AUTOMOTIVEINDUSTRYDIGEST

This week's news for company executives

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## This Week's Briefing

**Dealers short of low mileage, high quality used cars**

Brake goes on van sales for first time in 17 months

**Fleet bosses and drivers back EVs in Mini trial**

Volvo invests in tax training for business advisers

**Vehicle and road repair bills to rise as potholes get deeper**

Fuel petition heads Government website as pump prices fall

**Model update: Hyundai, Mazda, Nissan, Renault, SEAT**

## The Editor's View

AN interesting - or rather worrying - press release came across the *Digest's* desk this week. Volvo announced that it was investing in tax training for its corporate sales team and business centre dealers. The release claimed that the reason for the training was to help fleet managers, small and medium companies and company car drivers choose the most cost effective car funding solution. Car-related taxes, as Volvo points out, may be complicated, but the last major change to current rules were the revisions in corporation tax which came into effect on April 1, 2009 and were confirmed 12 months earlier. Training to ensure employees are performing to the best of their ability is vital, but should not staff handling corporate sales already be knowledgeable on all tax issues relating to vehicles? The worrying issue with Volvo's training programme flagging up a clear weakness in its employees' expertise, is how many other staff at other manufacturers also have such knowledge gaps. Knowing the top speed, mpg, emissions figure or specification of a car is only part of the battle for sales.

## Fleet file

### Buoyant fleet sales bolster weak private new car demand

BUOYANT fleet sales continue to underpin new car volumes in 2011 which fell 3.5% last month to 131,634 units (July 2010: 136,446) - the 13th monthly decline in volumes.

It means that in 2011 a total of 1,161,272 new cars have been registered, 6.7% down on last year's seven-month total of 1,245,108, according to data from the Society of Motor Manufacturers and Traders.

Paul Everitt, chief executive of the SMMT, said: 'New car registration figures fell marginally by 3.5% in July, reflecting the impact of slower economic growth and subdued consumer confidence.

'Robust demand in the fleet sector helped to bolster weaker private demand. While the coming months remain challenging, performance in the second half of 2011 is expected to keep the market on course to reach around 1.93 million units.'

The SMMT said that a modest fall in July volumes had been expected within its full year forecast of the new car market edging 5% down over the 2010 market.

Fleet purchases rose 2.1% in July to 75,505 (July 2010: 73,968) and are 3.3% up year-to-date at 613,320 (2010: 593,891). Business sector sales dropped 17.8% last month to 5,555 (July 2010: 6,762) and are1.9% down this year at 59,181 (2010: 60,315). Finally, private sector sales fell 9.2% last month to 50,574 (July 2010: 55,716) and are 17.3% down this year at 488,771 (2011: 590,902).

The fall in private new car registrations of more than 100,000 units over the first seven months of the year was, said the SMMT, the consequence of the now defunct scrappage incentive scheme influencing consumers. It also suggested that the sluggish nature of economic recovery, high inflation and modest wage growth were acting as dampeners to consumer confidence.

Diesel registrations were just 53 units shy of last July's level at 68,953 units and over the year-to-date have grown by over 35,000 units to account for 50.2% of the overall market (583,391).

The Ford Fiesta was the best selling model in the overall new car market in July and is the top seller year-to-date.

## Fleet bosses and drivers back EVs in Mini trial

FLEETS and company car drivers who took part in BMW Group's Government-supported research into the day-to-day running of electric cars have given the Mini E the thumbs up.

The manufacturer says that understanding how electric cars are driven in the real world has taken an important step forward with the release of data from the UK Mini E field trial, which involved 62 members of the public and 76 pool users running the battery-powered hatchbacks over two six-month periods.

Headline data from the trial revealed that more than 250,000 miles were driven on UK roads, the average cost to charge the cars was less than 2p per mile, virtually all recharging was carried out at home and the average daily distance driven was 29.7 miles.

Fleet use was a big part of the trial with organisations in the UK and in Europe reporting positive feedback from both individual drivers and also fleet managers monitoring the Mini E's use as a pool car.

Those users who swapped out of their regular car reported that the Mini E was fine for 70% of journeys made during the working day, while the pool car success rate was even better with between 80-90% of regular trips achievable.

The speed of charging was an important consideration for fleet users, while managers also flagged up the need for a clear procedure for the efficient charging of pool vehicles.

Companies that participated included Scottish and Southern Energy, Oxfordshire County Council, and Oxford City Council.

Four out of five people reported that 80% of their trips could be done exclusively in the Mini E, and this increased to 90% of users saying that with the addition of rear seats and a bigger boot, all their trips could have been done in the Mini E.

The trial found that one week was all that was needed for customers to adapt to the characteristics and peculiarities of driving an EV, such as charging, range, regenerative braking and low noise. However those company car drivers invited to use the Mini E as a pool car on a less frequent basis needed increased training and support during the initial period of vehicle use in order to consolidate their learning.

The Mini E trial was one of eight UK projects supported by the £25 million Ultra Low Carbon Vehicle Demonstrator Programme, funded by the Technology Strategy Board and Department for Transport. These are aimed at bringing forward the introduction of viable electric passenger vehicles to the UK.

The early findings have already informed the development of the 2011 BMW ActiveE car, a four-seat car based on the 1 Series Coupe, but the biggest beneficiary will be the BMW i3, which will be the first purpose-built electric vehicle from the BMW Group, set for launch in 2013.

Suzanne Gray, General Manager of BMW i said: 'The feedback from the trial has been invaluable in helping our understanding of how people really respond to electric cars and other factors necessary to support electric car drivers.

'With this information we will be in a strong position to provide a well-rounded product and service proposition to customers of the i3 and to work with other players in the electric vehicle market to make it a successful experience for a new generation of users.'

Forty Mini E cars took part in the trial. The Mini E is a two-seat development of the familiar Mini Hatch. It is powered by a 204 bhp electric motor that also generates 220 Nm of torque.

The 40 Mini Es are still on UK roads in partnership activities which continue to promote awareness and understanding of electric vehicles, and they will form part of the BMW Group UK's official vehicle fleet for the London 2012 Olympic Games.

## Electric vehicles could prompt business transport rethink

THE biggest impact of electric vehicles may be to prompt organisations to rethink how they handle business transport, according to CFC Solutions.

The company, part of the Pinewood Group of automotive software companies, says that the mileage range of electric vehicles means that their fleet applications will be limited - but that their arrival will force businesses to think more about journey management.

Neville Briggs, managing director at CFC, said: 'Electric vehicles are likely to have only a minor role on fleets in the short to medium term because of their short range. However, the range issue does start to prompt some interesting questions.

'What range limitation may do is force fleet managers to start to think about individual journeys and, in doing so, start to consider journey management.'

Briggs added that this could represent a fundamental shift away from thinking about the use of fleet vehicles as an all-encompassing business transport solution.

He explained: 'A fleet of conventional company cars or vans is really a solution to every business transport need that an employer may have - from distributing goods across the whole of the country to a multi-stop local journey to visit customers. There are few constraints made on distances, number of locations or timing.

'However, an electric vehicle forces the fleet manager to consider the impact of a single journey. And, once that process starts, it can open other doors. This could be as simple as considering whether a car could be shared with another driver for the same journey or it could be looking at whether train, bus or even bike is a better option.

