eZINE

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Greetings!

Focused on the success of your fleet, Doering aims to impart a breadth of knowledge, ideas and paths to execution.

MUCH more information is available on our website in the newsletter archive! We enjoy sharing our expertise and industry information with you.

Education betters us and ensures our decisions are well-informed! Never be lulled by "we have always done it this way".

L E T ' S G O

NHTSA Survey: Many Americans Continue to Use Electronic Devices While Driving

Automotive Fleet

New research released by the National Highway Traffic Safety Administration indicates that many Americans continue to use electronic devices while driving, despite legislative efforts and public service campaigns aimed at curbing distracted driving. Forty-nine percent of drivers say they answer incoming phone calls while driving, and 24% are willing to place calls on all, most or some trips.

The 2011 National Occupant Protection Use Survey (NOPUS) shows that at any given daylight moment across America, approximately 660,000 drivers are using cell phones or manipulating electronic devices while driving -- a number that has held steady since 2010.

The new data include statistics from the 2012 Distracted Driving Attitudes and Behaviors Survey and the 2011 National Occupant Protection Use Survey on Driver Electronics Use, as well as the 2011 Distraction Fatality Analysis Reporting System (FARS) data.

According to NHTSA's 2012 National Survey on Distracted Driving Attitudes and Behaviors, most drivers support bans on handheld cell phone use (74%) and texting while driving (94%). On average, these drivers thought the fines for these offenses should be at least $200.

So far 39 states, the District of Columbia, Puerto Rico, Guam and the Virgin Islands ban text messaging for all drivers. Also 10 states, the District of Columbia, Puerto Rico, Guam and the Virgin Islands prohibit all drivers from using handheld cell phones while driving.

Almost half of drivers said they answer an incoming call and one in four drivers are willing to place a call on all, most, or some trips. Slightly fewer are willing to make a call while driving compared to 2010 (28% to 24%), but there is little if any change in those who answer a call while driving (52% to 49%).

Manheim: Used-Vehicle Sales Set to Hit Record High Before 2015

Auto Finance News

With 12% year-over-year growth in 1Q13, sales of used vehicles are on track to hit an all-time high before 2015, said Tom Webb, chief economist at Manheim, during the company's quarterly conference call Friday.

That growth, Webb said, was driven by several factors, including buyers having ample financing opportunities, more used cars in the marketplace, and a desire to "trade up for something a little bit better."

Recent data from CNW Research found that the used-vehicle segment reported its best sales in 11 years as it surpassed 3 million units, even with obstacles such as tax refund delays, payroll tax increases, and changing gas prices. **In fact, used-car sales increased as other consumer expenses -- such as dining out -- slumped last quarter.**

The Manheim Used Vehicle Value Index found that wholesale used vehicle prices dropped for the third consecutive month. The Index reading fell to 120.4, a 4.6% year-over-year decline.

The supply of cars in the wholesale market was a hand-in-hand improvement with retail demand. "As such, we would view the recent moderation in wholesale pricing as more a natural realignment with respect to new vehicle prices than a supply-driven issue," according to the Index's website.

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Our expert staff will gladly speak to your organization, group or event on topics such as buy vs. lease, fleet management and best practices.

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DID YOU KNOW DOERING OFFERS:

MANAGED MAINTENANCE PROGRAMS

Institute preventative maintenance schedules and improve vehicle resale value while minimizing maintenance costs utilizing national pricing. Consistently maintain your fleet across locations and drivers. 20% net savings are commonplace.

NATIONWIDE TITLE AND REGISTRATION MANAGEMENT

FUEL MANAGEMENT

ACCIDENT MANAGEMENT

DRIVER TRAINING AND MOTOR VEHICLE RECORD TRACKING

AND MUCH MORE!

FUEL MANAGEMENT

Save 10-15% on fuel!

A properly utilized fuel card program can detect and/or prevent driver fraud, track fuel (grade) usage, monitor MPG, and provide an accurate assessment of spending per driver. Some firms use the PIN to bill fuel to job codes. The program can be customized for your use and consolidates all fuel spend onto one monthly bill.

