

Regular Engines Get their Due at Paris Auto Show

PARIS (AP) – Hybrids and electric cars may get top billing. But at the Paris Auto Show, conventional engines are showing they have plenty of mileage left.

New gas and diesel models have carbon emissions not far behind those of hybrids, and there's nothing old-fashioned about their small size and highly efficient internal combustion technology.

A diesel-powered Ford Fiesta and a Fiat 500 subcompact outfitted with a new two-cylinder MultiAir engine were among the conventional powertrains on display that boasted emissions very close to market-leading hybrids.

The two-cylinder 500 engine, an evolution of Fiat's MultiAir technology for gas engines that improves air flow for better efficiency, has just 92 grams of carbon emissions per kilometer.

Hybrids and electrics are still not driving automotive industry profits nor have they grabbed any serious market share in years of being ballyhooed as the way ahead. In fact, automakers from Fiat to Ford are looking to squeeze as much efficiency as possible out of conventional engines before making major forays into hybrid and electric engines.

Even Toyota, the industry leader in hybrid vehicles with 13 years on the road, keeps a sharp focus on conventional engine for obvious reasons: the more efficient the gasoline-powered component of the hybrid, the more efficient the hybrid.

"We don't want to give up the normal combustion engine. We will continue to develop the petrol engine, this is our philosophy," Masato Katsumata, Toyota senior vice president for research and development said on the sidelines of the Paris Auto Show.

Fiat's CEO Sergio Marchionne says there's more to be gained from tweaking conventional engines for higher efficiency.

"From my standpoint, I think the amount of work that can and should be done on the removal... of the loss-

making portions of combustion and transmissions is the biggest bang for the buck you can get out of any dollar of investment today," Fiat CEO Sergio Marchionne said on the sidelines of the Paris Auto Show earlier this month.

"I run these charts in my head all the time and I ask the technical guys to tell me, 'If I spend a hundred dollars on this what do I get in exchange.' And we have done phenomenal things in terms of improving the efficiency of the overall system, engine, transmission and the vehicle itself."

Investment in new electric and hybrid technology is inevitable, and Fiat and its U.S. ally Chrysler are making the necessary investments to "not fall behind the technology curve," Marchionne said.

Some, like the Renault-Nissan alliance, are pushing the electrification edge for all its worth, convinced that the buyers' demand has been pent up by a dearth of affordable choice.

Renault Chief Executive Carlos Ghosn told reporters in Paris that the carmaker's own surveys in the United States, Japan and Europe show that already 10 percent of car buyers say they want an electric car.

"That's massive, that's colossal," Ghosn said. "I am less and less worried, that is if I ever had any worries, about consumer demand for electric cars. The problem is going to be whether there is sufficient capacity to supply the market."

But the fact is, in the United States only 3 percent of vehicle sales are hybrids, and even fewer are electric.

PricewaterhouseCooper's Autofacts consultancy predicts that electric vehicle production worldwide is likely to hit only 1.5 million units by 2020.

The high cost of batteries, forcing up the price of electric cars, and a lack of infrastructure to extend the limited range of electrified automobiles before they need a recharge have hampered the adoption of electrified auto-

mobiles, overriding the appeal of zero emissions.

Chief executives like Marchionne see hybrids as the answer in the medium- to long-term. Unlike electric, which are 100 percent battery-run, hybrids involve some sort of fossil-fuel consumption engine that works along with an electrified powertrain.

Nonetheless, Fiat plans on selling an electrified 500, shown earlier this year in Detroit, in the United States in 2012 under its partnership with Chrysler. It has not so far announced its hybrid plans. And Ford will have five electric models on European roads by 2013, the first rolling out next year.

Peugeot and Citroen each have their own electric or hybrid cars at the show. Peugeot will soon offer a unique diesel-electric hybrid, the 3008 HYbrid crossover, while Citroen has just begun selling its C-Zero mini car.

