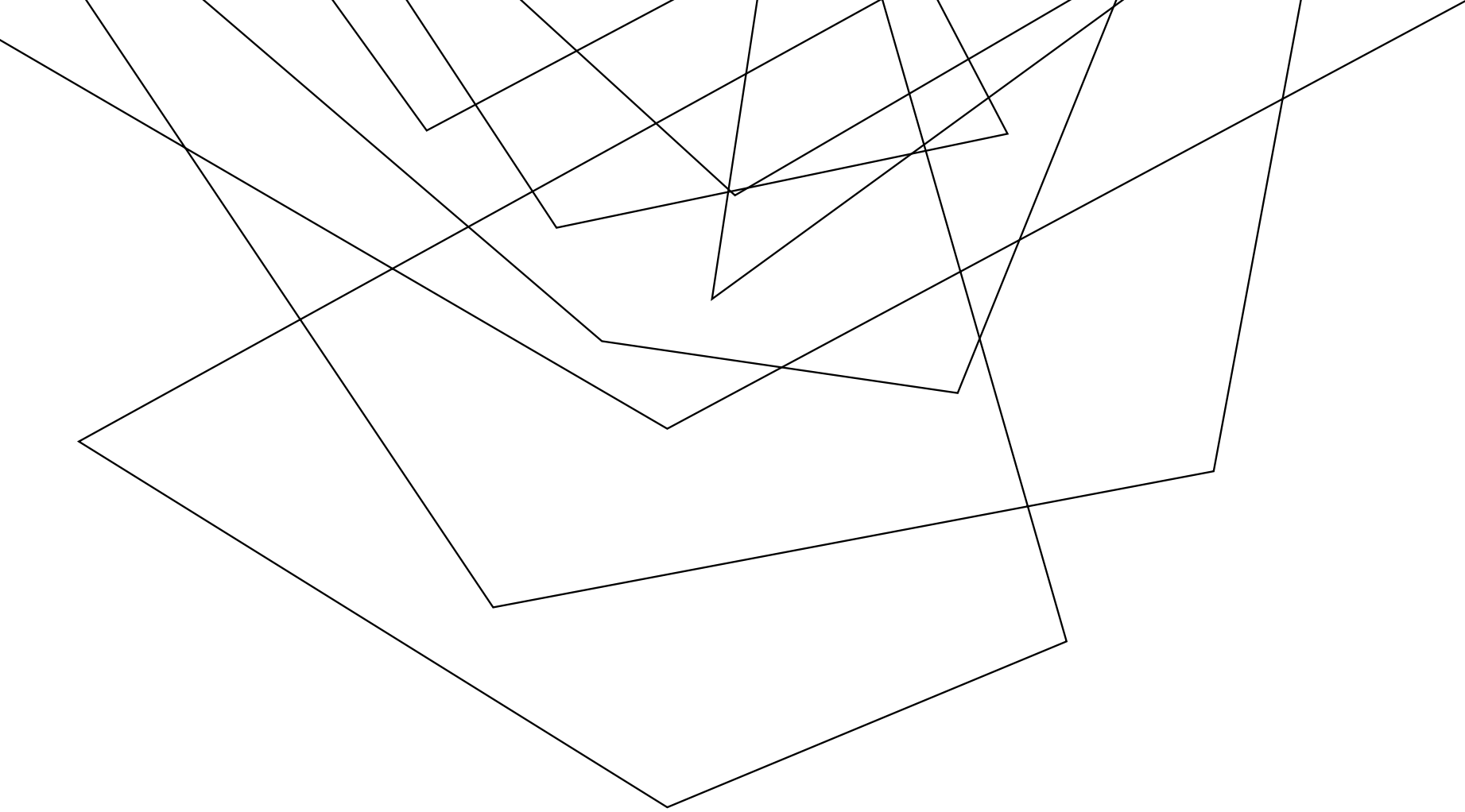




MERCEDES BENZ

David Holman – April 2023

MEET THE TEAM



CONTENTS

- ❑ Mercedes Benz (MB) – Innovators
- ❑ History
- ❑ MB stays ahead of the industry
- ❑ Profits continue to increase
- ❑ MB continues evolve from its origins to current day
- ❑ MB – IBM Matrix – Greg Satell
- ❑ MB - The next steps

INTRODUCTION / BACKGROUND

- ❑ Daimler - Mercedes Benz (MB) has long and established history in the motor industry and innovation
- ❑ Gottlieb Daimler (*DOB: 17.03.1834*) was technical professional who could see the opportunity for mobile engines as opposed to traditional static
- ❑ Karl Benz (*DOB: 25.11.1844*) once ridiculed as a misunderstood inventor persevered to being recognised as an automobile Pioneer around the world
- ❑ William Maybach (*DOB: 09.02.1846*)
- ❑ Great names that have intertwined the history of MB driving innovation and design for decades to follow
- ❑ The Three Pioneers both as a cooperation & development between them and in their own right recognised back in 1886 producing the early cars but also as the first gasoline mobile engines (car)