Drivers have their choice of the cheapest fueling locations and do not drive out of their way to go to a BP or Mobil because you have a branded fuel card. Further, such fuel cards keep credit cards out of the hands of those that don't need them, further preventing fraud and accidental loss.

The newest feature of the Wright Express Fleet Card let's YOU control how much your drivers fuel, putting your budget back in your hands. You can set a specific dollar amount per transaction and limit fueling to a specific time period. If a driver

reaches the pre-selected dollar limit, the pump-as the name says -automatically shuts off*. This feature helps you better manage your fleet costs by giving you tighter control at Island Card Readers (ICRs).

Doering Fleet Management offers a comprehensive fuel card program underwritten by Wright Express, the largest fuel card in the nation and most widely accepted. Contact your Doering representative for more information!

Hyundai Recalling More Than 1 Million Vehicles

Automotive Fleet

Hyundai Motor Co. is recalling more than 1 million vehicles because the stop lamp switch may malfunction, the National Highway Traffic Safety Administration reported.

The recall covers 2007-2009 model-year Accent and Tucson vehicles, 2007-2010 MY Elantra vehicles, 2007-2011 MY Santa Fe vehicles, 2008-2009 MY Veracruz vehicles, 2010-2011 MY Genesis Coupe vehicles, and 2011 MY Sonata vehicles.

A malfunctioning stop lamp switch may cause the brake lights to fail to illuminate when the brake pedal is depressed. In addition, depressing the brake pedal may fail to deactivate the cruise control.

A malfunctioning stop lamp switch also might result in intermittent operation of the push-button start feature, and might affect the operation of the brake-transmission shift interlock feature preventing the shifter from being moved out of the PARK position. The Electronic Stability Control (ESC) malfunction light might also illuminate.

Hyundai dealers will replace the stop lamp switch, free of charge. The safety recall will begin by June.

Owners can reach Hyundai at 1-800-633-5151.

Are you wasting money looking for cheaper gas?

Edmunds.com

Soaring prices are driving people to actively search for cheaper gasoline. How far would you go to save a few cents per gallon?

Hundreds of drivers across the country were asked that question as part of a survey done for the National Association of Convenience Stores.

- 68 percent would make a left-hand turn across a busy street to save five cents per gallon

- 68 percent would drive 5 minutes out of their way to save 5 cents per gallon

- 36 percent would drive 10 minutes out of their way to save 10 cents a gallon

Of course, if you drive too far out of you way, you'll waste time and spend more on gas to get there than you'll save.

Other ways to save on gas

- Jack rabbit starts burn up fuel. Using cruise control when possible boosts fuel economy.

- If a red light is seen ahead, coast to it.

- Make sure your tires are properly inflated. You can improve gas mileage by up to 3.3 percent by doing that. Check your tires at least once a month.

New-vehicle sales stayed flat at the seasonally adjusted annual rate of 15.3 million last month, but Manheim found that this leveling off didn't increase incentives, which is usually the response automakers take when sales stay level.

Leases continue to grow amid lengthening loan terms and lower rates for customers with low credit scores, but financing has remained reeled in.

Ready to Talk about Fleet Management?

$2175 per car. That is the average savings Doering provided per vehicle in 2012. It's worth your time and attention.

You deserve to understand best practices in fleet management and see the savings and value proposition fleet management provides.

Still thinking? Did we mention - Doering Fleet Management has sold clients' used cars on average 30-40% over popular car valuation tool values. The gains translate to thousands of dollars back to the organizations for mission-based uses, not lining the pockets of dealers.

CLICK HERE TO SPEAK WITH AN EXPERIENCED DOERING FLEET MANAGEMENT REPRESENTATIVE IMMEDIATELY!

GM Investing $332 Million for New Fuel-Efficient Powertrains

Automotive Fleet

General Motors is investing close to $332 million at four of its manufacturing sites in order to build new, more fuel-efficient powertrains. These new powertrains include a new V-6 engine, an eight-speed transmission, and tooling for an existing six-speed transmission. The GM plants receiving this investment are in Flint and Bay City, Mich.; Toledo, Ohio, and Bedford, Ind.

