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Lombard 

Driving Business

Issue 9 Spring 2008

The vehicle management magazine from Lombard



The roadster that 'outsold' the Mondeo – and nine other top convertibles

The 10 best soft-tops of 2008, according to *The Independent* motoring writer John Simister



What's in this issue?

IT'S SPRING, and we're celebrating by lifting the lid on John Simister's favourite convertibles on p12.

These were once a no-go area for fleets. But with the advent of more user-chooser policies and the latest coupe-convertibles, they've become part of the fleet landscape. I was amazed that, last year, we ordered more MX-5s than Mondeos.

Actually, we needed a bit of lightening up. Digesting the Chancellor's Budget suggests there's more to it than road tax rises. We've been doing some serious number crunching on the possible effects for fleets, as you can read opposite.

The Chancellor's changes are about trying to modify behaviour towards greener, lower carbon vehicles. The April company car tax changes could entice more drivers back towards company cars and reduce emissions, suggests Paulo Larkman on p3.

Before 'green' went on the agenda, there were some good company cars and some truly awful ones. Giles Chapman recalls some of the biggest duffers, p10.

Duffer is not an accusation you can level at the new Ford Fiesta. It looks fantastic. Ralph Morton files his Geneva report on p8.

Rob Bailey

Rob Bailey
Head of Lombard
Vehicle Management



Time to reflect on acquisition methods: cars that emit up to 160g/km have the potential to be more attractive to contract hire

Chancellor upgrades contract hire appeal

THE CHANCELLOR has made contract hire potentially more attractive to companies.

The current expensive car leasing disallowance, whereby a proportion of the contract rental is restricted for tax purposes, will no longer apply from 1 April 2009, subject to enactment.

In its place will be a system that removes all restrictions for vehicles with CO₂ emissions of up to 160g/km. Cars that emit more than 160g/km will have a flat restriction of 15%.

"The change introduces CO₂ into the question of whether a company should lease or buy its cars," said Paulo Larkman, Fleet Analyst Consultant, Lombard

Vehicle Management. "Contract hire has the potential to be more cost-effective."

The other significant revision, also linked to CO₂, is the change in capital allowances for corporation tax purposes, also from 1 April 2009.

There are two main categories: up to 160g/km and over 160g/km. The former attracts a 20% writing down allowance (WDA), the latter 10% – lower than the current 25% rate. As cars will be pooled, there will be no balancing charge or allowance once the vehicle is sold.

"In effect, this means that under the current rules a

£15,000 vehicle sold for £5000 after three years will drive a tax allowance of £10,000," said Larkman. "Under the new rules, if the vehicle has a CO₂ above 160g/km it will only drive an allowance of £4658 over the same period. It will take 26 years to write it down to £500."

Alterations to VED include six new bands from 2009/10 plus a 'showroom tax' from 2010/11.

Larkman said: "We don't expect this to significantly change people's habits in the new car market. What concerns us is the potential loss in value of high-cost, high-emission vehicles in the used car market."

The tax-free Approved Mileage Allowance Payments (AMAPs) remain unchanged.

BUDGET CHANGES

FAST FACTS

- ◆ Expensive car leasing disallowance removed for all sub-160g/km
- ◆ WDA now based on emissions at 20% and 10%
- ◆ VED expanded to 13 bands
- ◆ AMAP rates remain at current levels
- ◆ Company car tax: base band for 2010/11 will be 5g/km lower at 130g/km

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KING REVIEW HAS 'POSITIVE MESSAGE'



PUBLICATION of the second part of Professor Julia King's assessment for low-carbon transport – *The King Review of low-carbon cars*

– Part II: recommendations for action – coincided with the Budget.

King found that a typical car driver could reduce their vehicle carbon dioxide emissions by 25% through choosing the most efficient vehicle in their preferred class. Professor King also found that manufacturers needed to be encouraged to bring new technology to the market.

Professor King said: "My report has a very positive message – major reductions of CO₂ emissions from road transport in the years ahead are possible. But seizing

these opportunities will require action from everyone, with government playing a leading role.

"Government must coordinate efforts in an international context and provide the leadership to allocate responsibilities amongst vehicle manufacturers, fuel companies and consumers."

Specific recommendations of *The King Review* include:

- ◆ The introduction of colour-coded car tax discs
- ◆ The strengthening of advertising regulation to provide clearer information on vehicles
- ◆ Redesigning and making compulsory the current new car fuel economy label
- ◆ Consideration as to whether dashboard technology can encourage smarter driving

You can access *The King Report* at: hm-treasury.gov.uk/king

Paulo Larkman:
"For many drivers who have opted out of company cars, the cost of doing so has been higher than at first expected"



A move back to company cars could save money and CO₂

Paulo Larkman, Lombard's Fleet Analyst Consultant, argues that company cars can reduce CO₂, reduce benefit in kind and reduce costs

FROM THE start of the 2008/09 tax year, a new 10% tax band is introduced for Qualifying Low Emission Cars (QUALECS) – those cars with emissions below 121g/km.

It is part of the government's attempt to lead fleets to reduce carbon emissions by offering fiscally attractive green options.

A recent report from

accountancy firm KPMG highlighted how much greener company cars can be – by as much as 40g/km – than private, often secondhand, vehicles funded under cash-for-car schemes.

KPMG reckoned that the CO₂ equivalent of 1700 London-New York flights could be saved by drivers switching back into cleaner company cars.

There is also a strong correlation between green and cost-effective. A 40g/km improvement would translate to an approximate improvement of 8mpg: that is £600 at the pump over three years.

"That started me thinking,"

said Paulo. "If drivers might not be attracted back to company cars on green grounds, would a fiscal incentive change their mindset?"

A good example is the new £15,460 Ford Focus 1.6 TDCI 90PS Style, with CO₂ emissions of just 118g/km, which qualifies for the new 10% tax band, albeit with a 3% diesel supplement adjustment.

"Taking this vehicle, a driver using a company salary sacrifice scheme would not only make a monthly tax saving per month by coming back into a company car, but the company would also make financial savings over the three-year period, too.

