017, until the beginning of Rota 2030, which really came into force only at the end of 2018.

The president of Brazil made ten vetoes to the text, but they all referred to pendants that were added to Rota 2030 during his turbulent passage through the Brazilian National Congress. The essence of the program negotiated before that was maintained.

However, an important addition to the text made by the Chamber of Deputies, which extended the incentives and benefits' deadline for manufacturers installed in the Brazilian Northeast region, remained still – there was only the veto to an item referring to the federal tax rebates on this issue. Therefore, the pressure of congressmen of the region won, who demanded the fulfillment of the promise made by the former president in March 2018 during an event at the FCA plant in Goiana, PE, which was the incentive regime for the Northeast Region to be extended for more five years.

Two more important points were changed in the final text: the first refers to the IPI discount for flex-fuel hybrid vehicles, which increased by at least two percentage points envisaged in the Provisional Measure to at least three. With that, the tax discount table, which is progressive considering energy efficiency calculation versus weight, will have to be updated.

Toyota was the one that celebrated, only two days later and certainly not coincidentally, with the presence of the former president in Brasília, DF, to announce it will actually produce a flex hybrid vehicle in Brazil (see page 28).

The second point concerns a difference in treatment for imported vehicles in terms of benefits for research and development programs: the Congress of Brazil wanted importers to be left out of it, but the law text makes clear that they will have "no

less favorable" treatment than the Brazilian companies.

The concern about that was evident: avoiding a new questioning from the WTO. At a meeting held in Geneva, Switzerland, at the end of January, Brazil accepted the conviction for the imposition of 30 additional IPI points on imports, a Inovar-Auto's rule, and asked for a "reasonable time" for the incentives to be withdrawn. In the specific case of the automotive sector that has already occurred since January 1st, 2018, but the organization also considered as illegal practice four other Brazilian incentive programs, involving other industrial sectors, and the verdict was collective.

For Antônio Megale, president of Anfavea, "the government has taken measures to ensure that there is no misunderstanding regarding Rota 2030".

Although the text of the decree that regulates the program makes clear that Rota 2030 is a fifteen-year program divided into three cycles of five, the law addresses only the next five years – and this is an unalterable issue as it is the maximum term for granting tax benefits under the Brazilian Constitution, just as it was in Inovar-Auto.

In other words: although Rota is, in theory, a program for fifteen years, it can end or be totally modified after its first five years.

Anyway, Megale celebrated the result: "The core of Rota 2030, its essence, has become law".

By essence, it can be understood that the programs of energy efficiency improvement, vehicle labeling, schedule of mandatory vehicle safety items, steering assist technologies, research and development and special tax regime for auto parts not produced in Brazil.

Four companies were able to qualify for Rota 2030 still in December: Agrale, PSA Peugeot Citroën, Volkswagen and Voss, a component manufacturer. In 2019, no qualification was granted until the end of January – it is worth remembering that the MDIC, the Ministry of Development, Industry and Foreign Trade of Brazil, responsible for granting the qualifications,

was extinguished by the current federal government, which in its place established Sepec, the Special Secretariat for Productivity, Employment and Competitiveness, as part of the Ministry of Economy.

In the same way, MDIC released until December 28, two ordinances and a resolution to complement Rota 2030, regarding the auto parts not produced in Brazil, the energy efficiency targets and the formation of the monitoring group and the program's management council. Nothing else was published regarding the automotive regime this year.

A few days before delivering the presidential sash, the former president was modestly celebrated by Anfavea: Antônio Megale handed him a plaque which is written: "Homage from Anfavea and the Automotive Sector to the President of the Republic for believing and supporting research and development in Brazil"(Sic). It is little, much less than was imagined at the beginning of talks in Brasília in that April 2017. But it seems to be much more than if the decision had been left in the hands of the current government. ■

Toyota was just waiting for the signature

By André Barros

By the end of this year, the world's first hybrid automobile equipped with an electric engine and a flex fuel will come into series production. It will leave one of Toyota do Brasil's factories - probably in Indaiatuba, SP -the company announced in a ceremony organized on December 13, in Brasília, DF, with the presence of the former president of Brazil. Although tests of the flex hybrid technology were conducted with a Prius, the company has not confirmed which model will be the first to receive the system. Recently, an investment of R\$ 1 billion was announced for the factory in Indaiatuba, from where Corolla comes from.

The government's decision to grant an extra discount of 1 percentage point in the IPI to vehicles that combine an electric engine with the flex

system was fundamental. "It's three percentage points less in the IPI for a hybrid flex model compared to a hybrid with an engine powered by gasoline", celebrated Ricardo Bastos, Toyota's director of government affairs. "The support that Rota 2030 gives to the development of those technologies was important to our decision."

The Toyota initiative directly collaborates with the nationalization of hybrid technologies in Brazil: in addition to being the first vehicle in the world to use flex fuel technology, the car that the automaker will produce is going to be a pioneer in hybrid technology with a local production in the country. According to Bastos, most of the model will have Brazilian content, but the hybrid assembly systems will be imported, at least for now: "Our intention is to

increase local content and we are already negotiating with suppliers and systems suppliers for that". Presented in March, the prototype of the hybrid Prius flex concluded its tests in Brazil running several roads to evaluate the engine-transmission assembly behavior when fueled with ethanol. The announcement itself regarding the series production of the technology confirms that the results were positive, according to Bastos.

The development was led by the Brazilian engineering team, with the support of the headquarters, in Japan. With a great interest in technology, Unica or União da Indústria de Cana-de Açúcar (Sugar Cane Industry Union), was one of the main supporters of the project, which also had partnerships with UnB, University of Brasília, and also with USP, the University of São Paulo.



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THE NEW OLD ORDER

The return to a more encouraging volume in the domestic market in 2018 provokes a resumption of traditional posts in the list of manufacturers that sell the most in Brazil

The advance regarding the domestic market of automobiles and light commercial vehicles in 2018, of almost 14% increase compared to 2017, to a volume close to 2,5 million units, reestablished some truths in the automakers' ranking – the crisis in 2016, when the market was below 2 million units, helped to really mess up the order until then.

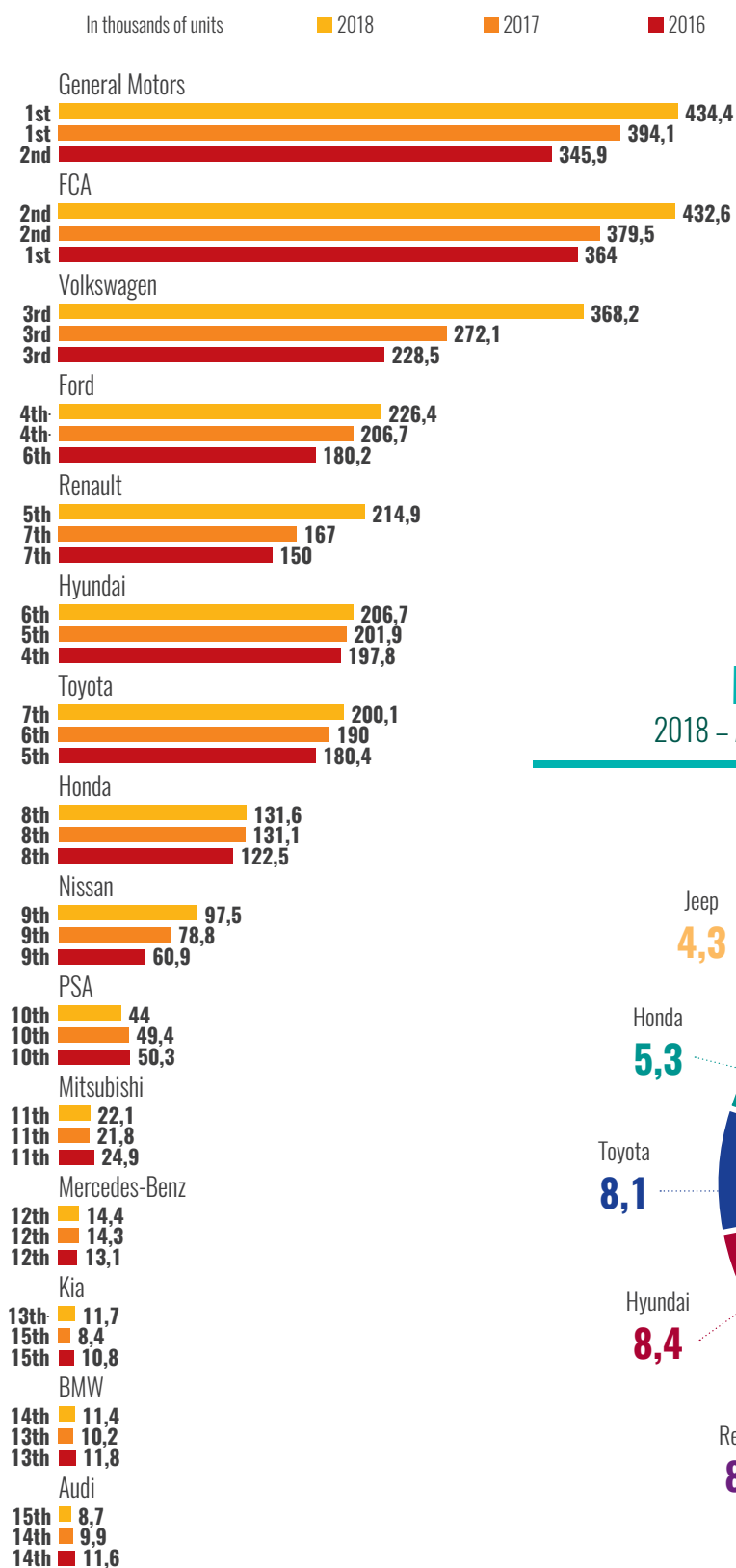
At that time, for example, the FCA took the lead, recovered by GM in 2017 and 2018. Ford, which went to sixth place in 2016, has returned to its traditional fourth position.

