

TATA'S NANO \$2,500 CAR

Chapter 12

Case 1

Jacob Richard

Tata Group

- ▣ The Tata group is a conglomerate made of of many companies.
- ▣ Founded by Jamsetji Tata.
- ▣ The Tata group started with one bankrupt oil company in 1869. It has ballooned into a conglomerate including Tata Steel, Tata Motors, Tata Power, Tata Consultancy Services, Tata Tea, Tata Chemicals, The Indian Hotels Company and Tata Teleservices.

Tata Motors

- ▣ Established in 1945, the company began manufacturing locomotives
- ▣ Did not manufacture their first car until 1954.
- ▣ The company had a revenue of (IR) 320 billion (7,192,627,285.40 USD)
- ▣ Tata Motors includes Jaguar, Landrover, Daewoo's truck manufacturing unit and Hispano Carrocera SA.

Tata's Nano

- ▣ Debuted January 10 2008
- ▣ Available for sale July 17, 2009
- ▣ The Nano sells for \$2000-\$2500
- ▣ The Nano is the cheapest car in the world



Nano cont'

- The Nano has relatively the same amount of room as the average car.
- The Nano gets 50 mpg
- Only has a top speed of 65 mph



Nano vs Accent

2010 NANO

- ▣ Cost 2,500
- ▣ No AC
- ▣ No radio
- ▣ No power steering
- ▣ 50 mpg
- ▣ Seats don't adjust
- ▣ Trunk doesn't open

2010 ACCENT

- ▣ Cost 9,970
- ▣ No AC
- ▣ No radio
- ▣ NO Anti Lock breaks
- ▣ Power steering
- ▣ 27 Mpg
- ▣ Automatic 1,100 more

Nano



Accent



Cost Cutting Features

- ❑ The Nano's trunk does not open. Instead, the rear seats can be folded down to access the boot.[41][42]
- ❑ It has a single widescreen wiper instead of the usual pair.[43]
- ❑ It has no power steering.[44]
- ❑ The base model has only three lug nuts on the wheels instead of the usual four.[45]
- ❑ The base model has only one side view mirror.[46]
- ❑ Some use of plastic and glue in place of welded steel [47]
- ❑ Manually operated side windows [48]
- ❑ Air conditioning/heating not part of base model [48]
- ❑ Airbags not part of base model

“Open Distribution” Innovations

- ▣ Along with the many patents the Nano has received, the most notable innovation is happening with the distribution process. The Nano can be shipped and built separately. Meaning they could ship the kits to entrepreneurs and have them distributed, assembled and serviced by local business owners.

Criticism of the Nano

- ▣ The safety of the Nano
- ▣ The mass production of the Nano
- ▣ The used car market in India
- ▣ The car has been catching on fire

Closing

- ▣ The Nano has been out for nearly 1 year and there are over 33,000 on the road in India.
- ▣ Us Debut with upgraded safety features 2012