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US CAR MARKET STILL ALMOST TWICE AS POLLUTING AS EUROPE AND JAPAN

- **US car market struggling to embrace 'greener' fuels and technologies**
- **US car market still dominated by less fuel efficient gasoline engines**
- **European and Japanese car markets gain advantage through downsizing and diesel adoption**

JATO Dynamics, the world's leading provider of automotive data and intelligence today reports that the US car market is still significantly behind Europe and Japan in terms of reducing vehicle CO₂ output.

JATO's study of the US light vehicle market in the first quarter of 2010 reveals that the market's average CO₂ is 268.5 g/km. In order to reflect like-for-like comparison with car markets in other global regions, excluding pick-up trucks, full size vans and small commercial vehicles the figure falls to 255.6 g/km. This figure compares very unfavourably to Japan (130.8 g/km) and Europe's five biggest markets, which average 140.3 g/km. All markets have improved marginally when compared to the full-year average in 2009; Japan is down 0.4 g/km, the USA is down 1.0 g/km and Europe has improved most significantly with a 4.3 g/km reduction year-to-date.

"It is still clear that American consumers need to undergo a fundamental re-think of their vehicle buying preferences, but the past period of economic upheaval is likely to have meant that other domestic issues have taken consumer's priority", says David Mitchell, President of JATO Americas. "The blame can't just lie with consumers though, the OEM product offering in the US still does little to promote alternatives to the large engine capacity gasoline vehicles which still dominate the market."

One of the key influences in other global markets, the cost of fuel, still remains comparatively low in the US and this removes one of the most significant drivers for change. 33.9% of vehicles sold in the US still fall within a 15-20 mpg consumption bracket, compared with only 0.28% in Europe and 0.63% in Japan. European average CO₂ emissions have reduced most significantly thanks to the rising popularity of diesel, a fuel which has 48.9% of the market share. Japan has a tiny diesel share of only 0.11%, but its highly congested roads make very small and economical gasoline cars a popular choice. Currently, the USA market is dominated by gasoline which has 81.9% market share, with only 1.7% being diesel.

“An interesting point to note, is that American consumers have been significantly more inclined to adopt Hybrid technology than the Europeans”, says Mitchell. “Hybrids have 2.3% market share in the US, while in Europe it is still only 0.5%. Not surprisingly, Japan leads the way with 10.1% of market share going to Hybrids”.

These regional variances can in part be put down to varying CO₂-based taxation regimes that reward or penalise certain technologies, while Japan’s high-technology driven economy will automatically favour new technologies such as Hybrid and electric vehicles. Additionally, European vehicle ‘scrappage’ schemes have contributed significantly to the introduction into circulation of a huge number of low polluting, fuel efficient small cars - something that “cash for clunkers” didn’t do to the same effect.

***Note: Some adjustment to the figures used in these findings for the different regions is necessary. Direct comparison is subject to variances of the official fuel-consumption tests for different markets, which utilise different test cycles.**

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Editorial note: JATO Dynamics background

JATO was founded in 1984 and provides the world’s most timely, accurate and up-to-date information on vehicle specifications and pricing, sales and registrations, news and incentives. The company has representation in over 43 countries, providing unique local market expertise. The JATO client base includes all of the world’s volume vehicle manufacturers, giving them the ability to react to short-term market movements, plan for long-term developments and ultimately to meet consumers’ needs. JATO’s data has also been adapted for consumer use in motoring web portals where customers can see the advantages and disadvantages of a specified model against any other while major leasing companies use JATO data to drive the vehicle quotation process. Visit JATO at www.jato.com.

For further press information, please contact:

Torque PR Limited

Peter Haynes: Tel: +44 (0) 1306 871338, Email: peter@torquepr.co.uk

Phil Hale: Tel: +44 (0) 1306 871201, Email: phil@torquepr.co.uk