



PRESS RELEASE

THE CORPORATE VEHICLE OBSERVATORY GROWS IN EUROPE AND BEYOND

For its fifth year of activity, the Corporate Vehicle Observatory (CVO), an international expert platform for the management of professional vehicles, extends its coverage to India as well as to Spain, thus substantially widening its field of investigation.

Within the ten countries surveyed in 2008, the CVO Barometer observes that companies generally have a preference for new vehicles with fuel efficient low CO2 labels, but are reluctant to downsizing their cars. It also reports how generally young professional fleets have a positive effect on ageing national averages.

Paris, May 29th, 2008 – The extension of the CVO to India underlines the Observatory's ambition to expand into the emerging markets, of which India is one of the most important ones worldwide. It also aims at widening the comparison spectrum of professional practices, at the core of the CVO's mission statement. « In this immense country made of strongly autonomous states», says Vincent Rupied, International Director of CVO, « professional mobility is a major logistical challenge. India has a very different automotive market organisation and a maintenance network in construction. Regarding the management of fleets, businesses of all sizes still massively favour outright purchase rather than leasing, whereas the ground seems very receptive for the outsourcing of services ».

The Spanish market is dynamic and has strong growth potential. It has clearly perceived the benefits of outsourced management features as shown by its high levels of subscription to technical services. Following Italy, Morocco and Portugal, Spain will enrich the Observatory's coverage of the Mediterranean basin.

To date, the CVO operates in eleven countries with offerings in four domains: management of vehicles, sustainable development, prevention of road risks and new technologies. This year again, brochures, forums and conferences will address these topics in depth, based in particular on the yearly CVO Fleet Barometer that covers ten of the eleven countries. Carried out as each year in partnership with TNS and built on over 4000 interviews of decision making fleet managers, the 2008 release is to be published progressively across the ten countries as from May. Some of its focuses this year are the environmental options of companies and the latest trends in corporate car policies.

Fleet managers' intentions for acquisition of company vehicles show a strong preference for the latest optimised engine features, marketed under different labels

by the manufacturers: 50 to 70% of the fleet managers, according to countries, intend switching to such vehicles within two years. At the same time, they are not keen to downsizing: only 9 to 20% consider reducing the size and power of vehicles within their fleets, which is due to their concern that drivers might be opposed to such changes. The 2008 Barometer concludes, however, that drivers may be open for innovative solutions when properly informed.

The Observatory did also assess the influence of corporate fleets on the average age of vehicles in circulation in each country. Ageing cars are a key issue for the environment as well as for road safety. The observed European average of professional cars is 5,1 years, well below national levels, and varies sharply according to company size, from 5,2 years in very small businesses (less than 10 employees) to 3,7 in large corporate (more than 500 or 1000 employees depending on countries). The induced rejuvenation effect results from the massive orders of new cars as well as from the resale of numerous recent well-maintained vehicles on the respective national markets, at the term of their corporate usage.

About the CVO: Founded by Arval in 2003, the Corporate Vehicle Observatory is an international expert platform for the exchange of best practices and the analysis of trends in the management of professional vehicles.

A neutral and independent body, its publications and public forums target all functions involved in the management of fleets. It operates in Belgium, Czech Republic, France, Germany, India, Italy, Morocco (not taking part to the CVO Barometer), Poland, Portugal, Spain and Switzerland.

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