

Fleet *Europe*

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THE INTERNATIONAL
FLEET PLATFORM
FOR TOP DECISION MAKERS

MANAGEMENT

Face to Face

Hans den Hollander (Cisco)
Wim Buzzi (Coca-Cola Enterprises)

DOSSIER

Leasing in Europe

Lessors' strategy & presence,
upcoming trends & new developments

SCOPE

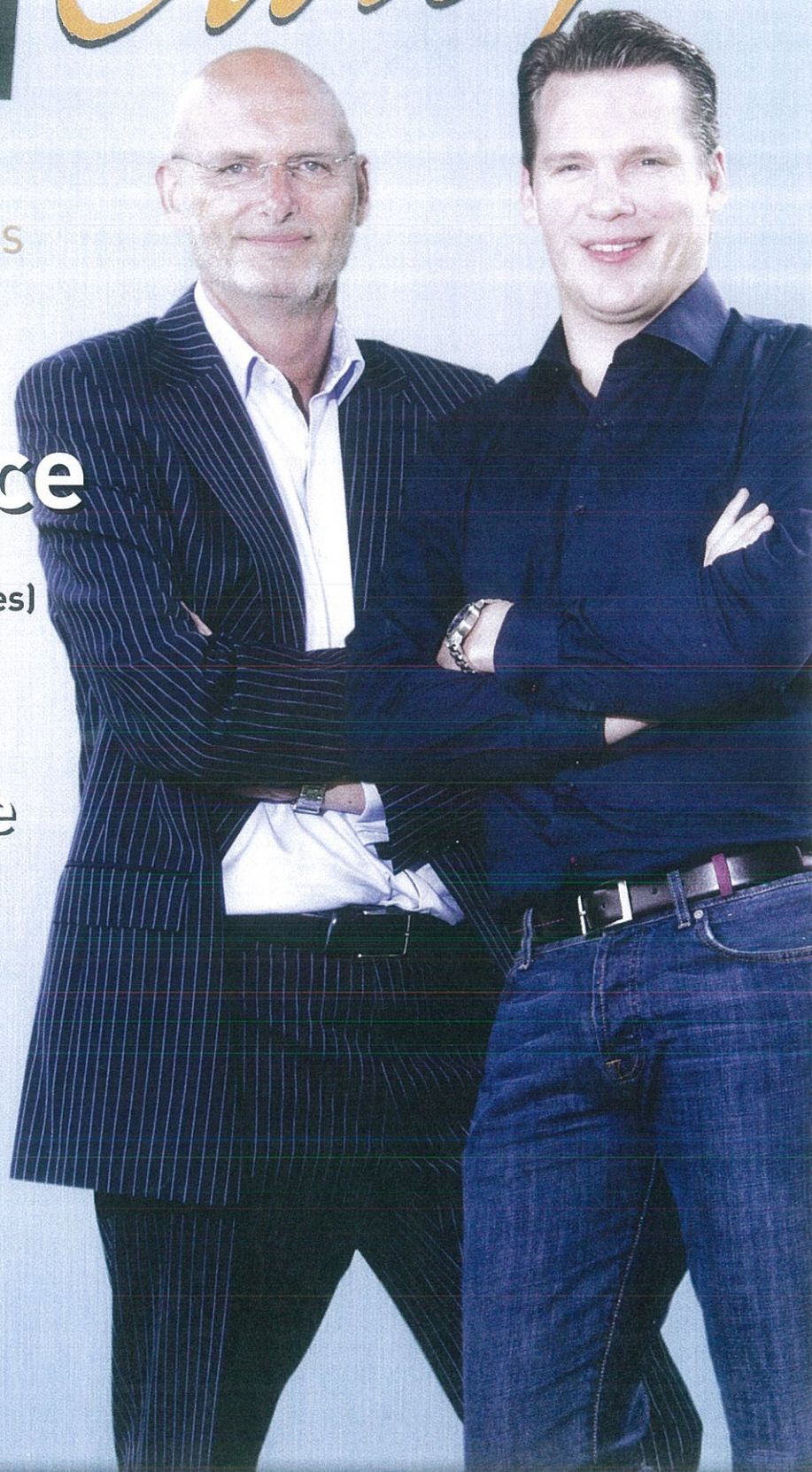
Fleet Market

What is going on across
Europe and in the US

MANAGEMENT

Accenture Study

Public view on Electric Vehicles



FLEET EUROPE FORUM & AWARDS 2012 – November 22nd 2012 in Cannes (France)
“PARTICIPATE, LEARN, SHARE AND CELEBRATE”

