

NFDA TRUCK AND VAN UPDATE
December 2022



Your Last Chance to Join the New LCV Working Group

Dear Colleague,

Earlier this year we were reporting a decline in new truck registrations due component supply restraints but this October registrations went up by 33% over the previous October of 2022, up from 3,108, to 4,121 units. Although there were declines in the first part of this year, since this July we have seen significant increases in HGV registration, a clear indication that product and component restraints have improved somewhat.

NFDA is your trade body: we are here to help and advise you on regulatory and operational issues that affect your business. If you require any assistance, please do contact Stephen Latham on stephen.latham@rmif.co.uk

Sue Robinson
NFDA Chief Executive

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URGENT: Last Chance to Join This New LCV Members Group

As you are aware the NFDA is committed to ensuring that dealerships are kept updated on business trends and regulatory changes. In addition, we lobby on members behalf to change unfair practices, reforms and proposed regulations.

We feel greater focus should be aimed at the ever-growing important van market. This is particularly pertinent with increased regulatory involvement in this sub 3.5 tonne light commercial market with the introduction of EV commercials with weight constraints and tighter rules on tachographs, trailer operation and maintenance schedules.

We are running a NFDA/ LCV working group to address these issues and obtain feedback from the membership. **This inaugural meeting will take place on Wednesday 18 January at NFDA in London.**

We would ask you to nominate your LCV specialist from your dealership who can input at this operational working group and benefit from the crossflow of information that comes out of communicating with other LCV brands of dealerships.

If you feel your light commercial dealership could benefit from participation in this new LCV working group, please contact Lena Patel (lena.patel@rmif.co.uk) with the details of your light commercial specialist who will represent your business at these meetings. Full details and agenda is attached.

Electric LCV Sales Uphold the Market

“Having faced an extremely challenging year, the light commercial vehicle market sales fall in November 2022. Dealers are at the forefront of automotive retail and have continued to operate under increasingly difficult conditions. Whilst 2022 has been a troubling year for LCV sales, the market is in a good position and dealers are optimistic that supply issues will start to ease,” said Sue Robinson, Chief Executive of the National Franchised Dealers Association (NFDA), which represents franchised car and commercial vehicle retailers in the UK commenting on the latest SMMT’s new passenger car registration figures.

November registrations were down -22.2% at 24,352 units. Overall, the year-to-date LCV market is -20.1% behind last year’s registrations.

Smaller Pickup trucks registered a 26.1% increase in sales, from 2,610 units to 3,292. 4x4’s also experienced positive results with a 167.1% increase in registrations, from 207 units to 553.

Electric LCVs continued their growth in the market with an upswing of 14.8% for November, 46.5% year to date and an overall market share of 5.8%. The growth in EV sales comes at the expense of diesel where registrations are now 89.8% of the market, compared to 93.3% last year.

Year to date figures reveal Ford’s Transit Custom, Large Transit and Ranger dominate the registration market, followed by the Mercedes-Benzes’ Sprinter.



Sue Robinson added: "Demand for new vehicles is still strong, particularly in the battery electric sector. As the automotive industry works tirelessly to reach net-zero targets, it is imperative that government matches this. Investment into improved charging infrastructure for commercials is key and incentives to purchasing an EV will help maintain consumer demand"

REGISTRATIONS OF VANS plus HCVs 3.5T-6T by MONTH

	Nov-22	Nov-21	% change
Pickups	3,292	2,610	26.1%
4x4s	553	207	167.1%
Vans <= 2.0t	396	1,361	-70.9%
Vans > 2.0 - 2.5t	1,744	4,779	-63.5%
Vans > 2.5 - 3.5t	18,367	22,363	-17.9%
All Vans to 3.5t	24,352	31,320	-22.2%
Rigids > 3.5 - 6.0t	358	412	-13.1%

REGISTRATIONS OF VANS plus HCVs 3.5T-6T by YEAR-TO-DATE

	YTD-22	YTD-21	% change
Pickups	27,301	38,713	-29.5%
4x4s	3,093	3,944	-21.6%
Vans <= 2.0t	7,504	16,916	-55.6%
Vans > 2.0 - 2.5t	30,065	43,408	-30.7%
Vans > 2.5 - 3.5t	192,351	222,995	-13.7%
All Vans to 3.5t	260,314	325,976	-20.1%
Rigids > 3.5 - 6.0t	4,368	5,349	-18.3%

