In this past year, two of the most popular corporations in automotive industry—Tesla Motors and Volkswagen—found themselves continuously being covered in a poor light. While Uber has battled the legal system since its inception, tensions rose in August 2017 when former employees and clients spoke out against the company for sexual harassment. Similarly, Volkswagen made headlines when a scandal broke over its decision to use defeat device software to manipulate Environmental Protection Agency and California Air Resources Board testing so that it could mass produce and sell products that did not meet United States emissions standards. While one cannot refute that the companies each have had major successes over the years, it is obvious that these successes did not come without self-serving mentalities so consuming that they fostered Illegality. These types of intentions undoubtedly stemmed from the leadership of the two former CEOs, Uber’s Travis Kalanick and Volkswagen’s Ferdinand PIëch, both of whom built cultures of putting success ahead of the mark at their respective companies.

Kalanick became involved at Uber at the time of the company’s mobile phone application’s creation. Kalanick was popular among Silicon Valley entrepreneurs, and in particular a developer named Garrett Camp who invited Kala

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By Izaac Brook

On October 20, 2015, auto manufacturer Ferrari went public on the New York Stock Exchange under the symbol RACE. The stock opened at an IPO price of $52 per share and reached an all-time low of $34.15 in February of 2016. Since then, the stock price has grown at a relatively smooth rate, currently hovering in the $120 range.

Since its public listing, Ferrari has undergone numerous business changes. Ferrari's automotive designer transitioned from the Italian designer Pininfarina to an in-house design firm. Ferrari's cars had been designed by Pininfarina since 1951. The transition marks a shift away from Ferrari's traditional designs. Models designed in-house, such as the 2016 488 GTB, contain many of the design cues from their predecessors with more aggressive styling.

Ferrari's transition to a public company has also led to an increase in vehicle production and a more diverse vehicle lineup. Ferrari's current "regular" lineup includes the 812 Superfast, the GTC4LUSSO (and Lusso T), the 488 GTB and Spider, the California T, and the Portofino. Each model fits into a different segment of the high-end vehicle lineup. Ferrari's current "regular" lineup includes the 812 Superfast, the GTC4LUSSO (and Lusso T), the 488 GTB and Spider, the California T, and the Portofino.

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Meanwhile, in the state's largest city, the surge in redevelopment is reaching one of its best known landmarks. The RBH Group is moving forward with plans to adaptively reuse and expand the Paramount Theater property at 193-195 Market Street in Newark. A spokesperson for the company stated that, "We plan to restore the facade and redevelop [the building] into retail and housing, the retail component of which may even have a theater." This project involves a rehabilitation of the existing building and the construction of a new 220-unit high-rise structure behind it, according to a listing from Hudson Real Estate. The Paramount Theater (above) opened in 1886 and was remodeled in 1917, but the interior of the structure has sat abandoned for decades while the box office portion recently contained retail space. The structure is best known for its ghost signs reading "Paramount" and "Newark," which have become symbols of the city.

Just like Jersey City, the town of Harrison is also seeing proposals for new development near its main tourist attraction and transit hub. In the eight years since the Red Bull Arena opened in a previously industrial area near the Harrison PATH Station that lacked any residential presence, a hotel and dozens of new apartment buildings and restaurants have been constructed in the surrounding community. Now, one of the largest developments to ever be proposed for Harrison could begin next year. It is not clear whether affordable housing will be included in the project.

A massive mixed-use community near Red Bull Arena, a newly released Liberty State Park, and the development of a historic Newark theater are among the latest projects to be proposed for the Garden State.

One of Ferrari's recent offerings, the F12 TDF. The car depicted in the photo above sold for $1.25 million at the 2017 Mecum Monterey Auction. (Photo: Izaac Brook)
In the School of Business

A LION’S INTRO TO INVESTING: Lesson II
By Connor C. Introna

April is Personal Financial Literacy Month, and there is no better way for Lions to celebrate than to re- view some investment principles! In the prior article, “A Lion’s Intro to In- vesting: Lesson I,” we discussed the fundamentals and importance of investing, along with the right platforms to start on, were dis- cussing the basics. The main point to remember is that investing is a game of the long term. Now that you understand how to invest, let’s talk about the different types of expenditures.

Capital Generation

Stocks are the cornerstone of any investment portfolio. There are two main ways to invest in stocks, either you can invest in individual stocks or exchange-traded funds (ETFs). ETFs are a collection of stocks that are traded on an exchange, allowing you to invest in a diversified portfolio of stocks without having to buy individual stocks. While investing in individual stocks can be more profitable, it also comes with more risk. ETFs are a good option for those who want to invest in the stock market but don’t want to take on as much risk.

Income Generation

Bonds are another form of investment that can provide a steady stream of income. Bonds are essentially loans that investors make to the issuer of the bond. The issuer of the bond agrees to pay the investor a fixed amount of money each year, along with the return of the principal amount at the end of the bond’s life. Bonds are a good option for those who want to invest for income and are willing to accept a lower level of risk.

Aggressive Speculation

Options and futures are used to speculate on the price of a security. Options give the buyer the right, but not the obligation, to buy or sell a security at a predetermined price on or before a certain date. Futures are contracts to buy or sell an underlying asset at a future date for a predetermined price. These investments are high-risk, high-reward and are only suitable for those who are comfortable with the risks involved.

