AN ADVANCED SIMULATOR FROM

PRAXIS MMT Corp.



THE SCENARIO



MMT 81

EXPERTS IN SIMULATIONS



PRAXIS MAKES PERFECT

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1. INTRODUCTION

You have been hired to create and run an automobile manufacturing company. From now on, you will have to prepare the company's short-, medium- and long-term plans, which will consist of a set of decisions that you will enter into the simulator for a one-year period. These decisions are processed in the simulator, which outputs the results achieved by each company.

In view of these results, your company must prepare a new management plan for a new year, giving rise to new decisions that will follow the same process as the previous ones. And so on.

What you are going to do is live/experience the business management cycle: Analysis – Planning – Execution – Control. The Simulation Director will set the number of management cycles used in the exercise.

Welcome to the world of locomotion.

GETTING STARTED

To start, you must have and read two sources of information, which you should not memorize, but rather consult as needed:

- The Scenario, or the Instructions, which are this document.
- At the time of printing this Scenario, the type of currency and parameters that will be used in the simulation are unknown, which is why sometimes you will see [**(i)** *Information*], which means "see Information". The Information document is thus the second source containing essential data.

CONTROL WITH RESEARCH AND MACRODATA ("Big data")

In order to be a player in the automotive sector, there are some absolutely essential aspects that you have to know, which the owners of your company have commissioned from research companies. This document you are reading, The Scenario, is the result of that research and contains data obtained from various sources, which include certain macrodata. It is only after reading the Scenario that you can start operating in the market. If in the future your company commissions research to find out what is happening in the sector, you must order it as part of your decisions, and the resulting reports will be available along with the year's balance sheet.

The research for years 1 and 2 will be generated automatically and does not have to be requested.



TERMINOLOGY

This document employs the most widely used international nomenclature. The following terms are synonymous:

- Area, market, region, geographic region.
- Auto, automobile, car, vehicle.
- Dealer, retailer, distributor.
- Company, business, maker, manufacturer, brand.
- Factory, assembly plant, plant, terminal.
- Industry, sector.
- 1 CV = 0.74 KW = 0.99 HP
- 1 HP = 1.01 CV = 0.75 KW
- 1 KW = 1.34 HP = 1.36 CV

2. THE COMPANY AND MARKETS

Your company starts with the same balance sheet and uses the same currency as all the other companies competing in the simulation [**(i)** *Information* 1].

In the first year, each company decides on a name. The research and development (R&D), production planning and purchasing, commercial and marketing, finance, human resources, coordination, logistics and control, administration, and all other departments will be headquartered there.

The market where your company can operate, manufacture and commercialize its products is a geographical area comprised of several countries:

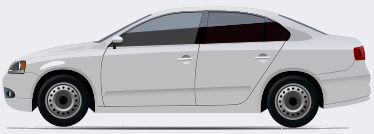
- SA- South America.

Initially, the simulation responds just as the markets in which it can operate would in reality, although the analogy is not intended to be 100% accurate. It is the companies that will transform the market through their decisions.

Each market has companies that will be termed "established," which have been operating for a long time. For all intents and purposes, and to simplify matters, they behave as one. These established companies do not react to the plans of the participating companies unless the Director decides to do so, which you would be informed of.

3. PRODUCTS

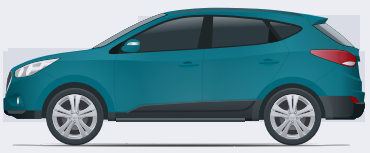
Your company can manufacture motor vehicles in different segments/platforms.



Segment 3



Segment 4



Segment 5

The names of the vehicle types vary by source, although they always refer to the same thing. The nomenclature is:

Segment 3: Sedan, Mid-size.
Segment 4: Large Sedan, Full-size.
Segment 5: Compact and Medium SUV, All-Road, All-Terrain, Crossover.

The segments correspond to what engineers call platforms, and are defined by the shape of the vehicles and their dimensions. The segments/platforms and the minimum and maximum dimensions in question are the following:

Table 1. Segments and sizes.

		Length				Width				Height			
		Min.		Max.		Min.		Max.		Min.		Max.	
Segment	Name	In	Cm	In	Cm	In	Cm	In	Cm	In	Cm	In	Cm
S3	Sedan	173	440	188	479	67	172	73	186	55	142	65	167
S4	Large sedan	188	480	200	510	68	173	76	194	55	141	67	172
S5	Compact and medium SUV	169	430	187	475	68	174	76	195	59	150	72	185

Certain types of vehicles have been excluded from the simulation, such as sports cars, trucks, pick-ups and exceptional or extreme performance versions. The three types of engines that can be manufactured and installed in any vehicle in any segment are internal combustion (ICE: internal combustion engine), hybrid and electric.

