

# Responding to key automotive issues: SMMT 2015 Business Plan

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12 February 2015

Mike Hawes, Chief Executive, SMMT

- During presentations (10:30 – 11:00) everyone will be muted so that only the presenters will be heard.
- The presentation will be followed by a Q&A session. Click on the hand symbol to show that you have a question.
- If you are experiencing any technical problems please call 020 7344 1673.

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# AGENDA

- 2014 – The key figures and highlights for the industry
- SMMT 2014 highlights
- SMMT vision and objectives
- SMMT 2015 priorities

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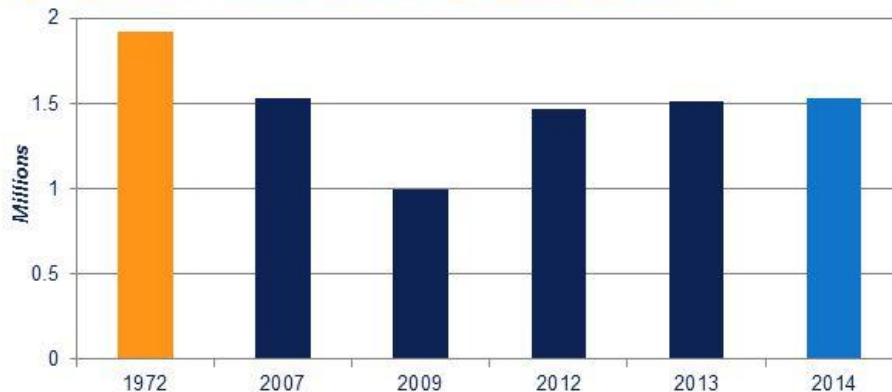
# 2014 Highlights – Key Figures

## Passenger cars market:

UK new car registrations (rolling year total) – 2008-2014, with 2015 forecast

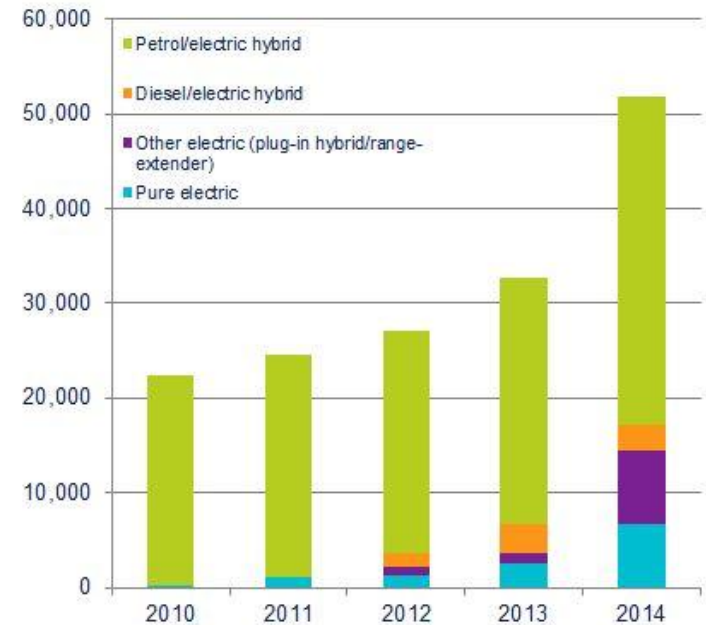


UK car manufacturing – 1972 (all-time record) and selected years 2007-2014



2014: the year of the alternatively-fuelled vehicle

AFV registrations – 2010-2014

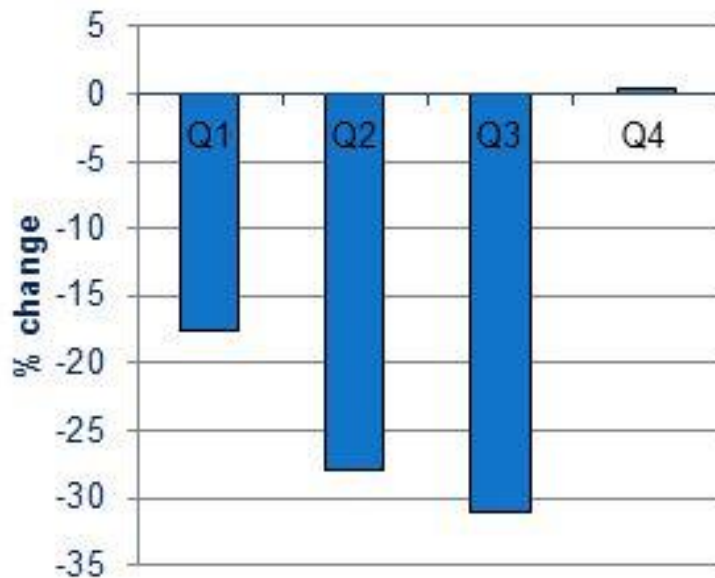


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# 2014 Highlights – Key Figures

## Commercial Vehicles:

CV output – % change per 2014 quarter



Commercial vehicle market grew 11.0% to 363,155 units in 2014, the highest level since 2007.

