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# CONTENTS



PAGE  
**16**

## FOCUS ON RUSSIA REPORT

Our exclusive report on the Russian commercial vehicle market, plus the latest news from Comtrans.



PAGE  
**26**

## MONITORING, MAINTAINING AND MAXIMISING FLEET OPERATIONS

How can technology assist transport companies to gain the upper hand?



PAGE  
**30**

## HASSLE-FREE TYRE SOLUTIONS

With so many tyre support solutions available, choosing the most suitable one can be difficult.



PAGE  
**32**

## EXPLORING EHCVs

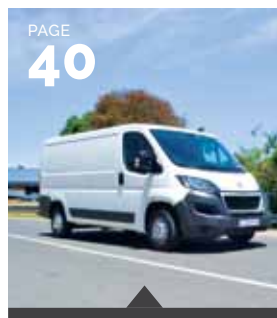
What's happening in South Africa's extra-heavy commercial vehicle segment? We find out.



PAGE  
**36**

## A COMMITMENT TO SAFE CHEMICAL TRANSPORTATION

The transportation of hazardous fuels and chemicals requires careful attention to detail and specialised services.



PAGE  
**40**

## BOX OF TRICKS

A rather voluminous van that requires only a code-B licence to drive, the Peugeot Boxer X250 L2H1 holds many charms.



PAGE  
**42**

## ALL THINGS TO ALL PEOPLE

CHARLEEN CLARKE drives MAN's complete product line-up – from three to 44 t.



PAGE  
**52**

## BUSSING FROM CBD TO CBD

The Sandton transport loop will introduce the new Rea Vaya bus service, which will run from the Johannesburg inner city to Sandton.

### COVER STORY

Powerstar's new V3 ET is set to take the brand on a new journey. Details on page 6.



### REGULARS

- 2 Wheel Nut
- 4 Letters
- 8 Driving Africa
- 10 Economically mobile
- 11 Firm advice
- 12 Vic's View
- 14 Hopping off
- 48 Global FOCUS News
- 50 Short Hauls
- 51 Naamsa figures
- 56 Subscription form

Published monthly by Charmont Media Global  
Unit 17, Northcliff Office Park, 203 Beyers Naude Drive,  
Northcliff, 2195  
P O Box 957, Fontainebleau, 2032, South Africa  
Tel: 011 782 1070 | Fax: 011 782 1073 /0360

**EDITORIAL DIRECTOR**  
Charleen Clarke  
Cell: 083 601 0568  
charleen@focusontransport.co.za  
womanonwheelsza

**PUBLISHER**  
Tina Monteiro  
Cell: 082 568 3181  
tina@focusontransport.co.za

**EDITOR**  
Gavin Myers  
Cell: 072 877 1605  
gavin@charmont.co.za  
gav\_myers

**SUB-EDITOR**  
Jeanette Lamont  
Cell: 083 447 3616  
jeanette@charmont.co.za

**JOURNALISTS**  
Mariska Morris  
Cell: 084 788 8399  
mariska@charmont.co.za  
Patroffie

William George  
Cell: 078 053 5937  
william@charmont.co.za  
juscallmewill

**TECHNICAL CORRESPONDENT**  
Vic Oliver  
Cell: 083 267 8437  
voliver@mweb.co.za

**CONTRIBUTORS**  
Mike Fitzmaurice  
Sam Rolland  
Peter Lamb  
Vaughan Mostert

**ADVERTISING SALES**  
Margaret Phillipson  
Cell: 083 263 0451  
margaret@focusontransport.co.za

Atish Ramachul  
Cell: 081 320 2210  
atish@focusontransport.co.za

**CIRCULATION MANAGER**  
Bev Rogers  
Cell: 078 230 5063  
bev@focusontransport.co.za

**DESIGN AND LAYOUT**  
Nelio da Silva  
nelio@focusontransport.co.za

**PRINTING**  
Camera Press

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# FORGETTING K53

**KNOW WHAT S.I.P.D.E. STANDS FOR? NO? WELL, READ ON TO FIND OUT...**



GAVIN MYERS

**D**river training is a concept often discussed in **FOCUS** – after all, when millions of rand in vehicle capital and customer stock is being moved on public roads, no reputable transport company would want just anybody behind the wheel of its vehicles.

Yet, how many transport operators – or corporate companies in general – extend the concept of driver training to the rest of their staff? It has long been accepted that South Africa's K53 driving system is out of date and leaves the country's drivers woefully under-equipped to tackle modern traffic conditions and the generally poor attitudes of the country's drivers.

While many managers may not believe they are obliged to do so, empowering all employees when on the road can have both immediate and far-reaching benefits.

I recently attended a refresher defensive-driving course with driver-training company MasterDrive. A well-known name in driver training, MasterDrive presents a TETA-approved course consisting of internationally recognised driving standards. A two-hour theory session is followed by an hour of on-road driver evaluation.

While this is not the first time I have done such a driving course, and I have done numerous other advanced-driving courses, I do believe that this type of course is by far the most beneficial to those driving on South Africa's roads every day. The principles apply in equal measure to newly licenced and experienced drivers...

For example, have you yet figured out what S.I.P.D.E. stands for? No?

- SCAN your surroundings for hazards, always looking 12 seconds up the road;
- IDENTIFY the hazard (of which there are three different types: moving, fixed and variable/changing);
- PREDICT what might be about to happen;
- DECIDE what course of action to take;
- EXECUTE your decided action calmly and smoothly.

Naturally, there's a lot more to know; the S.I.P.D.E. principal is only the tip of the iceberg. In actual fact some of the points imparted in the course will already be common knowledge to many in the transport industry...

Truck drivers, for example, are required to complete comprehensive pre-trip vehicle inspections before setting off each morning. Thinking back, this is something all motorists are required to do in the yard during their K53 examination – but how many ever do so again?

As well as teaching foresight and patience, the defensive driving course reminds us of the importance of the simple tasks that could save your life, your family's lives and the lives of other road users before the vehicle's engine is even started.

A defensive driving course brings home numerous truths. The first is that driving a motor vehicle – any motor vehicle – is a privilege, not a right.

The second is that far too many motorists abuse that privilege, and, in the process, place themselves and other road users in very real, altogether unnecessary danger.

The third is that many drivers suffer from a poor attitude, and fail to realise the actual limitations of their driving skills, and how easily these can be improved.

I highly recommend investing in such a course. Being a safer, conscious driver translates into being a more economical driver, which saves fuel and running costs. Most importantly, it could also mean saving a life. **F**







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**SCANIA**

# LETTERS

## CAN SUPPLY CHAIN KEEP UP WITH SMEs?

Around 92 percent of DHL's business globally comes from the small and medium enterprise (SME) market. In Africa, SMEs make up a large portion of the employment for individuals joining the working-age population.

What is clear though, is that SMEs need to make supply chain management part of their business plan if they want to succeed. Finding the right partner to help build and manage a company's supply chain is vital to an SME's growth process.

In order to succeed, an SME needs to be able to increase inventory velocity, achieve the shortest possible cycle times, continually improve supplier performance and drive its sales and market share. Supply chain management is central to this.

According to the World Trade Organisation, studies on African firms show that participation of SMEs in international markets can result in higher growth and employment through economies of scale and in enhanced productivity and innovation through learning effects.

When doing international business, partnering with a logistics provider that has experience with the customs requirements of various regions is vital.



A good logistics service provider should be able to provide advice on how to avoid delays with customs, and act as a facilitator if goods are delayed at international borders.

DHL considers SMEs to be the engines for growth in sub-Saharan Africa, but they need to be agile and flexible enough to adapt to changing regulatory standards and distribution requirements for their products. Effective supply chain management is central to this.

**John Lucas**  
Country manager, DHL Express South Africa

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# HITTING THE HIGHWAY

TRADITIONALLY BETTER KNOWN IN THE ROUGH-AND-TOUGH MINING AND CONSTRUCTION INDUSTRIES, POWERSTAR HAS OFFICIALLY LAUNCHED ITS ASSAULT ON THE LONG-HAUL MARKET. GAVIN MYERS REPORTS



# M

uch can change in four years. For example, back in October 2013 Powerstar's V3 6x4 truck tractor for the long-haul market made its debut.

The first ever own-design for Powerstar SA, the V3's lines were drawn in Germany and it really looked the part. It was to be at the same level as European trucks, but, at a time when the long-haul segment was moving en masse to clutchless transmissions, the Powerstar V3 could only offer a 16-speed manual ZF gearbox. Nonetheless, with a long-term vision in mind, Powerstar

ran 100 000 km of testing before handing over approximately 50 units to selected customers. This real-life testing ran for three years in a variety of operations and driving conditions.

Now, exactly four years after that original reveal, the Powerstar V3 ET has passed homologation and hit the showrooms. This is a new-generation, long-haul truck tractor that builds on the lessons learnt since 2013.

"Chinese technology has improved hugely in the last four years, which has allowed us to offer more selection to the customer at a lower cost than sourcing components from Europe," explains Bob Wang, CEO Ever Star Industries.



As such, in addition to the original 343 kW (460 hp) 12-litre Weichai engine, Cummins now supplies 11- and 13-litre 320 and 343 kW (430 and 460 hp) engines out of its plant in China. All are of Euro-3 spec.

Fastgear 12-speed AMT gearboxes are now available, while proprietary axles are fitted. The cooling system is by Behr, the brakes by Wabco. Further, a Jake Brake is fitted to the 430 hp model and the others have intertarders.

"In the last few years, many international parts suppliers have created joint ventures in China. They supply high-quality parts to Chinese original equipment manufacturers (OEMs). This has

Ever Star Industries has also purposely ensured that the V3 is assembled (SKD) in its Pietermaritzburg plant, allowing the engineers to have a deep understanding of the vehicle. A BeiBen (Everstar's parent company) engineer is permanently based at the factory so that, if needed, vehicle modifications can easily be made.

After four years of dogged groundwork, Wang and Selesnick are now excited to see the V3 ET prove itself. The men are aware, however, that Powerstar is not a name generally bandied about in long-haul circles. The aim for now is to sell 100 units into the South African market by the end of 2018.



**ABOVE LEFT:** Selesnick (left) and Wang unveil the V3ET.

raised the quality and reliability of our trucks," Wang explains.

However, so much more has gone into the V3 ET than just a few upgraded components. An engineering team comprising Chinese, American and German expertise undertook analysis and computer modelling for two-and-a-half years.

"This new-generation model may look the same (the cab is still a double sleeper), but there are huge changes underneath. We've looked at raising quality and reliability to the point of even increasing the life of plastic components," Wang says.

Importantly, the research and development has also increased the vehicle's capabilities, explains Rodney Selesnick, senior head: sales and marketing, Ever Star Industries.

"Extensive chassis revisions have meant that the V3 ET is 800 kg lighter than the previous model. This means the payload is greater, but strength hasn't been compromised," he says.

Both Wang and Selesnick are unequivocally convinced that the Powerstar V3 ET is now ready for the long-haul market – for which aftersales support is an absolute prerequisite.

"Through our original V3 test programme, we have worked out what a long-haul truck requires for 300 000 to 400 000 km of operation. We hold parts up to the value of R80 million at all times, while we have spent a lot of time raising the bar with our dealers and have attracted some new partners," Selesnick explains.

"We'll sell this truck from the ground up, like we did with the Powerstar VX range. It's all about building the relationships between ourselves, our dealers and our clients. We know the truck works, we can support it and we have the backing of our component suppliers," says Selesnick.

"While our purchase, maintenance and lifecycle costs across all our vehicles are very economical compared to our competitors (the V3 ET retails at just over R1 million, for example), they still offer the same spec and capability," he says, adding that various finance and support packages are being developed.

"Some clients have as many as 500 VX models in their fleets, but also have a line-haul requirement. Many have already shown the willingness to run the V3 ET. We've got this truck right. It's a great truck and the only thing left is to get long-haul operators to see what a fantastic truck they are getting for their money," Selesnick concludes.

No doubt the hard work over the last four years has provided a great foundation to build and the grow the business. **F**

FIND OUT MORE ABOUT THE V3 ET





**MIKE FITZMAURICE** is the CEO of the Federation of East and Southern Africa Road Transport Associations (Fesarta). He has 42 years of experience in the transport and logistics industry with several major companies in South Africa, as well as overseas exposure with some of the leading transport companies in six European countries. Since 2004 he has established and run Transport Logistics Consultants. In May 2015 he became CEO of Fesarta.

# HAVING TO CONTAIN FRUSTRATION

**AS THE SHIFT TO HIGH-CUBE (HC) CONTAINERS CONTINUES, SOUTH AFRICA WILL BE LEFT BEHIND BY THE END OF 2018 IF ITS LEGISLATION IS NOT ADAPTED**

**I**n road haulage there is continual innovation in vehicle and trailer design and capacities. Vehicle dimensions and specifications have changed radically to match demand.

The introduction of containerisation in the 1970s made it essential to increase legal vehicle height from 4.1 to 4.3 m. With the advent of the HC container, the "new norm" is for 12-m boxes in world shipping – and they require a legal height of 4.6 m (the same as a double-deck bus).

Based on current volumes, there will be approximately 900 000 to 1 000 000 HC box movements on South African roads in 2017. The

proportion will continue to increase, driven by international trade.

Road transport of HC containers is currently illegal on South African roads, but is permitted until January 2019 under a prosecution "moratorium" issued by the Department of Transport.

The Road Freight Strategy, endorsed by Cabinet in 2017, recommends engagement with the South African Development Community (SADC) Tripartite Transport and Transit Facilitation Programme (TTTFP) to facilitate harmonisation of vehicle regulations to improve trade on regional corridors.

Zambia, Zimbabwe and Tanzania have already changed their legal height limits, and barring vehicles from neighbouring states will contravene the SADC Protocol on Transport and be recorded as a Non-Tariff Barrier (NTB).

Repeated submissions to the authorities have not resulted in further response or dialogue, which means that transporting HC containers by

road may become illegal after 2018. This makes several sectors vulnerable and provides a very short window for them to revise their logistics systems.

The current impasse in changing road-freight regulations to permit legal transport of HC containers is part of the outdated legislation responsible for much of the unenforceable regulation hanging over road-freight transport in the region.

After ten years of safe transport of HCs all over the region, there is no credible evidence to support the resistance to changing the legal height of transport vehicles. The insurers, shipping lines (as owners) and road authorities have no records of damage caused by the dimensions of HC containers.

It is likely that the casual disregard for the practical and economic impacts on the industry will result in a total crisis when the moratorium is lifted and a large proportion of the road-freight industry opts to not transport HC containers.

The resulting chaos in ocean shipping and in South African ports, as well as the disruptions to industry, will cause added damage to the fragile regional economic situation.

The deputy minister of transport recently made a statement that "regulation" (which is to say, restriction or additional cost) of cross-border transport is a propeller (not an obstacle) to regional trade.

Fesarta will continue to request that the "inconsistent and flippant regulatory practices" where "authorities change rules without due process and consultation", which she also mentioned, can be resolved to end the looming crisis with container transport. **F**







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**SAM ROLLAND** is an automotive and transport economist at Econometrix. He is responsible for writing the *Quarterly Automotive Outlook* at Econometrix, as well as commentary and analysis on vehicle sales and transport price drivers. Prior to joining Econometrix, Rolland spent a number of years as an economist for the National Treasury of South Africa. He has also worked at Bloomberg New Energy Finance as a research analyst in conventional power.