The automaker is also investing $46 million more (bringing the total to $646 million) in its powertrain plants in Romulus and Saginaw, Mich., to support production of the new V-6 engine. According to GM, these combined investments will retain roughly 1,650 jobs at the six facilities.

At the Flint Engine Operations plant, $215 million is going to production of a new small Ecotec gasoline engine, which is part of a new engine family that includes 3- and 4-cylinder variants with displacements ranging from 1.0 to 1.5 liters. GM said it will provide details on the variants the plant will build at a later date. The plant is also upgrading its tooling for the current version of the V-6 it produces.

At the Toledo Transmission Operations plant, GM is investing $55.7 million to increase capacity and tooling to build an all-new eight-speed automatic transmission and for an existing six-speed. GM said the all-new eight-speed will be used in a number of GM vehicles by the end of 2016.

Next, the automaker is investing $31.7 million in its Bay City Powertrain plant, including $19.2 million to produce components for a new V-6 engine and $12.5 million for the small Ecotec gasoline engine mentioned previously.

Lastly, the automaker is investing $29.4 million in the Bedford Castings plant, including $19 million to build components for the small gas engine and $10.4 million to produce components for the new eight-speed and existing six-speed transmissions.

For the $46 million at the Saginaw plant, the automaker is spending $41 million to build castings for the new V-6, and at the Romulus Engine Operations plant, GM is spending $5 million for the new V-6 engines.

GM to Offer Fleet-Only Version of Impala In Addition to All-New 2014 Model

Automotive Fleet

With the introduction of the all-new 2014 model-year Chevrolet Impala, GM is dramatically overhauling a vehicle that's been a staple in the fleet world in both commercial and rental fleets for years. Automotive Fleet contacted General Motors to find out what the future holds for the current incarnation of the Impala given the 2014-MY Impala's radical departure in design.

"The 2013 Impala is a great car that is in high demand among fleet customers, as evidenced by last year's fleet sales," said Chad Lyons, GM's Chevrolet brand communications manager for the Malibu and Impala. "For this reason, we will continue to offer it to fleet (commercial and rental) customers only. It will be called Impala Limited and will be offered as a 2014 model-year vehicle."

- Get rid of any unnecessary weight in your vehicle.

Toyota Announces Voluntary Recall of Certain Vehicles for the Front Passenger Airbag

Toyota.com

Toyota Motor Sales, USA, Inc. today announced that it will conduct a safety recall involving approximately 170,000 front passenger airbag inflators installed in several vehicle models.

The involved vehicles are equipped with front passenger airbag inflators which could have been assembled with improperly manufactured propellant wafers. Improperly manufactured propellant wafers could cause the inflator to rupture and the front passenger airbag to deploy abnormally in the event of a crash.

The vehicles involved include certain Toyota Corolla, Corolla Matrix, Sequoia, and Tundra, and Lexus SC 430 models manufactured from 2001 - 2003. More precise vehicle information is being developed, but about 510,000 vehicles may have to be inspected to locate the suspect inflators.

Owners of vehicles subject to this safety recall will receive an owner notification letter by first class mail. The recall remedy will involve inspection of the front passenger air bag, and, if it is equipped with an affected inflator, the inflator will be replaced with a newly manufactured one at no charge to the owner.
Detailed information is available to customers at www.toyota.com/recall, the Toyota Customer Experience at 1 800-331-4331, www.lexus.com/recall and Lexus Customer Satisfaction (1 800-255-3987).

RFA Updates Mobile E-85 Locator App

Green Fleet

The Renewable Fuels Association (RFA), in partnership with the Iowa Corn Growers Association, is unveiling a newly updated Flex-Fuel Station Locator application for iPhones, iPads, the iPod Touch, and all Android devices. The application is free and available in the App Store or the Android Marketplace. The Flex-Fuel Station app is designed to help users pinpoint any station in the United States offering E-85.

