



Vans in perspective

LCV-dominated fleets are becoming more common, even among those used to running much larger vehicles. Keith Read highlights some of the many new models now available to tempt fleet managers

The danger of predicting green shoots of recovery indecently early has claimed many victims over the years – usually politicians. And I'm not planning to join them. But when considering the van and LCV market, which last year suffered the most devastating slump that most of us can remember, there definitely appears to be some movement just below the surface.

So savage was last year's decline, when UK registrations fell by 35.6% to a lowly 186,386 – compounded by coming immediately after 2008's substantial market fall of 14.3% – even a pessimist would be hard pressed not to suggest that things couldn't get any worse. Especially since almost all the national indications are that recovery – albeit slow and small – is on the way. Indeed, the Society of Motor Manufacturers and Traders (SMMT) recently revised its forecasts, predicting a rise in new van and LCV registrations of 0.7% this year, 6.9% next year and 8.3% in 2012.

"Our latest forecasts reflect the better-than-expected results in the first quarter and improving customer confidence," says Paul Everitt, the society's chief executive. "The coming months will be challenging, but industry remains cautiously

optimistic. Sustaining the economic recovery, and improving access to more and better-priced finance for businesses and consumers, should be the priority for [the] new government."

Only time will tell how accurate those forecasts are. The next SMMT review, based on the second-quarter and overall half-year results, will be published this month (July), with the results quite possibly influenced by the recent election and change of government. However, the coalition budget – which came at the end of the second quarter – won't play its part in business confidence and market recovery until the second half of the year and into 2011.

Good news for manufacturers?

Vehicle manufacturers will be praying that, with a conservative budget, the tiny first-quarter upturn will continue to grow and blossom into full-blown, sustainable recovery. The alternative of a double-dip slump would be nothing short of disastrous. And those who have recently launched LCV products are likely to be even more concerned to reap the benefits of that investment through an upturn.

After an unprecedented period of inactivity and consolidation following the hectic days of vehicle launches and updates – prompted by imminent Euro

Afraid of commitment?

To buy – or not to buy. That is certainly a scenario many transport operators have faced over the years as new ways of financing vehicles have been rolled out. So what are the alternatives to outright purchase?

Roddy Graham, commercial director of Leasedrive Velo – a privately owned vehicle management provider – and chairman of the Institute of Car Fleet Management, describes the five main alternatives: contract hire; sale and leaseback; finance lease; contract purchase; and captive lease management.

“Contract hire is one of the most common methods of company vehicle financing,” he says. “The lessor takes responsibility for vehicle acquisition, disposal, depreciation, funding, servicing, maintenance, repair and administration. The lessee hires the vehicle for a pre-determined period at a fixed monthly rate, inclusive or exclusive of maintenance. The lessor retains ownership of the vehicle and the associated risks and, at the end of the contract, the vehicle is returned to the lessor.

“Where a client wants to free up working capital and opt for a more efficient form of vehicle funding by removing the vehicles from their balance sheet, sale and leaseback allows companies to sell their existing fleet to the lessor, who then leases it back to the client.”

Key benefits of leasing vehicles, over outright purchase, are that it releases working capital to improve company liquidity,



improves budgeting, can remove residual risk, is generally more tax efficient and reduces the administrative burden – thereby allowing companies to concentrate on their core activities using their LCVs, says Graham.

Contract hire, he states, is ideal for companies that don't want to run their own vehicle fleets, and that are looking to reduce the administrative burden of buying, servicing and disposing of vehicles. The key benefits of contract hire include vehicles off the balance sheet, VAT efficiency, fixed cost with ease of budgeting, reduced financial risk, reduced administration and fixed or 'pay-on-use' maintenance.

4 emissions regulations just before the market collapsed – a number of manufacturers have recently lifted the wraps off new offerings. Vauxhall and Renault are two such OEMs.

Vauxhall's Movano and Renault's Master are essentially the same vehicle, both being part of the collaborative venture that produces Nissan-badged Interstar versions and the smaller van range marketed as Vauxhall Vivaro, Renault Trafic and Nissan Primastar. Interestingly, Nissan will continue to market the old Interstar and there are no plans at the moment to launch a Primastar based on Renault's Trafic Phase 3. However, if you're wondering what will happen to Vivaro, then watch this space.