# AN EXCHANGE RATE IN FLUX

## DRAWING A LINK BETWEEN EXCHANGE-RATE MOVEMENTS AND THE PRICE OF NEW VEHICLES IS ESSENTIAL TO ENSURE THAT EXCHANGE-RATE RISK IS MINIMISED

**I**n September, I was fortunate enough to attend a breakfast during the Futuroad trade show, at which many delegates from the local commercial-vehicle industry were present.

The introduction of many new models and companies increasing their operating presence in the country was encouraging for the outlook of the market.

In the current economic climate in South Africa, manufacturers are required to be more efficient in navigating through the economic doldrums. For heavy-vehicle manufacturers, it is even more critical to be able to minimise exchange-rate pass-through.

As a small economy, South Africa relies on imports of whole or broken-down vehicles and parts. Unfortunately, this places both transport operators and local dealers at the risk of political and global risk-driven exchange-rate volatility.

Events such as the March Cabinet reshuffle, and the action by rating agencies Moody's and Standard & Poors, saw the rand depreciate to near R14 to the dollar.

Conversely, global events, such as United States (US) dollar weakness and pressures stemming from US-North Korea tensions, have allowed the rand to trend into stronger territory throughout 2017. This is, of course, in the absence of political developments

in South Africa that have previously caused volatility in the currency.

Further, it would appear that global oil demand has shown signs of a potential recovery. This has begun to push the oil price upward, narrowing already tight margins on operators and placing more importance on ensuring that fleet replacement is undertaken at a time when purchase prices are low.

In the climate of weak domestic demand, it is essential for a demand planner to account for the possibility of exchange-rate volatility when considering order lead times.

During discussions at Futuroad, the issue was raised that during periods of increased exchange-rate volatility, domestic suppliers face exposure in the lead time from ordering to delivery of vehicles in the country.

This can lead to drastic losses on vehicles sold, or high new-vehicle inflation that pushes purchase prices higher. Smaller operators – that do not have access to capital markets, or the ability to hedge against this risk – are particularly vulnerable, and may be

forced to delay upgrading or replacing their fleets.

Therefore, drawing a link between exchange-rate movements and the price of new vehicles is an essential element to ensuring that exchange-rate risk is minimised. Econometrix attempted to understand the time it takes for exchange-rate fluctuations to translate into changes in vehicle prices.

The study revealed a significant amount of co-movement between new vehicle inflation and the exchange rate over three quarters, or nine months. This suggests that any changes in the exchange rate manifest in local vehicle prices nine months after the change.

Based on this, we can see that vehicle inflation is likely to tick up at a moderate rate into the beginning of 2018. However, with heightened political uncertainty (with the ruling party elective conference in December, and subsequent 2019 elections), the risks to inflation of new-vehicle prices pushing into 2020 may be high. **F**





 @NLawGlobal

**PETER LAMB** is a director in the Norton Rose Fulbright admiralty and shipping team, based in Durban. A qualified attorney, Lamb has an LL.M. in shipping law from the University of Cape Town. He focuses on shipping, logistics and marine insurance law. Lamb is also able to advise logistics service providers, and users, on numerous commercial aspects and risk management, with a focus on Africa. You can read more from Lamb on the Norton Rose Fulbright [insideafricalaw.com](http://insideafricalaw.com) blog.

# REMOVING THE RISK FROM LOGISTICS

## THERE ARE TWO PRIMARY WAYS IN WHICH LOGISTICS USERS, AND THEIR SERVICE PROVIDERS, CAN MANAGE THEIR RISK

**T**he first is to contract out of that risk. The second is to obtain insurance for any risks that cannot be contracted out of. If these two mechanisms are used in conjunction with each other, there is little room for disputes developing into litigious matters.

Risk management becomes complicated when statutory regulations enter the fray, and this is what happened to the logistics industry when the Financial Services Board (FSB) issued Information Letter 1/2012.

According to this letter, a transporter can only insure the goods of its customer, if, among other things, it is a registered insurer; or if it enters into a short-term policy with a registered insurer as a bailee.

The purpose of this letter was to stop the practice of transporters providing “tick the box” goods-in-transit (GIT) insurance to their customers – sometimes without there being a policy in place.

Recently, I had a matter on my desk that served as a good example of how not to do things. The truck concerned had jackknifed, which resulted in a container sliding off and the contents being damaged.

Transporter A had entered into a contract with the cargo interest, and had, in turn, subcontracted transporter B to carry the load. At the time of the incident, the cargo interest thought



that its standard trading terms were applicable. Those standard trading terms prohibited transporter A from subcontracting, and limited liability to 500 000 SDR (special drawing rights), which equates to about R9 million.

When the cargo interest made a demand, transporter A argued that the consignment had been transported in terms of an oral agreement with the cargo interest's local manager. It asserted that, in terms of that alleged oral agreement, transporter A had only agreed to provide GIT insurance cover of up to an amount of R500 000. The subcontractor, transporter B, had, in turn, also agreed to carry the consignment on basis of GIT cover of R500 000.

There are two problems with the above scenario. First, the parties were not clear on the terms of their agreement. This error arose out of poor risk management. The parties clearly did not understand how standard trading terms operate, and did not know when to incorporate these terms into a written agreement.

Also, the logistics manager of the

cargo interest was not familiar with his own company's standard trading terms, and appears to have agreed to a local custom in terms of which transporters simply offer limited GIT insurance cover to their customers.

From the insurance perspective, the local custom of transporters putting up GIT insurance is prohibited by the FSB letter. The difficulty that the logistics industry faces is that there are a number of brokers and underwriters who do not appreciate the full implications of the FSB letter.

Because of increased trade, competition and new technologies, risk management in logistics is becoming more important. Logistics service providers and their customers must know the form of the logistics contracts and how to make them binding, as well as the agreed obligations and how the risks are allocated and insured.

They must ensure that they have proper insurance in place; be it bailees' insurance, or liability insurance.

If risk management is undertaken correctly there would be little need to employ dispute lawyers. **F**





**VIC OLIVER** is one of this country's most respected commercial vehicle industry authorities, and has been in this industry for over 50 years. Before joining the **FOCUS** team, he spent 15 years with Nissan Diesel (now UD Trucks), 11 years with Busaf and seven years with International. Do you have a comment or thought you would like to share based on this column? Visit [www.focusontransport.co.za](http://www.focusontransport.co.za) and have your say!

# THE USED MARKET GETS TOUGHER

**WHILE USED VEHICLES REMAIN A POPULAR OPTION FOR BUYERS, IT IS BECOMING MORE DIFFICULT FOR THE DEALERS TO PROFIT**

**T**he continual increase in the price of new trucks and trailers has created an affordability problem for some road-transport operators and potential buyers of new commercial vehicles.

This has enticed buyers to investigate the used-vehicle market and, in some cases, buy a used truck or trailer instead of a new unit. This growing trend has kept the used truck and trailer market buoyant.

However, although sales of used trucks and trailers have remained steady over the last couple of years, and customers are prepared to pay a fair price for these pre-owned vehicles, dealer profit margins have dropped, due to an increase in competition and the cost of refurbishment.

The recent steep prices of replacement parts (that are required to get used vehicles and trailers into a roadworthy and saleable condition) has been one of the main factors contributing to the reduction of profit margins. Another factor has been the increase in workshop labour costs.

In addition to dwindling profit margins, dealers of used heavy commercial vehicles are also finding it harder to replenish their stock, especially in the four- to eight-tonne payload segment of the market.

Customers have also become more selective in terms of the make and

model of used truck or trailer that they intend to purchase.

There is a greater demand for trucks and trailers with a good history of high durability and good back-up service from the original manufacturer and dealer network. This makes the task of sourcing stock and paying the right price for the used vehicle more difficult for the dealers.

From my observation, the extra-heavy segment of the used-vehicle market appears to be flooded with

In addition, operators who purchased new 6x4 trucks without buy-back agreements trade in their vehicles early, before they need expensive replacement of driveline components such as engines, gearboxes and differentials. This adds to the number of second-hand vehicles on the market.

Another difficulty facing the used-vehicle dealers is that customers are reluctant to buy a used truck with high mileage on the clock unless they



used 6x4 vehicles. There are just too many of these vehicles for sale and not enough buyers.

One of the factors creating the oversupply of used trucks in this segment is that many of these vehicles were originally purchased with buy-back or trade-back agreements, whereby the dealer and/or manufacturer agrees to take the unit back after a specified time. This has had the effect of flooding the used-vehicle market.

get it at a very low price. I am not saying that these high-mileage units are not saleable; placed in the right application, and bought at the right price, they should perform well.

Notwithstanding the trading difficulties in the used commercial-vehicle sector, it remains a good business in which to be, provided that dealers buy the right stock at the right price and offer their customers a sound vehicle that has been refurbished and is in a roadworthy condition. **F**

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**VAUGHAN MOSTERT** lectured on public transport issues at the University of Johannesburg for nearly thirty years. Through Hopping Off, Mostert leaves readers with some food for thought as he continues his push for change in the local public transport industry.

# ADVICE FOR THE AUDITORS

**THE KPMG SAGA HAS STIRRED UP A HORNET'S NEST, WHICH GIVES ME THE OPPORTUNITY TO BRING PUBLIC TRANSPORT INTO THE DEBATE**

**I**t isn't only accountants and auditors who need a wake-up call. Developers put up 40-storey buildings and expect everyone to travel to and from them by car. Engineers pour concrete all over the country in the form of wider roads and unnecessary rail projects.

Lawyers draw up contracts for oversized locomotives and buses, and useless websites are published that attempt to inform commuters when the next bus is going to arrive.

It's time we realise that South Africa is in junk territory, and that an almost superhuman effort is required from all citizens. Leaders in all disciplines should be doing far more to ensure that our limited resources are spread more evenly throughout society. Waiting for someone else to do it is no longer an option.

Some history: a report from the Durban City Council dated November 8, 1974, and signed off by the heads of two departments – the city treasurer, Ossie Gorven, and the general manager of the transport department, Noel Flanagan – was entitled "Joint report on the financial and technical implications of re-introducing electric trolley buses on Durban services".

It was a response to pressure from a small group of people – called the Movement for Improved Passenger Transport (MIPT) – to have



the re-introduction of trolleybuses investigated properly.

The report found that it would cost between R38 000 and R115 000 per kilometre to put up overhead wires and the associated power supply, depending on the area. The report assumed that 742 km of routes would have to be electrified, giving a then staggering figure of R68 million (but only R4,1 billion in today's money).

Compared with the R22 billion being spent on Go!Durban, it would have been a bargain. MIPT never suggested that the entire city should go electric, but, perhaps it should have!

Fast forward to 2015 – KPMG produced a report "to determine the impact that the Gautrain system has had on the Gauteng province". Ominously, it stated: "...this study will support (the Gautrain's) plans to extend the services of the Gautrain".

The report stated: 21 000 car trips eliminated, property values up by R18 billion, a 52-percent reduction in carbon footprint and R6 billion "added" to the provincial economy. Even if these statistics are correct and

relevant (which I doubt), they do not support Gautrain expansion.

I would rather believe a more recent Masters' thesis by Nobuhle Shange on the topic "Is ... public transport ... failing the poor: A ... case study of Johannesburg", dated May 2017. Awarded by a Czechoslovakian university (once again, where are our local universities?) her thesis concludes that the Gautrain has merely "perpetuated inequality".

Here's a chance for KPMG to partially redeem itself. Don't donate R23 million to charity, rather do an unsolicited investigation into the feasibility of electric trolleybuses on the Moloto road, north of Pretoria.

The Passenger Rail Association of South Africa (PRASA) needs to cancel the R57-billion "loan agreement" with a Chinese bank to finance the development of the Moloto Rail Development Corridor (*The Citizen*, October 2).

A duo-trolley service will do a better job at much lower cost. And if we really need to keep the Chinese happy, we can buy the trolleybuses from them. **F**



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# RUSSIA RISING!



**RUSSIA IS UNDOUBTEDLY ONE OF THE MOST INTERESTING – AND CHALLENGING – COMMERCIAL VEHICLE MARKETS IN THE WORLD. HOME TO OVER EIGHT-MILLION COMMERCIAL VEHICLES, IT'S CURRENTLY EXPERIENCING OFF-THE-CHART GROWTH. CHARLEEN CLARKE TRAVELLED TO THIS FASCINATING COUNTRY, WHERE SHE ATTENDED COMTRANS AND VISITED KEY PLAYERS – AND SHE REPORTS THAT THIS IS A MARKET UNLIKE ANY OTHER**

**R**ussia is a place of extremes, and so, too, is its commercial-vehicle market. The sales volumes vacillate constantly, moving from 104 540 truck sales in 2013 to just 48 260 in 2015. Over the same period, bus sales dropped from 14 700 to 8 220 while light commercial vehicle sales plummeted from 193 650 to 102 340.

The trucks in use within this vast country also demonstrate this extremity; they range from very old trucks that look as though they need to be in a museum (every other truck on the roads is over 15 years old) to extremely modern vehicles that would not look out of place in western Europe. Operating

conditions vacillate too – from typical long-haul applications to extreme operating conditions (temperatures often drop to below  $-38^{\circ}\text{C}$  in the north-eastern regions around Yakutsk).

This is not a market for the faint-hearted. Until fairly recently, it's also not been a massive market for the European truck makers ... but, like everything else in the Russian truck industry, this is changing. Fast.

## BACK IN THE USSR

In order to understand the Russian market today, it's necessary to backtrack a bit – to the days of the Soviet Union. As Andy Thompson, author of *Trucks Of The Soviet Union: The Definitive History*, notes, when the Communists raised the red flag over





**TOP:** GAZ participated in the recent Silk Way Rally with this Ural, pictured with Charleen Clarke. We could see vehicles such as this one on South Africa's roads in the not-too-distant future.

**MIDDLE:** The impressive entrance to GAZ in Nizhny Novgorod.

**BOTTOM:** This vehicle - the 54901 - is what the future holds for KAMAZ!

Russia in October 1917, they inherited a country with virtually no truck industry. Britain, Germany, America and France had factories mass producing trucks; the Russians had a few tiny assembly plants, bolting together imported components.

The Communist Party was determined to change this situation, and so it established its own truck manufacturers. Two of the biggest were GAZ and KAMAZ, which **FOCUS** visited in order to compile this special report.

The former was established in 1929, following an agreement between Henry Ford and Joseph Stalin, who was, of course, then ruler of communist Russia. Ford had no qualms about doing business with the communists. In fact, an article published in May 1929 in *The New York Times* quoted Ford as saying: "No matter where industry prospers, whether in India or China, or Russia, all the world is bound to catch some good from it."

Ford caught a lot of good. In terms of this agreement, the company provided technical assistance to the Soviets who, in turn, bought vehicles and parts to the tune of a whopping

\$30 million (roughly R405 million in today's money). Initially, the company was known as Nizhegorodsky Avtomobilny Zavod – or NAZ, but then, when its first plant opened in the town of Gorky (now Nizhny Novgorod) in 1932, it was renamed to Gorkovskiy Avtomobilny Zavod (meaning "Gorky Automobile Plant"). Ford sent Model A car and truck kits to the plant, which assembled what it called the GAZ-A and GAZ-AA respectively.

KAMAZ, on the other hand, was established in 1969, following a resolution by the Central Committee of the USSR Communist Party and the USSR Council of Ministers. Its name hails from the Kama River (KAMAZ was established in a tiny town called Naberezhnye Chelny, on its banks). The first KAMAZ truck rolled off the final assembly line on February 16, 1976. Largely thanks to the establishment of KAMAZ, the town has expanded, and today it's home to about 524 000 people.

