

# Perspectives on New Mobility and Collaboration from the Heart of America's Automotive Industry



March 13, 2018

# Two Reasons Why Driverless Vehicles Will Be Common By 2025:



**Desire** **Fear**

# 1<sup>st</sup> Reason: Desire To Change The World

**650,000 Americans have died on roads since 2000.**

**Over 40,000 Americans died on roads in 2017.**

**The 2-year increase in traffic deaths between 2015 and 2017 is 14%. This is the largest increase in 50 years.**

**Crashes cause 20% of all U.S. road congestion, and cost each commuter over \$950 USD annually.**

# 2<sup>nd</sup> Reason: Fear Of Getting iPod'd

In 1920, new horse sales peaked in the U.S.  
By 2025, new car sales in the U.S. are expected to peak.

Michigan has 12 assembly plants producing 24 vehicle models.  
This represents 20% of U.S. car production. The most of any state.

The global driverless vehicle economy could be worth \$800 billion  
by 2035, and \$7 trillion by 2050.

Americans can take back 30 billion hours per year that are currently  
spent driving, parking or sitting in traffic.

A blurred night cityscape with lights reflecting on water. The background shows a city at night with various buildings and lights, including a prominent bridge structure in the foreground. The lights are warm and yellow, contrasting with the dark blue and purple tones of the night sky and water.

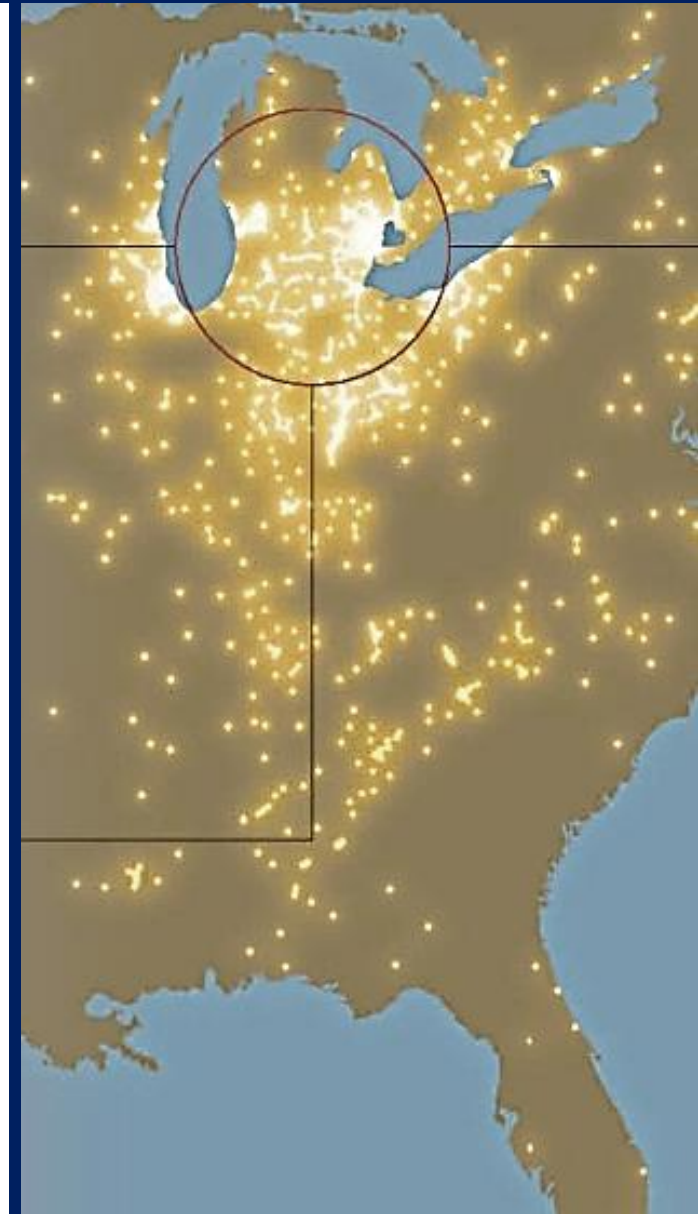
What is Michigan doing?