"In addition, for many drivers who have opted out, the cost of doing so has been higher than at first expected, with almost every element of the pricing mix going up.

"Given the example of this Focus, drivers should at least take another look at whether they should continue taking the cash."

◆ We shall feature more details of the potential savings in a future issue

Battleshops makes Sense for charity



Team One Richard Jones, Annie Fearn, Matt King, James Hendry, David Moon, Mike Vernon, Ben Lees, Rachel Webb, Sarah Doughty, Rob Davey, Sorcha Duffy.
Mentors: Guy Small, June Corrigan



Team Two James Friar, Hannah Rose, Liz Flynn, Clare Holloway, Paulo Larkman, Kelly Dutton, Vajinder Bal, Alun Oldreive, Kearcy Watts, Richard Battye, Sharon France.
Mentors: Vicki Black, Paul Connor

HOW MUCH talent does the staff of Lombard Vehicle Management really have? Enough to run a charity shop and boost profits for the charity Sense? There was only one way to find out: Battleshops.

Two Lombard teams were organised, each with mentors, and the plan was simple: run a Sense charity shop in Coventry with a profit target of £500.

Local flyers were distributed, there were live interviews on local radio and a free prize draw took place. At the end of a frantic day's trading, an astonishing £6500 had been raised by both – obviously supremely talented – teams.

MOTOR SHOW LAUNCH FOR ALL-NEW VAUXHALL INSIGNIA



VAUXHALL WILL replace the Vectra range with the all-new and dramatic-looking Vauxhall Insignia model, which will be shown for the first time at the British International Motor Show in July. The new name heralds dramatic new styling

features: a taut, muscular appearance with a coupe-style rear roofline, and a new design for the Vauxhall 'Griffin' badge.

The new Vauxhall Insignia will be available as both a five-door hatchback and as a four-door saloon with a range of five engines

from launch. These embrace three petrol units, including a 140PS four-cylinder and a 260PS V6, and two 2.0-litre direct-injection diesel engines with power outputs of either 130PS or 160PS.

All meet the strict Euro 5 emission regulations.

Enjoy that winning feeling! Entries to this year's Lombard Rally are open to corporates wishing to take on this challenging event

Vauxhall and Lombard forge a big deal for the smaller business

LOMBARD VEHICLE Management has teamed up with Vauxhall to offer a range of special contract hire rates on selected Vauxhall cars and commercial vehicles.

The deals are targeted at small and medium-sized (SME) companies that have either already switched on to the value provided by contract hire, or are looking to change their acquisition methods from buying to leasing.

"We're not only seeing larger companies move back into company cars for duty of care reasons, but we're also seeing more SMEs consider contract hire because of its hassle-free nature," said Rob Bailey, head of Lombard Vehicle Management.

The current Vauxhall

offers arranged by Lombard include the Astra Sport Hatch for £174 per month, and the Vivaro van from as little as £219 per month.

The benefits of contract hire for smaller companies include freeing up resources for their

core business and the easier management of cash flow.

These big deals for small businesses will be channelled through the network of Lombard business centres, as well as through the NatWest and RBS banking networks.



Keen value: Astra Sport Hatch from £174 per month and Vivaro van from £219

LOMBARD'S GREAT DEALS FROM VAUXHALL

Vauxhall Astra Sports Hatch 1.4i 16v Sxi 3dr	£174
Vauxhall Vectra Exclusiv Nav 1.8i 16v VVT 5dr	£232
Vauxhall Combo Van 1700 1.3 CDTi 16v	£186
Vauxhall Vivaro SWB Van 2700 2.0 CDTi 16v (90PS)	£236

All prices are per month excluding VAT. Payment profile: 3+35, 10,000 miles per annum. Standard terms and conditions apply



Lombard Rally entries open to companies

YOU'LL NEED extra-warm clothing for the 2008 Lombard Rally, which takes place from 6 to 9 November. Entries are flowing in for the challenging event, but there are still places available for companies and individuals.

The route begins in Harrogate, North Yorkshire, and heads into the wintry terrain of Scotland. There will be night driving, tough road sections and timed stages in some of rallying's most famous forests.

A corporate entry offers many benefits, suggests Lombard's Head of Marketing, Laura Hodgkinson. "The Lombard Rally presents an excellent team-building exercise and you can build valuable internal communications around it," she says. "Places in your car can be allocated to high-achievers as an incentive or reward. We have felt these benefits at Lombard through entering our own corporate cars on the event."

Entry to the rally costs £1400. For details, visit www.lombardrally.com



NEW TECHNOLOGY SET TO CUT EMISSIONS IN 2008



New Accord: cleaner i-DTEC diesel

NEW technology is winging its way into showrooms this year to make cars more efficient.

Honda will launch its latest i-DTEC diesel powerplant in the new Accord, which goes on sale in June. The new 2.2-litre

is more powerful than the current engine but emissions are 80% cleaner.

We'll also see another ultra-clean diesel from Honda in September. Both engines meet Euro V emission standards.

BMW will be introducing its EfficientDynamics technology to even more models during 2008. EfficientDynamics embraces a range of features that improve fuel economy and cut emissions. The key elements include a stop/start system that kills the engine when you're stationary and brake energy regeneration.

We'll also see more of VW's BlueMotion technology on its cars, which is based on optimising gear ratios and reducing weight, as well as Mercedes' BlueTec, with its efficient particulate filter.

Renault promises an eco2 low-emission model in each range and Ford is already rolling out its Econetic models, such as the 114g/km Focus 1.6 TDCi Econetic.

Others are just getting on with cutting emissions without a tag, such as Audi with its new sub-120g/km A3 diesel.

THERE'S SOMETHING IN THE AIR AT FIAT

Fiat has launched Euro-V-compliant diesel engines on the new 500 and Bravo.

It also has a new sub-120g/km Bravo with a 1.6-litre MultiJet diesel. But this is only Euro-IV-compliant because of strict particulate and

NOx levels within the Euro V rules.

