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## NEW CAFÉ rules will add to cost of new cars

Fuel economy requirements will add about \$2,900 to the cost of a new vehicle on average by 2025. Automakers supported the proposed changes last year because they wanted a single nationwide standard. (California agreed not to set up separate standards through 2025.) But



Under the new CAFÉ rules, the Ford Fusion will have to average 47.5 mpg.

NADA is unhappy with the new rules, which require cars to average 55.3 to 56.2 mpg by 2025, and light trucks to average 39.2 to 40.3 mpg.

“This increase shuts almost 7 million people out of the new car market entirely and prevents many millions more from being able to afford new vehicles that meet their needs,” says NADA Chairman Bill Underminer.

The new rules will add \$1,836 to a vehicle’s cost; the rest is from the previously passed 2011-16 rules. A vehicle buyer is expected to save an average \$3,400 to \$5,000 over the life of the vehicle after accounting for the higher upfront cost.

The rules set up a 4 percent average annual increase that will nearly double the U.S. fleet’s fuel efficiency. EPA and NHTSA will do a midterm review of the regulations in 2020.

Global Automaker's president and CEO Mike Stanton notes one potential glitch: "Compliance with higher fuel-economy standards is based on sales, not what we put on showroom floors." EPA and NHTSA would not speculate on how the regulations would affect vehicle sales.

Because automakers can improve air conditioning systems to cut emissions without improving fuel efficiency, the actual CAFÉ average will be about 40 mpg by 2025. Automakers can also get credits for compressed natural gas vehicles and for large pickups that improve their mileage.

EPA and NHTSA expect the rules to increase the use of eight-speed transmissions and higher-efficiency gearboxes. They forecast that sales of plug-in electric and all-electric vehicles could jump from under 3 percent today to 49 percent by 2025.

But Chrysler, which with Volkswagen *opposed* the proposed rules last year, has said it will rely more on light-duty diesels and compressed natural gas than on electric vehicles.

## Survey: VW has best total quality, Toyota fewest problems

A recent survey of new-vehicle owners found that Volkswagen had the best total quality and Toyota the fewest problems. Strategic Vision's 2012 Total Quality Index is based on a survey of 45,390 consumers who bought new cars from October through December 2011.

Only 17% of Toyota buyers reported problems. But "with Total Quality, we factor in all the perceptions," says Strategic Vision president Alexander Edwards. VW was followed by Ford and Chrysler, tied for second place.



Products like the Fiat 500 made Chrysler the most improved corporation in the Strategic Vision survey.

In what the company called "the biggest surprise," Chrysler was the most improved corporation. "They are definitely beginning to turn things around, and the Fiat 500 is just one example," said company chairman Darrel Edwards. "The real message is that innovation is connected to perceptions of quality."

## Self-driving cars could appear in a few years

Self-driving cars could appear in the next ten years, says a recent report by the Center for Automotive Research and KPMG. The only obstacle is how quickly the technology and infrastructure can be developed.

Recent technology breakthroughs include a pilot test by the U.S. Department of Transportation of 2,800 cars in Ann Arbor, Mich., that can "talk" to each other and prevent accidents and Nevada's decision to allow Google to test its self-driving car on public streets.

Survey results are mixed: In a recent study by J.D. Power and Associates, 37 percent of drivers said they were interested in a self-driving vehicle if the cost is not much higher, and 20 percent are interested even if it costs \$3,000 more. Such vehicles could be a real asset for people who can't drive now, such as those who are handicapped or blind, says Mike VanNieuwkuyk, executive director of global automotive for J.D. Power. But a survey commissioned by Ford found that more than half of drivers are uncomfortable with the idea of an autonomous car.

Some technologies are already available, including forward collision and lane departure warnings and a blind spot indicator system.

## Olympian Julie Zetlin honored at Bethesda rally last Friday night

Many Olympics fans know Julie Zetlin as the only American to compete in Rhythmic Gymnastics, a field dominated by the Russians. But to the Washington area dealer community,

she's also known as the daughter and granddaughter of Mark Zetlin and Morty Zetlin, respectively, of Mercedes-Benz of Arlington.



Last Friday, August 24, Julie was one of three Olympians – with 15-year-old Gold Medalist swimmer Katie Ledecky and three-time Olympic kayaker Scott Parsons – honored at a packed rally at the plaza next to Bethesda Metro Center.

Olympian gymnast Julie Zetlin (above) speaks to a crowd at “hometown rally” in Bethesda, MD. Left, Rep. Chris Van Hollen (D-Md.) joins other Montgomery County leaders in honoring Olympians Zetlin, Katie Ledecky and Scott Parsons.



Rep. Chris Van Hollen came to offer congratulations, and fans young and old stood in a long, snaking line to get the athletes' autographs. The Bethesda rally to honor the hometown Olympians was organized by the Bethesda-Chevy Chase Chamber of Commerce and the Bethesda Urban Partnership, Inc.

## Used vehicle supply at record high for year

The days' supply of used vehicles was up more than 15 percent from a year ago, says CNW Marketing. That will likely mean softer used vehicle prices as dealers try to pare their inventory.

There are more used cars than trucks on dealer lots, with cars at 120% of average days' supply vs. 90% for trucks. And they're more likely to be Detroit products than Asian or European.

For both used and new vehicle sales, "much will hinge on the perceptions of consumers (as to the well-being of the economy) after the presidential election in November," says CNW president Art Spinella.

## Most drivers want push-button starts

More than half of American drivers want push-button starts, and more than half of car models offer them. In addition to the convenience, push-buttons are a good anti-theft measure.

A recent poll on KBB.com found that 36% of respondents love their keyless ignition and 17% said they'd love to have one but don't. Of the 334 U.S. 2012 models, 193 offer it as a standard feature or an option, and it's starting to move from luxury to mainstream cars. In an AutoTrader.com poll, a push-button start was the third most wanted feature in the respondent's next vehicle, after GPS and MP3.

## New procedures at MD MVA

Starting September 17, all dealers, dealer runners, and tag and title service agents must present proper valid identification when work is submitted for drop off, pickup or walk-in processing.

Valid ID includes a licensed tag and title service ID, a salesman's license or a copy of the wall license. If the license does not include a photo, a valid driver's license or photo ID card is required. The MVA will also accept a dealer runner permission letter/power of attorney from the dealer (on letterhead) authorizing a runner to drop off or pick up work with their valid photo driver's license or ID card.

Work will be accepted Monday through Friday from 8:30 am to 4:30 pm. Branch offices will not be able to process dealer tag and title service work on the last or first business day of the month, except for urgent transactions approved by management. Transactions that can be processed through the ERT, KIOSK or Web will not be accepted as walk-ins or express service transactions.

A reminder: All license plates canceled using the ERT System should be returned to the Collections Center at the MVA at 150 Blades Lane, Suite H, Glen Burnie, MD 21061, with a report listing the plates to be destroyed. The canceled plates may be returned Wednesday through Friday (excluding state holidays) between 8 a.m. and 3 p.m. in person or through Motor Car Couriers.

Questions can be addressed to the Customer Service Response Unit at [VSResponse@mdot.state.md.us](mailto:VSResponse@mdot.state.md.us).

**Thought for the Week...**

A politician should be judged by the animosities he excites among his opponents.

--Sir Winston Churchill

*Have a Safe and Happy Labor Day Weekend!*