**More on  
Michigan**

# Overview: The State of Michigan

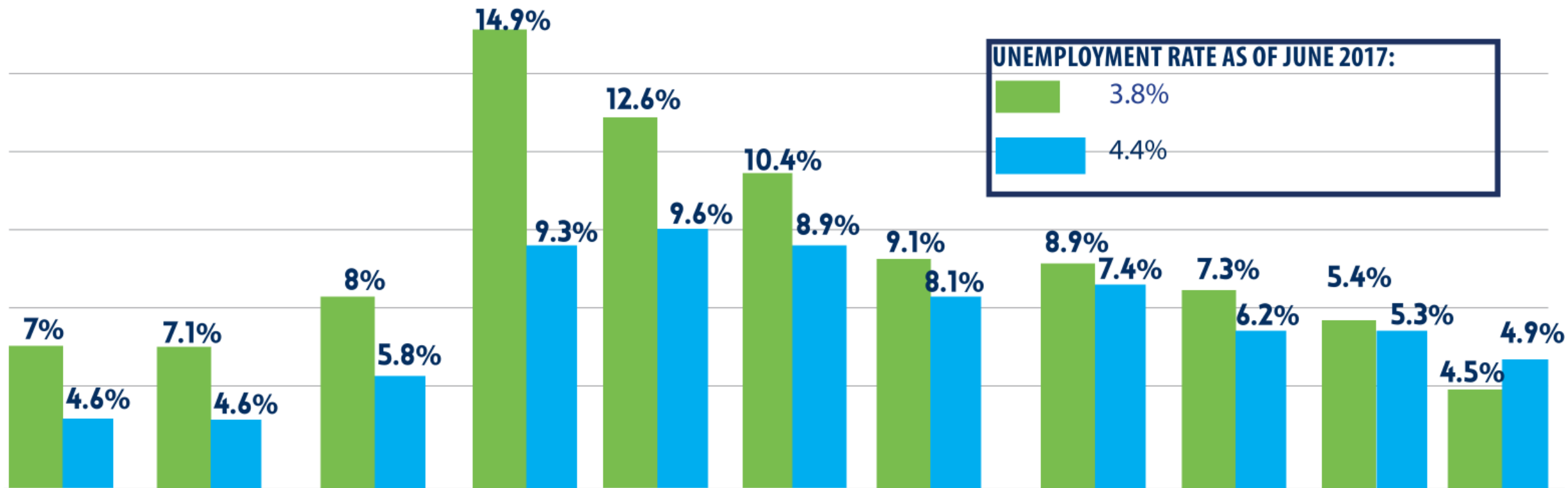
- **Size:** 10<sup>th</sup> most populous state in U.S. (9.96M people)
- **Largest City:** Detroit is the 11<sup>th</sup> largest U.S. metropolis (4.3M people)
- **Geography:** Surrounded by the largest group of freshwater lakes on Earth (The Great Lakes). Four seasons. Located in the Eastern Time Zone.
- **Economy:** 13<sup>th</sup> largest in the U.S. (\$417.3B), and on a 10-year high. Leading the U.S. in manufacturing jobs created since 2012.
- **Major Industries:** Auto, Agriculture, IT, Aerospace, Defense and Furniture.
- **Global:** Detroit/Windsor is busiest international crossing on Earth.
- **Innovation:** Birthplace of fiber optics, auto assembly lines, cereal, road markings, paved roads, airport hotels, urban freeways, penicillin, traffic signals, hospital beds, techno music and radio news.