Renault returned to fifth place, seventh in the previous two years, while Hyundai lost one position every year, falling from fourth to sixth position, the same happened to Toyota, which went from fifth to seventh post (see the chart next page).

Regarding market share, the leader

Sales ranking by manufacturer

Brazil domestic market – Automobiles and light commercial vehicles



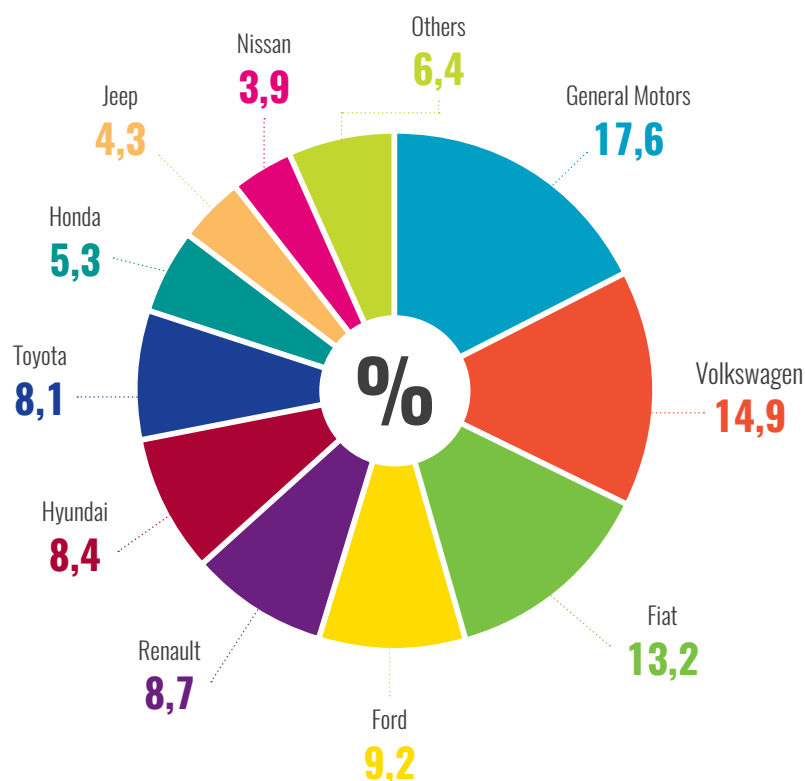
GM has maintained a stable level in the last three years, at the range of 17% to 18%. FCA fell from 18,3% in 2016 to 17,5% in 2018, although it has stabilized the decline compared to 2017, when it got 17,4%. On the other hand, it was VW that advanced from 11,5% in 2016 to 12,5% in 2017 and 14,9% in 2018 - despite that, it has always remained in the third position.

Hyundai fell from 9,9% to 8,3% over this three-year period, while Toyota went from 9% to 8,1% and Honda from 6% to 5,3%. By always maintaining its classic 9% share, Ford climbed the rankings while Renault rose from 7,5% to 8,7% in the same analysis.

Honorable mention to Caoa Chery,

Market share by brand

2018 – Automobile and light commercial vehicles



Source: Fenabrave

The podium of the best-selling models by category

Brazil domestic market 2018

In thousands of units



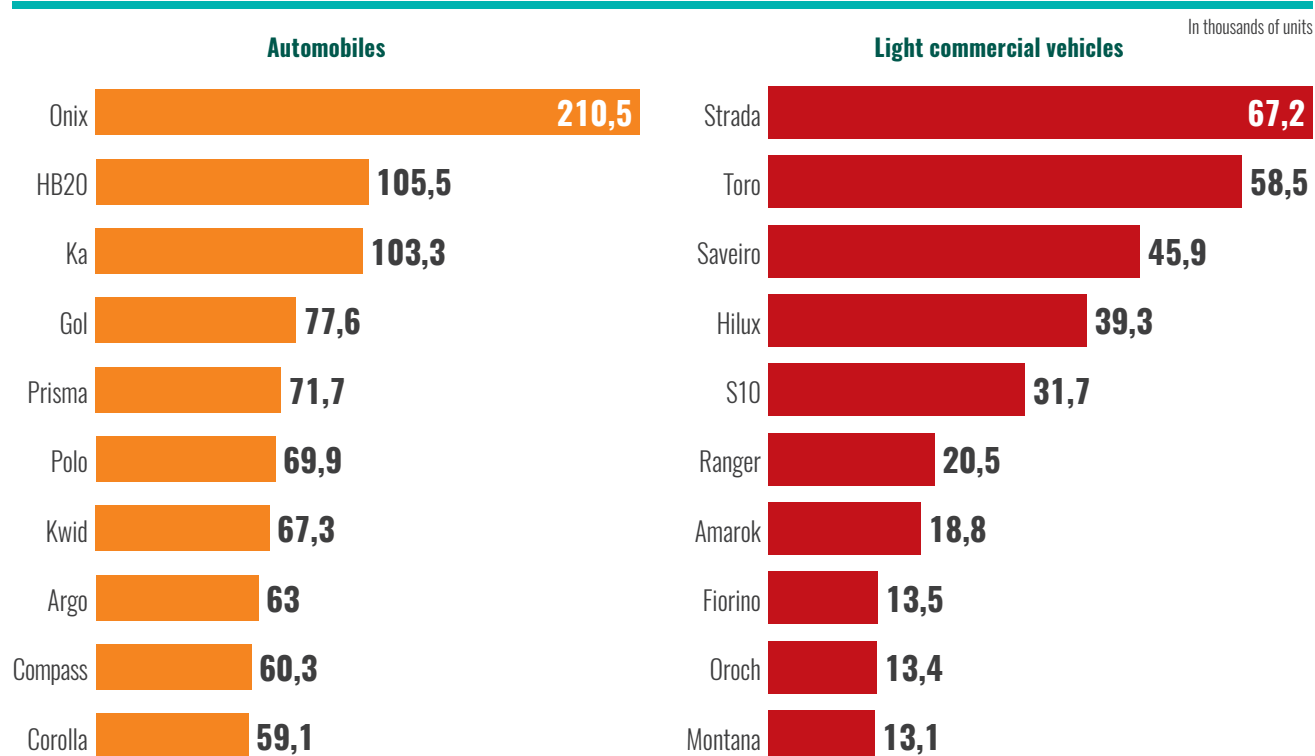
which in the first full year of operation after the agreement, in 2018, more than doubled its sales related to 2017 and quadrupled them in relation to 2016.

By models, absolute highlight for Onix once again, which broke the bank by selling more than double compared to the second place overall, the HB20, even

with two body options offered. Also worthy of laurels are Creta, which have won the highly-disputed compact SUV segment, Polo, sixth place overall, Compass in the ninth position, and Corolla, that never disappoints and closes the top ten group.

On the opposite way, 2018 was a sad year for Up!, only the 35th in the best

The ten most sold models in Brazil in 2018



sellers list, Uno and Mobi, respectively 39th and 12th places while Argo got the eighth post, and WR-V, the very modest 41st position.

Wholesales, to individuals, accounted for 57% of the total market, while the remaining 43% went to legal entities.

With regard to trucks, according to Fenabrave's criteria, Mercedes-Benz closed the year on the lead with 22,3 thousand units sold, 29,1% of the market.

Volkswagen/MAN has got the second place, with 20,2 thousand and 26,4%, followed by Volvo, with 10,6 thousand and 14%, Ford, 9,3 thousand and 12%, Scania, 8,6 thousand and 11,3%, Iveco, 2,8 thousand and 3,6%, and DAF, 2,3 thousand and 3%.

And regarding buses, new victory from Mercedes Benz, with 11,2 thousand units and vigorous market share of 58,5%, followed by Volkswagen, with 3,4 thousand and 17,8%, Iveco, 1,2 thousand and 6,1%, Scania, 727 and 3,8%, Volvo, 430 and 2,2% and Agrale, with 227 and 1,2%. ■

Anfavea's crystal ball for 2019

Anfavea unveiled, in January, its official projections for the Brazilian market this year. The association believes that there will be an increase of 11,4% in total sales, to 2,8 million units – 11,3% in light vehicles, to 2,7 million, and 15,3% regarding heavy vehicles, to 105 thousand. The estimate also points to a 9% evolution in production, to 3,1 million.

The number is lower than the market's figure because Anfavea expects a decrease of 6% in exports compared to 2018, to 590 thousand units.

Klaus Rosenfeld, global CEO of Schaeffler



Disclosure/Schaeffler

German, 53 years old, graduated in business administration from the University of Münster. He made his career in the banking sector until joining Schaeffler Group in 2009 as CFO. In 2013, he was appointed interim CEO and confirmed in the position in 2014. He was in Brazil at the end of last year to participate in the company's celebrations for being in the country for 60 years.

1

Is Schaeffler planning new investments in its operation in Brazil?

We will keep investing in Brazil, around € 25 million to € 30 million over the next two years. We don't have problems regarding lack of capacity, we were able to meet the demand for the next years and that's why the investments will be basically in processes for cost reduction and automation.

2

Is the operation in South America profitable?

Yes, certainly.

3

How do you see the Brazilian products compared to others from other factories in terms of competitiveness?

We export from Brazil to Europe, Mexico, United States, and, believe me, China. Here in Brazil we have capacity, technology and competitiveness, otherwise we wouldn't be able to export. And Sorocaba is our global center for clutches and clutch bearings.

4

There is no production of automatic transmissions in Brazil. When could that happen?

We have discussed that recently. We are suppliers, we do what our customers ask for. Today, customers bring these transmissions from abroad and that makes sense to them. If one day they understand that producing this item locally will be necessary, we will certainly be interested in serving them.