FROM APPLE TO ZYNGA

Capital

Income Generation

Aggressive Speculation

Barra, from Page A1

As an engineer, she understood how a car operated and the importance of quality in production. Her first job involved inspecting fender panels as a quality control analyst. This job was small but required a strong attention to detail — one that prior executives were not fully capable of executing. Barra’s father, a former General Motors component manager, instilled in her from her time in charge of the Supply Chain division, the importance of manufacturing operations from an early age. Barra had always been fascinated with concept vehicles — high-margin opportunities in America and China. Although this was primarily a move to reduce costs, it now allows GM to easily transition into different manufacturing plants to accommodate for a more centralized process. Nobody had even thought of doing this prior to Barra, and it was a profitable decision for the company. As a result, Barra was invited to work at General Motors Resources, Barra was able to resolve internal dysfunction and promote a philosophy of focusing on the customer.

In 2018, Barra and GM are focused on innovation. Last November, General Motors announced that its future will be electric. The company plans on launching 20 new electric and autonomous vehicles by 2023, a shift that will transform the company into an electric vehicle manufacturer. The Bolt EV, released in 2016, is the industry’s first affordable and practical all-electric vehicle. The Bolt has surpassed all other electric vehicles in the field by offering the same driving experience as a gasoline-powered vehicle.

Barra shows off the Chevy Bolt EV in 2017.

Scandals, from Page A1

After a long and intense legal battle, Volk-swagen paid $100 million to GM, to agree to buy GM’s stake in a German car company and forced Leadership to resign. Surprisingly, the court case had the majority of German investors siding with Volkswagen in a surprising turn of events. This decision sent the CEO of Leadership in a promising position after the conclusion of the Leadership scandal. In addition to establishing a $100 million fund for employees who had to deal with the leadership scandal, Volkswagen also managed to get the German people on board with Volkswagen, even with some arguable unethical decisions.

At the point that Leadership started the startup phase, Kalanick had been successful in making the people who work for him feel like they were组成部分 of a personal brand. Kalanick revealed to the company that he would only let his brother-in-law into his closet when he proved his proverbial foot in the door. Lashinsky reports, “Kalanick’s rules were stern...if you were comparing his company to a spouse, someone he knew about, he would always be in control of the narrative.”

In May 2014, Kalanick was accused of sexual harassment. Kalanick joked that he could not lead women as easily as Uber could sum up its services. His popularity rose in the public and among female users of the application who, by Lashinsky’s reporting, were “propositioned, threatened, and even assaulted by drivers.” Making things more difficult was the fact that Kalanick was also accused of sexual harassment in 2015. He had reportedly offered a $100 million settlement to a female engineer who, by Lashinsky’s report, filed a complaint against him.

In early 2014, Kalanick was also accused of sexual harassment. Kalanick apologized and offered to settle the case for $100 million. Kalanick also acknowledged the case and stated that he would not provide any more legal protection for the settlement.

Musk, from Page A1

Until 2016, a common criticism of Tesla had been the $0.900 average selling price for its vehicles, when Musk introduced the Model 3, a $35,000 car. The car was sold at a point. But where Musk claimed in 2016 that the new SolarCity “gigafactory” complex in Sparks, Nevada, would be able to help produce all the batteries needed for the Model 3, the company failed to produce during that year. Tesla had run a $1.2 billion deficit during the 2016 pre-mar- ket for the Model 3 that allowed consum- ers to buy $1 billion in parts from a GM subsidiary, and maybe really safe stocks. Lastly, Tesla has still not produced a single Model 3.

Scandals

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The spotlight may be on Facebook, but Google, a company with massive amounts of what Stephens-Davidowitz suggests is the most vulnerable and personal data, is currently escaping the wrath of the public and politicians. Amazon, too, a corporation with a deep and insightful understanding of our product needs and preferences, tastes in music and media, shipping addresses, grocery go-tos, and soon, our health history, has an enormous store of information on consumer behavior. These corporations operate on the proposition that their services are free in terms of price, but not of cost. The cost is of our privacy, usually surrendered willingly, unwittingly, or both. The terms of service agreements consumers sign typically without reading enable these companies to record, store, and mine an incredibly detailed summary of our daily lives.

An important insight is that a greater opportunity may lie in adopting a business strategy that engages consumers with their data, as seen in the healthcare and pharmaceutical industries. Wearable health trackers and at-home genetic tests are generating more personal data than ever before, resulting in increasing sales due to their insinuation that the “consumers in charge.” The healthcare and pharmaceutical industries have realized that engaging patients with their data improves the outcomes for both parties. This cooperation is perhaps the key to the future, as companies that demonstrate how they can use consumers’ information for mutual benefit in a safe, convenient, and transparent manner will be perceived as responsible and trustworthy.

Facebook, Google, and Amazon, among other platforms and services, will continue to change the way we perceive and share our personal data. In Everybody Lies, Seth Stephens-Davidowitz promises a revolutionary future, with big data at the hub, as each character we type makes us both more vulnerable and better understood.

...Including Auto Exes

The Tucker ‘48 turns 70

By Sean Lange

Musk, for his engineering extravagance, Piché and Kalanick, for their unprincipled corporate behavior, and Barr, for her taking up of the mantle as an ambassador to consumer safety, all have a common predecessor. Seventy years ago this May, automotive industry maverick Preston Tucker released his 1948 Tucker sedan, both to the American public’s surprise and to initial speculation about the future of the automobile. The car distinctly featured rear-wheel drive, a collapsible steering column, and a third, directional headlight. For consumer welfare, the Tucker ‘48 was among the first cars to feature a shatterproof windshield and an anti-theft device in a second key for the parking brake.

However, as innovative and eclectic as Tucker was, he was a poor manager, and quickly committed his company to sales beyond what could be produced of the car and its complicated design. Tucker’s scheme of selling “promises” for unmade vehicle accessions to raise funds for overall manufacturing brought upon him an SEC investigation, which ultimately led to his company’s demise. By the time he shuttered production in 1949, only 51 of his Tucker ‘48s had been fully assembled.

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