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Latest Motor Industry News

This Week's Briefing

MoT frequency changes could trigger 250 more road deaths

Fuel prices to breach 150p per litre by summer 2012

Ford blocks calls and text messages with new technology

Lexus cuts emissions but makers could slash prices of 'dirty' cars

Under inflated tyres cost drivers £337m in fuel bills

Ministers back clock change move to boost road safety

Used car prices stable due to fragile supply and demand

Model update: Audi, Mini, Mitsubishi, Peugeot, Subaru

The Editor's View

THE Government has got itself in to a right old pickle in relation to changing the frequency of the MoT. Ministers are considering plans to shift the first test to four years and then to intervals of two years claiming it would save motorists cash. However, the Department for Transport now faces the might of a new group of more than 25 major organisations, which have formed an alliance called Promote to press ministers to rule out any frequency change on safety, financial and employment grounds. Motorist opinion polls also show opposition to any change. Debate around MoT frequency was started by the previous Labour Government and has been allowed to rumble on by the present administration - and still no formal consultation has been announced. Given the weight of opposition against the idea and the supporting evidence, the Government should publicly state that it has ruled out any MoT frequency change. After all, there are far bigger issues confronting politicians than the MoT.

Fleet file

Alphabet puts customers first with restructuring after ING deal

CUSTOMER satisfaction and service excellence are the top priorities for the new management team at Alphabet, following its recent £570 million acquisition of ING Car Lease.

To ensure the merger of the two businesses is aligned to meet that vision, Alphabet International has set up a dedicated integration team to work across its European organisation. Ian Tilbrook, currently managing director of ING Car Lease, has assumed responsibility for the successful integration in the UK.

Richard Schooling, Alphabet chief executive, said: 'This is the start of an exciting new era for Alphabet. We're bringing a level of drive and dynamism to this sector that many people feel has long been missing from the upper echelon of existing players.

'By pooling our expertise and experience with our ING colleagues we will have more capacity to develop innovative and pioneering solutions to meet the present and future trends and challenges of business mobility. We want to shape the fleet market and lead the way - making Alphabet an inspiring place to work and for our customers, a bright and innovative fleet management partner who provides exceptional service.'

The enlarged UK management team sees Alphabet's Paul Hollick as sales and marketing director, taking responsibility for all new business acquisition while ING's Greg Taylor takes on the role of commercial director with responsibility for all existing customer retention and development.

The company's finances will be the responsibility of Albert Vissers, chief financial officer, with management of risk within the leasing portfolio now being directed by Ross Pridmore as chief risk officer.

The merged businesses' two fleet operations centres, at Hook in Hampshire, and Leeds, are being directed by Matt Sutherland, operations director and Bryan Stringer operations director respectively.

This management structure will take effect from January 1 next year.

Business drivers 'accept' telematics technology

BUSINESS drivers have a growing acceptance of telematics with the onboard technology helping them reduce fuel consumption, improve behaviour and help boost vehicle safety via advance servicing notification.

Significantly, an overwhelming majority of the 500 drivers surveyed stated that they would be happy having onboard technology that would record and identify the exact location of their vehicle at anytime - an issue that for years has been a stumbling block for businesses in implementing telematics on their business vehicles.

With increasing demands placed on businesses to control their fleet costs, reduce risk and carbon dioxide emissions, ALD Automotive, which conducted the survey and provides its ProFleet2 telematics solution to customers, found that

- 71% of drivers would approve of on-board technology that could help improve their driving style - acceleration, braking, speeding, engine idling etc.
- 87% would approve of on-board technology that could help reduce their fuel bill
- 90% would be content in having on-board technology that could make their vehicle safer, via advance servicing notification
- 60% would be happy in having on-board technology that would accurately identify the location of their vehicle

Keith Allen, managing director of ALD Automotive UK, said: 'Over the past seven years, telematics technology has evolved hugely, delivering a wide range of functionality that can help businesses to better manage the costs and risk associated with their fleet

'At the same time business drivers have also become far more positive about the use of telematics, recognising the benefits it can deliver to themselves as well as their employers.'

Small fleets almost as professional as large fleets in fuel buying

FLEETS with fewer than 25 cars, vans and HGVs apply almost as much control to buying petrol and diesel as those with more than 25 vehicles, according to new research by MIB Data Solutions.

The company asked 3,003 companies with fewer than 25 vehicles and 616 with more than 25 how they acquired fuel and received the following responses. The results do not total 100% because some use more than one method of purchasing:

	Fewer than 25 vehicles	More than 25 vehicles
Fuel card	57%	60%

Driver pay and reclaim	22%	18%
Bunkered fuel	21%	17%
Credit card	9%	11%
Local account	4%	4%

Nick Boddington, managing director, said: ‘The results of this survey are quite surprising. Certainly, we expected a much greater disparity between small and large fleets when it comes to the amount of control they apply to fuel buying but the figures for all the methods of purchasing we investigated are very similar.

‘It is difficult to draw conclusions from this other to say that generally fleets of all sizes are equally as good, or as bad, as any other when it comes to buying fuel. Around three out of four use purchasing methods that give them some degree of managerial control - such as fuel cards, bunkered fuel and local accounts - while the rest use methods such as pay-and-reclaim which provide little or none.

‘Our suspicion is that there are a hardcore of managers in businesses of all sizes - perhaps representing one in four or five of all fleets - who simply do not believe or recognise that the buying of petrol and diesel is something that can be actively managed. However, any fleet that uses fuel cards will tell you that they can play an important part in steering drivers towards cheaper fuel outlets, identifying which vehicles and drivers are heavy users of fuel, and minimising fraudulent claims.’

Hydrogen taxis to take to London’s roads

A FLEET of 15 hydrogen-powered black cabs are to be introduced to London’s streets alongside five hydrogen-powered Suzuki Bergmann scooters.

The Hytec (Hydrogen Transport for European Cities) project will see the taxis scooters transporting passengers across the capital.

An Air Products hydrogen fuelling station will also be installed as part of the scheme, which is being part-funded by the Fuel Cells and Hydrogen Joint Undertaking.

Two hydrogen fuelling stations are already working in the capital to support the city’s hydrogen buses and the new station will link up with those facilities. That will help to create an infrastructure network for hydrogen fuel cell vehicles in London ahead of next year’s Olympic Games.

Mayor of London Boris Johnson said: ‘I want London to become a zero-emission city in order to deliver cleaner air and improve quality of life. It is important that London champions innovative new technologies to get us to this point, which is why I am delighted we are set to get even more hydrogen vehicles on our streets in time for the Olympic and Paralympic Games and beyond.

‘This supports my drive to promote the uptake of cleaner vehicles such as electric cars and the new fleet of hydrogen buses running in London, which is setting industry standards.’

British Gas gaining traction with Continental’s winter tyres

IT will be winter all year round for British Gas after the UK’s leading utilities provider completed a successful trial of Continental winter tyres on its car-derived vans.

Following the extreme weather conditions experienced in 2009, British Gas took the decision to fit 120 of its Volkswagen Caddy vans with winter tyres to ensure its vehicles stayed on-call and on the road last winter.

Colin Marriott, general manager, fleet, at British Gas, said: ‘The safety of our drivers and engineers is a top priority at British Gas, as is maintaining our high standards of customer service.

'We wanted to make driving in cold weather as safe as possible and if we can negotiate the icy roads then we can get to site and fulfil customer needs when they need us most. We have received very positive feedback from our drivers regarding the performance of the Continental winter tyres, especially in the snow. Our engineers have commented that they were able to complete a normal full day's work even in the most adverse conditions.'

