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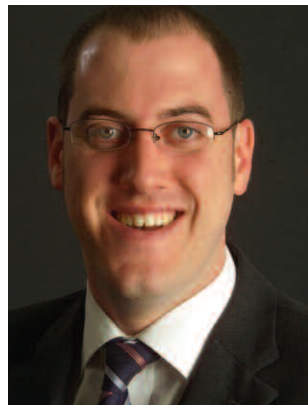
Merrion Fleet
Watch

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David Wilkinson
Sales Director of
Merrion Fleet

Welcome...

Too often both Companies and Individuals focus on the upfront cost of a vehicle rather than what the vehicle is likely to cost them over a given term. No matter how you procure or finance your vehicle, or fleet of vehicles, it is essential to consider the 'Whole Life Cost'.

The Whole Life Cost is based on a forecasted term in years and mileage and includes the following costs;

- Depreciation
- Finance
- Maintenance / Servicing / Tyres
- Road Tax
- Fuel

The Whole Life Cost figure can be detailed as a Total Amount or as a Cost per Kilometre.

At Merrion Fleet we put a lot of emphasis on the Whole Life Cost of vehicles and advise our clients on the best vehicles to run on their fleet. At times the Whole Life Cost difference between two similarly priced vehicles could be thousands over a given term. Companies can therefore save considerable amounts by simply putting the right vehicles on their fleet.

If you have any questions about anything you read in this newsletter or would like to look at benchmarking your current provider to ensure you are getting the best service and value available, contact us in Merrion Fleet, Ireland's largest independent fleet management company.

- *David Wilkinson*

Safety Watch



“Scams – Do you know all the angles?”

Low Balling - This is one of the tricks most commonly used by dealers. They will try to convince the buyer that they can provide the lowest possible price for the car thereby prompting the buyer to start negotiations with the dealer. The salesman will probably tell you that you can get the car that you want for a lesser amount but when you are about to enter negotiations, it turns out that you were not promised a lower price after all. In the end, it is just an empty promise.

Trade In Scam - When you have already bought the car, the salesman will try to contact you before your new car is delivered and tell you that the initial pricing of the car was €500 lower and would like to collect the balance from you. If you fall for this, he will get an extra €500 at your expense.

Best Price Matching - When you tell the dealer that you will try to look around and check other car dealerships, the salesman will ask you to come back when you get the best possible price and he will offer to match it. By this time, you will probably be too tired and sick of looking around. Chances are that you will take their offer.

Spraying - What the dealer will do is to pursue you relentlessly until you give up and buy the car. On the other hand, if you decided to buy from another dealer, he will call you and tell you that he could have given you a lower price thus causing upset. To avoid this, you should not hand out your contact number. Some even give false contact numbers just to evade very irritating car dealers.

Immediate Sale - The dealer will give you a very attractive price but he may imply that this deal can only be made until the end of the day.

Extra Accessories - The dealer will offer to give you extras like: car mats, window tinting, and other accessories. This aims to stop you from asking for a lower price because of the perceived "extras" that you will be receiving from the dealer. It will slow down the price negotiations and divert your attention away from the price.

Puppy Dog Trick - The dealer will allow you to take the car for an overnight or for a whole day, his aim is for you to fall for the car and buy it.

Let's face it: All of us want the best deal available when it comes to buying cars. Thus, it is not uncommon that savvy car dealerships will try to take advantage of this fact by pulling some of the above tricks on you.

Before going to the local car dealer, it is important to have a good idea of what he will be talking about. By knowing what they will be using against you, you will have the necessary defenses to counter-act if and when the time comes.

Beware of new accident scam

Criminal gangs are targeting fleets as part of a new crimewave sweeping Britain in which drivers fall victim to staged motor accidents.

Insurance experts say commercial fleets are being deliberately targeted by gangs because they perceive it as a victimless crime.

The fraudsters stage a deliberate accident, often by disconnecting their own brake lights so that unwary motorists drive into the back of them. They then greatly exaggerate their insurance claims in a number of ways, including adding non-existent passengers to the claim. The growing problem is costing more than £1.5 billion a year, adding 5% to policyholders' insurance premiums.

A spokesman for the Fraud Investigation Team at insurance company Norwich Union said: 'The trend is towards the fraudsters targeting predominantly larger commercial fleets, those that have marked vehicles. They see targeting such fleets as a victim-free crime, affecting an organisation rather than a person. It's worrying.'

David Wilkinson of Merrion Fleet urges drivers in Ireland to execute caution as staged motor accidents are on the rise and are potentially extremely dangerous. Not only do they cost honest drivers millions of pounds each year, but they also put innocent motorists in danger.