'There is a possibility that electric vehicles could start the perhaps long-overdue process of more fleet managers becoming business travel managers.'

Briggs said that CFC had seen an emergence of active journey management among fleets during the recession but that this had tailed off over the last year.

‘The recession did initially prompt some companies into radical action, such as car sharing, greater use of video conferencing and managerial authorisation of journeys. This saved quite a lot of money but the controls seem to have largely slipped away.

‘Our view is very much that this is an unfortunately neglected area of fleet management and that if electric vehicles prompt more interest in journey management, it would lead to cost savings for a wide range of companies with differing transport needs.’

## Photo evidence of the rubbish employees keep in their company cars

WHAT a load of rubbish! These photographs are not of a rubbish skip or the inside of a wheelie bin but, unbelievably, they reveal the interior condition of some employees’ company cars.

More reminiscent of the local rubbish tip than a valuable company asset, the interior condition was photographed by technicians at Fleet Support Group’s nationwide network of independent Masterserve garages equipped with Masterview.

The rubbish was in the footwells and on the seats of the cars and included uneaten food, drinks containers and sandwich wrappers among other items.

The condition of the company cars was deemed so bad by technicians at some of the garages that they refused to work on the vehicles until they were cleaned.

Masterview is a unique remote video inspection system used to transmit live pictures of vehicles about to undergo service, maintenance or repair at a Masterserve garage back to FSG’s maintenance centre.

Pictures are sent via a broadband link from the garages where they are viewed by FSG’s maintenance experts to check on the condition of vehicles and components. They provide a pictorial service, maintenance and repair record of every fleet vehicle.

When vehicle abuse or damage is detected, fleet managers in charge of the vehicles are informed and shown the photographic evidence so they can take action. Consequently, Masterview is used to proactively police vehicle condition.

The detection of vehicle abuse - including use of a company vehicle as a rubbish tip - is likely to result in reduced second-hand values for vehicles.

Geoffrey Bray, chairman of FSG, Britain’s largest independent fleet management company with 55,000 vehicles on its books, said: ‘We are seeing a spate of cars packed with rubbish. In the majority of cases it is very evident that the cars have never been cleaned. When we transmit the pictures to fleet managers in charge of the vehicles they are shocked at their condition.

‘These images were transmitted immediately to the fleet managers in charge of the company cars allowing them to deal with drivers directly, or to notify management at a local level of vehicle condition and encourage the managers to speak to the drivers about general vehicle care.

‘Vehicles are an expensive company asset and drivers should be encouraged to treat them with respect or face disciplinary action. By actively encouraging drivers to care for their vehicles, fleet operating costs are reduced and vehicle values maintained.

‘Masterview has become many fleet managers’ eyes in policing vehicle condition and delivering peace of mind - particularly where vehicles are operated remotely and are rarely seen by transport chiefs.’

## Business booms at Jaama with 40% rise in sales

BUSINESS is booming for the UK's leading fleet and plant management software supplier which is forecasting new sales up 40% on last year's levels.

After seven full months of trading in 2011, Jaama has already beaten last year's new business wins total and has a number of contracts in the pipeline waiting to be signed.

Additionally, the company, which currently employs 41 people - five more than last year - is looking to recruit a further six employees with vacancies available in software development, testing and customer support.

Jaama managing director Jason Francis says that apart from continuous investment in its online Key2 technology enabling public and private sector fleets to effectively and efficiently manage their operations, new business wins have come in many areas including:

- Confidence returning to the contract hire and leasing sector and the vehicle rental segment which has seen companies invest in technology to drive down costs, improve efficiencies and productivity
- Businesses freeing up investment cash having put a freeze on spending during the depths of the recession
- Existing customers adding more fleet management functionality to their existing Key2 Vehicle Management system to further improve operating efficiencies, improve driver and vehicle compliance and cut costs and administration time.

New customers include: leading industry services supplier Cape plc, London Hire, Oxfordshire County Council, commercial vehicle leasing and fleet management company Prohire, Riverside Truck Rental and piling and foundation engineers Roger Bullivant.

At the beginning of the year Jaama launched a 'Spend to Save' initiative highlighting how many savvy fleet decision-makers had realised that sophisticated online fleet management solutions delivered a cost benefit return within weeks of implementation.

Mr Francis said: "Through the recession many organisations continued to make do with outdated fleet software systems. They have now realised the importance of investing in technology fit for the 21st century which will deliver significantly enhanced benefits.

"All of our customers are cutting fleet operating costs through the effective use of software to manage vehicles.

"Additionally, the administration benefits mean that employees are becoming more productive and able to turn their attentions to other management areas as a consequence of the time savings generated by online fleet management."

## Auto Windscreens signs up to 1link Service Network

AUTO Windscreens has become the first national automotive glazing provider to sign up to the 1link Service Network e-commerce platform from epyx.

The development means that fleets will be able to include the buying of replacement glass for cars and vans within the standard service and maintenance procedures they operate online.

1link Service Network now interfaces directly with Auto Windscreens' own IT systems to allow a seamless quotation, job approval and agreed invoicing process.

Nigel Davies, managing director at Auto Windscreens, said: '1link Service Network is used by almost every major leasing fleet and being able to provide glass through the platform provides a new and highly effective route for customers to access our services.'

Ken Trinder, head of business development at epyx, the company behind 1link, said: 'Specialist automotive glazing is an element of SMR buying that has so far been largely absent from 1link Service Network.'

## IAM corporate driver training delivers £35m benefit to society

THE Institute of Advanced Motorists is claiming that the social and economic value of its driver and rider training programmes - including corporate schemes - is £128 million a year.

Investing in the work of road safety charities pays high dividends, according to the new report by accountants Baker Tilly, which was commissioned by the IAM.

The study on the social return on investment of road safety charity the IAM reveals that for every £1 invested in its work, the IAM returns £21 to society with the total annual benefit calculated to be £128m.

The figure was calculated by examining the effects of the IAM's work in reducing the number and severity of road traffic accidents - plus a reduction in the costs of motoring.

By training those who drive as part of their work, the IAM's corporate driver training company, IAM Drive & Survive, makes an economic contribution of an estimated £35m, it is estimated - the outcome of training and assessing nearly 20,000 professional drivers.

IAM provides corporate driver/rider training in three areas:

- Driver/rider risk assessments
- E-Learning training
- On road training

Corporate clients say the benefits of employees completing such programmes include: a reduction in the incident rate among their drivers/riders leading to a reduction in insurance premiums and other cost savings including reduced fuel bills and improvements in tyre wear.

The study calculated that the benefit to society of people taking the IAM advanced driving and riding programmes was £39m.

Finally, by campaigning and by directly influencing the Government and other decision makers on road safety issues, the IAM's policy, research and communications services is estimated to provide a £54m savings to the economy.

IAM chief executive Simon Best said: 'This report demonstrates how independent charities contribute to society. Contributing £128 million to road safety is something to be proud of.

'And we never forget the side of our work that cannot be measured financially: the reduction in anguish for families and friends of loved ones who suffer in accidents because of better standards of road safety."

The report can be accessed at
http://www.iam.org.uk/images/stories/groups/Reports/SROI%20report%20August.pdf

## AA DriveTech expands with purchase of Intelligent Data Systems

AA DriveTech, part of the AA Group, has purchased Harrogate-based Intelligent Data Systems, a provider of driver risk management products and services, for an undisclosed sum.