# Michigan's Comeback Story

2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016

## MICHIGAN VS. NATIONAL UNEMPLOYMENT RATE





# Michigan's Comeback Story

2007

2008

2009

2010

2011

2012

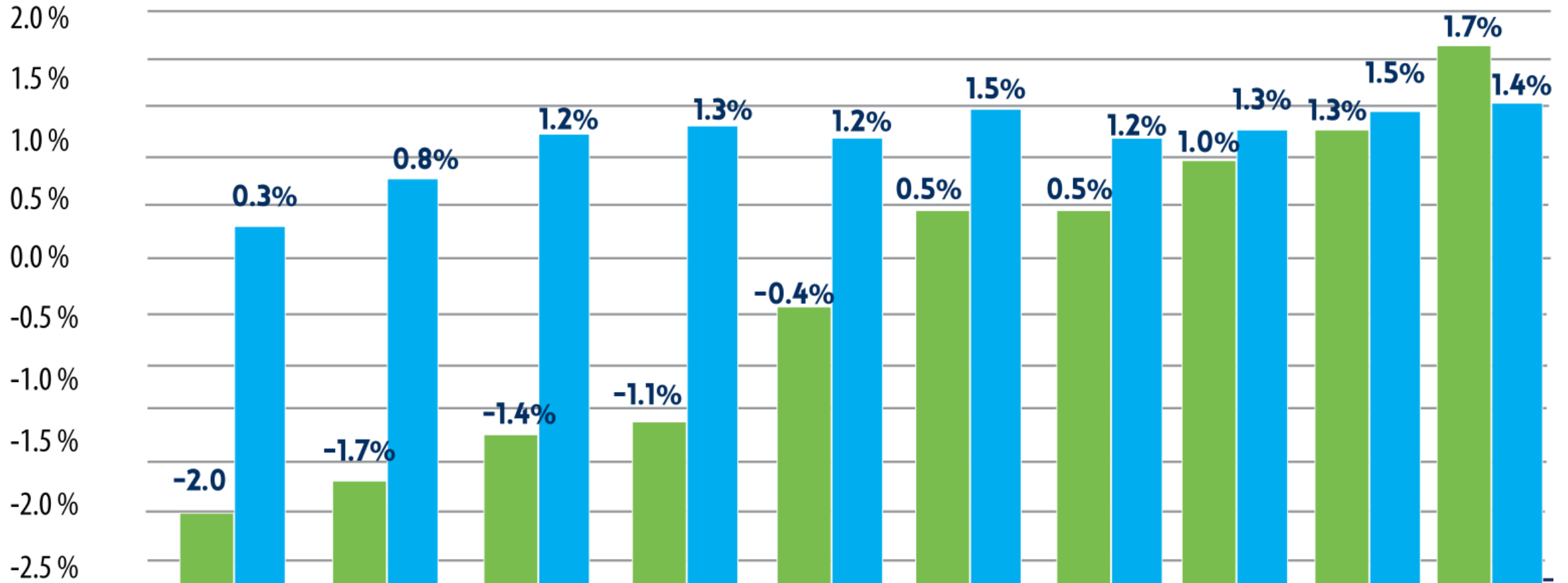
2013

2014

2015

2016

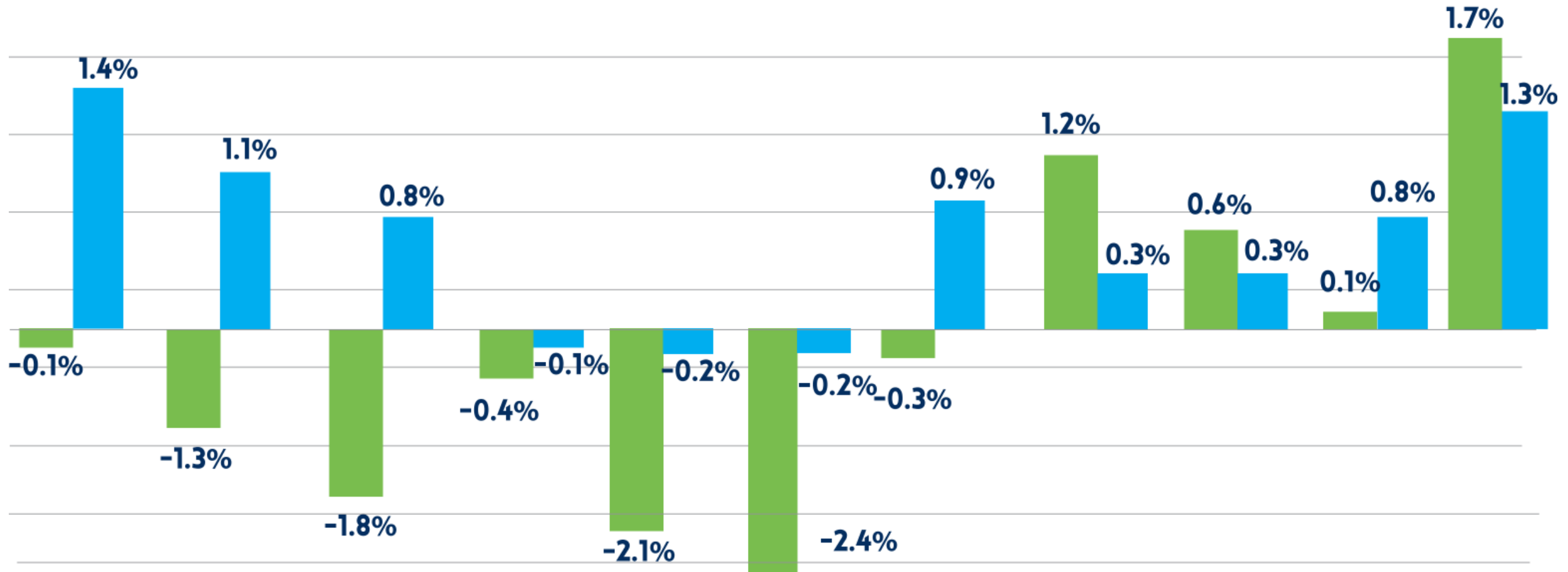
## POPULATION (25 TO 34) PERCENT CHANGE MICHIGAN VS NATIONAL



# Michigan's Comeback Story

2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016

## MICHIGAN VS. NATIONAL WORKFORCE GROWTH RATE



# Michigan's Comeback Story



# Michigan's Comeback Story

The New York Times | <https://nyti.ms/2hLALEF>

