

FOCUS

ON TRANSPORT AND LOGISTICS

FOCUSONTRANSPORT.CO.ZA

IVECO

dominates Dakar!

FOCUS EXCLUSIVE:

What does it take to win Dakar?
Gerard de Rooy reveals all

BUDGET 2016:

How will YOUR business
be affected?



FOCUS EXCLUSIVE:

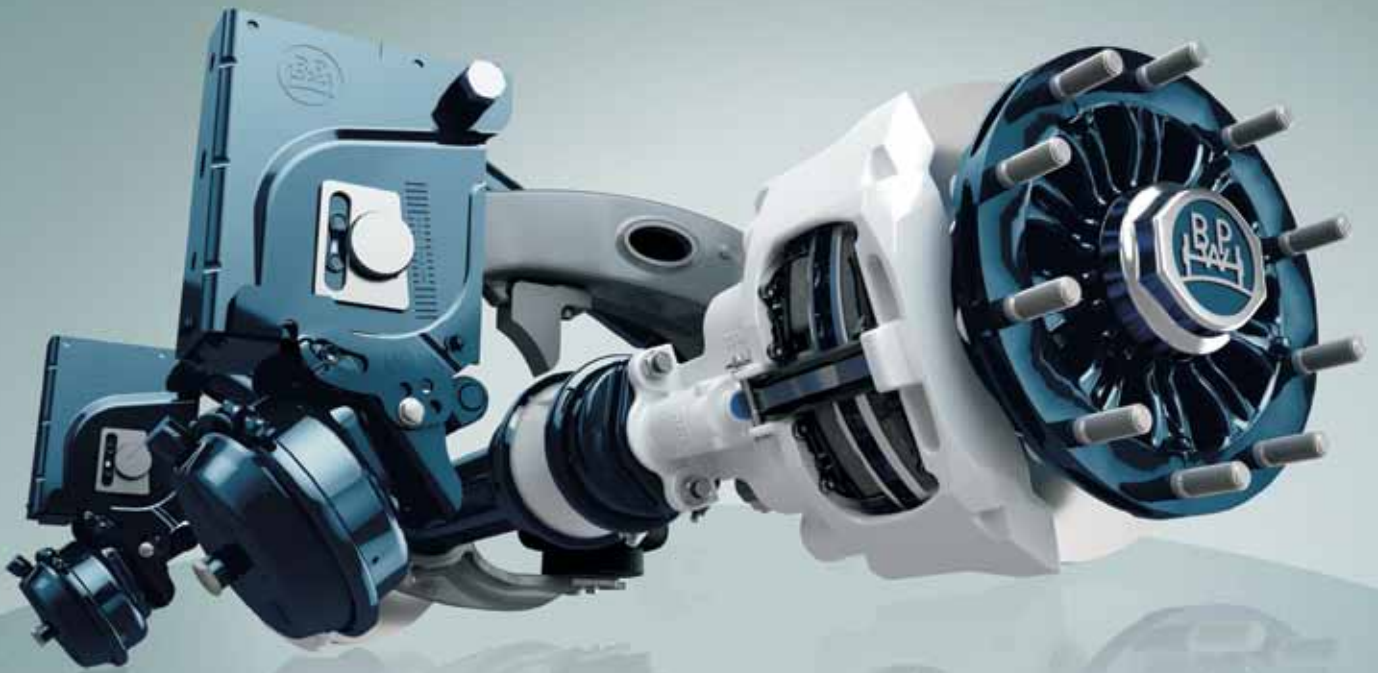
Face-to-face with the
president of DAF

CAPE TOWN

rocks down electric avenue

DAIMLER:

It's time for Africa



The new ECO Plus 3 is here.



New Hub Design

- Continuous hub flange
- Standard ABS exciter ring with 90 teeth



Optimised sealing concept

- Enclosed bearings with multi-sealing system
- New seal design
- Exciter ring is part of the sealing system
- Hub cap with proven screw connection and service friendly torque



Improved axle nut

- Only one axle nut for all axles from 9 to 12 ton
- Optimal adjusting through improved axle nut with integrated torque limiter

The New 9 ton ECO Plus 3 replaces the current 9 ton ECO Plus 2 version for single wheel application. All dual wheel applications remain with the current 10 ton ECO Plus 1 axle design.

CONTENTS



PAGE
14

TAMING DAKAR

In the wake of his Dakar 2016 win, an elated Gerard De Rooy, of Petronas Team De Rooy Iveco, tells us that it all came down to a good team, a good truck and being able to relax ...



PAGE
16

"THE PROOF WILL BE IN THE PUDDING"

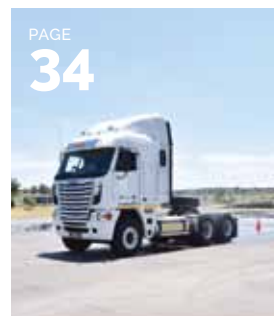
Much was expected of this year's budget speech, but did Finance Minister Pravin Gordhan deliver?



PAGE
22

TYRE PRICE HIKES ON THE CARDS

The short- and long-term implications of recent economic and political instability are likely to affect every industry sector, including tyres and transport.



PAGE
34

TODAY ... SOUTH AFRICA, TOMORROW ... THE REGION

In its drive to get closer to the customer, Daimler Trucks & Buses has launched its Regional Centre Southern Africa (RCSA).



PAGE
36

"2015 WAS A GOOD YEAR"

Harrie Schippers, DAF Trucks president, tells us, in an exclusive ITOY interview, that the company is optimistic about its prospects for 2016.



PAGE
40

TECHNO VAN

It may be more of an evolution of the previous model than an outright all-new model, but the Volkswagen Caddy still has a lot to offer, as we found out at its launch in KwaZulu-Natal.



PAGE
44

MAN GOES LIGHTWEIGHT!

Among a plethora of news from overseas, FRANK BEETON reports on MAN's imminent entry into the integral van market.



PAGE
52

AFRICA'S FIRST ELECTRICITY BUSES ON THE WAY!

Cape Town's public transport system is going green as the city prepares to procure electric buses for its MyCiti service.

COVER STORY

Iveco has dominated the 2016 Dakar rally. Find out how on page 12!



REGULARS

- 2 Steering Column
- 6 Wheel Nut
- 8 Vic's View
- 10 Letters
- 44 Global Focus
- 49 Short Hauls
- 50 Naamsa figures
- 51 Subscription form
- 54 Hopping off
- 56 Global bus

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

EDITOR

Charleen Clarke
Cell: 083 601 0568
charleen@focusontransport.co.za

ASSISTANT EDITOR

Gavin Myers
Cell: 072 877 1605
gavin@charmont.co.za

SUB-EDITOR

Jeanette Lamont
Cell: 083 447 3616
jeanette@charmont.co.za

JOURNALISTS

Claire Rencken
Cell: 082 559 8417
claire@charmont.co.za

Thato Tinte
Cell: 081 399 3445
thato@charmont.co.za

Aimee Shaw
Cell: 063 685 5120
aimee@charmont.co.za

INDUSTRY CORRESPONDENT

Frank Beeton
Tel: 011 483 1421
Cell: 082 602 1004
frankb@economatrix.co.za

TECHNICAL CORRESPONDENT

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

PUBLISHER

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

ADVERTISING SALES

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

Gareth Smith
Cell: 074 113 0329
gareth@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

© Copyright. No articles or photographs may be reproduced, in whole or in part, without specific written permission from the editor.



CHARMONT
MEDIA GLOBAL



FOLLOW US

facebook.com/focus_mag
twitter @FOCUSmagSA

REVEALED:

State of the Trucking Nation!



Things are looking just dandy at Isuzu Truck South Africa. What a pity that the same cannot be said of our country ...



CHARLEEN CLARKE

It was a pleasure to attend Craig Uren's annual State of the Nation address. I say this for three reasons: the chief operating officer of Isuzu Truck South Africa makes sense, he has a proper understanding of figures (he can even pronounce them) and he is both straightforward and honest. As such, it's an annual affair that I look forward to.

This year's gathering didn't disappoint, with Uren being typically candid and entertaining. "What has changed since this time last year? Not much! Our gross domestic

On a serious note, though, Uren painted a picture that mixed good with bad. Let's kick off with the good news first. "We have a lot to celebrate today: 100 years since inception of Isuzu, the tenth birthday of Isuzu Truck South Africa and the fact that we are the number one brand in the South African truck market (we sold 4 550 units in 2015 and achieved a 17,4 percent market share)," he explained. (It should be noted that this excludes vans and buses and it is specific to the brand; Mercedes-Benz remains the leading company, with three brands.)

"We have now positioned the brand where we want it to be, and have strategies in place to maintain that level as we are still in a growth stage of that strategy. The results we achieved in 2015 are definitely not the end point, but merely part of the journey. I cannot foresee any major hurdles to hinder our progress, except perhaps some major global or local events. The market will, however, dictate where the level will be, if any," said Uren.

"The Isuzu COO said that the acquisition of Kanu and ACT in the Eastern Cape was a good move. "The production at Kanu/ACT is not totally devoted to Isuzu Trucks, as it also supplies the general market where necessary. Kanu/ACT is doing well and so far is filled to capacity.

"This acquisition has enabled us to get the solution to the market in the most effective manner possible. As we grow in volume, Kanu/ACT grows with us. This has meant great savings for the dealer, who receives a complete vehicle from the factory. It eliminates the need to move the vehicle around for the fitting of the various accessories, thereby eliminating unnecessary expenses and shortening the turnaround time once the sale has been concluded.

"As far as the specialised market is concerned, Isuzu Trucks continues to maintain a high level of activity in the tipper business and dominates in the compactor business as well," explained Uren.