Intelligent Data Systems provides a suite of online management tools allowing those who manage both company-owned and employee-owned vehicles to have detailed, consolidated information about both drivers and vehicles, allowing them to meet their duty of care obligations with the minimum of effort.

Specifically, Intelligent Data Systems delivers: driver licence verification services, insurance and MoT verification services, company-owned vehicle driver risk management data and employee-owned vehicle driver risk management data.

The company will continue to trade as a separate legal entity while becoming a trading operation within the AA DriveTech business.

Jonathan Jerome, commercial director at Intelligent Data Systems will join the AA DriveTech management team and oversee the integration of the company into AA DriveTech. Meanwhile, Mike Routledge and Ben Liddicott will remain in their respective posts of sales and marketing director and IT and systems director within Intelligent Data Systems, which was formed I 2003.

AA DriveTech managing director Jim Kirkwood said: ‘This deal is all about outstanding strategic fit and expansion of our duty of care portfolio. By combining both company’s existing market positions as well as our complementary technologies, we believe we can significantly grow both businesses in the short and long term. It also strengthens our ability to deliver technology-based solutions to the fleet risk sector and improves our reach in the North of England.’

Jerome said the deal would underpin the company’s growth and provide access to resources to expand on its existing market leadership position. He added: ‘We have also been very innovative in the grey fleet arena and see many opportunities to offer our services to AA DriveTech’s customers and vice versa.

‘It’s very much business as usual as our customers will continue to deal with the same teams and people as they always have; this was a particularly important element of the deal for the directors and management team at Intelligent Data Systems.’

## ACFO looks to recruit new members with journey planning guide

ACFO, the UK’s premier organisation for fleet decision-makers, is hoping to recruit new members with publication of the second in a series of helpful guides designed to influence fleet and travel policies

The guide - *‘From A to B: The ACFO Guide to Journey Planning’* - is designed to provide a thought-provoking basis from which public, private and voluntary sector organisations can look at just how effective - and sustainable - their existing mobility options are.

Initially launched to ACFO members only, the guide can now be downloaded free of charge as a pdf document from the link on the main home page of the ACFO web site - www.acfo.org. There are also limited supplies of the printed version available on request from the ACFO Secretariat by email - info@acfo.org - or telephone - 01730 260162.

The guide has been published following last year’s launch of the *‘ACFO Best Practice Guide to Employee Driving Document Checking’*, which remains available for download from the ACFO website or as a printed version from the Secretariat.

ACFO membership secretary Stewart Whyte said: ‘More than 3,000 copies of the document checking guide have been requested since we made it available to non ACFO members and we anticipate significant demand for the journey planning guide.

‘Early accessibility to such guides are just one of the many benefits of ACFO membership. We hope that people requesting them will see their usefulness and realise that joining ACFO delivers a wide range of other benefits.’

The 28-page guide suggests that corporate travel - whether by company car, employee's own car, hire car, public transport, motorbike, bicycle or indeed car share should be overseen by a 'business mobility manager', who could also influence the increased use of technology-based solutions to travel - telephone and video conferencing, instant messaging and Voice over Internet Protocol - as well as smart working.

Historically, the car has always been the preferred form of travel for the vast majority of business meetings and appointments. But this is not always the optimum option in terms of cost, time, reducing risk exposure or carbon-cutting, for example.

ACFO chairman Julie Jenner said: 'This guide is not about reducing business travel - although clearly that may be possible. But as a direct result of reading the publication, employees in charge of corporate travel maybe able to implement positive changes that also lead to improved corporate efficiency.'

## 100-vehicle fleet order marks Ford UK centenary

ONE of Ford's most loyal customers has placed a special centenary order, of a vehicle for every year that the Blue Oval has traded in Britain.

Glendale, grounds and countryside management services provider, had originally planned a 97-vehicle order for its countrywide fleet, but the opportunity to mark Ford of Britain's centenary celebrations - and those of Ford dealer Gordons of Bolton - proved too appealing.

Gordons of Bolton is also celebrating its centenary this year having entered into its first agreement with Ford in 1911 to become one of Ford's first dealers.

The 100 Ford vehicles are drawn from the full Ford commercial range, including Fiesta Van, Ranger, Transit Connect and Transit. Many are converted for horticultural and arboricultural work.

Stuart Darbyshire, commercial director at Glendale, said: 'The team at Gordons Ford knows exactly what we require from our fleet, what specifications we need, and provide an excellent service to us through the life of a vehicle. The relationship between Glendale, Ford and Gordons spans many years and is testament to the quality of the product and the service they provide.'

Glendale is the largest specialist 'green service' provider in the UK, with maintenance contracts spanning England and offering a complete range of specialist green services for local authorities, public and private sector clients. The company's vehicle fleet currently stands at around 650, of which 90% are Ford models.

## Navman Wireless prescribes vehicle tracking to Lloydspharmacy

LLOYDSPHARMACY has invested in state-of-the-art vehicle tracking from Navman Wireless.

The system will enable the community pharmacy and healthcare provider to maximise fleet productivity and optimise fuel efficiency, while helping to cut down on planned maintenance and ensure legislative requirements are met.

Karine Bartle, for Lloydspharmacy, said: 'Navman provides us with another tool to better manage our home delivery fleet. We now have increased visibility of our vehicles, which supports both fleet optimisation and efficiencies.'

The technology will be installed in 400 vehicles, which deliver prescription products from more than 1,650 pharmacies across the UK.

Following a comprehensive procurement process, Lloydspharmacy says it chose Navman Wireless over competing solutions, based on its industry reputation and the proven effectiveness of its system in operation.

Lloydspharmacy initially ran a 30-vehicle pilot over a six-month period. The range of features, the system's reliability and a proven return on investment record ensured Navman Wireless' success over its competitors, leading to a roll out across the entire fleet of 400 vehicles.

## Demands on fleet data market becoming more stringent, says MIB

DEMANDS on the market for data about UK fleets are becoming ever more stringent as sales and marketing departments aim to make the most of their resources against a tough economic backdrop.

That's the claim of MIB Data Solutions, which says that fleet suppliers who buy sales and marketing databases want them to ever more closely match their needs in terms of factors such as fleet size and composition - as well as being updated more regularly.

Managing director Nick Boddington said: 'Fleet suppliers of all kinds - from leasing companies to fuel card operators - are demanding data that is progressively more accurate. Their sales and marketing operations are under a lot of pressure to deliver results and they simply don't have time or money to waste on data that is wrong.

'The kind of standards that applied in this market even two or three years ago are no longer sustainable. If 30-40% of a database turns out to be of little use because the data is dated or was poorly researched in the first place, then that means that three or four out of every 10 telesales calls that are made by a fleet supplier are wasted. Buyers will no longer tolerate that kind of lacklustre performance from their data.

'Additionally, the databases we see being requested are ever more closely defined. Fleet suppliers have increasingly specific ideas about which type of customer they are courting with a specific campaign and they want the data they buy to match.'

Boddington added that the development was leading to an increasingly number of fleet suppliers moving towards commissioning data research to meet their exact needs rather than buying existing, generic, off-the-shelf databases.