But the reality is, in most cases, returns on those investment are a way off.

"It's the \$10,000 question," said Daimler CEO Dieter Zetsche. "We are investing huge amounts of money. We won't see a return for five years, or a decade... No one really knows when it will come to 5 percent or 10 percent of sales driven by electric or hybrids. We have to make sure when it happens that we are there."

Daimler has been investing heavily in lithium ion batteries, which appears to be the fuel cell of industry consensus, and it also has entered into an alliance with France's Renault and Japan's Nissan that could see the automakers share technology for electric cars and batteries.

What ultimately may change the tide is not so much government regulation toward lower emissions, which can often be met with more efficient conventional engines, but generation change.

Rebecca Lindland, an auto analyst with IHS automotive, said the drivers of tomorrow, kids today too young to drive,

are growing up with the perception that hybrids and electric cars have always, in their awareness, been on the market.

"They are much more receptive to these new technologies, much more open to the idea that your vehicle does not necessarily have to have a V8 engine to be fun and exciting," said Lindland said.

Back in the U.S., for all the fuss about hybrid, these alternative vehicles still comprise only about 3 percent of the domestic market after over 10 years of availability. Supposedly the Third World, including China, are on a deeper EV penetration curve, but only future sales figures will finally bear that out.

U.S. Auto Scene®

- First Published in 1993 -

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Hal Watts, Editor
Debra Joswick, Ad Design
Chris Zawislinski, Circulation

Springer Publishing Co., Inc. © 2010
31201 Chicago Road South
Warren, Michigan 48093
586-939-6800

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Introduction of Chrysler 200 Draws Praise from Auto Expert Spinella

By Jim Stickford
Staff Reporter

Chrysler LLC released pictures of the 200, its 2011 model mid-sized sedan, which is replacing the Sebring, which is exactly what the rebounding OEM should be doing according to at least one third-party expert.

Art Spinella, general manager of CNW Marketing Research in the Bandon, Ore., said that while he hasn't seen enough of the 200 to make any firm judgements on the styling or quality of the vehicle, he said it's good that Chrysler is getting refreshed product to the market at this time.

"One thing Chrysler needs is new product, and they need it now," Spinella said. "New product is fundamental in catching the eye of buyers entering the new-car market right now. They want fresh and they want new. They want technology and they associate that with new cars and new model platforms."

Spinella said the perception, whether it's fair or not, is that "older" cars, those designed four or five years ago, don't have the technology - telematics, GPS, media platforms - that modern consumers want.

Now is a particularly good time to roll out new models, Spinella said, because many buyers have been putting off buying a new car for a while. These consumers are now re-entering the market after being away from it for several years.

"This is a great move because it gives dealers something they can show those customers re-entering the



The Chrysler 200 sedan, named as the replacement for the aging Sebring-Avenger midsize car platform, has earned third-party praise as being the logical new midsize car from Chrysler.

market," Spinella said. "It's the first bullet in the revolver. Being enticed to visit a showroom is not enough, but Chrysler is rolling out a lot of new product. Their Jeep Grand Cherokee was the first, and it's been a true success. They need to keep building on that momentum."

Chrysler's description of the mid-sized sedan states that the vehicle offers consumers "exceptional craftsmanship" in and outside of the vehicle, while providing a refined driving experience.

Virtually every system in the sedan is new or upgraded for 2011, giving the vehicle its own identity in a highly-competitive marketplace.

Exterior and sheet metal upgrades include front and rear fascias and fenders, the grille, which will feature the new Chrysler brand winged badge. There will also be new projector headlights and fog lamps, new LED taillamps and a LED center high-mounted stop light.

The 200 will also sport a new powertrain lineup featuring the 2.4 liter I-4 World Gas Engine mated to either a four-speed or six-speed automatic

transaxle, or the new 3.6 liter Pentastar V-6 engine mated to a six-speed automatic transaxle.

