Fleet customer requirements 2010
Between sustainibility and TCO

For several years now the taxation of cars in different countries in Europe has been CO_2-driven. No wonder that more and more fleet managers are looking at the most efficient way to green their fleet. Because the introduction of green measures will also have a positive impact on the general Total Cost of Ownership or TCO. Car manufacturers explain how they help their customers to reduce both the CO_2-footprint and TCO.

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As Hans-Georg Lutz of Mercedes-Benz puts it: "Mercedes-Benz has successfully implemented its BlueEFFICIENCY strategy in addition to the investments into technology and safety advancements, which positively influence TCO. BlueEFFICIENCY measures increase the efficiency of current models e.g. the recently launched E-Class by up to 23 % reduction in consumption compared to its predecessor. In 2009 we improved the overall CO_2-emission from Mercedes-Benz Cars from 173 gr to 160 gr. For 2012 the target is to reach 140 grams. Further scope is offered by bespoke hybridisation, as already seen in the S 400 HYBRID. Mercedes-Benz vehicles with fuel cell and battery electric drives take the concept one step further: since 2009, the first small series of electric cars have been in production. In October 2010 this will be followed by the start of series production for the battery-electric A-Class E-CELL." Renault is also actively committed to decreasing its clients' TCO, while constantly improving service quality. Olivier Gautier: "Optimization of overall automobile costs, including operation and maintenance, taxes and resale value is taken into account at all stages of project design and validation. A TCO Department is charged with positioning our products against competitors. Renault is also focusing on zero-emission vehicles, with the launch from 2011 of electrical cars. The Renault-Nissan Alliance aims to become the number one producer of mass-marketed Zero-Emission vehicles." At Citroën sustainability is embedded in the company's fleet strategy. David Staniforth: "The Citroën Business International and Citroën Véhicules d'Occasion International teams are involved from the start of all vehicle development programs. Specific TCO targets are set, and monitored along with all other vehicle targets. We will be launching the e-HDI, our micro hybrid solution. And Citroën is the first major European brand to offer electric vehicles with the Berlingo First LCV (already available) and the C-ZERO urban car (available at the end of this year). Citroën will launch the full hybrid diesel DS5 in 2011." At KIA the TCO question is tackled by a dedicated task force. "With their help, we have

> "Fleet managers and car manufacturers see a direct link between sustainability and TCO."

Renault wil begin selling mass-production electric vehicles from 2011: Kangoo ZE, Fluence ZE, Twizy ZE and Zoe ZE.

started to track and to monitor our TCO evaluations", confirms Giuseppe Tommaso. "We have also met the main TCO influencers in order to establish a good communications flow with them. In 2010, we will purchase a European TCO tool to maintain our TCO objective to be 5% lower than competitors. Where the ecology is concerned, in the short-term there will be several fuel-saving technologies available, such as the EcoDynamics pack on the KIA cee'd. But we are also investigating a variety of alternative power sources for future vehicles. . We are also working on developing gasoline/electric hybrid cars and already have the Forte Hybrid on sale in Korea."

Sustainable equipment

Skoda and SEAT have made substantial progress in TCO and Sustainability. "Our development teams and designers are working in line with all the latest trends in automobile industry", confirms Rainer Mielke from Skoda Auto. "This also means meeting the TCO expectations of our customers. As proof is the fact that our Superb Combi was awarded by EurotaxGlass's as Best in Class in running costs in 4 out of the EU5 countries. On the sustainability side, we're downsizing with more powerful and economical engines compared to atmospheric engines with a similar output, and we have our Greenline models with modified setting of the engine control unit, aerodynamic adjustments to the car body, adjusted gearbox with longer gears and using tires with lower rolling resistance." What Greenline is for Škoda, is Ecomotive is for SEAT and Blue Drive for Hyundai. "Our Ecomotive strategy with the Start-Stop system has a direct impact on TCO since we are best in class in CO_2 emissions and fuel economy", declares Elena Delgado from SEAT. "We also have a Residual Value Management Department that is involved at a very early stage of the design of our products. And for the driver we promote eco training in order to reduce consumption. And finally we are working on electric cars, with the León Twin Drive, that combines electric power with traditional internal combustion. Sebastian Fuchs, Hyundai Motor Europe: "The Blue DriveTM program has given rise to ultra-efficient derivatives of our 'regular' petrol and diesel models. The i30 was the first to benefit from these changes, and i10 and i20 models will be unveiled this spring. The i30 Blue, for example, improves fuel economy by 7%-15% on the combined cycle. More models will feature Blue Drive technology this year, including ix35. Residual values for the entire Hyundai range are on the increase, which plays a really significant role in minimizing TCO."

Data gathering

GM too believes strongly in sustainability. "GM plans to invest €1 billion in innovative and fuel efficient powertrain technology, improving the fuel efficiency of conventional engines, expanding our LPG and CNG applications, introducing new technologies such as the Ampera and introducing pure battery electric vehicles in smaller size segments", says Emil Gaynor. "We have introduced Ecoflex diesel models with low CO_2, whilst for our petrol engines the use of downsizing and turbo charging improves fuel efficieny while maintaining or improving drivability. In 2011 we will introduce the Opel Ampera, a new extended range electric vehicle with emissions of less than 40 grams per km in the European test cycle."

What to do as an international fleet manager?

We asked the car manucturers for three key messages to focus on as a fleet customer to improve TCO. Not every car manufacturer answered in time, but those who did answer gave similar messages. Here's the top 3 advice for 2010.

1. Rightsize your fleet with vehicles that offer value for money (reliability, image, functionality, standard equipment, residual value…);
2. Rightsize your fleet to optimize fuel economy and CO_2-emissions and to improve safety;
3. Purchase internationally with fleet partners that have not only a broad range of products but also services.

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"We offer some of the most advanced technology on the market, exemplified by leading edge engine developments", says Christophe Bertoncini from Fiat. "This year, we are following up with our Multiair petrol engine and the new technological masterpiece by Fiat Powertrain Technologies: the two-cylinder 85 HP TWINAIR (900 cc). The downsizing trend is supporting our strategy: smaller measures, more ecological engines, and infomobility tools. We will have a new marketing tool called 'eco:Drive Fleet', helping fleets improve their fuel efficiencyand reduce their carbon footprint. JATO Dynamics has elected Fiat as the brand with lowest average CO_2 emissions: 127.8 g/km."

Peugeot also has data gathering plans. Marcel De Rycker: "We are investing in a range of technologies to meet mobility needs without affecting driving enjoyment. During 2010, we will launch the electric iOn. In 2011, there will be the Peugeot 3008 with its Hybrid4 diesel technology, and a micro-hybrid system e-HDI. In 2012, a plug-in version of the hybrid technology will become available"

Toyota believes in the advantages of hybrid cars. Johan Verbois : "We have been further enhancing emission levels of our engines. Firstly, we have a third generation Hybrid Synergy Drive, full hybrid technology, which gives significantly higher benefits in fuel consumption and emissions. Secondly, for conventional powertrains, we have Toyota Optimal Drive. This technology employees advanced fuel saving technologies, driving down CO_2 emissions and fuel consumption. Our full hybrid models have proved that they can offer an uncompromised product with low CO_2 emissions, meeting attractive tax bands in many markets. We aim to offer a hybrid version of every Toyota model by the early 2020s. In addition, full hybrid is a core technology for future powertrain development. It can be combined with petrol, diesel or any other alternative." ■