John Beadle, who recently became chairman of the new Insurance Fraud Bureau (IFB), created by insurers in the UK to clamp down on such crime, said: 'There are usually some tell-tale signs that you have been involved in a fraudulent collision. Motorists should pay extra attention to people braking suddenly in front of them for no apparent reason or otherwise driving erratically.'

What to tell your drivers

- If you suspect that you have been involved in a staged accident, do not say anything other than 'it is a matter for our insurance companies'.
- If anyone is injured, call an ambulance and the Gardai immediately.
- Take as many pictures as possible of the accident, including the driver, passengers, vehicle and any damage.
- The identity of the driver is crucial so take a good description.
- Establish how many passengers are in the other car and take a good description of them.
- Try to find an independent witness for the accident but be wary of any witnesses quick to offer their services as they may be corrupt.
- Take note of any other cars involved, including damage and registration numbers.
- Be wary of any companies that contact you quickly, offering to repair your car, unless they are through your insurance company.
- If you suspect the accident was intentional, inform your insurance company at the earliest opportunity.

The Export Scam

There are so many email scams doing the rounds that it is difficult to see how anybody could be taken in by them. However, some people do fall for them - so make sure you don't fall prey to these parasites. If an email is written exclusively in capital letters and is from somebody you don't know who is based abroad, simply delete it.

The export (or advance fee) scam works by somebody writing to tell you they'd like to buy your car, even though they haven't seen it. What's more, they'll want to export it, usually abroad where it's likely to be a gift for a close relative. The bizarre thing though is that they'll want to pay you well over the odds for it, via a banker's draft. You'll pay the draft into your account, and it will appear to clear, leaving you to wire a wad of cash abroad. The draft will then turn out to be forged or stolen and you'll be left several thousand pounds out of pocket once they've pocketed the cash and disappeared into the ether.

Just look out for clearly false names, incorrect spelling and a writer who goes to great lengths to ingratiate themselves with you and you won't go far wrong.

Cloning

An increasingly common scam is the theft of a vehicle's identity; it's called cloning. It works very well and it's very easy to get caught out by it. Cloning works by thieves stealing a car and giving it the identity of a legitimate vehicle. Although the car you're looking at is stolen, you don't know its real identity because you're checking the identity of a different vehicle.

Ensure the car's chassis number matches the one on the registration document. Always pay by bankers draft rather than cash; a legitimate seller will be happy with this, but car thieves won't be. Inspect the car at a privately owned residential address - and make sure the seller isn't just using the drive of a house whose owners are away. Also ensure that this is the address shown on the registration document. Get a land line number for the seller - never rely entirely on a mobile number.



Driving Watch

Child Passenger Safety

Merrion Fleet's advice on purchasing car safety equipment for children

- Ensure the seat is safety approved.
- Be guided by the size, weight and development of your child rather than just their age.
- Choose something that you find easy to use and that will fit securely into the car. Not all seats and infant carriers fit in all cars, so try before you buy. Most reputable retailers will allow you to do this.
- Never buy a second hand child restraint unless you know its history and have the instructions, so that you can fit and use it correctly. Instructions can usually be obtained from the manufacturer.
- Never buy a seat or carrier if you suspect it has been in an accident or if it is damaged in any way as this would render the seat useless.

Using Safety Equipment

- Always follow the manufacturer's fitting instructions.
- Never put a seat belt around two passengers (an infant is a passenger).
- An appropriate child restraint is an infant carrier, child seat, booster seat or booster cushion suitable for the child's size and weight and/or development.
- Children under 3 years travelling in the front seat must be carried in an appropriate child restraint.
- If an appropriate child restraint or seat belt is available in the front seat, but not in the rear, it must be used.
- Safety Equipment: Rearward facing infant carriers.
- Two age/weight ranges of carrier are available from birth to 9 months and birth to 15 months.
- The rear facing infant carrier includes an integral harness, held in place by the car's lap and diagonal seat belt, for use in the front or rear seat.
- Low birth weight babies may require extra support to prevent them rolling around in the infant carrier.
- It is safer to carry your baby rear facing for as long as possible.
- Two-way seats are rear facing until approximately 9-15 months (check manufacturer instructions), and are then forward facing until approximately 4 years.
- Never use a rear facing infant carrier or rear facing child seat on the front seat in a car with a passenger airbag.
- Forward facing child seats with integral harness are recommended for children aged 9 months to 4 years (approx) (weight 9 to 18 kgs).
- These seats should be held in place by a lap and diagonal seat belt, in either the front or rear of the vehicle. Some seats can be used with lap belts or manufacturers fitting kits.
- If only one of these seats is in use, it is best fitted in the rear nearside of the vehicle, to avoid the need for parents to remove children from the offside of the vehicle.
- Booster seats are recommended for children aged 4 to 8 years (approx) (weight 15kgs and over) .
- This seat is normally held in place by lap and diagonal seat belts which also retains the child.
- Ideal for children who are too small for a booster cushion and seat belt alone. The sides provide head support.
- One piece seats with a play table are also available.
- Booster cushions can be used for children aged 4 – 11 years (approx) (weight 15kgs and over).
- These are intended for use with lap and diagonal seat belts which hold the cushion in place and restrain the child.
- The cushion lifts the child and locates the belt correctly over the pelvic girdle and shoulder.