## Registrations:

2005 – 385,969  
2014 – 363,155 - 5.9%



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## 2014 Highlights – Key Figures (3)



- **Bus and Coach:**
  - Fall of 4.6% in 2014 to 7,352 units.
- **Production:**
  - Likely to be stable (c1.55m) - model changes

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# 2014 Highlights – External

- **Europe:**
  - European elections
  - SMMT/KPMG European Report
- **Scottish referendum –**  
Relief for the industry
- **Automotive Council –**  
Cross-party support, SMMT support, supply chain, technology, business environment and skills
- **Wright Review**



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# 2014 Highlights – External

- **Supply chain and skills –**

LTASC, Meet the Buyer, Industrial Partnership



- **Innovation –**

ULEVs, GUL, APC, Connectivity



- **International profile –**

ACEA, CLEPA, OICA – promoting UK with AIO and others

- **Environment –**

Air Quality the new Climate Change?



- **Communication –**

Recalls, thefts, AQ, true MPG and impact of new technologies

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# 2014 Highlights - Internal

- **Membership:**

- New record of 643 members
- Over 100 new members
- Events – Open Forum, Meet the Buyer, Regional Roadshows



- **AIS:**

- MVRIS – moving towards new provider
- New Data services – Vehicle Safety Recall database

- **HR:**

- Management Restructure – Operations, Communications, International
- Business Planning

- **Operations** – ISO14001, Pensions, Facilities Management and IT

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# SMMT objectives

1. **Position** the UK motor industry as a critical contributor to the UK economy, a major employer and source of technological innovation through all relevant communication channels
2. **Secure** competitive advantage for the UK motor industry and mitigate risk by ensuring the SMMT is the influential voice of the industry in the major policy debates and regulatory discussions
3. **Improve** the efficiency and effectiveness of the organisation ensuring the smooth delivery of essential value-added services, advice and support to the industry
4. **Strengthen** the financial position of the organisation by increasing the size and diversity of SMMT's membership and through the development of new and existing services
5. **Develop** and exploit all opportunities to grow the UK motor industry - the market, business and products - at home and abroad

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# 2015 Priorities – External

- **General Election** – Manifesto Priorities
- **Events** –  
CV Air Quality, Summit, Meet the Buyer, Open Forum,  
#SMMTConnected, CV Show etc
- **Future motoring taxation**
- **Europe** – engagement and communication
- **Air Quality and CO<sub>2</sub>** – communication, lobbying, testing