Thinking of Vauxhall, but worried about GM's future? Don't be, says chairman Bill Parfitt. “GM's bankruptcy was the largest in history – but also the shortest,” he confirms. It took the General just 40 days to sort out its survival plan, with the help of US and Canadian treasuries. And Vauxhall has £270 million of loan guarantees from the UK government, while GM itself had put in \$1.6 billion – sufficient for 12 major launches in the coming 24 months.

Vauxhall has a long heritage of vans and light commercial vehicles, says Parfitt. “Today, we have a strong team dedicated to LCVs, 720 dealers and a full range, from the Corsavan right up to Movano. We aim to sell 30,000 new Movanos this year.” And he reveals that serious consideration is being given to a new product for the Luton van factory, where

low-roof Vivaros and Trafics are built, when the current collaboration agreement ends in 2013.

French connection

Peugeot's comprehensive range of LCVs – 207 Van, Bipper, Partner, Expert and Boxer – was in place before the market slumped, enabling the company to take advantage of this year's first-quarter rise in registrations. In an overall van sector up 13.4% between January and March, Peugeot's share rose by 8.5%, compared to a year ago, and its strong LCV performance continued during April with sales up 12.2% in a market up just 6.0%.

An eye-catching newcomer from Peugeot and one of its conversion partners at the CV Operator

Peugeot has adopted U-tail technology to improve loading and unloading times for vans



Show at the NEC, Birmingham in April was the Boxer chassis-cab-based U-tail being produced in Thetford, Norfolk, by Roadload. U-tail addresses a number of issues associated with vehicles incorporating tail-lifts and ramps, and also reduces loading and unloading times. Because the payload container demounts from the chassis-cab, the driver simply drops his empty box or low loader and can immediately pick up a pre-loaded one, thereby achieving higher productivity.

Roadload operations director William Lambert says the Health & Safety Executive calculated in 2005 that the majority of injuries from trips and falls from commercial vehicles were linked to tail-lift use and led to costs in excess of £36 million. "There is little difference in the weight of our U-tail conversion and a tail-lift added to a panel van," he asserts. "So payloads are not compromised."

Reaching new heights

Peugeot's Boxer U-tail opts for a traditional power source, courtesy of the proven PSA diesel engine in 2.2-litre (120bhp) or 3-litre (157bhp) form. But the number and range of new, electric-powered LCVs is growing almost by the month.

Arguably leading this field is Smith Electric Vehicles, and among major customers for Smith's range of Ford Transit-based Edison vans and Newton 7.5-tonne to 12-tonne trucks are TNT, DHL, Royal Mail, Sainsbury's Online, Southern Energy, John Lewis and Balfour Beatty. The company is also supplying the German government, through Ford, with 10 EVs for a major assessment programme.

Among the newest developments of the Edison is the UK's first fully electric, vehicle-mounted, aerial

Record in Transit

No review of the LCV sector would be complete without reference to Ford's 45-year-old Transit – the van that gave the world a new noun and Smith Electric Vehicles a sound platform for its electric developments.

On April 30, at its Southampton van factory, Ford celebrated production of the six-millionth Transit to be built since the first rolled off the assembly lines in 1965. The celebration model is called Sapphire (the traditional 45th anniversary gemstone) and 1,150 of the ink-blue vans, with their silver trim, will be made.

Sapphire models, with their airbags, heated windscreens, anti-lock brakes, ESP anti-roll system, Bluetooth connection and cruise control, are a far cry from the very basic panel van that



Mercedes-Benz Euro 5 Sprinter wins fuel trials with HomeServe

HomeServe, which provides mobile emergency plumbing services, is buying a fleet of Euro 5 Mercedes-Benz Sprinters, after a demonstrator beat its competitor in comprehensive fuel trials.

Thanks partly to its ECO-Start technology, which automatically cuts the engine when the vehicle is stationary, the Sprinter turned in a 1.5mpg better performance than its nearest unnamed rival, at 32.4mpg, according to fleet manager Adam Rickard. As a result, HomeServe has now placed an order for 60 medium-length, high-roofed Sprinter 313CDIs, all with ECO-Start.



Interestingly, because these vehicles' Euro 5 engines are more fuel efficient than the Euro 4 demonstrator used in the trials, Rickard reckons HomeServe is looking forward to bigger savings, as well as carbon emissions reductions.