The trial took place in and around British Gas' operational area of the Scottish Highlands and Peak District. The front-wheel-drive vans in the Highlands were fitted with winter tyres all-year round, while those in the north of England ran Continental's winter tyres only during the colder months.

Marriott said: 'When snow blanketed the UK in January the Continental winter tyres really proved their worth and in some cases the front-wheel-drive Caddy vans outperformed 4x4 vehicles fitted with standard tyres. In future British Gas vans all over the north of England and Scotland will be fitted with winter tyres all year round.'

Tom Whittaker, car and van fleet manager at Continental said: 'It's important that all fleets begin to plan for the winter season now by putting in their orders for winter tyres leaving it until the first snow fall will probably be too late. We are forecasting a significant increase in the take-up of winter tyres for the forthcoming cold season. More and more businesses are looking at solutions to stay operational and safe on the roads during extreme weather conditions.'

New Integral fleet takes to the road with Renault's help

BUILDING management services firm, Integral UK Ltd, has taken delivery of its latest fleet of Renault cars and vans.

Integral UK is one of the largest independent providers of property maintenance services in the country, providing both planned preventative and reactive maintenance to over 1,600 clients in 40,000 locations.

With 1,300 technicians and engineers, the firm operates one of the largest national mobile maintenance fleets with an engineer in every postcode, enabling a focus on a first time fix and a quick and efficient response.

With a fleet of more than 1,200 vehicles, there are constantly handovers of new Renault vehicles, with the latest batch of six recently arriving at Renault Birmingham.

The French marque has provided 227 Kangoo Vans, 272 Mégane Sport Tourers, 205 Trafic vans, and six Master vans on a solus basis since 2010.

Keith Abell, fleet manager at Integral UK, said: 'We selected Renault for our fleet needs as the vehicles are renowned for style, comfort, practicality and frugality.'

Leasedrive wins three-year Matrix fleet deal

LEASEDRIVE, the largest independent privately-owned vehicle management group in the UK, has won a three-year contract hire agreement to supply contract hire, accident management and grey fleet management services to the Matrix Group, the UK's largest energy management company, on a sole supply basis.

Roddy Graham, commercial director at Leasedrive, said: 'The Matrix Group is expanding rapidly and its fleet policy had not grown in line with recent expansion. Over the last couple of months we have jointly worked on creating a new car scheme.

'The new fleet policy is properly structured and addresses the group's previous duty of care concerns. The resulting move away from a cash allowance and mileage reimbursement approach to business mileage could see the fleet ultimately increase to around 200 vehicles."

Simon Oldfield, finance director at the Matrix Group, commented: 'Leasedrive impressed us with its no-nonsense, pro-active approach. It undertook extensive profiling before we jointly drew up the recommended new fleet approach, which will result in our eligible employees driving newer, safer and more economical cars appropriate to their job positions.

'Meanwhile, we can concentrate on fulfilling our growth strategies safe in the knowledge that Leasedrive is taking care of our fleet requirements and providing us with increased control to help us meet our duty of care responsibilities.'

The Disabilities Trust signs fleet management contract with IFS

INCHCAPE Fleet Solutions has signed West Sussex-based charity The Disabilities Trust to a 120-vehicle fleet management agreement.

Founded in 1979, The Trust is a national charity providing dedicated care and specialist housing for those with complex needs. Since that point, the charity has expanded its services to include purpose-built accommodation, community-based housing and support, brain injury rehabilitation, respite care and education.

The organisation's forward-thinking attitude and imaginative approach means its staff are constantly seeking new ways to fulfil people's needs. It was partly this dynamic that led The Disabilities Trust to search the fleet market for an alternative provider.

Iain Mackrory-Jamieson, the charity's company secretary, said: 'We needed a fleet management specialist and Inchcape Fleet Solutions set themselves firmly apart from the competition from day one.

'The more contact we had with them, the more we were convinced they were the company we should be doing business with.

'Near the beginning of our discussions, we were invited to a company presentation at their offices in Portsmouth, something we had allocated around an hour for.

'This soon turned into what can only be described as a half-day business tour, during which we were provided unrestricted access to every area of the company, speaking freely to the staff about their day-to-day roles and responsibilities.

'By allowing us to listen in to live calls, Inchcape Fleet Solutions made a real statement. They showed us their transparency and, ultimately, a demonstration of total confidence.

'Every single individual I have spoken to has been a fantastic ambassador for their company and I would have no hesitations recommending them to anyone. The fact that we are already discussing a contract expansion is a reflection of the mutual trust that has been built.'

Richard Middleton, Inchcape Fleet Solutions' sales and marketing director, said: 'Ultimately, we allowed Iain and his team the freedom to put us to the test - the same invitation we extend to all of our customers, regardless of whether they are existing or prospective.'

Pfizer chief named International Fleet Manager of the Year

IVOR Johnson, EMEA regional fleet director at pharmaceutical company Pfizer, was named International Fleet Manager of the Year at the *Fleet Europe* Awards 2011 attended by a record 550 international fleet business professionals in Madrid.

The International Fleet Manager of the Year Award rewards the person or the team having most successfully developed an international fleet management strategy and implemented an efficient car policy, leading to an optimised total cost of ownership and taking into account local differences and actual fleet trends.

The International Fleet Green Award went to 3M, which also captured the International Mobility Award; the International Fleet Safety Award was won by Nalco Europe and the International Fleet Innovation Award 2011 went to IBM.

For the second time *Fleet Europe* awarded a special award for fleet industry suppliers designed to highlight innovative approaches, tools, products or services offered by international fleet suppliers that help international fleet managers to optimise their fleet management and smoothen their fleet processes. The Award was won by Mobileye for its proactive smart safety device Mobileye C2-270.

The company's vision-based platform works as a third eye to mitigate and reduce the risk of collision. Mobileye's solutions are available for aftermarket applications and are integrated into the vehicles of a growing number of manufacturers including BMW, General Motors, Volvo and others.

Inducted into the *Fleet Europe* Hall of Fame this year was Gianluca Soma, chairman of ALD International.

Total named accident management company of the year

TOTAL Accident Management has been named UK Accident Management Company 2012 by the Institute of Transport Management (ITM).

Total Accident Management tackles the breadth and depth of the whole accident management area, supporting a range of clients including corporate fleets, contract hire and leasing companies, insurers and brokers.

The company is the repair and claims management subsidiary of Helphire Group, providing accident management and motor claims solutions to the fleet and insurance markets.

According to the ITM: 'Total Accident Management offers a premium service to drivers at an affordable price and prides itself on its innovative business model and its high level of customer service.'

Model update

Ford blocks calls and text messages with new technology

FORD is helping at-work drivers and parents to ensure their children drive more safely with a new technology that can block incoming phone calls and text messages while they are behind the wheel.

The new Ford MyKey 'Do Not Disturb' feature is an industry first and is designed to help parents encourage younger drivers as well as corporate drivers - the two most 'at risk' groups of drivers on the roads - to concentrate on the road ahead by reducing phone-related distractions.

MyKey will become available from next year on the Ford Fiesta before being expanded to other car models.

'Do Not Disturb' is a feature of Ford's MyKey technology, which works by blocking incoming phone calls or text messages from a Bluetooth-paired mobile phone, diverting calls to voicemail and saving text messages on the device for viewing later.

Ford MyKey allows owners to programme a special key that can also restrict the vehicle's top speed to 80 mph and limit audio volume. In addition, MyKey encourages safety-belt usage, provides earlier low-fuel warnings and can be programmed to sound chimes at set points between 45 and 70 mph.

'MyKey adds a new dimension to auto safety by giving drivers standard technology that encourages safer driving and limits their exposure to risk, regardless of age or experience,' said Peter Patzelt, Ford system architect for MyKey.

