



THE UK AV INVESTOR TRACKER.

Q2 2017: UK INVESTORS RANK LEADING AUTONOMOUS
VEHICLE BRANDS

JULY 2017



EXPLAIN THE MARKET





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METHODOLOGY AND OBJECTIVES

This is the second in a series of thought leadership reports produced by Explain the Market and Gowling WLG, tracking the perceptions of both private and professional investors when it comes to investing in autonomous vehicles (AVs). The purpose of this white paper is to present our results for the second quarter.

The study will run continuously throughout 2017, but the evidence summarised in this paper is only in contrast to our first set of results. Interviews with over 1,000 investors are being carried out on a range of topics with a chance to review findings every three months. This helps ensure the conclusions accurately keep track of changing attitudes, preferences and many ways in which the macro economic environment impacts on the plans people have for their investments.

All research was conducted by Explain the Market Ltd (www.explainthemarket.com), in accordance with the Market Research Code of Conduct.

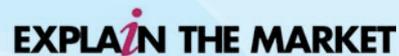
The charts contained in this report reveal how investors view the performance of a range of different players in the market. This provides, for each firm, the % of investors who judge that company as ranking in the top 5 for having the most investible Autonomous Vehicle technology.

We are grateful to everyone who participated for giving their time and sharing their expertise.



ABOUT GOWLING WLG

Gowling WLG is a Global 100 legal practice, with more than 1,400 legal professionals across 19 cities in the UK, Canada, Europe, Asia and the Middle East. Focused on key global sectors including automotive, tech, energy, infrastructure and real estate, they are able to provide clients with deep sector expertise. Led by Stuart Young, the market-leading automotive industry group brings together technical excellence in regulatory, corporate, employment, dispute resolution, real estate, commercial and competition. It is the only law firm playing a significant role in the £19m UK Autodrive connected and autonomous vehicles programme.



ABOUT EXPLAIN THE MARKET

Explain the Market is a leading international economic research agency based in London and New York. Explain the Market is led by CEO Guy Shone and works with the world's most prestigious companies and media channels.

UK INVESTORS REVEAL THE 'MOST INVESTIBLE' BRANDS IN THE AUTONOMOUS VEHICLES TECHNOLOGY SECTOR

Results from the second quarter of this year-long research study reveal the state of investor confidence in the UK Autonomous Vehicle (AV) sector. The latest data also shows how investors rank the wide range of businesses involved in the AV market.