He explained: 'There is still a demand from ready-made data. However, fresh, tailored research is generally little more expensive but will be much more accurate and have much greater utility. It is very much an investment in ensuring that there is as little waste as possible surrounding your sales and marketing efforts.'

## Double glazing firm chooses 'green' Fords

FORD Focus and Ford Mondeo diesel-engined models have been chosen for their green credentials by the leading independent double-glazing supplier Safestyle UK.

The Bradford-based company has taken delivery of 139 low-emission, fuel-efficient Ford cars for field sales staff as part of its 400-vehicle fleet.

Safestyle said the Ford Focus 1.6 TDCi Edge and Ford Mondeo 1.6 TDCi Edge reflected its environmentally responsible image and combined high quality with keenly competitive whole life costs.

Having determined that the Ford cars would meet all Safestyle's requirements while also appealing to its drivers, the company contracted ERA Fleet Cost Management to review the marketplace for improved cost and service.

'The key driver was getting competitively priced contract hire rentals,' said Sean Bingham, ERA's principal consultant. 'Safestyle had already decided it wanted Ford's new Auto-Start-Stop technology, not just for its improved fuel economy and reduced emissions, but because it believed Ford was the most appropriate manufacturer in terms of fit for its business.'

The 115 PS 1.6 TDCi Duratorq start/stop powertrain gives the Focus emissions levels of 109 g/km, with fuel economy of 67.3 mpg on the combined cycle. For the Mondeo Edge, as ordered by Safestyle, emissions are 114 g/km and fuel economy 65.6 mpg.

Safestyle's sales staff cover 40,000 miles a year, operating nationwide. The company previously opted for a variety of short-term leasing deals, so the Ford order marks a rationalisation of its operations.

ING Car Lease is supplying the new Ford cars on contract hire, with Ford Focus replacement due after 3.5 years and the higher-mileage Ford Mondeos running on three-year contracts.

## Model update

### Nissan reveals pricing for new low-emission Micra DIG-S

NISSAN's new Micra DIG-S, which it says represents the latest in low-emission engine technology, will cost from £11,150 on-the-road when it goes on sale on September 1.

The DIG-S offers the performance of a bigger petrol engine but with the fuel economy of a diesel.

The 1.2 litre, three cylinder supercharged petrol engine emits 95 g/km for the Visia version and 99 g/km for the better-equipped Acenta (£12,150) and Tekna (£13,650) models. Official fuel consumption is 68.9 mpg or 65.7mpg on the combined cycle, beating some similarly sized diesel models. Unlike most economy models, the DIG-S also has a performance boost, with power rising from 80 PS to 98 PS.

The DIG-S costs £1,000 more than the equivalent, non-supercharged version, which Nissan claims is much less than the price premiums charged by many rivals for equivalent diesel versions.

The engine achieves the improvements in power and economy through a series of measures to improve efficiency: direct injection, valve timing control with eco mode, improved exhaust gas recirculation, specially shaped pistons and a higher compression ratio.

More energy is saved by using an intelligent alternator which recharges the battery when the engine power is not in demand, such as under braking. A stop/start function also helps to reduce emissions and fuel consumption by automatically turning off the engine whilst stationary and restarts again when moving off.

The engine is available as a five-speed manual or with an optional CVT automatic gearbox for an additional £1,000.

### SKYACTIV technology offers new focus to Mazda's fleet development

BREAKTHROUGH technology that promises major fuel savings and emission reductions for fleets with no compromise in driving dynamics is to be introduced by Mazda Motor Europe from the beginning of next year.

Industry-leading developments that focus on new generation petrol and diesel engines, improved model aerodynamics, vehicle weight reduction, new chassis and transmission developments are all embraced within Mazda's SKYACTIV technology.

For fleet operators and company car drivers the technology translates into reduced whole life costs, lower fuel bills and tax savings with motoring-related taxes linked to car emission levels.

SKYACTIV will be an integral part of every new Mazda model that comes to market from 2012 and not just selected 'eco' models.

SKYACTIV technology offers:

- New generation SKYACTIV-G petrol engine efficiency that promises a 15% increase in fuel economy and torque
- The introduction of new SKYACTIV-D diesel engine technology that delivers a 20% fuel economy improvement thanks to the world's lowest diesel-engine compression ratio
- The introduction of new six-speed automatic transmission available on both petrol and diesel as well as a new lightweight compact six-speed manual transmission which deliver fuel economy and therefore emission improvements
- An all new platform providing a rigid body and chassis that is 100 kilos lighter than predecessor.

The low compression ratio diesel technology also allows Euro6 emission regulations to be met without the aid of expensive NOx (nitrogen oxides) after treatment systems.

A number of influential motor industry commentators have already driven SKYACTIV-equipped Mazdas including Martin Ward, manufacturer relationship manager at automotive information provider CAP.

After driving four different SKYACTIV cars, he said: 'Mazda proved beyond any doubt just how good SKYACTIV is - especially the diesel automatic. It is a brilliant piece of engineering. With the technology debuting in the CX-5, Mazda has a winner on its hands. The technology should help Mazda in its quest to improve fleet sales. Mazda is definitely a brand to watch.'

Crucially SKYACTIV sees Mazda defying current industry thinking that significant fuel economy and emission breakthroughs can only be achieved with alternative technology.

Christian Blank, director of European fleet operations, said: 'Research tells us that only 10% of new cars sold in 2020 will be fully electric. So we believe that the strategy we are pursuing is the right one - first launching breakthrough technologies for petrol and diesel engines while continuing to work on hybrid and electric vehicles as well as hydrogen-powered models.'

Fleet decision-makers and company car drivers across Europe will be able to sample the full range of SKYACTIV technology for the first time on Mazda's all-new compact crossover SUV, the CX-5.

Scheduled to launch in the majority of markets at the beginning of 2012, the model achieves best-in-class sub-120 g/km emissions and will make its world debut at September's Frankfurt International Motor Show.

'The technology delivers a winning combination of cost-effective motoring and excellent environmental performance with no compromise in driving dynamics. This will enable our cars to reach the top quartile of our competitor set in terms of residual values and further extend our European fleet customer base,' said Blank.

## SEAT adds new model to Leon line-up

SEAT has added a new model to its Leon range - the FR+ - and extended the FR trim level in readiness for next month's launch of the 61 registration plate.

Designed to extend the appeal of the FR trim level that, last year, was responsible for a whopping one in four Leon sales, the revisions see new engines added to the FR line-up.

The FR hot hatch is now available as a 1.4 TSI 125 PS (manual only) or 2.0 TDI CR 140 PS (manual and DSG).

The Leon boasts FR front and rear bumpers, twin chrome exhaust pipe, trademark silver-painted door mirrors, LED rear-light clusters, FR sports seats and steering wheel, rear parking sensors, rain-sensing wipers, automatic headlights and auto-dimming rear-view mirror.

Meanwhile, the new Leon FR+ is available to order now with SEAT's 2.0 TSI 211 PS and 2.0 TDI CR 170 PS engines.

The Leon FR+ takes the FR trim and adds 18-inch Ibera alloy wheels; the SEAT Media System 2.2, which includes satellite navigation with five-inch colour touchscreen and dynamic route guidance, DAB radio, Bluetooth audio streaming and SD card slot; Bluetooth phone connection; Bi-xenon headlights with AFS (Adaptive Front-lighting System) and front parking sensors.