‘MyKey can give parents peace of mind when they hand car keys over to their kids, and ‘Do Not Disturb’ enables parents to control another risk factor when their child gets behind the wheel.’

Inexperienced drivers are typically the most at-risk drivers on the road, said Patzelt, who added: ‘With MyKey, parents can set limitations, while still allowing the freedom of driving a car. The more we can do to encourage safe driving and limit distraction for everyone on the road the better. Those responsible for company vehicles, pool cars and other fleets will also be interested in its potential.’

Audi upgrades A4 model range

AUDI has announced a series of updates to its A4 saloon, Avant, allroad quattro and the S4.

UK specification, engine range and prices will be confirmed in the next few weeks, but are expected to be similar to the current A4 range.

Externally, the new look further accentuates the horizontal lines at the front end. The engine hood is more arched, the upper corners of the single frame grille are tapered, and the cross ribs and the Audi rings are highlighted three-dimensionally.

The grille is painted grey, with high-gloss black on the six-cylinder models or in combination with the S line exterior package. The redesigned bumpers feature angular air inlets and there are revised grilles and flat front fog lights. The A4 allroad quattro is distinguished by its grille’s horizontal chrome applications and by the round fog lights.

The headlights have also changed, with a slight wave at the bottom edges, and a re-arranged interior.

The tail lights reflect the shape of the headlights, and in combination with Xenon plus have homogeneous strips of LEDs. The bumper with its diffuser insert has been redesigned, with the exhaust system always terminating in two tailpipes.

The interior of the A4 models has also been refined. Audi offers a selection of new steering wheels with chrome and high-gloss inlays, with the leather sport steering wheel also featuring a flattened lower rim. The steering arm and the ignition key have been modified and high-gloss applications and slender chrome trim have been added to controls.

Fuel consumption levels have dropped by 11% on average, despite the increased power and torque of many of the engines. In the UK, Audi will offer a choice of five diesel and four petrol engines for both the saloon and the Avant. All engines will be supercharged direct-injection systems and Audi’s start-stop system and recuperation system are standard throughout. The exact UK engine line-up has yet to be confirmed.

However, the Audi S4, available in the saloon and Avant versions, employs the most powerful engine in the line - the 3.0 TFSI with 333 PS and 440 Nm of torque. The saloon can achieve 35.3 mpg.

The modified Audi S4 is identifiable from the changes to the headlights, the bumpers, the air inlets and colours. The interior also contains subtle changes in appearance.

Mini reveals pricing for all-new Roadster model

THE sixth model in the Mini line-up - the Roadster - will go on UK sale next spring with on-the-road prices starting at £18,015 for the Cooper.

The Roadster is the first open-topped two-seater in the company’s history and features a semi-automatic soft-top roof. There is a 240-litre luggage area and through-loading system.

Selling alongside the Hatch, Convertible, Clubman, Countryman and Coupé, all Mini Roadster models, as with the recently launched Coupé, carry the Cooper name in their model titles.

Full details of standard and optional equipment on each will be released nearer the launch.

Power for the Roadster comes from the latest generation of BMW Group four-cylinder petrol and diesel engines.

Outputs range from 122 bhp in the Cooper Roadster to 211 bhp in the flagship John Cooper Works Roadster (£24,850). Mini's performance diesel engine, the 143 bhp Cooper SD launched earlier this year, is also available (£21,630) and the line-up is completed with the Cooper S which offers 184 bhp (£20,900).

Fuel economy stretches from 38.7 mpg to 62.8 mpg, while emissions are from 118 g/km on the Cooper SD. The John Cooper Works Roadster emits 169 g/km.

New model year Mitsubishi Shogun enters SUV market

MITSUBISHI Motors' new model-year Shogun has arrived in UK showrooms with on-the-road prices ranging from £29,499 for the entry level SG2 model rising to £40,999 for the higher specification SG4 model.

The revised model is a 'progressive evolution' of the long-established Shogun. It now comes with a Euro5 compliant turbo diesel engine and offers a choice of either three-door short-wheel base or five-door long-wheel base versions.

Like its predecessor, the Mitsubishi Shogun is immediately distinguished by its redesigned bold front grille - incorporating a short front overhang, upright windscreen, strong high flanks, flared wheel-arches and rear-mounted spare wheel.

As well as the three and five door options, Shogun buyers will have a choice of a four-model line-up - the SG2 (previously known as Equippe), SG3 (Elegance), SG4 (Diamond) and the familiar Warrior which, in terms of specification will sit above the SG2.

Mitsubishi says that the launch of the 2012 model year Shogun marks the arrival of a fresher and sportier look across the range featuring: new chrome grille with slotted bars and thick dividers on either side, new colour-keyed front bumper, black front skid plate, new 12-spoke 18-inch alloy wheels and black roof rails.

Both manual and automatic transmissions are available on short and long wheel-base models. The manual short wheel-based model returns combined cycle fuel economy of 36.2 mpg and has emissions of 207 g/km. Equivalent figures for the long wheel-base variant are 34.9 mpg and 213 g/km.

New Peugeot 208 set for summer 2012 UK arrival

SUMMER 2012 will see the UK arrival of the Peugeot 208 - the manufacturer's new 'B' (supermini) segment contender.

The new car will be available in both three and five-door guise, and with the engineering focus on agility and efficiency it is on average 110 kgs lighter compared to the 207 with a reduce aerodynamic coefficient..

The 208 also comes with increased occupant space, with more room in the rear seats (+5cm at the knees) and a larger boot (+15 dm3 in volume).

The two body styles have been given entirely different treatments, with the style of the quarter panel of the three-door version recalling one of its illustrious older siblings.

By achieving average carbon dioxide emissions of 34 g/km lower than the 207, the 208 takes the lead in its segment, says Peugeot. Its latest generation engine technology and the use of the e-HDi micro-hybrid system on virtually all versions add to the vehicle's improvements in terms of weight reduction and aerodynamics.

With five models, four of which are equipped with the new generation Stop & Start System (e-HDi), the diesel range starts at 87 g/km delivering fuel economy of 83.1 mpg and does not exceed 99 g/km.

The 208 introduces a new range of three-cylinder petrol engines - 1.0 and 1.2 litre VTi, with a range starting at 99 g/km delivering 65.7 mpg.

Subaru gears up for XV and BRZ launch

LACK of new product has been a major problem for Subaru which has seen its sales slump from a peak of 11,600 in 2003 to around 2,500 this year.

But that's all about to change with the launch of two all-new models next year, according to managing director Darren James.
He expects sales to grow in the mid-term to around 7,000. With that change will come a re-focusing of the Subaru image as it moves away from a performance-oriented brand to one that is more lifestyle focused.

James notes that in 2003, around half of sales were for Impreza, a car for the enthusiast. Now the sales mix is better balanced and he expects that mix to become richer with the arrival next year of the XV compact crossover in March, followed by the BRZ coupé - developed in conjunction with Toyota - in mid-summer.

The XV was shown at the Frankfurt Motor Show in September while the BRZ will make its production debut at the Tokyo show at the end of November. So far it has only been shown by Subaru as an engineering cut-away at the Geneva and Frankfurt shows although Toyota has shown its version, the FT86 in various guises. The FT86 will also make its production debut at Tokyo.

The importance of the XV and BRZ for Subaru is that they are expected to attract new customers to the brand. The XV, which is smaller than current Forester, could also woo previous-generation Forester owners, Andy Masson, Subaru UK product manager told *Headlineauto*.

The XV boasts the highest ground clearance and lowest centre of gravity of any compact crossover, according to Subaru's engineers, said Masson, while the interior 'is the best we've ever had - a step change'.

