



D R I V I N G E X C E L L E N C E

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New year – new focus.

There are many challenges ahead for companies in 2006.

In the second edition of our newsletter we reflect on some motoring and economic matters affecting your business. 2006 has already seen a strong trend in favour of the return of company cars. Please do not hesitate to contact me or the team if you have any comments on this newsletter or on our business. From all the team here in Merrion Fleet I wish you safe driving for the year ahead.

2006 - A move back to company cars

The fleet industry has generally mixed opinion on company cars... friend or foe? In many cases the cost of giving a car allowance to an employee will far exceed the cost of providing the employee with a car. In the UK banking giant Barclays have wooed their employees back to company cars. For Barclays there are several influences behind their company car policy.

- **Barclays want to ensure that their drivers are as safe as possible on the road.**
- **They want to choose company cars that are environmentally friendly.**
- **Many companies choose to give employees an allowance to purchase cars as a way of decreasing administration time. Recent UK research has shown that a driver's involvement in the servicing, management and maintenance of a vehicle can result in up to 3 man days lost.**
- **In the cases where mileage has to be paid the administration actually becomes more complicated as detailed records to comply with Revenue guidelines are required.**

€ Did you know....

• A Saving of €2 or €5 per month per vehicle on contract hire rate while appearing competitive can distract from overall benefits and savings that a proactive fleet management company can make.

€ Insurance Watch

The cost of insurance has recently decreased.

Recent surveys have shown that the price of motor insurance has fallen by 10 per cent in the last twelve months, reducing the average premium in the mainstream market by a further €100.

However, the speed at which premiums are reducing appears to be levelling off.



Name: David Wilkinson
Position: Sales Manager
Length with Merrion Fleet: 4 Years

Merrion Staff Comment

“At Merrion Fleet we have noticed an increasing number of companies operating their tender process through e – auctions. We understand that companies often appoint fleet management companies based on price. However a saving of a few euro per month per vehicle while appearing competitive can distract from the real benefits and savings a more highly priced offering can make to a company.

The real difference a fleet management company can make and the real financial benefits to clients are made in the less obvious, more important and often more subtle services such as the management of vehicle running costs, warranties, disposals and service. Our advice is that consideration be given to all of these key elements in the tendering process.”

€ Toll Prices Watch

The cost of the ordinary car toll on the West Link bridge is €1.80 and on the East Link bridge is €1.45. The price on the West Link Bridge has risen four times in just over three years.

It carries an average of 89,000 vehicles per day – sometimes 100,000 on busy days. With the surge in volumes Merrion Fleet calls for price stabilization.

Recent UK research has shown that a driver's involvement in the servicing, management and maintenance of a vehicle can result in up to 3 man days lost. With a fleet of 150-200 vehicles, this loss could be up to 450-600 days lost to a company.

Residual Values

- The residual value of a vehicle is its value at its time of disposal/replacement.
- This value is often expressed as a percentage of the Manufacturers Suggested Retail Price.
- In general, the higher the residual value, the less depreciation you pay.
- Different marques also lose value at different speeds
- Certain marques depreciate quicker over shorter terms

Vehicle Running Costs

- We offer advice on ways to best manage vehicle running.
- Running costs are a major consideration that must be taken into account by employees.
- Running costs should be taken into account in assessing the contribution a fleet management company makes to the business.

New Car Guide 2006

- Merrion Fleet is located in Sandyford Business Estate
- Merrion Fleet have over 100 customers for whom they manage a fleet of over 4,000 cars
- Merrion Fleet employ 22 people
- Merrion Fleet expect its annual turnover to reach €22 million this year

Category D & E:

Audi A4 Cabriolet: (€ 50,150)
Mercedes Benz S Class: (€93,050)
Saab 9-5 : (€39,900)
Volvo C70: (€56,890)

Category C:

Fiat Croma: (€ 29,495)
Honda Civic: (€18,155)
Hyundi Sonata: (€28,500)

Category A:

Toyota Aygo: (€11,550)
Citroen C1: (€11,550)
Renault Clio: (€14,990)
Suzuki Swift: (€13,995)

Thinking Green

Toyota Prius: (€24,750)

€ Fuel Watch

The price of petrol and diesel is on the rise once again, according to the latest survey of fuel prices by the AA. A litre of petrol now costs an average of 108.4 cent per litre, up by 3.2 cent since February. Diesel prices rose by 3 cent and now costs an average of 108.5 cent per litre.

However, prices still vary dramatically from one service station to the next and from one region to the next.

For anyone selling a used car privately here's some Merrion Fleet wisdom

Do's and Don'ts when selling a Used car.



Advertise your vehicle in a well known paper.



Price your vehicle competitively.



Make sure your vehicle has an up to date NCT cert and tax disc.



Be able to provide a full service history on the vehicle.



Make sure that you either take cash or a certified cheque.

For your information.....

Green Driving and save money

With a little consideration every driver can improve their car's environmental performance and save money.

Here are a few key tips:



- If you have air conditioning use it sparingly – running air conditioning increases fuel consumption significantly
- Travel at the optimum speed as the higher the speed level the higher the level of fuel consumption.
- Did you know that the sun roof in a car can also be a factor in increasing fuel consumption – with a sun roof fully open 4% more fuel is consumed.
- An empty roof rack can increase fuel consumption by 1% and a loaded roof rack on a motorway can increase that figure to 5%.
- An energy aware approach to driving can save up to 13%

The benefits of Fleet Management

Many companies are now recognising Fleet Management as the more cost effective and time-saving solution to managing their fleet. Outsourcing fleet management results in a company saving money and saving on administration time while transferring the risks associated with the vehicle and investment to the fleet management company.

Fleet Management is in its infancy in Ireland when compared to Britain. This year UK businesses will buy or lease at least 1.4m new cars with a retail market value estimated at more than £15bn. By the time the year is over, several billion more will have been spent on maintenance, repair and logistics activities.

Until recently, many businesses had to use their own staff to manage their fleet of company vehicles. Instead of concentrating on what they were good at, employees' valuable time was being consumed by large amounts of administration. The cost-effective management of large fleets of vehicles is a highly complex business. More than ever it is subject to legislative, environmental, technological and commercial pressures. These are placing an increasingly heavy burden on those charged with the efficient operation of one of the business world's single largest overheads.



Name: Stuart Morris
Position: Senior Account Manager

Appointments at Merrion Fleet

Stuart Morris has been appointed to the position of Senior Account Manager at Merrion Fleet, Ireland's largest independent fleet management company.

Having come from Leaseplan where he spent 3 years, Stuart has been responsible for the day to day running of fleets between 2 and 250 vehicles and brings his extensive industry knowledge to Merrion Fleet. His experience includes offering advice on the best car choices to both drivers and fleet managers, through ordering of vehicles to collection and disposal. He also has experience of the commercial vehicle sector having recently project managed the renewal of a 200+ commercial vehicle fleet.