When specified separately the cost of the additional equipment is £2,465, but the price of the new Leon FR+ is up by £1,070.

The FR line-up now starts at £18,205 for the Leon FR 1.4 TSI 125 PS, rising to £22,615 for the FR+ 2.0 TDI CR DSG-auto 170 PS.

Finally, while the Leon Cupra has been withdrawn from the range SEAT has improved the Cupra R trim by adding extra kit for no extra cost. The latest Leon Cupra R now offers, as standard, SEAT Media System 2.2, Bluetooth connectivity, Bi-xenon headlights with AFS and LED rear-light clusters.

The extra equipment is worth £1,665 but there has been no increase in the 265 PS Cupra R's price. In fact, the price of SEAT's most potent production car to date has been cut - by £10 - to £25,995.

## Hyundai reveals new i30 as new model wave continues

HYUNDAI has released the first rendering of its next-generation i30 C-segment hatchback, which will be unveiled at the 2011 Frankfurt International Motor Show in September.

The all-new i30 was designed and engineered at the Hyundai Motor Europe Technical Centre in Rüsselsheim, Germany, with the styling reminiscent of the recently unveiled i40.

Allan Rushforth, senior vice president and chief operating officer of Hyundai Motor Europe, said: 'We expect this next-generation i30 to play a significant role in developing our brand image in Europe and strengthen the vehicle's position as our best-seller in Europe.

'Since 2007, the name 'i30' has become synonymous with 'quality', 'reliability' and 'low emissions' in Europe, and we hope that, amongst others, the term 'emotional appeal and style' will be added to the list with the introduction of this dynamic new model.'

Meanwhile, the launch of the D-segment i40 Tourer marks the first of a wave of new products.

Over the next 18 months there will be 13 new or revised models from the South Korean brand, by which time the ix35 will be the oldest car in its line-up and that was only introduced in April last year

The i40 Tourer, or estate, goes into the showrooms early next month and a four-door saloon will follow later in the year.

The Tourer is available in three main trim levels (Active, Style and Premium) with the choice of three engines, four power outputs and manual or automatic transmission.

Hyundai's Blue Drive technologies - including stop-start - are fitted as standard on all Active derivatives, and on the Style 1.7 CRDi 136 PS Blue Drive model to give emissions of 119 g/km.

In a segment where diesel models represent 77% of total sales, Hyundai is anticipating that the 'high-power' version of the 1.7 litre diesel unit developing 136 PS will be the most popular engine among both private and fleet buyers. The petrol unit is Hyundai's all new four-cylinder 2.0 litre GDI engine.

Hyundai UK boss Tony Whitehorn told *Headlineauto* that the i40 was a new 'brand ambassador', showing that the South Korean company had come of age in terms of style.

He said: 'It's an estate car but it doesn't look it - the look is dynamic but it is still a very capable load carrier.'

Hyundai is specifically targeting the fleet market with the i40. More than 70% of D segment buyers are fleets and Whitehorn said the South Korean company had an attractive proposition starting with a lead-in price of just under £18,400.

Whitehorn added: 'The brand has been evolving over the past few model introductions. The first step change was the i30 which was our first European-designed vehicle, and this was followed by the i10 and i20.

'The next step was with the ix35 which brought more style and emotion to Hyundai, and now we are into stage three with the launch of the i40 Tourer which will be followed by the saloon and the Veloster later in the year.'

## Renault extends Gordini range with two new models

RENAULT has extended its Clio Gordini range with the launch of the three-door 1.6 VVT 128 and 1.5 dCi 106, priced at £14,000 and £14,950 on-the-road respectively.

Both models are available to order now with first deliveries from September.

Gordini features include: 16-inch Turini alloy wheels, twin white Gordini racing stripes, body coloured spoiler, Gordini badging and interior touches. High specification offers climate control, front fog lights and hands-free keycard

The petrol model is powered by the 1.6 litre engine from the former GT, itself slightly detuned from the Twingo Renaultsport 133. In the warmed over Clio, it gives performance of 0-62 mph in 9.3 seconds and 42.2 mpg on the combined fuel cycle.

The diesel model is capable of 62.8 mpg on the combined fuel cycle and has emissions of 110 g/km.

## New Subaru crossover set for 2012 UK launch

SUBARU will debut its all-new European specification XV model at the 64th Frankfurt Motor Show being held from September 13 to 25 with the model due for launch in the UK in early 2012.

The Subaru XV is claimed to define a whole new generation of Subaru crossover vehicles.

The final production version of the XV remains true to the Concept model, which was first shown at the Auto Shanghai motor show in April.

Subaru anticipates that the XV will bring a new type of customer to the brand - people who are confident in the knowledge of the company's all-wheel drive and engineering expertise and who are also looking for the flexibility and lifestyle statement that owning a crossover brings.

## New Suzuki Swift to debut at Frankfurt show

THE new Suzuki Swift Sport will debut at next month's Frankfurt Motor Show and marks the first full model change since the launch of the original Swift Sport in 2006.

The car has a more aggressive and dignified exterior look thanks to a low-slung form that gives a sense of stability and tension, and a big front grille that evokes a sporty performance feel, says the manufacturer.

Higher power and lower fuel consumption are delivered by the 1.6 litre engine, which Suzuki developed exclusively for the Swift Sport. The engine is mated to a specially developed six-speed manual transmission

Standard features include seven airbags (including curtain airbags and a driver's knee airbag) and Electronic Stability Programme.

## Manufacturer news

### Volvo invests in tax training for business advisers

VOLVO has launched a training initiative that sees its corporate sales team and business centre dealers being given expert advice on all issues relating to company car funding and tax.

The manufacturer says it has implemented the programme after it became clear that companies were continually highlighting areas of confusion including: corporation tax advantages, lease disallowance and Approved Mileage Allowance Payments.

Now Volvo is urging fleet managers, company car user choosers and small and medium-sized companies to seek car funding advice from its dealership-based business teams.

The training programme is being delivered by Hampshire-based BCF Wessex. So far the in-house corporate sales team has received the specialist training and that is now being rolled out to Volvo UK's 24 business centres in its national dealer network.

Volvo national corporate operations manager Selwyn Cooper: 'The tax rules are complicated, and depending on a customer's personal situation, play a great part in determining whether they would be better off driving a company car or buying the car privately.

'Volvo invested in its bespoke car tax training programme to ensure its staff now have the highest level of expertise to help customers make informed decisions and not simply fall into the trap of looking at just the monthly rental figure.'

Jeff Whitcombe, who devised and delivered the training alongside his business partner, ex-Deloitte tax specialist David Rawlings, said: 'With the right training, a corporate sales manager can offer in-depth and insightful guidance to the customer which would be difficult to provide without specialist knowledge; what's more the advice is all part of the service. Volvo has taken the lead and companies can really benefit.'

Motoring-related taxes favour lower carbon dioxide emission vehicles. Therefore, for example, when a company purchases a sub-111 g/km emission vehicle, of which Volvo has three - the C30, S40 and V50 in its DRIVe range - it can claim a 100% first year allowance rather than spreading its capital allowances over several years under corporate tax rules.

So, if a small company spends £25,000 on such a low emission car, after claiming its first year allowance, the company's corporation tax charge is reduced by £5,000 - £4,000 more tax relief than would be available if the company had bought a comparable car with emissions of, say, 111 g/km.