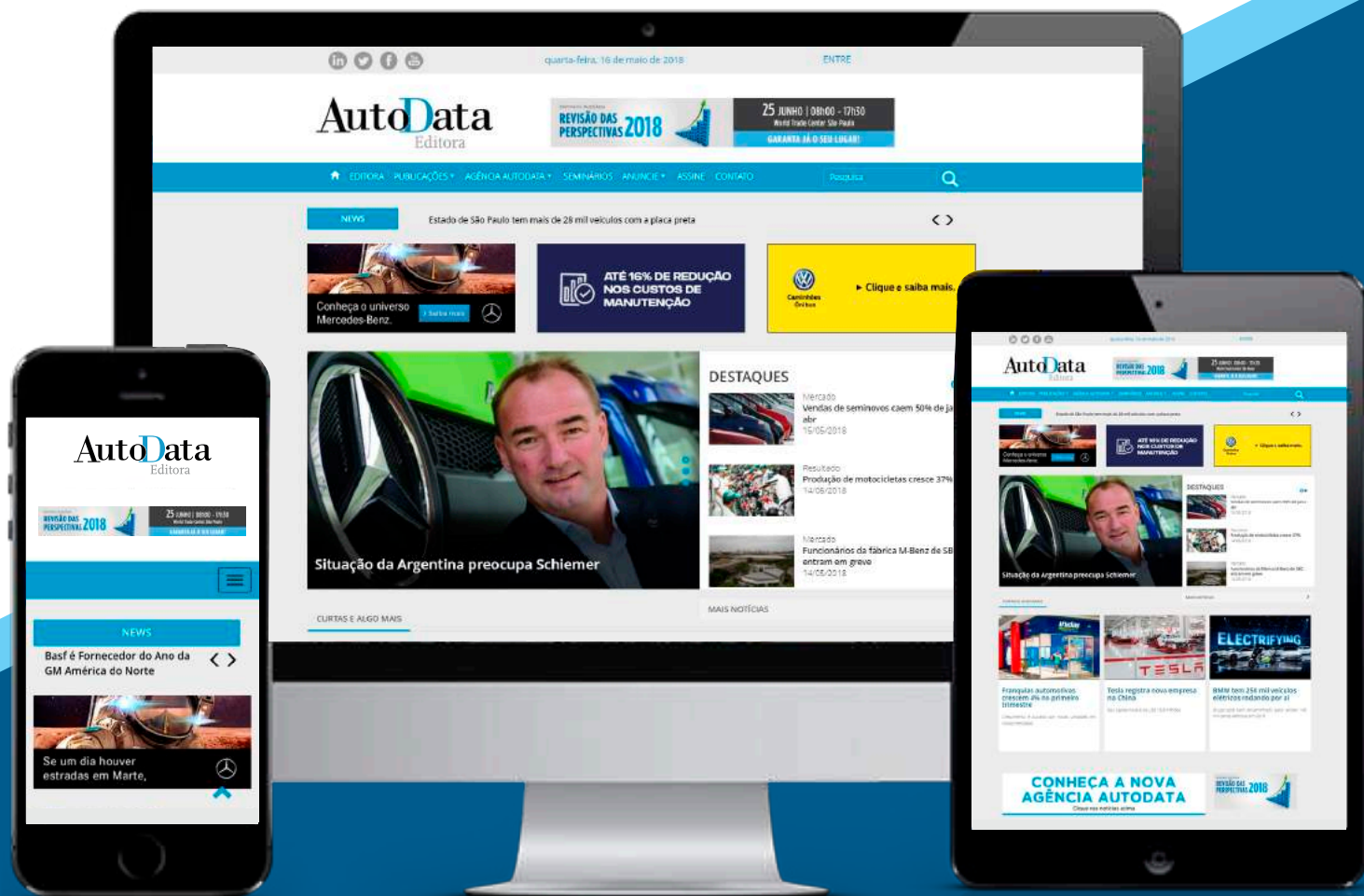
5

What did you think about Rota 2030?

We see good opportunities because the program expects energy efficiency improvement and now we can provide to the customers in Brazil items that are manufactured in Europe today, for example, that will help them achieve the targets required.

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Two of the three largest markets in Latin America ended 2018 on the decrease, but Brazil counterbalanced the check to end the year in the black

In 2018, Brazil proved how relevant its automotive market is in Latin America. Of the three largest countries in the region in terms of sales volume, two closed last year in the red, and not narrowly: Mexico decreased 7% and Argentina another 11%. But Brazil ended the year with a 14,6% growth and, alone, held a 3,7% increase compared to 2017 when considering all five largest Latin American markets.

Chile and Colombia, respectively fourth and fifth place in the ranking, also grew,

but neither was it necessary that little help. Together, in 2018, Argentina and Mexico saw a reduction of 207 thousand units in their domestic markets, while Brazil responded with an evolution of 327 thousand vehicles from one year to another. Chile contributed with 56 thousand additional units and Colombia with another 18 thousand.

This way, in the final sum of the five main Latin American countries regarding vehicle sales, the evolution in 2018 com-



Disclosure/Renault

pared to 2017 was, in absolute number, of 194 thousand vehicles.

ARGENTINA

Brazil's neighbor and biggest trading partner in Mercosur ended 2018 with a difficult picture: according to Adefa, Asociación de Fábricas de Automotores (Association of Automotive Makers), the domestic retail market, in other words, sales from factory to the dealerships, closed below 700 thousand units, in exact 681 thousand 816, a retraction of 23% in relation to the total in 2017.

The association did not release projections for 2019, but AutoData exclusively listened to the local Abeceb consultancy, which calculated a year with only 570 thousand units, which would represent a new decrease of 15%.

In retail sales, revealed by Acara, Asociación de Concesionarios de Automotores de la Republica Argentina (Automobile Dealerships Association of Argentina), the domestic market closed 2018 with 803 thousand sales, decrease of 11%. The scenario is not encouraging at all because

the last two months of the year, November and December, registered a reduction of 46% and 40.5%, respectively, in the annual comparisons.

The plants installed in Argentina produced 466 thousand 700 vehicles last year, less 1.4% compared to 2017. For Abeceb, 2019 you will see a small increase in 2019, to 480 thousand units. The reason is exports, which reached 269,3 thousand in 2018, an increase of 28,5% thanks mainly to the performance of the Brazilian market - which bought 69% of the Argentine vehicles destined abroad.

Central America was the second biggest customer of the Argentine exports last year, with 6,1% of the total, leaving Chile right behind it, with 6%.

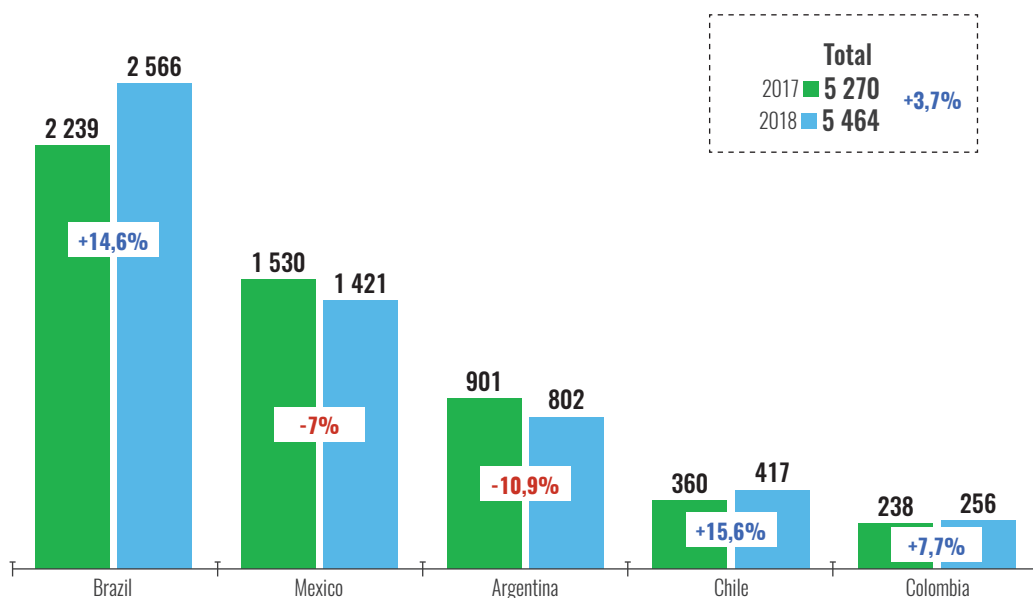
For Abeceb, the Argentine exports will have a double-digit increase once again in 2019, to a volume close to 300 thousand vehicles, which, if confirmed, would indicate an advance close to 11%.

MEXICO

Mexican numbers last year were negative only in terms of domestic market.

The main markets of Latin America

In thousands of units



Source: Anfavea, AMIA, Acara, Andemos and Anac



Disclosure/Nissan

According to data released by Amia, Asociación Mexicana de la Industria Automotriz (Mexican Association of the Automotive Industry), production there reached 3 million 908 thousand units, a slight evolution of 0,6% compared to 2017.

As in Argentina, the productive volume was reached thanks to an excellent performance in exports, which set a record in 2018 with 3 million 449 thousand units, an increase of 6% in the annual comparison. This result is directly related to the good moment of shipments to the United States, which reached 2,5 million, a 10% increase compared to 2017. With that, the

The largest export destinations of Brazil

Automobiles and light commercial vehicles

In units

Pos	Country	2018	Share	2017	Share	Variation
1	Argentina	422 828	70%	545 720	71%	-23%
2	Mexico	52 282	9%	90 371	12%	-42%
3	Chile	42 682	7%	31 770	4%	+34%
4	Colombia	26 068	4%	20 336	3%	+28%
5	Uruguay	25 271	4%	31 791	4%	-21%
6	Peru	14 291	2%	15 808	2%	-10%

Trucks and buses

Pos	Country	2018	Share	2017	Share	Variation
1	Argentina	13 584	35%	22 019	58%	-38%
2	Chile	6 733	18%	4 810	13%	+40%
3	Russia	5 286	14%	2 618	7%	+102%
4	South Africa	2 453	6%	1 561	4%	+57%
5	Peru	2 392	6%	2 766	7%	-14%
6	Uruguay	765	2%	648	2%	+18%

Source: Secex

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Americans bought no less than 74.4% of all vehicles with the Made in Mexico stamp destined to the foreign market.