A model needs versions, which are defined by the type of engine, power and different option and trim packages. Your company can have a maximum of 8 versions per model and a minimum of one.

Option refers to the technical features to include, such as passive and active security systems, lighting, function and navigation controls, etc. The trim refers to the materials and comfort. Both the options and trim offer three levels: basic, medium and high ("Full equip").

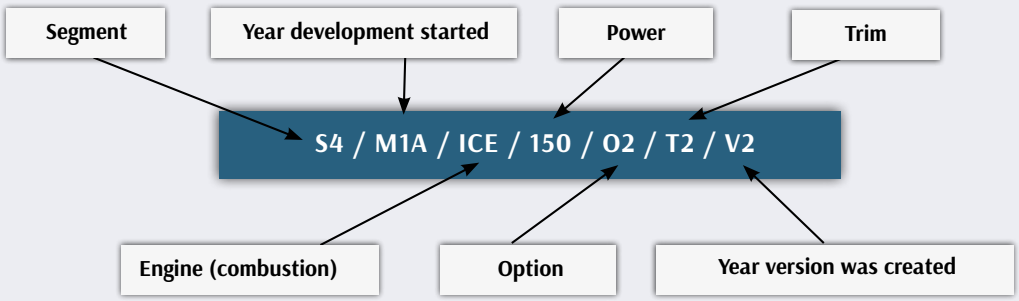
Each model that is built has almost unlimited possibilities in terms of versions, but due to physical, market or legal reasons, they must be limited to the following:

Table 2. Possible product versions.

	Power in HP	Option	Trim
Segment 3	115 - 135 - 150 - 165 - 180 - 195 - 210	2 - 3	1 - 2 - 3
Segment 4	135- 150 - 165 - 180 - 195 - 210 - 225	2 - 3	2 - 3
Segment 5	90 - 105 - 120 - 135 - 150 - 165 - 180 - 195 - 210 - 225	1 - 2 - 3	1 - 2 - 3

The option must always be better than or equal to the trim.

Therefore, a model is determined by the shape (segment/platform) and dimensions you decide, and each version of that model is defined by the engine type, power, option and trim. Each version will be designated as follows.



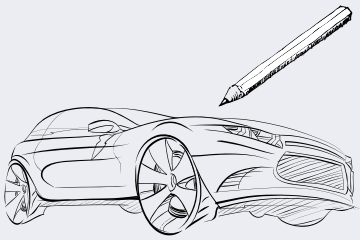
Only one model per segment can be sold.

In some sections and documents of the simulatior, you will see what is called an “Internal Reference.” This is not important and refers to a code that is used by the simulator to recognize models and versions.

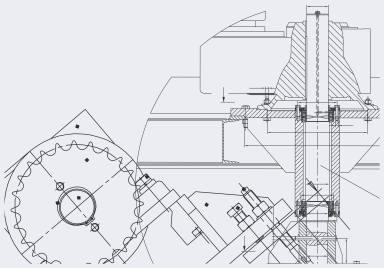
4. PRODUCT R&D

Your company can develop one model per year, except year 1, when it can develop 3. The process for creating and developing a model is as follows.

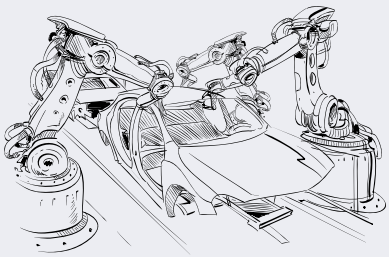
Two years or reporting periods elapse from the time your company decides to develop a vehicle until it can start to manufacture and market it, during which your R&D Development Center is working on it.



Design
Year t



Engineering
Year t + 1



Production and sale
Year t + 2

The first year “t” is dedicated to designing the model.

You have to decide which segment it will be targeted at, as well as the dimensions (length, width, height) and name (maximum 12 characters) of the future vehicle.

The second year, “t + 1,” is spent working on the methods for all the engineering processes required to prepare the technical facilities, machinery and tools needed to produce the model.

You will have to decide which model versions to develop. This requires determining the engine type, power, option and trim.

Each of the two years has an investment cost [**(i)** *Information* 3] that will go to your assets and will be amortized over 4 years, starting the year in which the model is available for sale.

The following year, t+2, the model and versions will be ready for immediate manufacture and marketing.

NEW VERSIONS OF EXISTING MODELS

At any time, you can decide to develop a new version of a model that is already on the market, which will also take year to manufacture, distribute and sell. The year of preparation is spent on engineering and methods.