These two companies were able to enjoy a commanding share of the local market for decades. That market grew





substantially, as Thompson notes: "The Soviet Union's engineers, designers and workers created one of the world's largest truck industries." Truck sales were bolstered considerably by military purchases, which – especially during times of war – accounted for more than half of all purchases.

**SOVIET UNION IS NO MORE**

On December 25, 1991, the Soviet flag – with its hammer and sickle – was lowered for the last time over the Kremlin, signalling the end of the Soviet Union. Earlier that day, Mikhail Gorbachev had stepped down as president of the Soviet Union, leaving Boris Yeltsin as president of the newly independent Russian state.

The European truck manufacturers sat up and took note.

Some European companies – notably the Swedish – had previously been present in the Russian market. Scania, for instance, had been active in the Russian market over 100 years ago, as Wojciech Rowiński, managing director of Scania Rus, reveals.

"The history of Scania's presence in Russia began when the first service truck for tramlines was shipped to the Russian Empire in 1910. It was used in St Petersburg, which was then the capital," he tells **FOCUS**. After the First



**ABOVE:** KAMAZ claimed all three podium positions in the 2017 Silk Way Rally. The company is the leader in the Russian heavy commercial vehicle sector.

**LEFT:** Director general of KAMAZ Foreign Trade Company, Raphael Gafeev, presents Bell Equipment chief executive, Gary Bell, with the certificate to officially commemorate the appointment of Bell Equipment as the southern African distributor of KAMAZ trucks.



were available on very favourable terms. Even today, Scania Griffin vehicles are common on Russia's roads.

Scania has a plant in St Petersburg, which opened in 2010. It has an assembly capacity of 5 000 truck chassis and 1 500 superstructures per year. MAN opened a plant in the same city one year later. Last year, Scania and MAN joined forces, and their trucks are now produced in the same facility in St Petersburg.

Volvo is another company with a long history in Russia; the brand was registered in the then Soviet Union in 1969 and the first 100 Volvo trucks were delivered to Sovtransavto Leningrad in 1973. In 2009, Volvo opened a plant in Kaluga, which is situated 200 km south-west of Moscow. It has an annual capacity of 10 000 Volvo and 5 000 Renault trucks.

Some other companies – Daimler, for instance – were slower coming to market. It was only in 2010 that Mercedes-Benz Trucks Vostok, a joint venture between Daimler and KAMAZ – was formed. At the same time, Fuso KAMAZ Trucks Rus – a joint venue between Mitsubishi Fuso Truck and Bus Corporation and KAMAZ – came into being.

The formation of two separate companies wasn't a great idea – and so they merged to form Daimler KAMAZ Rus, as Heiko Schulze, its chief executive officer, tells **FOCUS**. "Running two companies with two separate production facilities and lots of duplications just didn't make sense – and so we merged the two in 2015, forming Daimler KAMAZ Rus."

World War. however, Scania was forced to stop its operations in Russia.

In 1993, Scania once again embarked on a journey to capture the Russian market. "Eight years later, we managed to make a dramatic leap forward with the launch of the Griffin series of trucks, which were highly appreciated by customers, thanks to their reliability, cost-efficiency and comfort. However, we didn't just sell trucks, we also offered a 'package' of services, which was virtually unique to the Russian market at the time," explains Rowiński.

The "package" included the vehicle itself, which was tailored for Russia, especially in terms of road and economic conditions, maintenance and financing. The vehicles were configured to meet specific needs of Russian customers and





has traditionally been tough. The Seven Sisters – Volvo, Scania, Mercedes-Benz, Renault, DAF, Iveco and MAN – have typically had to fight it out for the crumbs of the market while the Russian manufacturers have claimed the lion's share.

KAMAZ and GAZ are the undisputed market leaders in Russia. KAMAZ rules the roost when it comes to heavy commercial vehicle sector, while GAZ is the leader in the light and medium sectors. Both companies are players in the Russian bus market too (GAZ has an 80-percent share).

The two companies have dealers in all corners of the country: KAMAZ has 179 while GAZ has 220. "This may sound like a large number of dealers, but, for a country where you have 11 time zones, this isn't too many. In addition to the number of dealers, customers can also buy spare parts for our vehicles in 1 843 shops across Russia," Vadim Sorokin, GAZ group president, tells **FOCUS**.

**BOTTOM LEFT:** Vadim Sorokin, GAZ group president, is eyeing the export market.

**BOTTOM CENTRE:** Charleen Clarke joins a KAMAZ test driver on the company's test track in Naberezhnye Chelny.

**BOTTOM RIGHT:** GAZ is an extremely innovative company. It has even created an amphibious off-road vehicle called the Sobol All-Terrain Crawler. This really cool concept vehicle is an extremely good swimmer, we are told.



The company produces over 30 configurations of Mercedes-Benz trucks: Actros, Atego, Axor, Unimog, Zetros, and Fuso trucks at a plant in Naberezhnye Chelny, which is also home to KAMAZ. Daimler has a 15-percent share in KAMAZ.

Ford Otosan, the Turkish joint venture between Ford Motor Company and Koç Holding, is another company that recently set its sights on the Russian market.

"We entered the Russian market ten years ago. In 2014, we signed an agreement with Avtotor Holding of Russia to produce Ford Trucks branded vehicles. We believe that Russia is a very important truck market. In fact, we believe that it will soon be the biggest heavy commercial vehicle market in Europe," Ercan Emrah Duman, director – international markets at Ford Trucks, tells **FOCUS**.

Competition among the European manufacturers – dubbed the B7 or the "Seven Sisters" – in the over six-tonne market

Not surprisingly, KAMAZ and GAZ have achieved staggering market shares. In 2013, together they claimed 63 percent of the medium- and heavy-duty market (some other smaller Russian companies achieved a five-percent share, bringing the total share of Russian companies to 68 percent that year).

In 2014, the two market leaders claimed 65 percent, while Russian companies in total achieved 73 percent. In 2015, KAMAZ and GAZ achieved 66 percent; the total Russian share was 78 percent. Last year, the two dominant players achieved 67 percent and the smaller Russian companies achieved another ten percent, bringing the Russian share of market to a whopping 77 percent.

The Seven Sisters, the Asian companies (Japanese, Korean and Chinese truck makers) and the lone Turkish company have had to fight for the scraps that are left, but those scraps are slowly becoming more tantalising. In the first five months





of this year, Russian companies enjoyed only 60 percent of the market. The Seven Sisters registered astronomical growth.

In the first quarter of 2017, Scania grew its sales by 146,7 percent, Volvo by 254,7 percent, Mercedes-Benz by 333,8 percent and DAF by 601,5 percent! Renault is showing remarkable growth too.

"Renault Trucks is the fastest-growing brand in the market among the B7," claims commercial director of Renault Trucks Russia, Alexander Zori. "We have grown our sales by 900 percent in the first seven months of 2017 compared to the same period last year."

The growth of the Russian companies this year has been considerably more modest. KAMAZ sold 34 400 vehicles last year. This year, it anticipates selling 38 300 vehicles, of which 5 200 will be exported. It's well on track to achieve this. Over the first nine months of 2017, for instance, KAMAZ produced 26 500 vehicle kits, which is 15-percent up on the period last year.

### WHY THIS ASTRONOMICAL GROWTH?

Schulze explains that the growth in European truck sales can be attributed to two factors: the market is growing and so, too, is the B7's share of this market. "We are seeing the total market growing for three reasons. First, there has been a slight recovery in the Russian economy. Second, many customers didn't buy any vehicles in 2014 and 2015. They postponed purchasing decisions in order for their businesses to survive. Now they must purchase. Third, we are seeing a decline in small mom-and-pop companies. The Russian tax authority is clamping down on tax evasion and these companies are closing down as a result. Their contracts are going to larger companies, which are showing growth and buying lots of trucks."

In September this year, 7 200 medium and heavy trucks were sold in Russia, which is 53,9-percent up on September 2016. The top-selling truck is typically a KAMAZ; in 2016, the KAMAZ 6511 was the best-selling truck in Russia (5 000 of these trucks were sold; the MAN TGS was the top-selling foreign truck last year, with 1 900 sales). However, in September 2017, the Volvo FH was top of the pops (537 units

were sold which was 7,4-times more than in September 2016). Schulze believes that the B7 market (over six tonnes) will be 20 000 to 24 000 units this year while the total market will clock in at around 70 000 units.

KAMAZ focuses on larger vehicles. As such, Rafail Gafeev, general director of Foreign Trade Company KAMAZ, believes that the market for trucks with a gross vehicle mass (GVM) of 14 to 40 t will number 58 000 vehicles in 2017. "This is 44-percent more than in 2016. There is a positive trend in all segments of the truck market. The truck-tractor segment is growing the most," he tells **FOCUS**.

Gafeev attributes the growth to deferred demand, an increase in commercial cargo transportation, development of the oil and gas production sector, spending by housing and public utilities, stabilisation in the agricultural sector, and slackening of loan interest rates.

So, the market is growing – undoubtedly, but why the shift towards non-Russian products? The jury is out on this. One thing is certain, though: it has nothing to do with price. After all, from a pricing perspective, the Russian vehicles are typically the cheapest, the B7's products are the most expensive and the Asian/Turkish products hover between the two warring parties.

Gafeev attributes the growth in sales by the Seven Sisters to currency fluctuations. "The B7 share is expected to reach 34 percent in 2017 (it was 26 percent in 2016). The sales of B7 vehicles are growing mainly thanks to the strengthening of the ruble," he tells **FOCUS**.

Schulze disagrees. "International transporters, who are delivering just in time, cannot do this with a Russian truck. To them, reliability is vital. We have experienced the same sentiments among construction customers, who account for one third of our sales. With infrastructure projects, the construction trucks are running 24-hours a day and seven days a week because they must finish the project on time. They are penalised if they don't meet deadlines; they are therefore selecting a premium truck," he suggests.

Scania's Rowiński concurs. "Many Russian transport companies prefer European brands – they need efficient and reliable transport solutions with high-quality manufacturer



**FOCUS** was able to enjoy a test drive in a Ural truck, much like this one. It really does go pretty much anywhere. GAZ is also producing these vehicles in right-hand drive (for export markets).



support and a low operational cost. Operators want vehicles that are more fuel efficient and inexpensive to maintain. That's why we are investing a lot in the Next Generation Scania: according to the telemetry from the first three vehicles, which were purchased by three major transport operators in August this year, fuel costs have declined by at least ten percent," Rowiński explains.

Ford's Duman tells a similar story. "Russian customers have come to understand the benefits of low total cost of ownership (TCO). KAMAZ sells many vehicles because of its heritage and extensive dealer network, but we're offering a lower TCO," he adds.



**TOP:** Heiko Schulze, chief executive officer of Daimler KAMAZ Rus, has set his sights on being number one amongst the Seven Sisters.

**LEFT:** Charleen Clarke checks out a monster Ural truck. Next stop South Africa?

**BELOW LEFT:** The 17th annual ceremony celebrating the best-of-the-best in Russia took place at Comtrans. The "Best Commercial Vehicle of the Year in Russia" award went to Scania for its Next Generation truck, the Volkswagen Crafter was awarded Van/LCV of the Year, while the Setra 500 Comfort Class won the bus category. Trailer/Semitrailer of the Year went to Schmitz for its S.KO Cool.

**BELOW RIGHT:** Wojciech Rowiński, managing director of Scania Rus, is very proud of his company's performance in the country.



KAMAZ; we can do what we want ... we will never have a chance," Schulze concedes.

The company is well on track to achieving this goal. "We are growing our share of the B7 market each year. In 2014, it was 14 percent. It will be over 20 percent this year. This will be the most successful year ever for Daimler

### NON-RUSSIAN COMPANIES UPBEAT

Given this shift in buying patterns, non-Russian companies are optimistic about the future. The Asian companies have only a very small share of market (ten percent at best) but Hino has announced that it will

build a plant in the Moscow region. The new plant, which will be located in Khimki, will cost over one billion rubles (R243 million). The plant, which will open in 2019, will produce 2 000 Hino 300 and 500 Series trucks a year.

Renault Trucks, meanwhile, also has optimistic goals. "We want to achieve over six percent of the B7 market by 2020. Russia is an important market for Renault Trucks," says Bruno Blen, president of Renault Trucks.

Daimler KAMAZ Rus, on the other hand, wants to be number one in the B7 segment. "We have already assembled 20 000 trucks in total – 12 000 Mercedes-Benz and 8 000 Fuso trucks. It is our strategic aim to become number one among in the B7 sector. We accept that we will never beat



Trucks in Russia. My personal guess is that we will end up number two in the B7 sector this year. Volvo is very strong at the moment; I don't know if we will be able to overtake them," says Schulze. In its quest to grow market share, Daimler KAMAZ Rus will open more dealerships – it has 46 at present, this will grow to 60.

Scania is growing its dealer network in Russia, too. "We are proud of our dealer network, which is located throughout Russia: from Kaliningrad to Vladivostok and currently encompasses 57 service stations. Despite our network's broad coverage, we plan to develop it even further so that every client has the opportunity to purchase and appreciate our vehicles as conveniently as possible, regardless of their



location or operational area," says Rowiński.

Ford also wants to grow its market share. "We would like to achieve five percent of the typical B7 market," Duman reveals. "This is not going to be easy. The Russian market is one of the most challenging in Europe, if not in the world. I say this because of the strength of the Russian brands, but it is a growing market. I anticipate that we will return to 100 000 annual sales by 2020," he predicts.

**RUSSIAN COMPANIES FIGHT BACK**

While the European, Turkish and Asian companies eye the Russian market, the local manufacturers won't be standing around idly. They are fighting back and they have a two-



quality-control systems," says Sorokin. **FOCUS** toured all these facilities; they truly are world class.

**FOCUS** was also able to test drive many of the latest GAZ models while in Russia and they appear very well put together; there were no rattles and shakes. The only thing missing in the vehicles we drove was an automatic transmission, but that's coming soon. We drove diesel-powered vehicles, but GAZ also has an impressive range of gas-powered vehicles. It's already developed driverless vehicles, which have yet to go into production.

Electric vehicles are also on its radar, as Sorokin explains: "In the future, we will develop a model range of GAZ electric vehicles by creating a new component base, both in-house and jointly with specialised companies and scientific and technical centres. The main problem today is the high cost of basic electrical components, almost 100 percent of which are imported.

At present, GAZ Group – together with its partners – is developing an electric motor for light commercial vehicles with increased efficiency, batteries with their own control system and a number of other key components. We plan to start assembling new-generation electric vehicles by the end of this year."

**LEFT: FOCUS** recently toured the KAMAZ plant, which is located in Naberezhnye Chelny. KAMAZ says its plant is the largest vehicle factory in the world and, having walked around it, we see no reason to disagree!

**BELOW:** Renault grew its sales in Russia by 900 percent in the first seven months of 2017.

pronged attack: products will be enhanced and exports will grow.

KAMAZ gave a tangible indication of this strategy at Comtrans, showing the new KAMAZ 54901. The cab of this new long-distance truck is based on the current Mercedes-Benz Actros and is to be produced in a new plant, currently being built by Daimler KAMAZ Rus.

The vehicle will be equipped with new KAMAZ P6 series inline six-cylinder Euro-5 and Euro-6 engines. (As an aside, the Euro-4 exhaust standard has been applicable in Russia since January 2012.) They will have an output of 283 to 410 kW (380 to 550 hp).

