

# **Making Green Claims Better!**

**Car Advertising Seminar**

**20<sup>th</sup> January 2008**

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# Low Carbon Vehicle Partnership

Accelerating a sustainable shift to low carbon vehicles and fuels in the UK

Stimulating opportunities for UK businesses



**LowC<sup>VP</sup> marketing challenge**

**CARS NOT CARBON**  
A competition to promote greener motoring marketing

**Event outline**

Winners to be announced at the LowCVP Annual Conference  
28th June 2007  
DTI Conference Centre, Westminster

Accelerating the shift to low carbon vehicles and fuels

Association sponsors: energy saving trust, campaign PR WEEK, Mediatech Marketing, BRAND REPUBLIC, greenTV, UNEP



Fuel Economy		Low Carbon Car
CO <sub>2</sub> emissions (g/km)		
<100	A	B 117 g/km
101-120	B	
121-150	C	
151-185	D	
186-185	E	
186-225	F	
226+	G	
Fuel cost (estimated) for 12,000 miles		£662
VED for 12 months		£50
Environmental Information		
A guide to fuel economy and CO <sub>2</sub> emissions which contains data for all new passenger car models is available at any point of sale free of charge. In addition to the fuel efficiency of a car, driving behaviour as well as other non-technical factors play a role in determining a car's fuel consumption and CO <sub>2</sub> emissions. CO <sub>2</sub> is the main greenhouse gas responsible for global warming.		
Make/Model:	Low Carbon Car	Engine Capacity (cc): 1399
Fuel Type:	Diesel	Transmission: 5 speed manual
Fuel Consumption:		
Drive cycle	Litres/100km	Mpg
Urban	5.4	52.3
Extra-urban	3.8	74.2
Combined	4.4	64.2
Carbon dioxide emissions (g/km): 117 g/km		
Important note: Some specifications of this make/model may have lower CO <sub>2</sub> emissions than this. Check with your dealer.		

**LowCVP 'Low Carbon Road Transport Challenge'**

Proposals to reduce road transport CO<sub>2</sub> emissions in the UK to help mitigate climate change

June 2006

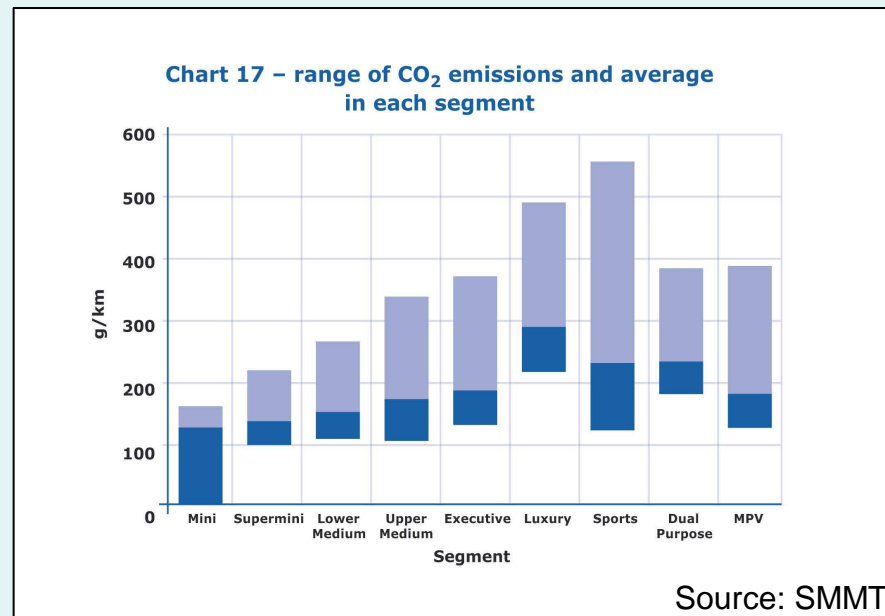
## ***The role of LowCVP in this debate***

- ❑ LowCVP Board initiates investigation into car advertising
  - Following on from point of sale labelling
- ❑ Stakeholder workshop organised by LowCVP to identify issues
  - Regulatory framework in UK is good
- ❑ Commission Ebiquity (formerly Thomson Intermedia) to undertake Car Advertising Survey 2007
  - Challenged misperceptions, provide a concrete evidence base
- ❑ Formed tripartite approach with ISBA and SMMT
  - Need for better guidance
- ❑ A forum for co-ordinated action between Government, industry and stakeholders
  - to deliver reduced CO2 emissions from road transport

