CALIFORNIA U S G G G G G G G G

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Summer Plans NO MEETINGS UNTIL SEPTEMBER!

COMMENTARY



After falling dramatically in the past few months, the price of gasoline now seems to have inched up and stabilized. Is crude oil going up or down? Which segments do buyers want? Large, small, or both?

Consumers seem to be interested in high-mileage cars and even small cars such as the Fiat 500 and Smart ForTwo.

Keith Crain is editor-in-chief of Automotive News.

But even pickup trucks and SUVs aren't left out of the mix. Some automakers recently announced an increase in production schedules at their truck plants.

So if both segments are strong, what's going on? Like a lot of other things these days, it's difficult to say.

Automakers have to figure out production schedules, and dealers have to decide what to order from the factory.

If you are a large dealer, it really doesn't matter. Your inventory will average out over the short and long term.

But if you're a small dealer with just a couple of stores, you don't want to be caught with cars and trucks that consumers don't want. Place the wrong bet and you'll have vehicles that take months to move off the lot.

It is anybody's guess what might be hot.

The auto industry seems to be improving at a slightly better pace than the U. S. economy, which has slowed dramatically in the first half of the year.

But the uncertain economy has made doing business confusing enough without swings in petroleum prices and prices at the pump.

All of this should lead to some interesting decisions on dealer lots.

Do American consumers have an interest in diesel automobiles and diesel pickups? Will electric vehicles catch on with mainstream consumers, not just early adopters? The luxury segment has been a solid performer of late, but will that last? Those questions reflect the challenge facing factories that have to build the vehicles that dealers want to order. Importers face an even larger hurdle since the inventory pipeline is so much longer.

And a roller-coaster stock market also has consumers puzzled.

The car business is never dull, and it's harder than ever to guess what buyers wan

HUMOUROUS SIGNS

At a car dealership: — "The best way to get back on your feet – miss a car payment."

Outside a muffler shop: - "No appointment necessary. We hear you coming."

In a veterinarian's waiting room: —"Be back in 5 minutes. Sit! Stay!"

Auto News

GM will skip Texas state fair, hide new trucks from rivals

General Motors is playing a game of Texas Hold'em with the launch of its redesigned full-sized pickups.

GM had planned to unveil its redesigned Chevrolet Silverado at the State Fair of Texas, which starts in late September. But Chevy recently scrapped those plans, choosing to leave rivals guessing a bit longer.

"It's so competitive right now," a GM spokesman says. "We want to play this close to the vest and wait until closer to the launch."

GM's next-generation pickups will accelerate the pickup wars among the Detroit 3. Chrysler Group is planning to release a re-engineered 2013 Ram this fall. Ford recently disclosed plans for two new high-trim levels of its F-150.

The Chevy spokesman wouldn't elaborate on plans for the Silverado's unveiling. It's expected to arrive in showrooms sometime next spring, along with the redesigned GMC Sierra.

Automakers long have used the Texas state fair as a prime venue for truck news and introductions. Chevy is the automotive sponsor of this year's fair and will have plenty of trucks on display. But the 2014 redesigned model won't be among them.

Sources say dealers will get their first look at the redesigned Silverado and Sierra during meetings in September in Las Vegas.

Fuel economy push gives pickup buyers options

There's a persistent fear among some in the auto industry that fuel economy regulations will result in a limited selection of undersized, underperforming pickups that buyers won't want.

So far, the results are the exact opposite.

Faced with a need to improve the fuel efficiency of their trucks, automakers have responded with a variety of technologies and vehicles.

Consumers will soon be presented with a wide range of choices, increasing the odds that each can find the exact truck that meets his or her needs.

For years, makers of full-sized pickups squared off with comparison advertisements that focused on payload and towing capacity; V-8 engines ruled. Then gasoline prices jumped.

In a market that suddenly cares about fuel economy, Ford Motor Co. has scored big with fuel-efficient V-6 engines that deliver impressive torque.

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This fall, Chrysler Group says, the redesigned Ram 1500 full-sized pickup will best Ford's F-series truck to claim segment leadership in fuel economy for both V-6s and V-8s.

General Motors, in contrast, plans to keep its big pickups as workhorses and offer a mid-sized pickup for buyers who are looking for fuel economy more than size or muscle.

Toyota Motor Corp. and Nissan Motor Co. haven't yet shown their next-generation full-sized pickups, due in 2014, but they're likely to boast improved fuel economy without sacrificing performance.

Ford, which has discontinued the small Ranger pickup, says some former Ranger buyers are finding their needs are better met with the Transit Connect small cargo van.

If pickup buyers are willing to consider cargo vans as an alternative, they will soon find they have even more choices.

The Nissan NV200 and a Chrysler van, a reskinned version of the Fiat Doblo, will soon take on the Transit Connect.

For those wanting full-sized cargo vans, an array of fuel-efficient choices from GM, Ford, Chrysler and Nissan are headed for showrooms.

The industry is to be commended for responding to a shift in truck buyers' wants with an impressive lineup of competing offerings, none of which is dinky or underpowered.

The market will determine which manufacturer comes out on top, but the consumer will be the true winner.

When 'Bolshevik' Bill Ford talked green, company execs saw a Red



Ford Chairman Bill Ford has long supported environmental causes. That's popular today, but it didn't go over well with senior execs when he joined the company out of Princeton in 1979.

In fact, Ford said he might not have survived if he hadn't been a member of the founding family. Ford bosses then didn't have much time for tree huggers.

"They thought I was a Bolshevik," Bill Ford said at a recent press event. There was so much antagonism, in fact, that the young scion briefly pondered a non-Ford career.

He says resistance didn't completely disappear until Alan Mulally arrived as CEO in 2006. The surge in fuel prices a couple of years later also helped change thinking inside the company.

Smaller, more efficient engines are one example of the new approach. For example, the redesigned Ford F-150 is available with a V-6 EcoBoost engine, which has turbocharging and direct injection. And the Explorer is offered with a four-cylinder EcoBoost.

Bill Ford says the times have caught up with his beliefs. But, he says, if not for "my last name," he might not have been able to stick around to see it happen: "I didn't get canned, which could have easily happened.

CODE of ETHICS

1. To promote good will between the motorist and the industry.

2. To have a sense of personal obligation to each individual customer.

3. To perform high quality repair service at a fair and just price.

4. To employ the best skilled personnel obtainable.

5. To use only proven merchandise of high quality distributed by reputable firms.

6. To itemize all parts and adjustments in the price charged for service rendered.

7. To retain all parts replaced for customer inspection, if so requested.

8. To uphold the high standards of our profession and always seek to correct any and all abuses within the automotive industry.

9. To uphold the integrity of all members.

10. To refrain from advertisement which is false or misleading or likely to confuse or deceive the customer.

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