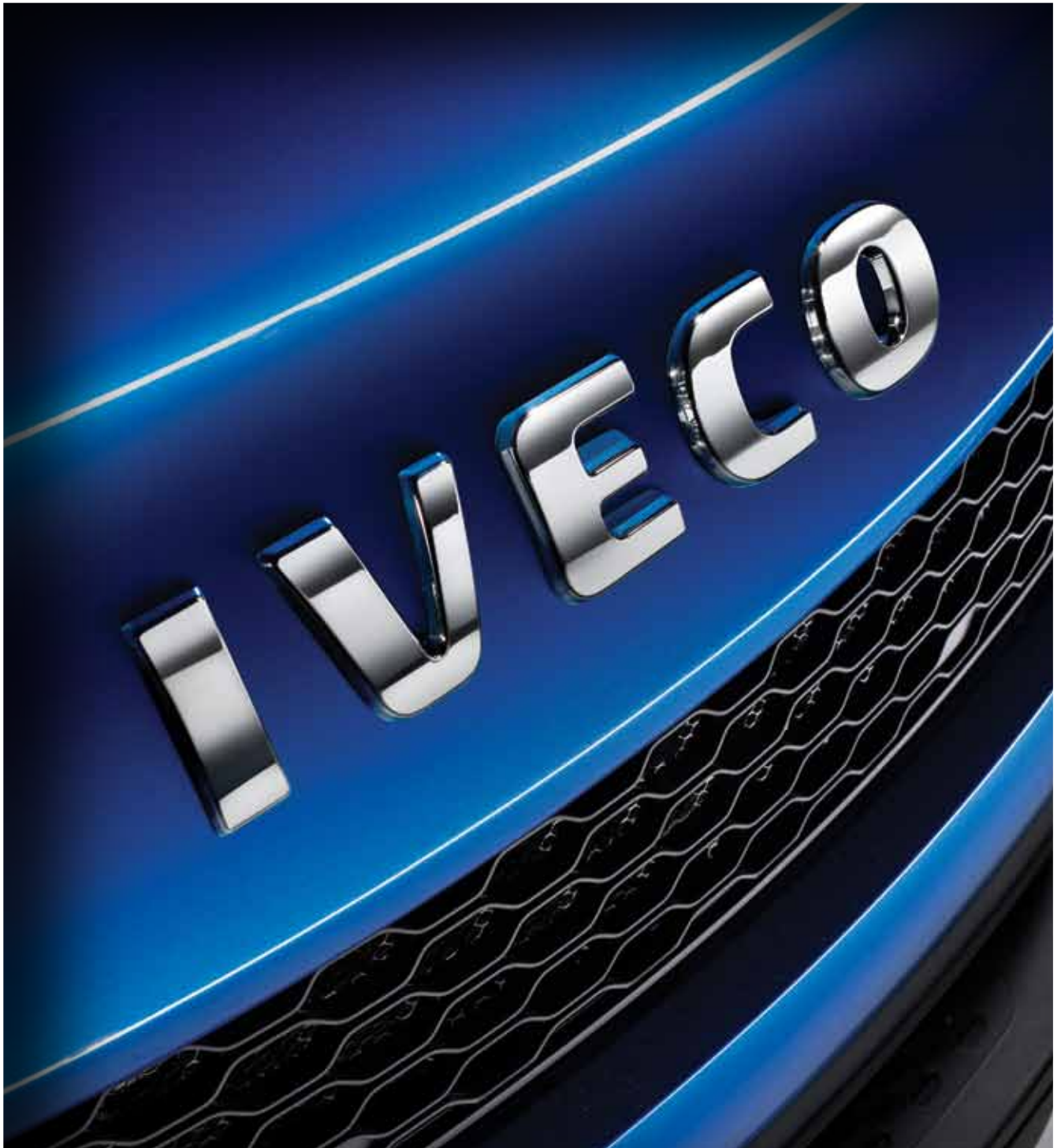


Isuzu chief operating officer Craig Uren says that, despite tough times, it is not necessary to press the proverbial panic button.

product is still under pressure, businesses still don't want to invest, the pressure on government to reduce spending remains, we were getting downgrades – and they're getting worse – and unemployment remains a challenge.

"The first six months of 2015 was a wonderful place to be. The last six months (particularly the last quarter) were interesting to say the least. As a result of the financial turmoil, we are seeing retrenchments, closures and buyouts. Please note that there is a blood transfusion bar outside. Donate your blood and don't spill it on the carpet when you slash your wrists," he said with a wry grin.

C O M I N G S O O N



S T R O N G B Y N A T U R E

IVECO

WWW.IVECO.COM

Also on a positive note, he said Africa held much potential. "For Isuzu, Africa is a huge market opportunity. Around the world Isuzu does well, but Africa needs a lot more work to entrench the product. We have established a good customer base in neighbouring territories and in 2015 we exported more vehicles there than we had done in the last five years.

"Generally, the Isuzu Trucks footprint in Africa is expanding, especially at the assembly facilities in Egypt, Kenya and South Africa. Isuzu Motors Limited Japan sold more than 20 000 new trucks into Africa last year, and it is anticipated that this number will grow considerably in the next five years," said Uren.

While things look rosy for Isuzu, he noted that the country as a whole faces many challenges. "However, it's good to see that Pravin Gordhan is shaking the tree and finding solutions that were supposedly Holy Grails before. It's really good to see that he is trying to fix the South African Post Office, for instance."

Other things aren't so easy to fix. "The big issue has been the drought. Unfortunately, we are only in the early stages of the impact of this. There will be more of a bitter pill to swallow on the part of consumers. I think the price of maize and grain has risen by 180 percent in the past 12 months. This is not going to be helping the cause of the poor and unemployed," he pointed out.

On a more optimistic note, he said that the oil price was unlikely to rise. "It's a simple case of supply and demand. Russia is in trouble. What have they got to sell? Oil – lots of it. They are sitting on stashes. Emerging markets such as Venezuela and Angola are also desperate to sell their oil. Also, sanctions have been lifted in Iran. There is a lot of oil that they have not been able to sell. This is a perfect storm ...

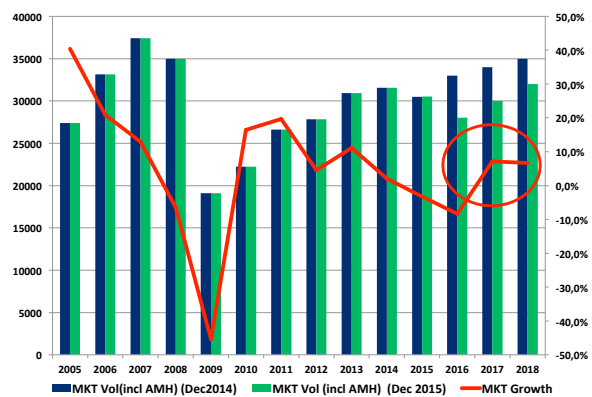
"The lower oil price could not have come at a better time for South Africans. If we were paying US\$ 60 or 70 a barrel, our situation would be dire – given the escalation in all other costs. The lower oil price has provided a buffer, because it's balanced out the other rising costs. The situation has benefited consumers too; they are desperate for disposable income – so it is good that it costs R100 less to fill up."

On the subject of costs, Uren predicted that truck prices would rise by ten percent in the first quarter with another five percent increase in the second half of 2016. "Will this reduce demand? Not necessarily. The industry has learnt that old trucks cost you money while new trucks make you money."

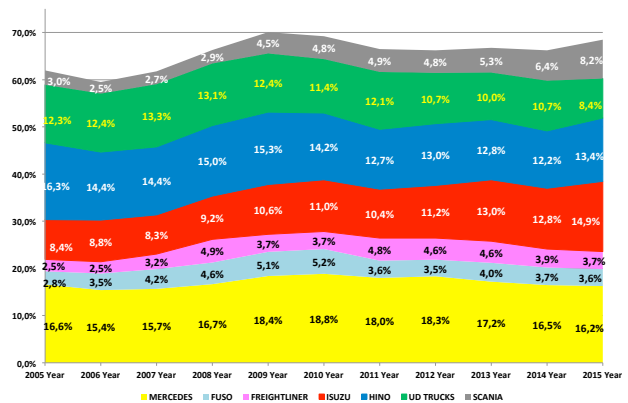
He said that it was, however, difficult to predict what would happen this year. "I think the market will end up about eight percent down this year, but this depends on so many factors; we get caught by a new surprise every day!"

Government will obviously play a huge role. "I am hoping that the finance minister will drive business confidence up. Businesses want certainty and belief. I am hopeful that he will be able to bring the economy back on track. Of course, whether he will get the support to do the right thing is questionable, but one thing is certain: he has to do something significant."

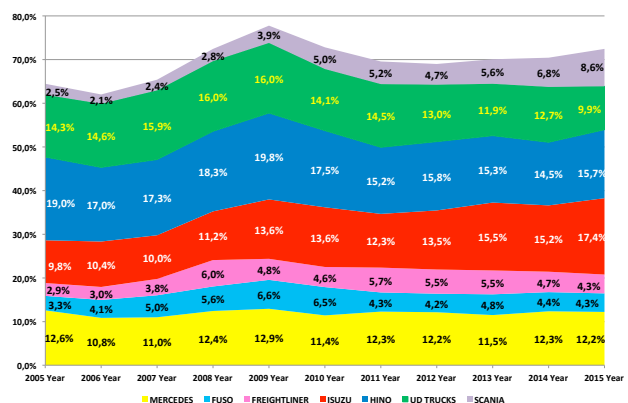
LONG TERM TRUCK MARKET FORECAST



TOP 5 TOTAL TRUCK MARKET – INCL. VAN AND BUS



TOP 5 TOTAL TRUCK MARKET – EXCL. VAN AND BUS



While Uren conceded that the commercial vehicle market was very much a replacement market, he said that it was important for demand for new trucks to remain. "If demand vanishes, there will be closures and we won't be able to come back from that."

He said that there was no need to panic, because South Africans are resilient. "I have faith in South African businesses. We have been through it all before, and we are going through it again; 2016 doesn't look anywhere as bad as 2009 ... we will plod ahead!"

Let's hope he's right. **F**

**THE TRUCKING
BUSINESS IS A BATTLE.
AND ONLY THOSE
WHO ADAPT WIN.**



WITH
SYSTEM5
TECHNOLOGY™

**Up to 40% better performance
than industry standards***

Rising costs. Demanding customers. Stiff competition. The commercial transport business isn't easy. But now you have an ally – new Castrol Vecton. Its unique System5 Technology™ adapts to changing engine conditions and helps maximise your truck's engine performance in 5 key areas. Fuel consumption, oil consumption, oil drain interval, component life and power. So no matter how fierce the business conditions, Castrol Vecton helps you and your fleet emerge victorious.

www.castrolvecton.com

IT'S MORE THAN JUST OIL.
IT'S LIQUID ENGINEERING.

Castrol
VECTON

*In independent laboratory tests, Castrol Vecton performed up to 40% better than API and ACEA industry standard limits across oil thickening, piston deposits, soot handling and wear and corrosion. See www.castrolvecton.com

Looking after FAMILY

Is it due to the precarious situation in which we find ourselves as a nation, or are good news and a good attitude just hard to come by at the moment?