TRAVEL

## Detroit: The Most Exciting City in America?

By REIF LARSEN NOV. 20, 2017

Forbes / Business / #ChangeTheWorld

JUN 2, 2017 @ 01:00 PM 11,648

## America's Comeback City: The Rebirth Of Detroit

the japan times

TRAVEL

## Bankrupt Detroit on the way to recovery

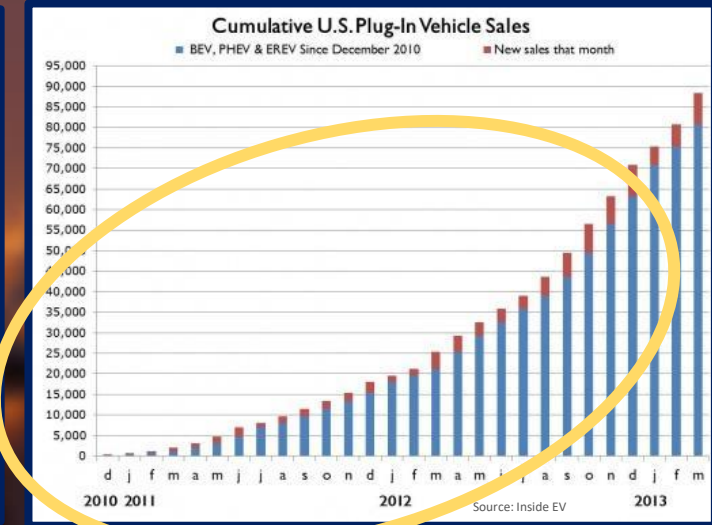
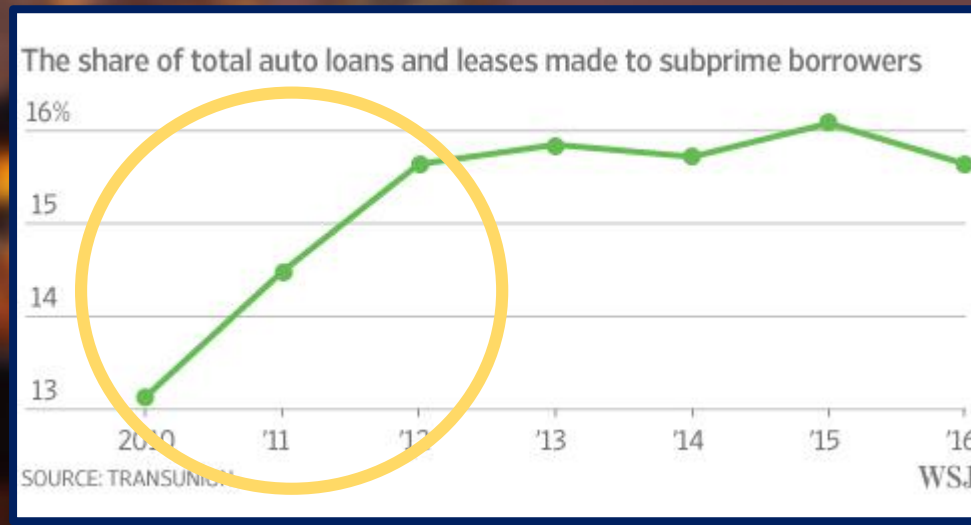
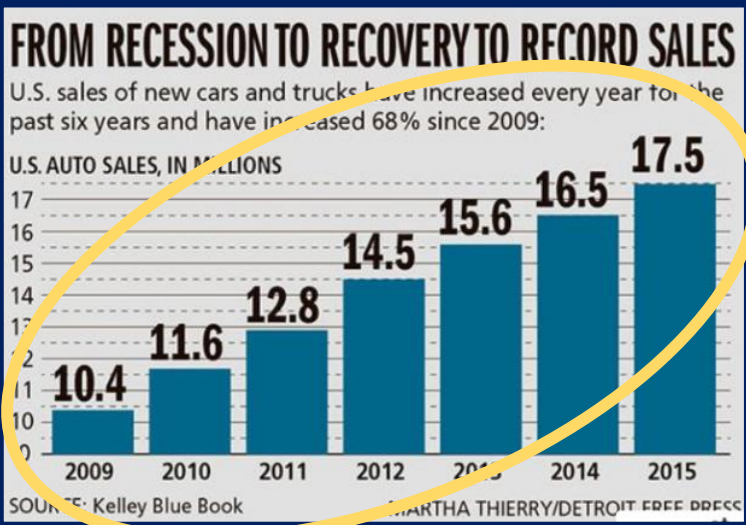
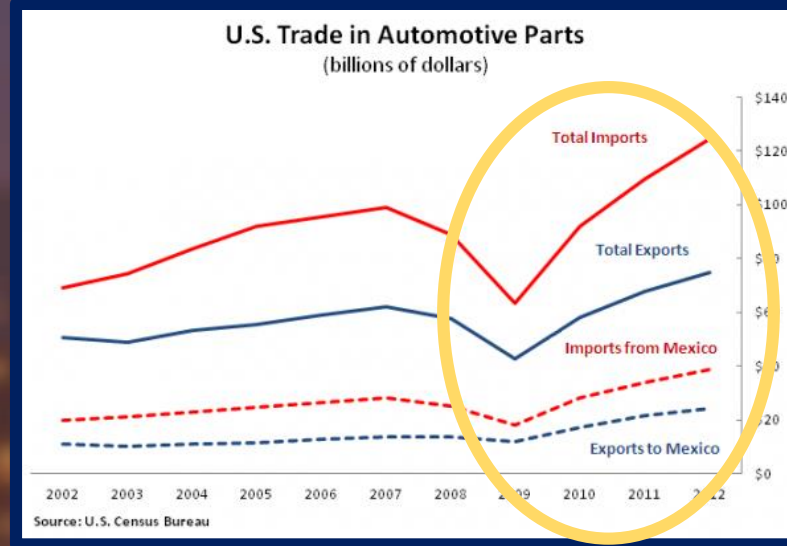
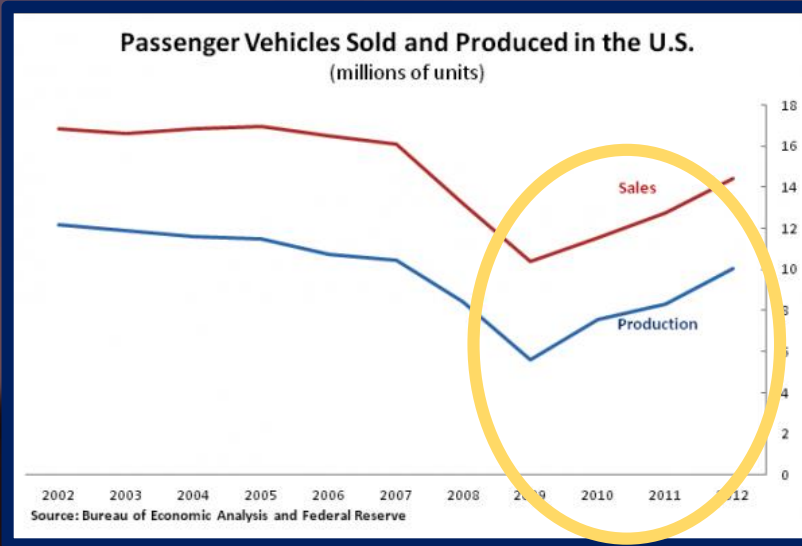
BY BETH J. HARPAZ