However, the total number of versions available and in development can never exceed 8. Therefore, if you want to develop a version of a model that already has 8 versions, you must remove one from the market and wait a year before developing a new one.

WITHDRAWAL OF MODELS/VERSIONS AND INVENTORYING

At any time, your company can withdraw models and versions from the market, but a year will elapse between the time the decision is made and when the model/version is withdrawn, during which time the model and its versions will continue to be sold and the versions can continue to be manufactured. The results will contain the units sold and any unsold units will be reported at production cost. This net-zero balance sale operation will not be reflected in the Income Statement.

A model or version can be withdrawn without having to be replaced by another.



5. ASSEMBLY PLANTS

An assembly plant is the factory from which the vehicle leaves ready for sale. At assembly plants, essential components are manufactured and assembled with other components from suppliers to yield the end product.

You will have to decide in which regions to open the assembly plants. You can have a maximum of eight assembly plants. One year will elapse from the time you make the decision until the plant starts producing. However, if in the future you want to expand the plant and, for example, upgrade it from TR1 to TR3, the resulting new production capacity will be available the same year that the decision to expand is made. Note that in this case, that year's investment will be the difference between the new size and the old one.

The simulator will ask you to specify where in the region you want to build the assembly plant. This is of no importance and is used only to assign a location to it. Therefore, it is irrelevant whether the assembly plant is located in zone 1, 2, 3, etc., since it does not affect any outcomes.

Initially, when you start your company, the maximum number of assembly plants you can put into operation is three, and which, in this case, cannot be expanded until they have been in operation for one year (year 4).

You need to decide the size of the assembly plant based on five capital investment possibilities that yield a theoretical capacity for daily vehicle production:

Table 3. Assembly plant size and theoretical production of units per year.

	Units
TR1	110.000
TR2	220.000
TR3	330.000
TR4	440.000
TR5	550.000

The company is not required to utilize its full production capacity.

The amount of the capital investment required for each assembly plant size is in **(i)** *Information* 3, and will be paid once the assembly plant is operational. These investments will be depreciated at 10% per year.

In order for the assembly plant to be ready to produce a model, an investment is required - in addition to the capital investment to create the assembly plants - in technical manufacturing facilities (tools, machines, robots, etc.) specific for the model to be manufactured.

These investments are unique to the model produced and different depending on the type/size of the assembly plant [**(i)** *Information* 3]. A new investment for the same amount will have to be made if a different model is going to be manufactured in the plant. If the same model is to be manufactured in different assembly plants, this investment will have to be made in each of them.

Investments in technical facilities depreciate at 10% per year.

Assembly plants can be built every year, and they can be expanded by investing in fixed assets. Once these investments are made, however, they cannot be reduced or undone.

Only one model and its respective versions can be manufactured in each assembly plant in the same year. Each year, a different model can be manufactured by investing in technical facilities.

In addition to deciding what model will be produced in each assembly plant, you must also decide the percentage of units to produce of each version.



REDUCING PRODUCTION CAPACITY

If you wish to use only part of the total capacity, this must be specified in the decisions by entering the percentage of the plant to be used. For example, if you want to produce 132,000 units in a TR2, you have to specify 60%.

To produce nothing, enter 0% into the simulator.

6. DIRECT PRODUCTION COST

The direct production cost is per version and is available in [**(i)** *Information* 3].

The higher the segment, or the more power, higher options and better trim, the higher the production cost.

The cost per unit manufactured will be the same for all the units made of the same version of a model/segment that is manufactured in any terminal.

7. OVERHEAD EXPENSES

There are two overhead expenses: those corresponding to the headquarters, and those corresponding to the assembly plants.

The ones for the headquarters, which will be different in year 1, 2, 3 and later [**(i)** *Information* 1].

The ones for the assembly plants, which will vary based on the plant size, whether or not it is active [**(i)** *Information* 3].



8. COSTS OF TRANSPORTATION

Delivering vehicles from the assembly plants to distributors has a cost [**(i)** *Information* 3]. This amount includes all the costs associated with door-to-door delivery.

All these transportation costs and duties will be borne by the manufacturer.

9. MARKET SEGMENTATION

Segmentation results from the fact that there are groups of users who have similar purchasing behavior that is significantly different from the behavior of other groups.

Two methods have been used, the first using non-metric multidimensional scales (NMMS) and its similarity test, and the second using big data.

Certain objects are examined to see if they are segment generators and what are the characteristics that cause this.

Analysis by association, and clusters of massive samples of big data, as well as multidimensional scales, all show that regions/markets exhibit the different purchasing behaviors that yield segmentation.