"Reducing our carbon footprint was the main criterion when we embarked on this process, but we wanted to do so without compromising our standards on performance or load space. This meant we had to find a vehicle that combined the most efficient engine with a practical and easy-to-access load area, while also being strong and reliable," comments Rickard.

"We narrowed down the choice to a couple of contenders, then ran them over a two-day trial to measure their fuel economy – which is where the Sprinter came out as the leader," he adds.

HomeServe's new Sprinters are being fitted with optional speed limiters and tracking devices to record mileage: used in tandem with fuel usage data, these will allow Rickard to monitor mpg over their projected four-year working life.

took the market by storm in the mid-1960s.

More than a third of the six million Transits manufactured to date have been sold in the UK, making it the nation's favourite van by far. And, as if to underline that fact, sales of Transit exceeded 12,500 in the first quarter of this year to top the charts – and outstrip the combined sales of Ford's rivals in second and third place.



work platform. This type of vehicle typically services a small geographic territory, which is ideal for limited-range vehicles.

The 4,600kg gvw Transit-based vehicle uses the Smith Edison long wheelbase electric chassis cab, with a lift mechanism from UK market leader Versalift. Both the lifting mechanism and the vehicle are powered by Edison's 40kW/h lithium-ion battery pack, which gives a range of up to 80 miles on a full charge, although this falls by approximately 10% when the lift is operated.

Movanos on the move

For the higher gvw electric market, Smith's Newton offers up to 150 miles at 50mph from its Lithium-ion battery pack before recharging. The Newton is based on the Avia chassis – originally a Daewoo product – made in the Czech Republic.

Meanwhile, the Movano van is at the centre of Vauxhall's ambitious plans to double its annual sales in the large conventionally powered van sector. The range now has no fewer than 29 body styles, front- and rear-wheel drive, class-leading cargo space,

gvw up to 4.5 tonnes (payloads up to 2.5 tonnes) and new engines/transmissions that promise improved economy and reduced operating costs.

There's also a big carrot to get sales off to a good start, with Vauxhall throwing in £1,400 worth of air conditioning, multi-trip computer, vehicle alarm and Bluetooth connectivity on all but the Movano Expression for buyers willing to put their money on the table before July 31. And that's on top of the electric windows, electric mirrors and full bulkhead – previously almost £500 worth of extras – now available on all models, including the entry-level Expression.

There's not a lot of time left to take advantage of Vauxhall's tempting marketing ploy to boost Movano's launch – and fools are said to rush in where angels fear to tread... But do the homework on the new Movano and, if the numbers add up, only a bigger fool would not seriously consider placing an order.

During a brief appraisal of the 3.5-tonne rear-wheel drive Movano, I found the levels of cab comfort more than acceptable for a place where drivers could spend a full working day. The 2.3-litre engine (available in three different power outputs) linked to a six-speed manual gearbox coped well with a hefty payload equivalent to 60% of the maximum permitted. **TE**

Central Auto Supplies goes for the Citroën Nemo's fuel efficiency

Central Auto Supplies (CAS) has taken delivery of a major Citroën LCV order that, it says, is aimed at improving the fuel efficiency and emissions of its delivery fleet.

The Wellingborough-based company, which has 19 depots, primarily in the Midlands and East Anglia, has bought 41 Nemo 1.4HDI LX vans and two Relay 35 L3H2 120 LCVs from Citroën dealer Duff Morgan of Norwich. Peter Jipson, CAS operations manager, says that the new Nemo vans were selected after a stringent selection process for multi-drop operations, delivering OE parts from suppliers such as Bosch, Delphi, LuK, Mann, Monroe, Shell and Valvoline to automotive repair garages, fast-fit outlets and retail motor factors.

"CAS is committed to reducing the environmental footprint of its vehicle fleet, through driver training and the specification of state-of-the-art technology," comments Jipson. "As such, the Nemo, which is the UK's most fuel efficient van and has the lowest CO₂ emissions for a high cube LCV van, is an excellent fit for our business," he adds.

Jipson reckons the Nemos are delivering 60-plus mpg fuel economy on their multi-drop deliveries, and also says that drivers get a high level of comfort and safety equipment. In fact, CAS' specification includes the optional Extenso folding passenger seat, which provides a flat load deck length of almost 2.5m – enabling them to carry exhaust pipes and other long parts. The firm also went for rear glazed doors and the LX specification, with remote central locking, nearside side loading door, and adjustable driver's seat and steering column.