**Jaguar**

Jaguar Land Rover or JLR is a luxury car manufacture that is having a rough time due to multiple problems. Tata bought JLR in 2008 for 2,3 Billion, but the sales are falling. To be exact they have lost over 4.35 Billion Dollars in 2019.

The first major inconvenience is the Brexit. JLR has most of their factories in the UK which leads to higher taxes to manufacture and ship to Europe now that the Brexit happened. They could have moved their factories and headquarters to another country, but they decided not to since they are a British factory and that would go beyond their morality.

Another factor of the crisis is the poor quality of the vehicles even tough they have been improving their craftsmanship over time. The product quality was not great from the beginning, with the number of defects increasing over the years, along with complaints from customers. In China, many cars had defects ranging from engine problems and instrument panels to faulty airbags and batteries Those recalls affected over 105,000 vehicles, that is 70% of annual sales in China.

While I am speaking of JLR in China I should mention the big market crash where sales dropped by 44%.

LR also mad a huge loss during the pandemic, since many countries were locked down and there was no option to buy a car. Many people also just don’t have the money because they have lost their job. Some people think that the Corona Virus is JLR’s end since there are so few sales.

Another big problem for Jaguar Land Rover is that most of their vehicles run on diesel. The problem is that it seems that diesel has no future, that’s why the Diesel market share has fallen from half to just a third of new cars in five years. In the UK itself there are now taxes to penalise the people that drive diesel vehicles, even though they endorsed it to reduce CO2 emissions.

As you can see on this picture, the income has been decreasing lot in comparison to other years.

But JLR has a plan. In order to recover the company, they want to switch from fossil burning cars to fully electric cars. They say that they will have to invest everything in development to compete with other car brands like Tesla, Mercedes, BMW etc. By executing this manoeuvre, they will have negative Income for a few years. If this plan doesn’t work out JLR will probably go bankrupt. On the bright side though, many experts think that this plan could work, which would make them able to compete with major car companies again.