Summer Advice



David Wilkinson, Merrion Fleet stated that "not preparing your car for summer motoring could increase the risk of an inconvenient upset such as a breakdown".

Merrion Fleet firstly advise that you thoroughly check the vehicle over for faults before setting out on any lengthy journeys that could potentially cause the vehicle to break down or not run correctly.

Summer Checklists

- Plan your route and set out in plenty of time.
- Remember on long journeys it is advisable to pull over for breaks.
- Take something to eat and drink, just in case you are unlucky enough to get caught in any traffic congestion.
- Do not fill the fuel tank to the brim, especially on hot days. As with most liquids fuel will expand. This could lead to fuel leaking out of the filler neck of the fuel tank .
- If you plan to take a caravan, ensure you maintain your vehicle paying particular attention to brakes and tyres. Note: Caravan tyres can get very old before they wear out. Examine them carefully for any signs of splitting or cracks in the side wall or tread, replacing as required.
- Never overload your vehicle beyond its designed carrying capacity - consult your owner's manual for the relevant information on your vehicle. If you are in any doubt you can get your vehicle weighed at a local weigh bridge.
- Always leave plenty of room between you and the car in front. When your car is loaded its braking distance will be increased.
- Listen to radio reports of any delays or road closures. If you take any medication ensure you have extra supplies if necessary.

Summer Equipment

Merrion Fleet advises carrying the following equipment when driving in poor conditions:

- Heavy duty jump leads
- A good tow rope
- A high quality torch preferably with long life / spare batteries
- A warning triangle
- A fire extinguisher
- A spare fuel can
- A light bulb kit
- Spare cans of engine oil and water
- A detailed and up-to-date road map

Petrol prices up 12% since January

The price of a litre of unleaded petrol nationally hit 117.3 cent this month, up from 103 cent in January. This translates to a rise of around 12.5%. Oil prices have been rising this year as a result of continuing pressure on current supplies. In China demand is up 11% year on year and there are also concerns about the ability of the supplies to meet the summer driving season demand in the US. Oil prices have been rising this year, and London Brent now costs around \$70 a barrel, while crude costs \$65. These prices are not too far off the \$78.40 peak reached in July 2006 for crude oil, due to geopolitical fears.



Ecology Meets Economy



Fleet Synergy International

is a global alliance of leading fleet management companies, providing strategic solutions through locally based expertise.

Established in 1971, we have grown to a position where we now operate in 37 countries including Europe, North and South America, Australia and Japan with a combined fleet of 991.500 vehicles.

Fleet Synergy International represents a combined strength of leading fleet management providers, giving us a unique advantage when providing both prospective and existing customers with benchmarking comparisons and efficiency programmes.

Our headquarters in Brussels provides an international co-ordination centre, which has a mandate to negotiate, implement and manage international accounts.

We provide a full range of international services to support local requirements including international account management, implementation programmes and global consolidated reporting.

In 2050 Western countries must have reduced the emission of greenhouse gases by 50 to 80%, as compared to 1990. The world economy must lower its carbon content by a factor of five, for otherwise we'll jeopardise our planet, our prosperity and hence our future. This is one of the most important conclusions derived from the first cost-benefit analyses arising from the fight against the heating-up of the earth, as stated by the leading economist, Sir Nicholas Stern. The report is very ominous, but it also shows that the worst damage can be prevented.

As a car-fleet manager, you have a role to play, too.

"Economic growth and climate protection do not need to be opposites," says Nicholas Stern. Ecology can meet economy, as we put it.

We can learn Best Practices, from international companies, but also based on local initiatives. And we like to look forward to the future by means of initiatives marketed by fleet suppliers. Sustainable business is one of the priorities of companies.