GAVIN MYERS

This month I wanted to write something light-hearted, really feel-good and smile-inducing. This is in the wake of a circus-like State of the Nation address, a belt-tightening budget speech and the worrying situation in which we find ourselves as a nation with regard to an increasing, and sometimes irrational, play of the race card (yes, I went there).

I just wanted to talk about something positive. The

referring to the people affected by the actions of those in command of the vehicles. These are not the drivers, technicians, cleaners, or those loading the vehicles – but the passengers, who have little knowledge of, or interest in, the vehicles in which they travel.

I could go on here about overloaded city buses that belch plumes of black smoke, and, invariably, break down in the middle of an intersection during peak rush-hour traffic. I won't, though, because these passengers have the choice to board the next, less-full and more mechanically sound vehicle that comes their way.

Did any of the men in the accompanying picture (11 visible on the back of the bakkie) have such a choice? I doubt it; they just wanted to get to site on time in the morning, and get home conveniently in the evening.

Convenient it may be, but do they give any thought to their safety should the vehicle be involved in an accident? Do their employers give any thought to this, or the implications for themselves and their businesses in such an instance?

Employers have a responsibility to transport their staff safely. In places like Australia, the United Kingdom and the United States this is non-negotiable. It's encouraging, though, that many corporates enforce strict health and safety rules and will not allow contractors on site should they "bus" their workers in on the back of a truck or bakkie, for example. They realise that these people are part of their extended "family", and that looking after family is good for business.

Happily, there are certain truck buyers who also realise this when considering their transport purchases. That much is clear in the increasing number of double-cab trucks being bought (or converted) for staff transport. I sincerely hope many more follow the lead.

At least that's a positive(ish) note on which to end this piece ... **F**



How many people can you fit on the back of a bakkie? Never too many, apparently ...

problem is we have so many bigger issues. And I'm not referring to this troublesome trio our beloved South Africa is going to have to overcome in the year ahead – though doing so is, unquestionably, pivotal in our ability to move forward in a society that is becoming increasingly intolerant of such shenanigans.

I'm talking about something a bit closer to home – our home, which is transport. Specifically, too, I'm

Your first reason to operate a
Volkswagen Constellation 19.320 Truck Tractor
UNDER R600/day*



INCLUDES:

- 1 YEAR free servicing
- 2 YEARS full vehicle warranty
- 3 YEARS fixed interest rate

4x2 Truck Tractor | Cummins 320 HP 1.288 Nm torque engine | ZF 16 speed transmission | 44 tons GCM

More you dont need, less you don't want.

The other reasons are as compelling. Technology meets functionality in the Volkswagen Constellation which has set some exceptional performance standards in operation. It's not all talk either. So much so, that we will put our money where our mouth is and **INCLUDE ONE year free servicing*, TWO years full vehicle warranty* and THREE years fixed interest rate at 8.25% p.a...**WHAT ARE YOU WAITING FOR?

Contact a VW Truck & Bus dealership today!

- BLOEMFONTEIN (051) 503 2500
- CAPE TOWN (021) 980 2720
- EAST LONDON (043) 736 3538
- ERMELO (017) 819 2838
- GEORGE (044) 878 0115
- HATFIELD (012) 941 8900
- KIMBERLEY (053) 841 0635
- MIDDELBURG (013) 246 2356
- NELSPRUIT (013) 741 1912
- PINETOWN (031) 716 1900
- POLOKWANE (015) 297 7275
- PORT ELIZABETH (041) 452 3674
- TULISA PARK (011) 861 3600
- UPINGTON (054) 332 3364

MAN | Service

Mobile24
0800 11 08 09

MAN | Finance

An Authorised Financial Services and
Registered Credit Provider.(NCRCP64)

www.man-finance.co.za

*Terms and conditions apply and subject
to credit approval. While stocks last.
Talk to us!



**Trucks
Buses**

THE DANGERS

of overtaking heavy-duty trucks



Car and bakkie drivers continually try their luck and overtake large trucks in unsafe conditions

The lack of understanding by car and bakkie drivers, of the length, mass and power of the big trucks that use our national road network, all too often results in horrific and fatal accidents.

Many vehicle drivers do not know that most of the trucks travelling on the long-distance routes around South Africa are interlink combinations; consisting of a 22-m long truck-tractor pulling two trailers.

This is approximately four to five times the length of their light motor vehicle and it will, therefore, take time to pass the truck safely. The result is that they attempt to overtake without a sufficient clearance gap.

Second, they are not aware that these vehicles (when fully loaded) have a total mass of 56 000 kg, whereas the average light motor vehicle has a mass of approximately 1 500 kg. Colliding with a truck of this size can be fatal for the light-vehicle driver and passengers.

Third, most of these modern trucks and buses are fitted with high-powered diesel engines and are often able to retain their cruising speed on an uphill. Not realising this, motorists often endeavour to race past the truck at the approach of the hill and then find themselves in trouble.

Ignorance of the rules of the road regarding driving in the yellow lane is another problem. Many light motor-vehicle drivers expect truck drivers to move into the yellow lane when they want to overtake. When the truck

driver fails to do this, they get annoyed and recklessly try to overtake the truck in unsafe conditions.

The regulation pertaining to yellow-line driving does not state that truck drivers are compelled to move over, and many truck operators do not allow their drivers to do so. This is due to previous horrific accidents that have been caused as a result of driving in the yellow lane.

To counteract the bad decisions that light-vehicle drivers make, truck drivers need to adopt an advanced driving style to prevent collisions.

One of the main advanced driving skills taught to drivers is to continually (every 12 seconds) search for anything that represents a possible hazard, such as a light-vehicle driver proceeding to overtake when it is not safe.

Once a road hazard is identified, a driver needs to predict what may happen. The time span between identifying a hazard and executing the avoidance action may be very short, so reducing vehicle speed should be the first action to be taken once a road hazard is identified.

Drivers then need to make a decision on what remedial action to take to prevent a collision, and immediately execute it. Quick execution of the decision is vital, as things normally happen very fast in these situations.

A driver should also always have a possible escape path in mind, which could be the adjacent lane on a highway, or the verge of the road. **F**



One of this country's most respected commercial vehicle industry authorities, VIC OLIVER 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 and have your say!

WIN

a mid-week stay
FOR SIX
IN A SIX-SLEEPER UNIT
at any of the Dream Hotels &
Resorts within South Africa

While your favourite trucking and transport magazine isn't going anywhere, we are making it easier and more convenient for you to enjoy!

Receive FOCUS by e-mail each and every month and enjoy it whenever and wherever you want! Simply send your e-mail and physical addresses to bev@charmont.co.za.

Brought to you by



Ts & Cs:

By sending us your physical and e-mail address you agree to a) have your e-mail address added to the FOCUS on Transport newsletter mailing lists, b) be entered into the Dream Hotels & Resorts prize draw. The FOCUS on Transport newsletter is sent out every Thursday. The competition ends at 17:00 on Thursday, 28 April 2016. The draw will take place on Friday, 29 April 2016 at which time the winner will be notified by e-mail. The winner agrees to have their details published in the magazine and newsletter of 5 May 2016. The competition prize is sponsored by Dream Hotels & Resorts and is valid between Sunday, 1 May 2016 and Sunday, 30 October 2016. The prize excludes any peak holiday periods, school or public holidays. Accommodation is subject to availability.



STOP PLAYING THE BLAME GAME, AND GET THE BASICS RIGHT

Vic Oliver's story in your February edition, entitled: A Truly Terrifying Test, refers.

South Africans are great at playing the blame game, particularly when it's easy to deflect the blame, or when it's easy to blame the obvious candidate, while the real party at fault manages to avoid responsibility.

There's no environment where this happens more frequently than on our roads and in our traffic. We seldom look further than the person in front of us, who has been a party to a tragic accident, while failing to interrogate the deeper issues.

One particularly clear example of this is the accident on Field's Hill on the evening of September 5, 2013, when Sanele Goodness May lost control of the truck he was driving and ploughed through an intersection, killing 22 people.

May has since been convicted of culpable homicide, fraud, breaking immigration laws, being in possession of fake licences

and other traffic offences. He is currently in prison, but will likely be released earlier than the eight years and ten months of his sentence.

While May is sitting behind bars, the owner of the vehicle walks scot-free, although he bemoaned how the accident ruined his business in a newspaper article late in 2015. Gregory Govender, the owner of Sagekal Logistics and May's employer, said that he has "lost friends, his business and his reputation" – making himself sound very much like the victim.

What of the 22 people who died, because Govender failed to check whether his employee was qualified and licensed to do the job? What of the burden that May will live with forever; that he killed those people because he was given a tool to do his job that was not mechanically safe to be on the roads?

Why have the authorities not prosecuted Govender for these shortcomings, when it is completely plausible that his other vehicles had the same or similar faults – and that the rest of his workforce had also escaped the scrutiny required before taking their place behind

the wheel of massive vehicles?

Elsewhere in the world, the company owner would be held as liable for this disaster as the driver – if not more so. This is also true in other sectors in South Africa – if there is a mining accident, the mining company is held responsible, fined and production is halted in order to find the cause of the incident and institute remedies to prevent repetitions of the disaster.



The same is true elsewhere in the manufacturing sector, where companies are fined for not complying with the Occupational Health and Safety Act. Why, then, are the companies behind South Africa's extensive road logistics industry not held accountable and liable for the safety of their working environment – the trucks – in which their workers operate?

This culture of blaming the driver in incidents like the one on Field's Hill, and the Rheenendal accident, near Knysna in 2014, is not going to help the sector to improve. It makes it easy for transport companies to blame their employees, and just move on.

Safety in this sector is going to continue at its appalling current rate unless vehicle owners are held responsible for what happens with their trucks and their drivers on the road – starting with them checking their drivers' qualifications, and making sure that their vehicles really are roadworthy.

Chris Harry
MD at HCV

FOCUS COMPETITION IS GREAT FOR READERS

It's great to see that **FOCUS** is engaging its readers and running the Dream Hotels and Resorts competition! My entry is in and I really hope to be able to take my family on the mid-week stay!

I've stayed at the Blue Marlin resort on the KwaZulu-Natal South Coast and thoroughly enjoyed it (we also attended the Scuba Academy!) This time, I think we might head for one of the bush camps or game reserves ... if I win, of course!

