

# AutoData

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## Vehicle sales grow for the fourth month in a row

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# Vehicle sales grow for the fourth month in a row

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**T**he Brazilian market of passenger and commercial vehicles registered sales of 183.9 thousand units, an increase of 1.4% when compared to the 181.4 thousand vehicles sold in July. This represented the fourth consecutive monthly increase, according to data divulged by Fenabrave on Thursday, 1.

Since April, when the market dropped when compared March, vehicle sales have been increasing monthly, although, when compared to the same month last year, the results have been negative. In the case of August, there was a drop of 11.3% when compared to the 199.8 thousand units sold during the same month last year, but the drop was lower than the ratios registered during the preceding months.

Between January and August, for example, the market totaled 1.35 million vehicles, representing a drop of 23.1%. Despite the drop, it closed below the 24.7% drop registered in the comparison between the first seven months of 2016 and 2015.

The passenger and light commercial vehicles segment is driving the monthly growth. Overall, 178.1 thousand units were sold, representing an increase of 1.9% when compared to July, however, 10.9% below the total registered in August 2015. Year to date, the amount of passenger and light commercial vehicles sold in the country totaled 1.3 million units, representing a drop of 22.8%.

Truck sales in August dropped 6.3% when compared to July, representing 4385 units when compared to 4682 units sold during the previous month. When compared to August 2015, there was a drop of 24.7%. During the first eight months of the year, 34.5 thousand trucks were sold, representing a drop of 30.6% when compared to the same period last year.

In the bus chassis segment, the monthly drop was significantly higher: 27.5%, on sales of 1413 bus chassis. In July of last year, 1590 units were sold, which represented a drop of 11.1% when compared to July of this year. During the first eight months of the year, sales of bus chassis in the country totaled 10.3 thousand units, representing a drop of 23.1%.

The motorcycle market, similar to the passenger and the light commercial vehicles segment, registered a growth in August when compared to July. Brazilians acquired 80.4 thousand motorcycles, representing an increase of 1.6%. However, the volume also represented a drop of 19.6% when compared to August of last year. Between January and August, 706.6 thousand motorcycles were sold in the country, representing a drop of 16.8%.

**Brands** - The ranking in the passenger and light commercial vehicles segment remained unchanged: General Motors closed in the first position of the ranking, with a 16.7% market share, followed by Fiat, 15.5%, and Volkswagen, 12.8%. WE

# MAN ships complete buses to Mozambique

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Shipment of 10 Volksbus 17.210 OD completely assembled buses adapted for right-handed steering to Mozambique, Africa, should occur early next month. This is the first half of a purchase order of 20 units received by MAN Latin America for the urban transportation system in Maputo, Matola, and adjacent regions, considered the Mozambique financial center.

The buses were produced at MAN Latin America's Resende plant within the state of Rio de Janeiro, and received bodies by Caio. Unlike other export orders received by the vehicle manufacturer, especially for South Africa and Mexico, where CKD kits are shipped, these models are shipped completely assembled and ready for operation.

Matheus Francesco, responsible for exports of MAN models to Africa and the Middle East, highlighted the vehicle manufacturer's production flexibility, which managed to adapt the model for driving in Africa - where drivers are located on the right-hand side of the cabin. "Our challenge is to offer vehicles that are appropriate to many applications, enabling the Volksbus chassis to

meet specific demands from customers in many countries."



Image/MAN

According to the company, the buses will be driven approximately 5000 km per month. This is not the first time that ETM, Empresa Municipal de Transportes Públicos de Matola acquires Volksbus: 5 of them are already in operation in the country. Shipment of the other 10 units should occur at the end of the year.

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# BMW X4 now locally produced

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**B**MW Group Brazil announced on Monday, 29, the beginning of production of its X4 sport-utility. The model will go into production starting Wednesday, 31, and will be the brand's sixth vehicle to go into production in the country, following the Series 3, Series 1, X1, X3, and Mini Countryman.

The announcement was made by the CEO and president of the company in Brazil, Helder Boavida, at the company's office in São Paulo. According to the executive, local production of the vehicle is a project that was included in the company's investment program valued at €256 million up to December 2017. "The decision is linked to preserving the product's profitability. As an imported model, margins were being threatened."

The company chose the xDrive28i X Line version for local production, which accounts for 80% of the sales mix of the X4 in Brazil. The car is equipped with a 2.0-liter 4-cylinder engine with 245 hp. The other 20% is composed of sales of the 6-cylinder engine version, which continues to be imported. According to Boavida, the SUV was not modified when compared to the imported model. The price **WE**

was also maintained. The dealer network should receive the first locally-produced units still in September, priced at R\$ 299,950.

The manufacturer expects to license 45 units/month until the end of the year with the locally produced X4, which would represent an increase of 50%. The executive stated that the offering of only the imported car represented a limitation on business. "Demand is bigger than our capacity to supply to the customer only with the imported (vehicles)."