Whitcombe said: 'Invariably, when whole life costs are discussed corporation tax is omitted because of its complexity but, actually it can account for a vast boost in cash flow.'

Other factors, said Whitcombe, that needed to be taken into account included disallowance for leased cars with emissions exceeding 160 g/km; VAT blockage on company cars available for private use; and tax-free Approved Mileage Allowance Payments that an employer can pay a driver using their own car for business worth 45p per mile for the first 10,000 business miles and 25p per mile thereafter, as well as being tax deductible for the company.

## GM on the road to recovery with sixth consecutive quarterly profit

GENERAL Motors has recorded its sixth consecutive profitable quarter as the United States-based manufacturer recovers from the fall-out of its bankruptcy crisis.

The company reported revenues of $39.4 billion for the second quarter of the year, up from $33.2bn a year ago. Profits almost doubled in the quarter under review to $2.5bn (2010 Q2: $1.3bn).

Chairman and chief executive Dan Akerson put the company's improved performance down to investments in fuel efficient vehicles, designs and quality paying off around the world as market share grew.

The financial report reveals that GM Europe may have emerged from its financial crisis with earnings before interest and tax of $100 million, an improvement of $300 million compared with the second quarter of last year.

Nick Reilly, president of GM Europe and chairman of the Opel/Vauxhall supervisory board, told the *Financial Times* (Thursday, August 4) that it was ahead of its plan to break even this year.

He was quoted as saying: 'If we can be breakeven this year, we will get the full benefit of restructuring [and] can be decently profitable in 2012.'

The Vauxhall/Opel unit has long been a loss maker for the Detroit carmaker and, in recent months, the subject of speculation that it might be up for sale, which Akerson recently denied.

When asked whether General Motors had been approached by a rival carmaker seeking to buy Vauxhall/Opel, Reilly said: 'Not as far as I know.'

However, he said, General Motors was 'frequently talking' to other producers about alliances in new technology, especially in areas such as vehicle electrification, where many carmakers were seeking to cut costs.

The second quarter performance gave General Motors the confidence to forecast that full year 2011 results would show 'solid improvement' over 2010.

# Light commercial vehicles

## Brake goes on van sales for first time in 17 months

VAN sales dipped for the first time in 17 months in July, according to latest data from the Society of Motor Manufacturers and Traders.

Sales of light commercial vehicles last month totalled 17,309, down 0.85% on July 2010's figure of 17,309 units. SMMT chief executive Paul Everitt attributed the decline to 'a more uncertain period for the economy'.

However, sales for the first seven months of 2011 are 20.73% ahead of the same period last year at 150,400 (2010: 124,579).

Putting the figures into perspective, the SMMT said: 'Van registrations grew strongly from the end of the recession in 2009/early 2010. July's market saw this trend change as the recovery phase of the cycle subsides. [But] underlying annual van registration volume are back to near 250,000 units - a significant recovery given the 190,000 unit benchmark typical at the bottom of the recent recession.'

However, the statement added: 'For the second half of 2011, the outlook is for more weak GDP growth and high inflation, which may inhibit sustainable growth in van registrations. Volumes should hold above current levels of annual registration volumes, but the outlook is both challenging and uncertain.'

The segment breakdown of van sales last month reveals a 3.6% rise to 10,289 (July 2010: 9,934) in the number of 2.51-3.5 tonne vans sold year-on-year; a 53.9% rise to 531 in the number of 4x4s sold (July 2010: 345); and a 1.4% rise to 1,389 (July 2010: 1,370) in the number of pick-ups registered. However, sales of vans up to 2.0 tonnes dipped 18.1% to 2,521 (July 2010: 3,077) and sales of 2.01-2.5 tonne vans dropped 5.8% to 2,432 (July 2010: 2,583).

Year to date sales in all segments are up on last year: Vans 2.51-3.5 tonnes 83,340 (2010: 67,443); 2.01-2.5 tonnes 18,826 (2010: 15,907); vans up to 2.0 tonnes 28,689 (2010: 27,201); 4x4s 3,960 (2010: 2,764), pick-ups 15,585 (2010: 11,264).

## Residual value update

### Dealers short of low mileage, high quality used cars

DEALERS are increasing their focus on used car retailing with new car sales in the slow lane, but there is a shortage of vehicles meeting the right retail stock profile.

Although demand is being matched in terms of volume, it is not necessarily by the quality of stock in the market, according to the latest report from the Vehicle Remarketing Association (VRA).

It says that there continues to be a disproportionate number of high mileage, poor condition cars around, which whilst still selling, are ‘off the pace’ in terms of prices being achieved.

Good condition, smaller engine vehicles with sensible mileages are at a premium, but they are not in abundance, says the VRA, which suggests that retailers may need to further adjust their stocking parameters, if they don’t want too many gaps on the forecourt.

With registration plate change month of September likely to be a quiet retail new car month, so the number of part exchanges reaching the market will be further restricted, says the VRA.

Certain manufacturers have now got some volumes of late year, low mileage cars returning to market and, as quantities are relatively low, they should be met with healthy demand, says the organisation.

However, even if that supply remains constant to the end of the year those cars are likely to quickly find new homes, with the used models of those new cars suffering from long lead times, being particularly attractive.

Long lead times for certain manufacturers are still causing big issues for fleets in particular, but it looks as though many of the outstanding orders that have been in the supply pipeline for some months will be met by quarter four.

That, says the VRA, should free up a reasonable supply of ex-fleet cars into the used market, albeit the majority of that stock will be four-five-years-old with higher mileages and may not necessarily be what used car buyers require.

The used market towards the end of the year is expected to be fairly stable, however large fleet vendors will need to decide whether to sell these returning company cars prior to Christmas, or perhaps wait for a price uplift in January, the likelihood of the latter being very difficult to predict, says the VRA.

Based on fleet extensions since the recession started in 2008, leasing companies are saying that four-year/80,000 mile replacement cycles will now become the norm rather than the exception.

As reported in the last few VRA market reports, the used van market continues to go from strength-to-strength with prices remaining strong and stock availability limited. This looks set to continue through to the first quarter of 2012, with a potential for the stock shortage to get worse in and around the London area.

With tougher Low Emission Zone regulations coming into force in January in London, many older vehicles will have to be taken out of circulation, as they don't conform to the new rules.

Meanwhile, with a prevailing tough economic climate and patchy recent months for the remarketing industry, small cars remain king with more and more buyers chasing a restricted stock.

Overall prices have pretty much returned to follow the seasonal norm, but whilst CAP recently downgraded trade prices across the board by 1.4%, some small cars actually bucked the trend with a small rise, while most executive cars continue to feel the pressure, some being marked down by as much as 8%.

## CAP releases definitive used car condition benchmarking criteria

DEFINITIVE vehicle condition criteria for accurate used car valuation benchmarking have been released by CAP.

It means, says the company, an end to uncertainty over what qualifies as a CAP 'clean' vehicle and meets the used car industry's demand for an intelligent, transparent and clearly understandable independent benchmark in an increasingly volatile market.

The publication of a clear 'scorecard', detailing the precise criteria for CAP's three condition pricing points - clean, average and below - addresses one of the most common issues often dividing used car trade buyers and disposers, says the company.