NOVEMBER

	2022	2021	% change	Mkt share -22	Mkt share -21
BEV	1,974	1,720	14.8%	8.1%	5.5%
Diesel	21,863	29,236	-25.2%	89.8%	93.3%
Others	515	364	41.5%	2.1%	1.2%
TOTAL	24,352	31,320	-22.2%		

Year to date

	YTD 2022	YTD 2021	% change	Mkt share -22	Mkt share -21
BEV	15,039	10,266	46.5%	5.8%	3.1%
Diesel	239,492	310,809	-22.9%	92.0%	95.3%
Others	5,783	4,901	18.0%	2.2%	1.5%
TOTAL	260,314	325,976	-20.1%		

Image source SMMT



Latest Truck Registrations Show Growth

NFDA Truck Registration figures	Jan-21	Jan-22	Feb-21	Feb-22	Mar-21	Mar-22	Apr-21	Apr-22	May-21	May-22	Jun-21	Jun-22	Jul-21	Jul-22	Aug-21	Aug-22	Sep-21	Sep-22	Oct-21	Oct-22
DAF	897	884	908	774	1337	1261	1066	979	1065	1078	945	1097	692	1071	670	1037	892	1126	958	1431
Dennis	51	53	64	28	132	121	95	62	80	76	93	66	63	52	40	59	77	86	85	64
FUSO	26	17	37	18	49	20	47	5	22	10	40	7	29	16	15	14	29	29	44	33
Isuzu	65	76	39	76	88	107	74	88	85	76	96	78	78	83	47	72	71	100	68	71
IVECO	199	232	263	227	330	365	306	288	254	296	270	238	228	240	214	234	281	345	304	359
MAN	241	272	158	157	683	446	294	216	272	169	258	209	159	199	107	190	341	447	337	402
Mercedes	252	323	189	222	580	396	404	351	385	349	408	330	321	406	366	351	423	499	288	543
Renault	78	114	106	143	310	280	205	201	193	184	145	284	188	165	135	252	198	216	229	215
SCANIA	465	565	227	326	890	725	480	448	444	410	401	397	349	428	199	281	398	642	336	491
VOLVO	438	570	297	372	665	667	343	509	347	556	376	476	423	467	266	352	415	575	429	512
Total	2712	3106	2288	2343	5064	4388	3314	3147	3147	3204	3032	3182	2530	3127	2059	2842	3125	4065	3108	4121

YTD (21)	YTD (22)	YTD COMPARISON 22 v 21	2022 YTD Market
9430	10738	+1308	32.0
780	667	-113	2.0
338	169	-169	0.5
711	827	+116	2.5
2649	2824	+175	8.4
2850	2707	-143	8.1
3616	3770	+154	11.2
1787	2054	+267	6.1
4189	4713	+524	14.1
3999	5056	+1057	15.1
30379	33525	+3176	100.0

Overall, with the earlier shortfalls taken into account, the year-to-date figure for registrations for the first ten months is up 10.3% against the same period last year. This showed an increase from 30,379 last year, to 33,525 new units going on the road this year.

It has not been the same for all brands however, with the biggest player DAF owning a market share of 32%. DAF registrations have improved by 14%, from 9,430 to 10,738 units. The Swedish brands have both seen increases with Scania up 12.5% and Volvo up a massive 26%, putting itself into second place in relation to volume, now claiming 15.1% market share. While there have been winners, many brands are ticking over at similar registrations as the previous year, although MAN sales are down -4%. Furthermore, although small in volume terms, FUSO have only registered 169 new trucks, compared to 338 units last year.

In general, truck franchised dealers are optimistic about having a strong order bank for the next six months but concerned of a down-turn in new enquires and orders, as customers and operators reserve judgement on the economic effects on the market going forward.

We look forward to seeing how the whole year plays out, but we do not receive the registration figures from the SMMT, regarding competition issues, until 6 weeks after the end of each month. Therefore, we are unable to report on the whole 2022 registration results until February next year.

ATF Lane Fees

Dear NFDA Truck member,

At a recent meeting with the DVSA we were advised that they would be putting a case forward to the Department for Transport to review the ATF Pit-Fees that can be charged. They acknowledged that all options could be on the table, i.e., an increase maximum fee, stay as they are or open-market free for all.