New features of the app, which was first introduced in 2011, include:

According to Lyons, GM's Chevrolet brand plans to keep building the Impala Limited, in addition to the all-new 2014-MY Impala, as long as there is customer demand for it.

"The all-new, 2014 Impala will be targeted in its majority (not in its entirety) toward retail customers," Lyons said. "However, because of the vehicle's spaciousness, comfort, quietness, and advanced connectivity, we anticipate fleet customers will also be very interested in purchasing the car."

Ford and GM to Jointly Develop New Nine- and 10-Speed Automatic Transmissions

Automotive Fleet

Ford and General Motors have signed an agreement to jointly develop next-generation 9- and 10-speed transmissions that both companies said will improve vehicle performance and fuel economy. The automakers said they plan to build front- and rear-wheel-drive variants of these transmissions.

"Engineering teams from GM and Ford have already started initial design work on these new transmissions," said Jim Lanzon, GM vice president of global transmission engineering. "We expect these new transmissions to raise the standard of technology, performance and quality for our customers while helping drive fuel economy improvements into both companies' future product portfolios."

"The goal is to keep hardware identical in the Ford and GM transmissions. This will maximize parts commonality and give both companies economy of scale," said Craig Renneker, Ford's chief engineer for transmission and driveline component and pre-program engineering. "However, we will each use our own control software to ensure that each transmission is carefully matched to the individual brand-specific vehicle DNA for each company."

According to the automakers, this agreement is the third time in the past 10 years that GM and Ford have collaborated on developing transmissions, which resulted in the creation of six-speed front-wheel-drive transmissions. Ford said it installs these transmissions in the Fusion, Edge, Escape, and Explorer SUVs, where as GM said it uses them in the Chevrolet Malibu, Traverse, Equinox, and Cruze.

Fleet Safety Tip: Freeway Merging and Exiting

Automotive Fleet

Merging onto a busy freeway requires a driver's total focus and sound judgment. Here are some freeway merging tips, provided by State Farm's online learning center, which you can pass along to your drivers as a friendly reminder:

- Yield to drivers on the freeway, but avoid stopping unless absolutely necessary.
- Adjust your speed to match the flow of traffic before entering the freeway. It is easier to slow than accellerate so speed up significantly on on ramps.
- Find a three- to four-second gap in traffic to merge into. Don't look for the vehicle you want to get ahead of. Rather, look for the vehicle you want to be behind.
- Check for cars around your vehicle before entering a lane and remember to turn your head to check your blind spot.
- Signal your intentions early - 100 to 300 feet before merging or changing lanes.
- Wait for the solid line to end before merging.
- Cross one lane of traffic at a time.
- If you must pass a slower-moving vehicle, pass on the left and return to your lane only after the vehicle is visible in your rearview mirror. Increase this distance when passing larger vehicles.
- Be prepared for your exit, and maneuver into the far-right lane as you approach it.
- In general, keep up with the speed of traffic until you exit. However, adjust your speed to account for weather conditions and the design of the exit ramp.

Here are tips on freeway exiting:

- When you plan to exit the freeway, give yourself plenty of time. You should know the name or number of the freeway exit you want as well as the one that comes before it.
- To exit safely, signal, look over your shoulder, and change lanes one at a time, until you are in the proper lane to exit the freeway.
- Signal your intention to exit for approximately five seconds before reaching the exit.
- Be sure you are at the proper speed for leaving the traffic lane - not too fast (so you remain in control) and not too slow (so the flow of traffic can still move freely).

Study: Making a Left-Hand Turn While Talking on a Hands-Free Phone Is a Risky Combination

Business Fleet

Most serious traffic accidents occur when drivers are making a left-hand turn at a busy intersection. When those drivers are also talking on a hands-free cell phone, "that could be the most dangerous thing they ever do on the road," said Dr. Tom Schweizer, a researcher at St. Michael's Hospital in Toronto.

