

## **INTERVIEW CARLOS GHOSN**

### **Why Brazil?**

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Brazil is one of the most dynamic automotive markets, it is already in fourth position behind China, the United States and Japan, it has one of the highest growth. The number of cars per 1000 inhabitants is still very low, we're talking around 250 while the average European country is at 580. It's a wealthy country, it's a very rich country with agriculture, tourism, minerals, metals, oil – it is going to become a large producer of oil with all the discoveries that have been made. It has a growing population, a very dynamic demographic, so I think that anything that we look at points to the fact that Brazil is going to be an important economy in the 21<sup>st</sup> century, so we have to be there.



We have to be there as an alliance. By the way, in terms of the Alliance, Renault today is approaching 5% of market share, Nissan has 1.2-1.3% market share, the total of the Alliance is 6.2-6.3%. On average, on the planet, we have 10% so we have first to catch up to come back to our normal and natural market share, which is 10% today, and on top of this I think Brazil offers to us an opportunity to go much higher than this. Renault is going to do its share, Nissan is going to do its share and hopefully by the end of the Mid-Term Plan of the two companies we are going to be way above the 10% market share which is the present average of the Alliance.



## **How will you grow your market share?**

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Our basic conditions for success are first we need to make sure that our products are very well picked for the Brazilian market. Brazilians have very specific tastes in terms of automobiles and we need to make sure that we are making very thoughtful and careful choices about the cars that are going to Brazil for both companies.

Second, "monozukuri" is going to be very important, that is what is going to make the difference between purchasing, manufacturing, adapting the product, the logistics, the supply, the quality of the service – this is where the difference is going to be made. We are going to need a very strong distribution network, not strong in terms only of quantity of point of sales but also in the quality of the service which really is being delivered to the consumers. But I think we have the potential to do that.

Now are we going to be successful? Well on the paper we should because we have everything in order to be successful. Now the question is are we really going to implement in a way which is efficient enough, effective enough, impactful enough to really transform this potential into the reality of Renault and the reality of Nissan?

## **What do Brazilians want in a car?**

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I think Brazilians want cars and trucks that are not just kind of imported for them but are adapted to their taste, adapted to the way they use cars, adapted to the



size of the country, adapted to the climate of the country, adapted to the Brazilian way of life.

That's why I think the local design centre that Renault has in Sao Paulo, the local engineering that we have today in Curitiba and the future Nissan plant in Brazil are going to be extremely important because we want to make sure that we just have the Brazilian consumer in mind every time we get a car outside these plants with Brazilian design, Brazilian engineering, Brazilian functionalities, Brazilian specification in order for us to become a major player.

### **Any plans to launch electric vehicles in Brazil?**

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We have been very clear about the fact that we will introduce electric cars only in markets where governments or states or cities support them. I mean we don't need support, it's support for the consumer, support for the consumer by giving an incentive to the consumer and by building infrastructure which is necessary for it.

So far we haven't seen anything in Brazil. Obviously we are going to be advocating it, we are going to be lobbying for it and frankly I am not so worried for the moment because we have so many fronts on which we need to launch EV between the United States, Japan, Europe, that it's good that not all countries are jumping onto the bandwagon too fast. But I have no doubt about the fact that at certain point in time zero emission cars will be developing in Brazil and I have no doubt on the fact that the Alliance will be at the forefront of this development.



## **You grew up in Brazil. What did Brazil teach you about business?**

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You know, Brazil, it's a country, it's a melting pot so it's a country of diversity and this is for us a place where we as an alliance should find ourselves very comfortable because one of our main values is the value of diversity, making people of different horizons, different cultures, different backgrounds working together for better solutions. Obviously it is always a little bit difficult but when it works it will give you much better results.

So in a certain way the Alliance is going to find itself in a very familiar place in Brazil and the fact that the Alliance is developing itself in this country as the last brick in the wall of our BRIC strategy is an advantage. It is not inconvenient we're late but it's an advantage because we have taken the time to mature our approach and I think we are going to be much more efficient, so I am very confident that culturally the Alliance is going to find itself at ease in the Brazilian environment.

