

Sunday March 21st 2010

AUTOMOTIVE DESKTOP 2010

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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>



FORD PLOTS NEW LOWER PRICING PLAN

Source: Tristan Young

Ford plans to recapture buyers and market share here in the UK by introducing models with new trim/equipment levels at significantly lower prices than current specifications. The move, which just-auto has learned will be officially announced on Friday 26 March, avoids Ford having to label the strategy as a price cut. Over the past year the automaker has imposed four separate price increases to counter the fall in the value of the pound sterling against the euro.

The 'blue oval' this month came under fire from respected consumer magazine What Car? which found that, on average, Ford prices had increased 9% in the past year – well ahead of inflation. Prices of some models actually increased by over 30%.

While retail buyers have been hit by the increases, it's the fleet market, which makes up the majority of Ford's business in the UK. Because businesses buy cars on a continual basis (rather than every three years or so in a retail buyer's case) they notice price increases more easily.

The price restructuring will follow Vauxhall's recent changes which see the introduction of Expression and ES trim levels which undercut existing models by more than £3500, according to just-auto's sources. While the Ford changes may not see an alteration in transaction pricing, it means the taxable P11D price for company car drivers is higher than rival vehicles, putting them off choosing Fords and giving an advantage to brands which operate outside the euro zone.

One such automaker, Hyundai, claims Ford and other traditionally high-volume brands have been forced into the move to stop a collapse in sales.

"I think the big players expected the rest of the industry to follow them with these massive price increases," said Hyundai UK managing director Tony Whitehorn. "But we didn't. In fact we saw rival's price rises as an opportunity to take even more customers - both private buyers and especially company car drivers who have to pay tax based on list price. These big manufacturers now can't ignore the impact Hyundai's sensible pricing and excellent new product is having on the market. They will have to find a way of cutting prices in the near future if they want to stem the tide of buyers defecting to brands such as Hyundai."

Ford's plan comes on the back of a widely advertised money-off campaign which started mid-February and is understood to have kept retail sales buoyant after a slow start to the year.

A Ford spokesman said the firm did not comment on future pricing plans.

2. THE WEEK IN BRUSSELS.

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



1. EU Environment Council met in Brussels

The EU Environment Council has met in Brussels. The council discussed the suitability of the EU 2020 Strategy for Jobs and Growth which was recently published by the Spanish Presidency. The council continued the follow-up to the Copenhagen Climate Change Conference with ministers discussing the key elements of the negotiations for a new international climate agreement. Ministers also met with the Mexican Environment Minister Juan Rafael Elvira Quesada ahead of the next round of negotiations in Cancun in December 2010. The council discussed in detail the viability proposals to reduce CO₂ emissions for light commercial vehicles (LCVs) and the level of penalties for non-compliance with Hungary, Latvia, the Netherlands, Slovenia and Sweden all providing written contributions. The council discussed Implementation of Euro V/VI with the Dutch delegation highlighting recent studies that have found significantly higher NO_x emissions in urban areas. The council also approved the convention of transboundary air pollution. (Council of the EU)

www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/en/envir/113373.pdf

2. Ministers discuss proposals to cut van CO₂ emissions

Environment Ministers from across the EU have met to discuss proposals to cut van CO₂ emissions. Most member states including France and UK, expressed support for the proposed 135g/km target for 2020 provided a European Commission impact assessment in 2013 confirmed its feasibility. However, Italy reiterated its opposition to the 2020 target with Germany and Poland also citing limited potential for reducing van CO₂ as reasons for opposition. Some countries also want to drop the proposed requirement plans for van CO₂ emissions to below 175g/km by 2014-16, with the UK saying that 2016 would better fit with the industry's product development cycle. France and Germany said the phase-in should be extended to end in 2017. Several member states also felt that the €120 per gram penalties for manufacturers failing to meet their emissions targets were excessive. Others, such as Ireland, want heavier vans brought into the scope for proposals, while others want minibuses included. (Council of the EU)

www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/en/envir/113373.pdf

3. EC project reveals transport must cut emissions by 50-80%

A project set up by the European Commission to assess the need to reduce green house gas emissions from the EU transport sector has revealed that transport must cut greenhouse gas emissions by 50-80% by 2050 compared with 1990 levels. The project examines emission reduction scenarios for transport up to 2050 using analysis based on combinations of policy options and technological improvements such as new vehicle emission limits, increased fuel taxes, support for electric and hydrogen technologies, EU motorway speed limits and land transport's inclusion in the EU's emissions trading scheme (ETS). Currently the most ambitious scenario developed can only deliver cuts of less than 60% by 2050. The project organisers hope to have their scenario-generating tool ready by April and present a more detailed explanation of the assumptions they have used to generate their outcome. The European Commission's transport department is currently working on a white paper for 2010-20 and plan to use findings from the project to inform their policy paper. (Source: ENDS)