Manufacturer news

Lexus cuts emissions but makers could slash prices of 'dirty' cars

THE launch of the Lexus CT 200h, the world's first full hybrid premium compact car, has helped the premium car manufacturer achieve the sharpest fall in average carbon dioxide emissions of any car manufacturer in the UK.

The data is accompanied by suggestions that so-called 'laggard' models in the emission stakes could be available with big discounts as a European Union deadline approaches. But the possible availability of price cuts has been accompanied by a residual value warning.

The latest industry survey by 'green' website Clean Green Cars shows that, measured across its full model range, Lexus has an average emissions figure of 130.62 g/km - 22.63% lower than the figure recorded in 2010 (168.83 g/km).

Not only does it make Lexus 'far and away the cleanest premium brand in terms of vehicle carbon emissions', boasts the company, it puts it in the top 10 of all volume car makers.

The significant improvement, says the manufacturer, can be attributed to the advances it has made with the CT 200h. Powered by the latest generation of Lexus Hybrid Drive, it has emissions of 94 g/km, the lowest figure for any car in its class.

Lexus director Richard Balshaw said: ‘Clean Green Cars’ independent data confirms that Lexus is delivering real-world results in bringing down emissions while maintaining the levels of luxury and refinement that are central to the brand.

‘The advances we have made with CT 200h will be sustained by the introduction of more new full hybrid models, starting with the all-new GS next year, further reducing our emissions average.’

But, according to Clean Green Cars, there are still big variances in model performance. For example, the average Volkswagen Passat emits 25 g/km less than the average Vauxhall Insignia, while the average Skoda Fabia has emissions 10% lower than the average Renault Clio.

Clean Green Cars’ emissions industry analysis takes into account the sales figures as well as the emissions performance of each model in a manufacturer’s range. This means its results cannot be skewed by one particularly clean or polluting model, without that car having sold in appropriate numbers.

The European Union has set a 2012 average range emissions target of 130 g/km for manufacturers, which Clean Green Cars says has now been achieved by nine manufacturers: Fiat, which leads the way with average emissions of 116.6 g/km, followed by Citroen, Toyota, SEAT, Mini, Peugeot, Alfa Romeo, Suzuki and Hyundai.

In a bid to sell what the website calls ‘obsolete’ high emission models it is predicting that manufacturers will offer big discounts.

Jay Nagley, publisher of Clean Green Cars, said: ‘There are going to be big discounts on high-emission models which are about to be replaced as we approach the 2012 deadline.’

However, he warned: ‘These might look like a bargain now, but buyers need to think about what used-car buyers in three years time will expect. For a family car, a figure of 160 g/km looks high today, but could be totally unacceptable in the future. Will a low purchase price be more than offset by higher depreciation?’

Saab and British arm to be sold to Chinese for €100m

SAAB Automobile and its subsidiary Saab GB look set to be sold to Chinese motor manufacturers for €100 million.

Swedish Automobile, which owns both companies, has signed a memorandum of understanding with Pang Da and Youngman for the sale and purchase of 100% of the shares of the two organisations.

Final agreement between the parties is subject to a definitive share purchase agreement between Swedish Automobile, Pang Da and Youngman, which will contain certain conditions including the approval of the relevant authorities, Swedish Automobile’s shareholders and certain other parties.

The €100m will be paid in instalments. Swedish Automobile said an important consideration for it in entering into the transaction was the commitment of Pang Da and Youngman to provide long term funding to Saab Automobile.

The administrator in Saab Automobile´s voluntary reorganisation, Guy Lofalk, has withdrawn his court application to exit reorganisation, which was issued last week, as a result of the latest development in the long running saga.

The memorandum of understanding is valid until November 15, provided Saab Automobile stays in reorganisation.

Meanwhile, Saab's preliminary reorganisation plan, which was developed by Saab Automobile management and supported by the current and foreseen owners of Saab Automobile as well as its administrator of the reorganisation, has been revealed.

It confirms the long-term strategy of repositioning Saab as a 'distinctive, near premium brand' supported by a renewed and broadened product portfolio,

The manufacturer has set a sales target for 2012 of 35-55,000 cars with sales in 2013 of 75-85,000 models based on what it calls a realistic ramp up in line with sales development since last restart.

Long term the brand is looking to sell 185-205,000 cars annually as a result of a broadened product portfolio in fast growing market segments; capitalizing on access to the Chinese market; and a strong profitability focus.

The company views 2012 and 2013 seen as financial transition years, with profitability expected no later than 2014. Long term margins and profitability, it predicts, will be in line with other near premium car manufacturers.

Ford's European losses mount as sales shift to fleet sector

FORD'S European arm has reported a 2011 third quarter pre-tax operating loss of $306 million, compared with a loss of $196 million a year ago.

The increased loss, said Ford, was explained by higher commodity costs, including hedging adjustments, as well as unfavourable exchange rates, partially offset by improved structural costs.

The losses were revealed alongside third quarter sales figures which showed 357,000 units were sold, up 17,000 units with third quarter revenue of $7.8 billion, up $1.6bn from a year ago.

The figures came as Ford Motor Company reported third quarter 2011 net income of $1.6bn, a decrease of $38m versus third quarter 2010.

The European performance prompted Ford chief executive Alan Mulally to declare that 'the situation in Europe presents the most significant challenge'.

Chief financial officer Lewis Booth added that the European performance also represented a shift from retail to fleet sales. But, he added: "The pressure in Europe is on margins rather than absolute volume."

Total company revenue was $33.1bn in the third quarter, up $4.1bn from third quarter 2010. Pre-tax operating profit was $1.9bn, a decrease of $111m from third quarter 2010. Ford has posted a pre-tax operating profit for nine consecutive quarters.

Mercedes-Benz selects Europcar as new hire partner

MERCEDES-Benz UK has selected Europcar as its new hire car service provider, ensuring that customers are kept on the move when they need a replacement vehicle as part of their mobility package.

Simon Oldfield, managing director of customer services for Mercedes-Benz, said: 'We are committed to giving our customers any assistance they need on the road. So if the worst should happen such as a breakdown, minor mishap or even an accident, we're there 24 hours a day to help customers get back on their way as quickly and as smoothly as possible.

'Our partnership with Europcar enables us to keep our customers mobile when they need our support the most.'

Light commercial vehicles

Centrica signs EV deal with Hitachi

BRITISH Gas owner Centrica has signed a three-year contract with Hitachi Capital Commercial Vehicle Services for the leasing and fleet management of a converted Citroen Nemo electric van.

The move is the first part of a trial-phase for the British Gas fleet with the ambitious target of having more than 1,000 electric vehicles in operation by 2015.

The electric Nemo will operate within British Gas' two main national distribution centres. The company will be collecting data on the operational experience of driving the Nemo. This will include how often the vehicle requires charging and which engineers it will be suitable for, as well as finding out more about the cost benefits and total cost of ownership.

The British Gas business model means that most engineers work from home and drive short distances within their local area, so the electric vehicle concept is expected to fit well into the fleet.

Centrica plans to review the success of the Nemo in mid-2012 as part of the decision making about the company's future use of electric vehicles.

In a separate deal, Hitachi Capital is already funding five Nissan Leafs as company cars for the utility provider.

Colin Marriott, fleet general manager at Centrica, said: 'We are highly ambitious in our strategy to introduce electric vehicles into our fleet and this partnership with Hitachi Capital is a key step towards our goal. We are keen to learn more about electric vehicles from a fleet operations perspective and are excited about embracing this new technology.'

Jon Lawes, divisional managing director, Hitachi Capital Commercial Vehicle Services, added: 'This partnership to support British Gas is also part of our continued strategy to supplying more commercial electric vehicles into operational service. We're pleased to be dual-funding the first commercial electric vehicle with Centrica.'