Fiat's Eustachio Bonamassa said: "Euro V and Euro VI focus on particulate emissions. That causes problems for diesel engines in trying to reduce CO₂ emissions. We're likely

to see a shift back to petrol as the cleanest engine technology."

Fiat's answer is a new family of modular petrol engines called MultiAir, with fuel and air injection that does away with camshaft and valve gear.

The first MultiAir is



Fiat: developing new MultiAir tech

due in 2009 – an 80bhp two-cylinder 900cc turbo that emits just 69g/km of CO₂. It will be fitted to every small Fiat range from 2010.

The engine design can also be made into four-, six- and eight-cylinder layouts.



One-stop solution – now under covers! Lombard's Van Unit has just launched an all-new van brochure that details the Unit's extensive light commercial expertise.

So if you're unsure of what the Van Unit can offer, then in between the covers you'll find exactly what you need. From duty-of-care safety fittings to 'double-living' equipment from one vehicle

contract to its replacement, Lombard Van Unit provides an expert one-stop solution. For your own copy, call 0121 566 0900* or email vanteam@lombard.co.uk (*Calls may be recorded.)

New 'recycled' van initiative from Lombard

LOMBARD'S VAN Unit used the Commercial Vehicle Show (15-17 April) to showcase a new initiative to recycle and re-use van racking equipment.

On display was a van that illustrated the amount of equipment that can be re-used.

Customers who opt to include recycled equipment can expect prices that are up to 15% lower than new.

"Unfortunately, we cannot offer a van with fully recycled equipment – at least not yet," said Wayne Millward, Operations Manager of Lombard's Van Sales Unit.

"But we're taking the key parts from vans that come back off rental – such as roof systems, pipe tube, racking shelves, internal lights and

hand wash equipment – before refurbishing them for a second fitment.

"It's an industry first. In the past these items would have been left on the vehicle when it went for re-sale. However, after a small amount of re-furb they can be re-used on a new vehicle. So customers can be green and save money."

Customers wishing to enquire about using recycled equipment on their vans should contact the Lombard Van Unit on 0121 566 0900.

◆ Lombard Vehicle Management partnered *What Van?* magazine to provide coverage of the CV Show at Birmingham's NEC.

The agreement ran over three issues, including the preview.



No business like snow business: Land Rover has given Alcott a Range Rover Sport

Climb every mountain

NO WONDER Britain's top female downhill skier, Chemmy Alcott, is smiling. The self-confessed adrenalin junkie has just taken delivery of a Range Rover Sport HST under a new tie-up between Land Rover and Snowsport GB, the British Alpine skiing

and snowboarding team. Go-anywhere, climb-anything Range Rover Sport and Discovery vehicles will be supplied to all team members, including Finlay Mickel and brothers Alain and Noel Baxter, to help with their World Cup campaigns.



Elise turned Popemobile for charity run

Holy smoke – the Pope and Mother Teresa spotted in Elise



The Pope and Mother Teresa have raised more than £3000 by driving a Lotus Elise on the prestigious Hackett Beaujolais Run.

Okay, it was actually Tim Newton from Lombard Vehicle Management's Corporate Sales Team and his co-driver David Matthews in fancy dress, but they finished in the top half of a 59-strong field that included racing drivers

Tiff Needell and Anthony Reid. The Beaujolais Run challenge was to drive the shortest route possible from the Goodwood circuit in Sussex to Macon in the south of France.

At the finish, the competitors were treated to the release of the latest Beaujolais. More important, their fundraising efforts will benefit many charities, including The Richard Burns Foundation, The Down's Syndrome Trust and Winston's Wish. "My grateful thanks to all who supported us," said Tim.

Online help with the Low Emission Zone



From the beginning of February, London became a designated Low Emission Zone (LEZ).

The aim of the LEZ is to improve London's air quality, the worst in the UK.

Certain vehicles – but not cars and light commercial vehicles – must pay a daily charge to enter the LEZ. Other vehicles will be exempt from or subject to a discount on the full £200 charge.

If your vehicle doesn't meet the LEZ standards or qualify for an exemption or discount, you will have to pay the daily charge to enter the zone.

Compliance with the LEZ is complex. That's why Lombard has a special LEZ section on its website to help businesses ensure compliance.

It can be accessed at www.lombard.co.uk by clicking on **Business Customers** and then on one of these subheads: **Buses & Coaches; HGVs; Cars & Vans.**

The short cut to service



Are you wasting time booking services? Perhaps you're not making

servicing, maintenance repairs, MOTs, replacement tyres, exhausts and batteries. A mobile tyre-fitting service can also be arranged where appropriate and at no additional cost.

the most of Lombard's less-hassle, time-saving Booking Service.

Lombard can arrange an appointment for all routine

You don't need to find the appointed repairer; and Lombard makes the booking for the driver. Result: time saved and better service.



© TRANSPORT FOR LONDON 2005

Report calls for imaginative solutions to avoid gridlock, including new rules for light railways and improved public transport

Travel is good, so avoid the guilt trip



THAT IS THE message of a new report into travel in 2030 by CSS, a body that represents transport and

environment strategists from local authorities.

The report is called *Travel is Good* but it doesn't pull its punches. It says that unless there are imaginative solutions, cohesive leadership and sustained investment, we face a gridlocked and polluted existence. Global warming could also cause our infrastructure to crumble.

However, travel enriches our lives and the solutions must not alienate the public, the report states. CSS President Richard Wills (pictured) said: "All too often, a gloomy picture

of restraint and diminishing choice has been painted as the only solution, which turns ordinary people away from serious consideration of the issues."

The CSS approves of road pricing and congestion charging, but says there should be investment in other travel choices before such schemes are introduced.

The report also advocates making the transport infrastructure more resilient to changing climatic conditions, such as improving drainage systems and road surfaces, and equipping all public transport with air conditioning.

The CSS says that, in the longer term, it sees no realistic alternative to hydrogen fuels and has called on sustained investment in production methods, storage and delivery.

It also wants rule changes to make light rail systems cheaper to build. Cohesive leadership, it concludes, is essential to develop and implement the nationally integrated transport policies that are needed.