www.endseurope.com/23527?referrer=news

3. THE WEEK IN WESTMINSTER.

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



1. Ford and Nissan announce UK investment in low carbon vehicles

Ford and Nissan have announced investment in developing low carbon vehicles. Ford's investment will be spread over the next five years and will be channelled into six different projects across four Ford sites safeguarding around 2,800 jobs. Government will support the investment through £360 million loan guarantees to be delivered by its Automotive Assistance Programme (AAP). The loan guarantees will back a proposed loan of £450 million which is being considered by the European Investment Bank (EIB). Projects will include the research and development for Ford's commercial vehicles, such as the Transit and Connect vans and the development of low carbon emission diesel and petrol engines. Ford of Britain chairman, Joe Greenwell said, "Ford welcomes this positive support from the Government. Our customers will benefit from this extensive investment and so too will the 100,000 people in the UK whose jobs are directly or indirectly dependent on Ford. The loan also encourages the growth of high-technology, CO₂-reducing research and development in the country." Nissan have also announced the production of a pure electric vehicle, the Nissan LEAF, at its Sunderland plant from 2013. In July 2009, it was confirmed that the same plant will be responsible for manufacturing the rechargeable lithium-ion batteries from 2012. The production of the vehicle and the batteries represents a total investment of more than £420 million and will help to maintain 2,250 jobs at Nissan and across the UK supply chain. Senior vice president of Nissan Motor Company Andy Palmer commented, "Thanks to the UK's firm commitment to a low carbon future in terms of infrastructure, customer incentives and educational programmes, Nissan LEAF will be built at Sunderland, making the UK the third country in the world to produce this revolutionary car."

(Source: BIS/Nissan)

nds.coi.gov.uk/content/Detail.aspx?ReleaseID=412319&NewsAreaID=2

2. McLaren announce production of high performance sports cars

McLaren Automotive have announced plans to produce a range of highly efficient high performance sports cars at the McLaren Technology Centre (MTC). McLaren also announced that the new range of vehicles will be produced in the McLaren Production Centre (MPC) which is currently under construction in Woking, England. The high tech manufacturing facility will be complete in March 2011 with the first MP4-12C high performance sports car rolling off the production line in spring 2011. The MPC will be the home of McLaren Automotive's range of high-performance and highly efficient sports cars, creating and supporting up to 800 jobs and leading to the manufacture of around 4,000 cars by the middle of the decade. Chairman of McLaren Automotive, Ron Dennis said, "Today's announcements confirm our intention to challenge convention at the highest levels of automotive design, from a high-tech home that I am proud to say will deliver jobs, expertise and innovation in manufacturing and engineering."

(Source: McLaren Automotive)

newspress.co.uk/ViewPressRelease.aspx?pr=21205

3. ETI launches low carbon research projects to support EVs

The Energy Technologies Institute (ETI) has launched research projects worth £4.5 million which will support an £11 million low carbon vehicle plan in the UK. The ETI has been tasked with developing technologies that will help the UK meet 2050 carbon reduction targets. It is launching three major research projects to help create a sustainable mass market for electric vehicles and plug-in hybrid electric vehicles. The projects will examine; consumer reactions and behaviours in buying and using plug-in vehicles and the supporting infrastructure, electricity distribution networks and intelligent plug-in vehicle charging network architecture and additional infrastructure requirements, and the economic and carbon benefits of the mass roll-out of plug-in vehicles. The projects will include in-depth surveys with 3,000 consumers, real world testing with 40 drivers and modelling the capacity of UK distribution networks to support plug-in vehicle charging due for completion in 2011. The ETI will also collaborate with the Technology Strategy Board to build and leverage on the £25 million Ultra Low Carbon Vehicle Demonstrator programme launched in June 2009. (Source: ETI)

4. LATEST UK CBI ECONOMIC DATA.

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



EXPORT PICTURE BRIGHTENS FOR UK MANUFACTURERS

Overseas demand for UK-made goods is continuing to recover with export order books the least depressed since August 2008, according to a CBI survey. But the business group warned that overall demand remains weak.