GBA faces the future with new Mercedes-Benz Sprinters

LEADING time-critical delivery specialist GBA Services has completed the first phase of a fleet replacement programme, with the arrival of 20 new, fuel-efficient Mercedes-Benz vans.

The Sprinter 316CDIs were supplied to the Preston-based firm by Blackburn dealer Ciceley Commercials. They are the first vehicles to wear the operator's new vinyl wrap livery, which was designed and applied by AST Signs, of Penrith.

Established in 1987, GBA Services runs a large fleet of trucks and vans which has long been dominated by the three-pointed star of Mercedes-Benz. Its latest Sprinters replace a previous batch, which have been stood down.

Sales and development director Wayne Smith said: 'We chose Mercedes-Benz vehicles initially because of their excellent reputation for reliability and ability to take high mileages in their stride, as well as the manufacturer's comprehensive back-up cover throughout Europe.

'Our drivers cover most of the continent and although our Sprinters have never let us down, the fact that Mercedes-Benz breakdown cover is never more than a single phone call away gives us complete peace of mind.

'We've stuck with the brand ever since and that loyalty has been repaid with excellent and cost-effective service from our vehicles. These latest Sprinters are even better than the models they've replaced. The 163 bhp Euro5 engines are particularly impressive; they're smooth and powerful yet also offer excellent fuel economy and first-class 'green' credentials.'

GBA's vehicles are fitted with sophisticated tracking, security and immobilisation devices which electronically seal and lock, and allow customers to track individual vehicles and consignments.

Residual value update

Used car prices stable due to fragile supply and demand balance

TRADE values moving into November were 'unusually stable' for the time of year, according to the latest edition of *CAP Black Book*, the benchmark guide to used car prices.

Key to the dynamic is a fragile balance between muted consumer demand and relatively low volumes of available vehicles.

Typical used car market 'seasonality' tends to see used values dipping by an average of nearly 3% for November - with a slightly more severe downward movement last year of 3.1%. In contrast, the November 2011 movement is just -1.5% at three years/60,000 miles.

Relatively low volumes of available cars is the principle reason for this unusual stability, forcing trade buyers into the open market to actively acquire stock.

Poor performance in the new car sector has meant that franchise dealers in particular are not receiving sufficient retail quality part-exchange vehicles, says CAP. Together with the need to place more emphasis than usual on used car business as an alternative source of profit, this is forcing them to compete with independent used car specialists in the open market to acquire stock.

While retail demand is unsurprisingly muted by economic uncertainty and subdued consumer confidence, there is sufficient activity to justify continued stock purchase, says CAP.

Thanks to relatively lower volumes than have often been seen historically at this time of the year, this demand is sufficient to have stabilised used car trade values.

Black Book editor Tim Bearder, said: 'Although there has been talk in some quarters of something approaching another market meltdown before the end of the year, we continue to see no evidence of anything like that. As long as supply remains in line with expectations and retail demand is maintained somewhere around the reasonable levels currently reported, this month will be stronger than is often typical for the time of year.'

Used LCV sector hit by dwindling stock supplies

DWINDLING volumes of retail quality light commercial vehicles mean trade buyers are having to travel further to maintain adequate stock levels.

According to the November edition of *CAP Red Book*, the benchmark guide to used van trade values, the much anticipated reduction in supply is now beginning to bite in earnest.

With average trade values slightly increased on October, it is a reversal of the picture a year ago when values were significantly weaker.

Red Book light commercial vehicle editor Ken Brown, identifies the rise of internet bidding as instrumental in the current market dynamic.

He said: 'In our auction research, as well as a clearly diminishing number of sale entries, we have been noticing the same buyers at sales which are often hundreds of miles apart. Trade buyers are seemingly being forced to trawl the length and breadth of the country in search of the elusive clean low mileage vehicles.

'If that wasn't enough to contend with, they are often finding themselves bidding against an ever-increasing army of 'cherry-picking' internet bidders who are willing to pay considerably more for vehicles since they are not incurring the cost of physically attending auction sales.

'In many cases auction attendees are going home empty handed, or at least with fewer vehicles than they had intended to buy.

'As the much anticipated stock shortage, stemming from low registrations three years ago, takes hold we can expect to see more of the same. It may well mark the coming of age of internet auction sales. Recent information shared with us confirms the dramatic rise in internet sales over the past 12 months.'

Brown also believes that buyers in the current market are less concerned with vehicle condition than the quantity of vehicles available.

He said: 'Last month we independently assessed the condition of a large number of entries only to find no discernable relationship between price and condition when they were sold. In many cases body panel damage was being totally ignored, which is a further indication of the market's response to the current stock shortages. All of this is good news for vendors who can expect values to continue rising.

'Looking ahead, we expect that values across most LCV sectors will continue to strengthen as the market increasingly feels the effects of the inevitable stock shortages stemming from the fall in registrations 3 years ago.

'In addition we expect to see the usual seasonal effects, with demand for 4x4s, boxes and lutons increasing in the run up to Christmas and the opposite for tippers and dropsides.

'Whilst there is continued talk of a further downturn in the economy it is worth remembering that the used light commercial vehicle market has shown its resilience throughout and often it is the service industries, which rely so heavily on vans, that lead the way to economic recovery.'

CAP launches Black Book Mobile for iPhone and android

BENCHMARK used car values are now available electronically on the move with the launch of Black Book Mobile.

Compatible with iPhone, iTouch, iPad and Google Android smartphones, Black Book Mobile offers instant access to the industry's benchmark trade values anywhere, without the need for internet access.

Offering all of the benefits of the standard printed *Black Book*, but with the additional flexibility of valuations at more mileage points, Black Book Mobile includes:

- CAP clean, average, below and retail valuations for used cars
- Benchmark valuations at six mileage points
- Editorial market commentary by CAP's *Black Book* team
- New prices
- CAP ID and insurance group
- Manufacturer, model, derivative selection menus
- Access to CAP used car valuations on smartphone with no internet connection

Black Book Mobile differs from CAP's other mobile used car pricing application, Valuation Anywhere, in that all of the used car valuation data is downloaded straight onto the device once a month, at the same time as the release of the printed book and Windows version. All data is therefore available without the need for any phone signal or internet connection.

Politics and regulation

MoT frequency changes could trigger 250 more road deaths

POSSIBLE changes to the frequency of MoT testing could increase road deaths by more than 250 a year, according to Pro-mote.

It is a new organisation established in response to the Government's plan to consider reducing the frequency of MoT tests and represents a total of 25 organisations, including the AA, Halfords, the RAC, Aviva and Kwik Fit as well as road safety organisations including Brake and the Retail Motor Industry Federation.

The Pro-mote campaign has published its views in a report entitled 'Dangerous, Expensive and Unwanted: The case against reducing MOT frequency'.

Pro-mote has urged recently appointed Transport Secretary Justine Greening and MPs to oppose moves to change the frequency and starting point of the test.

Currently, cars and light vans must take the MoT test at three years old, then once a year thereafter, but ministers are considering plans to shift the first test to four years and then to intervals of two years claiming it would save motorists cash.

Edmund King, AA president, said: 'The AA and three-fifths of our members believe it is a false saving, which could lead to more expensive repairs later, and that's before the safety argument.'

Nigel Bartram, senior motor underwriting manager at Aviva, said: 'The MoT is the only time some vehicles receive any safety checks and maintenance, and to reduce the frequency of this check could cost lives.'

However, Road Safety Minister Mike Penning responded to the lobby group's campaign by saying that despite opposition, the consultation on changes to the MoT would go ahead.