The vehicle will also feature improved ride and handling tuning, which includes stiffened body mounts and a softer ride rate, improved suspension geometry with a raised roll center, a new rear sway bar, and new tires and an extensively upgraded treatment for the reduction of noise, vibration and harshness, including acoustic laminated glass for the windshield and front door windows.

The interior has been updated as well. There will be a new instrument panel, bezels and gauge face, upgraded seats with a new design that incorporates more cushion material and revised spring geometry as well as new leather and cloth seating materials, new soft touch armrests and dash and new heating and cooling outlets in the instrument panel.

smart USA Says It Will Launch 5-Door Vehicle

DETROIT and STUTTGART - smart USA intends to launch a five-door car on the US market within the next 15 months. This was announced by smart USA in Detroit last week.

The B-segment five-door car is to be sold solely in the United States and is based on vehicle architecture from Nissan. This will allow the demand of US smart customers and dealers for a larger but smart-typical car to be fulfilled very soon.

"We are faced with continuing customer demand for a smart car with more seating capacity," explained Roger Penske, Chairman of the Penske Automotive Group.

"Sales and service of the five seater will be carried out exclusively by our approximately 75 smart dealerships in the United States. Together with Nissan, we will bring to market a fully equipped small car for our customers and dealers in the USA. It will fit in well with the smart brand."

Further details of the product and its distribution will be announced at a later date.

smart USA, a company of the Penske Automotive Group, opened up the micro-car segment in the United States with the launch of the smart fortwo in 2008, and recently created great interest with the announcement of the smart fortwo electric drive.

smart has been seeking greater penetration in the U.S. market because it's main vehicle has struggled somewhat finding traction in a wider marketplace that doesn't have a history of embracing mini-cars as mainstream transportation.

Nation's Automotive Writers Test-Drive New Chevrolet Volt and Other Plug-ins

Gerald Scott
Staff Reporter

Dare we say it, but the Chevrolet Volt has arrived, figuratively, and now quite literally.

GM held a coming-out party for the Volt last week at the RenCen in Detroit, timed to coincide with both the 2010 Business of Plugging In conference as well as a gathering of several hundred auto writers from across the country who came to town to test-drive the vehicle.

A shiny new Volt turned from eastbound Jefferson Ave. onto the circular drive in front of the RenCen last Tuesday, three GM executives emerged, led by Vice Chairman Tom Stephens, who ceremoniously plugged in the Volt at a new charging station there, and seemingly a whole new era for GM and the automobile itself was at hand.

GM said that more than 5,300 home and workplace charging stations are planned to be installed in Michigan as the state prepares for the introduction of new electric vehicle technology at the retail level - including 18 new stations at the RenCen alone.

More important than total volume of charging stations is where they will be located, according to Stephens, who is GM vice chairman, Global Product Operations.

"Since our homes may soon be our fueling stations of the future, we believe the most important way to make communities 'plug-in-ready' is by enabling residential charging," Stephens said.

Most of these EV car charging stations will be placed in consumers' garages, carports and driveways.

With GM hosting both national media visitors and Plugging In conference attendees, GM's message was two-fold: first, that the Volt really does herald a new era of transportation and that the state and national infrastructure need to support this new wave of plug-in vehicle.

"We think this opens up doors for those Volt owners who want to charge at work or who don't have a place at home to charge the car overnight," Stephens further observed.

"They'll be able to drive electrically when they can, and they can (also) drive on gasoline when they need to.

"We see these stations as an incentive to our employees to join the Electric Vehicle movement... and as a demonstration to other businesses to encourage their own employees to drive greener."

GM-installed charging stations for use by its employees in Michigan will include 34 at the Detroit-Hamtramck Assembly Center - where the Volt is built - as well as another 140 in the homes of GM employees driving early-build models for quality evaluation.

It seems now safe to claim that the Volt is leading the industry-wide rush to plug-in electric vehicles of some manner, as evidenced by the Ride-and-Drive portion of the Business of Plugging In conference.