- Regarding model design, the market prefers vehicles with an aerodynamic look.
- Smaller models are considered sportier and larger ones are viewed as more luxurious.
- The size is the explanatory variable used to assign a model to what the sector calls segment/platform.
- The explanatory variable with the greatest differentiating effect is purchasing power, and it is assigned three levels: high, medium and low.
- The vehicle size and engine type preferences differ in each market.

Therefore, your company can segment by market, model, engine and version.

The established companies have been designing products that adapt to every segment, and therefore every preference.

Most of the different market segments are quantified based on controlled demand, as explained next.

10. DEMAND

The initial annual demand for new vehicles is as follows.

Table 4. Total demand for units in the market.

Region	Demand
SA	16,980,000

Demand by type of engine used, by segment and by purchasing power subsegments are as follows.

Table 5. Demand by engine type in %.

	SA
ICE	85
HYB	10
ELE	5
Total	100

Table 6. Demand by segment in %.

	SA
S3	35
S4	23
S5	42
Total	100

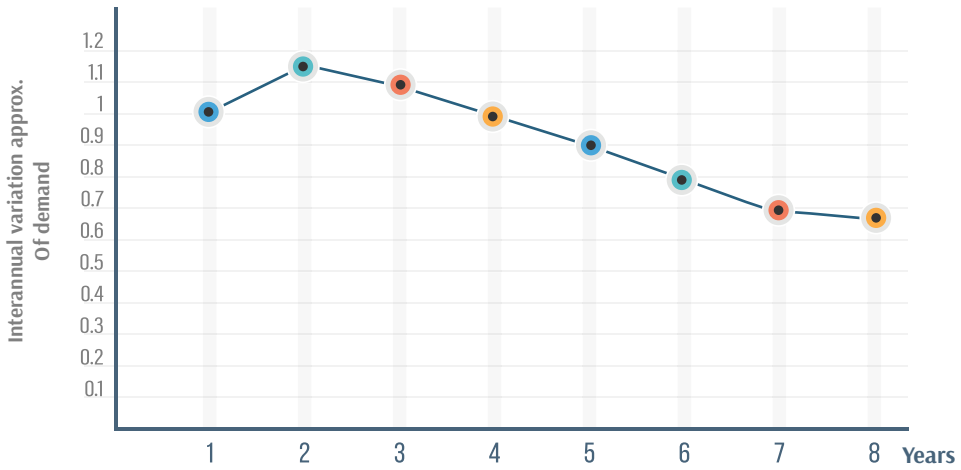
Table 7. Demand by sub-segment of purchasing power (low L, medium M and high H) in %.

		S3	S4	S5
SA	L	27	17	19
	M	42	38	51
	H	31	45	30
	Total	100	100	100

11. LIFE CYCLE

Car models are subject to a phenomenon called "Model life cycle." Empirical observation seems to confirm that actions taken by the company can modify this process. The average life cycle of a model is shown in the following figure.

Average life cycle of a model



The vertical axis shows the ratio between the unit demand each year and the unit demand in the year of launch.

12. MARKETING COMMUNICATION

Your company can engage in brand communications (corporate advertising) that do not promote any particular model/segment, but that are equally effective for all the products offered by the company.

Your advertising agency provides you with different campaign possibilities. These are contained in the Appendix. You can change campaigns every year.

The following decisions must be made regarding brand advertising:

- Select the message (creativity), called "campaign" in the Appendix.
- Media to be used.
- Number of insertions/repetitions per year in each chosen medium.

Note that investing in advertising prolongs its effect beyond one year.

The following table shows the percentage of buyers, based on their purchasing power, that is reached by each medium with one insertion/repetition. This is the reach/coverage.

Table 8. Media reach/coverage in % for the three sub-segments of buyers:

		SA		
Media		**Low**	**Medium**	**High**
Outdoor *Billboards, transport, stands, etc.*	OD	18	19	13
Press *Newspapers: Print and online*	PR	14	23	34
Television *Channels: Conventional and online*	TV	29	31	27
Radio *Stations: Conventional and online*	RA	17	19	15
Magazines *Print and online*	MA	13	16	21
Online-only media		**Low**	**Medium**	**High**
Audio/video channels *Music and video providers*	CH	16	16	15
Display network and Remarketing *Banners/ads on websites*	DR	13	8	6
Search engines *Website/information search engines*	SE	8	10	19
Social media *Closed communication platforms*	SM	18	17	17

Knowing how many are reached, you will have to decide how often to reach each one. This is determined by the repetitions/frequency, which is the number of times you want your communication/ad to be seen. The prices per impact/repetition are in [**(i)** *Information* 2].

For example, if you want to reach the percentage, reach/coverage, of buyers on social media 300 times a year, specify a "Repetitions/Frequency" of 300.

The results will be the total number of impressions/impacts generated on the target group.