I hope you can run more reader competitions like this – it's always nice to

be given the opportunity to win such lekker prizes.

Emil Slabbert

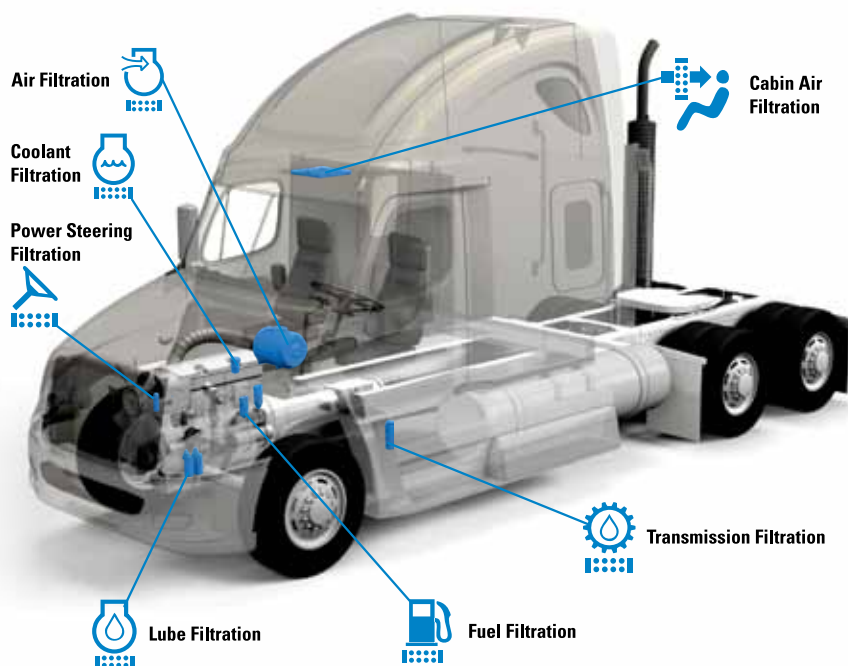
*We're glad you like the idea of the competition, Emil. Thanks for entering! If any of our other readers would also like to enter, check out the competition promotion on page 9. You can also find out more about what Dream Hotels and Resorts has to offer by checking out the series of articles (and loads of other great content!) on **FOCUS**'s sister website, Cyberstoep.co.za – ed.*



The history continues...

For over 50 years, Donaldson has provided filtration solutions across Africa in some of the harshest conditions. Our leading edge lube, fuel, coolant and hydraulic filter ranges have delivered competitive coverage, superior service and reduced downtime for a number of agricultural applications. Whether it be tractors, harvesters, material handling, silos, hoppers, or garners, we have the tried and trusted filtration solution for you.

For the next 50 years and beyond, Donaldson will continue to provide innovative filtration technology to support the demanding requirements across the African continent.



Donaldson
FILTRATION SOLUTIONS

0860FILTER
www.donaldson.co.za

Without doubt, Iveco was the dominant player in the 2016 edition of the gruelling 9 000-km, 13-stage Dakar rally. As would be expected, the company is ecstatic about the performance of its vehicles

Iveco is really on a roll! Its champion of the European mediumweight class, the Eurocargo, was named International Truck of the Year 2016. Then, its Magelys was named International Coach of the Year 2016, which was followed by the brand's dominance of the 2016 Dakar rally.

This was certainly one of the most competitive Dakar events ever, with five different brands finishing in the top ten of the truck category.

The top-five ranking featured three Ivecos – in first, third and fifth positions – while the fourth of the five finishing Ivecos rounded up the top ten.

Unfortunately, Czech driver Aleš Loprais – the sixth Iveco entrant, who had been running strongly in his number 503 Iveco Powerstar – fell out of the race during the fifth stage, due to mechanical problems.

The driver of the moment, though, was without doubt Gerard de Rooy, leader of Team Petronas De Rooy Iveco, in vehicle number 501. The Dutch driver claimed his second victory in the Dakar's truck category.

This year, De Rooy drove with Spanish co-driver Moises Torrallardona. He dedicated his victory to his previous navigator, Belgian Jurgen Damen, who passed away last year. Read **FOCUS**'s exclusive post-race interview with De Rooy over the page!

On the podium in third place, Federico Villagra, affectionately known as "El Coyote", was followed by millions of local fans in his number 514 Iveco Powerstar (Iveco is also market leader in Argentina).

Ton van Genugten finished fifth in vehicle number 516, an Iveco Trakker. Van Genugten and co-driver Anton van Limpt (both from Holland) pulled a rabbit out of the Dakar 2016 hat ... while 516 was one of two quick service trucks supporting the team's lead drivers – De Rooy, Villagra and Loprais – Van Genugten and Van Limpt succeeded in staying ahead of the other leading competitors and securing fifth place.

In fact, Van Genugten missed a stage win only because he stopped to support his team leaders, demonstrating the strong spirit of the Iveco team.

Behind the wheel of another Iveco Trakker, this time vehicle number 518, was Spaniard Pep Vila. He and his co-driver, fellow Spaniard Xavi Colome Roqueta, fought until the end to finish in tenth place. This was Vila's sixth Dakar with Iveco and his fifth with Team De Rooy.

Naturally, the Dakar rally is also a great opportunity for Iveco to highlight the performance of the Iveco Cursor 13 engines – manufactured in Bourbon Lancy, France, and specifically prepared for the race by FPT Industrial at its R&D centre in Arbon, Switzerland.

Iveco – the darling of DAKAR 2016



**ABOVE AND RIGHT:**

Iveco tackled the demands of Dakar with aplomb.

The 12,9-litre, six-cylinder Cursor 13 developed 671 kW (900 hp) at 2 200 r/min, and proved its performance and durability throughout the race.

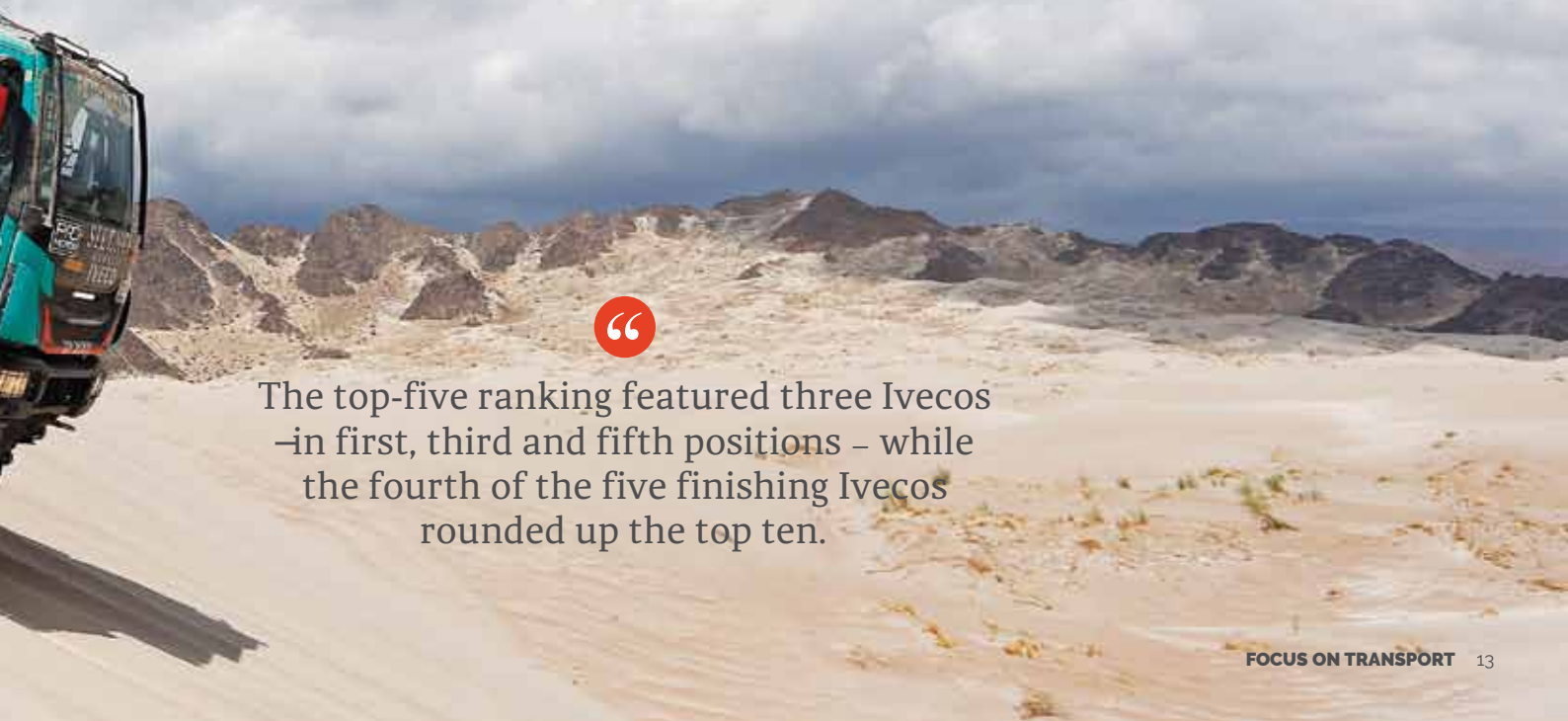
"We are very pleased with the resounding success and triumph of Iveco's vehicles in the 2016 edition of the Dakar, We are also proud of the recognition in terms of the Eurocargo International Truck of the Year 2016 and Magelys International Coach of the Year 2016 titles," commented Pierre Lahutte, Iveco brand president.

"Iveco puts the excellent reliability of its trucks on the trails of the Dakar rally, enabling the teams' outstanding



pilots to give their best performance in the race. I would like to thank Gerard De Rooy, Federico Villagra, Anton Van Genugten, Pep Vila and Ales Loprais and their remarkable teams for the determination and drive they have shown," he concluded.

Flip the page for our exclusive post-race interview with De Rooy! **F**



The top-five ranking featured three Ivecos –in first, third and fifth positions – while the fourth of the five finishing Ivecos rounded up the top ten.

In the wake of his Dakar 2016 win, an elated Gerard De Rooy, of Petronas Team De Rooy Iveco, tells GIANENRICO GRIFFINI that it all came down to a good team, a good truck and being able to relax ...