LONELY PLANET BEST IN TRAVEL 2018

DETROIT

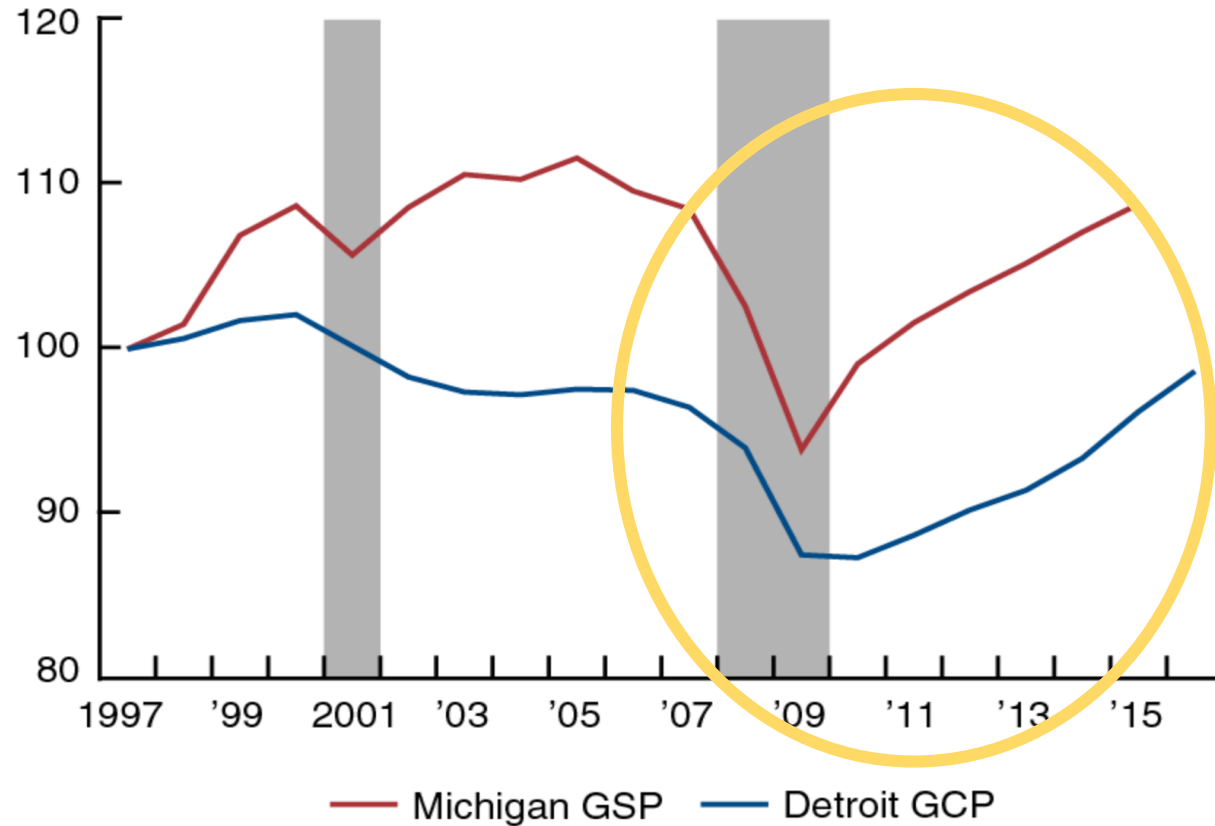


# The future is clear and unclear.



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2. Indexes of Michigan real gross state product (GSP) and Detroit real gross city product (GCP) index, 1997 = 100



Notes: Shading indicates official periods of recession as identified by the National Bureau of Economic Research. See the text for further details on the construction of the Detroit GCP index.

Sources: Authors' calculations based on data from Haver Analytics; U.S. Census Bureau; Realcomp II Ltd.; CoStar; DTE Energy Co.; and City of Detroit.

# The future is clear and unclear.

Urbanization

Sharing Economy

On-Demand Preference

+ Mobile Technology Trends

**Automotive Industry Disruption**

# The future is clear and unclear.

**FORTUNE**

## Who Will Build the Next Great Car Company?

Silicon Valley and Detroit are in a race to create our driverless future. And for the first time ever, the car may take a backseat.

ALEX DAVIES TRANSPORTATION 04.03.17 11:30 AM

## DETROIT IS STOMPING SILICON VALLEY IN THE SELF-DRIVING CAR RACE

**WIRED**

## SILICON VALLEY IS BECOMING THE NEW DETROIT

Getty Images  
CNBC

## Automotive News

GABE NELSON  
Silicon Valley and Detroit: The best of frenemies



*The Atlantic*

## Silicon Valley's Big Three vs. Detroit's Golden-Age Big Three

Today's tech giants dominate the U.S. economy like automotive companies did before them, but what that dominance means has changed.



What is mobility to us?

**Definition: Technologies and services that enable people and goods to move around more freely.**

# What is mobility to us?



**Autonomous Technologies**



**Software Driver Data Analytics**



**Supply Chain Intelligence**



**Transportation Cybersecurity**



**Peer-To-Peer Ridesharing**



**Air (VTOL) and Rail (Vactrain)**



**Smart City Data**



**Electrification**



**Drone and Satellite Data**

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So, what is Michigan doing?  
Three things.