The Latin American countries, together, received 288 thousand Mexican vehicles in 2018, an increase of 20% compared to 2017 and share of 8.3% in the total cake.

Brazil, alone, went from fifth to fourth largest destination of Mexican vehicles in 2018: the country bought 78.4 thousand units, a significant increase of 60% when the volume is compared to the one received in 2017, although the market share in the total Mexico's automotive exports remained modest, at 2.3%.

CHI CHI CHI LE LE LE

Vehicle sales in Chile reached a new record in 2018: 417 thousand 38 units, up 15.6% compared to the previous year. The numbers were released by Anac, Asociación Nacional Automotriz de Chile (National Automotive Association of Chile), and consider only light vehicles, not including trucks and buses.

The Chevrolet brand was the segment's sales leader with 36 thousand 016 units, followed by Suzuki, which sold 33 thousand 328 vehicles, and Hyundai, which was in third place with 32 thousand 710. Kia has got the fourth place, which sold 32 thousand 432 units, and the fifth post to Nissan, with 30 thousand 535 units.

The forefront belongs to a pickup truck in the list of best-selling models in Chile, the Mitsubishi L200, with 10 thousand 600 plates. It is followed by the Chevrolet Sail with 10,3 thousand, Kia Rio, 9,5 thousand, and Kia Morning, 8,7 thousand. Toyota Hilux, with 8,6 thousand, closes the top five.

COLOMBIA

The Colombian market had in December its best month of 2018, with 33,1 thousand units, a 30% increase compared to the same month of 2017, 25,4 thousand. And with that, the year closed with 256,7 thousand plates, a good advance of 7.7% against the 238,2 thousand in the previous year. The data was revealed by Andemos, Asociación Nacional de Movilidad Soste-

nible (National Association of Sustainable Mobility).

As in Brazil and Chile, General Motors was the market leader with 49,9 thousand units. The result, however, was 2.6% lower than in 2017. Meanwhile, Renault, at a 6% growth in the same comparison, approached it closely, only two hundred units behind with 49,7 thousand. Nissan closed the Colombian brands podium with 23,2 thousand sales, an increase of 10%.

By models, the favorite in 2018 was Chevrolet Spark, with 13,4 thousand models sold. Renault Logan, with 12 thousand, followed by another Renault, Sandero, with 11,8 thousand, Kia Picanto, 11,2 thousand, and another Renault – this way, with three models in the top five list – Stepway, with 9,5 thousand units sold.

The models with national production dominated the Colombian market last

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year, accounting for 30,4% of the licenses. Followed by the vehicles imported from Mexico, with 18,8% share in total sales, and South Korea with 10,2%. Despite the recent automotive agreement of both countries, Brazil is still only the fourth on the list, with 9,8%, which, in any case, represented an advance of 2,7 percentage points compared to the result in 2017.

AND FOR 2019?

Although having represented a sort of savior for the Latin American market's sum in 2018, the perspectives for Brazilian exports to the region in 2019, alone, are not quite encouraging.

According to Anfavea's projections, the total number of Brazilian vehicles exported this year is expected to be 590 thousand units, which would represent a decrease of 6,2% compared to the 629

thousand in 2018, which in turn was 18% below the previous year and its 766 thousand shipments.

By segment, the reduction is concentrated in the light vehicles, with the expected 555 thousand units exported, down 6,8% compared to the 595 thousand in 2018. With regard to heavy vehicles the expectation is an increase of 3,7%, to 35 thousand faced to the 33,7 thousand from last year.

The reason for this picture, naturally, is only one: Argentina. Although the Brazilian manufacturers seek new export markets, there is no escape from this interdependence. According to data by Secex, Secretary of Foreign Trade, that country received 70% of the light vehicles exported from Brazil last year, 422 thousand units, a retraction of 23%. In 2017, the index was very close, 71%.

The Argentines are also the biggest buyers of Brazilian trucks and buses, with 35% of the exports, 13,6 thousand units and a decrease of 38%. But in this segment, less dependence can be noticed already, because in 2017 they bought 58% of the heavy vehicles Brazil exported.

To complicate the Brazilian scenario a little more, Mexico, which is also on the decrease in its domestic market, was the second largest buyer of Brazilian light vehicles in 2018, with 52,3 thousand units, 9% share and a strong 42% decrease compared to the 90,4 thousand vehicles that the country received in 2017.

Chile got the third place of the largest Made in Brazil light vehicles buyers in 2018, with 7% and a 34% increase, to 42,7 thousand vehicles. Followed by Colombia and Uruguay, tied with 4%, and Peru, with 2%.

With regard to trucks and buses, the second largest buyer of Brazilian vehicles in 2018 was Chile, with 18% market share and a 40% increase, followed by Russia, with 14% of the cake and 102% growth compared to the numbers of 2017. Then there are South Africa with 6% of the total in advance of 57% and Peru, also with 6% but with a reduction of 14% compared to 2017.



Disclosure/VWCO

Twenty years celebrated in two months

A shy producer of trucks and fiberglass vehicles until the 90s, Parana has become one of the largest automotive hubs of Brazil



Disclosure/Renault

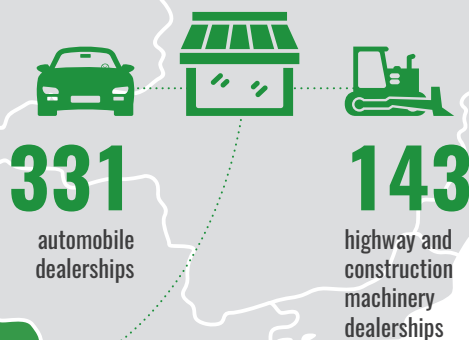
The turn of 1998 to 1999 was a milestone for the Brazilian automotive industry, particularly with regard to productive decentralization. At that time, two big factories were inaugurated in Parana, both in São José dos Pinhais, municipality of Curitiba: in December 1998, the first Renault Scenic minivans from the Ayrton Senna Complex, which soon after would have Nissan models production –

the first in the world to produce vehicles of both brands within the newly created Alliance. And just a month later, it was the Volkswagen Group unit's turn to start producing: first Audi A3 and its cousin, VW Golf, four months later.

The almost simultaneous inauguration, 20 years ago, was the starting point for Parana to become, in a few years, Brazil's second largest automotive hub in revenue

The Automotive Parana in Brazil

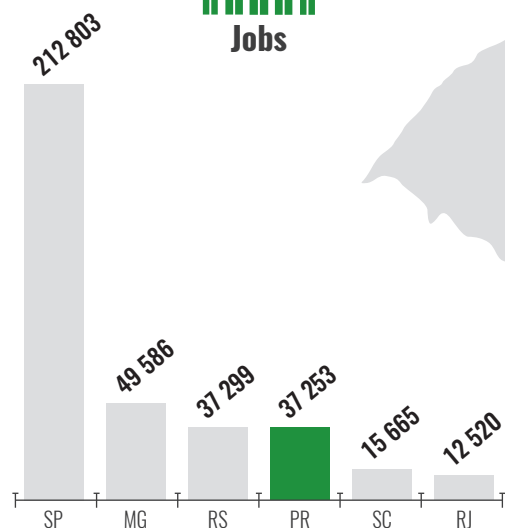
9 companies produce in Parana: Audi, Caterpillar, CNH Industrial, DAF, FCA (engines), Komatsu, Renault, Volkswagen and Volvo



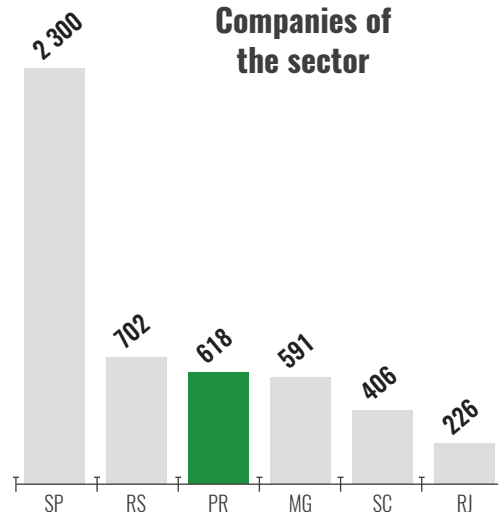
PARANÁ



Jobs



Companies of the sector



and the third in volume. Until then, the state registered only the Swedish Volvo in its automobile history, which inaugurated its plant for buses and trucks in 1980, and the fiberglass sports car Puma, manufactured in Curitiba from 1985 to 1990.

João Arthur Mohr, manager of the Thematic Councils at Fiep, Federation of Industries of Parana, recalls that at that time "Renault and VW/Audi plants were the

most modern in Latin America, working with the concept of systems suppliers installed around, operating in just in time system".

That movement brought to the region even an engine factory, Tritec, a BMW-Chrysler partnership, which started production for exports in Campo Largo in 1999. The capacity was 400 thousand engines per year, but never produced more than

The state of Parana has the first technical training center for electric and hybrid cars repairers installed in Brazil



Disclosure/FCA

250 thousand units for Mini, Dodge Neon and Chrysler PT Cruiser. The birth of DaimlerChrysler complicated the company's life in its early years, until being bought by Fiat Group in 2008.

DaimlerChrysler was also critical for the Chrysler factory in Campo Largo, which was inaugurated in 1998 to produce the Dodge Dakota pickup truck - but in this case, fatal. In the name of cost restructuring, production was closed there at the end of 2001 and the manufacturer had to return R\$ 100 million in benefits.

DAF, CNH, CAT...

The automotive Parana also has factories of the Dutch DAF in Ponta Grossa and CNH Industrial, Komatsu and Caterpillar units of agricultural and highway machinery. According to Fiep, there are 618 companies of the segment in the state, including systems suppliers and manufacturers of auto parts. This way, it only loses to Sao Paulo, with 2,3 thousand, and Rio Grande do Sul, 702.

