

NEWS RELEASE

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More than half of car buyers aware of fuel economy label for the first time - scheme to be extended to nearly new cars

A majority of new car buyers is now aware of the colour-coded fuel economy label introduced in showrooms in 2005.

The colour-coded fuel economy label was introduced to help car buyers make more informed decisions about their vehicle choice. It makes clear and explicit the link between lower emissions and lower running costs. Introduced as a voluntary initiative, brokered by the LowCVP the label is displayed by over 90% of new car dealerships. A survey conducted for the LowCVP^{*} has shown that 54% of car buyers are now aware of the label.

The results of the survey are being announced to day at the LowCVP's annual conference at City Hall, London. The Mayor of London, Boris Johnson, and the Secretary of State for Transport are expected to speak at the event.

The LowCVP's Deputy Director, Jonathan Murray, said: "With fuel prices rising and road and vehicle taxes now based on car emissions, drivers have much to gain by choosing the lowest carbon, lowest cost models."

When asked how important the label was in helping them choose the make and model of car, 71% of car buyers who were aware of the label said that it was important. The most valuable information elements are the cost of running the vehicle for a year (assumed to be 12,000 miles), fuel consumption and CO2 emissions.

The survey showed that the traditional sources of information for car buyers are changing. Both the car showroom and friends and family are becoming less important to car buyers while internet sources are becoming more popular.

However, it is clear that there is room for improvement on the label. 81% of car buyers said that they would like to be provided with better comparative data between cars of a similar size.

In a related development, the LowCVP has announced that the labelling scheme is to be extended to include nearly-new vehicles. From October, all vehicles in participating dealerships selling nearly-new vehicles will be able to download labels without charge from the Vehicle Certification Agency (VCA) website. The LowCVP, working with the SMMT, Retail Motor Industry Federation and Department for Transport has brokered the arrangement. By this time next year it is hoped 1200 dealers will have signed up and will be displaying labels on all vehicles at least up to two-years old (older at the dealers' discretion). The LowCVP Managing Director Greg Archer said: "This will enable a wider range of car buyers to obtain information about the efficiency and running costs of cars. Despite difficult economic times the motor industry remains committed to improving consumer information."

<u>ENDS</u>

Notes to Editors

^{*}Research was conducted by GfK Automotive on behalf of the LowCVP. GfK Automotive, part of the GfK Group, specialises in market research for the automotive sector. The survey was of 2,000 car drivers who had purchased a car during the previous year or were intending to purchase a car this year, the survey was conducted between April and May 2009.

The LowCVP Conference is being hosted by Mayor of London, Boris Johnson, at City Hall. The Mayor has a target to cut CO2 emissions in the capital by 60 per cent by 2025 "helping to create 'green-collar' jobs in a thriving low carbon economy".

The Low Carbon Vehicle Partnership was established in January 2003 with funding from the DfT and the DTI (now BERR) and a mandate to accelerate the shift to low carbon vehicles and fuels and create opportunities for UK business. The Partnership now has over 300 member organisations from motor and fuels companies, government, academia, environment groups and others. The Partnership's aims are:

I. To facilitate cross-sectoral engagement between industry and other stakeholders with the purpose of:

• Developing collaborative initiatives that develop the market for low carbon vehicles and fuels;

• Building understanding and consensus regarding the optimum pathways to low carbon road transport;

• Influencing Government and other decision makers on the future direction of policy and optimum delivery mechanisms.

2. To encourage research, demonstration and commercialisation of low carbon automotive technologies in the UK and assist UK businesses to participate in emerging markets.

3. To contribute towards the setting, and achievement, of UK Government's targets for carbon reduction from the road transport sector.

4. To facilitate an effective flow of information within and between industry and other stakeholders to:

- Raise awareness of recent developments and new opportunities;
- Improve understanding and awareness of key issues;

• Increase stakeholder knowledge of the mission of the Partnership and its achievements.

It delivers on these aims by facilitating practical initiatives amongst its members, providing advice to Government and other decision makers and through research to understand and address market barriers.

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