We believe that a free for all and stay as they are not likely or viable, therefore we believe we need to put a case forward for a sensible increase to cover any potential needs for additional test equipment to embrace EV and gas-powered trucks along with the increases in energy and staffing costs.

We write to you for feedback of what you believe the increase should be, plus a list of increased costs that your ATF is absorbing along with any additional equipment or requirements. This will allow us to argue/lobby on your behalf when we have more information about the DfT fee review.

Please let us know your views by emailing me stephen.latham@rmif.co.uk and our Policy Officer oliver.nurser@rmif.co.uk

It would be helpful if you can let me know your views and opinions by early-January as our next meeting with the DVSA will be in the 12 January.

Please have a great Christmas and we look forward to receiving your comments.

NFDA Spring Ball 2023 Returns In April

The world renowned five-star Grove Hotel, Chandler's Cross, Hertfordshire, will play host to next year's prestigious NFDA Spring Ball on Saturday 22 April 2023.

Join us for a captivating night of stellar entertainment, fine dining, and unique networking opportunities with key automotive stakeholders. Awards for best manufacturer partner, industry partner, industry personality of the year and the returning green dealer award will be presented, celebrating the excellence of the automotive industry. Last year's winners included: Toyota/ Lexus; Energy Saving Trust; Waylands Automotive; Kia; and Mark Lavery (Cambria Automobiles CEO).



An incredibly talented live musical performance will top off what is already set to be a riveting night, accompanied by a celebrity after-dinner speaker. The NFDA Spring Ball 2022 saw Mark Durden-Smith, TV presenter, and former Cabinet Minister Ed Balls offer their attendance, sharing insights on their show business and political careers.

Ticket types vary, allowing you to come solely for the night's festivities or include accommodation to extend the evening and enjoy a luxurious stay at The Grove Hotel & Golf Resort. All table and ticket packages include a welcome drinks reception, as well as a three-course dinner with wine and beer. Additional accommodation at The Grove includes an overnight stay in the 5-star hotel, access to SPA facilities, breakfast and the opportunity to use The Grove Golf Course at an extra cost. The ticket prices are as follows:

- **Table of 10 plus accommodation** (5 double bedrooms): **£4,495**
- **Table of 10: £2,495**
- **Couple Tickets with accommodation: £895**
- **Couple Tickets: £475**
- **Individual Ticket with accommodation: £595**
- **Individual Ticket: £245**
- **Additional Accommodation £425**
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If you would like more information or like to purchase tickets, please contact Lena Patel on 07341 396125 or email: lena.patel@rmif.co.uk.

MILS: RMI End of Year Review 2022

2022 has been another eventful year. Whilst Covid has faded into the background, inflation and the war in Ukraine has had a dramatic effect on the country and the petrol retail industry. With all this turmoil here are a number of issues that members may have missed in the last 12 months, as well as to developments to look forward to in 2022.



Is an employee's perception of conduct enough for the conduct to be harassment?

No, according to the case of *Ali v Heathrow Express Operating Company Ltd* (1) and *Redline Assured Security Ltd* (2)

The Claimant, worked for Heathrow Express Operating Company Ltd (Heathrow). From time-to-time Redline Assured Security Ltd (Redline) carried out security checks at Heathrow airport and Heathrow Express stations. One such test in 2017 involved a bag containing a box, electric cables and a piece of paper with the wording "Allahu Akbar" written in Arabic.

The Claimant was a security guard but was not involved in the test. When he received a report about it later, he complained that this conduct amounted to harassment by reference to his religion. It was Heathrow and Redline's position that whilst the words used were



regrettable, the phrase had been used in a number of high-profile terrorist attacks and it was therefore legitimate to include the phrase in order to make the package look more suspicious.

After hearing the evidence, the tribunal concluded that neither Redline nor Heathrow's conduct amounted to direct discrimination or harassment because by using the phrase "Allahu Akbar", they did not have the intention of associating Islam with terrorism. It was not in all the circumstances reasonable for the Claimant to perceive the conduct as having such an effect. This view was supported at the Employment Appeal Tribunal where it was concluded that the decision was neither legally perverse nor insufficiently reasoned.

Whilst this is a very fine line, this case does serve as a reminder that just because someone feels that they have been harassed and discriminated against, does not always mean that they have been. However, on a note of caution, this case was decided on a very specific set of facts (not least of which the employers' legitimate aims to counter terrorism as an airport and transport hub), the outcome may have been different if sufficient legitimate alternative explanations for the conduct concerned were not available.