Paraná also occupies the third position in terms of jobs and production volume. In terms of revenue, however, it is in the second place. Besides that, there are 331 auto dealerships, which represent the fifth place in this category.

More than numbers, however, Parana has experienced a revolution in the last twenty years thanks to the arrival of the automotive factories, ensures Mohr.

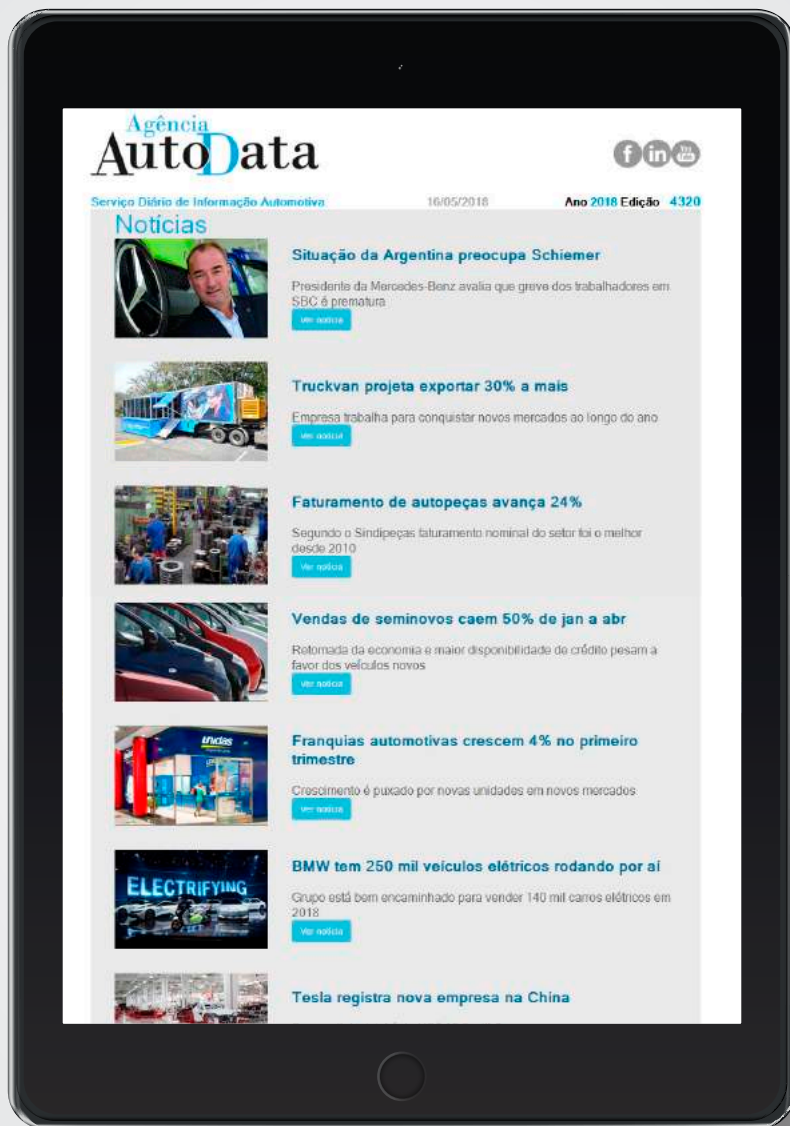
Another advance came in professional training: "Universidade da Indústria recently launched the first automotive engineering degree, in partnership with automakers. We have the first technical training center for electric and hybrid cars repairers, in partnership with Renault, because Curitiba is one of the cities that most encourage the use of these vehicles, not to mention companies that use electric vehicle fleets, such as Itaipu."

FROM SCÉNIC TO KWID

The start of production at the Ayrtton

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Senna Complex was the milestone that led Renault to become the largest of the so-called newcomers – the new manufacturers in Brazil – in terms of sales volume. Until then, it occupied a modest position in the country as an importer, represented by Grupo Caa.

The model that inaugurated the factory was Scénic, which helped popularize the minivans. While the factory was built teams were trained at Senai assembly stations inside Fiep, Mohr recalls: “Renault wanted to inaugurate the factory already at a fast pace”.

In two decades, Renault manufactured more than 3 million vehicles and 4 million engines, being 30% exported. Luiz Fernando Pedrucci, president of Renault for Latin America, believes that “Renault has continuously invested in Parana over the years, even in periods of economic instability. That is what allowed us to strengthen

our structure, to launch vehicles developed for the Brazilian and Latin American customers and to grow continuously in the Brazilian market”.

Renault do Brasil has four factories in the complex, which demanded total investments close to R\$ 7 billion: Curitiba Veículos de Passeio, the CVP, Curitiba Motores, CMO, Curitiba Veículos Utilitários, CVU and Curitiba Injeção de Alumínio, the CIA. Operating in three shifts, it produces Kwid, Sandero, Logan, Duster, Oroch, Captur and Master and the 1.0 SCe and 1.6 SCe engines. The unit also has an engineering center where approximately 1 thousand people work.

In 2007, the productive capacity of the factory leaped from 280 thousand to 380 thousand vehicles per year.

FROM A3 TO T-CROSS

With an initial investment of R\$ 750



Disclosure/Volkswagen

CHRYSLER INVESTE US\$ 315 MILHÕES NO PARANÁ

O presidente e chairman da Chrysler Corporation, Robert Eaton, o Governador do Estado do Paraná, Jaime Lerner, e o Prefeito de Campo Largo, Newton Puppi, oficializam hoje (13/03) o compromisso para a construção da fábrica da empresa no Paraná. O investimento, anunciado em agosto do ano passado, é de US\$ 315 milhões. A unidade será responsável pela montagem da pick-up Dodge Dakota, modelo lançado em outubro de 1996 no mercado norte-americano, nas versões diesel e gasolina.

A fábrica será construída em um terreno de 950 mil metros quadrados e se tornará a terceira da Chrysler na América do Sul. A unidade deverá estar concluída até o terceiro trimestre do próximo ano e terá capacidade inicial para produzir 12 mil veículos / ano que serão comercializados no Brasil e demais países do Mercosul. A produção poderá atingir o nível de 40 mil unidades / ano.

A localização geográfica estratégica em relação ao Mercosul, a excelente infra-estrutura de transporte e mão-de-obra qualificada foram os principais fatores que motivaram a escolha da Chrysler pelo Paraná. Além disso, outros fatores determinaram a opção por Campo Largo, entre os quais a topografia relativamente plana e o espaço suficiente para futura expansão da área produtiva. "Estamos satisfeitos com a nossa decisão, principalmente pela cooperação que temos recebido do Governo do Estado", afirmou Robert Eaton.

A unidade da Chrysler deverá gerar 400 empregos diretos iniciais, podendo chegar a 1.000 empregos quando atingir sua capacidade plena. As obras de construção começarão assim que a documentação estiver autorizada pelo Estado. Atualmente, estão sendo realizados todos os levantamentos topográficos do terreno e do solo.

A fábrica brasileira é a primeira da Dodge Dakota fora dos Estados Unidos. Atualmente, o veículo está sendo montado na unidade Warren Truck, em Michigan, com capacidade de produção de 150 mil unidades/ano. Apesar de ser menor que a unidade norte-americana, a fábrica brasileira da Dodge Dakota adotará todos os processos modernos de produção, como o "just-in-time", e o mesmo sistema de "Controle de Qualidade Total" aplicado nas fábricas da Chrysler em todo o mundo.

Inicialmente, a Chrysler trabalhará com o índice de nacionalização de 60%, número que deve se manter em constante crescimento. Entre os principais componentes importados nessa primeira fase, figuram as peças estampadas da carroceria.

No entanto, seguindo o conceito de "Empresa Ampliada" ("Extended Enterprise"), diversos fornecedores estarão acompanhando os projetos da Chrysler no Mercosul. O primeiro deles é a Detroit Diesel Corporation, que fornecerá o motor diesel VM Turbotronic para a Dodge Dakota e para o Jeep® Cherokee que será fabricado na Argentina.



Collection MIAU Museu da Imprensa Automotiva

million the VW/Audi factory was inaugurated with the capacity to produce 550 cars/day in 205 thousand m2 of constructed area in the 2 million m2 land. The VW Group was then considered one of the ten most productive factories in the global automotive industry, with 3 thousand direct and around 10 thousand indirect jobs.

One of the main executives involved in the construction of the factory was a Brazilian with German origins, Stefan Ketter, who would become FCA's global manufacturing head more than a decade later, taking advantage of his experience in the project of Jeep complex in Goiana. PE.

The goal was the technological and constructive standard of the A3 and Golf produced in Germany. The factory was the first in Brazil to adopt laser welding and quality measurement equipment integrated in the production process.

An important milestone was Fox's production, from 2003. Developed in Brazil, it was exported to the European market from there – more than 300 thousand models from 2005 to 2011 and, in all, Fox has recently surpassed the mark of 2 million units produced in Parana.

In 2014, Audi started to produce locally again, with an eye to the incentives of Inovar-Auto, but still in low volumes: the A3 sedan and Q3 come from Parana today.

In April last year, VW announced a R\$ 2 billion investment in the unit for the development and production of the compact SUV, the T-Cross. The value contemplates the capacity expansion, manufacturing modernization within concepts of Industry 4.0, local development of parts and staff qualification. The model reaches the market in the first semester and will be exported from Parana to the main markets of South and Central America and the Caribbean.

Press release that informed Chrysler's decision to invest in Parana, in the late 90s. It was the only one there that went wrong: even Tritec saved itself, via Fiat.