# 1<sup>st</sup> Thing: Testing & Deployment Leadership

**M** | city

UNIVERSITY OF MICHIGAN

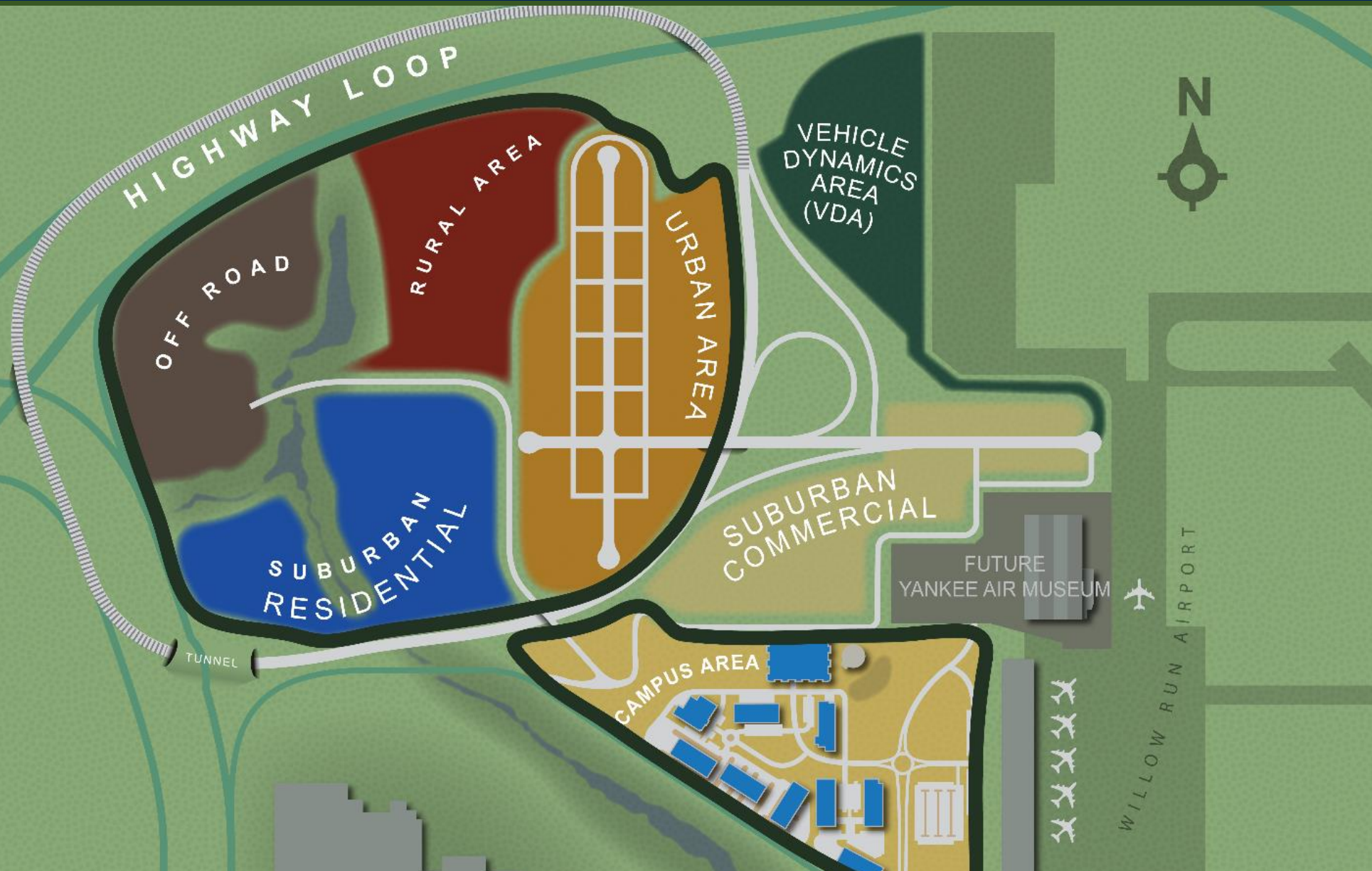


# 1<sup>st</sup> Thing: Testing & Deployment Leadership



American Center for Mobility  
CONNECTED. AUTOMATED. VALIDATED.