13. PRICES

Your company has to decide the retail price (MSRP) that will be charged to the end consumer for each version of a model. This price includes sales taxes on the vehicles, [**(i)** *Information* 1].

You have to take into account the average prices, at the MSRP, that the established companies charge for their vehicles [**(i)** *Information* 2].

The MSRP minus taxes is the MP, or the manufacturer's price.

In the Income Statement, which you will receive at the end of the fiscal year, the sales revenue will be that generated by the vehicles sold at the MP (MSRP minus taxes). Deducted from this amount will be another item representing the dealers' margin, which is set by you.

Therefore, another decision you will have to make is the margin that your company gives to dealers, expressed in the decisions as a percentage. The percentage will be based on the MP.

14. REBATES

You can provide rebates, which will result in a price reduction for the versions you specify. You will have to indicate:

- Amount, in money (not in percentage), to be deducted from the MP.
- Time, in months, that the rebate will last, not to exceed six.
- Model and version eligible for the rebate.

15. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The corporate social responsibility (CSR) of manufacturers focuses on two essential aspects.

Environmental Management System (EMS).

This involves creating a division in the company, within the production department, where a team of technicians will be in charge of managing, coordinating, implementing and monitoring the EMS.

The objective is to process waste and recycle materials, liquids and gases, as well as to recover and process vehicles withdrawn from the market.

Patronage/Sponsorship.

This involves creating a department, associated with human resources and marketing, that will handle investments made to sponsor social programs.

You will need to decide how much money to spend on CSR.

16. WARRANTY AND PARTS

Repairs subject to warranty are done by dealers but are paid for by the manufacturer. The amount is the same that would be charged to the customer. As a result, they become an additional expense for your company.

The amount of this expense depends on the number of years that the warranty period lasts, which can be 1, 2, 3 or 4 years. This period, which you have to specify, can differ for each market. In general terms, this expense will be equivalent to 1.14% of one year's vehicle sales, multiplied by the number of years of the warranty period.

Another source of income is the parts sold to dealers. This amount will depend on the car sales that are reported each year in each region and on the number of years that the manufacturing company has been operating in the market. The revenue from this item is 2.3% of the annual sales of new vehicles, multiplied by the sales from the last 4 years.

Parts cost approximately 60% of the sale price to dealers.

A manufacturing company cannot stop selling parts and honoring warranties even if it stops marketing products or stops operating in a region.



17. DISTRIBUTION

Getting the product within physical reach of buyers requires organizing a network of distributors (dealers), who will also provide the service needed to maintain the product. You have to decide how many of them to franchise, with a minimum of 300 and a maximum of 6,000.



18. FINANCIAL PERIODS

For the time variable, the simulator uses annual periods that coincide with calendar years.

They could just as well be quarterly or monthly periods. It is simply a convention. The important thing is to experience the phases of business management: Analysis, Planning, Execution and Control, which is what the simulator provides.



Having decided on virtual one-year periods, assume that your plan is ready on January 2 and is carried out on that date, and that any decisions/agreements involving shareholders, employees, customers, suppliers and financial entities are made on that same date.

The results are provided on the following December 31, on which date the control phase begins, with all the results of what happened in the period: research, income statement, balance sheet and all the information on what happened during the year.

Your plan, therefore, as laid out based on the decisions you make, enters the execution phase on January 2, and the results are provided on December 31, which is when the control phase begins.

Liabilities are settled and financial assets recovered on January 2, which is the next business day after the income statement is received. The simulator will set aside the amounts necessary to disburse any amounts payable due to financial operations that are scheduled for January 2.

If the company is overdrawn (negative balance available), the simulator will try to prevent this from happening by cashing in investments.

Interest rates are annual and the periods for calculating loans or negative cash on hand are monthly.

19. FINANCING

The external sources for financing assets are: loans and credit lines.

Capital investments in assembly plants, technical facilities, and to develop models and versions are payable immediately. Suppliers and clients are also paid and collected from immediately.

The “cash and equivalents” item may be negative, in which case you are required to request a loan or issue a bond for the negative amount. This financing is granted to bring the cash on hand to zero.

20. OPERATING CASH REQUIRED

The operating cash required (OCR) is the amount of money that the company needs to have available at the start of a fiscal year in order to execute its plan. The simulator takes your plan into consideration and weighs the payables and receivables. This evaluation must be made by the company by using the following rule:

1. 80% of new investments in fixed assets.
2. 50% of investments in advertising.
3. 33% of the total overhead expenses of the assembly plants and headquarters.
4. 15% of direct production costs.