Ending this year's Dakar, your team numbers were impressive: four trucks in the top ten, three in the top five, a huge gap between you and Ayrat Mardeev [who placed second in his Kamaz] and, moreover, a strong and steady team performance stage by stage. What are the reasons for this result?

A new set-up of the team with three race drivers in the Powerstars – all capable of winning the Dakar – very good drivers in the fast service trucks (Trakkers) and a team of mechanics with redefined roles and responsibilities. The new set-up was applied for the first time at our private test event in Morocco, further improved during the Oylibia rally and fully applied during the recent Dakar rally.

Can you detail "your" Dakar?

My 2016 Dakar was a rally in which I could really focus on my job; namely racing for victory. The new set-up of the team allowed me and my race crew to focus day by day on the race itself.

The rest – like maintenance and repair of the race trucks, logistics, catering and so on – was no longer my concern and was dealt with by team management. This gave me peace of mind and created a much more relaxed atmosphere.

What were the most difficult stages and the major turning points in the rally this year? Was it say, Stage 8, when you took the lead in the general ranking, or Stage 10, when you were surprised by the huge gap with the Russian drivers?

After the rest day, I knew that Kamaz was going to push. Nikolaev was really fast on the Salta – Belen special stage; I could see that when I saw the tyre tracks, so I started to push from the beginning of the special. In the end, I won by 2.5 minutes.

I think the Kamaz team got a mental "punch in the face". During the next two days they took too many risks. They were pushing too much. During the Belen – Belen special we didn't have any problems at all – which added to the huge gap.

You said on your website that, in a Dakar, nothing can be taken for granted until the finish line. When did you honestly feel your second victory in the rally was at your fingertips?

The Dakar rally is so unpredictable. Anything can happen ... mistakes are easily made. During the Friday special, which was on the last day of the event, I felt I had my competitors "under control" and victory became a reality.



The Dakar rally is so unpredictable. Anything can happen ... mistakes are easily made. During the Friday special, I felt I had my competitors "under control" and victory became a reality.

Taming
DAKAR



Usually, you prefer to drive on sand and dunes, but this year you had to face extremely slippery conditions, too. How did you feel?

The first week it was really strange with the wet weather conditions. Wet conditions are not my favourite, so I didn't push on these days. Finally, we lost only a few minutes per day. We didn't risk anything ... Some teams pushed a lot and gained only a few minutes.

In a previous interview, you said you are a relaxed driver, with a strategic view of the race every time. Did you change your driving style in any way this year, or, conversely, did you stick with your "philosophy" that to finish first, you first have to finish?

This year I had a fantastic, very professional navigator; Moi (Torrallardona). This gave me peace of mind and total confidence, which allowed me to focus more on the driving. In fact, being more relaxed made me faster.

What are the main technical features and best qualities of your Iveco Powerstar?

The most impressive thing is, of course, the engine.

The team hasn't had a single engine failure since I joined. The power and torque produced by the engine make it, I believe, the best engine in the field.

Petronas has supplied lubricants that have benefited the brilliant performance of these engines. Furthermore, the drivability of the truck and the level of comfort (relatively speaking, of course), seating and steering wheel position, together with excellent shock absorbers and the Goodyear tyres, make it a winning rally truck.

What did you change on the truck, compared to last year's model?

Honestly speaking, nothing. As I said, I am very happy with the driveline; no changes required.

During testing, we were focusing on the set-up of the shocks in combination with the various terrains – sand versus rock; that sort of thing. Furthermore, our cooperation with Goodyear helped us understand a lot about the behaviour of the tyres under all the different circumstances. **F**

As regular readers of **FOCUS** know, this magazine has been appointed an associate member of the International Truck of the Year (IToY)! **FOCUS** is the sole South African and the sole African magazine to have joined this prestigious body. One of the advantages of this association is access to exclusive ITOY events, such as Dakar.



THE DE ROOY LEGEND, FROM AN ITOY PERSPECTIVE

Brothers Jan and Harry de Rooy were both active in rallycross in the 1960s, 70s and 80s. Both started haulage companies; Jan started De Rooy Transport and Harry established De Rooy Logistics.

"Not much can be found on Harry's career, but Jan's is well documented. Despite never being European Champion, he was Dutch champion for a few years and drove well in European championships. He is well known (in fact famous in the Netherlands) for his participation in the Dakar Rally, and his no-nonsense character," reports Arjan Velthoven, from Dutch publication *TTM.nl*.

"Once upon a time, I think it was in 1969, I raced rallycross in a Saab 96 V4. Among the international competitors were two De Rooy brothers, driving the "rubber string" (variator drive line) DAF," recalls ITOY jury member Klaus Bremer, from the Finnish magazine *Auto, Tekniikka ja Kuljetus*.

"They were very fast and I think one of them even won the European Championship, which



was remarkable as there were, among others, very fast British and German 4x4 Ford Escorts," he adds.

"After Jan retired, his son Gerard took over the management of De Rooy Transport and the Dakar Team. Jan is, however, still present every day to oversee things," Velthoven continues.

"For a very long time, De Rooy Transport operated mainly DAF trucks, but nowadays the company chooses its trucks to match their tasks. Brands in the stable today include Scania, Volvo, Iveco and DAF."

More information on De Rooy Transport can be found on its corporate website – www.derooy.com.





"The proof will be in the PUDDING"

Much was expected of this year's budget speech, but did Finance Minister Pravin Gordhan deliver? AIMEE SHAW reports

"The budget speech was eagerly awaited by everyone," said Azar Jammine, director and chief economist for Econometrix, at this year's post-budget conference, sponsored by Grant Thornton. The event was held in Sandton, on February 25, the day after the budget speech was delivered.

Jammine said: "There was excessive expectation for the virtual impossibility of trying to reverse South Africa's declining economic fortunes in one fell swoop."

Apart from the shortfalls of the weak economy, including the fall in commodity prices, drought, poor education and rising unemployment, the event that took place on the December 9, when President Zuma fired Nhlanhla Nene as finance minister, saw the rand take a cumbersome turn. "The rand is now used as a proxy by other emerging markets, because of the liquidity of the financial market," Jammine explained.

According to Jammine, we have the 28th largest economy in the world, with trade in the rand amounting to US\$ 25 billion dollars per day. What are the factors that have depressed economic growth in South Africa?

"The International Monetary Fund predicts a low growth point of approximately 0,7 to 0,9 percent this

THEY SAID IT!

A number of "quotable quotes" emerged in the spate of the budget speech. Some are specific to the budget, others relate to the country in general. Here are some of CHARLEEN CLARKE's favourites:

"South Africa has scored a number of 'own goals' when it comes to the economy"

- **Azar Jammine, director and chief economist at Econometrix**

"If you were thinking about setting up a trust, forget it"

- **Eugene du Plessis, partner and head of tax at Grant Thornton Johannesburg**

"We have a Mickey Mouse currency"

- **Jammine**

"I don't think Zuma will go any time in the next two years"

- **Justice Malala, award-winning journalist, television host, political commentator and newspaper columnist**

"It is disappointing that Minister Gordhan projects that South Africa's economy will only grow by 0,9 percent this year. This very low economic growth rate, below the population growth rate, is devastating, as it will result in falling gross domestic product per capita in South Africa in the year ahead"

- **Kenneth Creamer, economist at the School of Economic and Business Sciences, Wits University**

"One of the weaknesses of the budget was a lack in drought relief"

- **Jammine**

"Pravin Gordhan's speech was motivating in many respects, but devoid of tackling the scourge of corruption, which impacts negatively in many areas, and undermines the development of the country. Opposition to Urban Tolling (Outa) is fully aware of government's predicament and how it desperately it needs to increase the revenue base. However, we believe that Government's relative reluctance and inability to seriously address the high levels of squandering, wasteful expenditure and corrupt abuse of taxes generated, has left Treasury and our country in our current lethargic state"

- **Wayne Duvenage - Outa**

BUDGET SPEECH

year, with a gradual recovery of approximately 2,5 percent in line with a similar pattern for the global economy," said Jammine.

He added that there is great apprehension around government debt that is expected to rise from current levels, of just under 40 percent, to close to 50 percent gross debt to gross domestic product.

When meeting with the minister of finance, to discuss thoughts prior to the February 24 budget, Jammine stressed the importance of preventing a downgrade in credit rating from investment grade to junk status.

He noted that fiscal consolidation, together with the fixing of state-owned enterprises, is needed to prevent a further downgrade in our credit rating.

Jammine stressed that Gordhan would also need to avoid the liability of making promises of additional amounts of money over and above the balance sheet.

Government fears it will have to spend an additional 11,4 percent every year on servicing government debt, due to this budget deficit. Jammine explained: "If your economy is going to grow by only 0,9 percent, it certainly means that you are going to borrow more money than you will receive."

He noted that, in order to increase potential economic growth and revenue, the government will need to implement fiscal discipline, and improve management of state-owned enterprises with structural reforms.

Jammine added that, besides the obvious negativity, our budget has substantially reduced deficits with plans for an accumulative reduction in borrowing over the next three years.

The tax increases announced were not as severe as many people had anticipated. Jammine felt that this is largely due to the magnitude of other crucial cutbacks that include employee compensation to public servants and the procurement and licensing processes.

He noted that with an increase of 30 cents a litre, which will be introduced from October 1, 2016, the fuel levy will earn an extra R6.8 billion along with the tyre levy.

The tyre levy is aimed at reducing waste and promoting the recycling of tyres. The Department of Environmental Affairs will have access to an allocated budget from the National Revenue Fund for recycling of waste tyres and other forms of waste.

Furthermore, higher inflation will mean increases in personal tax rates from 36,6 to 37,5 percent for the year ahead. "For most people, the effective increase in personal tax will be about 0,6 percent – which is significant, but it's not crippling," Jammine said.

So, why do we still have scepticism circulating the budget? Will our credit ratings experience a downgrade or not?

In closing, Jammine said: "The budget is not as negative as we had feared, but, for now, we will have to live with the scepticism, or at least until credit ratings are revised in December.

"Hopes are also high that, once the drought is over, we will start seeing our two to 2,5 percent growth rates returning, but, logically, it depends on whether our government can stick to its promises or not.