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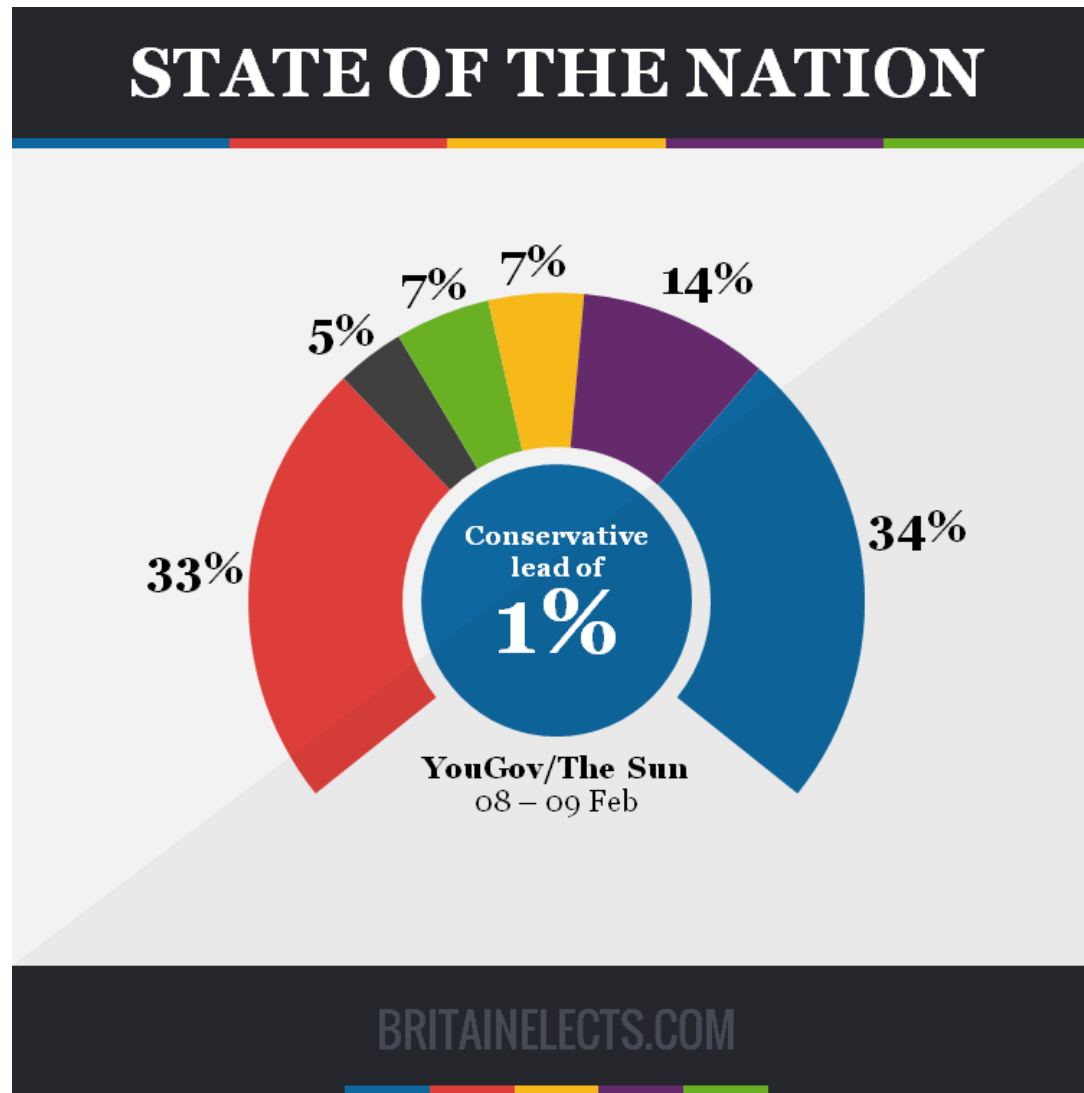
# Manifesto priorities

SMMT's manifesto priorities ahead of the 2015 general election:

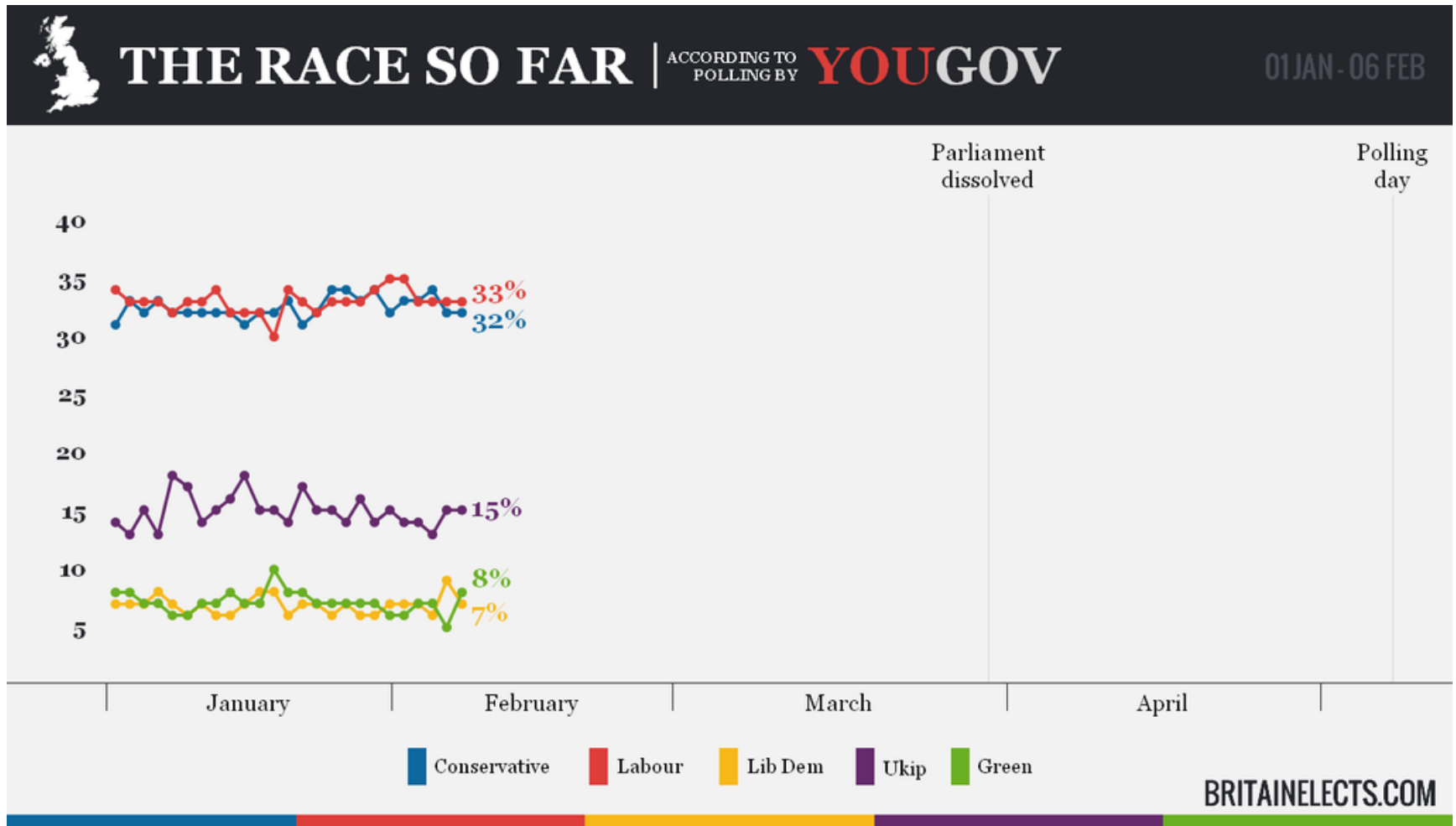
1. **Cross-party commitment to long-term industrial strategy** – ensuring that existing mechanisms such as Automotive Council and its work agenda are maintained
2. **Creating the right conditions for investment** – promoting an internationally competitive business environment for automotive
3. **Positioning the UK as a global leader on innovation** – enhancing support measures for R&D
4. **Supporting ultra-low emission vehicles and a strong, sustainable vehicle market** – guaranteeing ULEV funding and committing to a long-term approach on vehicle taxation
5. **Maintaining a strong UK voice in Europe** – pursuing industrial competitiveness agenda and automotive priorities in EU reform