The new truck will feature ZF's fully automatic Traxon transmission. KAMAZ also wants to offer numerous driver assistance systems in the new model. The truck will be launched in 2019.

Gafeev believes that this will curtail the growth in B7 sales. "The growth in B7 sales will be limited by two factors. First, in the next two years, the consensus forecast shows some weakening of the ruble, which will reduce the growth of the B7 share on the Russian market. Second, the new KAMAZ 54901- with its premium characteristics – will see our company grow market share," he tells **FOCUS**.

GAZ is constantly enhancing its products and plants too. "We have just invested more than €500 million (about R8,29 billion) and have upgraded our facilities in Nizhny Novgorod. We have invested in new assembly and body shops, a new paint shop, and in improving logistics and the



**EYEING EXPORTS**

KAMAZ and GAZ both have ambitious export plans, which include South Africa. GAZ already supplies vehicles to Madagascar – the company opened a dealer there in 2016. This year, GAZ became a strategic partner of the Ministry of Education in Ghana, and it will sell more than 500 school buses to this country within the next five years.

"We also plan to export to other African countries, such as Zambia, Uganda, Tanzania and South Africa. These vehicles are capable of operating in extreme road conditions, under continuous maximum load and are adapted to different climatic conditions, while their low price and economical



operation make them extremely desirable," says Sorokin.

KAMAZ, on the other hand, will start delivering trucks to South Africa next year. "In cooperation with our distributor partner Bell Equipment, we plan to produce four dump-truck models in South Africa: 6x4 dump trucks with a payload of 15 and 20 t, as well as 8x4 and 6x6.1 models. Naturally they will be right-hand drive trucks. The first batch of trucks, produced in Russia for now, will be available for purchase in South Africa at the beginning of next year. Trucks assembled in Richards Bay will be received by customers in South Africa a



**ABOVE LEFT:** Daimler KAMAZ Rus produces the Actros in Naberezhnyye Chelny.

**ABOVE RIGHT:** Every other truck on Russian roads is over 15 years old.

**LEFT: FOCUS** toured the GAZ production facilities in Nizhny Novgorod; we were especially impressed with the modern paint shop, which is as good as anything we've ever seen in western Europe.

little later. We are currently conducting preparatory work and completing tests there," says Gafeev.

The 6x4 KAMAZ 65115 dump truck is an entry-level model equipped with a Cummins engine and a ZF9 gearbox. It is designed for operation on public roads, with a permissible maximum axle weight of ten tonnes.

"The KAMAZ 6520 (6x4), KAMAZ 65222 (6x6.1) and KAMAZ 65201 (8x4) are equipped with a 300 kW (400 hp) KAMAZ 740.63-400 engine and a ZF16S1820 gearbox. They are designed for operation in quarries and on open roads," he explains.

Gafeev says the Russian-built KAMAZ trucks destined for South Africa will have bodies produced at NEFAZ, a subsidiary of KAMAZ in Neftekamsk. "The Cummins engines are produced by Cummins KAMA, a joint venture in Russia. The transmissions will be produced in Russia by ZF KAMA,

yet another joint venture," he reveals.

According to Gafeev, KAMAZ vehicles can be found throughout Africa. "They are used to deliver humanitarian aid in Sudan, Southern Sudan, Uganda, Democratic Republic of Congo, Nigeria and Ghana. In 2018, we plan to supply more than 100 vehicles to Uganda and Ghana. They will be used by the United Nations. In addition, we have signed dealer agreements in 15 African countries this year, so we are confident that we will grow our market share on the African continent," he says.

The final words go to the man known as "The Big Daddy of the Russian truck industry": Sergey Kogogin, director-general of KAMAZ. "The role of the Russian manufacturers in the world truck industry is increasing. To a great extent, this is due to the growth of the Russian market; which is becoming one of the largest markets in the world. A key priority in the near future is to maintain and build upon the positions achieved in the domestic market. In the long term, Russian producers will focus on development of the emerging export markets," he predicts.

The message is clear: the Russians are coming! **F**

**WATCH DRIVER EDUARD NIKOLAEV JUMP THE TEAM KAMAZ MASTER TRUCK IN THE SNOW, AND LEARN ABOUT THE ENGINEERING THAT MADE IT THE 2017 DAKAR WINNER**



**BELOW:** While half of the trucks on Russia's roads are over 15 years old, many other vehicles - such as this Scania - would not be out of place on the roads of western Europe.





# COMTRANS ECHOES A MARKET ON THE BOIL!

**THE RUSSIAN MARKET IS ON THE BOIL AND THIS WAS REFLECTED IN THE NUMBER OF LAUNCHES AND RUSSIAN PREMIERES AT COMTRANS 2017**



One could almost sense the positivity in the halls at Comtrans; the stands were extremely busy and the message was clear: the recently beleaguered Russian commercial vehicle market is now thriving.

This was indicated in visitor numbers: 20 500 people journeyed to the Moscow-based exhibition. This is 27-percent more than in 2015, during the height of the economic crisis in the Russian transport sector. The total exhibition area increased by five percent compared to 2015, reaching 41 897 m<sup>2</sup>.

As could be expected, the Russian companies wowed visitors with numerous world premieres. While KAMAZ launched its all-new 54901 (see page 16 for more details), GAZ had a whopping ten world premieres on the stand. In particular, the concept vehicle Sobol All-Terrain Crawler – an amphibious off-road vehicle – as well as the off-road concept truck Vepr Next (based on the light truck series GAZon) attracted visitors.

GAZ also announced the launch of its new URAL Next 6x4, which aims to open up new markets in the on-road and light construction segment. In addition, GAZ presented a right-hand drive URAL Next 6x6 for export markets for the first time.

In the light truck segment, GAZ also presented new developments. The medium-duty truck GAZon Next is now available with a permissible total weight of ten tonnes, which

corresponds to a payload of one tonne more compared to the heaviest GAZon-Next model so far.

Belarusian manufacturer Minsk Automobile Factory (MAZ) presented three new truck models at Comtrans 2017. The MAZ-5440S9-520-03 tractor is equipped with a new, 313 kW (420 hp) six-cylinder Euro-5 engine with Selective Catalytic Reduction (SCR) exhaust aftertreatment. The interior of the cabin has been completely reworked.

While Volvo presented its existing FH and FMX models, Scania celebrated the Russian debut of the New Generation S, R and G Series. Scania's New Generation trucks have been available in Russia since August 2017. In the immediate vicinity, visitors could admire the new DAF XF, which also celebrated its Russian premiere at the fair.

Daimler KAMAZ Rus showed the current and new-generation Actros. The former will only be available in Russia in 2018. The new Actros, like its predecessor, will be assembled in Naberezhnye Chelny. Due to the conversion of production in Wörth, Germany, the main plant for Mercedes-Benz trucks, Daimler will sell only the new Actros generation in Russia from 2020 onwards.

Ford Trucks has ambitions to get a larger piece of the cake and catch up with the Seven Sisters in Russia. The Turkish truck manufacturer presented the new 1848T and 3542T tractors, as well as the 3542D tipper, which were specially configured for the Russian market. These vehicles look really good; unfortunately, there are no immediate plans to produce







right-hand drive models, meaning we won't see them in South Africa.

The Asian truck manufacturers also had a strong presence at Comtrans. Chinese company Foton presented the Auman EST for the first time in Russia. The long-distance truck, based on the Mercedes-Benz Actros, is powered by a Cummins Euro-5 engine paired to a fully automatic Traxon transmission from ZF. Hyundai Trucks launched the Mighty range of light-duty trucks.

The light commercial vehicle (LCV) market in Russia is also experiencing significant growth (it grew by 22.9 percent in the first half of 2017 compared to the

**LEFT:** Daimler KAMAZ Rus and KAMAZ enjoyed pride of place at Comtrans.

**RIGHT:** Scania celebrated the Russian debut of the New Generation S, R and G Series.

**FAR RIGHT:** KAMAZ showed an autonomous people mover, which can accommodate up to 12 people and can reach a maximum speed of 40 km/h.

**BELOW:** Comtrans was extremely well attended this year.



previous year). As such, the mood among LCV manufacturers was also extremely positive.

Ulyanovsk Automobile Plant (UAZ), Russia's second-largest LCV manufacturer, celebrated the world premiere of a completely new pickup series. The UAZ Profi is ideal for flatbed, box, special superstructures or municipal applications.

Market leader GAZ presented the GAZelle Next 4.6 transporter. The vehicle is equipped with a new rear axle as well as disc brakes on all wheels. Mercedes-Benz presented the X-Class concept. The production version of this bakkie will

be available in Russia in the second half of 2018.

The new Volkswagen (VW) Crafter, which made its Russian debut at Comtrans, set the scene at the remarkably large VW booth. The new Ford Transit, which was on display in several different variants at the Ford stand, was also launched to the Russian market during the fair.

The manufacturers of trailers and superstructures were well represented at Comtrans. Schmitz Cargobull, market leader in Russia, announced the launch of the S.KO refrigerated

semi-trailer as well as the new generation curtainsider S.CS for Russia. For the first time on a Russian show, Kögel showed a three-axle tipper trailer with 27 m<sup>3</sup> load volume, as well as its own trailer axle, the KTA.

In addition to the truck and van manufacturers, numerous bus manufacturers showed their wares. KAMAZ showed an amazing autonomous people mover, which can accommodate up to 12 people and is intended to drive up to 40 km/h. Passengers give the electrically powered minibus their destination via a smartphone app.

On the other hand, the KAMAZ-6282 electric bus, which was displayed together with a quick-charging station, showed current developments at the company. The bus is equipped with a lithium-titanium battery and achieves a range of 70 km. According to KAMAZ, the battery charges in only 20 minutes.

GAZ is starting with electric buses, too, both in the midibus segment with the GAZ brand and with city buses from the LIAZ brand. It showed an electrically powered prototype based on the LIAZ-5292 low-floor bus. This vehicle has already completed over 13 500 km of field testing in Moscow.

GAZ also showed the Vector Next bus with low-floor access and wheelchair space in the rear. Also new is the Kursor LE, a midibus which, thanks to the raised rear area, has 27 seats and is also suitable for poor road conditions.

MAN launched its new Lion's Coach at the fair. The completely redesigned coach fulfils the requirements for increased rollover resistance and comes with LED lights. It was extremely well received by visitors to the fair.

The next Comtrans takes place in at the Crocus Expo Center in Moscow in September 2019. **F**





# MONITORING, MAINTAINING AND MAXIMISING FLEET OPERATIONS

**OPTIMISING OPERATIONS AND REDUCING COSTS IS THE ONLY WAY TO SURVIVE IN THE COMPETITIVE TRANSPORT INDUSTRY. MARISKA MORRIS LOOKS AT TECHNOLOGY THAT COULD ASSIST TRANSPORT COMPANIES TO GAIN THE UPPER HAND**

**D**espite the current state of the South African economy, there has been a 7.7-percent increase in income for road freight operators and a 5.6-percent raise in tonnage this year, according to economist Mike Schussler. He adds that 74.1 percent of all goods are transported by road in South Africa.

This figure excludes own transport, which refers to companies that do their own in-house transport. For example, companies like Pick n Pay that transport food to their various outlets. If this form of transport is included, Schussler estimates that road freight carries around 90 percent of all goods in South Africa.

However, this does not mean that the industry is not competitive. Paul Dickson, business development executive at Resolve Solution Partners, a partner of Imperial Logistics, notes: "We are operating in a very challenging industry. Companies need to be agile to survive."

He notes the importance of adopting appropriate new technology, which could assist by reducing costs and increasing productivity.

Some transport companies are able to invest in their own technological developments. Imperial Logistics, for example, invested in a centralised control tower for all fleet and supply chain information. It reduces information delays with real-time responses to planning.

However, not all companies have the capital to invest in their own technology, instead, they need to consider technology that is already available on the market. Here are some of the latest developments to assist companies in better managing their fleets.

## **TRACKING AND TELEMATICS**

The Roambee from MiX Telematics is a tracking device that can track either cargo or fleets. The "bee", or monitoring device, is placed on an object and sends alerts and reports regarding the location and condition of the tracked object to a client in real time.

When transporting heat-sensitive goods, for example, the "bee" can inform a transport operator when the temperature is too high. The battery lasts between 90 days and three years, depending on what is being tracked.



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MOBILE INFORMATION EXCHANGE



According to MiX Telematics, 42 703 vehicles have been reported stolen in South Africa this year. Kasigan Moodley, chief technical officer at MiX Telematics Africa, notes: "As road transport is the most popular way in which products are transported, high-value goods are guaranteed to be on the roads and, as a result, they are targeted."

"Solutions from MiX Telematics like MiX Track and React provide the fleet manager with a full view of his fleet at any given time," Moodley adds. Hijacked vehicles can be traced and recovered with the use of telematics.

**PREDICTIVE MAINTENANCE**

Most companies service a vehicle according to the dealership's recommendations, or according to their own timeline. However, there are often unforeseen events that

immediately, which, ultimately, results in less unscheduled down time.

**TRANSPORT MANAGEMENT SYSTEM (TMS)**

This technology is not new to transport operators, but it is extremely important. The correct TMS could assist with optimising freight planning, streamlining operations, reducing costs and providing a paperless process. There are numerous companies that offer these systems.

"Transport management technology is very important when considering optimisation, maintenance and operating costs. In terms of price, the industry is very competitive," states Pillay.

He adds that the TMS from T-Systems can also assist companies to optimise their fleet by reducing the number of vehicles needed.



As road transport is the most popular way in which products are transported, high-value goods are guaranteed to be on the roads and, as a result, they are targeted.

lead to unplanned maintenance. When a truck breaks down unexpectedly, a transport company can lose valuable time and money. Predictive maintenance prevents this form of unplanned maintenance.

Dereshin Pillay, head of manufacturing and automotive at T-Systems, notes: "The technology saves transport companies money. If they need 25 trucks to make their weekly deliveries, the system can tell them beforehand when the trucks will need maintenance. This gives the company the opportunity to substitute the trucks needing maintenance and still make their deliveries."

Sensors can also be placed inside the truck to monitor the environment. The system identifies the optimal capacity at which the vehicle operates and creates a threshold. If the vehicle operates outside this threshold, the lifespan of the vehicle is reduced. Since the data from the sensors is captured in real time, any deterioration is picked up

"It is much more cost effective to do the same work with 20 trucks rather than 25," Pillay comments. TMS also acts as a safety feature for transport companies, especially against hijacking, which leads to downtime, a loss of productivity and increased operating costs.

The new human behaviour monitoring system from T-Systems can form part of a company's TMS and can improve logistics operations. This system uses mathematical algorithms to optimise how employees work.

"The technology determines how long it takes to load a truck and how effectively it is loaded. Every 30 minutes of waiting time adds up. If a truck is loaded efficiently, it might be able to do an extra load that day," Pillay says.

Transport companies will inevitably be forced to turn to technology in order to remain competitive. The only question that remains is which technology is most suited to their particular operation. **F**



UD TRUCKS

LD1



1939



PTC80

1957



TC80

1960



CD40N

1969

PTC80



UG 780

1971

Condor series  
(Medium duty trucks)



1975



K-CV45

1979



1983

Big Thumb



1990

U41

1993

1994



Quon

2004



2011

Quester

2013



Croner

2017

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# HASSLE-FREE TYRE SOLUTIONS

**WITH SO MANY TYRE SUPPORT SOLUTIONS AVAILABLE, CHOOSING THE MOST SUITABLE ONE CAN BE DIFFICULT. WILLIAM GEORGE SPEAKS TO SOME COMPANIES ABOUT THE LATEST TECHNOLOGY IN TYRE-PRESSURE MONITORING SYSTEMS**

**M**

aintaining tyres properly makes operations easier for fleet owners. It also ensures better safety for all road users. Tyre hitches, such as punctures and misalignment, can be costly and reduce fleet operating efficiency.