Looking forward

Here are some of the things to look out for going forward.

Flexible and atypical working

The Employment Relations (Flexible Working) Bill 2022-23 is looking to make changes to the right to request flexible working. This could include permitting an employee to make 2 requests in a year and requiring employers to consult with employees before refusing a request.

Whilst the final wording is unknown, the Government has recently confirmed it would support the Bill, making flexible working the default. Further details are available [here](#).

Working time and annual leave

The case of Chief Constable of the Police Service of Northern Ireland v Agnew is being heard 14-16 December 2022. The Judgement, which we expect in 2023 will determine whether a series of unlawful deductions from pay is broken if the deductions are more than 3 months apart.

In Conclusion

As an RMI member you have access to industry experts including Barristers and Solicitors who are fully qualified and specialised in issues affecting the motor and petrol retail industry. Should you find yourself in the situation above, contact us at any stage for advice and assistance as appropriate on 01788 538 399.

Motor Industry Legal Services



Motor Industry Legal Services (MILS) provides fully comprehensive legal advice and representation to UK motor retailers for one annual fee. It is the only law firm in the UK which specialises in motor law and motor trade law. MILS currently advises over 1,000 individual businesses within the sector as well as the Retail Motor Industry Federation (RMI) and its members.

ACEA Commercial Vehicle Registrations: -15.5% eleven months into 2022; -0.6% in November

Brussels, 22 December 2022 – In November 2022, registrations of new commercial vehicles in the EU decreased slightly (-0.6%), marking the seventeenth consecutive month of decline.

In November 2022, registrations of new commercial vehicles in the EU decreased slightly (-0.6%), marking the seventeenth consecutive month of decline. The truck category recorded a significant improvement last month, but this was not enough to offset the negative results of the van and bus segments. Performances in the region's four major markets were mixed. Germany saw the strongest gain (+14.0%), followed by Spain, with a modest growth (+0.9%). Italy and France, on the other hand, suffered declines (down 13.7% and 7.0% respectively).

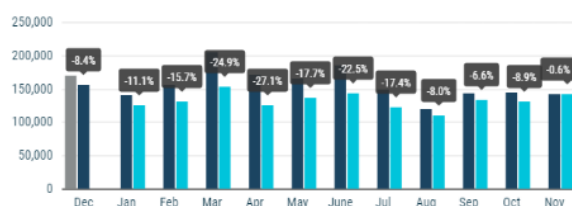
From January to November 2022, new commercial vehicle registrations across the EU were down by 15.5% to nearly 1.5 million vehicles. The four EU key markets all suffered double-digit losses, contributing to the region's negative performance: Spain (-19.2%), France (-18.1%), Germany (-12.8%) and Italy (-10.7%).

New commercial vehicle registrations in the EU

12 month trend

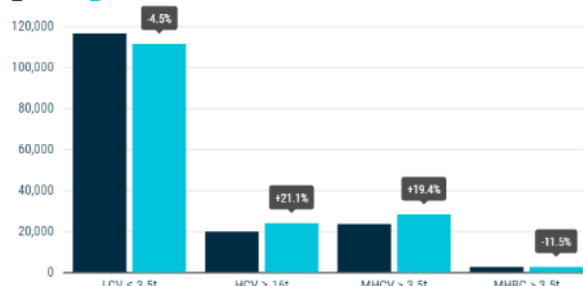
TOTAL CV EUROPEAN UNION

2020 2021 2022



New commercial vehicle registrations in the EU

Nov 2021 Nov 2022



General news

Fuel Cell Commercial Vehicle Global Market to Reach \$14 Billion by 2027 at a CAGR of Over 40%

The fuel cell commercial vehicle market was valued at USD 2 billion in 2021 and is expected to grow to USD 14 billion by 2027, registering a CAGR of over 40% during the forecast period (2022 - 2027).



The COVID-19 pandemic adversely affected the global automotive industry. However, the impact was relatively low due to the beginning stages of the technology and its usage. However, most alternative fuel commercial vehicles (buses) were used in public transport worldwide, which took a huge blow in monetary terms due to the lockdown and social distancing norms.

Some of the major factors driving the market's growth are the enactment of stringent emission norms, growing mass urban transportation, rising demand for alternate fuel vehicles, and continuous government support. However, environmental concerns related to hydrogen production may hinder the market's growth.

