

Sunday September 6<sup>th</sup> 2009

# AUTOMOTIVE DESKTOP 2009

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**MY WEBSITE IS** [www.christophermacgowan.com](http://www.christophermacgowan.com)



Odette International is an organisation, formed by the automotive industry for the automotive industry. It sets the standards for e-business communications, engineering data exchange and logistics management, which link the 4000 plus businesses in the European motor industry and their global trading partners.

<http://www.odette.org>

## **1. WORLD NEWS FROM JUST-AUTO.**

<http://just-auto.com>



### **ROMANIA: FIRST FORD TRANSIT CONNECT OFF THE LINE**

Source: just-auto.com editorial team

Ford has built the first production Transit Connect light commercial vehicle at its new (former Daewoo) plant in Craiova, Romania. A new small car - unnamed but not the Fiesta or Ka - is scheduled to go into production "in the near future", the automaker said. Craiova eventually also will build a small displacement, 'EcoBoost' petrol engine. The exact timing for the start of production for both products will be announced at a later date.

At full capacity, Craiova will be able to produce up to 300,000 vehicles and 300,000 engines annually and employ around 7,000 people.

The Connect was donated to a local hospital while initial build will be sold only in Romania. Mid-term, Ford expects to export the majority of Craiova Transit Connect production, primarily to Central and Eastern Europe. It also builds the line in Turkey.

Ford said it continued to encourage existing suppliers to bring business to Romania, either by using local suppliers or establishing facilities of their own to support Craiova. It also wants to use as many local services as possible provided they meet corporate standards.

Ford's once had a sales office and production plant in Romania, opened in the 1930s.

## **2. THE WEEK IN BRUSSELS.**

<http://www.smmmt.co.uk>



### **1. Barroso sets out Commission's low carbon priorities**

The President of the European Commission, Jose' Manuel Barroso, has published his political guidelines for the next European Commission. Further to his nomination for a second mandate by the European Council in June, President Barroso has taken the unusual step of setting out his objectives to the European Parliament, following requests from Socialist, Liberal and Green MEPs. In the guidelines, President Barroso refers to the need for a 'transformational agenda.' Mr Barroso is committed to work 'on a political pathway towards a more sustainable Europe by 2020' towards decarbonising Europe's electricity supply and transport sector. In order to achieve this he believes 'the right mix of regulation, technological development and funding' will be needed. President Barroso will now present his programme to the Parliament's Political Groups next week (7- 9 September). Should he gain sufficient support, a plenary debate and vote on his nomination as President is scheduled for 15 and 16 September respectively. (Source: European Commission)

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/09/1272&format=HTML&aged=0&language=EN&guiLanguage=en>

### **2. France to extend scrappage scheme - Germany to end it**

The French government has announced that their scrappage scheme will be extended. Economy minister Christine Lagarde said: 'We are looking at two fiscal years for the moment, 2010, 2011 in addition to 2009. As successful as it has been...we need to be successful in pulling out...We are looking at two fiscal years to make it truly gradual.' Meanwhile neighbouring Germany has announced that funding for their scrappage scheme has run out. As a result of the scheme, almost two million Germans have scrapped their old vehicle to buy a new one. Arnold Wallraff at the Federal Office of Economics and Export Control said that the scrappage scheme had proved an effective support and stabiliser for the German economy but he ruled out any further extension to the scheme. The government had increased funding from the original 1.5bn euro to 5bn euro in April. In the UK, so far two thirds of the £300m made available by the government has been set aside to meet orders received. (Source: Reuters, BBC, SMMT). <http://news.bbc.co.uk/1/hi/business/8233603.stm> ; [www.reuters.com](http://www.reuters.com)

### **3. Innovation gap between EU, US and Japan narrows**

The European Commission has published its Communication on Innovation. The communication reviews Europe's innovation policy and identifies its key drivers. The Commission reports that almost all Member States have improved their innovation performance and the innovation gap between the EU and its key competitors, the US and Japan, has narrowed. However, the Communication also recognises some policy gaps and indicates areas where further improvements both at European and at Member States level are necessary. The regulation on CO<sub>2</sub> emissions from new cars, legislation on chemicals and emission trading amongst others will drive Europe's innovation agenda. The communication's analysis will feed into the preparation of the new European reform agenda beyond 2010. (Source: European Commission)