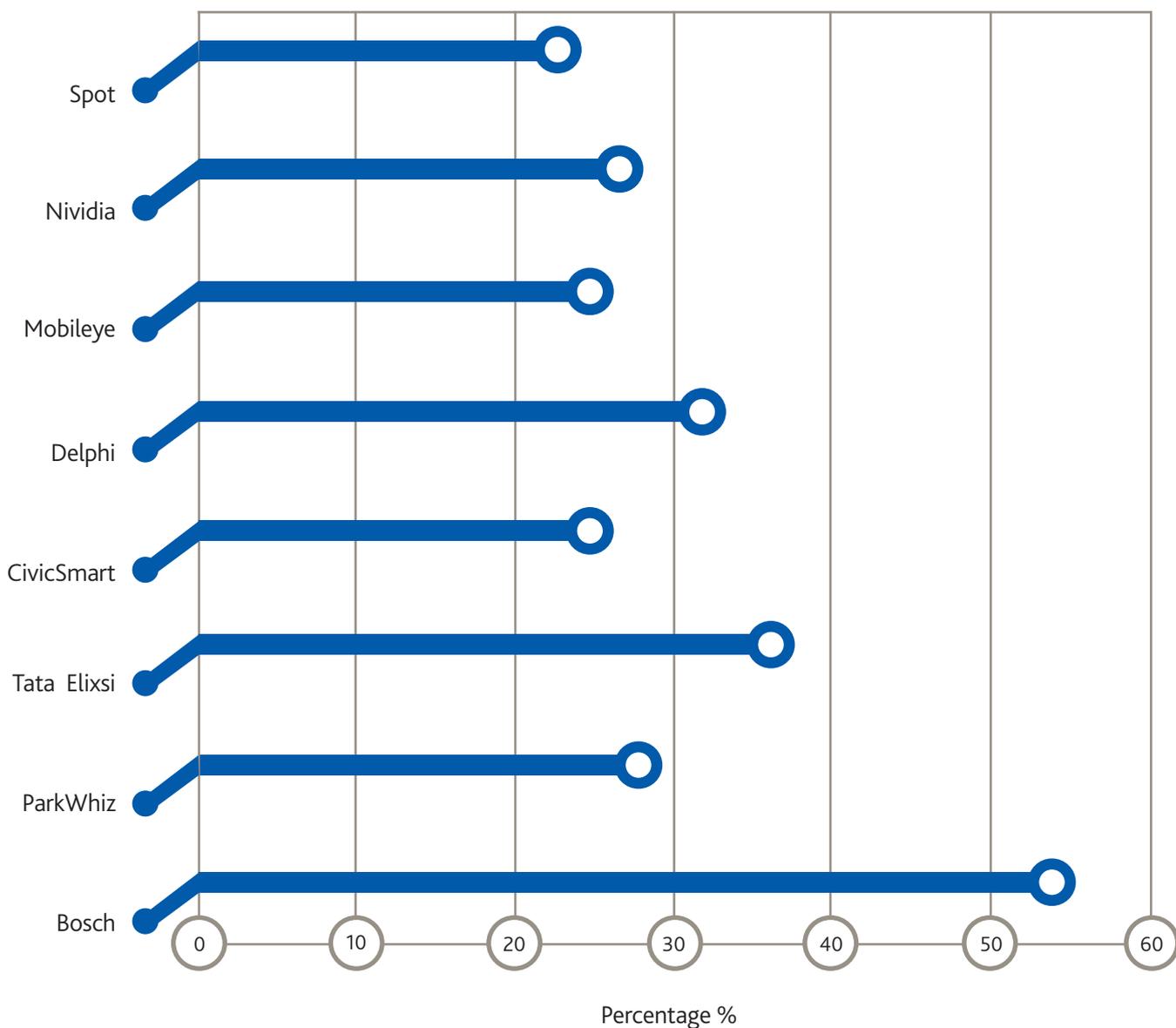


“WHEN IT COMES TO THE AV SECTOR - RESEARCH SHOWS UK INVESTORS ARE BACKING INNOVATION FROM A WIDE RANGE OF SOURCES. UK INVESTORS CLEARLY HAVE CONFIDENCE IN BOTH THE OLD AND THE NEW, THE BIG AND THE SMALL. THEY ARE TRACKING THE BEST IDEAS AND CONDITIONS WHETHER THEY COME FROM START-UPS OR CORPORATE GIANTS.”

– Stuart Young, partner at Gowling WLG

Investors reveal Bosch (54%), Tata Elixsi (36%) and ParkWhiz (29%) as the most investible tech brands in the AV tech sector.

The most investible tech brands in the AV sector



CONFIDENCE IN THE TECH GIANTS

When it comes to confidence in the world's biggest ICT companies, investors rank Google as the business with the highest potential for success in the AV market.



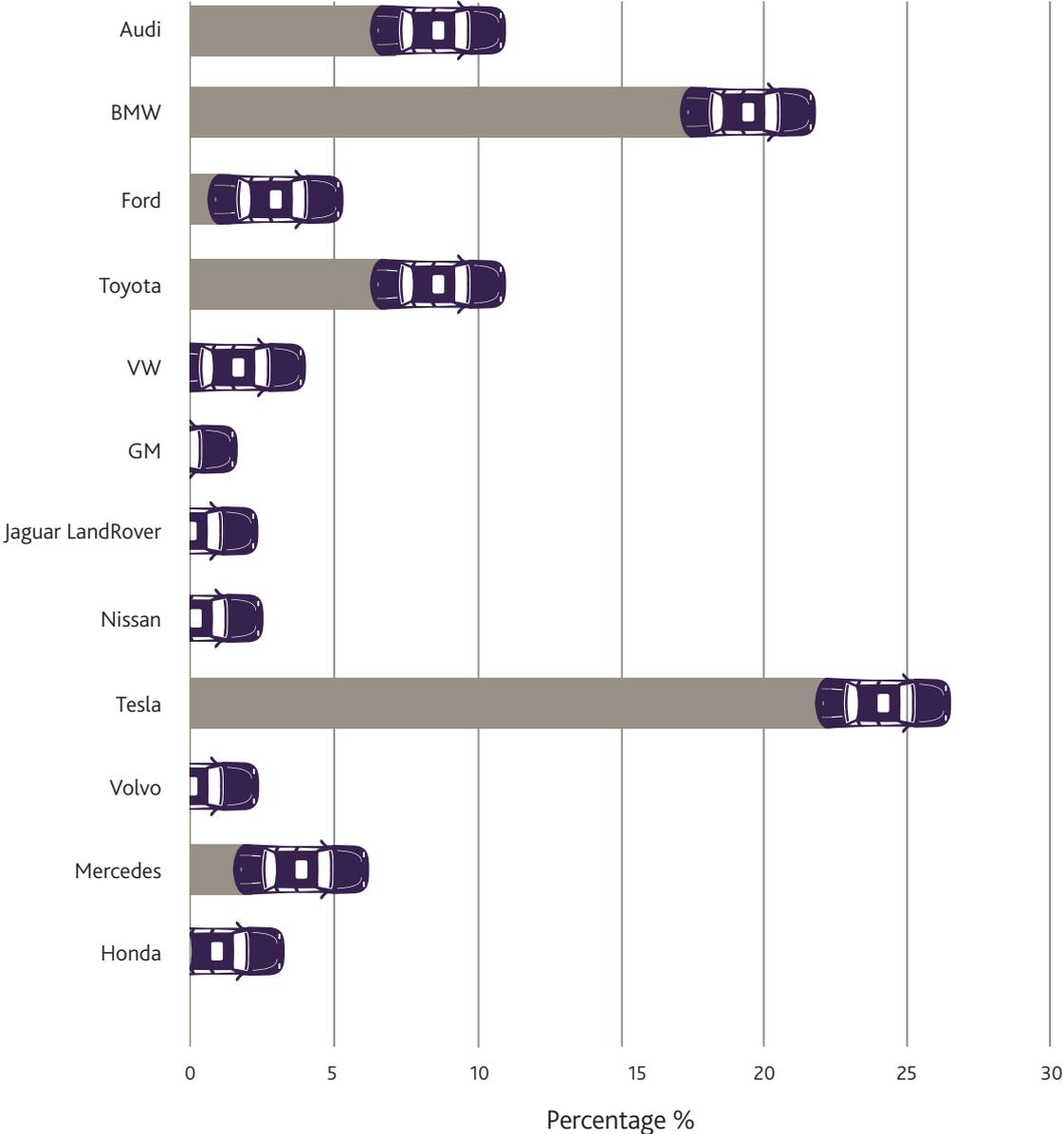
The tech giants with the highest potential for success in the AV market