The Automobile Association (AA) warns that the most overlooked critical safety items on vehicles are tyres. "Any tyres that are bald, or under- or over-inflated, can be dangerous," it states.

As tyres form a crucial component of a vehicle, it is vital for operators to conduct regular inspections, services and repairs. All tyres (including those on trucks, trailers and other bodies) need to be monitored frequently to ensure hassle-free operations.

The automotive market is constantly offering new technologies to improve support for tyres.

The Vigia Internal system is specifically designed to protect trailer tyres. The device continuously monitors the pressure of trailer tyres while travelling and automatically adds air to those that need it to maintain pre-set tyre pressures.

Vigia & Onboard weighing brand executive at Loadtech, Neels Botes, says: "This helps the driver adhere to pre-arranged delivery times and prevents the expensive loss of perishable loads.

"The indicator light is positioned for the driver to see in the truck rear-view mirror. It turns on to warn the driver when a tyre's pressure drops. The system will then add the required air automatically. This prevents any tyre from going flat from a small puncture."

He continues: "In most cases when using a Vigia system, a leaking tyre can be saved. There will be no delays from having to change flat tyres in awkward places and deliveries can be made on time. When starting up in the morning, the Vigia system will check and correctly inflate all the tyres.

"Underinflation reduces tyre life, so this is another major saving. Fuel is also saved and so is time, in that it is not necessary to constantly check tyre pressures."

According to the Road Traffic Management Corporation (RTMC), poorly maintained tyres and particularly burst tyres are a leading factor in fatal road crashes in South Africa.

Botes says: "Underinflated tyres can also affect the handling of the vehicle and contribute to accidents. Correct tyre pressure provides proper sidewall flexing and safe operating temperatures. Underinflation becomes a serious problem when one tyre on a set of dual wheels loses pressure. In some cases, both tyres can fail with very dangerous consequences."

Botes explains that different pressures over a set of dual tyres can also result in premature bearing failure, which can

reduce bearing life by up to 70 percent. This is one of the hidden costs of poor tyre maintenance.

Connected tyre solutions from tyre manufacturers are also available to aid tyre management.

The ContiPressureCheck from Continental is a pressure-monitoring system that mounts on the inside liner of the tyre to measure inflation and temperature changes. These systems are ideal for overall fleet operation.

Truck business unit marketing manager at Continental, Monica Ramsunder, says: "Improper tyre inflation leads to poor vehicle handling and stopping distances increase with underinflated tyres. What's more, there is an increased potential for skidding, or loss of control in a bend or when changing lanes, when driving on underinflated tyres.

"There is also the impact on emissions and the environment. Increased rolling resistance increases your fuel consumption and, in turn, produces more CO<sub>2</sub> emissions. Improperly inflated tyres are also more susceptible to blowouts, which leaves dangerous debris on the road."

Likewise, Bridgestone uses IT systems and sensors to remotely monitor, transmit and analyse real-time information; such as the pressure and temperature of commercial truck and bus tyres.

"This data allows Bridgestone's advanced data-processing system to react more quickly to pressure issues, informing the fleet manager if a tyre is rapidly deflating. The system also enables advanced algorithms to generate predictive maintenance scheduling," says Bridgestone technical manager, Dries Venter.

Bridgestone shares a few tips to help operators cut down on tyre-related costs. These include:

- A thorough tyre assessment should be done at least every two weeks, to ensure that tyre inflation pressures are correct. Mechanical maintenance, such as wheel alignment, can also be checked and corrected.
- Drivers should be trained to check and report any abnormalities on their vehicles, including tyres. Early detection and correcting of tyre-related wear and inflation pressure will save any fleet lots of money.

Bridgestone further extends support to drivers, with training interventions that are available through Bridgestone's training centre and done at the fleet operator's depot.

Michelin offers Tyre Check, a tyre-monitoring device that enables fleet operators to have instant visibility of the tyres in their fleets.

The Tyre Check system is a digitalised inspection tool. It operates via Bluetooth and is network driven, so it minimises human errors, which can be costly in terms of breakdowns and loss of mileage of the tyre.

Kabelo Lenamile, fleet operator at Michelin, says: "Tyre Check sends real-time configured alerts, along with other reporting abilities, to the service provider and/or the fleet operator's email account, which enables them to take action before the vehicle leaves the yard.

"The device can also be connected to Android devices to ensure that the operator is informed at all times. It helps operators by saving time and increasing work productivity."

Lenamile says: "We strongly believe in preventative maintenance, minimising costs and keeping the vehicles moving on the road. We feel we can drastically reduce breakdowns with proper tyre care. We also offer a national breakdown network and call centre for the unavoidable mishaps."

Tyres naturally lose pressure over time, which is why ongoing monitoring is essential, but, thankfully, technological solutions are helping to make the task of tyre-pressure management a lot easier. **F**

## SOYBEAN OIL AND TOMORROW'S TYRES

The Goodyear Tyre & Rubber company is harvesting some unique "seeds" of innovation as it introduces a new tyre technology with support from the United Soybean Board (USB).

A Goodyear team of scientists and engineers created a tread compound using soybean oil, which is a naturally derived, cost-effective, carbon-neutral and renewable.

"Goodyear's legacy of innovation drives us to continue to apply new technology solutions, developing superior performing tyres that meet consumer demands," says Eric Mizner, Goodyear's director of global material science.

Goodyear's tests have shown rubber made with soybean oil mixes more easily in the silica-reinforced compounds used in manufacturing certain tyres. In addition to increasing the tyre's performance in dry, wet and winter conditions, this process also improves manufacturing efficiency and reduces energy consumption.

While the technology is currently available only to North American consumers, the commercialisation of soybean oil in tyres builds on Goodyear's other recent innovations, such as the use of silica derived from rice husk ash.







# NEXT MOVES FOR EHCV SUPPLIERS

**MORE AND MORE EXTRA-HEAVY COMMERCIAL VEHICLES (EHCVs) ARE BEING INTRODUCED INTO THE SOUTH AFRICAN MARKET. WILLIAM GEORGE SPEAKS TO SOME LOCAL COMPANIES TO FIND OUT WHAT THEY HAVE PLANNED FOR THE EHCV MARKET**

**A**

According to the National Association of Automobile Manufacturers of South Africa (Naamsa), the local EHCV market saw sales of 1 232 in September; an increase from last year's sales of 1 122 for the same period, while 38 units were exported.

Total sales from January to September amounted to 8 069, indicating a significant drop compared to sales of 8 966 for the same period last year.

This September, South Africa managed to limp out of the recession, with the gross domestic product (GDP) increasing at an annualised 2,5 percent in the second quarter, compared with a decline of 0,6 percent in the previous three months.

This was just the icing on the cake, following a fuel price increase of about ten percent and rating agencies Standard & Poors and Fitch downgrading the country in April.

Martin Dammann, product and support director at Truck Science, says that there has been an increase this year of three to five percent in costs of running an EHCV fleet.

Vehicle prices have increased by some five percent, while maintenance costs have remained much the same with longer service intervals and extended warranty periods.

## MAN AUTOMOTIVE'S BIG PLANS

Dave van Graan, head of trucks sales at MAN Automotive South Africa, says that MAN was a slow starter in the first half of 2016, and came back strongly in the second half of the year.

"This strong momentum continued into 2017, where we are delighted that our market share has grown by 2,2 percent year on year in a very competitive market. This equates to a growth of more than 200 units sold by MAN in South Africa when comparing January to September 2017 with the equivalent period last year."

MAN Automotive continues to offer customers a wide range of vehicles for specific operations, both in South Africa and abroad.

"On the local front, MAN Automotive is able to offer low-cost, budget as well as premium trucks to a wide range of customers. Our CLA, which is engineered in Germany and made in India, is a rugged and basic solution to supply to segments which are principle debt focused. Our Volkswagen (VW) Constellation, from MAN Latin America, competes directly with the premium Japanese brands in the value segments.

"Our TGM, TGS and TGX Trucknology brands are gaining a fan club of patrons in the premium segments of our market. We offer Euro-2 to Euro-6 products here – which

are selected for customer-specific operations." Van Graan says.

He continues: "On the global stage, MAN is part of the VW Truck & Bus stable. The three brands in this group are all tackling the megatrends of future transport with keen innovation. These global trends include diesel fuel optimisation, hybrid technologies as well as electro-mobility.

"In the world of digitalisation, mega-data management is integral to future logistics models. Being part of such a dynamic mega-group enables MAN to offer increasingly interesting technology, which is also suitable for the local market.

"Recent additions to our specifications are Euro-6 engines in operations that can guarantee stable 10 ppm sulphur content in their diesel fuel. Euro-5 technology has been on offer for quite some time now," he notes.

Various safety features are also a priority to MAN, such as electronic braking system (EBS) and emergency braking assist (EBA), which are standard on certain product offerings.

EHCV buyers have various needs for their businesses and, in order to satisfy these, MAN promotes an ongoing communication channel. "Maintaining open communication with our customers is vital, and we promote this ethos throughout our business in order to ensure we do what needs to be done," Van Graan adds.

"Companies look for transport solutions which enable them to delight their customers. Each company has its own experience and business model, and, consequently, we have to be very flexible as a supplier.

"MAN Automotive is an expert in the transport business. The entire team – from strategic planners to production, wholesale, retail and after-sales service – is fully dedicated to giving our customers exactly what they need to ensure their success," he concludes.

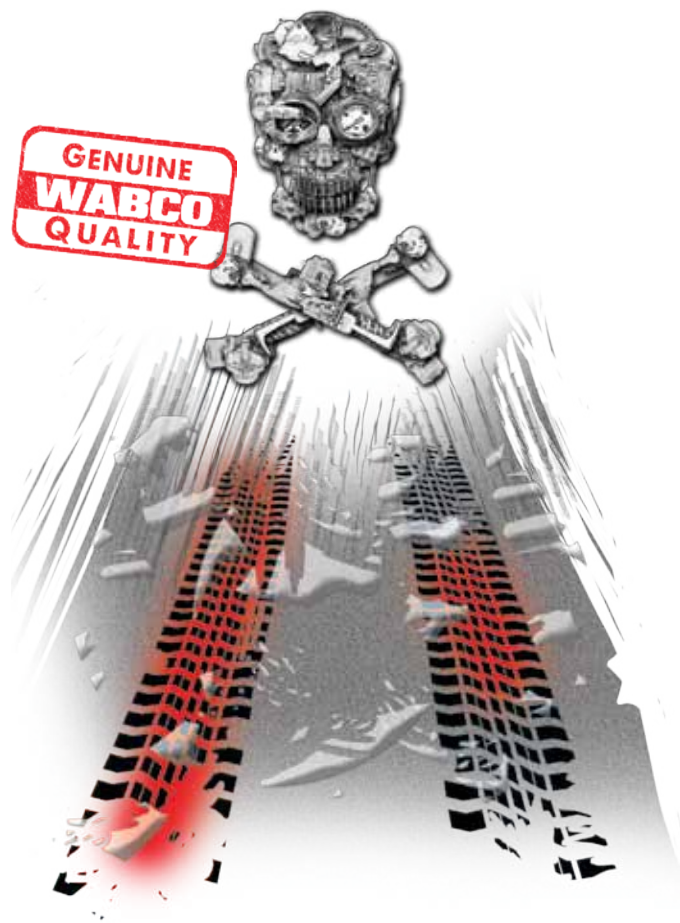
### POWERSTAR'S V3 ET READY FOR THE LONG-HAUL MARKET

Bob Wang, CEO of Ever Star Industries, says that, although the economic and political climate saw Powerstar EHCV sales decline, compared to the previous year, more diversification on product offering and new models can be expected, which will be brought into Powerstar's existing range of trucks.

Powerstar launched the new V3 ET 2643 at the Automechanika trade fair, which was well received. "The vehicle attracted our target audience. The new V3 ET has encompassed a few upgraded components, which increased the vehicle's capabilities, quality and reliability," says Wang.

"The Powerstar V3 ET is now ready for the long-haul market, in which aftersales support is an absolute prerequisite," Wang reiterates.

"We offer a range of efficient products that are suitable for any application. They are rugged and



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reliable workhorses. Customers look for affordability, reliability and total cost of ownership, along with the best technical and after-sales support. Additionally, they want the best value chain to suit their needs in terms of their application and, above all, brand value," Wang concludes.

Read all about the V3 ET on page 6.

### TATA TO EXPAND THE PRIMA RANGE

Following the Automechanika trade fair, Tata plans to introduce more products to the EHCV segment. The executive director of Tata, Harneet Luther, says: "We are very excited as we are planning to expand the Tata Prima range, as well as introduce the Daewoo range of products.

"These products will be available in early 2018, and we expect them to have a significant presence in the marketplace by the second quarter of 2018.

"While we may see some improvement in the tipper segment in 2017, with the new product plans 2018 is going to be an exciting time for all of us."

In order to ensure that its EHCV customers are content, Tata provides driver training to optimise the use of the vehicles. It also extends its aftersales support by engaging with its customers through personal interactions, as well as through customer-satisfaction surveys.

"We all understand that to ensure ongoing purchases we continuously need to improve the after-sales service offerings to customers. We are also working on improving

the reach, continuous training of our network, improving coverage and ensuring higher availability of spare parts," Luther concludes.

### FINDING THE PERFECT EHCV FOR BUSINESS

Dammann says that when businesses are looking to purchase an EHCV they should search for a professional dealer network that will be a business partner and will ensure that the vehicles can be serviced and maintained across the country.

"They should look for a manufacturer that will work with drivers and management to spec the right drivetrain in order to achieve the optimum productivity in terms of fuel consumption and average speeds for specific routes," he says.

Dammann points out that a common trend in the EHCV segment is a shift towards automated manual transmissions (AMT), with a direct-drive top gear and a faster drive-axle ratio.

"Business should also look for a manufacturer that can supply cutting-edge safety features to reduce the risk of crashes. The vehicle should also have a reputation for a high resale value. Buyers should also choose a manufacturer that understands how the combination of utilisation, fuel consumption, maintenance costs and the vehicle price influence the total cost of ownership," he concludes. **F**



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- In conversation with Energy Leaders: charting the way ahead for the continent's energy sector
- The new age of digitalisation and the impact on the African energy sector

### BREAKAWAY SESSION DISCUSSION TOPICS

- Innovative funding solutions to accelerate Africa's energy sector growth & development
- Energy access & securing the future for Africa's citizens
- "Beyond the light bulb." Providing electricity in the form of light only, does not automatically increase productivity. Electricity should be valued as a means to generate income and boost economic & social development. Sometimes additional assistance is required: e.g. working capital, access to markets, local development projects, skills/capacity.
- The role of off grid and mini grid in rural electrification
- The impact of energy uncertainties for Africa: Commodity prices, electricity prices, talent and energy poverty
- Accelerating the development of Africa's gas infrastructure and the deal flow linked to the gas economy
- Regional projects as a means for regional integration. Challenges and opportunities
- Global trends driving innovation and the evolution of the energy sector towards a sustainable energy future: e.g. population growth and rising consumption, urbanisation, transportation, energy storage, market dynamics, trade, climate change and CO2 reduction, technology changes, policies and regulations
- The business opportunity linked to renewable energy and energy efficiency
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**T**he risks involved in the transportation of hazardous materials require a mitigation strategy that will ensure risk management systems are put in place to identify and control any risks. Failure to do so can result in extensive damage to the environment, property and the loss of lives in the unfortunate event of an accident.