There, at a GM riverfront parking lot blocked off for the occasion, the Chevrolet Volt had a line of wannabee-drivers in front of it that was three times as long as any of the competitors' offerings, which included the Nissan Leaf, 2012 Ford Battery Fusion, a plug-in Toyota Prius and more. Of course, out-of-town auto writers accounted for a large part of the audience test-driving the EV fleet in the first place, and they came to town specifically to drive the Volt.

Designed, engineered, built and delivered to customers in 29 months, the Volt will go on sale at Chevrolet dealerships before the end of 2010, GM has promised.

It is offered in one very-well-equipped standard trim level, along with two option packages: a Premium Trim Package and a Rear Camera and Park Assist Package.



GM Vice Chair Tom Stephens recharges a Chevy Volt at a new RenCen charging station.

"The Chevrolet Volt can be the only car you own," said Mark Reuss, president, GM North America. "The Volt delivers it all: a revolutionary propulsion system, progressive styling, industry-leading safety, premium amenities and user-friendly technologies, and spirited driving dynamics."

GM said that every major element of the Volt was designed and analyzed for efficiency, including its highly aerodynamic exterior, lightweight wheels, specially designed tires, energy-saving premium stereo system and more. Chevrolet adds that this type of attention to detail makes the Volt one of the most aerodynamic and energy-efficient vehicles in the marketplace.

Added Doug Parks, Volt global vehicle line executive, "The Chevrolet Volt makes the electric driving experience as productive, efficient, intuitive, safe and fun as any premium vehicle its size in the market today."

All of the marketing fuss aside, coming soon to a Chevrolet new car dealership near you, behold, the 2011 Chevrolet Volt.

Ricardo Studies E15 Fuel

While significant research efforts have been made to date in studies sponsored by the U.S. Department of Energy and other government and industry bodies evaluating the potential impact of E15 on 2001 model year and newer vehicles, minimal engineering analysis has previously been focused on earlier model year vehicles.

The proportion of vehicles manufactured in this era but still in use today is, however, significant.

The model years 1994 to 2000 inclusive represent a total of 62.8 million vehicles or approximately 25 percent of the current overall U.S. light duty vehicle fleet.

With the interests of such a potentially large stakeholder group overlooked by previous studies, it was considered essential by the Renewable Fuels Assn. to quantify the risks to older vehicles of the EPA's proposed increase from 10 to 15 percent in the allowable ethanol content of standard pump grades of gasoline.

In keeping with the spirit of EPA's longstanding policy, a "reliable statistical sampling" approach of the analysis of the national fleet was used by Ricardo, a Van Buren Twp. supplier.

Sales trends by both calendar year and model year were studied to identify the highest volume sales of the automotive manufacturers between 1994 and 2000.

Specifically, six automotive manufacturers were identified as representing the overwhelming majority of vehicles

sales for the study period, and the top selling platforms of these manufacturers thus became the focus of the Ricardo fuel study.

This approach enabled Ricardo to carry out engineering analysis without individually inspecting or testing each of this very large number of vehicles in question.

Based on the engineering analysis performed, the conclusion of the Ricardo study is that the adoption of E15 as the blend limit for standard U.S. pump grades of gasoline should not adversely affect vehicles manufactured between 1994 and 2000 in terms of their performance and durability based on normal specifications and usage profile.

As such, it can reasonably be concluded that these vehicles do not represent an obstacle to raising the blend limit from 10 percent to 15 percent ethanol - something the EPA actually just did last week.

"Older vehicles represent a significantly yet previously comparatively under-researched element of the U.S. national vehicle fleet," said Kent Niederhofer, president of Ricardo, Inc.

"In considering the potential risks and benefits of increasing the current ethanol blend ceiling in regular gasoline from 10 to 15 percent, it is crucial that the interests of the potentially very large stakeholder group represented by the owners of these vehicles are investigated." Ricardo's report came just prior to the EPA's decision.