[http://ec.europa.eu/enterprise/policies/innovation/files/com%282009%29442final\\_en.pdf](http://ec.europa.eu/enterprise/policies/innovation/files/com%282009%29442final_en.pdf)

### **3. THE WEEK IN WESTMINSTER.**

<http://www.smmmt.co.uk>



#### **1. Scrappage scheme helps new car registrations - up 6% in August**

SMMT data shows that new car registrations rose 6.0% in August to 67,006 units. This was the second successive month of growth and builds on the 2.4% gain in July, as the scrappage incentive scheme continues to influence the market positively. Registrations from private buyers and of small cars were again up strongly in August. 'New car registrations in August increased for the second successive month, providing welcome news for the UK motor industry. The scrappage incentive scheme is having a positive impact but with consumer and business confidence still fragile, there remain significant risks ahead. It is essential that these early signs of recovery are sustained into 2010,' said Paul Everitt, SMMT chief executive. However, August van and truck registrations fell again, down to 37.5%. "The truck and van markers face exceptionally tough trading conditions and uncertain demand. Businesses' own need for new vehicles are well down too. We expect van and truck registrations will stabilise at around 45% down on last year" Paul Everitt commented. (Source: SMMT)

[www.smmmt.co.uk](http://www.smmmt.co.uk)

#### **2. Manufacturing Insight appoints new director**

Nick Hussey has been appointed Director of Manufacturing Insight. Congratulating Mr Hussey, Ian Lucas, minister for Business, Regulatory Reform and Employment Relations, said that Manufacturing Insight 'is vitally important to promote, support and celebrate UK manufacturing successes'. Nick Hussey is the founder and non-executive Chairman of SayOne Media, publisher of the trade magazine 'The Manufacturer'. Manufacturing Insight is an independent organisation that will play a key part in helping to challenge and change public perceptions of the sector. (Source: BIS)

<http://nds.coi.gov.uk/clientmicrosite/Content/Detail.aspx?ClientId=431&NewsAreaId=2&ReleaseID=406327&SubjectId=36>

#### **3. Chancellor backs global spending**

Alastair Darling, Chancellor of the Exchequer, has called for governments around the world to continue to use public spending as a way to tackle the economic recession. He said that Britain was ready to provide £6.8 billion to the International Monetary Fund (IMF) as part of a cross-national coordinated response to the global financial crisis. He stands by his Budget estimate that the British economy will grow by between 1.25 and 1.5 per cent next year. (Source: The Independent) [www.independent.co.uk/news/uk/politics/darling-uk-recovery-around-the-corner-1779770.html](http://www.independent.co.uk/news/uk/politics/darling-uk-recovery-around-the-corner-1779770.html)

#### **4. LATEST UK CBI ECONOMIC DATA.**

<http://www.cbi.org.uk>



# The latest estimate of GDP showed that the UK economy contracted by 0.7% in Q2 2009, (revised up marginally from an initial 0.8%), significantly slower than the sharp 2.4% decline seen in Q1. The easing in the rate of contraction was generally reflected across most major components of output. In addition, household spending fell less rapidly than in the past two quarters and, while destocking continued, this was at a slightly slower pace than in Q1.

# The CIPS/Markit manufacturing Purchasing Managers' Index (PMI) fell back slightly in August, pointing to a very marginal contraction in the sector, after indicating an expansion in manufacturing activity last month. Services PMI rose to its highest since September 2007, showing growth in service sector activity for the fourth month running.

# According to the Bank of England, mortgage approvals rose once again in July, to 50,123 from 47,891 in June; however, they still remain very low by historical comparison. The Bank also reported an £8.4bn fall in lending to non-financial companies, the sharpest decline on record (since 1997).

#The Gfk index of consumer confidence remained weak in August, unchanged for the third consecutive month.