Thus, it is essential for hauliers and logistics service providers of fuels and chemicals to have risk management systems in place as stipulated by the Chemical and Allied Industries' Association (CAIA).

In its pledge to improve SHEQ performance, CAIA launched the Responsible Care programme in South Africa during 1994.

"The Responsible Care, Safety and Quality Assessment System Southern Africa (SQAS-SA) is designed to evaluate the quality, safety and environmental performance of hauliers, logistics service providers and chemical distributors by means of standardised assessments," says Deidré Penfold, executive director of CAIA.

CAIA members pledge their support for this cause by voluntarily signing the CAIA Responsible Care public commitment.

By signing the pledge, the companies commit to "conducting all operations, including the transport of hazardous materials, in a safe and environmentally sustainable manner and to incorporate the Responsible

Care ethics and requirements into their business strategy, management system and daily operations," explains Penfold.

In addition, SQAS-SA was developed specifically with local conditions in mind. As such, SQAS-SA covers many elements of the ISO standards and more. It looks at things like legal compliance, driver employment, driver training, driver wellness, emergency procedures, risk assessments, vehicle maintenance, tyre maintenance, operational controls, security, on-road behaviour of drivers and the quality of the vehicle itself.

"The principle behind it is that a company will implement the management system and an independent auditor will conduct an audit of the system every two years to ensure quality and safety for all," says Richard Durrant, owner of Transheq and an independent consultant to CAIA on transport safety.

The SQAS-SA auditing process covers three important sectors: road transportation, warehousing operations and tanker washing facilities. Although traditionally SQAS-SA auditing focused on audits related to road transport, the increase in the number of warehouses storing hazardous materials in South Africa has necessitated the need for local warehouse auditing.

Consequently, strict compliance to quality standards for storing and transporting fuel and chemical products is expected from warehouse providers and hauliers with health and safety of the environment in mind.





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This is the case with haulier Cargo Carriers, whose long and close affiliation with South Africa's steel, fuel, chemicals, powders and sugar industries bears testament to its unrelenting commitment to SHEQ, as explained by Elmarie Ollewagen, business development and communications manager at Cargo Carriers.

"Cargo Carriers has been a leading logistics service provider for fuel and chemical products for over 60 years. We have managed to retain and renew most of our contracts because our clients have full confidence in us and in our management systems... Some of our clients have been with us for many years and they continue to trust us with their products," Ollewagen explains.

It comes as no surprise that two companies operating in the local fuel and chemical industries recently renewed their contracts with Cargo Carriers. The company's ability to meet the high safety and environmental health standards in the industry played an important role in the renewal of its contract to transport a raw-tar product, or "black fuel" (a classified hazardous product) for an important client in this industrial market segment.

Ollewagen also points out that the company's leading position in the larger fuel industry is characterised by its load-and-route optimisation, enhanced load security and delivery visibility capabilities.

In addition, the company's sophisticated technologies, including the latest vehicle and trailer configurations, have helped reduce emissions in the large-transport component of the industry's value chain. This is in line with the growing "green" consciousness that has placed significant onus on

businesses, especially fossil-fuel based sectors, to reduce their carbon footprints.

These technologies have also contributed to increased payload and reduced fuel burn, helping players in this increasingly competitive industry to contain logistics costs and, therefore, improve efficiencies.

These capabilities are augmented by improved turnaround times on last-mile distribution operations, preloading vehicles and offloading procedures, as well as ensuring close to 100-percent vehicle availability, due to a sound preventative and structured maintenance regime.

Meanwhile, the focus on SHEQ has also been a key component of the company's efficient and safe delivery of flocculants, acids, fertilisers and heavy oils. It is also the preferred transporter of oxygen, nitrogen, argon and carbon dioxide.

The gravitas Cargo Carriers places on maintaining its high SHEQ standards is further motivated by the extensive audits it undergoes by the local and German-based DEKRA-ITS certification services.

This complements the company's ISO 9001:2015; ISO 14001:2015 and OHSAS 18001:2007 accreditation and affiliation to the CAIA.

The Sasolburg branch of Cargo Carriers has been rated as an "accredited haulier" meeting CAIA's stringent criteria. The Sasolburg operation is one of the branches from which the company coordinates deliveries throughout South Africa and as far afield as Zambia and Malawi. Importantly, the company is also a signatory to SQAS and Responsible Care. **F**



Strict compliance to quality standards for storing and transporting fuel and chemical products is expected.





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- MAN Genuine Parts sold to a Purchaser and fitted by an authorised MAN workshop for 24 (twenty four) months from the date of purchase; and
- The cost of labour charges for the repair of the defect(s) or fitment of replacement MAN Genuine Parts and the cost of replacement MAN Genuine Parts.

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# BOX OF TRICKS



**A RATHER VOLUMINOUS VAN THAT REQUIRES ONLY A CODE-B LICENCE TO DRIVE, THE PEUGEOT BOXER X250 L2H1 HOLDS MANY CHARMS, WRITES GAVIN MYERS**



While the good-ol' bakkie remains the light commercial vehicle (LCV) of choice for the South African consumer, an increasingly strong case is being made for the integral van – especially when the need to move volume is more important than shifting weight.

It is rated at a gross vehicle mass (GVM) of 3 300 kg with a 1 400 kg payload. The gross combination mass (GCM) of this model is 5 800 kg. What is slightly more important when evaluating a panel van is the load volume, of which the L2H1 offers 10 m<sup>3</sup>.

This is accessed through 1 520-mm high x 1 562-mm wide rear doors that swing out to 180°, and a sliding left-hand side door with an aperture of 1 485 x 1 250 mm. These can be locked and unlocked independent of the cab from within the vehicle and from the remote key.



**LEFT:** The spacious cab offers a variety of storage spaces.

**BELOW:** The Boxer L2H1's 10 m<sup>3</sup> load capacity was called into action to move new clock faces for installation in the Randburg CBD. Thanks to Harry Kahn clock manufacturers for the opportunity.



This might be the smaller of the two engines offered in the Boxer X250 range, but it does pull like a train – smoothly too.

A plethora of models account for all needs; from the smallest offering half- or three-quarter-tonne payloads to larger models that offer up to 2,5-t carrying capacity, but require a higher category driving licence.

The Peugeot Boxer you see here sits somewhere in the middle – being the L2H1 model of the revised X250 range.



For one of the smaller large vans on the market, the L2H1 offers a cargo area that measures 3 120-mm long, 1 662-mm high and 1 870-mm wide (1 422 mm between the wheel arches).

Powering the L2H1 is a 96 kW, 320 Nm four-cylinder turbodiesel of 2,2-litre capacity. It drives the front wheels through a six-speed manual gearbox that has a notchy shift action, but very well-spaced ratios.

This might be the smaller of the two engines offered in the Boxer X250 range, but it does pull like a train – smoothly too – in any gear from just 1 000 r/min (the torque peak sits at 2 000, and the delivery is sustained up to 4 000 r/min).

Peugeot claims that in an urban environment – where this vehicle is likely to spend most of its time – the L2H1 will consume 9,3 l/100 km, with 7,5 on the combined route. That's not to say the Boxer can't take to the highways – it's actually a very competent, surprisingly refined cruiser.

The only gripe to be levelled – which applies to this class of vehicle as a whole – is the limited rearward visibility due to the narrow side windows. Large (manually adjustable) wing mirrors with secondary wide-angle mirrors (also adjustable) go some way to addressing this.

Otherwise, driving the Boxer is a treat. Each of the three comfortable seats is full width – meaning the passengers have a large amount of shoulder room – and the driver's

seat is independently adjustable. While the airbag-equipped steering wheel is adjustable for height, some angle adjustment would round off an otherwise comfy driving position.

There are several storage compartments within the cabin, including overhead and under-seat trays; two clipboards (neither is removable); a large, lockable document cubby and cooled dash-top cubby big enough for a bottle of water.

While the tinted windows help keep things cool, I was glad to see that the test unit was fitted with the optional air-conditioning. The optional Bluetooth-equipped radio and cruise control with speed limiter were not fitted, though. Anti-lock brakes with Emergency Brake Assist is standard, as is an electronic immobiliser.

Priced at R455 900, the Peugeot Boxer X250 L2H1 proves to be a very competent code-B workhorse, with huge space and capability. Aftersales backup is provided by a five-year/100 000 km service plan, three-year/100 000 km warranty; and five-year anti-perforation and three-year paint warranties. A full maintenance plan is optional. **F**

SEE HOW THE BOXER CAN VOLUMISE YOUR FLEET



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# MAN'S LATEST RANGE: ALL THINGS TO ALL PEOPLE!



**MAN RECENTLY PRESENTED ITS NEW VAN AND TRUCK PRODUCTS FOR 2018 AT A SPECIAL EVENT IN BARCELONA. DUBBED THE "MAN FULL RANGE DAYS", THE EVENT PRESENTED JOURNALISTS FROM AROUND THE WORLD WITH THE OPPORTUNITY TO EXPERIENCE THE COMPANY'S COMPLETE PRODUCT LINE-UP – FROM THREE TO 44 T. CHARLEEN CLARKE WAS THERE**

## A

rriving at Barcelona airport, I'm met by a very friendly young lady. "Welcome to Barcelona and the MAN Full Range Days. Let's go outside so you can choose your car," she suggests.

I'm confused. "Choose your car?" This is a commercial vehicle launch, and normally, if we're travelling to the launch venue, we're shuttled there by drivers.

Still, I follow the eager young lady to the "cars" – which are, in fact, MAN TGEs. The instructions have been lost in translation, or maybe not; peeking inside the TGE (which stands for Trucknology Generation Express, lest you wondered), my first impression is that this van is, in fact, very car-like. The interior is elegant and boasts high-end finishes.

My first "car" is the 3,100 in panel van configuration. The door opens nice and wide, so I hop into the driver's seat quite easily, where I check out all the controls and interior features. The interior is extremely spacious. I'm flying solo, but there's more than enough space for a large driver and two equally corpulent passengers.

The driver's seat (available in four different grades) is very comfortable and I can easily adjust it to my ideal driving position. Thanks to its special padding and secure lateral support, I have no concerns about getting a sore back on a long drive.

I give the steeply angled, easy-grip, multi-spoke steering wheel the thumbs-up, too; it adjusts easily to the ideal position. Incidentally, a steering wheel with multifunction buttons (controlling the radio and navigation system) is available as an optional extra. In addition, a heated steering wheel is also available for particularly cold countries. Maybe this would be great for an operator in the middle of the Karoo?

Preparing to leave the airport, I tap the indicator stalk lightly in order to make the indicator flash three times, indicating that I am off! The TGE range is powered by a four-cylinder, 1 968 cm<sup>3</sup> diesel engine, which comes in a variety of versions: 75 kW (102 hp), 90 kW (122 hp), 103 kW (140 hp) and 130 kW (177 hp).

These engines consume between 6.7 and 7.0 litres of diesel per 100 km, which means that they're class-leading. Resulting CO<sub>2</sub> emissions range between 175 and 184 g/km. The panel van that I'm driving has the 75 kW/102 hp motor. Like the rest of the "cars" available for testing, it is married to a six-speed automatic transmission (an eight-speed automatic transmission is also available, but, for some reason, there aren't any autos in our test fleet).

My destination is a coffee shop on the Barcelona beachfront and, thanks to the capable motor and the fact that there's little traffic, I'm there in a flash. I'm the first journalist there – not because I was speeding, but because my flight was the first to

land, so I sip a cappuccino and munch on jamón (the best ham in the entire world) while admiring the exterior of my lone TGE.

I really like the front, which features an eye-catching radiator grille and trapezoidal headlights (optionally with LEDs). I decide that, while looks aren't that important for a commercial vehicle, this van is easy on the eyes. This will probably be especially important to owner-drivers. Chatting to my MAN hosts at the coffee shop, I discover that the TGE is more than a pretty face; it has a drag coefficient value of 0.33, which bodes well for reasonably low fuel consumption.

Leaving the coffee shop, I'm informed that my next destination is the Montserrat Benedictine Monastery, which is famous for its statue of the Black Madonna, the patron saint of Catalonia. (As an aside, this monastery is well worth a visit if you're ever in Barcelona; I toured it 15 years ago and it's just breathtaking.) The next route will incorporate an hour or so of highway driving, which I'm really looking forward to because it will allow me to really experience the TGE and its powertrain.

What a delightful experience this turns out to be. Despite the fact that the TGE is loaded to its maximum legal capacity, the engine never feels as though too much is being asked of it. To the contrary, I keep checking the large, easy-to-read circular instrumentation to ensure that I'm not speeding. I'm not sure why I do this – it's actually completely unnecessary; the TGE warns me with a loud beep every time I exceed the limit. I guess my constant checking is just a bad habit, or maybe I distrust technology...

The highway is extremely busy, and I'm surrounded by mad Spaniards. I say this because they drive like hooligans

– extremely fast and quite erratically. At one stage, while I'm travelling at the maximum speed limit, a truck blasts past me ... then cuts in front of me, narrowly avoiding a collision. Thankfully, the TGE is equipped with Emergency Brake Assist (EBA) as standard – so I'm absolutely fine.

Most people know how EBA works; depending on the circumstances, the system responds to critical braking situations in two stages: during the first stage, it uses acoustic and optical signals to warn the driver of preceding vehicles braking abruptly or driving slowly. At the same time, the TGE is "prepared" to initiate emergency braking.



**BELOW:** The MAN TGX long-haul cabins will now come with a new acoustic package as standard, to keep outside noise, such as traffic and street noise, outside.

**ABOVE RIGHT:** The new interiors of the TG trucks are simply stunning.

**RIGHT:** Instrumentation on the TGE is clear and easy to read. New cupholders are but one of many new interior features on TG trucks.





In addition, the sensitivity of the response behaviour of the hydraulic Brake Assist system is increased. If the driver does not react to the warning, the second stage begins with one short actuation of the brakes to alert the driver to the risk of rear-end collision. At the same time, the sensitivity of the response behaviour of the Brake Assist system is further increased.

This means that full braking force is available the second the driver steps on the brake. Should the vehicle not slow fast enough, the EBA system increases the brake pressure to the level that is required for the vehicle to come to a halt before reaching the obstacle. I don't make it to the second stage – thankfully, I'm not THAT keen to test the TGE's safety features on a public road.

EBA is but one of a multitude of assistance systems in the TGE. Others include integrated City Emergency Brake (automatically brakes the vehicle at low speeds), Rear Traffic Alert (warns of another vehicle drawing too close and brakes if need be), Flank Protection Assistant (monitors the immediate lateral vicinity of the vehicle at low speeds), Park Assist (automated parking), Trailer Assist (more about that later), Adaptive Cruise Control (keeps the vehicle at a constant distance to the one in front) and the Fatigue Detection system (warns tired drivers to stop for a break).

As I navigate my way towards the monastery, I thank my lucky stars for the TGE's good all-round visibility. The narrow A-columns and the ideally dimensioned exterior mirrors with extra blind spot mirrors provide me with an excellent all-round view of the aforementioned crazy locals.