- **Flex-Fuel Vehicle (FFV) Identifier.** After inputting make, model and year of a vehicle, the app will alert users if their vehicle is Flex-Fuel or not, in order to help avoid misfueling.

- **Route Planner.** Adds the ability to enter a starting and end point to determine E-85 stations along a certain route.

- **MPG Education.** Uses educational information from www.FuelEconomy.gov and includes other factors of mpg (e.g., low tire pressure, wind, and driver actions).

- **Search.** Includes the ability to enter state, city, or zip code to determine E-85 stations in the immediate area.

- **Add or Remove.** Gives app users the ability to alert the database of new stations, closed stations, or other corrections not presently included in the location information used by the app.

Ford Adding 2,000 Jobs at Kansas City Plant to Meet F-150 Demand and Build All-New Transit

Work Truck

Ford is adding more than 2,000 jobs at its Kansas City Assembly Plant. The company said it is adding these jobs to meet F-150 demand, specifically adding 900 jobs and a third crew for that vehicle, and the other 1,100 jobs in the fourth quarter of 2013 to prepare to build the all-new Ford Transit. The Kansas City Assembly Plant currently builds the Ford F-150 Regular, Super, and Crew Cab models, according to Ford.

With regard to specific investments in the plant, Ford said it is investing $1.1 billion to retool and expand the facility to boost F-150 production and build the Transit. This expansion includes a 437,000 sq.-ft. stamping facility and a 78,000 sq.-ft. paint shop. The automaker said it finished the new stamping facility in 2012 and that the paint shop expansion will feature installation of the three-wet paint process, which requires less time than the conventional paint process.

When Transit production begins, Ford said around 275 suppliers across the U.S. and six local suppliers will be contributing to the project and increase business.

Maximize Fuel Efficiency as a Sustainability Goal

Business Fleet

Sustainability initiatives will continue to play an important, albeit complex, role in corporate fleets of today and tomorrow. There are a number of excellent alternative-fuel solutions currently available in the market and there are a growing number of fleets that have successfully implemented these solutions.

But, there are also many other fleet managers who are challenged to meet sustainability initiatives due to higher vehicle acquisition costs, range limitation issues, and an inadequate national refueling infrastructure. Despite this, these fleets still want to be environmentally responsible and have opted instead to select the most fuel-efficient gasoline- or diesel-powered vehicles to meet their sustainability initiatives. Also, as vehicle replacement cycles return to traditional parameters, commercial fleets are replacing older, higher-emissions vehicles with new, more fuel-efficient models. For these fleets, maximizing fuel

Researchers led by Dr. Schweizer tested healthy young drivers operating a novel driving simulator equipped with a steering wheel, brake pedal and accelerator inside a high-powered functional MRI. All previous studies on distracted driving have used just a joystick or trackball, or patients passively watching scenarios on a screen.

Immersing a driving simulator with a fully functional steering wheel and pedals in an MRI at Sunnybrook Health Sciences Centre allowed researchers to map in real time which parts of the brain were activated or deactivated as the simulator took them through increasingly difficult driving maneuvers.

The researchers were able to show for the first time that making a left-hand turn requires a huge amount of brain activation and involves far more areas of the brain than driving on a straight road or other maneuvers.

When the drivers were also involved in a conversation, the part of the brain that controls vision significantly reduced its activity while the part that controls monitoring a conversation and attention was activated.

"Visually, a left-hand turn is quite demanding," Schweizer said. "You have to look at oncoming traffic, pedestrians and lights, and coordinate all that. Add talking on a cell phone, and your visual area shuts down significantly, which obviously is key to performing the maneuver."

The simulation had the drivers making six left turns with oncoming traffic, which required them to decide when to turn safely. It then distracted them, by making them answer a series of true-false audio questions, such as "Does a triangle have four sides?"

The MRIs showed that blood moved from the visual cortex, which controls sight, to the prefrontal cortex, which controls decision-making.

"Brain activity shifted dramatically from the posterior, visual and spatial areas [of the brain] to the prefrontal cortex," said Schweizer, a neuroscientist and director of the Neuroscience Research Program at the hospital's Li Ka Shing Knowledge Institute.