"Nice words, Mr Gordhan, but the proof will be in the pudding." **F**

"Race is going to be a feature of this country for the next two to three years. Brace yourselves for a year of serious turbulence at universities"

- Malala

"I don't see any growth stimulus in this budget. The focus should have been on growth of the economy and not taxing more things"

- Du Plessis

"If Pravin is fired ... well, what we saw in December would be a picnic"

- Malala

"The only thing that can save the rand is a change in the leadership of this country"

- Jammine

"This budget needed to be a real game changer. It wasn't really"

- Malala

"We've seen it all before. Can government deliver on its promises? How can we believe you? If government breaks its promises we will get a credit rating downgrade"

- Jammine

"The ANC will lose at least one metro in the local elections"

- Malala

"The fact that the government is giving priority to the state of our economy and taking concrete steps to restore faith in the future of the country will be welcomed by our parent company, especially in light of the R4,5 billion investment programme that we have embarked upon"

- Thomas Schaefer, chairman and managing director
Volkswagen Group South Africa

"One million people pay 64 percent of the tax in this country"

- Jammine

"A coalition between the DA and the EFF is likely at a municipal level. Maybe the DA could even offer Julius Malema the position as mayor of Johannesburg"

- Malala

"The probability of a VAT increase next year is far greater once the local elections are out of the way"

- Jammine

"This country's growth is partly due to adverse international conditions, but it is imperative that South Africans work together to remove domestic impediments to growth. Own goals, such as poorly performing state companies, service delivery failures, timidity in investment plans and anti-competitive conduct by companies, need to be eradicated in order to lift economic growth to the level needed to improve the lives of the majority of our people"

- Creamer

"Government should not say it needs to do things. At some stage it needs to start doing them"

- Du Plessis

"We have the third largest cabinet in the world"

- Jammine

"There are too many ministers and deputy ministers who do not have a proper job"

- Malala

The cost of cutting COSTS



With many financial experts predicting a stagnant economy in 2016, we ask what fleet managers should look out for when buying and insuring vehicles, and what hidden costs might be lurking in the year ahead

The answer to this question would seem to be multifaceted. David Molapo, head of Standard Bank Fleet Management, suggests it's a case of weighing up the short- and long-term benefits.

"Investing in a more efficient fleet now will mean there will be more cash available for expansion later, but the urgent needs of an expanding business makes it tempting to postpone such investments, and to keep on limping forward with a costly fleet," he says.



Choosing not to take out insurance could sink your business if one of your vehicles is involved in an accident.

He suggests that, to keep fleet costs in check, fleet managers must keep to timely vehicle maintenance and replacement schedules. "The temptation to postpone the replacement, or even a much-needed major service, of an old workhorse before it becomes too expensive, can be very strong in a small to medium enterprise when cash is in short supply.

"These are not savings; they are tantamount to pawning your vehicles for very expensive short-term cash," he adds.

These are strong words, but what does the finance house suggest fleet managers do, practically, to bring costs down. The first thing is to look out for hidden costs, not only when buying, but throughout the vehicle lifecycle.

When purchasing vehicles, consider the maintenance options available to you (most new vehicles will come with extensive original equipment manufacturer back-up). "As a business owner you may be tempted to purchase second-hand vehicles to cut costs. These vehicles might cost you more in the long run, however, due to increasing vehicle downtime for maintenance and repairs," Standard Bank notes.

"Consider implementing a telematics system across your fleet, which includes predictive maintenance software that can forewarn you about potential maintenance issues."

There is also the issue of carbon tax, which was announced by the minister of finance in the 2015 budget speech and published for public comment during November 2015.

The National Treasury noted at the time of publication of the Draft Carbon Tax Bill for public comment: "The carbon tax seeks to price carbon by obliging the polluter to internalise the external costs of emissions."





You're not buying this.

What you're buying is so much more than a truck. It's a commitment. A partnership.

A whole system designed and built around the working life of a vehicle. Founded on the principle that Total Operating Costs are more important than initial purchase costs.

Fuel, as we all know, is the big one. A significant part of the Total Operating Cost over a truck's lifetime. So it makes more sense to buy an economical truck than a cheap one. Which is why we make economical trucks. Not cheap ones.

Reliability is a huge deal as well. So you won't be surprised to hear that Scania trucks deliver the highest levels of uptime in Southern Africa, and our wholly-owned dealer network focuses all its energy on minimising downtime.

Driver capability is another big cost area, which our driver training programmes are tailored to help you manage and develop. The same goes for our finance and insurance approach. We believe in understanding the daily needs of your business, rather than just looking at the risk.

Also our new Fleet Management System is the perfect embodiment of our partnership attitude, giving you access to amazing detail on everything from coasting to heavy braking, and then the coaching support you need to help manage not just your fleet, but your entire cost base.

So if you're just buying trucks, we're probably not the supplier for you. But if you believe what you're actually buying is a partnership, a commitment, a total transport solution, then we should talk.

There is a better way.





LEFT:
Investing in driver training
will reduce running costs.

The carbon tax aims to change the behaviour of firms, incentivising them to shift towards cleaner technology when replacing/renewing machinery, technology or processes."

In the case of emissions from the use of petrol and diesel, the carbon tax will be added to the current fuel tax regime (meaning a further increase in fuel prices). Molapo suggests, however, that this additional tax "does not seem to keep fleet managers awake at night".

"All indications are that the carbon tax is simply seen as an additional tax by the industry, and will do little to pique interest, or change vehicle preferences. This may change one day when government starts introducing carbon levies based on actual vehicle performance, in line with some European practices," he notes.

With a lack of skilled drivers a longstanding concern of the local transport industry, proper driver training is imperative. "Drivers who lack the right skills to drive

your fleet will rack up costs for your business from accidents or incorrect handling of your vehicles."

On that point, being able to fix a vehicle that has been damaged without incurring additional costs is vital. It is advised: "Choosing not to take out insurance could sink your business if one of your vehicles is involved in an accident. To prepare for any eventuality you should not only consider vehicle insurance, but also public liability insurance."

Sid Beeton, transport division manager, One Financial Services, delves deeper into the topic. "There has not been the usual 'parking off' of fleets after mid December. I can only assume that cash flow is so tight that the luxury of parking off is no longer viable. The New Year also started with more defaults on debit orders and we have seen some vehicles (particularly trailers) that are not in a good state of repair," he notes.

Like Molapo, Beeton warns against letting



Letting maintenance slip during tough times is false economy, as claims will be rejected if the vehicle is found to be in an unroadworthy condition.



maintenance slip during tough times. "This is false economy, as claims will be rejected if the vehicle combination is found to be in an unroadworthy condition."

Nonetheless, Beeton reiterates that insurance is something that needs to be retained in tough times. "Transport is a high-risk undertaking; for vehicles that are financed, full comprehensive insurance cover is non-negotiable."

What should be done if the company's bank account is severely under pressure? "If the transport client is struggling to meet the monthly insurance premium, they can consider reducing cover on older vehicles to more limited cover; such as Liability, Fire and Theft cover (the major financial exposures). This should result in a saving of 40 percent over comprehensive cover."

Beeton suggests that cover options will be more flexible with older vehicles, as these are less likely to have outstanding finance. "The minimum requirement should be Third Party Liability insurance as, old or new, the likelihood of an accident with another road user is the same," he says.

Happily, insurance providers, such as One, offer more than just insurance; they provide a "transport solution"



to help operators manage costs.

"As the market is shrinking, or stagnant, at best, competition for business tends to result in a rate-cutting war," Beeton explains. "With inflation of imported truck parts and spares, the industry faces major challenges. We add value by entering into joint ventures with product suppliers, so that we can offer subsidies and savings on risk management devices, such as tracking

and 24-hour camera options, backed by a full-time bureau.

"We look to offer savings relating to fleet management, as the real savings come from reducing accident ratios," he concludes. **F**

TransSolve

Take the guesswork out of transport

Transport Planning Software



Download a
trial version at:
www.htm.co.za

- Load Distributions
- Route Optimisations
- Performance Benchmarks
- Finance Calculations
- Maintenance Costs
- Operating Cost Estimates
- Vehicle Specifications



PRICE HIKES

on cards as currency depreciates

The declining economy has had a knock-on effect on many industries – and the tyre industry is no different. LIANA SHAW looks at the current state of play in the local tyre industry, and what gains or losses local tyre manufacturers can anticipate

The deterioration of the rand, on the back of the "Nenegate scandal" and other external factors, is giving rise to grave concerns for many South African businesses. Economists warn of the threat of a possible recession and the downgrading of the country's credit rating to junk status as investors lose faith in the ability of President Jacob Zuma's government to steady the ship.

According to *fin24*, rising inflation risks stemming from the rand may force the Reserve Bank to take more aggressive action in tightening policy at a time when the economy is barely growing.

The article further states that, while South Africa's economy has narrowly avoided a recession until now, growth has been under pressure, due to electricity shortages, weak global demand, plunging metal prices and the drought.

The short- and long-term implications are likely to affect every industry sector, and the tyre and transport segments are no exception. "In our view, the South African economy is already in a state of recession," argues Pieter Kruger, chairman of the Tyre Importers Association of South Africa (TIASA).

"With the weakening rand, the landed cost on tyres has gone up dramatically in the past year. We have seen the rand moving from R11,44 against the United States dollar, to R16,95, which is a staggering drop in just one year. We also experienced one of the worst droughts in

history and some areas have had no harvest and planting for 18 months.

"This means that manufacturers and importers are sitting with huge stockpiles of agricultural tyres and are compelled to reduce prices to get rid of them. Farmers are repairing, or buying cheaper products, as they have no funds with which to purchase the more expensive brands."

He adds that, globally, tyre production appears to be exceeding off-take, resulting in a surplus of tyres that everyone is trying to export to some or other country. Factories, he says, are running at 70 percent and less production capacity with the trend being to supply at cheaper and cheaper prices just to keep factories open.

"I believe that factories worldwide have reached a point where prices need to be driven upwards," says Kruger. At this stage, importers cannot compete in the high-volume market, as locally produced products are available below the landed cost of imports. The high exchange rate and high import duties are making it extremely difficult to import and compete with local manufacturers."

Michelin's Adriaan Coetzee adds: "In the past few months, many elements have had a direct impact on the weakening South African economy, resulting in a loss of confidence from major stakeholders.

"The weak rand created a more challenging environment for all manufacturers that rely on importing premium tyres into the South African market, with the



Technology Driven

German engineering is our heritage, with customer-focused technologies at the core. It fuels our desire to provide benefits through premium tyres and services, thereby delivering solutions that achieve the lowest overall driving costs.

We engineer solutions for you.

cost not only being pushed back onto consumers, but also onto manufacturers, who are having to absorb a portion of the costs to reduce the impact on the bottom line for the end user."