## *The environmental impact of new cars*

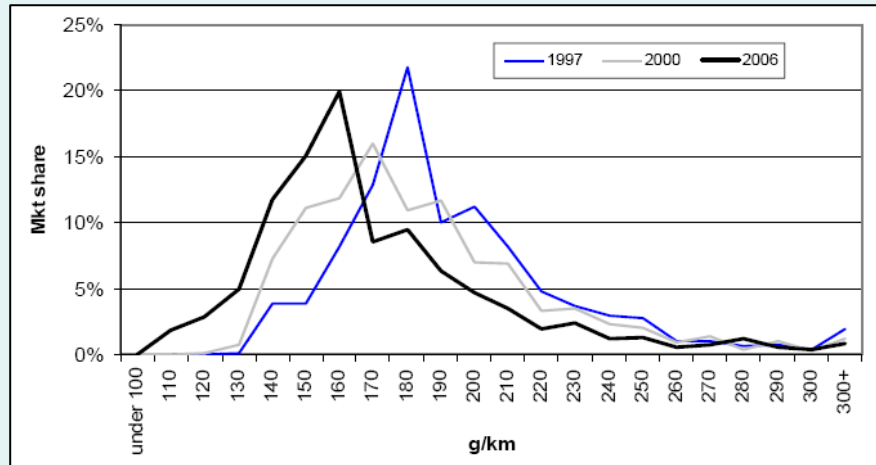
- ❑ During 2008 car manufacturers added a variety of new fuel efficient models and sub brands to their model line up.
- ❑ Clear demand, 70% of car buyers say fuel economy is important, up 5% on previous year.
- ❑ Buyers are not aware of or seeking best-in-class information, expect all cars to be similar in class.
- ❑ 49% of car buyers aware of the new car fuel economy label, up 4% of previous year.

SMMT estimate new car CO<sub>2</sub> would have been 139g/km in 2007 if car buyers had bought best in class



**There is no such thing as an environmental car, all cars pollute but some less than others!**

## Making a green claim



Source: SMMT

New cars are getting progressively more fuel efficient

- ❑ Car manufacturers bring to market new technology achieving improvements in average CO2.
- ❑ Consumers are increasingly aware of climate change and want to be empowered to act.
- ❑ Opportunity to use environment to strengthen brand reputation and credibility with consumers.
- ❑ CAP and BCAP codes and Defra Green Claims Code provide general guidance

Green claims should be truthful, accurate and able to be substantiated

# The pressure to regulate

- ❑ Increased use of green claims has led to a surge of complaints and pressure to tighten regulation in the UK.
  - ASA record number of adjudications
  - FOE surveys into car advertising
  
- ❑ Chancellor commissioned King Review in Budget 2007,
  - Recommendation 18: Regulation of vehicle advertising should be strengthened ...
  
- ❑ EC reviewing Labelling Directive
  
- ❑ Need to demonstrate to regulators that industry is acting responsibly.

The screenshot shows the ASA website with a navigation menu on the left and a news article titled "ASA gets tough on advertising green claims" dated 26 June 2007. The article includes a photo of a power line tower and text stating: "The Advertising Standards Authority (ASA) is warning consumers about advertising 'green' claims that turn out to be little more than hot air. Coinciding with the Trading Standards Annual Conference, where this issue is high on the agenda, the ASA is raising consumer awareness of misleading ads, reminding advertisers of the rules and why it is not always easy being green." Below the screenshot is a photo of a woman speaking at a podium with a "LowCVP" banner and a "KING REVIEW" logo.

## *What I hope you'll get from today*

- ❑ Current Regulatory Framework
  - Regulation on car advertising – ASA
  - Guidance on CO2 information in car advertising – VCA
- ❑ Advertising practices
  - Car Advertising Survey - Ebiquity
  - Case studies
- ❑ Future developments
  - European framework and future developments – ISBA
  - Revision of Green Claims Guidelines - Defra
- ❑ Discussion

Do we need more regulation in car advertising?

Is trial and error the best way to develop best practice?

Would specific guidance on green claims for car advertising help?

# ***The Low Carbon Vehicle Partnership***

***Thank You!***

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