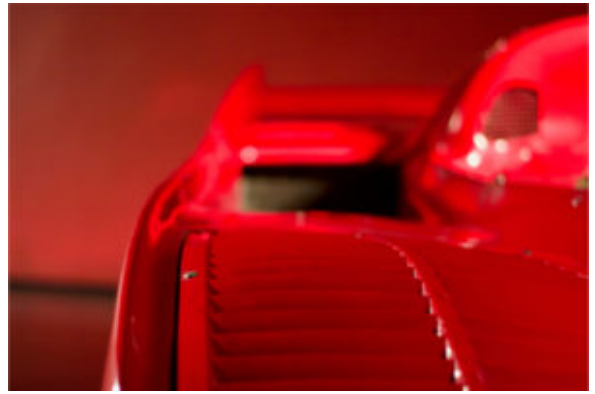


Tech Ever More Important in the Auto Industry



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The world has learned over the last year just how important computers are to the modern auto industry, as shortages of vehicles, or of vehicles with certain options, have been created by a lack of chips to put in vehicles at the factory.

An average 2021 automobile has around 1,400 chips in it. With so many chips necessary for each automobile, the shortage is going to take a toll on the industry, cutting the production of an estimated 3.9 million vehicles this year.

Part of the problem with chips is that factories are expensive, costing around \$15 billion to build. And, they take a long time to complete, at around 5 years.

With computer chips becoming ever more integral to automobiles, and shortages hurting production, Ferrari has named Benedetto Vigna, currently a divisional president at STMicroelectronics, a French-Italian semiconductor manufacturer, its new CEO. The *WSJ* reports:

In announcing the appointment, Mr. Elkann cited Mr. Vigna's

“deep understanding of the technologies driving much of the change in our industry.”

The global chip shortage that has led to production delays in the auto industry is expected to continue for months to come. That has called into question the auto sector’s rebound as the severity of the coronavirus pandemic recedes in many countries.

The pandemic’s economic fallout has hit orders for Ferraris and other luxury cars. Ferrari issued a profit warning in May, saying that because of the pandemic it wouldn’t meet profit targets it had set for itself for next year. The company pushed back the target to 2023.

Mr. Vigna follows on the heels of Louis Camilleri, who ran Ferrari starting in July 2018 following the sudden death of Sergio Marchionne, who was CEO of both the fabled sports car maker and the former Fiat Chrysler group, now part of Stellantis NV.