ONE CENTURY IN TEN YEARS

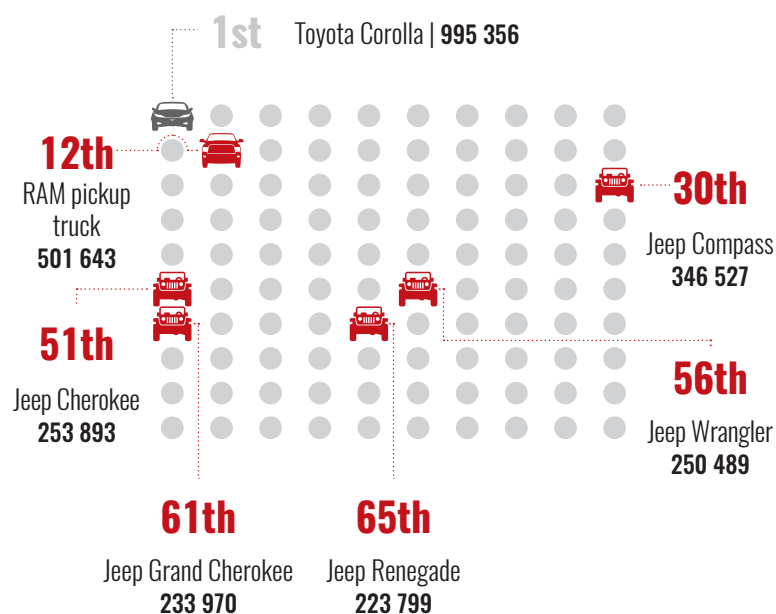
Born from a historical crisis and under the sign of doubt, FCA became a consolidated manufacturer in Brazil and worldwide in ten years



2019 marks the 10th anniversary of the union between the Italian Fiat with the American Chrysler, a marriage born under the sign of doubt due to the absolutely particular conditions in which it occurred. A decade later, however, it proved to be extremely solid and beneficial to both manufacturers, now gathered on the same boat and FCA's name, Fiat Chrysler Automobiles.

The story itself began on September 15, 2008, when the collapse of the American bank Lehman Brothers generated a really violent international economic crisis, being described by the Argentine writer Néstor García Canclini in *Society without Reporting - Anthropology and Aesthetics of the Imminence*, 2012, as "the dramatic peak of neoliberal disorder in several continents, with millions of people losing their jobs,

Of the 100 most sold cars in the world, six FCA



their investments and their savings in a few weeks”.

Of the countless companies that have been knocked out there were two of the three Detroit's icons, General Motors and Chrysler, which together registered an almost unbelievable loss of US\$ 31 billion only that year.

The US government intervened: it granted a fat loan to GM and offered help to anyone who wanted to save Chrysler – and Fiat did. Luiz Carlos Mello, former president of Ford Brasil, recalls: “Fiat did not buy Chrysler, it absorbed it. It was more than a gift: the US government was giving Chrysler for free. It was an opportunity

that Fiat had the willingness to accept”.

The United States applied US\$ 6 billion in Chrysler, but even so the company made a concordat and the government now holds 8 % of shares, besides the withdrawal of Daimler and Cerberus fund. At the end of the first half in 2009, Fiat entered with a 20% stake in the so-called New Chrysler, of which 55% was in the hands of the UAW, Union Auto Workers.

At that time, less than five years have passed since Fiat Group was in the command of Sergio Marchionne, whose original idea was to unite not only Chrysler but also GM to Fiat. Across the Atlantic the revenue had shrunk from € 59,6 billion referred to the previous year to € 50.1 billion. The offer was to take over 20% of Chrysler without applying money, offering in return only access to the Italian group's platforms, engine technologies, production organization and support for global vehicle distribution.

Marchionne envisaged three items in special: the potential of the Jeep brand, the possibility of expanding the Fiat markets, summarized essentially to Brazil and Italy, and the great profits from the large pickup trucks of the Dodge RAM line.

Gradually, Fiat increased its share in Chrysler until reaching 60% and, in 2014, gave a € 3.65 billion hit to take 100% of one of the most emblematic companies in the United States, creator of minivans with Dodge and a specialist in 4x4 with Jeep.

Soon after, Fiat Chrysler Automobiles was born, simply FCA. In a single house it gathered such valuable like Alfa Romeo,

FCA brands' auto sales in Brazil from 2014 to 2018

Period	2014		2015		2016		2017		2018	
Brand	Sales	Share	Sales	Share	Sales	Share	Sales	Share	Sales	Share
Chrysler	314	0%	145	0%	68	0%	15	0%	34	0%
Dodge	3 377	0,1%	2 012	0,1%	724	0%	495	0%	356	0%
Fiat	505 121	18,1%	316 123	14,9%	190 129	11,3%	172 361	9,3%	183 369	8,7%
Jeep	3 311	0,1%	41 795	2%	59 055	3,5%	88 201	4,8%	106 953	5,1%
Total FCA	512 123	18,3%	360 075	17%	249 986	14,8%	261 072	14,1%	290 712	13,8%

Source: Anfavea

Before joining Chrysler, Fiat was earning € 50 billion a year. As FCA, the current result more than doubled, to € 115 billion.

Fiat, Lancia, Maserati, Chrysler, Dodge, Jeep, RAM – then separated from Dodge – Abarth, Ferrari and Mopar.

Marchionne had paved the way for the complete union in 2010 by dividing Fiat in two, leaving brands like Iveco, Case and New Holland to Fiat Industrial while Fiat SpA focused on cars, auto parts and services.

Antonio Filosa, the current president of FCA for Latin America, affirms that the executive “had an extraordinary ability to see latent potentialities, generating value on an ongoing basis. FCA was one of the great legacies he left to the history of the sector”.

When it started on the New York Stock Exchange on October 13, 2014, FCA already earned € 96 billion a year, revenue that rose to € 111 billion in 2017, the latest data available – by the end of the third quarter in 2018 the projection for the year was € 115 billion.

And today, FCA is the eighth largest car



Disclosure/FCA

The production of a quality car calls for quality partnerships.

*The New Toyota Yaris uses the C-EPS system produced in
Brazil with the state-of-the-art Japanese technology.*



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FCA brands' sales pre and post crisis x today - United States

Year	2007		2008		2009		2018	
Brand	Sales	Share	Sales	Share	Sales	Share	Sales	Share
Jeep	475 237	2,9%	333 901	2,5%	231 701	2,2%	973 227	5,6%
Chrysler	543 011	3,4%	335 108	2,5%	177 015	1,7%	165 964	1%
Dodge	1 057 646	6,5%	784 113	5,9%	327 574	3,1%	459 324	2,6%
RAM	425 583	2,6%	286 484	2,1%	195 112	1,9%	597 367	3,4%

Source: Focus2Move

manufacturer in the world, with 4 million 776 thousand cars and light commercial vehicles sold in 2017 and another 4 million 840 thousand traded last year. FCA also has four top-ranked brands in the world's top fifty: Jeep in sixteenth place, Fiat one behind it, RAM in the thirtieth position and Dodge seven places behind.

For Filosa, "FCA's constitution has resulted in the opportunity to build each of the brands according to their identity, market segments, customer profile and vehicle

characteristic. It's a huge competitive advantage, which extends our possibilities".

IN BRAZIL

Throughout Brazil, one of the main consequences of FCA appears in the pickup trucks market. First for Fiat itself, which dominates the light commercial vehicle segment with Strada and Toro, this one born from Jeep Renegade's rib: together, they sold 332 thousand units in Brazil from 2016 to 2018. Therefore, alone, Fiat owns



FCA brands' sales pre and post crisis x today – Europe

Year	2007		2008		2009		2017	
Brand	Sales	Share	Sales	Share	Sales	Share	Sales	Share
Fiat	964 767	6,1%	943 202	6,5%	1 010 342	6,9%	767 670	5%
Jeep	45 539	0,3%	32 597	0,2%	18 778	0,1%	107 569	0,7%
Lancia	121 994	0,8%	114 035	0,8%	121 846	0,8%	60 620	0,4%
Alfa Romeo	144 404	0,9%	102 183	0,7%	110 827	0,8%	86 805	0,6%

Source: CarSaleBase

38% of the light commercial vehicles market.

Although Fiat has lost the market leadership, since FCA disputes inch by inch with GM to reach the first place but with much more average ticket vehicles than before. Considering the sum of Fiat and Chrysler vehicles, it won in 2015 and 2016 and lost in 2017 and 2018, but always by a narrow margin: last year, for example, it was only 1,3 thousand units behind.

If in 2015 Palio was by far the most sold FCA's car, with 122,4 thousand units, in 2018, the pair of Jeep SUVs, Renegade and Compass, surpassed the range of 100 thousand units for the first time by registering 106,6 thousand models. As a comparison, Fiat's best-selling entry car was Mobi, with 49,5 thousand.

No other reason shortly before his death, in July 2018, Marchionne left an investment plan in the region much more aggressive for the Jeep and RAM brands than for Fiat, Filosa said: "For Jeep, we are

developing an SUV which will complement the line and for Fiat the plan is to launch up to three SUVs and a pickup truck so the brand dispute or strengthen its position in the segments of greater potential".

All of that happens because the plant in Goiana, PE, is a perfect portrait of the strategy change since FCA's birth: what would initially be a Fiat compact car plant in the port of Suape turned out to be a Jeep house.

Inaugurated in April 2015, it started producing only Renegade, which won Fiat Toro as its companion in February 2016 and Compass in October the same year. It closed 2017 with 179 thousand cars produced and rose to 202 thousand in 2018 – since that March operating in three shifts.

Goiana already represents about 40% of FCA production in Brazil, 930 cars per day. It employs 13,6 thousand people, with the factory itself and another 16 auto parts companies. The projection for 2019 is to reach the maximum production capacity, 250 thousand/year. ■

FCA brands' sales before and after FCA – China

Year	2007		2014		2016		2017	
Brand	Sales	Share	Sales	Share	Sales	Share	Sales	Share
Fiat	18 447	0,4%	68 090	0,4%	12 699	0,1%	2 273	0%
Jeep	318	0%	-	-	133 009	0,6%	202 755	0,8%

Source: CarSaleBase. Fiat was absent from the Chinese market from 2008 to 2011; the Jeep was absent from 2008 to 2014.