The sum of 1, 2, 3, 4 and 5 must be equal to or less than the cash and equivalents. If that sum is higher than the cash on hand, you have two options:

A. Take a loan for the difference.

B. Reduce or eliminate one or more of items 1, 2, 3, 4 and 5 to adapt the total to the cash available.

The cash figure you have to consider is for January 2, which is the cash on hand on December 31 minus:

I. Loan and credit line payments that must be made on January 2.

and plus:

II. Financial investments.

If the OCR is higher than that available on January 2, you have to request a loan; if you do not, the simulator will automatically apply for a loan on your behalf.

If it is less than the cash and equivalents, the company can use the available surplus for financial investments and to repay loans early.



21. LOANS

The periods for paying back loans, the fees and the interest they accrue will be set by the Simulation Director [**(i)** *Information* 4].

Loans will be paid back such that every year, except for the year when the loan is received, a proportional part of the total amount owed by the company at the start of the year is paid back.

The outstanding debt can be settled, in whole or in part, before the period specified for its maturity. To do so, you must specify this in "Loan repaid early." You can only do this if the company has a cash surplus (CS) after the OCR is calculated. This surplus can be used, in whole or in part, to pay off outstanding loans.

22. CREDIT LINES

You can open a line of credit for one year to cover any cash flow problems. The bank will charge you a service fee and give you two interest rates, one applicable to the unused credit and another to the used credit. These rates will be in **(i)** *Information* 4.

The amount drawn will remain in your balance on December 31, and the simulator will assume that the credit will be paid off at the beginning of the following year.

23. FIXED-TERM FINANCIAL INVESTMENTS

If you have surplus cash, keep the OCR in mind when allocating funds, which you can invest for a period of one year. The resulting yield will be determined by the amount invested and the interest rate [**(i)** *Information* 4]. The amount invested will be shown under Assets in the Balance Sheet and will be cashed in on the first day of the following year.

If you have liquidity problems and you need cash before the end of the year, the simulator will cash in the investment and the bank will charge you an early withdrawal fee.

24. YEARS 1 AND 2

The first two years of the simulation are special and require only a minimum number of decisions.

You will need to decide the following:

- Year 1:
  - Company name.
  - Models to develop (maximum 3) and the segment, and the length, width and height of the model(s).

- Year 2:
  - Model to develop (maximum 1 from this year) and the segment, and the length, width and height of the model.
  - Versions to develop of the model(s) decided in the previous year.
  - Where to locate the assembly plants (3 maximum) and their size, determined by the capital investment.

Keep in mind that as in real life, the decisions made in the first two years will be public and known by the rest of the companies, which results in transitioning from a situation of uncertainty to a situation of risk.

Starting in year 3, decisions will be made in every area.

To make it easier to enter your decisions, those made in one plan are carried over to the next, except for financial decisions.

For example, price decisions made in year 3 will appear by default in the plan for year 4. Therefore, you only need to enter decisions if you want to change them or if they are new.



25. MARKET RESEARCH

Companies can conduct market research by commissioning specialized agencies and companies.

The results obtained using different methods and with big data give you access to the industry reports you need to determine in detail the consequences of your plan and your competitors' plans, as well as the market status and trends.

The annual cost of the reports is in [**(i)** *Information* 2]. The following reports are available:

Report 1 Trends	On new technologies
	On consumer attitude
	On R&D models under development
	The best sellers
	Design assessment
Report 2 Sales	Models on the market and dimensions
	Pricing, rebates, demand and sales per version
Report 3 Marketing	Brand positioning maps
	Brand campaign
	Market share by segment/model
	Repetitions/frequency and impressions in brand advertising
Report 4 Production	Production capacity
	Models manufactured
	Assembly plants under construction
Report 5 Finances	Balance sheets
	Ratios
Report 6 Services/Distribution	Number of dealers
	Margin
	Years of warranty
Report 7 Corporate Social Responsibility	Investment in CSR

The following rely on big data:

- In Report 1, the trends in consumer attitude.

- In Report 2, the demand for the various products.

- In Report 3, the impressions in digital advertising and marketing.

In Report 1, the evaluation of the product designs uses a simple 1-10 scale with a single item.

In Report 3, the positioning maps rely on a Principal Component Factor Analysis with 20 variables, which eventually yields two factors (axes) that are labeled “Perceived material quality” (y-axis) and “Basic aesthetic design” (x-axis), with a 0-10 rating scale. There is also a single point (EE) that represents the established companies.



26. APPENDIX

ADVERTISING CAMPAIGNS

The following campaigns describe a television commercial. In the case of other media, the message and content would be adapted to said medium while maintaining the essential elements of the message.

Campaign 1.

Different shots of a person in various life stages, from kindergarten, to choosing a tricycle, his first bicycle, his first motorcycle, his first car, all of them chosen by his parents. The ad ends with an adult man and his children inside the car driving off into the distance. Voiceover: Now that you can choose for yourself, choose the best, XXX.