Of the 499 manufacturers responding to the CBI's monthly Industrial Trends Survey in March, 22% said export orders were above normal and 40% said they were below normal. The resulting balance of -18% is an improvement on the previous month's figure of -23%, and the highest since August 2008 (-9%).

Total order books remain depressed, reflecting the continued weakness of domestic demand. 14% of manufacturers said they were above normal, while 51% said they were below normal. The resulting balance of -37% is broadly unchanged from the previous two months.

With total orders still fragile, firms anticipate only a modest rise in production in the next three months. 25% said they expected output to rise in the next quarter, and 20% anticipate a fall, giving a balance of +5%. That compares with +7% in February.

Price expectations are the highest since September 2008. The balance of 17% for March compares to 8% in January and February.

Ian McCafferty, CBI Chief Economic Adviser, said:

"Our survey shows that UK exports orders are steadily improving as global demand is starting to recover. Home-grown demand remains very weak, however, and as a result we can expect manufacturing output to grow only modestly for some time. Producer price inflation is expected to pick up further in coming months, to the fastest rate since autumn 2008. This reflects rising energy prices and increased import costs following Sterling's decline, as manufacturers try to preserve their battered profit margins."

5. NEWS FROM "AFTERMARKET".

<http://www.aftermarketnetwork.com>



Fancy running a factor? Unipart is looking for business owners to take on Express Factors outlets.

If you run a garage and are fed up with the service you get from your local factor, there's a new chance to see if you could do a better job. Garage managers could take advantage of a Unipart drive to increase its share of the factor market.

The distributor is transforming its Express Factors network into a franchise programme.

It now wants to hear from businessmen – including dealer principals, workshops managers and garage owners – keen to start running a factor branch.

There are currently 187 Unipart Autoparts factors owned directly by Unipart. It wants to boost the number of outlets by turning its Express Factors division into a franchise operation.

Gary Carscadden, sales and operations director at Express Factors, said there were a number of business model options for prospective factor franchisees.

“An Express Factors outlet can be a stand-alone business operating in its own territory or a bolt-on module working alongside a complementary host location, for example a car dealership.

“In both cases, the Express Factors franchise proposition represents a real opportunity for the management and owners of the business.”

A spokesman for Unipart said many staff or managers of aftermarket businesses might have skills that could be transferred to factoring, even if they had no direct experience of parts distribution.

To find out more about the opportunities for running an factor, go to www.expressfactors.co.uk

6. NEWS FROM BODYSHOP MAGAZINE.

<http://www.bodyshopmag.com>



Next week's Budget should put in place radical measures aimed at helping small firms spearhead economic recovery, according to the Forum of Private Business (FPB).

In its budget submission, the Forum argues that a complete rethink of workplace legislation is needed in order to allow smaller companies to lead the country out of recession.

The Forum also wants to see several key tax incentives put in place to encourage small businesses to employ more people and grow.

Additionally, the not-for-profit small business support and lobby group is calling for confusion over HM Revenue and Customs' (HMRC's) flagship tax deferral scheme to be cleared up.

Its submission, entitled 'Rebuilding the UK Economy', contains four key proposals.

Firstly, the Forum is calling for the Government to implement a comprehensive regulatory review. This would involve looking at workplace legislation from the point of view of the businesses which have to comply with it and removing or simplifying problematic regulation wherever possible.

Secondly, it wants to see plans to increase the small companies' rate of corporation tax scrapped. This would provide a higher level of certainty for small firms and help recession-hit businesses maintain their profitability.

Thirdly, the planned increase in National Insurance Contributions (NICs) should be scrapped. The Forum has joined a coalition of business groups opposing the increase and has also gone further by calling for NIC reductions for micro businesses which take on new staff.

Finally, the Forum is calling for certainty to be provided around HMRC's Business Payment Support Service. Confusion around the terms of the programme and its interaction with the existing Time to Pay scheme has caused problems for some business owners and the Forum wants this to be cleared up.

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

fleetnews.co.uk

WINNERS OF THE FLEET NEWS AWARDS 2010 **ANNOUNCED**

BMW, Vauxhall and the iconic Volkswagen Golf were among the winners at the Fleet News awards night, which took place at the Grosvenor House Hotel in London on Wednesday March 17. The Volkswagen Golf was voted the 2010 Company Car of the Year by Fleet News readers and was also named by the judging panel as the best lower medium car. The judges praised the iconic German car, which they said impresses fleet operators and drivers in equal measure.