ONLY IN ONE AND A HALF YEAR FROM NOW

The exhibition in 2019 was the last Detroit Auto Show held in the US winter, to avoid the crash with the CES, held in Las Vegas at the beginning of the year

Zero degrees Celsius out there in Detroit, MI, and this is the last auto show in the old Big Three land held in January: from next year it will be in June, always at the same Cobo Hall. A few days before, in Las Vegas, the CES was imposing itself definitively in the electronics directed

to the customer: it will reign supreme as the first great fair at the beginning of the year.

As an old centenarian, this hall seemed to incline, on the opening day for the press, waiting for next year - when, it expects, the return of music and lights, the show, always on happy and sunny days. Because 2019



WAITING FOR THE SUMMER?

The Detroit Auto Show had 35 thousand less visitors this year, who lost the chance to see in person launches such as the furious Ford Mustang Shelby, with more than 700 hp

did not privilege vehicle toxin for all and showed vehicle launches exclusively for North American markets. They say that this or that will go to Brazil – bluff!!!: it is only occasional marketing.

The figures showed, according to the organizers, the presence of 4,3% less public

than last year. This year, 774 thousand 179 curious-maniac for car paid a visit to it – 35 thousand less than in 2018. The economic impact of this year's Auto Show on the metropolitan area of the city was estimated, and celebrated, at US\$ 430 million.

But what had the virtue (for real) of shaking the carcasses of almost seven hundred journalists there was an announcement made by Ford and Volkswagen – through their CEOs, Jim Hackett and Herbert Diess – that updated information about the ongoing discussions aimed at a global alliance. Both companies have confirmed the alliance, which will begin with a Ford Ranger shoe on Volkswagen Amarok pickup truck's foot in America. The other shoe will be worn in Europe with commercial vehicles and the whole agreement may even be extended to electric and autonomous vehicles.

Since this is the story that caused sleep problems to the executives involved in it and to journalists who want to tell new stories. In recent weeks the subject has come under control of both companies' legal departments, worried about legal and shareholder rights issues. Attention was also drawn to the order of the companies in the formal announcement: the VW logo appeared ahead of Ford's – will it indicate something or everything happened by chance?

The same sources also emphasized the fact that the agreement had its scope expanded, including areas beyond that originally discussed, of commercial vehicles.

THE DAY

Ford made its first appearance at the Detroit Auto Show in 2019, on January 14, which involved the Explorer 2020, Shelby GT500, and a police vehicle, the Police Interceptor. The Explorer gained a "new design, more power and technology", third row seating with two engines: 3.0 V6 370 hp and 2.3 304 hp, both Ecoboost.

The new Shelby, "an exquisite design", has an engine of more than 700 hp, and

the Police Interceptor Utility 2020, hybrid, is Ford's weapon to maintain its share in the car market for the police in the United States, 65%.

FCA's presentation, via RAM, was next, with its 3 500 and 2 500 and Black versions – always for 2020. Toyota also did not run away from vehicles destined to the domestic markets of North America, with the Supra model, followed by Volkswagen with Passat, Nissan, Kia, Infiniti, Hyundai...

MEANWHILE...

Holding CES, an international exhibition of electronics to the consumer, in Las Vegas, Nevada, is a metaphor in search for confirmation: Las Vegas emerged un-

likely, thrown in the middle of the desert, free territory of game and the casinos for the obvious, an inspiration for any city of sin – and that is precisely there where the future lies, bright and noisy, in the form of advanced technologies. And it is not a world that belongs only to vehicles.

It is about a fair that also accepts to show the developments generated in the world of vehicles but has curved television screens, camera lenses, domestic systems that facilitate the family tasks, karaoke gadgets, smart supports for cellphones and tablets. And a bunch of other things. Overall, this CES, opened on January 8, did not bring brand new material, absolute novelties, but it did show evolutions,



even surprising ones, of old news – like adaptation of command by voice.

A real novelty, at least in that part of world that interests us, which is the one regarding vehicles, is the Mercedes-Benz CLA, which was the first worldwide presentation, a car that has infrastructure of 70% for autonomous steering, a very advanced thing because the base of that differentiation is the abundant use of artificial intelligence, branch of science that has been treated as if it were a back-to-life holy grail, avatar of high temper, due to such importance of its advances and applications.

CES's appeal over local media is impressive. We had the image of that CLA

model, particularly in the red color anchored at the Mercedes-Benz stand, shown all over the country in all news, TV and newspapers. And always associated with the already mythical artificial intelligence – it seems that the future will have its color, smell and consistency and believers can get ready for other days, different days. The time will come, also in Brazil, when the blessings will be anointed in the name of artificial intelligence, the brand new Valhala of human redemption.

It is easy to identify the new believers, all of them with cell phones in their hands ready to record the brightest ectoplasms of the new era – including the bathroom signs: the hordes photograph everything and also have a strong tendency to join themselves in queues, including in front of the bathroom doors. And also in the vicinity of Starbucks coffee shops: it is not uncommon to take 30 minutes to get out of there with a doppio espresso in hand, which pleases everyone.

It cannot be said that the CES is a mess, but yes, it is a fair that democratizes the moments of coexistence of journalists with those Huns, those with the cell phones. It is an intractable fair, non-coverable, divided into four simply enormous areas in different regions of the city and reflected in hundreds of discussion panels and presentations and in more than a thousand stands of companies that think they have something worthy to show for all, consumers and journalists.

There is a particularity in fairs held in countries located above the equatorial line, such as the CES: the executives usually speak basically to local audiences, and have troubles, for example, to draw their perspective when the subject is the populations that live below that line, which determines the North-South relation. When they talk about the future of mankind, artificial intelligence, autonomous vehicles and their electrification, they are not necessarily talking to Brazilian customers, for example: their reach is universal but



LOOKS LIKE DETROIT BUT IT'S VEGAS

Mercedes-Benz chose the CES to show the world its new CLA. The argument: it is a car ready to become autonomous.

their application is strictly local, above or below the equatorial line.

Ford has tried to use a more universal language to illuminate the path it has chosen for its autonomous vehicles, which arrive in the North region already in 2021. Sherif Marakby, the big boss, CEO, of Ford Autonomous Vehicles, and Amy Marentic, its global marketing director, said that their work object, the self-driving cars, are still very expensive vehicles basically because of their "extremely heavy software". They are in practical tests in Miami, FL, and will be taken to Washington, DC, next year. Tests on the East Coast are already in phase 4, without a driver.

"When we eliminated the driver it meant putting things in a very different level of design, service, how you project the vehicle and the whole service with call centers, apps and similar things. Because it is the provision of shared mobility without a driver, and this is the challenge we have, planning a service focused on the consumers, the customers and no longer the driver, to transport them and their goods."

Marakby considers the collaboration of the cities in the creation of the necessary infrastructure for autonomous vehicles

LOOKS LIKE VEGAS BUT IT'S DETROIT

Contraption used by journalists during a presentation at Detroit Auto Show: if all the devices had worked, it would have been a lot better.



existence as fundamental. And it's part of his job to find out what the passengers wish to do with their free time inside a car in the future. A self-driving car, of course. And that he seeks, as has happened with the aeronautics industry, the redundancies that exist in steering, braking and acceleration.

He recognized that technologies involving autonomous vehicles emerge faster than the infrastructure in cities, such as the C-V2X, "communication system of the vehicle-with-everything via smartphone", in which Ford has Qualcomm as a partner. It will be used by Ford in all its new vehicles from 2022. The company describes the system as "a highly advanced wireless communication technology that allows vehicles to 'listen and talk' to each other, pedestrians and transit infrastructure to transmit safety information and create a smart and connected transportation system".

It was planned, the C-V2X, to use the 5G mobile network.

"Crossing intersections, for example, will be much easier", said Don Butler, executive director of Ford's connected vehicles. "The vehicles will communicate to negotiate which one has the preference."

Those who follow Ford's life more closely say that the Team Edison has everything to become a myth in the company's history. One of its leaders is Darren Palmer, global director of product development for electric vehicles. Speaking to reporters, he said that the biggest challenge is still batteries with autonomy beyond 480 kilometers, the 300 miles - a lot less than those sung by Peter, Paul & Mary in the 60s. When that battery arrives, Palmer believes, the consumer will consider that, "now, the electric car has become viable for your life".

The metaphor, as we feel it, remains open, in search for a more perfect definition than those engendered at nightfalls. But that the combination of Las Vegas with the intelligence built into the CES themes is explosive, yes, it is. Something from that doctor, Faust, who, some people say, inhabited Goethe. ■

ELECTRICS 1

Jac Motors promises to launch the electric version of the T40 SUV in Brazil, the iEV40 (photo below). The model, according to the company, has autonomy to run three hundred kilometers and the total battery charging time takes eight hours in an outlet with 220 volts. The importer opened a pre-sale system at the end of January, at R\$ 140,000, and says that "the first units will get into the hands of buyers in the first semester".



Disclosure/Jac Motors

ELECTRICS 2

Volvo Construction Equipment's headquarters announced that it will launch an electric line of wheel loaders and compact excavators in 2020. And more: it will not develop new generations of diesel engines for these products. The machines will be presented already this April, in the world's biggest exhibition of the segment, the Bauma fair, in Germany.

GREEN AND YELLOW

Grin, the company of the green electric scooters, and Yellow, the one that has a bike-sharing system with no stations, merged and created Grow Mobility. Together, they have 135 thousand electric scooters and bicycles operating in seven countries. They made 2.7 million trips in only six months.

LIKE WHITE ON RICE

No less than 41% of the cars produced worldwide in 2018 have left the assembly lines in the white color, according to Basf's annual report. Worse: when black, gray and silver are added together with it, the dominance reaches 79%. So there is little left for the other colors like blue, with 8%, red, 7%, and brown, 2%.