'Vehicle technology has come a long way since the 1960s when our MoT regime was introduced, which is why we want to look again at the MoT to check whether we still have the right balance of testing for modern vehicles,' he said.

'This will be a genuine consultation and we want to work with the industry and motorists to get the decision absolutely right.'

The Retail Motor Industry supports the Pro-mote campaign in its effort to defend annual MoT testing.

RMI director Stuart James said: 'Record levels of cars and vans are failing their MoTs. Maintenance standards are slipping due to the lack of money car users currently have at their disposal.

'If the annual MoT was to change road user safety would be detrimentally affected. Evidence shows that more than 250 additional road deaths and more than 2,200 additional serious injuries could occur every year if the frequency change was to go ahead. The RMI backs the Promote campaign because it is taking the message to the consumer and defends road user safety.

'The RMI continue to view the overall review of the MoT as a positive step. There are many areas of the MoT that could be improved and positive changes could be made. However this does not deflect our opposition to any change to the frequency of MoT testing.'

Pro-mote's report claims that:

- If annual testing is scrapped the number of road deaths is likely to rise by more than 250 each year and serious injuries by 2,200
- Even keeping annual tests but delaying the first test from three years to four risks an additional 35 deaths on the road every year
- Any saving to the motorist in terms of fees resulting from the scrapping of annual MoT tests would be far outweighed by the likely increases in insurance premiums and increased repairs costs
- 94% of drivers think the MoT is very (71%) or quite (23%) important to road safety
- Up to 40,000 jobs in the MoT industry, including a large number of apprenticeships, would be at risk.

The list of supporter groups includes: AA, Andrew Page, Association of Professional Ambulance Personnel, Aviva, Brake, British Cycling, Confused.com, Euro Car Parts, Federation of Small Businesses, Foxy Lady Drivers Club, Garage Equipment Association, GEM Motoring Assist, Halfords Autocentres, Independent Automotive Aftermarket Federation, Kwik Fit, MOTEST, MOT Trade Forum, MOT Club, National Tyre Distributors Association, Parts Alliance, RAC, The Retail Motor Industry Federation, Road Safety Analysis, Road Safety GB, The Scottish Motor Trade Association.

IAM head of driving standards Peter Rodger said: 'The IAM has researched MoT results and discovered that more than one in four cars fail their test at only three years old - delaying the test would therefore go against the evidence that cars need a safety-based inspection at three-years-old. What does need to be investigated though is why our failure rate is so much higher than other European countries at three years.'

The Association of British Drivers added its voice with chairman Brian Gregory saying: 'The Government is promoting extended MoT intervals as cost saving measure for motorists. We suggest that excessive fuel tax and the punitive rates of Vehicle Excise Duty are the major financial burdens that motorists face. Reducing motoring taxes is the first place to start for any Government that is genuinely concerned about the cost of motoring and wouldn't risk compromising road safety.'

Campaigners are urging supporters to sign an online petition via the website www.pro-mote.org.uk.

Ministers back clock change move - but Scots, Welsh, Irish must agree

THE clocks could move forward by an hour all year round - but the Government is giving the administrations in Scotland, Wales and Northern Ireland the final say.

Ministers have agreed to back a change to Central European Time, with British Summer Time plus one hour in summer and Greenwich Mean Time plus one hour in winter.

However, the proposal, which has been long campaigned for, is expected to meet opposition from the devolved Scottish Assembly as sunrise north of the border would not be until about 9.45am even though it would mean lighter evenings.

The Daylight Saving Bill, a Private Members' Bill, has won support in the House of Commons and, if approved, the Government says it would carry out a wide-ranging review of all the research on clock change followed by a three-year trial of whichever system the review recommends.

The Government is seeking amendments to the Bill, at the forthcoming Committee stage in the House of Commons, expected in early November. The Bill will need to be passed by both Houses by the end of the first session of Parliament, which ends in April 2012.

The Royal Society for the Prevention of Accidents, which has been at the forefront of a crusade to give the UK an extra hour of evening daylight for decades - citing research that shows lighter nights would save 80 lives and prevent more than 200 serious injuries on our roads each year.

Business Minister Edward Davey said: 'This is an issue which affects everyone across the country so we cannot rush head first into this. As the Prime Minister has made clear we would need consensus from the devolved administrations if any change were to take place. We have therefore tabled amendments to the current Bill to make sure that it addresses these concerns.

'It is only right that we at least look at what the potential economic and social benefits of any change might be. Lower road deaths, reduced carbon dioxide emissions and improved health have all been argued over the years as possible benefits. If there is strong evidence to support this then we should at least see what the possible benefits are.'

1,500 drunk-drivers escape motoring ban

HUNDREDS of drivers are still legally driving on UK roads despite being convicted of drink-driving, according to new research from LV= car insurance.

A Freedom of Information request by LV= shows that 55,539 people were convicted of drink-driving in 2010 and yet 1,480 of these - or three in every hundred - were not disqualified from driving. A similar number (2.6%) were cautioned or convicted of more than one drink-driving offence within the same year, suggesting that those who are not banned will go on to offend again.

Anyone who is caught driving a vehicle under the influence of alcohol will be arrested and will have to attend court where they will usually receive a 12-month driving ban. Local magistrates can use their discretion to reduce the ban and in exceptional circumstances can waive the ban completely.

Yet there are huge regional variations when it comes to sentencing in The City of London and Suffolk, which are the most lenient districts, allowing almost one in 20 (4.7%) drink-drivers to escape disqualification. By contrast, Cumbria and Warwickshire have the strictest courts allowing just one in a 100 (1.3%) drink-drivers to continue driving after conviction.

Despite high profile campaigns to warn drivers about the dangers of getting behind the wheel after drinking, consumer research confirms that it is still a widespread problem.

Two thirds (65%) of people say they know someone who drives after consuming alcohol, with almost a quarter (24%) saying they know people who drive even after drinking enough alcohol to take them over the legal limit.

Selwyn Fernandes, managing director of LV= car insurance, said: 'Driving while under the influence of alcohol is a serious offence and leads to automatic disqualification in the majority of cases. Few people realise how little it takes to compromise their driving ability and underestimate how much alcohol affects them. As we approach the Christmas party season, it is imperative that drivers know their legal limit and stick to it.'

Dealer news

UK luxury car sales give Inchcape a boost…

INCHCAPE has delivered a third quarter 2011 trading performance ahead of expectations boosted in the UK by a luxury segment that continued to outperform in an increasingly competitive environment.

Revenue in the third quarter was slightly better than expected with total revenue of £1.459 billion, up 2.2% compared to the same period last year and like for like revenue up by 4.1%.

Total revenue for the first nine months to September 30, 2011 was £4.389bn, down by 3%. Like for like revenue was down by 2.1% year on year.

In the third quarter, Inchcape saw, as expected, the continuation of an uneven global recovery in the car industry with a further weakening of consumer confidence in the UK and Europe.

During the quarter under review, Inchcape says its UK business delivered a 'solid' trading performance in a challenging trading environment as the business continued to outperform the industry with market share gains in the luxury and premium segments, while the demand for used cars and aftersales remained robust.

Inchcape expects to end 2011 with a net cash position of circa £160 million, an improvement from previous guidance.

Looking ahead the company's trading statement said: 'We continue to expect the group to deliver a solid performance in 2011 benefiting from an increased demand for luxury and premium vehicles in emerging markets and the faster than anticipated improvement of the supply chain in most of our distribution businesses, offset to some extent by increased margin pressure in the UK and Europe due to weakening consumer demand.

'We expect the trading environment to remain challenging in the UK and Europe as the various austerity measures affect consumer confidence and as inflationary pressure impacts disposable income.