## Area Map

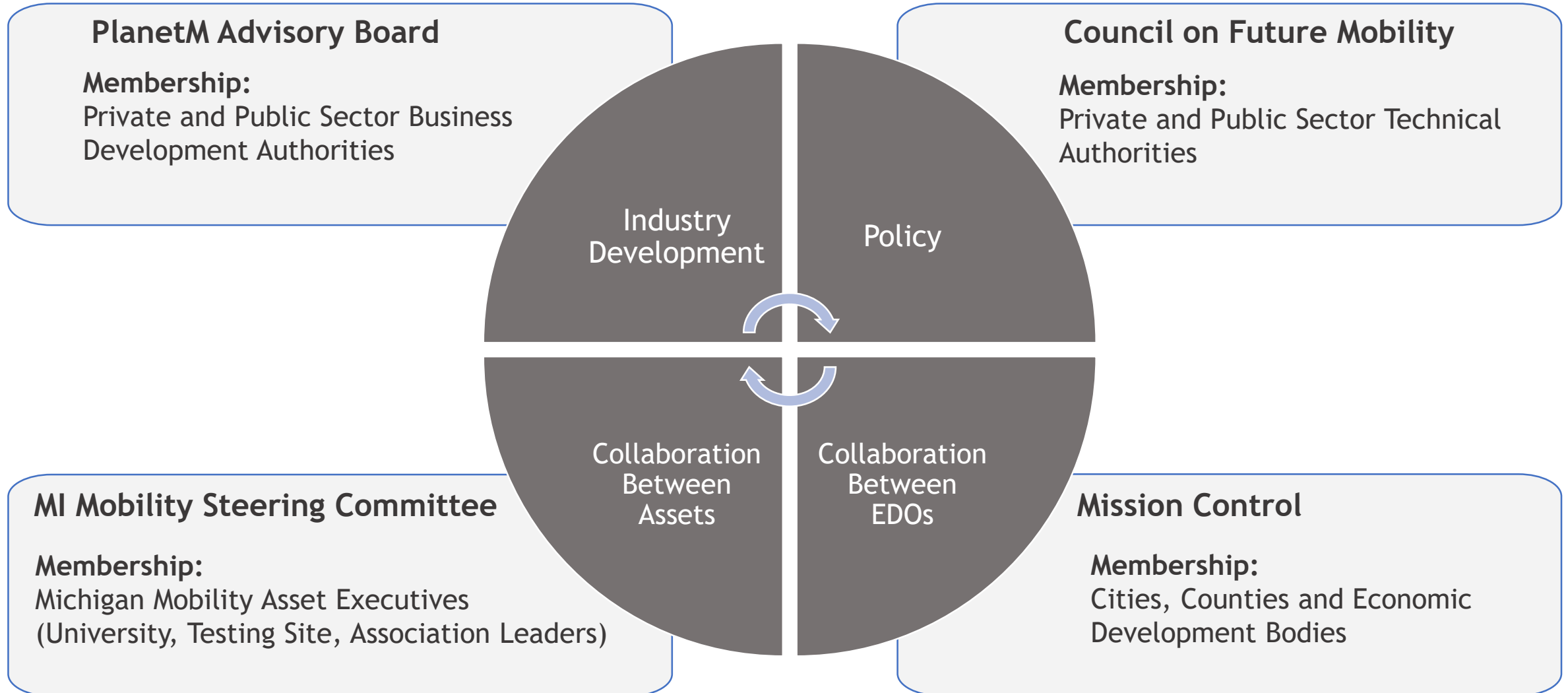


# 1<sup>st</sup> Thing: Testing & Deployment Leadership





# 2<sup>nd</sup> Thing: Progressive Governance



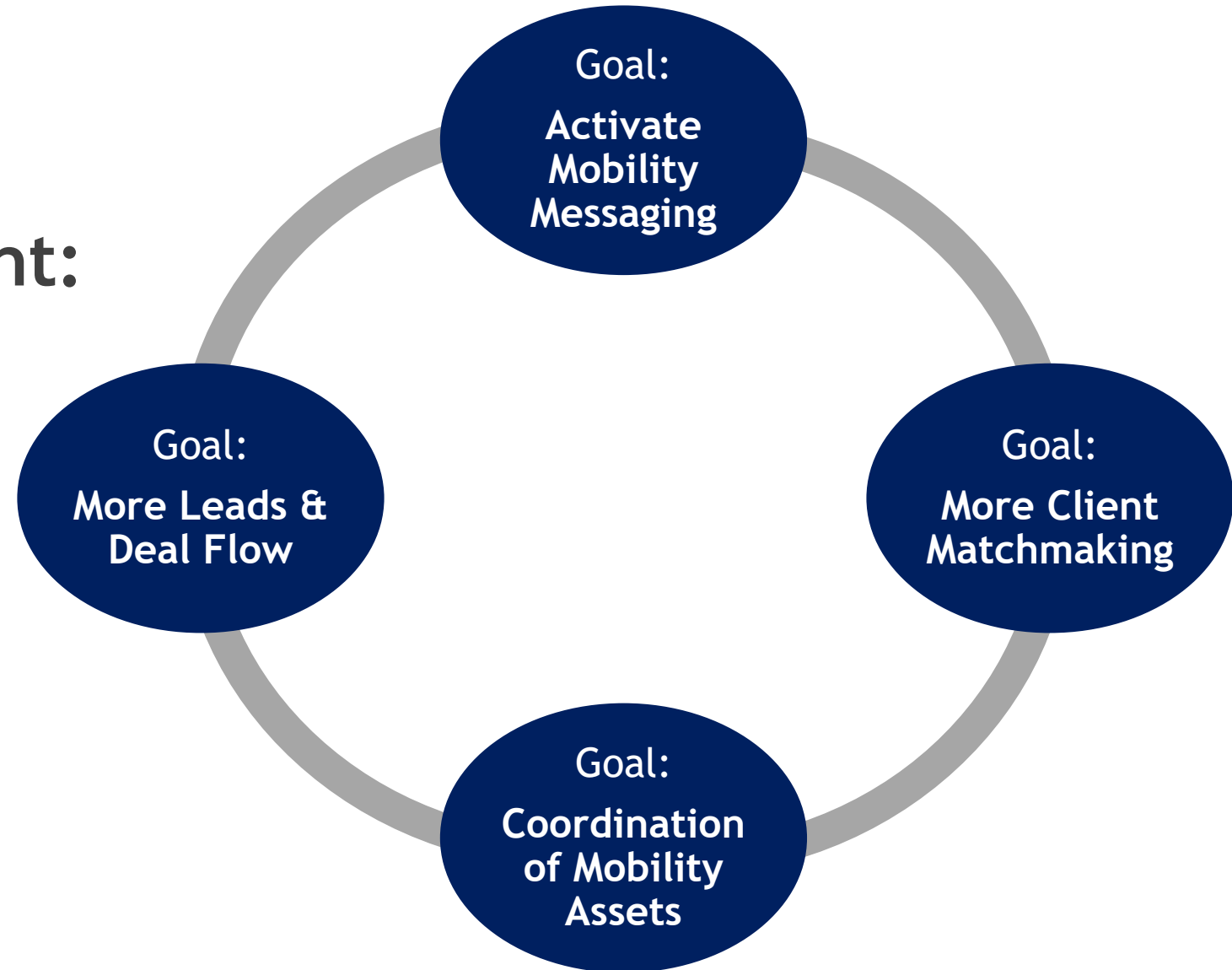


# 3<sup>rd</sup> Thing: Business Development Service



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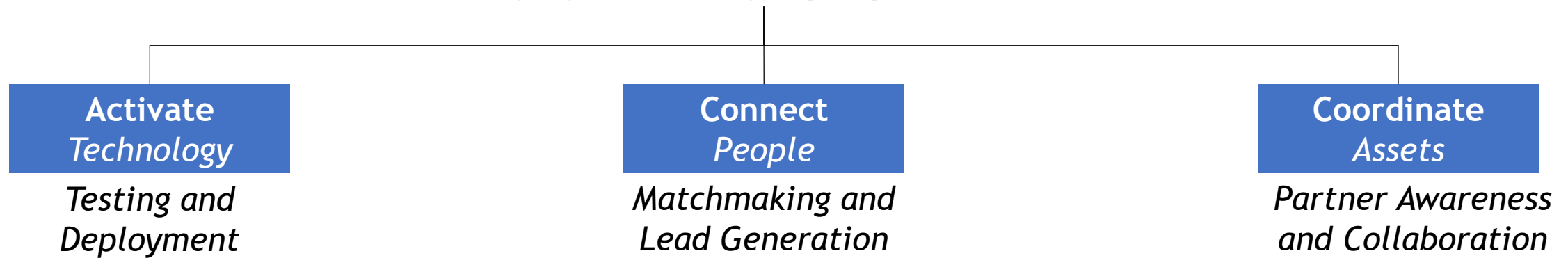
**PlanetM Vision Statement:**  
Provide the world's best customer service to companies focused on mobility.