VW GOES BY TAXI

Volkswagen celebrates a 57% increase with regard to vehicle sales for taxi drivers in 2018 compared to 2017: 12,2 thousand vehicles were sold. The preferred model was Virtus, with 4,6 thousand units, slightly ahead of Voyage, with 4,4 thousand.

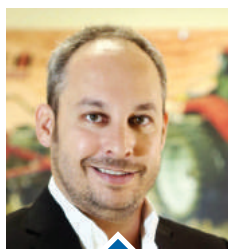
NEGATIVE RESULT

Ford's revenue in South America accounted for US\$ 5.3 billion in 2018, US\$ 500 million less than in 2017 due to (mainly) the Argentine market downturn. The operation in the region registered losses, as shows its annual balance sheet: US\$ 678 million compared to a US\$ 75 million profit in 2017.



By Marcos Rozen

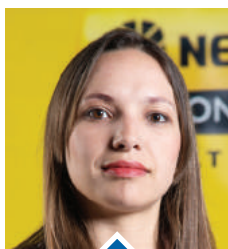
Suggestions of issues for this section can be directed this the email rozen@autodata.com.br



Disclosure/Case IH

GONZALEZ

Christian Gonzalez is the new vice president of Case IH for South America. In the group for twenty years, he succeeds Mirco Romagnoli, now the global responsible for Aftermarket Solutions in the CNH Industrial agricultural segment.



Disclosure/New Holland Construction

ARAÚJO

Paula Araújo is the new vice president of New Holland Construction for South America. She succeeds Nicola D'Arpino, the new director of Construction Segment in Europe.



Disclosure/New Holland Construction

BORGONOVO

Still at New Holland Construction, Giovanni Borgonovo is its new marketing manager. The executive has been working for the company since 2012.



Disclosure/BMW

JANSSEN

Mario Janssen was named CEO of BMW Group Financial Services in Brazil. Formerly CFO, position now occupied by Holger Spiegel. Janssen succeeds Eduardo Varella.



Disclosure/Audi

WORTMANN

Hildegard Wortmann will be the responsible for sales and marketing areas of Audi AG from July 2019. She, who comes from BMW, will succeed Bram Schot, who took over the presidency of the company's board of management at the beginning of the year.



Disclosure/Ford

THE BIGGEST

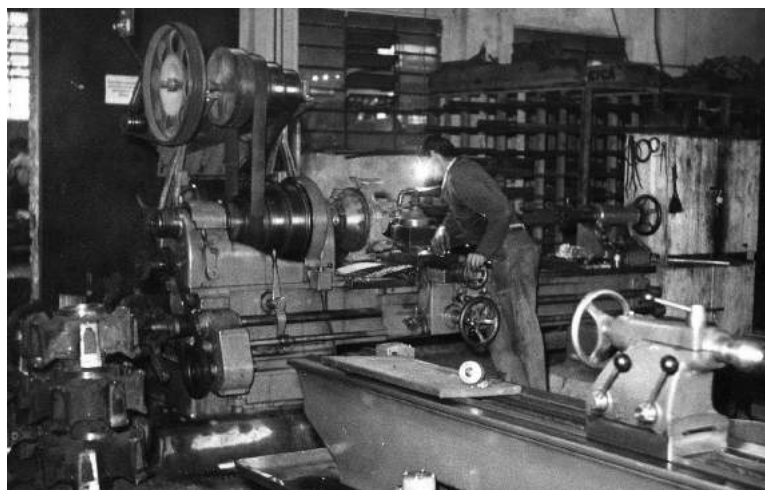
Ford started, in Fortaleza, CE, tests with the Cargo Kolektor 8x2 equipped with a 24 m³ compactor, which by its calculations is the biggest garbage truck in Brazil, with 14% larger capacity. Based on Cargo 1723 8x2, with a second steering axle, air suspension and Torqshift automated transmission. Operation will be conducted by Marquise Ambiental.

A-CLASS, IS THAT YOU?

Mercedes-Benz launches the A-Class new generation in Brazil: the single version 250 Vision, 2-liter 224-hp turbo engine and seven-speed dual clutch automatic transmission. The model has new multimedia system, voice command for air conditioning and automatic emergency braking. At R\$ 195 thousand.



Disclosure/Mercedes-Benz



Disclosure/Randon

RANDON, 70

Randon Companies celebrated its 70th foundation anniversary on January 21st. The company was born in 1949 as a small workshop for industrial engines reform in Caxias do Sul, in the state of Rio Grande do Sul, an initiative of the brothers Raul Anselmo Randon and Hercílio Randon. Today, the group is formed by companies such as Fras-le, Randon Implementos, Master, Jost, Suspensys WE/Castertech, Randon Argentina and others.

CONTINENTAL OUT, KROSCHU IN

The German Kroschu replaced Continental as one of the companies that form the Modular Consortium at the Volkswagen Caminhões plant in Resende, RJ: the company is the new responsible for the cabin finish, after the framing and painting stages, until its integration onto the chassis. The company already provided cable harness to the manufacturer, while Continental will continue with the supply of tachographs, instrument panels and electronic modules.

CONSORTIUMS

The volume of credits traded by the consortium system for the automotive sector reached R\$ 44,3 billion until November 2018, an increase of 4.1% compared to the same period in 2017, according data by Abac. Sales of new quotas accounted for 1 million 54 thousand in the period, expansion of 1,7%.



Disclosure/Honda

THAT ZIPPY HR-V

Honda Automóveis celebrates the milestone of 200 thousand HR-V models sold in Brazil, reached from March 2015 (its launch) until December 2018. No other Brazilian Honda model has reached that volume in such a fast pace. The SUV will soon have the new Touring version, with a 1.5 turbo engine.



Disclosure/Renault

IN THE SHADOW OF GHOSN CASE

After the resignation of Carlos Ghosn, arrested in Tokyo, Japan, accused of tax fraud at Nissan, Renault's Board of Directors announced its new CEO and president - the positions will no longer be held by the same executive. The new president, the French Jean-Dominique Senard (on the left), came from Michelin as well as his predecessor. The also French, Thierry Bolloré, who was already in charge of operations in the absence of Ghosn, took over as CEO.

THE NORWEGIANS' FAVORITE

Leaf was the best-selling electric car in Europe in 2018, according to Nissan, with 40,7 thousand units. Its best result was in Norway, with 12,3 thousand units, which gave it the top of the overall sales ranking in that country, beating all models with a combustion engine. Since it was launched (in 2010) Leaf has accumulated 380 thousand units sold.



Disclosure/Nissan



Disclosure/Volvo

FUSCO

Solange Fusco left Grupo Volvo at the end of 2018 to start her own company. Since 1990 in the company, always in the communication area. The information was revealed by Jornalistas & Cia Imprensa Automotiva.



Disclosure/VW

SCHMALL

Thomas Schmall has been named CEO of the newly created VW Group Components, which brings together the businesses of engines, gearboxes, electric drive systems, steering systems and seats.

EXCLUSIVE STUDY

The Hyundai dealership chain had the highest number of visitors per store in Brazil last year, according to a study by the technology services company In Loco, exclusive to AutoData. Two other Asian companies complete the podium: Toyota and Honda. To reach the result, the company related the number of unique visitors in the entire chain of the eleven brands with the highest sales volume in the Brazilian market to the number of their stores in Brazil. That is why Chevrolet dealers, despite receiving the highest number of unique visitors, got only the seventh place in this analysis. Jeep, Renault and Nissan respectively occupied the fourth, fifth and sixth positions of the list.

LESS IS MORE

Volkswagen Polo Highline 200 TSI was the model with the lowest depreciation last year, 1,5% in twelve months, according to calculations by KBB, Kelley Blue Book, which released ranking of the five sold models with the lowest and highest index of depreciation in Brazil.

Cars with the lowest depreciation in 2018:

1	VW Polo Highline 200 TSI.....	1,5%
2	Hyundai IX35 2.0	2,2%
3	VW Golf GTI.....	2,8%
4	VW Virtus Highline	3,3%
5	Chery QQ.....	3,3%

Cars with the highest depreciation in 2018

1	Ford Ranger XLS 2.2 double cabin	25,1%
2	Ford Focus SE 2.0	23,4%
3	Renault Fluence Privilege 2.0 CVT.....	22,2%
4	Renault Logan Dynamique 1.6 Easy'R.....	22,1%
5	Mercedes-Benz Classe A 200 1.6	21,8%

“If you need to close [the factory], close it.”

A comment by Folha de S. Paulo newspaper to Carlos Alexandre da Costa, special secretary of productivity, employment and competitiveness at Brazil's Ministry of Economy, during a meeting with Marcos Munhoz, vice president of GMB

“Subjects like subsidy, protection and more public expenses will not be discussed in my management.”

Carlos Alexandre da Costa himself in a speech at Itamaraty (Brazil's Ministry of Foreign Affairs) on January 8

“I have no doubt that the complaints against me are the result of a plot and betrayal from Nissan executives.”

Carlos Ghosn in an interview to Nikkei, a Japanese newspaper on January 30

“All I can say is that I found the detention too long and too tough, and I told Abe that.”

Emmanuel Macron, the French president, mentioning a telephone conversation he held with the Japanese Prime Minister, Shinzo Abe, about Ghosn's arrest

2%

was the decrease in the ABCR (Brazilian Association of Highway Concessionaires) index regarding activity in 2018: it measures the toll flow of vehicles on the highways under concession.

124%

was the variation of gasoline price registered in December in Brazil, according to a survey by ValeCard: the gas stations throughout Brazil charged from R\$ 3,19 to R\$ 7,15 a liter.

1 408

was the number of judicial recovery requests registered in Brazil in 2018, a slight decrease of 0.8% compared to 2017 according to Serasa Experian. 871 came from micro and small companies, 327 from medium and 210 from big enterprises.

38,5

thousand jobs were closed in 2018 by the industry in Sao Paulo, according to a study by the Federation and Industry Center of Sao Paulo State. The category Motor Vehicles, Trailers and Bodies, however, closed the year with a positive balance of 4 thousand 513.