The CSS report is available at www.cssnet.org.uk

CSS RECOMMENDATIONS
F A S T F A C T S

- ◆ **New report** on travel in 2030 by local authority specialists recommends:
- ◆ **Transport infrastructure improvements** to combat likely effects of climate change
- ◆ **Air conditioning** in public transport
- ◆ **Road pricing** and investment in other forms of travel
- ◆ **Investment in hydrogen fuels**
- ◆ **Rule changes** to make light rail systems cheaper to build

BRIEFLY



Blue is the new green

Environmentally friendly car hire company Green Motion has gone BlueMotion – by taking delivery of new VW Polo BlueMotion cars.

BlueMotion is VW's badge for its most fuel-efficient cars, and the Polo BlueMotion emits just 99g/km of CO₂. Lombard is supplying Green Motion with their low-emission Polos, which will be followed by BlueMotion versions of the Golf and Passat.



£400m boost for rail station

Birmingham New Street Station, Lombard Vehicle Management's 'home' station, is to be transformed with £400m of government investment. Plans include doubling the size of the station concourse.

Confused? You will be

Buyers are getting confused by such a wide choice of new cars, says value experts EurotaxGlass's. UK buyers are now offered over 7000 models, compared with 4000 at the start of the decade. A further 72 new model ranges



will arrive in 2008, spearhead by new faces in the Mondeo class, such as VW's Passat CC (above).

Alan Pond dies

Former President of automotive industry charity BEN, Alan Pond, has died, aged 81. Pond was an innovative entrepreneur and Alan Pond Service Stations were the first to introduce self-service fuel pumps to its customers.

IRELAND MOVES TO CO₂-BASED VEHICLE TAX



From July, Ireland's car tax system will penalise cars that emit high levels of CO₂ and favour low-CO₂ cars

A FUNDAMENTAL change to the method of taxing cars will take place in the Republic of Ireland this summer.

From 1 July 2008, Ireland is implementing a CO₂-based seven-band Vehicle Registration Tax (VRT) on the sale of all new vehicles. It will replace the current system, which is based on engine size.

The new system taxes the "open market selling price" – effectively list price less discount – on a sliding percentage scale. Cars in the lowest CO₂ band are taxed at 14%, those in the highest 36%.

In addition, the annual Motor Tax rates – the

equivalent of the UK's Road Fund Licence – will also be aligned to the new VRT scale. It will range from €100 per year for cars in CO₂ band A to €2000 for band G vehicles.

"The change will have a hugely powerful effect on the Irish car market," explained Paul Leddy, Head of Lombard Vehicle Management, Ireland. "It will change the balance of new cars sold from a 70/30 petrol/diesel split to a 30/70 petrol/diesel division.

"We are currently talking to customers about the most tax-efficient strategy for vehicle acquisition."

Lombard Vehicle

Management, Ireland, is based in Dublin and provides vehicle management solutions to businesses around the country. For more information, contact: +35 31 608 5027.

HOW IRELAND'S CAR TAX SYSTEM WILL LOOK FROM JULY

	CO ₂ emission bands CO ₂ /km	VRT (% new price)	annual motor tax
A	0-120g	14%	€ 100
B	121-140g	16%	€ 150
C	141-155g	20%	€ 290
D	156-170g	24%	€ 430
E	171-190g	28%	€ 600
F	191-225g	32%	€ 1000
G	Over 225g	36%	€ 2000



Shake-up and smell the coffee

COFFEE NATION knew what it wanted for its 20-van fleet as part of wider changes to the brand's identity.

The self-service coffee specialists wanted full duty of care compliance, including vehicle tracking and a bespoke racking system; full livery in line with its new corporate identity; and the flexibility of daily rentals. And it wanted them all from one provider. That provider, it decided, was Lombard Vehicle Management.

Coffee Nation Financial Controller James Repper

said: "This was a challenging brief because our needs are so comprehensive. Not many leasing companies can offer this under one roof, together with real van expertise, but Lombard can and the service has been outstanding."

Lombard is supplying Coffee Nation with VW Transporters – racked, liveried and fitted with Lombard Fleet Tracker – on a fully maintained contract hire basis, as well as a daily rental service.



TRACKER tackles leasing finance crime

TRACKER Network, the UK's leading Stolen Vehicle Recovery system, has linked up with the police national Vehicle Fraud Unit to tackle vehicle theft.

There has been a rise in the number of criminals obtaining financed vehicles fraudulently, before falsifying the vehicle's identities or shipping them abroad.

Gaining sufficient evidence to ensure local

police forces treat these as criminal acts, rather than civil debt problems, has been an issue for leasing and finance companies in the past.

However, suspected stolen vehicles are more likely to be recovered where a TRACKER-style device is in place, which makes it easier for the Vehicle Fraud Unit to clamp down on such criminal activity.

New Mercedes C-Class estate sports a more dynamic look and offers a wide choice of fuel-efficient engines



ALL-EMBRACING NEW MERCEDES C-CLASS ESTATE

THE NEW Mercedes C-Class estate is better than ever. It features over 10% extra load-carrying capacity than the previous model, a range of more efficient and powerful engines, and a sleeker, more dynamic look. It joins the successful C-Class saloon range in June.

The new C-Class estate has the best load-carrying capacity in its class. With the rear seats folded, it offers 1500 litres, enough to take four golf bags and their trolleys. Or to put it another way, it's capacious enough to swallow two and a half washing machines.

While the new C-Class estate is bigger and more practical than its predecessor, it also features premium class touches that elevate it above its more pedestrian rivals.

These include a range of new-generation telematics, full Bluetooth capability and a port for your MP3 player, as well as the Easy-Pack automatic powered tailgate and load-securing kit, which is standard on the all-new Mercedes C-Class estate.

The load area is also full of practical details, including bag hooks, lashing rings and a collapsible shopping crate.

THREE TRIM LEVELS

Like the C-Class saloon, there is the choice of three distinctive specifications.

SE trim features the traditional three-pointed star on the bonnet, while **Elegance** adds more sophisticated chrome detailing, a glossier grille and 12-spoke alloys.