To play our consciousness-raising role fully, to make the market even more aware and encourage it to take sustainable measures, in November 2007 the Fleet Europe Green Awards, organised by www.fleeteurope.com will be an event to watch. Do you feel called upon to aspire to the Fleet Europe Green Innovation Award or Green Implementation Award?

Some Tips for Green Motoring

Fill your tyres - By ensuring your tyres are filled to the maximum recommended air pressure, you will save fuel, money and energy. Under-inflated tyres can increase your fuel consumption by up to 8%.

Have your car serviced regularly - The better shape your car is in, the more fuel efficient it will be. i.e. the less fuel it will guzzle.

Turn off your engine - If you're stuck in traffic for more than a couple of minutes, turn off your engine to save fuel.

Use your car efficiently - Try to drive as smoothly as possible.

Leave your car at home - If everyone left their car at home just one day a week, it would make a huge difference to the environment.

Use alternatives to cars - Wherever possible walk, cycle or use public transport to get from A to B. You can also organise car pools with people at your place of work.

Use a park and ride scheme - Buses under these schemes usually have priority bus lanes, so you can get to work without sitting in traffic.

European car prices rise

The RoadToData Euro index survey for the fourth quarter of 2006 has shown that after falling for four consecutive quarters, average new car prices in the 19 countries surveyed rose by 1.3%. There was almost no difference in price increases between petrol and diesel models, indicating that the premium for diesels may have reached its peak.

Denmark is still the most expensive country in Europe in which to buy a car, with prices 98% higher than the Eurozone average. Switzerland has regained its position as the least expensive market, displacing Hungary. Six markets actually saw a decrease in the fourth quarter, the largest of which was in Italy, at 1.5% down. Sweden, Poland, Portugal and Greece saw smaller drops. Italy also recorded the largest growth in sales. The largest increases in sales prices came in Germany (up 3.6%), France (3.4%), and Hungary (3.4%). Belgium, Denmark and Switzerland saw increases of over 2%. Belgium was Europe's fastest growing market.



French posties go electric

The French postal service is to order 10,000 electric delivery vans in a bid to reduce its €70m annual fuel bill.

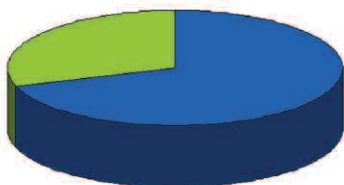
Watch

Ireland's largest Independent fleet management company announce their new website...

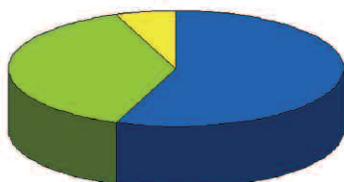
Merrion Fleet, Ireland's largest independent fleet management company, are pleased to announce the launch of their new website which has been redesigned to ensure ease of use and it's easy on the eyes too. Check out www.mfm.ie

Driver Survey Results 2007 Würth Ireland Ltd.

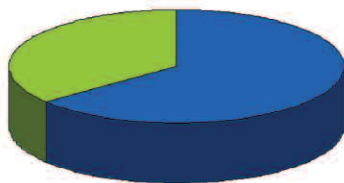
Friendliness of Merrion



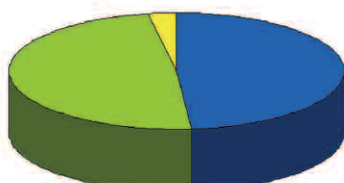
Efficiency of Merrion



Courtesy of Merrion



Speed of Merrion



■ Excellent ■ Fair
■ Good ■ Poor

Results collaborated from a collection of 125 surveys issued with over 55% of results completed and returned by Würth Ireland Ltd. drivers - 2007.



Q: How long have you worked within the fleet management / motor industry

I started in the motor trade in 1999 working for an Alfa Romeo main dealer in Sales and moved onto Aftersales the following year. In 2001, I joined the Technical Department in LeasePlan before moving to Merrion Fleet in 2003. I have family links in the motor industry with both my dad and sister being involved.

Q: What is Merrion's vehicle disposal process?

Currently, we operate on a blind bid process where the vehicles go to the highest bidder on an individual basis. I believe that this allows us to realise the highest price per vehicle. While there are other options, like auction, this seems to be the most effective method of selling.

Q: How do Merrion set residuals and how are they monitored?

Residual values are set using current and forecasted trends and values, taking into consideration both trade and retail sales results. We utilise our extensive supplier network and experience of the used car market to help determine the Residual Value of a vehicle. We have set up a Residual Committee that meets to discuss and review Residuals on a regular basis. With the competitive nature of our business, it is extremely important that our Residuals are both realistic and accurate.

