

California Clean Cars Campaign

Global Warming Solutions for a Healthy California

www.calcleancars.org

Bluewater Network

California League of
Conservation Voters

CLCV Education Fund

California Public Interest
Research Group

Center for Energy Efficiency
and Renewable
Technologies

Coalition for Clean Air

Environment California

Environmental Defense

National Parks
Conservation Association

Natural Resources
Defense Council

Physicians for Social
Responsibility – Los
Angeles

Planning and Conservation
League

Sierra Club

Steven and Michele Kirsch
Foundation

Union of Concerned
Scientists

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Exposing the Deceptive Ad Campaign Against California's Vehicle Global Warming Standards

*Campaign targeting recreation community sponsored by auto industry
front group: Sport Utility Vehicle Owners of America (SUVOA)*

Who is Behind SUVOA?

- SUVOA presents itself as a nonprofit organization for automobile consumers, but, in fact, it has been exposed as an industry front group run by a Washington, D.C. marketing and PR firm, Strat@comm. The firm boasts that it has “the largest automotive public affairs practice in the nation” and clients have included General Motors, DaimlerChrysler, Ford, and the auto industry’s two major trade groups. (*See Los Angeles Times and AP reports.*)
- SUVOA’s governing board includes lobbyists from industry associations, including those representing recreational vehicles, RV parks and campgrounds, and marine retailers. The group’s ad campaign targets the board’s own trade group members.

SUVOA’s Claims Don’t Make Sense:

- SUVOA’s ad suggests that California’s greenhouse gas regulations would mean smaller and less powerful vehicles. Not true. The emissions standards are specifically designed to reduce global warming pollution; the rules prohibit any mandate to lessen vehicle weight or limit consumer choice. Contrary to the SUVOA claims, the California rule will expand clean car choices for all Californians.
- The emissions regulations will actually save drivers money over the life of the vehicle, according to the California Air Resources Board. An initial price increase of about \$1,000 will be more than offset by reductions in operating costs. Many of the likely new technologies used to meet the standards will pay for themselves in less than five years.
- Many of today’s new hybrid vehicles – one technology that may be used to comply with the California standards – actually deliver more power than comparable gasoline-only vehicles. Hybrids are coming onto the market in all shapes and sizes, from compacts to SUVs and trucks, and consumers are snapping them up. Other emission reduction technologies, including cylinder deactivation and variable valve timing, also will deliver improved performance.

Consumer Choice:

- Consumers clearly want cleaner vehicles. In 2005, Toyota sold 150,000 hybrid vehicles, including the Prius, Lexus 400H and the Highlander. Of these hybrids, 107,897 were Priuses – more than a 100 percent increase in sales from 2004. According to J.D. Power and Associates, sales volumes of hybrids in the U.S. are forecasted to increase by 268 percent between 2005 and 2012. Hybrid vehicle sales are expected to grow from approximately 212,000 vehicles in 2005 to 780,000 by 2012.
- The Ford Escape hybrid was voted North American Truck of the Year in 2005 and the Honda Civic was voted North American Car of the Year in 2006 at the North American International Auto Show in Detroit. Additionally, the Mercury Mariner hybrid compact SUV received the 2006 Green Car of the Year award at the Los Angeles Auto Show. All of these awards signal growing interest in and demand for hybrids and cleaner cars.
- Consumers are lining up to pay list price or higher for hybrids, while large trucks and SUVs require thousands of dollars in rebates to move off dealer lots.
- Hybrid technology grew out of California clean vehicle requirements.

Big Three Revenue Losses Drive Deceptive Ad Campaign

The ad campaign appears to be part of an overt tactic to boost sagging SUV sales and win support for the auto industry's lawsuit against California's global warming law.

- General Motors reported third-quarter losses of \$1.6 billion for 2005 and their North American losses have totaled \$2.8 billion through the first nine months of 2005. Ford Motor Company's third-quarter losses totaled \$1.3 billion for 2005.
- Domestic automakers, which used to earn a large chunk of their profits from SUVs, are seeing their credit ratings slashed and facing threats of bankruptcy. Sales of Ford's Excursion and Expedition in 2005 dropped by about 28 percent and 18 percent, respectively, from 2004 sales.. At GM, sales of the big Chevrolet Suburban were down nearly 27 percent in 2005; December sales for the Tahoe, a slightly shorter Suburban, had a 12 percent drop.

California's Vehicle Global Warming Standards: Growing Support

- In September 2004, California adopted a landmark regulation requiring a 30 percent reduction in greenhouse gas emissions from cars and light trucks by 2016. A statewide poll in July 2005, by the nonpartisan Public Policy Institute of California, found that 77 percent of respondents backed the new regulations. Governor Schwarzenegger has made protection of the California standards a major component of his Climate Targets Initiative.
- Ten states already follow California's tailpipe emissions rules: Connecticut, Maine, Massachusetts, New Jersey, New York, Rhode Island, Vermont, Pennsylvania, Washington and Oregon, while several others are actively considering following suit. Canada has entered into an agreement with automakers to cut vehicle emissions of global warming gases, with targets comparable to California's standards. These states account for about a third of the U.S. vehicle market.