'However, the group should continue to improve its competitive position as our brand partners are leading the industry with technological innovations that are reducing the cost of ownership with lower fuel consumption and better emissions.'

…but luxury cars sales in the slow lane at HR Owen

SALES of luxury cars have hit the kerb at luxury car retailer HR Owen, which has issued a profit warning blaming a fall in demand and delays in the delivery of new models for denting hopes of a strong second half performance.

The performance contrasts sharply with Inchcape, which last week (see story above) said its sales of luxury cars in the UK had outperformed the market and boosted its financial performance.

By contrast, HR Owen said that demand had 'deteriorated in recent weeks' and it now expected to record a small trading loss for the second half of 2011. The company had previously forecast that profits this year would be higher than historically seen.

Profits are more likely to be in line with last year, when like-for-like profits were £1.5 million. First half 2011 pre-tax profits were £1.7m.

Lookers bucks new car selling trend

DEALER group Lookers bucked the new car sales trend in third quarter trading, but acknowledged that economic conditions remained 'uncertain'.

The company said that trading during the quarter ending September 30, and particularly during the critical registration plate change month of September, had been satisfactory, despite the background of difficult trading conditions in the motor retail market and uncertain general economic conditions across the UK.

The UK new car market reduced by 5% in the nine months to September 30, with the retail new car market reducing by 15% and the fleet market increasing by 4%. However, Lookers gained market share with total new car sales 2% higher than the previous year, 7% ahead of the market. New car retail sales reduced by 10%, which was 5% ahead of the market and fleet volumes increased by 30%, significantly ahead of the market. New car margins, said the company, remained at satisfactory levels and were ahead of budget for the quarter.

Used car volumes for the quarter were slightly higher than last year and were 4% higher than last year for the nine months. However, used car margins were affected by weaker consumer demand and were slightly lower than last year.

Aftersales revenue remained in line with that for the prior year, despite a reduction in the UK car parc for cars under three years old, with aftersales margins held at the same level as last year.

Outlining that the company had funds available to make strategic acquisitions in both the motor and parts divisions, the trading statement concluded: 'The new and used car markets continue to be affected by uncertain economic conditions and the impact this has on consumer confidence. However, the aftersales bias to the business and the strong performance over the last two years, demonstrates the ability of the group to perform well in a difficult market.'

Consequently, Lookers' board anticipates that the results for the financial year to December 31 will be in line with management expectations.

General motor industry news

Fuel prices to breach 150p per litre by summer 2012

PRESSURE is mounting on the Government to abandon its planned fuel duty increases in 2012 with warnings that pump prices could reach 150p per litre by next summer.

The warning came as Brian Madderson, chairman of RMI Petrol, published his 'autumn briefing note' on fuel and forecourt taxation which has been issued to ministers, their officials and MPs.

The Government is currently sitting on plans, revealed in the 2011 Budget, to increase fuel duty on January 1 and August 1, 2012. This will increase retail prices by as much as 8p per litre and will cost motorists more than £3.5 billion a year, says the RMI.

Prices at the pump have remained stubbornly high this autumn with current averages of 135p per litre for petrol and over 140p per litre for diesel. With just a small upward adjustment to global oil prices, the UK will be facing average prices of 150p per litre for diesel and 145p per litre for petrol by next summer unless the Government reverses its plans to increase fuel duty, says Madderson.

He added: 'What will such increases do for inflation? What will they do to cash strapped consumers? What will they do for the declining retail sector? What will they do to re-ignite our stagnant economy?

'The Chancellor must be persuaded now that it would be economic suicide to force through these drastic changes to fuel taxation in 2012. His Autumn Statement due on November 29 provides the last opportunity to cancel the increase due on January 1. This is just a few weeks away. Cancelling the tax duty increase is the only sensible decision that the country urgently awaits.'

Under inflated tyres cost drivers £337m in fuel bills

UK motorists are wasting £337 million on fuel every year by driving with under-inflated tyres according to new research by Michelin following its 2011 Fill Up With Air campaign.

The roadshow, which has been touring the UK since May highlighting the importance of keeping tyres inflated to the correct pressure, has revealed that 39% of motorists were driving on dangerous or very dangerously under- inflated tyres, whilst 5% were driving on punctured tyres.

As a result drivers are using an extra 244 million litres of fuel and emitting more than 600,000 tonnes of carbon dioxide into the atmosphere.

And that is in addition to an increase in braking distances, poor handling characteristics and reduced tyre life.

A Michelin spokesman said: 'It's crucial that drivers understand the importance of driving with the correct tyre pressure. Under-inflated tyres can not only put lives at risk but they increase the stress on a vehicle's steering and suspension, cause it to use more fuel and thus produce more CO_2. Not only does the right pressure improve safety, it is beneficial for their bank balance to have correctly inflated tyres and it also helps the environment.'

Tyre pressure classifications:

- Acceptable: up to 4psi under-inflated
- Temporarily acceptable: between 5-7 psi under-inflated
- Dangerous between: 8-14psi under-inflated
- Very dangerous: more than 14psi under-inflated

Car manufacturers steer clear of digital radio

THE Government's switchover date for digital radio may need some fine-tuning, as a new survey of car manufacturers reveals at least half are steering clear of the new technology.

As part of its Digital Britain vision, the Department for Culture, Media and Sport named 2015 as the deadline for turning off its ageing analogue radio network, in favour of digital sets.

The move would mean the vast majority of today's in-car tuners would cease to work overnight. But slow take up, and new findings from car magazine *Auto Express* suggest the switchover could now be delayed until 2017.

A survey of 24 mainstream cars manufacturers by *Auto Express* has revealed a staggering 50% don't offer any digital radio units for their model range, even as an optional extra. Meanwhile, almost 60% of new vehicles registered this year came with no option for digital radio.

Citroen, Nissan, Fiat and Hyundai are among the makers that have decided to shun the new technology.

The Government switchover currently relies on a number of key targets being met - namely that half of all radio listening must be on digital platforms, national digital radio must match FM coverage (currently 98%), and local digital radio must reach 90% of the population and all major roads.

Only 18% of radio listening currently happens via the digital platform at present, according to the latest figures from audience monitoring firm RAJAR. Complaints include poor coverage. While only 85% of the population can actually get digital audio broadcasting (DAB) at present. New transmitters are constantly being added to the network, but the reception still isn't up to scratch for some brands.

An Audi spokeswoman said: ‘We’ve had negative feedback from customers about poor digital radio coverage. If the broadcasters get the transmitter infrastructure right, then it would be a totally different ball game.’

Audi is one of the few makers that does offer DAB as an optional extra on some models, but its spokeswoman added: ‘We can’t currently see DAB being offered as standard as the demand doesn’t justify the extra expense.’

The result is that the Government will have to revise its ambitious switchover plan, delaying it for a further two years, says Digital Radio UK, the body that includes broadcasters, manufacturers and retailers.

Auto Express news and features editor Julie Sinclair said: ‘If the Government can’t even persuade the motor industry to back this new technology, how is it going to convince cash-strapped motorists to get on board? Maybe it should put its money where its mouth is, and subsidise the digital switchover by dipping into its fuel duty coffers.’

Elektromotive wins €1.2m Irish contract

ELEKTROMOTIVE has won a contract from the Electricity Supply Board (ESB) to supply a network of electric vehicle charging stations across the Republic of Ireland.

Beginning this December and continuing into early 2012, the roll-out forms part of an ambitious plan to make electric vehicles a major part of the Republic of Ireland’s green transport strategy.

The UK-based electric vehicle recharging point manufacturer will supply 200 highly advanced ‘twin-head’ Elektrobay charging stations as part of the €1.2 million deal, with the installations carried out by the company’s partner, Carra Ireland.