Q: Do you foresee any threats / changes to the residual / second hand market?

The influx of imported vehicles in the executive and small executive sectors over the last couple of years definitely impacted upon the values in the secondhand market but the general consensus now is that the number of imports is slowing down. There is continued speculation about changes in taxation and reductions in VRT resulting in some uncertainty as to what the future will hold. With the current buoyancy in the new car market, there is the possibility of over-supply which will have an effect on future values. One constant in the setting of residual values is being aware of product life cycle and the impact that a new model has on the market.



Client Profile: Gary Thompson Managing Director - Würth Ltd.



How long have you been a customer of Merrion Fleet Management and how would you rate the service so far?

Würth Ireland Ltd has been a customer of Merrion Fleet for 5 years now and we have always found the team there to be extremely professional in their approach to fleet management and in particular to the management of our fleet.

What were the key factors in selecting Merrion as your fleet management company?

At the time we looked at a number of fleet management companies and carried out a lot of internal research on what we as a company would require from the chosen fleet management company in order to allow us to concentrate on our core business. We wanted to be operating to our maximum potential and not to have to spend time on managing our fleet as it wasn't the area where our expertise lay. Merrion came through with the best overall proposal which matched our requirements. In short, the services and professionalism they were offering meant that our resources would be freed up to concentrate on our core business.

Having been a customer of Merrion Fleet Management for 5 years now, what, in your opinion, are the main advantages of using an external Fleet Management company?

The main overall advantage for us is that it doesn't interfere in the day-to-day operating of our core business and that in turn increases company profitability. We do not have the specialist knowledge of fleet management that Merrion has and therefore by outsourcing this area of our business to Merrion we are benefiting from their expertise. In addition, with regards to health & safety aspects, Merrion regularly keeps us up-to-date with important changes in legislation and practices, for example, company compliance. This enables us to maintain and improve our corporate responsibility to our employees.

How do you ensure that you are getting the best possible fleet management service?

From the reporting provided by Merrion Fleet it is evident that the fees involved are far outweighed by the savings generated through discounts, maintenance management and the reduction of our internal time. With regard to the drivers and their experience, Merrion recently carried out a Driver Survey and the results show more than 90% service satisfaction overall.



Merrion Fleet

Merrion Fleet is the largest Irish independent company specialising in the provision of fleet management services and vehicle funding for corporate, public sector and individual clients.

Founded in January 2000, Merrion Fleet currently employ twenty seven people and are the chosen Irish partner for Fleet Synergy International, a Global alliance of International partners who provide European and Global fleet solutions. FSI operate in 37 countries with a combined fleet of 991,500 vehicles.

Merrion Fleet's services include the following:

Vehicle Finance Services:

Merrion Fleet offer a large choice of leasing and hire plans tailored to suit every business.

Contract Hire

This is the fastest growing form of off balance sheet vehicle leasing in Ireland in recent years. With Contract Hire, Merrion Fleet can offer a company a vehicle for long term hire at an agreed period and mileage at a fixed monthly cost.

Personal Contract Hire

Individuals who are paid car allowances can avail of a contract hire agreement with an agreed period and mileage at a fixed monthly cost. There is no balloon payment at the end of the term. Our innovative solutions will provide individuals with a higher class of vehicle than finance leasing.

Finance Leasing

With this form of leasing, the vehicle is shown on the customer's balance sheet. The customer retains title to the vehicle at the end of the contract. No excess mileage charges apply.

Sale & Leaseback

Merrion Fleet can arrange to purchase a customer's existing vehicle fleet through their finance partners and lease it back to them for a monthly repayment.

Other Services:

Fleet Administration

Merrion Fleet provide a complete administration service which enables companies to maximise their fleet's productivity while minimising related administration time, paperwork costs and capital expenditures.

Maintenance Management

Merrion Fleet can maintain a company's fleet and offers fleet drivers comprehensive support, 24 hours a day. Everything from preventive maintenance to tyre changes and emergency roadside assistance is provided by Merrion Fleet.

Vehicle Acquisition and Disposal

Merrion Fleet locate, negotiate, buy and deliver new and pre-owned vehicles for their clients. This service saves professionals' valuable time and money. Merrion Fleet are also able to provide the best value on fleet vehicles to their clients. Merrion Fleet can also manage the disposal process of a company's vehicles.

Management Reporting

This service provided by Merrion Fleet is designed to reduce operating costs and simplify the time consuming administration required to run a fleet. Fleet managers can easily access up-to-the-minute status reports in order to effortlessly initiate services and to analyze information.