For example, buyers frequently complain that some disposers set auction reserve prices at CAP 'clean' for cars which are of CAP 'average' condition. The release of a fully transparent points-based scoring system to definitively establish any vehicle's condition in relation to CAP valuation benchmarks provides a common language on which to base a trade transaction that is more clearly understandable than ever before, it claims.

To precisely identify the condition of a vehicle CAP has listed the common features for appraisal in each of the following areas: exterior bodywork, lights/glass/mirrors, wheels/tyres/interior trim and documentation/keys.

Within each of these areas a point-scoring system enables those appraising the vehicle to record items requiring remedial work. Such items are graded so that - for example - a light scuff adds fewer points than the need for a new tyre.

A completed checklist results in a points total which defines the condition grade of the vehicle.

The system also takes into account vehicle age, thus avoiding the longstanding areas of industry debate such as how to clearly distinguish between a three year old CAP 'clean' car and a CAP 'clean' five year old vehicle.

To take into account the differences in the significance of features in different sectors - for example the cost of tyres for a typical heavy 4x4 - the scoring system has been adapted for each vehicle segment.

The CAP condition criteria and grading system will first be published across CAP's used car valuation products, with plans also being developed for a Smartphone application.

CAP development director Anthony Doherty said: 'Although CAP 'clean' is almost universally recognised as an essential independent condition and valuation benchmark across the industry, it is important that it is properly understood and applied appropriately.

'By defining precisely what qualifies as a clean, average or below average condition vehicle we intend to help both buyers and sellers in the trade market to negotiate from a position of mutual understanding rather than from the starting point of disagreements over valuation criteria we so often see at present.'

## Politics and regulation

### Vehicle and road repair bills to rise as potholes get deeper

THE Institute of Advanced Motorists has warned of larger vehicle and road repair bills in the future as a consequence of the Highways Agency revising pothole repair rules.

Previously contractors were required to ensure that drivers were given a quiet, comfortable and even ride by making sure that any defects in the surface of the road were repaired within a 24-hour timeframe.

However, the new rules state that potholes smaller than 15cm wide or 4cm deep are not classed as urgent for repair. The new guidelines refer to trunk roads and motorways.

The massive increase in potholes is a consequence of three severe winters with 2010/ 2011 being the coldest for 100 years combining with years of underinvestment in routine road maintenance, says the IAM.

The organisation's director of policy Neil Greig said: 'This just seems to be storing up larger repair bills for the future. All large potholes start off as small potholes - it's easier and cheaper to fix them early and reduce the risk to road users.

'The reaction of the Highways Agency to this crisis is worrying because it seems to be an attempt to switch its legal responsibilities to maintain safe motorways and trunk roads from themselves to their contractors, in the hope they will come up with something.

'The Highways Agency's roads are the backbone of the country's transport system which is why the IAM would like to see their risk assessment of this decision to be assured that motorists will not be put at risk.'

## Dealer news

### Citroën Retail Group moves into Ireland

THE Citroën Retail Group will open new retail premises in Dublin before the end of 2011.

The new showroom, which will also act as the new headquarters for Citroën Ireland, will be the first Irish based dealership within the Citroën Retail Group portfolio, which already owns 12 sites across the UK.

Located at the Airside Retail Park in Swords, the site expands Citroën Ireland's accessibility across the key Dublin market. It also increases Citroën's national network to 27 dealerships (five within the Dublin area).

David Peel, Citroën Retail Group chief executive for UK and Ireland, said: 'The announcement of our new site in Dublin demonstrates the dynamic expansion of the Retail Group and comes during a very exciting time for the brand. The hugely successful DS3, alongside the recently launched C4 and Citroën DS4, will be joined in 2012 by the Diesel Hybrid DS5.'

### Peter Vardy adopts Seller Advance and appoints Manheim Glasgow

DEALER group Peter Vardy Limited has signed up to Manheim's Seller Advance and has appointed Manheim Auctions, Glasgow as one of its auction partners to support its remarketing strategy.

Founded in June 2006, Peter Vardy Limited operates BMW, Chevrolet, Mini and Vauxhall dealerships in Aberdeen, Edinburgh, Kirkcaldy, Motherwell and Perth. The launch auction for Peter Vardy is today (Thursday, August 11) when up to 80 used cars are expected to be offered out of a total of 300 vehicles.

Stuart Mackinnon, disposal manager at Peter Vardy Limited said: ‘A robust remarketing strategy is key to a successful and profitable business and I am confident that our relationship with Manheim Auctions and the use of Seller Advance will be of great benefit to all our dealerships.’

## General motor industry news

### FairFuel petition leads on Government website as pump prices fall

THE FairFuelUK petition on the new Government e-Petition web site is currently second on the list with more than 22,000 signatures pressing for pump price cuts.

The new Government initiative means that if the e-Petition receives 100,000 or more supporters, it will almost certainly force a full debate in Parliament on the issue. The link to the e-petition is http://bit.ly/FFUK-Gov.

The current UK average price for a litre of unleaded petrol is 136.58p with a litre of diesel costing 140.79p, according to price comparison website petrolprices.com.

However, pump prices could fall after supermarkets Asda and Morrisons each announced this week a 2p cut in the price of unleaded petrol with diesel prices falling by 1p a litre. Other supermarkets and the major oil companies are now under pressure to follow suit.

The price cuts follow sharp falls in recent days in the international price of crude oil as a direct result of the global economic turmoil. The price of a barrel of oil has now dipped below $100 for the first time since the spring.

The petition asks the Government to scrap the planned 4p per litre fuel duty increases scheduled for January and August 2012 and to implement actions to bring down and stabilise fuel prices.

James Hookham, the Freight Transport Association’s managing director of policy and communications, said that the e-petition highlighted to the Government that fuel pricing was one of the public’s top concerns.

He added: ‘It is not just motorists whose lives are being made a misery, commercial vehicle operators whose businesses hang in the balance are being forced to make some very tough decisions - those that can’t pass on their costs are in danger of falling into the abyss.

‘High fuel taxes are doing massive damage to Britain’s economy and if planned rises go ahead we will effectively be pricing ourselves off the road to recovery.’

Quentin Willson, leader of the FairFuelUK campaign said: ‘The Government says that it wants to know the issues that the public care about. We know from the massive support that FairFuelUK has already received that petrol and diesel prices are right up at the top of the public’s agenda.

‘The wheels of the economy are literally grinding to a halt. The Government has a golden opportunity to boost growth, reduce inflation and give the economy the kickstart that it deserves by getting fuel prices down. I am urging everyone that cares about petrol/diesel prices and the economy to get behind this - let’s get the politicians talking about fuel.’

Robert Halfon, MP for Harlow said: ‘A full debate in Parliament on petrol and diesel prices is a necessity. The cost of petrol is crucifying motorists up and down our country. Businesses, families, job seekers are suffering under the strain. High petrol prices are a break on economic growth, push up costs on front-line public services and act as a poverty trap to those seeking work.'

## New car prices fall fractionally

THE average price of new cars fell in July 2011, by 0.23% or £65 from £28,212.00 to £28,147.00, according to DrivenData's monthly new car price index.

It is the fourth time prices have dipped during the past 12 months (-0.073% in November; -0.12% in December and -0.092% in April).