Campaign 2.

Tight, slow-motion shot of a hand moving with the index finger stretched out. It reaches a button and the rumble of an engine is heard. In the next shot, in slow motion, a hand appears over a touch screen. Soft music starts playing. The next shots, in slow motion, show a man driving.
Tight shot of the grille of a XXX and superimposed text: XXX, we make them slowly so you can enjoy them.

Campaign 3.

People walking down a city street. The camera shows them turning their faces toward the road. They grimace and quickly look away.
Fade to black. Text appears on the screen: Envy is an admission of inferiority.
The image returns to the city and shows the car moving slowly down the street.
Product shot: XXX, superiority.





Campaign 4.

Desert island with a castaway sitting in a hut next to the beach. Suddenly, in the distance, he sees a bottle floating toward the shore. When the bottle finally gets to the shore, he finds a letter. A woman's voice off screen says:
- Dear Dan, I hope all is well. Some things in my life have changed since your ship disappeared. I'm attaching a photo of the XXX so you can see that I've taken good care of it so far. If you come back, which hopefully you will..." The castaway takes out the picture of the car.
- "... the XXX will be waiting for you in the garage Good bye, dear. Be happy."
XXX.



Campaign 5.

A policeman stops his cruiser in the street because he sees another car stopped with the hood up and a woman reaching inside.
The officer approaches the broken-down car and before getting to it asks: "Do you need help?"
The woman does not answer and keeps looking at the engine.
While looking at the engine the policeman asks:
"This is the first XXX I've seen break down. What's the problem?"
The woman picks up a kitten in her hands and takes it out of the engine compartment.
"This is the problem."
XXX, automobiles and safety.

Campaign 6.

A boy runs along a residential street ringing the buzzers to all the homes as he runs by. More children come out of the houses and join him. There are some 20 kids.
They all run until they come to a garage door. There, they wait silently for the door to open.
Suddenly the door goes up and an XXX vehicle comes out.
The dumbfounded children stare open-mouthed, watching as the car comes out of the garage.
They all sigh in unison as the car drives off.

Campaign 7.

Tight shots of horses being readied to pull a carriage. Neighing and sounds of belts and metallic pieces are heard.
A dolly shot of several legs gives the impression of many horses lined up in a row.
The camera stops at a car wheel and the noise of an engine replaces that of the horses. The wheel starts turning at full speed, but without moving forward.
The camera pulls away to show that the horses were unsuccessfully trying to pull the car.
The driver gets out of the car, satisfied with his achievement and tells those who were spurring on the horses:
"I told you, not even with your hundred horses."
Voice over: The power and ability of XXX.

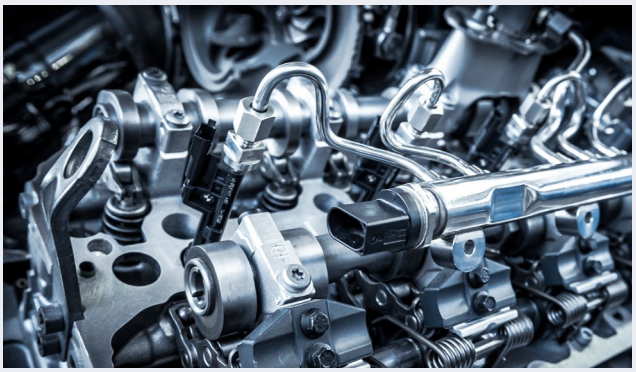
Campaign 8.

Three cars are on a podium, like the first three finishers of a race. The crowd is shown running toward the podium, but they run past it, to where the XXX car is parked. They surround the car and the voice over says, "The first are not always the best. At XXX, we aren't the first or the biggest, just the best."



Campaign 9.

The brand is shown in many different ways: painted by Dali, in Andy Warhol's style, in gothic letters, in graffiti, drawn by DaVinci... Repetitive drum music.
Shot of an engine and the voice over says: It's the brand that matters. XXX.



Campaign 10.

A company executive is sitting on the floor under his office desk playing like a little kid with a toy car. He is making the usual engine sounds and enjoying himself.
Release your inner child. XXX.

Campaign 11.

Interior of the cockpit of a spaceship. There are three astronauts. One is talking, radio sounds are heard in the background.
"...proceeding to dock with the auxiliary module."
Another one, sitting in the back, says:
"My God, what's that?"
The other two astronauts turn around and look out the window, where their comrade has found something extraordinary.
Some 15 meters away, in the vacuum of space, a car is overtaking the spaceship.
Voice over: XXX, technology at the service of progress.