## **5. NEWS FROM "AFTERMARKET".**

<http://www.aftermarketnetwork.com>



### **R2RC urges garages to sign e-petition as deadline for European feedback draws closer**



**THE RIGHT To Repair Campaign (R2RC) is urging workshop staff to sign its online petition as the deadline for registering views on aftermarket laws draws closer.**

Garages have until September 25th to make their views on the latest European Commission (EC) proposals for the future of the aftermarket. R2RC chairman Jim Mazza (pictured) said the quickest way to do this was for garages to fill in the campaign's [e-petition](#).

He warned that following the favourable EC Impact Assessment in July, it was vital campaigning work did not end. He urged the industry to keep on pushing for strict laws to guarantee the independent sector's right to technical information – rather than vague guidelines that could be open to legal challenges by vehicle manufacturers.

"In July, the EU published an Impact Assessment – which is Euro-speak for 'this is what we think we're going to do'," said Jim.

"Encouragingly, it recognised that the aftermarket and the vehicle distribution sectors have different needs, which is almost certainly the first time the aftermarket has had such recognition.

"It gives us another chance to argue for an aftermarket-specific Block Exemption Regulation - including fundamental principles such as continued access to technical information – supported by sector specific guidelines which can include examples of unacceptable behaviour by vehicle manufacturers and be changed easily and quickly to react to market developments," added Jim.

"This new legislation will come into force on 1 June, 2010, so there's lot to do in a very short time."

The online petition can be accessed at [www.r2rc.eu](http://www.r2rc.eu).

**6. NEWS FROM BODYSHOP MAGAZINE.**

<http://www.bodyshopmag.com>



Welcome to BE2009 is the event for all repairers, suppliers, distributors, insurers, accident management companies, consultants, trainers and associates to come together for a practical, informative and time efficient day.

BE2009 offers a mix and match programme for all attendees, whether you want to come along for some help and advice, product demonstrations, management tutorials, one-to-one meetings or simply to network and pick up ideas.

BE2009 is free to attend for all BODYSHOP, INSURER and VEHICLE MANUFACTURER employees, so what are you waiting for?

Register today – put the date in your diary, call your colleagues and suppliers, and arrange to meet up on 11 September at the Hilton Birmingham Metropole.

All other delegates can register to attend BE2009 for a fee of just £70.

REGISTER AT: <http://www.bodyshopmag.com/be>

**7. FLEET NEWS ONLINE.**  
**NEWS FROM BAUER'S ON LINE PUBLICATION.**  
<http://www.fleetnews.co.uk>

**fleetnews.co.uk**

Manheim Auctions, Rotherham, recently hosted a Spanish-themed auction of 175 vehicles on behalf of Santander Consumer Finance.

More than 150 buyers, 60 of which joined online via Simulcast, ensured that every vehicle was sold and with an average of 100.9% of Cap Clean.

And in celebration of the Santander relationship, those attending were treated to flamenco dancers and Spanish cuisine.

David Dockerty, relationship manager of Santander Consumer Finance, said: "This recent sale at Rotherham reinforces our faith in Manheim's ability and experience in ensuring the successful implementation of our remarketing strategy."

In January Santander Consumer Finance signed a new three-year solus contract with Manheim Auctions until December 2011 for the remarketing of up to 10,000 vehicles through Manheim's auction centres in Bristol, Colchester, Rotherham and Washington.

## **8. HIGHLIGHTS.**

### **INDEPENDENTS SHOWN THE WAY AS IGA CHAIRMAN RENEWS CODE SUBSCRIPTION**

Independent Garage Association chairman Jonas Zambakides has reconfirmed his commitment to industry self-regulation by renewing his garage's subscription to the Motor Industry Code of Practice for Service and Repair. A firm supporter throughout the development and launch of the Code, he was quick to spot the customer reassurance and commercial advantages to be gained through participating in this industry-wide scheme.

"As chair of the IGA, it has always been my aim to deliver a standard, consistent and fair method by which members can deal with customers and the Code is quite simply the most obvious answer. It provides everything an independent garage needs to handle consumer issues cost-effectively and without the need to make any dramatic changes to the way it operates," said Mr Zambakides. "The added bonus is that those businesses astute enough to subscribe are benefitting enormously through the added marketing punch that comes through demonstrating your commitment to doing a good job.