"It has strong residual values and a wide choice of efficient engines that lead to low operating costs," they said. "Drivers see it as an aspirational car in its sector."

Fleet decision makers voted Vauxhall as their Fleet Manufacturer of the Year.

Commenting, Fleet News editor Stephen Briers said: "Vauxhall's extensive dealer network, the innovative way it maintains its market position and its strong fleet model lineup, which includes the ecoFLEX green range, were behind our readers' decision to vote Vauxhall as their fleet manufacturer of the year."

BMW was named Green Manufacturer of the Year. The judges praised its structures and processes which are all geared towards sustainability, from the boardroom in Munich to individual target agreements for managers.

"It ensures a holistic approach and, because the concept is embraced at all levels of the company, it doesn't only benefit tailpipe emissions, it's also ingrained in manufacturing and logistics, as well as every aspect of the business," they said.

Skoda collected its first ever Fleet News Award when it was named the Most Improved Manufacturer. It also collected the best upper-medium car award for the Superb.

"Skoda has gone from strength to strength in 2009 and its flagship Superb typifies the carmaker's success," said the judges.

Skoda achieved a record 1.6% share of the corporate market in 2009; a tremendous performance considering it had no presence in fleet only five years ago.

Among the other winners, Caroline Sandall was voted fleet manager of the year for her hard work and bold decisions in implementing a cost saving programme at Barclays Bank. Her fleet was named fleet of the year in the 501-plus vehicle category.

Tesco Dotcom collected the fleet initiative of the year award for its occupational road risk strategy. The judges said: "Tesco enjoys an enviable and deserved track record and reputation for safety, training and Duty of Care. This initiative further underlines that commitment."

Meanwhile, Tony Leigh, head of car fleet services at PricewaterhouseCoopers, entered the Fleet News Hall of Fame for his services to the fleet sector, including an 11-year term as director of trade body the Association of Car Fleet Operators.

More than 1,200 fleet managers, suppliers and car makers attended the Fleet News Awards, making it the biggest night in the fleet calendar.

8. HIGHLIGHTS.

ELECTRIC MOTORING TO BE ASSESSED



The potential market for electric vehicles is to be examined by experts from the University of Aberdeen. The UK is on the verge of a major push to become a leading player in the development of electric motoring. Funding from the Energy Technologies Institute (ETI) has been awarded to the university's Centre for Transport Research to explore the way forward.

Costs and potential motorist concerns about the technology will be among the issues being examined. The experts will explore who will buy and use these types of vehicles. The outcome of the study will be used for an ETI evaluation of consumer attitudes.

Dr Jillian Anable, who is leading the Aberdeen study, said: "Identifying the key factors which will influence consumers to purchase electric vehicles and plug-in hybrid electric vehicles will be crucial to successfully rolling out the concept to the wider market.

"Our research will focus on building a profile of the types of people who would buy this kind of vehicle - from their attitudes, through to their age groups and whether they live rurally or in the city. We also need to understand whether people might use these vehicles differently to the ones they own now."

She added: "The practicalities of using an electric vehicle will be explored looking at, for example, how long people are willing to wait for the vehicle to charge and whether they are most likely to charge them at home, at the supermarket or at work. We hope our research - which will take place throughout the UK - will identify the type of person who may become an early or future adopter of the technology."

News Source: www.bbc.co.uk

9. CARFACTS



1. Skoda have announced prices for the face lifted Fabia (£9,330 - £14,100) and Roomster (£11,260 - £15,380).

2. SEAT have a new price list out for March - no price change but includes updates to the Leon, Altea and Altea XL ranges.

3. Improved CO2 and mpg figures for the Lexus IS 250 range included this week.

Sign up for the newsletter at:

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

CAR COMPARISONS MADE EASY.

The CarFacts comparator will allow you to compare the performance, equipment, running costs and prices of up to three new cars. The comparator includes every car manufacturer and mainstream model on sale in the UK – that's over 3,500 cars and 300,000 pieces of information, across 60 categories of data - including price, engine size, fuel consumption and CO2 emissions.

10. E-COMMENT.



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My part of the UK seems to be the last part to usher in Spring. But today it has arrived and I even managed to get a ladybird to pose at the bottom of my picture here at home on this glorious day!

Sincerely

Christopher
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THE AUTOMOTIVE E-MAIL GROUP.
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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.

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