- Google
- Microsoft
- Intel
- Apple
- Uber
- Baidu

THE MANUFACTURERS: TESLA TOPS THE CHARTS WITH BMW IN THE SLIPSTREAM

Tesla (26%) tops the charts when it comes to investor confidence in manufacturers - closely followed by BMW (22%)

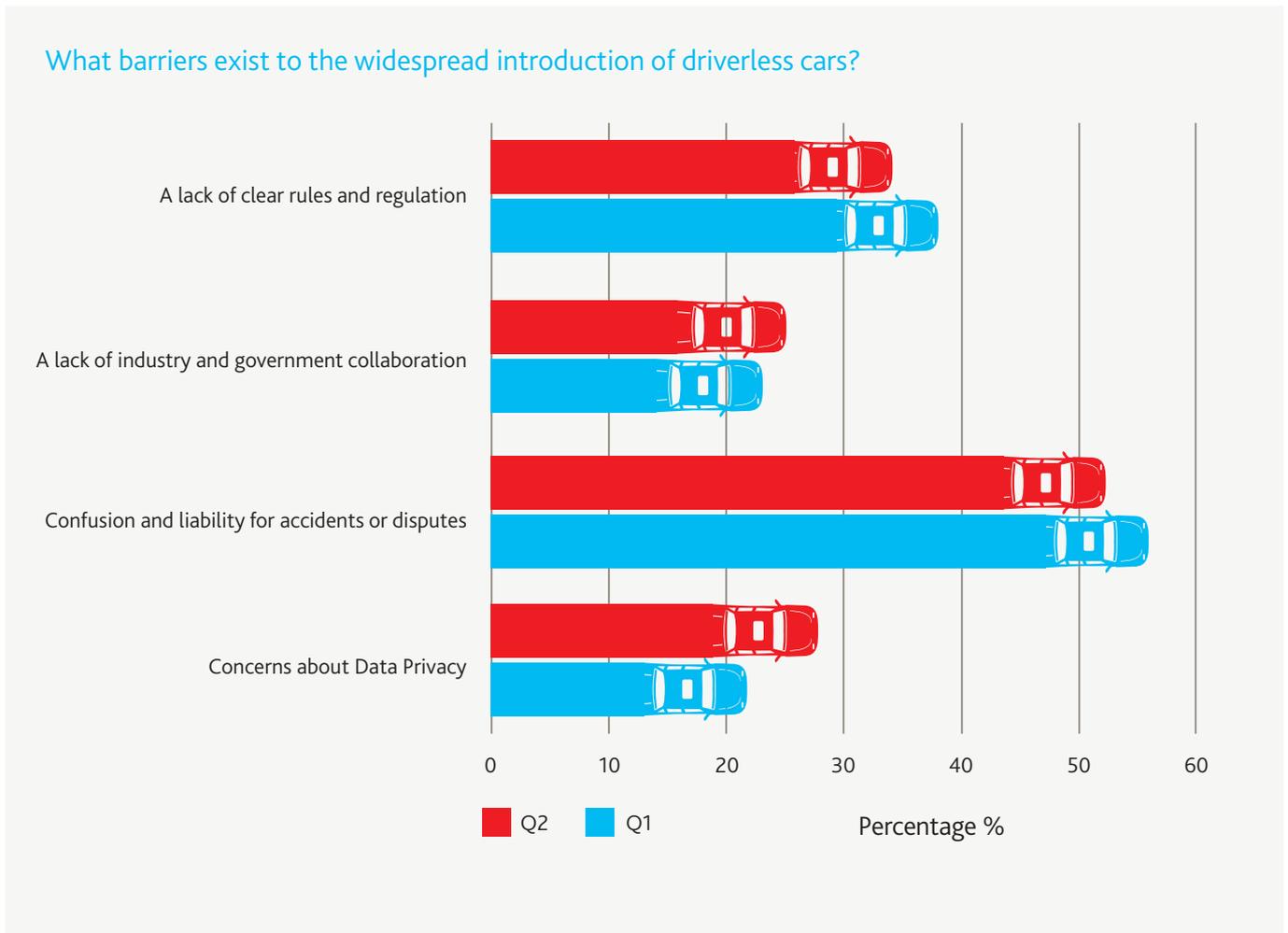
Which manufacturing firm has the highest potential for success in the Autonomous Vehicle market?