# 3<sup>rd</sup> Thing: Business Development Service

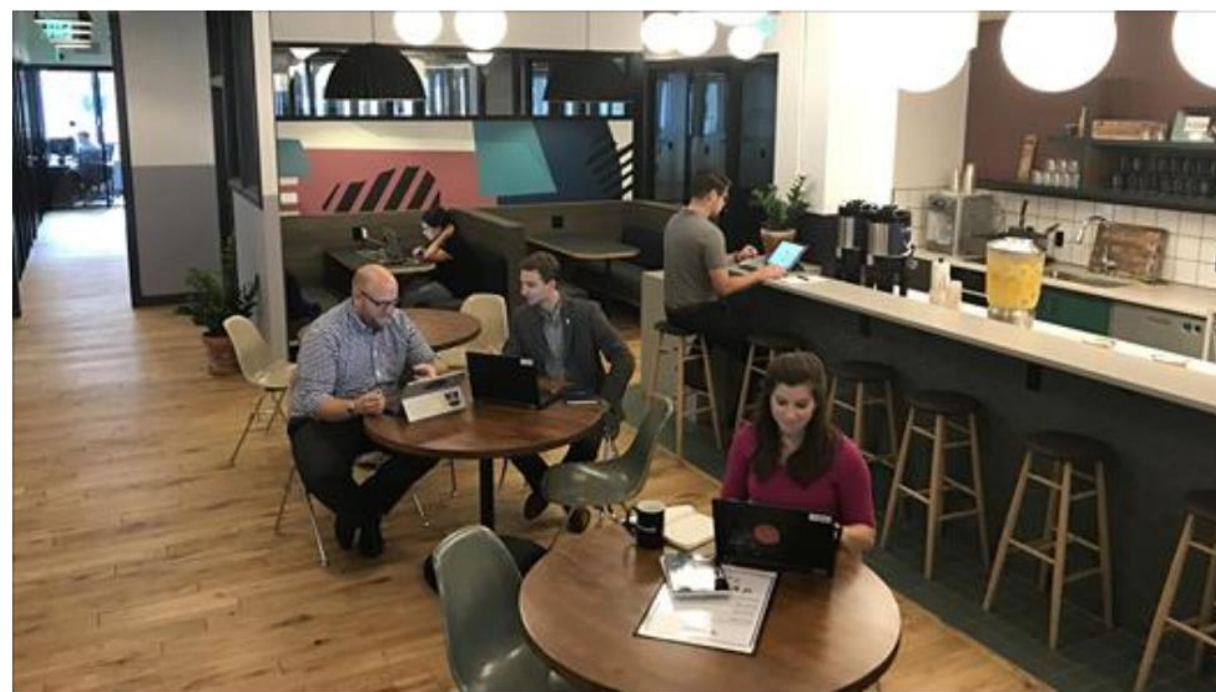
## PlanetM Value Propositions

*Strengthening Michigan's position as the global mobility leader by leveraging **technology, people and assets***



## Deliverables

- Mobility Pilots Initiated
- Increased Testing Site Usage
- Customer/Startup Introductions
- Investment Lead Pipeline
- Michigan Mobility Database
- Mobility Business Model Creation
- Mission/Delegation Support
- Brand Management and Growth



## Planet M launches mobility industry hub inside WeWork

The subsidized space's funders, the Michigan Economic Development Corp. and the Detroit Regional Chamber, aim to draw global startups from the electric, autonomous and shared vehicle sectors to Detroit with auto industry and venture capital...

[CRAINSDETROIT.COM](http://CRAINSDETROIT.COM)



## Detroit and ~~vs.~~ Silicon Valley: PlanetM Brings Silicon Valley VCs to Detroit

**Participants:** Baidu Ventures, BMW iVentures, Siemens Ventures, Flex Ventures, Sherpa VC, Maven VC, Auto Tech VC, DeNA Ventures, SAIC Ventures, Playground Global & Redpoint Ventures.

- *“It was way beyond my expectation and I very much appreciate the insights and network I was given during the three days. I look forward to continuing the conversations initiated in Detroit.” - Dai Watanabe, VP, Strategy, DeNA*
- *“As a first timer in Detroit and Michigan, I returned with a great inspiration on how to be more involved in the region moving forward.” - Oshri Kaplan, Director, Flex Ventures*



# In Closing: Hard Lessons Learned

- Your region's economic strength is not its birthright.
- A successful economic comeback and a talent gap are two sides of the same coin.
- Install mobility advisory structures to check and innovate upon existing mobility policies and programs. Include engineers, salesmen and futurists in these structures.
- Invest in testing sites, but that is only one stop along the value chain.
- Don't shy away from what you're good at, even if its cost-competitive manufacturing.
- New forms of mobility can be a blessing and a curse.



planetm

Michigan. Where big ideas in mobility are born.