MB CONTINUES TO INNOVATE

- ❑ At the forefront of innovation and design MB have continued to be recognised as the leaders in motor industry to lead the market
- ❑ To be in touch and provide for the markets of the future MB has established International Design Centres (IDCs)
- ❑ Carlsbad – USA, Nice – EU, Sindelfingen – Germany & Shanghai China
- ❑ IDCs consistently monitor around the world to gather the vibe of different cultures, creativity and innovation
- ❑ The innovation and experience of the IDCs transform dreams in reality
- ❑ Testing technology in F1 and the top of the range vehicles which will follow through in everyday vehicles in years to come

MB CONTINUES TO IMPROVE FINANCIAL POSITION

- ❑ Over the last four years MB have increased EBIT 2019 @ 4.3 Billion Euros to 2022 @ 20.5 Billion Euros
- ❑ How:
- ❑ 2022- EBIT + 20.5 Billion euros; A sharpened focus on high-end passenger cars and premium vans, combined with tight cost control
- ❑ 2021- EBIT + 16 Billion Euros; A good product mix, solid net pricing, continued cost-discipline and favourable used car performance lifted the adjusted Return on Sales (RoS) for the Mercedes-Benz Cars & Vans division
- ❑ 2021 – 2022 Van sales helped by Covid Pandemic, although the semiconductor supply chain issues caused world challenges sales remained
- ❑ 2020 – EBIT +6.6 Billion Euros ; Covid stress test for all business MB continued make a profit
- ❑ 2019 – Ebit +4.3 Billion Euros
- ❑ Source MB Financials full year statements [Full Year Results & Annual Report 2019 | Mercedes-Benz Group > Investors > Reports & News > Annual Reports > 2019](#)

- ❑ Market share from sales revenues in 2021 place with 5.0% market share
- ❑ The top slots taken Toyota 12%, Ford 7.3% and Volkswagen 6.3%
- ❑ MB in 2021 \$90.9 Billion revenue, of a potential total market with a revenue of \$1.8 trillion dollar

MB – CONTINUE TO BE AHEAD OF OTHER OEM'S

- ❑ Ahead of Time making designs for the future
- ❑ Designers must picture living in the future to design the future
- ❑ The world is full of incredible ideas that never go anywhere because great ideas are useless without someone full of passion to implement them.
- ❑ “Ideas are a dime a dozen People who implement them are priceless.” Quote by Mary Kay Ash – Forbes 14.03.2013
- ❑ Gottlieb Daimler 'It's not the idea, it's the implementation that counts.'
- ❑ Karl Benz 'Love of invention will never die.' MB of Cary www. leading through innovation
- ❑ [Mercedes-Benz Technology Innovations & History \(mercedesbenzcary.com\)](http://mercedesbenzcary.com)

GREG SATELL - IBM INNOVATION MATRIX

- ❑ MB continue to be market leaders closely followed BMW & VW and watch by the rest of the industry
- ❑ Greg Setels refers to IBMS innovation matrix - How well a problem is defined? MB have covered the quadrants
- ❑ MB continue to innovate design and advance technology
- ❑ International Design Centres (*IDCs*) sustaining and continuing research
- ❑ Disruptive – Introduction of Agency

Problem Definition		Not Well Defined	Well Defined	Domain Definition
Well Defined	Breakthrough Innovation	Sustaining Innovation		
Not Well Defined	Basic Research	Disruptive Innovation		

MB - LATEST DEVELOPMENT – AGENCY

- ❑ MB latest innovation roll out and implementation is the Agency Model
- ❑ Agency went live for MB 1st January this year
- ❑ Agency Model is where an OEM sells directly to the customer via online sales which removes the need to new car dealers for sales
- ❑ Removing the dealers will give MB greater direct market influence and price control
- ❑ Customers can no longer negotiate prices between dealers
- ❑ Dealers become the touch point between OEM and collection - drop off / collection point offering service and maintenance, no upselling or special finance deals

AGENCY – IMPACT ON UK DEALERSHIPS

- ❑ MB expect to more than 50% of its new vehicle sales in the EU by the end of 2023
- ❑ With Worldwide sales greater than 25% by 2025
- ❑ It expected that 10% of MB car dealerships will close in the next two years
- ❑ In Germany increased numbers where a loss in excess of 20% of MB dealerships in the next two years
- ❑ Potential losses in HMRC taxes as registered offices and suppling units are not UK based
- ❑ Reduced support functions and associated contributions such as finance, insurance, offices, storage, employee contributions, rent & rates etc

REFERENCES

☐ References

Quote reference	Source - Where reference taken from	Author	Date	Section	Page ref
	Library of Congress	Science Reference Section	19/11/2019 Updated 02/09/2020		Who invented the automobile? Library of Congress (loc.gov)
	MB Financials	MB accounts	14/03/2023		Full Year Results & Annual Report 2019 Mercedes-Benz Group > Investors > Reports & News > Annual Reports > 2019
	Forbes	Amy Rees Anderson	14/03/2013		Ideas are a Dime a Dozen. People Who Implement Them are Priceless (forbes.com)
'Love of invention will never die.'	MB Cary	MB Author	none		Mercedes-Benz Technology Innovations & History (mercedesbenzcary.com)
	Statista	Statista	Dec-22		Mercedes-Benz Report 2022 Statista



THANK YOU

David Holman