Sport models wear more

aggressive styling, with a three-bar grille and the three-pointed Mercedes star centrally mounted.

However, all trims feature extensive safety equipment to ensure the car meets duty of care requirements. There are seven airbags covering five seats, Pre-Safe, Neck-Pro front head restraints, and stability control. The new C-Class estate has been designed to keep you and your family safe, so no wonder it has been awarded a Euro NCAP five-star safety verification.

MORE FRUGAL ENGINES

Reducing driver benefit-in-kind levels has been a key focus, and the new engines are all now more fuel-efficient.

The line-up features **three diesel engines**. There are two four-cylinder units – the C200 CDI, which produces 136bhp and emissions of 157g/km, and the C220 CDI (170bhp and 159g/km). Both are in the 22% tax band for 2008/09. The third diesel is a V6 C320 CDI, which produces 224bhp, with emissions of 199g/km (30% tax band).

Petrol engines include the 156bhp C180 Kompressor, with emissions of 168g/km and a tax band rating of 24%.

Prices range from £23,805 for the C180 Kompressor SE to £34,140 for the C320 CDI Sport model.

For further information about the Mercedes C-Class estate range, contact Mercedes-Benz Corporate Sales on 0800 030 4594 or email info@mercedesbenzcorporate.co.uk.



Prestige cabin features high levels of safety equipment: boot is biggest in class



Driving Business Editor Ralph Morton: "Many who saw the new Fiesta would surely be happy to put one on their drive, myself included"

Geneva Show 2008



Driving Business Editor *Ralph Morton* went to Europe's showpiece exhibition at Geneva to preview the

THE GENEVA SHOW gives an essential foretaste of the new cars we'll be driving later this year – and the 2008 Swiss showpiece was crammed with exciting new arrivals.

Having walked around the stands, and talked to exhibitors, the key car for me was the **new Fiesta**.

It might have been called the Verve instead, but Ford decided to stay with the name that we've known for 32 years now.

However, the design marks a new departure

– it's very similar to the striking Verve concept car – and many who saw it would surely be very happy to put one their drive.

And yes, I include myself in that.

The new Fiesta was shown in three- and

five-door versions. It's greener and lighter than the old Fiesta – but no smaller.

Thinking small was left to **Toyota** with its ingenious new **iQ**. As short as a Smart but wider, the **iQ** is claimed by Toyota to be "the world's smallest four-seater passenger car". Its clever seating layout accommodates three adults plus a child, in a car that's shorter than 3.0 metres. It's an intriguing car.

Fiat caught my eye with an Abarth version of the 500, which had pretty graphics and a 135bhp turbocharged 1.4-litre engine. This should present an overdue challenge to the MINI Cooper.

CLASSY ESTATES

The Fiesta and Abarth 500 were striking but so, too, were the number of good-looking estates on display. **Audi** unveiled an all-new **A4 Avant**, which will be up against an important rival in the form of the new **Mercedes C-Class estate** (see page 7).

Estates are still popular, but the traditional large hatchback company car is becoming a dying breed. User-choosers opt instead for the perceived luxury of a saloon or the stylish practicality of an estate. And it's not just the luxury brands which have gone down that road – **Honda's new Accord**,



Fiat directed the attention of showgoers towards its hot 500 Abarth model (far right). The VW Scirocco coupe and ingeniously packaged Toyota iQ also drew in the crowds

The new Ford Fiesta (below) was unveiled with all the glitz that its striking design deserves. Available as a three- and five-door, its lines remain very similar to the Verve concept car's. Both new models are due to go on sale in the UK this autumn



important cars that will be on your choice lists this year

NEW VOLVO HEADS 4x4 ARRIVALS



The 4x4 may be under intense fiscal pressure in the UK, but that doesn't stop more models appearing. Most significant was the premium sector Volvo XC60 (top left) along with

Ford's new Kuga (top right). Toyota showed the Urban Cruiser (bottom left) – a sort of replacement for the three-door RAV4 – and Renault its first 4x4, the Koleos.

like its predecessor, comes only as a saloon or an estate. It's lower and wider than the old Accord, with a more overtly sporty look.

Skoda couldn't make up its mind whether to offer its new Superb as a saloon or hatch. So it has made both – on the same car... An amazingly innovative mechanism allows the driver to open the entire tailgate, or just the lower boot portion. The car itself has upmarket saloon looks – gone are any hints of rebadged Passat – and it is much improved on the original Superb.

Renault does offer a hatchback version of its new Laguna, as well as the Sport Tourer estate, and at Geneva it showed a GT version, which should address some concerns about the soft handling of the launch versions.

In the lower-medium sector, Peugeot showed its 308SW, complete with full-length glass roof. It's bigger than the 307SW, with up to seven seats in a very flexible 2-3-2 configuration.

SCIROCCO IS BACK

Meanwhile, Volkswagen has revived a famous name from the past – Scirocco. The new Scirocco is true to the original 1970s version: it's basically a three-door Golf coupe, similar in style to the Volvo C30. In a world where the user-chooser is king, there's a place for cars like this, especially if they're suitably eco-friendly.

The Scirocco is sporty, but eventually it's bound to receive the new VW diesel hybrid system, which was unveiled at Geneva on a standard Golf. This offers outstanding fuel economy of 83mpg, plus ultra-low CO2 emissions of just 89g/km.

Audi's diesel TT coupe, with 50mpg and only 140g/km of CO2 is also a model that might have seemed an unlikely business car a few years ago, but it is now bound to be on a lot of user-chooser shortlists.



Toyota iQ



Fiat 500 Abarth



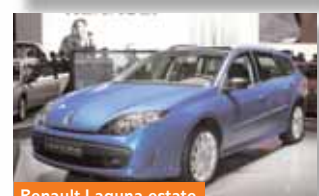
Audi A4 Avant



Honda Accord Tourer



Skoda Superb



Renault Laguna estate



Peugeot 308SW



VW Scirocco



Audi TT TDi



Giles Chapman:
 "Most had spent
 the 1980s
 floundering with
 such wholly awful
 cars as Hyundai's
 antediluvian
 Stellar and the
 dismal Renault 9"



Morris Marina: used Minor technology



Ford Zodiac: an *Ark Royal* substitute



Ford Scorpio: even its mum called it ugly



Hyundai Stellar: a star that fell to earth

SINCE THOSE long-ago days when motorways prised Britain open to nationwide business travel, the battle for company car drivers' hearts has been between Ford and Vauxhall. And that's despite the British Motor Corporation being the country's biggest car maker in the early 1960s.