The index is calculated from the retail prices of every car model currently sold in the UK, resulting in the most accurate and comprehensive comparisons available.

The average annual price of a new car since July 2010 has increased by 3.9%, or £1,056.76 (from £27,090.24 to £28,147). Meanwhile, the underlying pace of inflation in car prices has slowed down over the past 12 months to 3.9%. It rose by 4.718% between July 2009 and July 2010.

John Blauth, editor-in-chief of DrivenData, said: 'Is this a flash in the pan or are new car prices stabilising prior to gently falling? Fuel costs also fell, very slightly, in July. Dare we conclude that motoring may be getting cheaper? Hope so. In any case, if you check the cost of motoring against travel by rail, it still works out as exceptionally good value.'

## Avis looks forward positively with best results for eight years

RENTAL giant Avis Europe has reported its best set of half-year results since 2003 with underlying pre-tax profits of €11.5 million for the first six months of the year compared with €300,000 for the first half of last year and total pre-tax profits also of €11.5m (2010: €7m loss).

Rental revenues in the half-year under review totalled €570m (2010: €539m).with the company saying business had been supported by the overall economic recovery and had benefitted from both the substantial transformation that has been undertaken in the company, strict cost and capital control, and the drive for profitable growth.

Avis Europe, which is set to be acquired by Avis Budget Group Inc later this year, said that fleet costs improved as a result of a good gain on sale performance, lower maintenance costs on reduced age of fleet, and utilisation 1.7% points better largely due to the ash cloud effect in the comparative period.

Chief executive Pascal Bazin said: 'We have delivered another strong performance in the period as anticipated, achieving our best interim profit before tax since 2003, building on the management actions undertaken over the past three years.

'We continued to experience demand recovery in all our main markets and improved both operating and pre-tax margins, together with a further increase in return on capital employed.

'Recent trading for the start of our key summer peak season has been strong, continuing the substantial volume growth achieved in the first half, and with some early signs of improvement in the rate per day trend.

'During the period, we also continued our geographical development, particularly growing our joint venture in China, and development of new mobility solutions with the full acquisition of Okigo and subsequent launch of Avis on Demand in France, a trial of new self-service kiosks in Germany, and expansion of Home Delivery & Collection in the UK.

'These initiatives, together with the proposed reunification of the Avis and Budget brands globally with the recommended acquisition of the Group by Avis Budget Group, Inc., which has been strongly supported by our shareholders, position the business for a highly positive future.'

## Drivers in 2011 MPG Marathon aim to break 100 mpg barrier

ECONOMY driving event, the MPG Marathon, returns to Britain's roads on October 5-6 with competitors having the chance to test their economy driving skills around a 380-mile route from the starting and finishing line at the Four Pillars Hotel, South Cerney, near Cirencester.

With the emphasis on the benefits of smarter driving to both businesses and to the general public, the MPG Marathon aims to demonstrate that fuel bills, maintenance costs, accident rates and driver stress levels can all be reduced through the use of certain easy-to-learn driving techniques.

Sponsors of the event include the Energy Saving Trust, ALD Automotive TomTom Business Solutions and the Automobile Association.

Previous MPG Marathons have focused on emphasising potential cost savings to company car fleet operators.

However, the organisers now aim to reach a far wider audience of eco-driving enthusiasts - especially younger drivers - following the launch of a new and improved MPG Marathon website, as well as a Facebook page and Twitter account.

It is widely anticipated by event organiser Ross Durkin, publisher of trade publication *Fleet World*, that one or more competitors will break the elusive 100 mpg figure at this year's event - a feat never before achieved in the MPG Marathon's 11-year history.

He said: 'With energy costs rising across the board, it's not surprising that motorists are increasingly looking for ways to get more miles out of every pound spent on fuel. The motor manufacturers have done a fantastic job of improving the fuel efficiency of their cars, but let's not overlook the fact that the use of certain smarter driving techniques can significantly reduce the amount of fuel used on a journey. Savings of up to 20% are by no means difficult to achieve.'

## Europcar reveals unexpected fines in returned hire cars

YOU'VE just got to laugh at the type of goods some people leave in returned hire cars.

Apart from the not unexpected items such as sunglasses, CDs, mobile phones and keys, Europcar has revealed other goods include a mannequin, 50 fluorescent light bulbs and a Scottish Piper's black ostrich hat not to mention £1,000 worth of designer clothes left in the boot of a car.

Other unusual items left in Europcar's rental vehicles include, says the company: A false leg, furry handcuffs, a printer, flowers, a wheelchair, an ammunition case and stretcher, half a pint of beer with a CD called *'The Art of Speed Seduction'* and 10 odd pairs of shoes.

Europcar managing director Ken McCall said: 'There's never a dull day in the life of a hire car as some of these stories and items of lost property reveal.'

# People on the move

## Epyx recruits three new account managers for 1link Disposal Network

THREE new account managers have been recruited by epyx to support expansion of its growing 1link Disposal Network e-commerce platform.

Franchise dealers, independent garages and car supermarkets that have joined the platform to purchase ex-fleet cars and vans will be visited by Marianne Caffrey, Mary-Ann Birch and Sarah Mobbs.

They will help users to become quickly familiar with the system and guide them through key features such as setting up alerts when vehicles that match their ideal specifications come up for sale.

Part of their brief will also be to show dealers how to use epyx's recently-launched Trade to Trade facility, which enables traders to sell vehicles to other traders through 1link Disposal Network.

Ken Trinder, head of business development at epyx, said: 'The volume of sales through 1link Disposal Network doubled in the first six months of 2011, so the platform is growing rapidly. More and more trade buyers are joining the platform.

'We are seeing more major fleets using 1link Disposal Network as a key disposal channel and are expecting the number of sales through the platform to continue rising through the rest of 2011.'

Used by large fleets such as leasing companies to sell stock to used car and van dealers, 1link Disposal Network forms a component in the 1link cradle-to-grave e-commerce vehicle life cycle which includes e-commerce platforms covering vehicle procurement, service and maintenance, taxation and rental.

## Iasi promoted at Leasedrive

SANDRA Iasi has been promoted from client services team leader to account manager at the Leasedrive Group, the UK's largest independent privately-owned vehicle management group.

Iasi, who has been at Leasedrive for six years, will be responsible for many important customers including its latest client win, Monier. Before joining Leasedrive she worked in a number of customer service and key account positions at LeasePlan. In total, she has more than 12 years' experience in the vehicle leasing sector.

## Audi boss quits

AUDI director Jeremy Hicks has left the company after almost six years in his role during which he presided over a significant level of growth with the brand selling almost 100,000 units in the UK in 2010 compared with 77,000 units at the end of 2004.

A statement from Audi UK said: 'Jeremy Hicks is to leave Volkswagen Group UK to take up a position with another company. Jeremy made a significant contribution to the growth of the Audi brand in the UK and his leadership and inspiration will be missed. Information on his successor will be announced in due course.' Hicks' new job has yet to be announced.

Until a new director is appointed, the Audi brand will be overseen by Robin Woolcock, currently managing director of Volkswagen Group in the UK, but who will give way to Simon Thomas from September 1. As previously announced Woolcock is moving to a new role within Volkswagen, while Thomas joins from Nissan Europe.



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[info@awdcomms.com](mailto:info@awdcomms.com)

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