Each Elektrobay is capable of charging two electric vehicles simultaneously and will add to the burgeoning network of chargers that Elektromotive has supplied to the Republic of Ireland over the past two years.

Delivery and installation of the first batch of 21kwh three-phase Elektrobay chargers is scheduled to begin at the start of December. The Elektrobays will operate on the ESB ‘ecars’ charging station network, with plans to expand the network to around 1,500 public charging sockets.

Auto Windscreens becomes preferred supplier for insurer

WINDSCREEN Insurance Services Limited (WISL) is the latest business to appoint Chesterfield-based Auto Windscreens as its preferred glazing supplier.

Auto Windscreens has had a successful second and third quarter of the year, having also been taken on by the Admiral Group, Insure the Box and 1st Central. WISL is a third party, fire and theft insurer, offering bolt-on products to brokers and is underwritten by Markerstudy Insurance Company Limited.

Mark Stafford, managing director of WISL, said: ‘We were attracted by Auto Windscreen’s commitment to good service. The satisfaction surveys offered after each repair or replacement job gives us unrivalled levels of monitoring and helps to ensure our customers are well looked after.’

The contract is predicted to generate around 1,500 glass claims for Auto Windscreens each year.

People on the move

Hicks confirmed as Jaguar Land Rover boss

JAGUAR Land Rover has appointed Jeremy Hicks as its new managing director with immediate effect.

The appointment brings the UK organisation in line with other global markets and brings each region under the leadership of a single, dual brand, managing director. Hicks reports directly to Phil Popham, director, group sales operations, Jaguar Land Rover.

Hicks has a wealth of automotive marketing and sales experience, having held a number of senior positions in the industry. He began his career with Vauxhall in the UK, performing a range of roles including sales operations director and sales and marketing director for aftersales. He then spent a short period in automotive consultancy before joining Volkswagen Group UK, where he carried out a number of senior roles. In 2005 he took up the position from which he joins Jaguar Land Rover - managing director, Audi UK.

Geoff Cousins, presently managing director, Jaguar UK, becomes director, Jaguar global sponsorships and partnerships. In the new role Cousins will lead Jaguar's global efforts in sponsorship, partnerships and alliances in support of the brand strategy.

Colin Green, presently managing director, Land Rover UK, becomes of director, global dealer operations. In the new role Green will have responsibility for long range retail strategy, growth of dealer development and internationalisation of distribution, dealer capability and global sales programmes.

Cousins and Green's current first line reports in the UK sales organisations will be directly to Hicks.

Board changes at Helphire

ACCIDENT management assistance company Helphire has appointed Simon Poulton as a non-executive director following the resignation of Steve Barber.

Poulton is a Fellow of the Institute of Chartered Accountants having qualified in 1980 with Price Waterhouse, and is a member of the Institute for Turnaround. He has acted as chief financial officer and chief restructuring officer for a number of quoted companies and served as the company's interim chief financial officer between June 27 and October 18

The Helphire board has also confirmed that following the appointment of Avril Palmer-Baunack as non-executive chairman, Martin Ward has been confirmed as the company's chief executive officer.

Last month Helphire also announced the appointment of Stephen Oakley as chief financial officer and executive director with immediate effect.

A Fellow of the Institute of Chartered Accountants having qualified with Price Waterhouse in 1974, Oakley is also an Associate of the Chartered Institute of Taxation. He has significant experience in the implementation of group financial controls and reconstructions having in the past been group finance director of fully listed groups such as The Hartstone Group plc (1993 to1996) and Macarthy plc (1988 to 1992). He was also previously Group chief executive of AIM listed Loftus Road plc (1997 to 1998) and interim chief financial officer of AIM listed Sira Business Services plc (2000 to 2001). Oakley replaces interim chief financial officer Poulton.

Tatlock takes the wheel at Nexus Group

PETER Tatlock, the ex-managing director of contract hire and fleet management company Masterlease has been appointed chief executive officer of Nexus Group while Peter Blease steps up to the role of chairman.

Tatlock brings a wealth of experience to the role, with significant international knowledge of the financial services and automotive sectors. During his 31-year career with GMAC, he held a number of senior executive roles which took him to Australia, Norway, Sweden, Switzerland and UK, with his last appointment being at Masterlease.

Blease steps up to the role of chairman with special responsibility for overseas business, where it is claimed his dedication and diligence have already generated real and sustained growth in the emerging markets. The board believes that area will form a key part in Nexus's future growth.

Stuart Kerr takes chief executive post at Ford Retail

FORD of Britain's wholly owned dealer group, Ford Retail, has appointed Stuart Kerr as CEO, following the departure of Chris Hayden.

Kerr was previously regional president for Volvo Car Corporation in Europe. He has extensive experience in vehicle retailing, including the launch of Volvo distributorship and dealership operations in South Africa.

With 60 sites spanning Britain, the Channel Islands and Northern Ireland, Ford Retail is one of the largest dealer groups in the UK and the largest Ford dealer group in the world.

Retailing under strong regional brands such as Dagenham Motors, Polar Ford, Heartlands Ford, Brunel Ford and Lindsay Ford, it employs more than 3,000 people and sells around 75,000 vehicles a year with a turnover exceeding £1 billion. It also has a dedicated parts business trading as @First Parts Solutions.

Angus Brown, who has been the Ford Retail acting CEO for the last few months, will return to his post as Ford Retail Parts operations director.

Auto Windscreens strengthens insurer partner team

AUTO Windscreens has appointed two new national account managers at its headquarters in Chesterfield to meet rising demand from its growing list of insurance clients.

Auto Windscreens, since being relaunched in March after it went into administration, has created nearly 300 jobs overall and has plans to grow its network of sites from 21 to 35 within two years.

The company is targeting insurers and has already attracted the attention of some big names including the Admiral Group, Insure the Box and 1st Central, which have all chosen Auto Windscreens as a preferred supplier.

Emma Fieldman joins the company from a business development role at Liverpool Victoria and has previously worked for Towergate, HSBC and AON at both insurance company and broker level. Meanwhile, Martin Hall has extensive expertise in personal lines and commercial insurance, having worked in development relationship roles for RBS and NIG.

Both new team members will be responsible for managing a growing number of partners and for generating new business.

Top designer Horbury takes post at Geely

TOP British motor designer Peter Horbury, currently vice president design at Volvo is taking up a new position at Geely Group as senior vice president design.

Horbury has a long history within Volvo that goes back to 1991 when he became head of design. In 2002, he took charge of design at Ford's Premier Automotive Group which comprised Aston Martin, Jaguar, Land Rover, and Volvo. In 2004 he moved to Detroit as executive director of design at Ford Motor Company, returning to Volvo in 2009 to take the reins as vice president of design.

Geely now owns Volvo and Li Shufu, chairman of Geely Holding Group and Volvo Car Corporation, said: 'I am delighted that Peter Horbury has accepted the offer to lead the design development of the Geely Group brands into the future. His vast experience in the industry will be key for the future success of Geely Group's products.'

Horbury's successor at Volvo will be named shortly.

New head for Honda dealer development

HONDA (UK) has appointed Nick Campolucci as head of its dealer development operations, responsible for the company's three product ranges - cars, motorcycles and power equipment.

He replaces Phil Crossman who takes on the position of general manager - cars. Campolucci moves into his new role from Honda Motorcycles where he has been heading up the sales operation and has been instrumental in developing the networks retailing practices and taking Honda back to the number one position in the UK market.

Campolucci has been at Honda for over 10 years and previously worked for Goodyear growing their dealer partner and franchisee network under the Hi-Q brand.

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