Those designers at Luton and Dagenham, under the watchful eyes of their Detroit masters, skilfully created sleek, responsive, attractive cars that were ideal for long-distance driving... and made an attention-getting perk when resting on the driveway at weekends. BMC, sadly, did not.

In fact, it was only in 1968 when British Leyland, now encompassing Austin and Morris, properly studied what made the cars of its American-owned rivals so irresistible, and got somewhere near the essence of the Ford Cortina.

The resulting **Morris Marina** was a Cortina clone that mimicked the Ford's wide choice of configurations, but it still had some unfortunate Morris Minor technology under its chunky styling.

Fleet buyers seemed willing to forgive its shoddy handling characteristics in 1971, and the Marina sold quite well. But they drew the line at the 1975 *Princess*, a wallowy mess of a

large family car. The wedge-shaped design and Hydragas suspension were not strong enough gimmicks to lure drivers away from their dependable, coil-sprung top-end Cortinas or bottom-end Granadas. The *Princess* bombed, along with British Leyland's prospects.

Not, of course, that the transatlantic majors avoided making the odd blooper themselves. The **Ford Zephyr/Zodiac Mk4**, for instance, was an ungainly beast with a bonnet like an aircraft carrier – so big was the engine bay, the spare wheel went in there, too... The Granada that replaced it in

1972 compensated for the *Zephyr's* deficiencies, and the rounded model that followed in 1985 built on the acceptance of the *Sierra's* fashionably moulded profile. But the bug-eyed **Scorpio** of 1994 signalled that Ford was losing the plot. It was among the final large executive cars sold without a premium brand name.

By then, too, Ford was buckling under the demands of junior company car buyers who wanted more than mere motoring mediocrity. The latest in its hallowed line of Escort models, the 1990 Mk4, had trashed the brand's carefully honed image with its indifferent performance and

company car clunkers



Automotive historian *Giles Chapman* delves into the dark corners of the company car's past to reveal a roll-call

The vagaries of Britain's company car battleground haven't stopped foreign makes from diving in. Trouble was, in the past, these moves often resulted in abject failure. In 1984 Alfa Romeo, for example, pitched its

Alfa 90 at the typical Sierra driver, but most business people found it too zany by half, with its digital dash and a U-shaped handbrake. The 1982 Talbot Tagora (*main picture, below*) was shaped like a brick and barely sold

at all against Ford's Granada. Later in the decade, the Nissan Maxima made a curiously joyless alternative and the technologically clever yet sedate 525e proved anathema to the typically thrusting BMW

fancier. Meanwhile, accounts departments may have been resigned to depreciation on company cars, but most banned the Citroen XM and Peugeot 605, whose values sank like stones once they'd left the showroom...



VW Jetta: Golf saloon was given the boot



Volvo 460: stodgy and poorly assembled



Nissan Primera: victim of circumstance



Citroen XM: could hear it lose value

absence of design flair. It led Ford into a major rethink of its strategy for smaller models.

Other manufacturers might, perhaps, have leapt quickly into the breach, but most had spent the 1980s floundering themselves with such wholly awful cars as Fiat's Regata, Hyundai's antediluvian Stellar and Renault's dismal 9. Volkswagen impressed no one with its Golf-based Jetta saloons of the 1980s and Volvo's 440/460, introduced in 1989, was poorly made and stodgy to drive.

Some, though, have merely been unlucky. Nissan's most recent Primera, for example, was the latest in a respected

lineage of capable, mid-range business cars but it suffered a plunge in popularity as car tastes evolved. Nissan didn't even replace it directly, instead concentrating on the Qashqai 'crossover' sport-utility vehicle.

Further up the food chain, though, Vauxhall's Carlton and later Omega easily saw off the Rover 800, with its fault-prone electrics and gutless engines. Even mighty Jaguar goofed, fooling no one with an eye for prestige with its budget 2.9-litre XJ6 in 1986.

It seems that then, as now, the canny company car user-chooser was not prepared to settle for anything less than the best tool for the job.



Ever heard of the Standard Vanguard? Well, if you worked for the Port Talbot steelworks or the RAF in the mid-1950s, you might well have been handed the keys for one.

This sturdy British saloon, which was on sale in various forms from 1947 until 1963, was bought by both organisations in large numbers for their staff – and at a time long before company

fleets had become commonplace.

The Port Talbot cars, indeed, were real groundbreakers: the particular Vanguard the company favoured was Britain's first-ever diesel car.



of shame, abject failure and sheer ugliness – qualities that the Talbot Tagora (*above*) was not alone in possessing

TENGREAT convertibles

The Independent on Sunday's motoring writer, *John Simister*, picks his favourite cars for spring and summer sunshine



Mazda MX-5 RC (below) offers the best of motoring worlds: hard-top coupe and open-air fun. The solid roof folds into the boot, but it does make the car heavier. It's noisy when the roof is up, too



Mazda MX-5 RC

It's an MX-5 with a hard-top, which folds away in usual coupé-cabrio fashion. This makes for a heavier MX-5 but the look and driving feel remain largely intact. That should be good news, but the RC is noisy with the roof closed. Some MX-5s have oddly unresponsive engines and sticky steering, too, unusual inconsistencies in a Mazda. Not quite the sports car it should be.

'While the soft-top XKR is a latter-day E-type with a terrific paddle-shift manual mode in its automatic gearbox, it's also a convincing, covetable luxury car'



Audi A3 Cabriolet

It's late in the A3's lifecycle, but the new convertible makes up for that with a roof that's able to open or close electrically in just nine seconds. As a soft-top, the A3 has a roomy, accessible boot as well as proper space for four. A stubby tail makes it look nippy, which it is with 2.0 turbo or revised, now common-rail, 2.0 TDi engines. And it's fun to drive, with no structural shudder, sharp steering and a great ride.