INVESTOR MOOD CHANGING ON THE BIG ISSUES

Since our Q1 results, the mood of investors is seeing some subtle shifts. Concerns about lack of clear rules and regulation have very slightly diminished along with worries about confusion around liability. This may be due in part to the Government insurance proposals. However, concerns about a lack of collaboration between industry and government appear to be increasing.

BARRIERS TO THE WIDESPREAD INTRODUCTION OF DRIVERLESS CARS



THE FACTORS MOST IMPORTANT TO INVESTORS WHEN IT COMES TO MAKING A DECISION TO INVEST IN THE AV MARKET

The progress of Smart City projects is the only factor of increasing importance to investors when it comes to making a decision about investing in the autonomous vehicles market.

Percentage of investors who see this issue as important

Q1	Q2	
32	29	Information about the commercial strategy of a business or group of businesses
50	49	Growth in electric cars
29	31	The progress of Smart City projects
32	32	Information about the commercial strategy of a business or group of businesses
34	33	Overall confidence in global markets



ABOUT STUART YOUNG

Stuart Young is head of Gowling WLG's automotive group.

With over 20 years' experience, he has advised numerous automotive companies on their business affairs including Ford Motor Company, Magna, TRW, Williams F1 and GKN. Stuart is deeply involved in the automotive sector, remaining in tune with industry developments and using his knowledge and commercial approach to provide clients with pragmatic advice.

Stuart regularly provides comment on developments within the AV market, leading on Gowling WLG's series of white papers exploring key issues of AV evolution.

Stuart has acted for well-established technology companies such as CDK, Misys and Iris Software, as well as global telcos such as AT&T. Stuart advises companies during their initial growth phase on equity funding and other investments – the clients are not publicly known but include online media and medical software companies. Increasingly there is an overlap between Stuart's automotive and technology experience as more clients push into the connected vehicle space.



ABOUT GUY SHONE

Guy Shone is one of the world's leading economic analysts.

He appears regularly on BBC News, BBC Breakfast, BBC World, BBC Radio 2 and BBC Radio 5 Live. He also appears on BBC Radio 4, Reuters TV, Sky News and ITV News.

Guy is the former Economics & Business columnist for the Metro newspaper (the UK's most read national newspaper) and now runs the research and media group Explain the Market.

Guy spent most of his 20 year career in the City of London. His previous jobs were the Global Head of Research for investment group Old Mutual plc and Research Director for the UK government backed Money Advice Service. He was commissioned by the UK government to produce the largest study ever done into financial behaviour using the latest in behavioural economics research – working in partnership with global experts from University College London and Oxford University.

Guy is previously an MRS national awards finalist. He holds both an MBA and BSc (hon) in Economics from Cardiff University.



**FOR MORE
INFORMATION
PLEASE CONTACT:**

STUART YOUNG
+44 (0)20 3636 7968
stuart.young@gowlingwlg.com





GOWLING WLG (UK) LLP

T +44 (0)370 903 1000

gowlingwlg.com



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