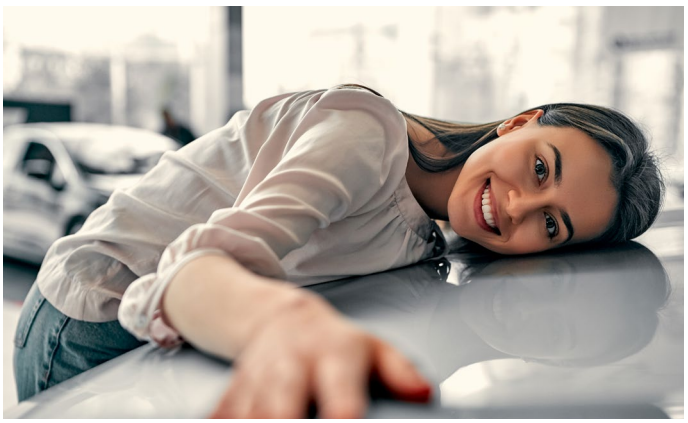


Campaign 12.

A camera inside a racecar zooms in on the driver. We hear the sound of the engine on the track. The volume starts to decrease and we hear the driver's voice. "The most important thing when going 150 miles an hour is knowing your car isn't going to do anything strange. You need precision, safety, reliability."
Fade to the same shot of the driver, now without a helmet, driving relaxed. Aerial shot of the car on the road. The driver's voice is heard once again.
"Dependable. That sums up every driver's expectations."
The XXX logo fades in.

Campaign 13.

Tight shot of two women's faces and what seems to be a private conversation. One says to the other:
"It was incredible! It's elegant, strong, just the right size... it's not at all what I was expecting. I'd like to do it again."
The shot zooms out and we see that the conversation is between a saleswoman and a client at a dealer. Both are leaning on the car after a test drive.
Voice over: "Do you want to try it too? XXX, only for those who love technology."



Campaign 14.

A technical development center with artists, computers, engineers. Car and engine parts are being analyzed.
An executive is walking among this display of technology while talking to the camera: "Here at XXX, we're improving on everything there is to know about car manufacturing. We're analyzing and developing every possible innovation."
Shots of tests in a mechanical lab.
In a voice over, the executive continues talking: "Our process for selecting the materials and components we use exceeds anything used up to now by any manufacturer."
We see the executive leaving the company's facilities. He is talking to the camera.
"Everybody who works at XXX does so for two reasons: for you, and..."
A car stops in front of him. Inside are the executive's wife and children.
"...for your families."
XXX Innovation and safety.

Campaign 15.

A young man is walking down the street and sees another young man with a stunning woman.
Suddenly the sky clouds over and it starts to pour. Crestfallen, the man seats on a park bench and, looking to the sky, asks: "What does he have that I don't?"
The clouds part and from the clearing falls a new XXX.
Fade to black. On the screen appears: XXX, perfection.



Campaign 16.

reaching her office tells her secretary: "Laura, the newspaper, please."
She is seating at her desk and as her secretary drops off the paper she says:
"Is there something you want to know about the stock market?"
"No, not about the market. I want to see if they published the classified ad for my car."
Shot of the ad which shows a picture of the XXX and the text: 'Save my marriage. Buy my XXX."

Campaign 17.

An old pickup truck pulls in. A disheveled, rough-looking man steps out, talking in a loud voice.
"Tim, Tim, I have that magazine I told you about."
He goes in an office where we see a serious-looking Tim. He shows him the magazine.
"This is the car. Have you ever seen it around here?"
Tim answers with a somber tone.
"Yes. That's the car my wife left in yesterday."
A XXX car and the phrase: It arouses passions.

Campaign 18.

Different shots of XXX cars in motion with important monuments from cities around the world in the background. Classical baroque music.
Voice over: The thrill lies not in the destination, but in the voyage. XXX, journey into the future.



Campaign 19.

On the TV show *Who Wants To Be a Millionaire*, the finalist is pondering the last and definitive question, which will make him rich. The host asks him:
"What invention signaled the start of the Industrial Revolution?"
The contestant answers:
"XXX cars."
Over the amazement of the audience, a voice over says:
-Who said smarts and daring are mutually exclusive?
XXX. The definitive revolution.





Campaign 20.

Several salesmen appear on screen, each one making unlikely claims: YYY brand can reach the Moon in only three days, plus your first trip's oxygen is free. ZZZ brand, buy a ZZZ and time travel will become a reality. HHH brand, you'll be able to go to the North Pole and have an ice cream with your Inuit friend. Shot of a XXX car entering a residential neighborhood. A woman exits the car, closes the door and goes in her house. XXX, to satisfy your real needs.

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