Volkswagen Eos

Here's a glamorous coupe-cabrio that almost looks like a sports car with its roof – made up of five sections instead of the usual two or three – stashed away. It's not the Golf convertible you might expect, as it's wider and contains many Passat parts, but it feels good to drive apart from some shuddering over bumps. You can have a V6 engine as well as humbler 'fours', which helps justify Audi-level pricing.



Peugeot 207 CC

The 207 CC actually feels better than an equivalent 207 hatchback, thanks to a softer ride and sweeter steering. The CC part works well, except that you have to raise the roof before you can extract suitcases, and the optional leather-covered fascia makes it a proper little luxury car. Rear seat space is meagre but there will soon be a 308 CC to fill the gap.



BMW 1-series Convertible

Like the open Audi A3, this newly launched 1-series is a soft-top in a sea of coupe-cabriolets. It's effectively an open version of the 1-series coupe and can be had with that car's 306bhp, 3.0-litre, twin-turbo, straight six engine as well as humbler petrol and diesel units. It has less rear seat space than the A3 but keen drivers might enjoy its typically BMW, rear-wheel drive handling more.



BMW 3-series Convertible

With this and the open 1-series, BMW covers both bases in the CC versus soft-top debate. The 3-series convertible (as BMW calls it) looks properly coupe-like with the metal roof raised, even down to the rear side windows' shape, but the rear seat is uncomfortably upright and, roof down, luggage access is poor. It's delightful to drive, though, like any 3-series – and the 335i and 330d are best.



Jaguar XKR Convertible

Jaguar describes the 416bhp supercharged XKR as "an XK with the volume turned up" and in the open version you hear that powerful V8 volume to perfection. Jaguar's fastest cars still have the smooth comfort you expect, so while the soft-top XKR is a latter-day E-type with a terrific paddle-shift manual mode in its automatic gearbox, it's also a convincing, covetable luxury car.



Ford Focus CC

A Ford made in Italy? That's the Focus Coupe-Cabriolet, built by design house Pininfarina which also helped engineer the conversion. And it's a good one. It feels a properly snug coupe with the roof up and the boot isn't entirely filled with roof when you want lots of fresh air. The downside is a big bottom, but you can forget that when you drive this Focus. No comparable CC feels keener.



Volvo C70

This shares its basic platform with Ford's Focus, but the two companies engineered their CCs separately. The old C70 was either coupe or convertible, but this one is both and its roof's folding antics are a precision wonder to watch. Pity you have to raise the stack of panels electrically to get your bags out, though. However, it has a roomy cabin and is good fun to drive, especially as a turbo T5.



Alfa Spider

You could think of it as an open-top version of the striking Brera coupe, but the soft-top Spider also seeks to rekindle notions of Dustin Hoffman torn between lovers as he drives his 1960s version in *The Graduate*. Giving the new Spider a saloon-car fascia from the 159 spoils the effect a little; feeling how floppy the structure is spoils it more. Looks good, should drive better.



MAZDA MX-5
MORE POPULAR
THAN MONDEO

Two-seat user-chooser sports car? Or staple company car five-seat hatchback? Which of these would you think Lombard leased most of last year?

Extraordinarily, the little Mazda two-seat sports car was leased to more customers (688 orders) than the big Ford (416).

It says much about the way that the company car market has changed, with the user-chooser in ascendancy. That's certainly the case with the Lombard customer base.

But it also reflects the ability of the major fleet manufacturers to offer a 'one-badge' policy, which actually encompasses a wide range of brands. Ford can also offer Mazda and Volvo – and until they were sold off – Jaguar and Land Rover, too. Vauxhall can offer Saab along with Chevrolet and Cadillac.

With more niche cars set to appear this year, we can expect further action from the user-choosers in company car fleets – one-badge policy or not.



Few cars blend such assured confidence with technological cool as attractively as the Audi A6 – and for



Exclusive upgrades on stylish Audi A6

FEW BUSINESS CARS come with such understated elegance, refinement and deep-seated sophistication as the Audi A6, which blurs the traditional boundaries between executive-style and luxury-class motoring.

The A6 line-up is wide and diverse. It encompasses both four-door saloon and five-door Avant estate models, with engines ranging from an economical and tax-efficient 2.0-litre TDI diesel engine to the sober-suited but high-

performance V10 S6 quattro.

However, all models have one thing in common: a high standard of specification with an emphasis on technologically compelling features.

These include the space-saving electromechanical handbrake, centre console with Multi Media Interface (MMI) control function, Driver Information System and sophisticated safety systems, such as the ESP Electronic Stability Programme, Electronic

Differential Lock (EDL) traction control and Electronic Brake force Distribution (EDB) with brake assist.

In addition, all models have a minimum specification of 17-inch alloy wheels, automatic air conditioning Plus (which provides individual temperature control for both driver and passenger) and a high-gloss aluminium pack finish that enhances the already classy appearance of the A6.

To entice you further into the

A6 range, Audi is offering Lombard customers some free upgrades on the A6 range.

For drivers choosing the Audi A6 2.0 TDI and 2.0 TFSI models, there is a free upgrade to DVD Satellite Navigation plus a CD autochanger in place of the standard CD player.

For Lombard customers who choose one of the other engine options, there is a free upgrade to DVD Satellite Navigation with MMI High – the high-resolution seven-inch TFT colour screen

Lombard customers, it now holds additional attractions



Lombard customers can benefit from a free upgrade to DVD Satellite Navigation and a CD autochanger on the A6 2.0 TDI and 2.0 TFSI. There's also the option of Le Mans Edition trim on the 2.7 TDI and 3.0 TDI V6s: £2880 worth of upgrades for £115

display – and a six-CD autochanger. The upgrades are valued at £500.