The Blind Spot Detection system makes it ever so easy to change lanes. Also, despite the fact that it's a windy day, the TGE feels very stable on the highway. I put this down to yet another assistance system on the TGE, Crosswind Assist (thanks to fitment of this feature, the steering system compensates for counter-steering movements made by the driver due to strong crosswinds or cambered roads).

Turning off the highway and heading onto country roads, I fully appreciate the driving dynamics of the TGE. It has independent suspension (McPherson struts) up front and a rigid rear axle with leaf springs at the back. The driving characteristics are decidedly car-like; it's effortless to manoeuvre through the winding country roads.

Arriving at Monserrat, I'm greeted by the TGE's bigger brothers. Waiting patiently for me are MAN TGL and TGM derivatives, which have a new engine. I chat to MAN engineers, who explain that the new MAN D08 engines are more robust, more efficient and lighter. Interestingly, MAN has opted for exhaust gas after treatment based solely on Selective Catalytic Reduction technology – and not Exhaust Gas Recirculation. I'm told that this eases maintenance while boosting reliability.

While the test trucks obviously have Euro-6 engines, the MAN D08 will also be available in Euro-4 and -5 versions. South African operators will no doubt be fascinated to hear that the Euro-4 and Euro-5 powerplants don't have a complete aversion to sulphur. In fact, they can tolerate diesel with a sulphur content of up to 2 000 ppm.

Unusually, the Euro-4, -5 and -6 versions feature standardised performance levels. The basic version of the four-cylinder 4.6-litre MAN D0834 generates 118 kW (160 hp) and torque of up to 600 Nm. The mid-range version offers 140 kW (190 hp) and 750 Nm, while the most powerful design provides 162 kW (220 hp) and 850 Nm of torque.

The four-cylinder version is used exclusively in the MAN TGL, while the six-cylinder D0836 version, with its 6.9-litre displacement, represents both top-level motorisation for the MAN TGL and the basic-level performance for MAN TGM in the 184 kW (250 hp) and 1 050 Nm version. The new D08 six-cylinder engine is available in a 213 kW (290 hp) version with 1 150 Nm, as well as a 235 kW (320 hp) version with a full torque value of 1 250 Nm.

The MAN team is as pleased as Punch with the new engine range – because its fuel consumption is 5.5-percent better than that of its predecessor. They're also mighty chuffed with the latest MAN TipMatic gearbox. Thanks to this gearbox, I can drive the TGM – an 18.320, to be precise – slowly at idling speed (without touching the accelerator).

The roads around the monastery are relatively quiet – but this must be an amazing feature in traffic. Another feature of the gearbox that I particularly like is called EfficientRoll. Thanks to this innovation, the gearbox pops itself into neutral from a speed of 55 km/h when driving on slightly sloping stretches of motorways and roads. Consumption is obviously minimised as the truck coasts along.

My next test vehicle is a TGX. I'm keen to see its new interior (with effect from 2018, the entire TG series has a more practical and user-friendly interior). I share the truck with an engineer called Wolfgang Hudelmaier, who takes me through some of the interior revisions to our test truck.

"Let's start over here," he says, pointing to the top left of the cab. "This is the new Rio control unit, which is fitted to each truck. It collects data, which is sent to the cloud." Hudelmaier points to the instrumentation and notes that it's now logically grouped. "This cluster pertains to lights only," he explains, pointing to a collection of switches next to the Rio box. "Previously these switches were spread all over the cab."





The instrumentation is more colourful than before. "On the main instrument panel, behind the steering wheel, there is now a clearly structured four-inch high-resolution colour screen. Differently coloured icons facilitate readability and user orientation. For example, eco-functions always appear in green, and activated safety systems are always highlighted. This means that any warning message or other information catches the eye more quickly," he explains.

An iPhone can now be paired to the navigation system – and so the driver can chat away to Siri and connect to CarPlay. The seat heater switch for the co-driver's seat has been relocated (it's next to the co-driver's seat now, which is logical). The co-driver has also gained a cupholder, which doubles up as an ashtray.

The refrigerator has been relocated to underneath the bunk. "Previously it stuck out and took up a lot of space; this is a much nicer and more practical design," Hudelmaier notes. Next to the fridge, there's a new refuse bin. There's some handy storage space at the back of the cab and the interior lights are all-new. They're on stalks, and they can be adjusted (previously, the lights were in static positions).

Furthermore, the driver can now open and close the windows while lying on the bunk bed. There are now USB connections at the back of the cab, so the driver can charge his phone.

There are numerous other innovations within the cab, but we want to hit the road! We leave the grounds of the monastery and experience the truck out on the road. The model we're in is the 18,500, so we're treated to a mighty 500 hp (373 kW) of power. As impressive as this motor is, the silence within the cab is even more intriguing ... it's almost ominously quiet.

One of the new features of the truck is Adaptive Cruise Control with a Stop-and-Go function. This automatically regulates the distance from the vehicle in front (including at low speeds), slows the vehicle (to a stop if necessary) and automatically moves off again after short stops. It works like magic!

All too soon, the drive is over, but, before I leave the monastery, there's one more thing I want to try: the aforementioned Trailer Assist function on the TGE. It's utterly fantastic! You set the angle on the window adjustment lever. Then it's a case of step away from the steering wheel and let the TGE take over. All I need to do is operate the pedals.

Within seconds, I've parked the TGE and a trailer – just perfectly.

Leaving the monastery, I decide that MAN's 2018 line-up is pretty much good news all round. On the one hand, drivers are going to love the new interiors and features such as Trailer Assist and Adaptive Cruise Control with Stop-and-Go. Operators, on the other hand, are going to enjoy a lower cost of ownership. In the world of trucking, it doesn't get much better than that! **F**



**MAN IS TAKING THE NEW TGE VERY SERIOUSLY INDEED. SCAN HERE TO SEE IT IN ACTION!**



**TOP:** The TGE is good to look at and great to drive.

**ABOVE:** The TGL and TGM (pictured) have new engines.







# ELECTRIC BOOMS AS DIESEL IS BANNED

**BEIJING, THE CAPITAL OF CHINA, PLANS TO BAN OLDER DIESEL TRUCKS FROM THE CITY IN 2019 – AND THAT'S ONLY THE BEGINNING. MARISKA MORRIS REPORTS ON THE FAST-GROWING ELECTRIC VEHICLE (EV) MARKET IN CHINA**

**A**

ir pollution is a global concern, but even more so in low and middle-income countries such as South Africa and China. In these countries, 98 percent of cities do not meet the World Health Organisation's (WHO's) air-quality guidelines. The decline

in air quality increases the risk of diseases such as stroke, heart disease, lung cancer and respiratory disease.

Greenpeace reports that if China had met WHO air-quality standards in 2012, the number of premature deaths would have decreased by at least 81 percent, which would have saved the Chinese economy US\$ 875 million (R11.6 billion).

One of the ways to reduce air pollution is to shift to cleaner modes of power. China has taken this strategy to heart by banning diesel-powered vehicles. *Reuters* reports that China plans to ban all diesel trucks with an emission standard of National 3 from Beijing by September 2019. Many European countries have already implemented similar legislation in their major cities.

For now, a partial ban of these trucks is in place from 06:00 to 23:00. The ban applies to all trucks over eight tonnes. Trucks with a National 1 and National 2 level of emissions are already banned from the city.

In October, the province of Shandong, in eastern China, banned the use of diesel trucks for coal transportation from the ports along the Bohai Sea. *Reuters* reports: "Companies operating ports on the Bohai Sea will not be allowed to renew contracts with companies using diesel-powered trucks."

Port companies have two months to shift away from diesel trucks. However, during this transition period, they

are not allowed to load or unload coal and coal ships will not be allowed to enter the ports. "Diesel-fuelled trucks will also be banned from entering and exiting port regions," *Reuters* reports.

These bans are implemented mainly to reduce air pollution, but also offer economic advantages to China. While the country has been a big market for vehicle sales for some time, it is also a top market in this regard. In 2016, total vehicles sales in China reached 28 million. This year, 17.1-million vehicles have already been sold.

James Attwood, digital editor at *Autocar*, notes: "While sales numbers have dropped off in several countries, the Chinese vehicle market as a whole continues to grow." This is even more true for EV sales.

According to the China Association of Automobile Manufacturers, 77 000 EVs were sold in September, which brings the total number of EV sales to 398 000. The total number of EV sales for the year is expected to be around 700 000.

According to management consultant company McKinsey, 375 000 EVs were manufactured by Chinese original equipment manufacturers (OEMs) in 2016, which made up 43 percent of EV production worldwide. It states: "The country now has the largest number of EVs on the road – for the first time, overtaking the number of EVs in the United States."

It is expected that China will continue to dominate the market. *The New Zealand Herald* reports that China is expected to maintain a 50-percent share on global EV sales until 2030. EVs are expected to account for 90 percent of vehicle sales worldwide by 2050.



"Chinese OEMs are likely to emerge as leaders in the pure EV market, supported by the government's favourable subsidies and the recent 2019/20 new-energy vehicle targets," the *New Zealand Herald* reports. Aside from favourable subsidies, the Chinese government is also supporting local OEMs with new regulations for foreign manufacturers.

"These regulations require foreign automakers to enter into 50/50 joint ventures with Chinese companies to make and sell cars and trucks in the Chinese market," report Russ Mitchell and Jessica Meyers from the *Los Angeles Times*. High tariffs on imports mean that most companies will opt for joint ventures rather than importing vehicles.

At the moment, Chinese OEMs account for 43 percent of total vehicle sales and 96 percent of EV sales in China. Many of the top vehicle manufacturers are rethinking their product offering because of China's shift to EVs.

*Business Tech* reports that the Volkswagen Truck and Bus division plans to invest €1.4 billion (R22 billion) in new technology developments; including electric drivetrains, autonomous systems and cloud-based software. It plans to have 80 new EVs by 2025 and an electric fleet by 2030. The unveiling of the battery-powered Volkswagen e-Delivery truck is planned for 2020 in Brazil.

Tesla is unveiling its battery-powered semi-truck in November, which will surely make its way to the Chinese market.

While South Africa is yet to move to electric trucks, the shift may come sooner than many expect. Bruce Fraser, technical executive at Unitrans, notes that as new technology develops, older trucks fall behind.

"Technology is moving so fast. China wants no more combustion engines by 2020. We will be pulled to cleaner fuels faster than we think. It comes down to economics. If it makes more sense to run an environmentally friendly vehicle, we will," Fraser said.

With a global push to cleaner fuels and a big market such as China banning older technology, it might not be long before South Africa will have to consider trading its diesel trucks for EVs. **F**



“

For now, a partial ban of these trucks is in place from 06:00 to 23:00. The ban applies to all trucks over eight tonnes.



# GLOBAL FOCUS NEWS



## GETTING HYPER OVER FUTURE TRANSPORTATION

The Hyperloop has been mooted as the future of mobility; it will allow people and goods to be moved safely, efficiently and sustainably at unprecedented speeds through a vacuum.

Hyperloop Transportation Technologies (HTT) has received a major nod for the development of the concept. Global insurer Munich Re has carried out a comprehensive risk analysis of the Hyperloop technology developed by HTT and declared it feasible and insurable.

Over the past year, a project team, within the special enterprise risks unit at Munich Re, was set up to consider the risks and challenges facing HTT's Hyperloop technology.

"The technology developed by HTT is set to fundamentally change the way we travel in the future. Such technological shifts give rise to new insurance needs that demand innovative solutions – which our Hyperloop team at Corporate Insurance Partner is happy to develop," says Torsten Jeworrek, member of the Munich Re board of management.

Dirk Ahlborn, CEO and co-founder of HTT adds: "Offering an insurable system is a massive milestone for this groundbreaking technology. As we move forward with commercialisation of the system and our technology, our biggest challenge remains the creation of a new regulatory framework."

According to the two entities, further cooperation between Munich Re and HTT will expand the boundaries of transportation and insurability...

It might sound like science fiction but the reality is far closer than one would expect. The next step is to begin building, while construction of the first full-scale passenger Hyperloop capsule is well underway. An official reveal will take place in early 2018.

WATCH THE VIDEO TO LEARN MORE!



## SMALL VANS, BIG IMPACT

Nissan Motor Company unveiled two new fully customised vehicles at the Tokyo Motor Show: the new Paramedic Concept and the all-electric e-NV200 Fridge Concept.

Nissan's fifth-generation ambulance, the Paramedic Concept is based on Nissan's NV350 Caravan. This makes for better comfort for the patient and a better work environment for paramedics and drivers.

Uniquely, it includes Nissan's Intelligent Around View Monitor and technology to reduce the spread of germs. The ambulance also carries a lithium-ion auxiliary battery that supports life-saving medical equipment when patients are in remote areas or in need of emergency assistance.

Nissan plans to start sales of the ambulance in Japan in 2018 and aims to double annual sales of the ambulance compared with the previous model.

The big news, though, is the company's solution to urban

delivery challenges: the all-electric Nissan e-NV200 Fridge Concept.

"The e-NV200 Fridge Concept will create huge value for commercial users – generating more business, as well as reducing the cost of ownership. With zero emissions, it'll be perfect for busy urban environments where larger vehicles are often prohibited," says Ashwani Gupta, senior vice-president of the Renault-Nissan LCV Business Unit.

The Fridge Concept's is intended for increasingly stringent urban environments, where large delivery trucks are often prevented from stopping. The vehicle is fitted with an additional battery pack in the cargo space to power a refrigeration unit.





## AIMING FOR NO BLACK MARKS

We've previously reported that a new generation of London's famed black cab is to hit the capital city's streets in 2018, and has undergone months of torturous testing in extreme weather conditions in the Arctic and Death Valley.

Now, though, the new electric black cabs will face their toughest test yet – taking to the streets of London. This is the final phase of testing ahead of the January 2018 deadline for all newly licensed taxis to be zero-emission capable.



The test fleet of six vehicles will be driven by real London cab drivers who will help to collect vital information, such as the emissions savings and the performance of London's charge point infrastructure, before delivering to customers and being available to fare-paying passengers later in the year.

"We will now be able to accurately quantify the significant improvements these vehicles will make to London's air quality, which will benefit all Londoners

regardless of whether or not they use taxis. For those who do, the experience will be transformational," says Chris Gubbey, CEO of LEVC (formerly the London Taxi Company).

The new cabs feature six seats, contactless card machines, onboard Wi-Fi, laptop and USB charging points, a panoramic roof, and a stronger aluminium body that will better protect passengers.

In addition, London's passengers should expect



an unrivalled ride quality, class leading wheelchair accessibility, air-conditioning, and a much more spacious cabin. World-class active and passive safety systems include forward collision warnings, autonomous emergency braking and emergency brake assistance.

For the drivers, the new vehicles include on-board navigation to help them identify congestion and plan alternative routes, access to online charge-point maps and hailing apps for taking bookings.



# SHORT HAULS

## FAW PLANT CLOCKS 3 000!

FAW Vehicle Manufacturers SA celebrated a major milestone in October: the 3 000th locally built vehicle has rolled off the production line at the FAW SA Coega plant and bodybuilding facility, which has been in full operation for just over three years, having opened in July 2014.

Over the last four years, FAW SA has made a major commitment amounting to over US\$ 100 million (R1,3 billion) in local plant, infrastructure, job creation and training.



Subsequently, the plant has increased production to include almost all FAW commercial vehicles sold in the local and southern African regions. FAW notes that customer demand for locally built FAW trucks has increased exponentially in the last three years.

