Automotive Outlook Conference

Glenn Stevens, Jr.
January 21, 2020
Southfield, Michigan
$225 Billion
$3.5 Trillion
$7 Trillion
Auto Industry Contribution to the Michigan Economy

$225 Billion

$48 Billion
in earnings and compensation

712,000+ jobs, directly and indirectly, to the economy

$7.4 Billion
in tax payments

83%
of the economic contribution attributed to the automotive manufacturing sector
Global Auto Industry

$3.5 Trillion

Personal Mobility in a Shared Use Economy

$7 Trillion

McKinsey 2030
1. Societal Impact
2. Economic Opportunity
We Put the World on Wheels
21 OEMs Operating in Michigan
96 of the top 100 automotive suppliers to North America
An International Community
Michigan: Research and Development

72% U.S. R&D
automotive in Michigan

U.S. Patent Office - Detroit
Michigan: Defense – Cyber - Aerospace
Promote, retain, and grow Michigan’s automotive and mobility industry
Supported by 120+ Industry Stakeholders

ABC Technologies
Accenture
ADAC Automotive
Adient US LLC
Atech Technology USA Inc.
Aludyne
American Axle & Manufacturing Inc.
ArcelorMittal USA
Ashai Kasel America
Auria Solutions USA Inc.
Automotive Hall of Fame
Axalta Coating Systems LLC
Bianchi Public Relations Inc.
Bodman PLC
Boßlhoft Inc.
BorgWarner Inc.
Brose North America Inc.
Center for Automotive Research
Chemical Bank
Clark Hill PLC
Continental Structural Plastics
Dell Technologies
DENSO International America Inc.
Deshler Group
Detroit Auto Dealers Association
Detroit Manufacturing Systems
Detroit Regional Partnership
DISHER
DMI
Dykema Gossett PLLC
Eckhart
eLab Ventures
ESG Automotive Inc.
Fakhoury Law Group, P.C.
Faurecia North America Inc.
FCA LLC
Fleischman-Hillard
Foley & Larnder LLP
Ford Motor Company
GAA Manufacturing and Supply
Chain Management
Ghafari Associates LLC
Grupo Antolin
GS3
Harlow Public Relations LLC
HELLA
Highgate LLC
Huntington Bank
IAV Automotive Engineering Inc.
IHS Markit Automotive
Inteva Products LLC
IRISO USA Inc.
Kettering University
KPMG LLP
Lacks Enterprises Inc.
Lawrence Technological University
Lear Corp.
LIFT – Lightweight Innovations for Tomorrow
Lucerne International
Macomb County
Mahindra Automotive North America
MAHLE Industries Inc.
Michigan Economic Development Corp.
Michigan State University
Miller Canfield PLC
Nexteer Automotive
Northwood University
Novation Analytics
Oakland Community College
Oakland University
Omrion Automation Americas
OneMagnify
OpTech LLC
Original Equipment Suppliers Association
P3 North America Inc.
Penske Corporation
Phoenix Contact E-Mobility
Piston Group
Plastic Omnium – Clean Energy Systems
Platinum Equity
PwC
Roechling Automotive USA LLP
Rush Group LLC
SEG Automotive
Selander Law Office PLLC
Shapero Corp.
Shiho Industries Inc.
SME
SRG Global Inc.
Stäubli Corp.
Stoneridge Inc.
Stratcom LLC
Stratasys
Switch
Tenneco Powertrain
The Goodyear Tire & Rubber Co.
The Mann & Smith Group Inc.
Thomson Reuter Tax & Accounting
TI Automotive
Toyota Motor North America
Truscott Rossman
UHY LLP
University of Michigan
Vitro Automotive Glass
Walsh College
Warner Norcross + Judd
Washtenaw Community College
Waymo
Wayne County Airport Authority
Wayne State University
Western Michigan University
WJR AM 760
Yazaki North America Inc.

michauto.org
Our Industry & Transportation

The world is changing
First Industrial Revolution: fixed public transportation for emerging cities.

20th Century: Mass produced motor vehicles and the rise of suburbanization.

The Digital Age: Information is everywhere. Drivers have a choice. Transportation is about convenience.
The world’s most valuable resource is now DATA
A Time of Significant Change

Mobility

Inflection Point

Business grows

Business declines

-- Only The Paranoid Survive by Andy Grove
"The person who is the star of previous era is often the last one to adapt to change, the last one to yield to logic of a strategic inflection point and tends to fall harder than most."

Andrew S. Grove
Impact on Mobility

- Reducing Congestion
- Conserving Energy
- Preventing Accidents
- Mobility as a Service
There are more people living inside this circle than outside of it.
An Urban Centered World

U.S. 85% Urban
China 55% Urban

2020
Total Population 7.7 B

U.S. 90% Urban
China 73% Urban

2050
Total Population 9.5 B
GM’s World View

GM is committed to a future of:

**Zero Crashes**

**Zero Emissions**

**Zero Congestion**

Technology will help unlock this future.
Every 53 seconds

Monetize Mobility
Transformation

Loom Company ➔ Global Automaker ➔ Mobility Company
Investment in Tech-Auto-Mobility
One Month in 2016
Ford And Volkswagen Partner On Self-Driving And Electric Vehicles
$1.2 Billion

$500 Million

$700 Million
VW’s self-driving car group will have offices in Silicon Valley and China

The German automaker is playing catchup but is taking big steps toward an autonomous future.

- A P T I V -

Hyundai and Aptiv to set up $4 billion autonomous driving joint venture

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Hitachi, Honda suppliers to merge parts business to cut EV, self-driving costs

+ SHOWA + NISIN + HITACHI = $17B
BorgWarner manufactures racing powertrains, electric motors, lithium battery packs, propulsion inverters, and controls for electric and hybrid vehicles. This allows us to offer design, development, and production of full electric and hybrid propulsion systems for niche and low-volume manufacturing applications.
“The Future of the Car is in Silicon Valley”
“Metal Benders”
Michigan Mobility Initiative 2015

Projects  Positioning

People  Policy
Michigan as a Mobility Center
“Metal Benders”
And
The Brains
Waymo will build self-driving cars in Michigan

It received approval for the first all-autonomous factory in the world.
May Mobility raises $50 million in Series B round led by Toyota

Magna partners with May Mobility to develop self-driving shuttles
Silicon Valley Decides It’s Just Too Hard to Build a Car

Detroit schools Silicon Valley on the future of transportation

The New York Times

Michigan’s New Motor City: Ann Arbor as a Driverless-Car Hub
Startup Ecosystem
AutoMobility Startups

Planet M
START GARDEN

LANDING ZONE

powered by Detroit Regional Chamber

Seamless

MAComb-OU
INCubator

tech248
powered by Oakland County, Michigan

SPARK CENTRAL

MOBILITY
For Michigan

1. Continue to lead, evolve and compete with our advanced industries
2. Lead in the development and manufacturing of next-gen mobility
Thank you

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Detroit Regional Chamber

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