"This study provides real-time neuroimaging evidence supporting previous behavioral observations suggesting that multitasking while driving may compromise vision and alertness. 'Hands free' not does mean 'brains free,'" Schweizer explained.

This study was funded by the Natural Sciences and Engineering Research Council of Canada and the Ontario Ministry of Economic Development and Innovation.

Source: Leslie Shepherd/St. Michael's Hospital in Toronto

New Model Year or Old Model Year - What To Do?

We are now at the critical time of year when the model year changeover occurs. Much fleet strategy surrounds the discussion of what to do this time of year and whether it is best to buy current model year vehicles or wait for the new model year. The simple answer is - it depends. There are three general buckets that all situations fall into:

- Vehicles held a short time (less than 5 years) - in these cases the new model year vehicle is almost always the way to go. Paying 1-2% more for the next model (say on a $30,000 pickup), $450 for purposes of this example, is far LESS costly than the additional year of depreciation sustained from buying a year-old vehicle. In 5 years when you go to sell the vehicle, the "new" model year vehicle will be 5 years old and the "old" model year vehicle will be 6 years old. A year's worth of depreciation is easily worth $2000-$3000 in almost every car and truck segment in the first five to six years of a vehicle's lifecycle.
- Vehicles driven into the ground (140,000+ miles) - in these cases, acquiring the current model year may make sense to minimize acquisition cost and overall depreciation. A 7 year old vehicle may be worth $4000 and an 8 year old vehicle worth $3700, the delta being less than the additional cost you would have paid to acquire a year newer body style.
- Unknown holding period situations - in these cases, a judgment call must be made based on the likelihood of holding the vehicle the expected period of time. If there is a good chance the employee may be let go, focus on acquiring the vehicle with the lowest lifecycle cost, typically the newest model year vehicle possible. If you will always have an alternative use for the vehicle even if your initial plan does not pan out, base your decision on your typical fleet holding period and acquire a vehicle based on the commensurate lifecycle cost analysis.

There may be critical factors at play in all situations above such as the fact that in-stock vehicles often have hundreds

efficiency seems to be the only financially feasible sustainability solution, especially when faced with intractable funding constraints.

Operating in a tight fiscal environment, the cost of doing business prompts many companies not to buy vehicles that are more expensive than needed. While companies continue to seek grants to acquire AFVs, these funds are insufficient to meet the full vehicle replacement requirements of a larger fleet. Consequently, for many fleets, improving the fleet's overall fuel efficiency is the most practical strategy to meet corporate sustainability goals. Improving the overall average fuel economy for the entire fleet is an attainable sustainability goal as manufacturers are continually improving mpg, for all classes of vehicles, especially under the current pressures of upcoming, more stringent CAFE requirements.

and sometimes thousands of dollars in unnecessary optional equipment that you would bear the cost of if you were to buy out-of-stock. In-stock vehicles cost more than an identical factory-ordered vehicle as well. In general, it takes a substantial rebate or immediate need to justify getting an end -of-model-year vehicle versus waiting. In-stock vehicles often require dealer trading which is a cost passed on to you. Factory ordered vehicles come directly to each of your locations directly to the nearest fleet dealer. The efficiency is high and cost low. With few exceptions, acquiring the newest model year vehicle is the advisable option in a well-run fleet.

In all cases, minimizing lifecycle cost and cost per mile is the goal. Lifecycle cost is comprised of depreciation, maintenance, fuel and insurance costs. Doering is available to discuss these concepts further and how they impact your fleet.

f this newsletter was useful to you and imparted nowledge and ideas as it was intended to do it was a success. f it did not please provide the much-needed feed ac .

his eZine provided y Doering Fleet Management.

Please call dam erger directly with any uestions or to duscuss your needs at 1 - 31- 320. e are advocates of educating -- you and ourselves. e re practitioners offering e pertise and service as part of long-term partnerships. e have satisfied clients. f you re not one already contact us to see if fleet management and/or leasing ma es sense for you.

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