The 33.420FT truck tractor is the newest truck to be built by FAW SA. Its recent line integration at the plant went off without a hitch. The new model follows a tradition of sturdy trucks with high levels of performance, low operating costs, high efficiencies, easy driveability and low costs on maintenance and repair. Its predecessor was one of the top sellers in the FAW stable.

The FAW SA plant was the first large-scale investment by a China-based company in the Eastern Cape region. It has also been the bedrock for further investments in this region, and a number of China-based industrial giants have visited the Coega Industrial Development Zone – to see first-hand what the region can offer in infrastructure, logistics and labour.

“What is most gratifying is that many of our units being bought by sub-Saharan customers are now second and third-generation repurchases. This affirms our commitment for service and support into the African regions,” says Jianyu Hao, CEO of FAW SA.

## SWEET TASTE OF SUCCESS

In April 2013, Amatikulu cane growers in northern KwaZulu-Natal rallied together and raised sufficient capital to buy the Unitrans assets when the company ended its cane haulage operations in their area.

With support from 95 percent of growers, the farmers formed, Zululand Agricultural Holdings (ZAH), with large- and small-scale Amatikulu growers becoming shareholders in the company.

A long-term lease agreement was negotiated with Tongaat Hulett for the use of a depot and office complex.

“During the period between 2013 and 2015, the company successfully managed to haul 859 000 t of cane, despite the tough periods of drought experienced by the agricultural sector,” says Dave Littley, MD of ZAH.

In 2016, ZAH took over the cane haulage business of Super Group Melmoth and two vehicles from Alternate



Sure Haulage. ZAH currently has 120 employees.

“ZAH has increased revenue by 400 percent since its first year in operation and the fleet has grown from 15 to 42 trucks, and includes three tractors and two Bell loaders,” says Alan Gordon, general manager of ZAH.

To date, all shareholders have been paid dividends on their ZAH shares and R2,7 million worth of dividends were paid to the participating small-scale growers and cooperatives in 2016/17.

Operations have expanded into timber haulage; with ZAH being awarded the Tongaat Hulett Sugar Amatikulu Smuts contract in 2014 and purchasing its own depot in Melmoth.

## CRIME-FIGHTING IMPERIAL LOGISTICS WINS AWARD

The contribution of Imperial Logistics to fighting truck hijackings, vehicle theft and other related crimes in the transport industry has been recognised by the International Association of Auto Theft Investigators (IAATI). The supply chain and logistics provider was recently presented with the Vehicle Crime Combating Award.

The five-member Imperial Logistics investigation team achieved numerous successes in 2016. The division investigated 86 cases of truck hijackings with a value of more than R134 million. More than 90 percent of trucks, trailers and vehicles were successfully recovered and three employees dismissed.



Imperial Logistics also investigated a further eight cases of vehicle theft to the value of R10,5 million, and achieved a 100-percent success rate. The members of the Imperial Logistics investigations team are on standby 24-hours a day.

"The successes that led to Imperial Logistics winning this prestigious IAATI SAB award were only possible because of the good working relationships that our investigations team has forged with various role players in the industry, and an extensive network of informants and contacts," says Imperial Logistics chief strategy officer, Cobus Rossouw.

"IAATI played a significant role in helping us to build this comprehensive contact network, and we are honoured to have received the highest accolade for fighting crime related to vehicles," Rossouw adds.

IAATI is a non-profit organisation formed to provide professional training, education and support to assist professionals involved in the detection, investigation and reduction of vehicle theft. The association was established in America in 1952 and currently has over 3 500 professional members in 71 countries. The southern African branch was established in 1990.

## COMMERCIAL VEHICLE SALES REPORT FOR SEPTEMBER 2017

Note: For the time being, Great Wall Motors SA (GWM) and Mercedes-Benz SA (MBSA) will only report aggregated sales data. The MBSA commercial vehicle market split volumes are estimates based on historical trends and forecasting techniques.

Light Commercial Vehicles < 3 501 kg	Total: 14 523
Fiat Group	21
Ford Motor Company	2 429
GMSA	1 852
GWM	147
Hyundai Automotive SA	328
JMC	21
Kia South Africa	133
Mahindra	141
Mazda South Africa	41
Mitsubishi	13
Mercedes-Benz SA – estimate	14
Nissan	3 049
Renault	5
Suzuki Auto	120
Tata	55
Toyota	5 589
Volkswagen SA	565

Medium Commercial Vehicles 3 501 – 8 500 kg	Total: 692
Fiat Group	1
GMSA	179
Hyundai Automotive SA	5
Iveco	82
JMC	19
Mercedes-Benz SA – estimate	170
Tata	24
Toyota	161
Volkswagen SA	51

Heavy Commercial Vehicles 8 501 – 16 500 kg	Total: 462
FAW	53
GMSA	127
Iveco	11
MAN	16
Mercedes-Benz SA – estimate	53
Tata	29
Toyota	74
Volvo Group Southern Africa	99

Extra-Heavy Commercial Vehicles > 16 500 kg	Total: 1 232
Babcock DAF	21
FAW	30
GMSA	46
Iveco	71
MAN	139
Mercedes-Benz SA – estimate	302
Powerstar	40
Scania	221
Tata	7
Toyota	30
Volvo Group Southern Africa	325

Buses > 8 500 kg	Total: 97
GMSA	1
Iveco	2
MAN	45
Mercedes-Benz SA – estimate	20
Scania	22
Tata	1
Volvo Group Southern Africa	6

\*Source: National Association of Automobile Manufacturers of South Africa (Naamsa).





# BUSSING FROM CBD TO CBD

**THE CITY OF JOHANNESBURG (COJ) RECENTLY LAUNCHED THE SANDTON TRANSPORT LOOP TO INTRODUCE THE NEW REA VAYA BUS SERVICE, WHICH WILL RUN FROM THE INNER CITY TO SANDTON, WILLIAM GEORGE REPORTS ON THE PROGRESS**

**T**he COJ announced in April that it is expanding its Rea Vaya bus service with Phase 1C for the Alexandra and Sandton areas.

The aim of the new Rea Vaya bus service is to make mobility and accessibility easier for people within the city.

## **TRANSPORT LOOP FOR ALL**

During August, the COJ introduced a dedicated public transport loop for all public transport vehicles in Sandton, to simplify mobility for commuters using Putco buses, Gauteng Coaches, Metrobus and minibus taxis to start or end their journey in Sandton.

According to COJ, more than 10 000 people walk

between Alexandra and Sandton CBD every day along narrow sidewalks on the existing Grayston Bridge and across the M1 highway.

Now, Alexandra residents will have the options of using the Rea Vaya bus rapid transit (BRT) service, walking, or cycling along safe, wide sidewalks and crossing the M1 at Grayston Drive using a dedicated bridge.

Since the 2015 Ecomobility world festival, which was aimed at the reduction of traffic congestion, carbon footprints and gas emissions in Sandton, the Gauteng Province has undertaken to implement various mobility solutions.

Furthermore, the COJ continues to work towards providing safe, affordable and reliable mobility options for its residents.

Expansion of the Rea Vaya service is one of the latest developments in BRT systems across the country. This



comes after the commencement of the North West Province's Ya Rona BRT Phase 1A, which began in 2016. In 2012, the city of Tshwane began construction of its BRT system: A Re Yeng.

### CONNECTING HISTORICALLY DISPLACED COMMUNITIES TO BUSINESS OPPORTUNITIES

Benny Makgoga, service promotions director for the COJ, says: "Transport is the backbone of Johannesburg's economy and plays a significant role in connecting the historically displaced communities to business opportunities in the inner city of Johannesburg and other business hubs such as the Sandton CBD.

"The new stations will assist commuters to access buses for various destinations. Stations will provide passenger information and access to pay points for loading of smartcards for travel," says Makgoga.

He adds: "The construction of the Phase 1C has created local job opportunities for residents of Johannesburg."

The new trunk route runs between the Johannesburg CBD, Alexandra and Sandton. The multi-billion construction starts from the Art Gallery Station, and the estimated cost of infrastructure for the Phase 1C is R2,2 billion.

"Phase 1C (a) station construction has begun, next to the current Rea Vaya Johannesburg Art Gallery Station, which

passengers can conveniently switch from one mode of transport to another.

### NEW REA VAYA BRIDGES AND STATIONS

The Rea Vaya BRT has been in operation for eight years and currently runs in the inner city, Soweto and Braamfontein. The new Rea Vaya route will cover areas such as Hillbrow, Yeoville, Orange Grove, Balfour Park, Bramley, Wynberg, Alexandra and Sandton. During October Transport Month, the COJ called on the public to suggest names for the 13 new stations.

The project will introduce four Rea Vaya interchanges, two bridges and one pedestrian pathway. The construction on the new Rea Vaya Bridge over the M1 at Lees Street has been completed, and is for exclusive use for Rea Vaya buses and pedestrians. The bridge will link Pretoria Main Road and Katherine Street.

The Zandspruit Bridge has been widened to improve traffic mobility between the Sandton CBD and the exit from the M1 highway.

Makgoga says the COJ is working with the Johannesburg Development Agency (JDA), which is responsible for the designs, development and construction of Rea Vaya stations and bridges, in consultation with Department of Transport (DoT).

The new Rea Vaya interchange will be at the Sandton Gautrain Station. The new interchanges will enable people using other modes of public transport – such as Metrobus, minibus taxis, the Gautrain and Metrorail – to connect to Rea Vaya.

According to the COJ, two Rea Vaya bus depots are currently being constructed – one will be in Selby and the other in Alexandra/Wynberg, which is where the Phase 1C buses will be despatched, parked, fuelled and maintained.

### THE ULTIMATE GOAL OF THE BRT SERVICE BETWEEN ALEXANDRA AND SANDTON

The primary purpose of introducing integrated public transport between Alexandra and the Sandton CBD is to provide transport that is safe, convenient and affordable. It is also hoped that it will reduce traffic congestion and begin

to create a shift from the use of private vehicles to public transport.

Makgoga says after completion of the current phase, the COJ will be focusing on the development of feeder routes.

The designs of these feeder routes are underway and will be implemented before operations begin, which is expected to be in October 2018, with 109 articulated buses and 32 rigid buses. **F**



**ABOVE:** Phase 1C of Johannesburg's Rea Vaya BRT system is expected to begin operation in October 2018.

commenced with a prototype low-floor station for the testing of new and improved technology for an improved passenger experience," Makgoga says.

The new interchanges for Phase 1C will be constructed in Gandhi Square, Park Station, Metro Centre, Alexandra and Sandton. They will enable passengers to connect from Soweto and other areas. In addition, the new interchanges will enable other modes of transport, ensuring that



# SCANIA GOES SOOT FREE

**SCANIA HAS JOINED THE GLOBAL INDUSTRY PARTNERSHIP ON SOOT-FREE CLEAN BUS FLEETS! CHARLEEN CLARKE ASKED ALAN HUGO, GENERAL MANAGER BUS AND COACH AT SCANIA SOUTH AFRICA, ABOUT THE SIGNIFICANCE OF THIS DEVELOPMENT**

**B**

uses have, in the past, been associated with soot or black carbon. Of all buses sold in the world today, less than one-fifth have soot-free engines!

"Black carbon is a significant component of fine particulate matter that contributes to outdoor air pollution, and has been linked to a series of adverse health effects, in particular premature mortality," says Hugo. "Furthermore, black-carbon emissions contribute significantly to global warming and climate change," he elaborates.

What the world has needed is an initiative that supports the well-being of people living in cities across the globe. Enter the Global Industry Partnership on Soot-Free Clean Bus Fleets, a public statement committing bus manufacturers to providing soot-free buses.

Led by the International Council on Clean Transportation (ICCT) and United Nations Environment in cooperation with the C40 Cities Climate Leadership Group and the Centro Mario Molina, Chile, this initiative is undoubtedly good news for the environment.

In terms of this initiative, Johannesburg will take delivery of soot-free buses in 2018. So, too, will Abidjan, Accra, Addis Ababa, Bangkok, Bogotá, Buenos Aires, Casablanca, Dar es Salaam, Dhaka, Istanbul, Jakarta, Lagos, Lima, Manila, Mexico City, Nairobi, Santiago, São Paulo, and Sydney.

Some of these cities have already committed themselves to start procuring cleaner buses, and Scania presently delivers soot-free buses to several of the targeted countries.

These cities will need to ensure the availability of fuel for engines that meet the Euro-6 or US 2010 emission standards – including diesel fuel with less than 10 ppm sulphur and other low-carbon alternative fuels, such as biodiesel, gas and ethanol.

Hugo says it came as no surprise when Scania joined the Global Industry Partnership. "Scania, a leader in the field of sustainability, was an obvious signatory. In 2016, Scania sold 2 583 Euro-6, soot-free buses, representing 30.5 percent of total bus sales.

"We have one of the widest ranges of alternative fuel/ low emission engines, but, of course, sustainability is about so much more than just alternative fuels; it's about offering a business proposition that maximises efficiency and minimises waste in the whole transport chain," he contends.

When this happens, numerous benefits kick into play. "We can positively influence the environment and the cost of operation. Furthermore, we can provide safe and reliable transport solutions," he explains.

Of course, these "green" options need to be affordable. "Sustainability is based on three pillars: people, planet and profit. We are mindful of the profit element. Scania is already able to provide operators with affordable solutions. Our 'green' solutions offer a lower total operating cost. Fuel is the biggest cost driver in transport operations – and the local price of gas is substantially lower than that of conventional diesel," Hugo points out.

So, there you have it. Johannesburg is set to be greener than ever – and this is great news for the environment and the pocket alike! **F**



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# BUS STOPS

## VAN HOOL ELECTRIFIES THE USA

The Belgian independent manufacturer of buses, coaches and industrial vehicles, Van Hool, will partner with a leading American producer of battery technology for heavy-duty vehicles, Proterra, to introduce a fully electric-powered coach to the North American market in 2019.

The CX45E will offer a range of more than 300 km and will be used primarily for travel between home and work for groups of employees and/or for regular transport of passengers over shorter distances.

The vehicle will be designed and developed at the Belgian parent company in Koningshooikt.

"After years of hard work to meet to our customers' high expectations, we have succeeded in putting Van Hool on the map in the United States. Today over 10 000 Van Hool coaches and buses are operating on North American roads," says Filip Van Hool, CEO of Van Hool.

The diesel CX45 coach has a proven track record, and has become a benchmark coach on the American market. The integration of Proterra's battery technology into the CX will take this coach to the next level.

"It's a clear statement to Van Hool's long-term commitment to the North American coach market, while showing how quickly we can respond to the needs of our customers," he adds.

Van Hool plans for the CX45E to be the most efficient and best-performing, long-distance "eCoach" in the North American market.



## THE GLOBAL BUS INDUSTRY IN ONE PLACE

More news from Belgium where *OEMlibrary* is launching the world's first human-edited, worldwide link directory covering suppliers and operators of buses and coaches.



The platform, called *BUSlibrary*, offers free access to company profiles, product ranges, the latest news, and contact details of component suppliers, bus builders and operators worldwide.

Information is available on 350 bus and coach manufacturers and bodybuilders, more than 1 000 component suppliers, as well as 20 000 bus operators.

"*BUSlibrary* shows all relevant information on buses and coaches worldwide on one single platform, making a search faster, easier and much more efficient," says Hub Olieslagers, founder of *OEMlibrary*.

Since *BUSlibrary* does not just use algorithms, but works as a human-edited link directory, the user receives a link to the website of the company for which they searched and can access all web-based information about the company, such as its product range and the latest news.

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