As such, an average price hike of six to eight percent across the Michelin and Kormoran brands will be implemented in line with forecasted inflation figures. "For the commercial market, specifically, we believe the current ratio between imported and locally manufactured tyres to be around the 60/40 ratio," he adds. "On a monthly basis, more tyres are being imported, and this percentage is growing strongly year on year."

He is, however, quick to add that this does not mean that the South African market will be flooded with low-

quarter of 2016 and more may follow later in the year," he adds.

Bridgestone's Willem Els also expresses concern over the current situation, stating that a large portion of raw materials are imported and are, therefore, subject to the exchange rate. He cautions that consumers should expect these movements to be passed on by the manufacturers.

"Tyres are subject to all normal inflationary pressures, such as wages and electricity increases, as well as movements in raw material costs such as oil, rubber and steel.

We take cognisance of all market circumstances when determining the appropriate pricing for our product, including demand and supply factors such as capacity and cost of importing or manufacturing the tyres.

"We also consider sustainability of both the supply and price offerings and quality of the available product, including the retreadability of the

LEFT AND BELOW:

Incentivising drivers to check tyre inflation pressures, at least twice daily, can translate into significant savings on fuel and tyre costs.



grade imports by 2020, as the 60 percent figure also represents a share of premium brands that are being imported into the country.

Continental's Niel Langner echoes these sentiments: "Sadly, 60 percent of all commercial vehicle tyres are imported. Along with increasing fuel prices, fleet operators are in for a rough time from a cost of operation perspective. Premium brand tyres offer the best cost per kilometre through reduced rolling resistance and durability, and we are working with our fleet customers to weather this storm."

Langner suggests that transport companies, in particular, will need to focus on the maintenance of their vehicles and the attitude of their drivers, as incentivising drivers to look after their vehicles and to check tyre inflation pressures, at least twice daily, can translate into significant savings on fuel and tyre costs.

He claims: "Tough times weed out poor operators, ultimately resulting in a stronger industry that is more focused on running optimal fleet operations. Consumers need to take more responsibility for their vehicles. Don't let the petrol pump attendant do the checks for you," he urges. "Do it yourself and check for uneven wear and tyre damage at the same time. Prevention is better than cure!"

"Cost pressures will force all producers to increase prices. We have advised our dealers that increases in the order of ten percent can be expected in the second



tyres. Different purpose-specific tyres, such as fuel-efficient eco tyres, also offer additional value to the end customer," adds Hiroshi Nakanishi, technical services executive manager at Bridgestone.

ASIAN IMPORTS UNDER PRESSURE

The ever-growing number of imports filtering in from Asia – both quality and inferior products – will also be negatively impacted, according to industry experts. "The overall impact that the weakening rand will have on Asian imports will be linked to the environment and actions of the operators," suggests Michelin's Coetzee.

"For an operator who is cost sensitive, it would not be worthwhile to switch from one Asian import to another, due to the increasing costs across the board," he says.





EMERGENCY TYRE ASSISTANCE DOWN TO AN ART

Breakdowns can leave you dead in the water, but you needn't be left to the sharks. With Bandag's Emergency Tyre Assistance (ETA) programme you can be covered throughout South Africa 24/7, 365 days of the year. ETA has one easy to remember toll free number, efficient service, consistent on-road pricing and comprehensive reports. **That's what we do.**

Tel: +27 11 439 6000, Fax: +27 86 682 7027, e-mail: info@bandag.co.za or visit www.bandag.co.za



"The only alternative would be to search for products that are of better quality at the same price. An operator who is focused on 'more for less', would do well to switch to higher-quality tier brands."

According to Michelin's research of the market over the years, generally the purchase behaviour of operators is not motivated by the origin of the tyres they purchase, but rather by the value that is derived on consumption.

CHALLENGES AND OPPORTUNITIES FOR THE RETREADING SECTOR

Historically, the South African end user, especially in the commercial sector, has embraced the "cradle-to-grave" concept, thereby maximising tyre life, so much so that until recently retreads constituted up to 60 percent of the transporter's overall usage.

Of course, the growing influx of "cheapies" from other parts of the world, coupled with a growing shortage of good-quality casings, has seen a shift in this ratio over the last five years in particular.

The retreading market still has great potential, however, according to Coetzee, as the pre-cured rubber used in most retreading plants is from factories that produce the best tyres known to the industry.

"When comparing the cost advantage of retreading to cheap imports, the initial cost is lower and the performance can be relatively surprising depending on the operation and whether the driver is competent and cautious," he says.

"The number of truck tyres manufactured in South Africa has declined dramatically, with more than 60 percent of commercial tyres sold now being imported," comments Bandag SA's Monal Naik. "The weaker rand means that all brands imported into the country will be affected, not just Asian imports.

"It is our opinion that South African transport operators are becoming ever more aware of the limitations of these cheap Asian imports. In the main, they deliver less mileage and cannot be retreaded," he said.

"As much as we would love for the retreading market to grow overnight, it's not that easy. Retreaders also

use imported raw materials in manufacturing, which means that input costs are also increasing as a result of the weaker rand. The fact that cheap Asian tyres are largely 'disposable', does not help, as many do not even complete the new tyre life, let alone make it back for retreading."

THE BOTTOM LINE

It is inevitable that tyre costs will rise. Industry experts are, therefore, urging their customers to purchase upfront, wherever possible, and to buy premium tyres that will generate greater value to their operations by decreasing the total cost of ownership of tyres via extensive mileage, optimised fuel consumption, due to reduced rolling resistance, and better retreadability.

"The old adage *goed koop is duur koop* (buying cheap means buying expensive) still applies," cautions Naik. "Transport operators should invest in testing various good-quality brands until the best cost per kilometre is achieved, and their tyres should be subject to a good maintenance programme in order to derive maximum life."

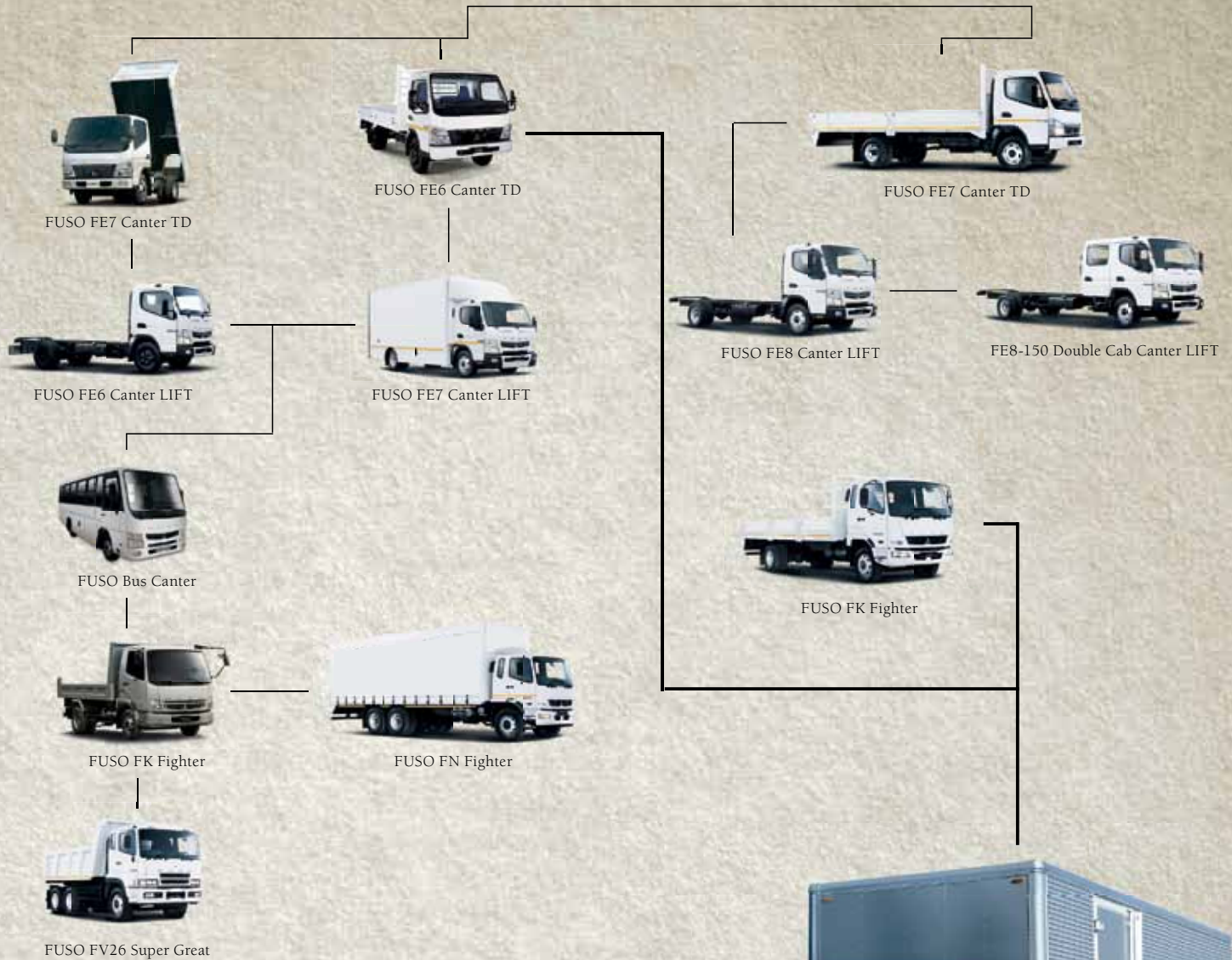
TIASA's Kruger concludes: "If we look at what is happening in South Africa, I believe that tyre prices have now reached the bottom of the curve and we will see a couple of steep increases this year. Taking factors such as the exchange rate and raw materials into consideration, an increase of around 20 percent is very likely this year.

"The current prices are not sustainable, even with a slowdown in the world economy. I think that many factories worldwide will close, which will leave room for bigger factories to grow and up their production.

"I also believe that local manufacturers will be forced to increase their prices, as they, too, are paying more for raw materials. Importers, especially, are in a situation where their average landed cost is increasing all the time, with current stock levels being replaced with product landed at a higher price. In my view, we have reached a point where we either need to increase prices, and soon, or close our doors." **F**

FUSO FAMILY

DWFCOL_9062



Introducing our newest family member

He gets his attitude from the family greats and everything else from his FUSO heritage. The FA offers extensive reliability, durability, great fuel efficiency, low maintenance costs and exceptional loading capability. It runs in the family.