Meanwhile, there's also an opportunity to take advantage of Audi's offer on the 2.7-litre TDI V6 and 3.0-litre TDI V6 quattro versions of the A6 Le Mans Edition model.

The specification includes 19-inch seven-arm double-spoke alloy wheels, pearl-effect metallic paint or S line paint finish, plus the Luxury Pack that includes Milano leather, heated

front seats, interior lighting package and rear acoustic parking sensors.

The upgrade package is valued at £2880, yet the price premium for the Le Mans Edition over an S line A6 is just £115.

The Le Mans Edition offer is available on all 2.7 TDI and 3.0 TDI quattro models with manual, multitronic and tiptronic transmissions.

These special Audi offers to Lombard customers will remain valid throughout quarter two.



ALL-NEW AUDI A4 AVANT

The all-new Avant version of the acclaimed Audi A4 will be available from June. Orders can be taken now. The new A4 Avant will arrive in a choice of SE or S line specifications.

With the standard split/fold rear seat in place, the A4 Avant has the largest load bay in its class. Engines include a 1.8 Turbo FSI petrol model and a 2.0 TDI diesel.



COMPACT BUT AIRY – THE NEW AUDI A3 CABRIOLET

The first compact Audi convertible model is now open for business, with deliveries of the A3 Cabriolet starting May.

There will be three choices of trim for the four-seat convertible: standard, Sport and S line.

The Audi A3 Cabriolet is fitted with a sound-insulated

fabric roof that can be opened in 11 seconds on the standard model, and nine seconds in fully automatic mode in Sport and S line versions.

There will be the choice of four engines: a 160PS TFSI petrol; a 200PS TFSI petrol; a 105PS 1.9 TDI diesel; and a higher-powered 140PS 2.0 TDI diesel.

model	transmission	standard	Sport	S line
1.8 TFSI	6-speed manual	£22,300	£24,150	£25,700
2.0 TFSI	6-speed manual	£23,660	£25,510	£27,060
1.9 TDI	5-speed manual	£20,750	£22,600	£24,150
2.0 TDI	6-speed manual	£22,760	£24,610	£26,160



THE TAX-EFFICIENT SPORTS CAR

The Audi TT Coupe and Audi TT Roadster will become even more appealing to company car user-choosers this summer with the introduction of tax-efficient diesel models.

The latest Audi TT Coupe and Roadster will be powered by a muscular 170PS 2.0-litre TDI diesel, which dispenses a punchy 350Nm torque.

It can propel the Coupe model to 62mph in just 7.5 seconds, yet the official

combined fuel economy is a superb 53.3mpg.

Better still, the emissions are very low. The Audi TT Coupe TDI has CO₂ emissions of 140g/km, placing it in the 20% company car tax band, while the TT Roadster TDI has CO₂ emissions of 145g/km, which moves it one tax band higher.

The Audi TT Coupe 2.0 TDI quattro is priced at £26,350, and the Audi TT Roadster 2.0 TDI quattro is £28,350.

Head of Lombard Vehicle Management **Rob Bailey** gives an insight into key trends of the year ahead

TALKING BUSINESS



How will increased regulation affect the relationship

between customers and leasing providers?

Last year there was a move to a CO₂-based capital allowances system (confirmed in the Budget), extended CO₂-based VED scale charges, a new van Benefit-in-Kind (BIK) tax regime and the extension of London's congestion zone.

Now, with the introduction of a new 10% BIK tax band for cars with CO₂ emissions of up to 120g/km and the Corporate Manslaughter Act, it is even more vital that businesses with vehicle fleets understand the new legislation. As a result, customers are increasingly looking to leasing providers for expert guidance and consultancy.



What difference will the 'credit squeeze' make?

Smaller funders may struggle to raise the money to lend. Even larger leasing companies may have problems if they are not part of a major bank.

The economic conditions will also affect customers who have bought rather than leased, leading to an increase in sale and leaseback deals. In addition, contract hire will be boosted as drivers come out of cash-alternative and employee car ownership schemes.

How will environmental issues affect fleets?

Last year the environmental message really took root, with widespread adoption of environmental strategies and, for the first time, significant demand for alternative-fuel vehicles. Because of the relatively low demand previously, hybrids and biofuel vehicles have not performed well in the used market, but with such good emissions performance from typical mid-sized fleet cars, we all have to encourage their use.

However, setting realistic but attractive residuals will be a challenge for leasing firms.



How will leasing companies continue to develop their business?

There may well be a shift towards seeing the consumer market as a big opportunity for development and growth among leasing companies. The sector will be developed through affinity and employee schemes and/or by more aggressively taking on the retail market through direct B2C products. This will favour leasing companies with large customer portfolios and particularly those which are part of a major corporation with customers in multiple business sectors.

◆ If you'd like answers to your fleet or business questions, please email: brindleyplace@lombard.co.uk



PICTURES: CESSNA & HONDA

Get your finances off the ground with Lombard

LOMBARD FINANCIAL muscle can power more than just cars and commercial vehicles. It can give flight to your airborne ambitions with finance for new and used aircraft.

Lombard is a leading supplier of aviation finance. With years of asset-lending experience, Lombard can assist you through the whole process of buying an aircraft – from finding the right aircraft to achieving good title and understanding the total cost of ownership.

Lombard Aviation finance packages range from £25,000 right up to £25 million. They can be arranged in different currencies, such as euro, dollars or sterling.

If you require funding for a new aircraft,

payments can be staged in line with the aircraft build timetable until it is ready to be delivered.

In fact, flexibility is fundamental to the finance packages Lombard is able to offer.

The loan can be extended over a highly competitive 10-year period and the payments within that term can be structured to meet different cashflow requirements, including the facility to make overpayments.

Of course, you might want to progress to higher things, so the ability to change aircraft during the financing term is also an option.

By offering a wide range of flexible repayment options to customers,

Lombard can provide personalised packages to help you buy the aircraft of your dreams – and get that dream off the ground.

Did you know?

Lombard can also supply finance for buying helicopters.



The sky's the limit: Lombard Aviation's packages span £25,000 to £25 million

For more information: www.lombardaviation.co.uk



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