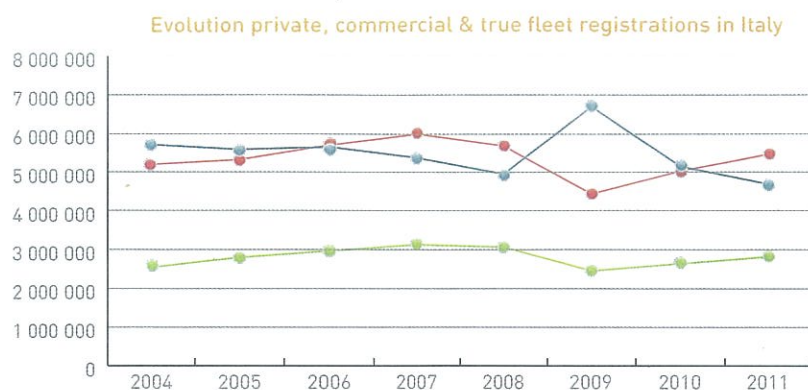
Italy feels the heat

Italy, is known for its love of beautiful and fast cars. But the crisis in the Eurozone has influenced the sales of new cars negatively... including in fleet. According to Pietro Teofilatto, Director of the Italian National Association of short and long term renting vehicles (ANIASA), the impact of the Italian car market crisis produced a sales decrease of 9% in 2010 and 11% in 2011. And this trend has even worsened in 2012.

For Andrea Solari, Deputy General Manager of Arval, the registrations decrease of 21% in the first quarter of 2012 will most probably lead to another 400,000 fewer sales compared to 2011. The final predicted volume will almost be the same as in 1983 (!) adds Gilda Sanfelici, Operations Manager of HPI Fleet & Mobility. Despite the fact that the corporate fleet market and the renting and operational leasing market also show a respective decrease of 10.70% and 11.21% in registrations compared to the first quarter 2011, Pietro Teofilatto points out that within this dramatic context, the car rental sector, and especially the long term activity, has played an anti-cyclical and support role, making the situation less dramatic for manufacturers, the world.

Increased taxation impact

According to Pietro Teofilatto, the effects of the economic crisis have led to drastic reductions of all costs as well as major restructuring of the organizations and reductions of staff. For Andrea Solari, the uninterrupted registrations decrease is mainly due to a mix of several factors: economic crisis, fuel price increases, higher insurance premiums and difficulties for compa-



Since 2009 there is a serious decline in new car registrations in Italy, but the fleet market seems to keep up.

nies in obtaining credit. Gilda Sanfelici adds that the considerable decrease in residual values on the Long Term Rent contracts is one other important negative factor on the fleet market. Pietro Teofilatto ends by stating that during recent months, long-term rental market has been further hit by punitive taxation and measures taken by Mario Monti's government in light of the crisis: an increase of the purchase and sales tax on vehicles and a reduction in the deductibility of rental costs currently being considered by the government. From a tax perspective, concludes Saladino, Italy is now one of the worst places for fleet in Europe.

Action towards Mobility

Cost-cutting, as recently published by the Arval Corporate Fleet Barometer, will remain the principal initiative for 87% of small-medium and 79% of large companies during 2012. According to Pietro Teofilatto, cost cutting also implies 'downgrading' and 'downsizing', selecting vehicles with lower cost and size, constantly pushing for new alternative engines (i.e.: hybrid, electric). More and more small and medium enterprises even start outsourcing

fleet management activities as rental and leasing providers propose precise forecasting, benchmarking, ordering, monitoring and reporting web tools. For Dr Robert Satiri, Responsible General Services of Colacem s.p.a., the financial crisis since 2009 also implies thinking and acting beyond classic cuts. This covers actions such as paying close attention to all 0% rate offers proposed by the automakers and renegotiation all long term rent contracts. Gilda Sanfelici adds the extension of contract periods (from 3 to 4 or 5 years), looking for different portfolio of services and the right mileage in the leasing contract. But a new trend is slowly emerging, confirmed by Dr. Robert Satiri: "We need to start streamlining fleet management, mobility and paths of employees, as well as internally encouraging car-sharing, audio and video conferencing and all potential IT integration opportunities". A new trend shared by Gilda Sanfelici for whom it becomes crucial to clearly explain internally how employees can contribute to TCO reduction, namely by favoring connectivity tools versus transportation tools. ■

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