According to him, the plant in Araquari should produce approximately 16,000 units this year, with the Series 3, its best seller, accounting for 34% of the production mix, that is, 4.5 thousand units/year. The unit has an annual production capacity of 32,000 vehicles and currently employs 700 workers. Only stamping is outside the production process at the location.

The executive added that the vehicles produced at the plant comply with the Inovar-Auto rules, but adds that the process of increasing local content of components is a daily routine. Wire harnesses, seats, the development of the flex engine, and parts of the body are already examples of local content. "It is important to highlight, however, that the mission is to produce and sell the same type of product not only here but throughout the entire world. This is what allowed us the opportunity to ship the X1 to the United States."

The president of BMW Group Brazil estimates that the automobile market in 2015 will be below 2 million units, with the premium segment accounting for 47,000 units. Last year, the luxury segment closed with sales of 58,000 units. According to him, BMW should register the same performance this year as the market itself. He calculates that the brand closed with a 26.4% market share up to July, behind Audi and Mercedes-Benz. Last year, it closed with a 26.6% market share. "If we close as the leader, great, but our priority is to have satisfied customers and profitable results."

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# Zarlenga substitutes Chamorro at GM

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General Motors do Brasil will have a new president starting September 1: Argentinean-born Carlos Zarlenga will occupy the chair of Colombian-born Santiago Chamorro, who has been promoted to new functions at the company's headquarters in Detroit, United States.

Currently GM South America's CFO, Zarlenga occupied a number of different positions at the vehicle manufacturer, in different operations throughout the world: he was vice president and CFO at GM South Korea, administrative director at GM in Uzbekistan, and president of GM Argentina, Uruguay, and Paraguay. Prior to working at the vehicle manufacturer, he worked at General Electric, where he became CFO for the consumer and industrial division for Europe, Middle East, and Africa.

At the age of 42, the executive will be responsible for the Brazilian operation with the objective of consolidating and expanding

Chevrolet's leadership in the Brazilian market - and he will also accumulate the CFO function for South America until the announcement of a successor.

"The arrival of Carlos Zarlenga guarantees the continuity of our business plan with the objective of moving ahead to the second half of the company's biggest investment plan in the history of its presence in Brazil, R\$ 13 billion up to 2018," stated Barry Engle, president of GM South America, in a press release. "Recently, Chevrolet became the sales leader, with a better and more innovative product line and focus on the consumer. We will certainly continue to surprise our customers with Zarlenga."

Chamorro will respond directly to GM's CEO, Mary Barra. The 46-year-old executive will be VP of Global Connected Customer Experience in Detroit - an area linked to urban connectivity and mobility, two key themes for the industry in the future.

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# Fiat awards its dealers

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**R**epresentatives from approximately 600 Fiat dealers gathered in São Paulo last week for the Dealer Day, a meeting where, in addition to discussing and drafting strategies for the future of the company's distribution, the company delivered the Qualitas Excellence Award 2016, which recognizes the dealers with the best performance in each of the company's regional presence.

"Connectivity is changing the habits of the consumer rapidly. The consumer now has more information to choose the moment and the product in which he plans to invest his money," stated Stefan Ketter, president of FCA for Latin America, in a press release. "This transformation, along with a period of low sales due to the economic crisis, forces the sales process to adjust to the new times. We need to work together to do big business in this world of changes."

The country's economic difficulties and the challenges of the Brazilian automotive market were also discussed at the meeting. According to the commercial director of FCA Brazil, Sérgio Ferreira, the strengthening of the relationship with the dealer network is Fiat's main strategy to overcome this: "We will base our initiatives on three factors we consider critical in moments such as this one: communication, alignment, and trust."

Awarded - The Qualitas Excellence Award was delivered based on sales results, customer relationship - from pre to after-sales-, and physical infrastructure, among others. The Dealers are monitored throughout the year through operational reports and customer satisfaction studies, which serve as a base for continuous improvement throughout the entire dealer network.

### Here are the winners, according to regions:

#### **Belo Horizonte**

Alpinia, from Paraiso  
Revemax, from Itauna

#### **São Paulo**

Ponto, from Pires do Rio  
Disvep, from Registro

#### **Campinas**

Alpinia, from São José do Rio Preto  
Viviani, from Rio Claro  
Via Marconi, from Avaré

#### **Rio de Janeiro**

Squadra, from Rio de Janeiro  
G4 Automotive  
Valore, from Itaperuna

#### **Porto Alegre**

Sul Peças, from Caxias do Sul  
Marina, from Carazinho  
Sul Peças, from Gramado

#### **Recife**

Cambui, from Vitória da Conquista  
Cavepe, from Senhor do Bonfim

#### **Brasília**

Umuarama, from Araguaína and Redenção

#### **Curitiba**

Marajó, from Londrina  
Fipal, from Toledo  
Via Verdi, from Campo Mourão