Electronics and Telematics in the Automotive Industry

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Automotive Reality

- **Over capacities and uneven** demands
- Diminishing profit margins
 - Increased complexity & plateau advancements
- Shifting power base and markets
- Industry restructuring & consolidation
- Increased pressure on lean & clean
 - Electrification

Fundamental changes in business model, products and careers are inevitable

Auto Industry Focus

- Environment / Energy
- Safety / Security
- Functionality / Utility
- Comfort / Convenience
- Congestion
- Affordability
- Standardize to Personalize



<u>Strength:強勢</u>
Experience with JV partners
與創投合作的經驗
World class Electronics industry
國際級電子產業
Flexibility and speed
強性與速度
Light duty motorcycles
小型機車
Government R&D institutes
政府研發單位
Weakness: 弱點
•Vehicle design & eng. Experience
汽車設計工程經驗
Fragmented volumes
產量小
 Saturated market
市場飽合
 Capital and talent drain
資金與人才外流
 Weak global presence
國際知名度低
Family business mindset
家庭式企業心態

<u>Opportunity:未來機會</u>

China Leverage中國槓桿作用
 Innovation – niche products
 創新與利基產品
 IT and Auto fusion
 IT與汽車的融合
 Alliance of small companies
 小型企業聯盟
 Government industrial policy
 政府產業政策

<u>Threat: 未來威脅</u>

 Low cost competitors in SE Asia and Eastern Europe 東南亞及東歐低成本的競爭
 Mega Supplier encroachment
 巨型供應商的圍阻
 Left out of global alliances
 被排除於國際聯盟之外
 Obsolete capacity and capability
 過時產能

Purpose-Driven Technology Development



Leadership Vision



True Value Creation - Solving Apparent Paradoxes

- Passionate styling vs. Manufacturability
- Fuel efficiency vs. Performance
- Safety vs. Light mass
- Vehicle stability vs. Driver control
- Functionality vs. Complexity
- Infotainment vs. Distraction
- Visibility vs. Roof crashworthiness
- Size vs. Maneuverability
- **Fun vs. Ease of Driving**

Technology \rightarrow **Features** \rightarrow **Performance**



Defining Vehicle Characters

More functions controlled by software



Creating and Moving up the value chain

Elevate consumers' life style
 Enable new features and usage
 Provide products and services
 Design & engineer turnkey systems
 Provide high value components
 Sell components and services at lower costs



Business Model & Value Creation

