

PEUGEOT EYES 'CHAMPION' RANK WITH OPEL TAKEOVER

PARIS: PSA said yesterday its takeover of Opel would create a "European champion" in the auto industry, as the French carmaker pursued its acquisition plans armed with soaring fresh profit numbers. PSA, which owns the Peugeot and Citroen brands, said net profit for 2016 nearly doubled as the group pushes plans to buy General Motors' European brands Opel and Vauxhall.

Chief executive Carlos Tavares said the bid to acquire GM's European brands presented an "opportunity to create a European automobile champion". Net profit for the full year rose 79 percent to 2.15 billion euros (\$2.27 billion) with the auto giant

pledging to pay shareholder dividends for the first time since 2011 to the tune of 0.48 euros per share.

If the planned takeover is successful, it would see PSA regaining its position as the second-biggest car manufacturer in Europe after Germany's Volkswagen group. That position is currently held by rival French automaker Renault.

PSA would help Opel get back into the black and put the struggling German carmaker "back on its feet," Tavares told a news conference. The proposed move has sparked fears in Germany and Britain, which is home to its sister brand Vauxhall, that

non-French jobs could be axed if the deal goes ahead, although Tavares repeated assurances that Opel would remain "a German company".

And PSA would respect existing social agreements at the firm, including keeping jobs in the short term, which was a "moral" question and one of trust, he said, insisting the company would seek to build a partnership with "the employees, the unions and the government" in Germany.

PSA has been active in trying to win backing for the acquisition, with Tavares on Wednesday securing the backing of Germany's Chancellor Angela Merkel. He

also held a phone conversation with British Prime Minister Theresa May, pledging to "develop" the Vauxhall brand if the takeover plans succeed.

Founded in 1862, Opel, with its lightning-bolt emblem, has long been a familiar sight on German and European roads. But in recent years the firm has booked repeated losses, costing Detroit-based GM around \$15 billion (14 billion euros) since 2000. It operates some 10 factories in Europe spread across six countries and had 35,600 employees at the end of 2015 — 18,250 of them in Germany. In Britain, it sells vehicles under the Vauxhall brand. — AFP



DETROIT: In this photo provided by General Motors a self-driving car is seen. — AP

INFLUENCE GAME: GM BILL IS BOTH SELF-DRIVING AND SELF-INTERESTED

POTENTIALLY KEEPING ITS COMPETITORS OFF THE ROAD

WASHINGTON: With states seizing the initiative on shaping the future of self-driving cars, General Motors is trying to persuade legislators across the country to approve rules that would benefit the automaker while potentially keeping its competitors off the road.

The carmaker denies trying to freeze out other brands, but legislators in four states say GM lobbyists asked them to sponsor bills that the company's competitors contend would do just that. The bills set a blueprint for fully self-driving cars that are part of on-demand, ride-sharing fleets, but only those owned by an automaker. Competitors working on self-driving technology like Uber and Alphabet's Waymo fear the measures could shut out their companies because they don't manufacture cars. And some automakers that are developing autonomous cars say they could be shut out, too, because their vehicles still rely on having a driver. GM began by getting a bill passed last year on its home turf, in Michigan. In response to complaints from Waymo, a compromise bill was also passed to allow participation by technology companies. But Bryant Walker Smith,

a leading legal expert on self-driving cars, said the compromise was poorly worded, and it's unclear what it would do.

This year, bills similar to the Michigan law, but without the compromise language, have been introduced in at least five states: Georgia, Illinois, Maryland, Massachusetts and Tennessee. GM lobbyists have also urged lawmakers in other states to introduce versions of the bill. Prospects for passage of the bills are uncertain. But the state-by-state lobbying by the powerful automaker and its competitors shine light on the behind-the-scenes fight to determine how self-driving cars will operate on American roads and which companies will have the competitive edge.

Benefits of technology

With no federal regulations for self-driving cars in place, states are assuming responsibility for ensuring the benefits of the technology can be reaped without sacrificing safety. Federal regulators provided safety guidance to states and automakers last year, but stopped short of issuing binding rules. Key members of Congress say they also are exploring leg-

islation. Eight states have self-driving car laws, and bills have been introduced in 20 states this year, according to tracking by Volvo.

General Motors' dealerships throughout the United States, many of which have close ties to local politicians, give the giant carmaker a lobbying advantage. GM has also made campaign contributions to state lawmakers who introduced the legislation it favors.

GM supports restricting who can deploy self-driving cars because "public acceptance of the technology is going to be very critical," said Harry Lightsey, a top GM lobbyist. "If somebody is allowed to put technology on the roads and highways that proves to be unsafe, that could have very harmful repercussions." The Self-Driving Coalition for Safer Streets, which includes Ford, Lyft, Uber, Volvo and Waymo, opposes the bills, saying they "would favor one company, create an uneven playing field and deter life-saving innovations from reaching citizens in these states by precluding or severely limiting technology companies from testing or deploying fully autonomous vehicles." — AP

'LE COST KILLER' GHOSN QUILTS AS NISSAN CEO

TOKYO: Nissan chief executive Carlos Ghosn said yesterday he will quit the post to focus on overhauling scandal-hit Mitsubishi Motors, but will stay on as chairman at the Japanese automaker he was credited with saving. Ghosn, 62, who also heads up French automaker Renault, will hand over the reins to Nissan veteran Hiroto Saikawa in April.

Among a handful of foreign-born CEOs at Japanese firms, Ghosn earned the nickname Le Cost Killer for his aggressive restructuring at Renault and later the nearly-bankrupt Nissan in the late nineties. He appointed Saikawa as his co-CEO last year in order to focus on Mitsubishi's turnaround. Ghosn took charge at troubled Mitsubishi after Nissan threw it a lifeline in May, buying a one-third stake for about \$2.2 billion as it wrestled with a mileage-cheating scandal that hammered sales.

Two of the affected vehicle models were being made for Nissan, which was the first to uncover problems with the fuel economy data. Questions about Ghosn's succession have swirled around the company for years and they were reignited by string of defections by top Nissan executives in 2014. Ghosn will remain CEO of Renault-which holds a more than 40 percent stake in Nissan under a longstanding alliance-and chairman of all the three automakers, including Mitsubishi. "Having recently taken on new responsibilities at Mitsubishi Motors... I have decided that the time is right for Hiroto Saikawa to succeed me as Nissan's CEO," Ghosn said in a statement yesterday.

'Pass the baton'

He later suggested his plate was getting too full running a trio of major automakers. "There's a point in time where you have to be realistic about how much things you do and you can do well," Ghosn told Bloomberg News. "This is the trigger. There's a moment when you have to pass the baton to someone else. 'I've always said I would love to have a Japanese to be my successor and Saikawa-san is somebody I have been grooming for many years.'"

Renault came to the rescue of a struggling Nissan in 1999 and parachuted in the Brazil-born Ghosn, who set about slashing costs and jobs in a huge corporate overhaul. The companies' fortunes have since shifted with the Japanese firm now accounting for the bulk of profits at the Renault-Nissan alliance, a group that is effectively the fourth biggest automaker in the world behind Volkswagen, Toyota and General Motors.

Ghosn has a high profile in Japan and is known as a major advocate of the country's auto sector. Toyota's boss heaped praise on his rival yesterday, calling Ghosn "the man who rehabilitated Nissan". "We'd like to continue to take advantage of his abilities for the sake of the automotive industry going forward," Akio Toyoda told reporters, according to Jiji Press news agency. — AFP