



The Future of Cars: How Asian EV Makers View Market & Strategy

The Situation:

The Los Angeles World Affairs Council staged The Future of Asia Conference in on September 21st with keynote speakers and panel discussions addressing opportunities and sought to answer questions about this rapidly-transforming continent of 4.4 billion people – and how it will relate to California and the US.

The Significance of the Panel Presentation at this Conference:

Here is a summary of the insights, observations, and assessments of “The Future of Cars” by 3 distinguished expert panelists. The future of vehicle technology, manufacturing, and utilization by Asian auto makers was of particular focus among the many topics covered at this incredible conference on September 25 in Santa Monica, CA.

The Future of Cars Panel Presentation:

[As captured by AIN Media Contributing Editor, Ming Reng Wu]

- **Stats about Electric Vehicles (EV)**
 - Globally EV only accounts for 3% of overall vehicles sold
 - The number is projected to hit 10% by 2020.
 - The mainly issues revolving around lack of EV sales are due to:
 - Pricing (cost of manufacturing batteries are still high)
 - Range (EV range are still limited and restricts driving distance)

- **BYD Backstory Information:**
 - Company focuses around EV and hybrid vehicles
 - Largest EV manufacturer. The current US factory (Lancaster, CA) focuses on manufacturing electric business for U.S. companies
 - Overall, BYD sold 45,000 EV in the first half of 2016
 - Prices ranges between \$25K to \$45K before Government incentives

The Future of Cars Panel Presentation: [continued]

- **Faraday Future – Backstory & Market Position**
 - Company doesn't see itself as an automotive manufacturer. Rather it sees the company as one that focuses around "People Experience". The idea of the connected vehicle as a compliment to the user's everyday activity.
 - The company is set to launch it's first vehicle in U.S. by the end of 2017. The current plant is located in Las Vegas, Nevada with 1,000 employees
- **Why is it so important to have both BYD and Faraday Future manufacture in the U.S.?**
 - "Manufacturing in the U.S. gives advantage to the brands both in cost and overall brand positioning" – John Humphrey
 - Globalization = Localization
- **How and what do you expect the idea of car ownership to change in the coming future?**
 - Different attitude and behavior depending on the geographical location
 - Given the demographics and habits of consumers. There will be an increase in demand as people move from rural to urban areas.
 - The overall concept of car will also change from a simple convenience to more of an experience in one's daily life.
- **Where do you see the acceptance of Autonomous Vehicles?**
 - Autonomous driving is the direction of the future. Many automobile manufacturers are in the race
 - We are still in the early stages of autonomous vehicles, but it will come
- **With the introduction of Autonomous Vehicles, how will existing automotive brands reposition their vehicles?**
 - In the future there will most likely be "tech kits" that will be sold separately to help differentiate the vehicles.
 - With autonomous vehicles freeing up the driver's time and attention, there will most likely be a push towards the functionality and interiors of future autonomous vehicles.

Who were the Future of Cars Panelists?

- [Michael Dunne \(Moderator\)](#)
- [John Humphrey](#), SVP & GM, J D Power
- [Lewis Liu](#), Head of Strategic Partnerships & Bus. Dev. Faraday Futures
- Patrick Duan, VP Operations BYD Motors, Inc.

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