

AUTOMOTIVE

Ferrari makes interest in utility vehicles public

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Ferrari California T. Image credit: Ferrari

By STAFF REPORTS

As consumer interest in sport utility vehicles continues to grow, Italian automaker Ferrari is planning to enter the space.

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According to a report from [Bloomberg](#), in an effort to boost profits, the brand is thinking about creating a four-seat utility model. If Ferrari's expansion comes to fruition, it would follow other recent luxury SUV entrants including fellow supercar maker Lamborghini ([see story](#)).

Growth plan

During Ferrari's conference call about its second quarter earnings, CEO Sergio Marchionne said that the brand would "probably" be making an SUV in the future. Per a report in [Automotive News](#), the executive said, "That space is too big and too inviting and we have a lot of our customers who will be more than willing to drive a Ferrari-branded vehicle that has that kind of utilitarian objective."

One thing stressed by the executive is that a utility vehicle from Ferrari would not look like the models currently on the market from other brands.

Mr. Marchionne is set to retire from the Fiat-Chrysler owned brand in 2021, but before then, he is looking to double the profits at the automaker. A five-year plan, details of which are set to come out in 2018, will include growing deliveries and producing more hybrid models.

With this focus on growing sales, Ferrari might bump itself out of its current status as a small vehicle manufacturer. Currently, the company keeps its deliveries under 10,000 a year, allowing it to avoid certain regulations.



Ferrari manufacturing facility. Image credit: Ferrari

For the second quarter of 2017, Ferrari reported a 30 percent growth in profit, with net revenues of 920 million euros, or about \$109 million at current exchange.

The automaker projects that its shipments will be around 8,400 this year, with revenues of 3.3 billion euros, or \$3.9 billion.

In addition to its focus on expanding its auto sales, Ferrari has inked a deal with Yoox Net-A-Porter, which will power an online store of branded merchandise, according to [Reuters](#).

According to research from Edmunds, luxury automakers have increased their focus on SUVs, and it has helped them make up for the overall 6 percent drop in car sales this year. Fifty-six percent of all luxury auto purchases in the U.S. this year were SUVs, and these sporty vehicles have grown their sales 7 percent year-over-year.

Jaguar's F-Pace, the automaker's first SUV that was released in 2016, has become a popular model for the brand, and today SUVs are 45 percent of Jaguar's sales ([see story](#)).

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