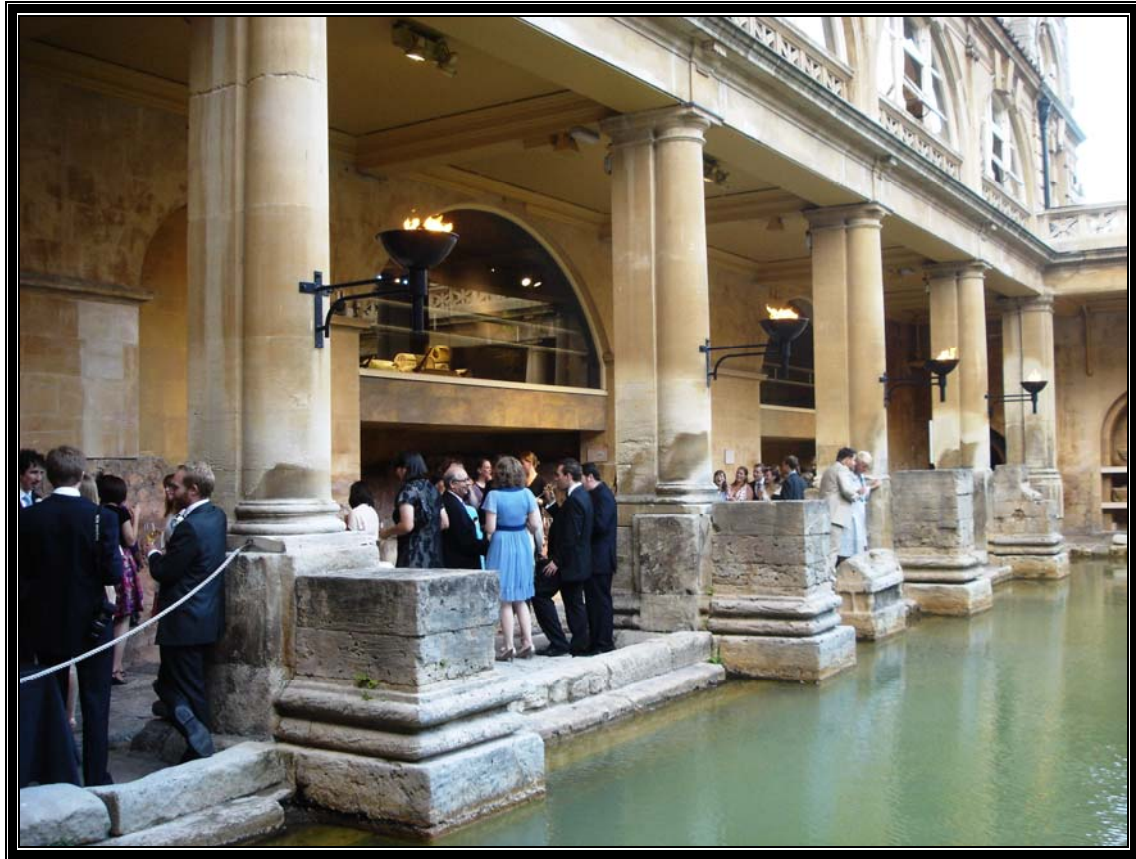
"Good independent garages have nothing to fear and a great way to demonstrate that is by subscribing to the Code. Don't just say you are good at what you do - prove it! I hear too many garages saying that they do not need the Code as they do everything correctly - well if this is the case, they have nothing to fear by signing up."

The Code was launched in August 2008 and is going through the process of reviewing renewal requests from around 5,000 subscribers - as well as new applications. It has been developed by the industry to the satisfaction of government and the consumer lobby with the aim of delivering a minimum standard of operation and to give consumers adequate protection. Garages that commit to this also find they benefit greatly from the additional services provided by Motor Codes - for a cost of just £75 annual subscription.

"Sometimes, especially for the smaller independent operator, garages are concentrating so much on their core trade of servicing and repair that customer service and marketing of the business can suffer," said Motor Codes director, Chris Mason. "The Code offers a low cost solution to both these important matters and has already given those businesses that have subscribed an edge over those who have chosen not to. This is clearly borne out when garages return to renew their subscription for another year."