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## Latest polls suggest close race



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# Air Quality

## SMMT strategy update

### Media

- Open letter to Boris Johnson (16 December) - Key element of strategy to enter public debate
- Press release and related material on SMMT website
- Develop further collateral, PR material and media opportunities/ engagement

### Political engagement and lobbying

- London – ULEZ consultation response submitted – key next step is reply to letter from Mayor and secure meeting
- SMMT currently planning political engagement for first half of 2015 including ministers, opposition MPs, officials
- High-level political briefing material planned to support meetings
- Letter to John Hayes MP, Transport Minister on Euro 6 Real Driving Emissions (RDE) requirements

# Air Quality

## SMMT strategy update

### Technical Testing and Research

Develop robust testing and research programme to develop real world data that can be shared with officials, politicians and the media



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## Section priorities 2015

- To enhance business prospects for **component suppliers**/ACS members as part of automotive industrial strategy
- Consumer freedom of choice in services, maintenance and repair by ensuring a level playing field within the **aftermarket sector**
- Working to create a marketplace where there is greater encouragement to procure Euro VI vehicles
- SMMT continues to press government to issue an analogue switch off date – **Digital Radio**

## Section priorities 2015

- To demonstrate the economic benefits of **remanufacturing** products
- Redesigning towing and **trailer** guidelines
- To raise the awareness of the **commercial vehicle** industry to government, press and public. Influence policy and legislation on key issues such as air quality, safety and technology

# Upcoming SMMT 2015 Events

- [Open Forum](#) – 18 March  
Leicester Tigers Rugby Club
- [#SMMTConnected](#) – 26 March  
QEII Conference Centre, London
- **Commercial Vehicle Show** – 14 to 16 April  
NEC, Birmingham
- [Meet the Buyer](#) – 12 May  
Central London
- **International Automotive Summit** – June  
Venue to be confirmed



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# 2015 Priorities – External

- **Technology & Innovation** – autonomous vehicles, GUL, H2, Catapults and KTNs
- **Automotive Council** – significant support continues to compliment SMMT role
- **Supporting manufacturing** – LTASC, Supply Chain, Automotive Investment Organisation
- **Promotion** – increase visibility of UK automotive home and abroad in communication and trade terms





# 2015 Priorities - Internal

- Continue the **modernisation** of the SMMT
- Drive membership and **member value**
- Seamless change to **MVRIS provider** and launch of new services
- Review of **Strategic Business Systems** – website, CRM and ERP
- **Industry Forum** and **Motor Codes** continued strengthening of business performance
- Continued focus on **compliance** and good governance
- **Long Term Strategy** – ensuring SMMT remains respected, influential, indispensable to members and relevant

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# Questions and Answers

Please click on the hand symbol to raise your hand if you have a question.

Please ensure that you are connected to the audio to ask a question.

Alternatively, you can type your question.



Email: **memberservices@smt.co.uk** with your questions after this session.

Slides emailed to participants after this session.

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