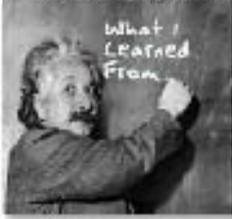# Newsletter

AUTONOMOUS CARS AND THE INDUSTRY OF TOMORROW

"Now Imagine:

You could get your car to drop you off and go back home, then on your way back, have the car waiting to fetch you. The same can be applied to malls hotels and even your office."

WHAT will happen to the automotive world when the autonomous car becomes a reality? I found myself asking that question recently. After some thought and a bit of research I have surmised that the consequences will be far reaching and not always positive. There will be an estimated 10 million self-driving vehicles on the world's roads by 2020 according to a BI Intelligence Estimate from this year. I have divided up a few sectors and parties that I feel will be affected dramatically by this shift in the motoring landscape.

INSURANCE
Take an article that I read on Tech Central the other day that explores the effect of driverless cars on the insurance industry. Now it sounds simple, should the autonomous car collide with another autonomous car the accident will be investigated and the guilty car's company held liable, right? Well, there is always the problem of hackers; what if a vindictive colleague, ex-significant other or just a cyber terrorist hacks into your car and causes you to have an accident? The next issue is what the cost of insurance would be as the amount of incidents decrease and on the other hand, how much would a person - who still chooses to drive their own car — pay, as their risk is obviously higher and of course they throw the proverbial .spanner in the works with their capacity for human error.

DEATH OF THE PETROLHEAD
This is what scares me most... I do believe there will still be those who will want to drive their own vehicles, for the love of driving. My main concern lies with the manufacturers and the next generation of car users. Manufacturers like Porsche, Ferrari and Lamborghini, for example, exist to create cars that enthusiasts love to drive and I don't believe this will change, in the medium term. The issue is that the more attainable fun-to-drive cars will become obsolete as we push closer to lower emissions and now, autonomous driving.

The next generation of drivers will have no need to learn how to drive, because it will all be done for them, and that's when the passion will fizzle and the existing car manufacturers will close their doors. We might say that, as petrolheads, we'd never let this happen, but we're in the minority. The average person would love to be driven to work and be able to respond to e-mails, or drive to their holiday destination with more time to spend with their families on the way.

AUTOMOTIVE INDUSTRY PLAYERS
This doesn't only mean carmakers, what about parts suppliers, parking structure owners and anyone else currently in the automotive scene? The brief is, adapt or die! Take airport parking, for example, or as I call it, the bane of my existence; it makes the airport a silly amount of money. Now image, you could get your car to drop you off and go back home, then on your way back, have the car waiting to fetch you. The same can be applied to malls, hotels and even your office.

Now picture parts suppliers and distributors' warehouses, because the cars will likely be in fewer collisions and subjected to less driver abuse. These suppliers will lose business because cars will function with original parts for longer.

Consider the manufacturers... why would you and your family/friend not share cars? I mean, the car can drop you off somewhere then fetch a family member or friend and take them where they want to be. Car rental companies can utilise this to their advantage; the vehicle can be rented to multiple parties at once for discounted rates, should the user agree to a schedule where they use the car at specific times.

What about taxi and bus drivers? Sure the taxi bosses will still own the taxi but the drivers and regular bus drivers will lose their jobs. Some might be glad to think that local taxis will improve their road manners under the control of a computer. But consider the socio-economic impact on the transport industry and taxi organisations. - **The effects are endless! I can think of countless more.**