The full benefits of subscribing can be seen by visiting the one-stop-shop website [www.motorindustrycodes.co.uk](http://www.motorindustrycodes.co.uk) which offers a host of invaluable help and advice for consumers and businesses alike, including a garage search facility to enable you to find the nearest Code subscriber and an online consumer survey allowing rapid, valuable customer feedback to enable continuous improvement and increased levels of customer service.

## 9. E-COMMENT.



© Christopher Macgowan Images.

This edition of AUTOMOTIVE DESKTOP comes to you from Bath where I am attending a family wedding. The civil ceremony was held in The Assembly Rooms and then we wandered the 200 metres to the Roman Baths for a cracking good reception.

I liked the idea of it starting at 5pm as I can kind of cope with that. The midday to midnight weddings usually these days result in me being in tears by late afternoon with the sheer effort of it all. My father coined the phrase "grinning about" and he did a lot of it in his role as a parish priest and I know just what he meant. Exhausting. So we all had a great time with a 5pm start and saw the happy couple on their way.

It is well known we chose our friends and are stuck with our relatives and a wedding is always a high risk event for bumping into people you would rather have nothing to do with. This weekend's wedding was just fine although a relative of mine did unkindly remind me of the wedding I attended some years back where friends had agreed to meet at The Swan pub prior to going round to the church - the arrival of the bride and groom at the pub was to be the signal to leg it over the wall into the church. I was friendly with both the bride and groom but

was really not part of their social set. Undaunted I worked the pub quite well, talked to lots of charming people, had a few drinks and all was well.

Until the bride and groom arrived neither of whom I recognised.

Wrong Swan pub!

Sincerely

Christopher  
Christopher Macgowan  
THE AUTOMOTIVE E-MAIL GROUP.  
[christopher@christophermacgowan.com](mailto:christopher@christophermacgowan.com)

AUTOMOTIVE DESKTOP is all about delivering information to you promptly and reliably and the success of the e-mail rests on the rich list of sources which is available to me – and of course to you. Here is a list of just a few of my favourites which have to be visited frequently and many of which provide an auto-email service as well. The list below is in random order and is my personal choice. I am not in any way remotely suggesting there are not many other extremely useful sites – there are!!

<http://www.aftermarketnetwork.com> Highly informative aftermarket site.  
<http://www.ameinfo.com> A fabulously functionally rich site from the Middle East.  
<http://www.am-online.com> BAUER's AM magazine is required reading.  
<http://www.autowired.co.uk> Daily news by e-mail.  
<http://just-auto.com> A huge database – has become the industry standard.  
<http://www.automotivepr.com> automotivepr has a blue chip client list – visit!  
<http://www.autonews.com> Run by the global automotive news provider Automotive News  
<http://europe.autonews.com> Automotive News Europe – excellent European perspective.  
<http://news.bbc.co.uk> Few can compete with Aunty Beeb's truly global coverage.  
<http://www.bodyshopmag.com> Visit "Backchat" first - good stuff from Kelly Dalewood.  
<http://www.thecarconnection.com> Daily news of new stuff. Top class.  
<http://www.reuters.com> The Reuters name says it all – a brilliant site.  
<http://www.economist.com> Essential out-of-office reading!  
<http://news.ft.com> The Financial Times. Up there with the best.  
<http://online.wsj.com> Wall Street Journal. Such a nice site to use – so good I subscribe.  
<http://www.nobull-communications.co.uk> Clients include Peugeot, Volvo, Avis.  
<http://www.nytimes.com> New York Times. Some of the best articles around are here.  
<http://www.pfpr.com> Ranked Top 50 UK Consumer Consultancy by PR Week 2006/2007.  
<http://www.cw360.com> Computer Weekly. Best for e-commerce and new IT trends.  
<http://www.awknowledge.com> Packed with automotive data, knowledge and reports.  
<http://www.mbendi.co.za> First rate automotive coverage and not at all confined only to Africa.  
<http://www.smmmt.co.uk> SMMT. Top site – as you would expect it to be!  
<http://www.fleetnews.co.uk> Fleet News Online - BAUER's site; stuffed with fleet info.

TO UNSUBSCRIBE, DROP A LINE TO ME ON [chrismacgowan@dial.pipex.com](mailto:chrismacgowan@dial.pipex.com)

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