Visit www.fuso.co.za for more details.

All for you

FUSO

mitsubishi FUSO TRUCK & BUS CORPORATION

What's in store in 2016 **AND BEYOND?**

According to an article by Sigi Osagie on the *Supply Chain Management Review* website, globalisation, risk management and the quest for talent are just a few of the challenges that will confront supply chain managers in the coming years

Global economic turbulence and geo-political factors are increasingly positioning supply chain management (SCM) as a key agenda item in boardrooms across the world. Recent media stories exposing slave wages, child labour and questionable supplier management tactics are examples of the added socio-economic challenges companies have to contend with in their supply pipelines.

Undoubtedly, SCM capability will remain a critical concern for senior executives in 2016 and beyond; not least because it is a vital element of the value chains of many organisations.

Supply chain professionals face a myriad issues in managing supply pipelines effectively. Some are traditional problems, like good IT systems capability.

Others reflect the evolution of SCM in a more globalised world. The jet engine, the internet, and falling

telecommunications costs have combined to create a global village; a new playing field offering many new opportunities and challenges. Supply chain professionals must keep abreast of these trends, some of which we examine here.

GLOBALISATION

The global village has been driven, in part, by the continued push for better shareholder returns and higher business efficiencies. This has created a colossal move to exploit low-cost geographical areas.

It has also created an outsourcing industry that has mushroomed beyond anyone's imagination. Outsourced and offshore operations have, in turn, created extended supply chains, which inherently entail increased complexity and risks.

The ability to manage supply chains effectively in this more globalised playing field will increasingly become a



critical source of competitive advantage.

SUPPLY CHAIN RISKS AND CORPORATE SOCIAL RESPONSIBILITY

Risk impacts – in terms of intellectual property, quality, lead-times, supply continuity and inventory-holding – will be familiar to seasoned supply chain professionals.

Now they must also contend with the growing importance of broader issues; with corporate social responsibility (CSR), including ethics and sustainability, probably topping the list. The reputational and financial damage CSR issues can create cannot be over-emphasised, irrespective of the truths behind such incidents.

Resilient and agile SCM capability, which incorporates sound risk management and good CSR execution at the coalface, will become one of the hallmarks of effective corporate leadership.

TECHNOLOGY

SCM is one of the areas of enterprise activity seeing the biggest impact from technology. While laggard organisations continue to grapple with their enterprise resource planning (ERP) requirements, the more nimble players have extended their leverage of technology in different domains, with significant benefits in operational performance, organisational capability and cost efficiency. Some application examples include:

- **E-commerce** – From e-auctions for sourcing a wider range of supplies to click-and-collect in retail supply chains. Also, integrating the use of radio-frequency identification (RFID) into broader e-commerce capabilities is enabling seamless flow of data,

with greater accuracy and timeliness, even across organisational boundaries.

- **3D printing** – This offers massive opportunities for personalisation of products, enhanced rapid prototyping, and time-to-market for new product launches.
- **Supply chain analytics and “big data”** – Supply chain analytics software offerings continue to evolve in leaps and bounds, providing better end-to-end pipeline visibility and spend management.
- **Cloud-based software applications** – This has a massive impact on organisations, largely through much lower capital investment requirements, significantly reduced total cost of ownership and, hence, greater return on investment.
- **Human factors** – Technology is also likely to have a huge impact on jobs and human interactions in the supply chain arena. Some conventional SCM job roles are already being supplanted by technology; for instance, tactical planning and purchasing activities now require less manual intervention, and headcount, with reliable IT systems capability.

SUPPLY BASE MANAGEMENT

Despite the impact of social media on human interactions, the requirement to “eyeball” key suppliers at periodic intervals remains crucial. Sound supplier relationships are the wellspring of harnessing great performance and increased value from the supply base to support enterprise goals.



DON'T MISS OUT!

The second Africa Logistics Network (ALN) meeting will take place in Agadir, Morocco, from October 1 to 4. Visit the ALN website for the full agenda and booking form.

Sound supplier relationships are underpinned by good interpersonal chemistry between procurement buyers and supplier personnel.

Organisations will need to embrace robust supply base management, with structured supplier performance and relationship management (SPRM) and formal supply risk management at its core.

To successfully harness the power of the supply base for competitive advantage, senior executives and supply chain managers must shift their traditional perspectives and recognise suppliers as extensions of the enterprise value chain.

PEOPLE CAPABILITY

The requirement to shift perspectives is a key aspect of developing enhanced SCM "people capability"; for instance, enhancing the competences of SCM professionals. The benefits of developing better SCM processes and leveraging technology enablement are obvious, but these approaches can, and will, be replicated by others. Talent cannot be copied; it can only be acquired and nurtured, through effective recruitment and employee development and engagement.

Many organisations have previously focused investment at process improvements and system enhancements, yet people are the soul of any organisation. The new playing field demands greater investment in developing the capability of people for

sustainable success. This is already becoming apparent in procurement in particular.

As organisations continue to source more goods and services externally, the impact of purchasing spend on enterprise profitability has grown. With the need to robustly manage supply risk exposure and develop supply chains that are better aligned to corporate agendas, procurement has evolved from the conventional focus on "costs savings" to incorporate added critical requirements like SPRM; innovation; supply reliability; and value enhancements, where "value" exceeds financial benefits.

It demands a new breed of procurement professionals, who have business savvy and are adept at nurturing productive stakeholder relationships; they must be "supply business managers" rather than "purchasing geeks".

The importance of talent as a critical success factor applies right across the SCM spectrum, because, ultimately, it is people that create performance, good or bad. Building robust people capability is central to enhancing SCM performance.

Although 2016 retains some of last year's uncertainties, it also offers a new dawn with significant opportunities. For many organisations, exploiting these opportunities fully and securing the benefits on offer will only come about by enhancing their SCM capabilities. Getting supply chain functions firing on all cylinders will be vital in 2016, and beyond. **F**

Are you and your logistics partner on the same page?



Safety. Service levels. Carbon footprint. Transformation. Profitability. You're under increasing pressure from all directions. Outsourcing your transportation at the lowest cost/km might increase your margins, but you ought to be partnering with a logistics service provider who can deliver value beyond lower costs. Reliability, service and quality excellence. High levels of health, safety and empowerment. Low environmental impact... This is how we do transportation.

Call us. We go the extra mile.

CargoCarriers 
Innovative supply chain solutions

BUREAU SERVICES

Autotrak Bureau Services is accepted as an effective risk mitigator and is paid for by some Insurance Companies

By implementing our “Driver Management Programme”, the following benefits accrue:

- Reduces operational risk
- Service delivery improves
- Fuel consumption reduction
- Maintenance cost reduction
- Assists with customer retention
- The driver has emergency assistance available
- Reduced complexity associated with multiple vehicle management

**We monitor and control the driver's on-road behaviour:
unscheduled stops, speed, route deviations, erratic driving and more**

Statistics confirm that there has been a vast improvement in driver behaviour once we begin actively monitoring and controlling the driver's parameter violations.

CHIMERA

roars towards the future



Famed Swedish custom truck builder, Svempa Bergendahl, is renowned for his elaborate, and hugely powerful, vehicles built around the Scania brand. His latest creation, the Chimera, is, undoubtedly, his best yet

Readers may remember the Svempas Red Pearl show truck from the 2013 Johannesburg International Motor Show (JIMS). This topless red beauty, with its gold flake "39" livery and designated R999, was in all probability the star of the show that year.

What the company has created since, however, is something else entirely ... Behold, Chimera.

"Chimera is the natural successor to the R999, but you can see how the design has changed; it's more modern and stealthy, but you can still see the R999 DNA in it," comments Alexander Taftman, product and marketing director, Scania South Africa.

truly astonishing 1 633 kW (2 190 hp)!

All this fury is transmitted by a modified Allison six-speed transmission. Everything is contained in a bespoke chassis with independent A-link front suspension, with dual shock absorbers on each side. Thanks to the tubular stainless-steel frame, Chimera weighs a mere 4 780 kg.

"Unlike the beauty of the exterior, the interior is all business ... There is a roll cage and a race seat to allow the driver to handle the acceleration," Taftman adds.

The team at Svempas began sketching the truck more than five years ago. It underwent numerous design alterations before the finished product was ready and raring to go, aside from some additional engine adjustments.

"Previously, we've had an eye towards a slightly retro appearance, but have now gone all in for a truck that is decidedly contemporary in all aspects," Richter says. "It also has more of a racing expression with attitude, yet we've continued to carefully adhere to the signature Scania design language, albeit taking that quite a few steps further."

The coachwork was formed by Laxå Special Vehicles using a modified P-cab with



Designer Jan Richter, from Svempas, says: "Chimera fills a gap in our collection. It is a truck with a clearly futuristic outlook. With its beautifully exposed engine and engineered design it takes styling to the extreme. It also features state-of-the-art technology using high-end materials and is prepared for future hybrid e-technology."

The headline figures of Svempas's futuristic stunner are simply out of this world. A stainless-steel exhaust header system snakes around the Scania 16,4-litre V8. The addition here of six Holset turbochargers allows for the delivery of 1 088 kW (1 460 hp), which allows this super truck to reach 100 km/h in as little as 4,6 seconds!

It doesn't end there, though. The system is to be augmented with hybrid technology, which will deliver a

R-cab components.

"Our fans expect something out of the ordinary and I can proudly say that is precisely what we are providing," Richter boasts.

The response from South African Scania fans is overwhelmingly positive, with the Chimera garnering 1 000 likes on the company's Facebook page. "There have been some requests to bring it to South Africa. Now that would be cool ..." Taftman says fervently.

The vehicle is named after the Chimera, which, according to mythology, was a monstrous fire-breathing, three-headed hybrid of a lion, a drake and goat with a snake as its tail. What better name could there be for such a stunning vehicle that packs up to 2 000 hp? **F**



COMPREHENSIVE RANGE AND QUALITY SERVICE

GEA offers efficient and quality service on a comprehensive range of world class products – Thermo King for transport temperature control, Furgocar for fail-safe, secure locking gear and Dhollandia lifting equipment for operator and passenger safety. All our products are backed up by certified technicians to ensure the best possible service to our customers.

GEA Southern & Eastern Africa

48 Reedbuck Crescent, Corporate Park South, Midrand 1682, RSA
Phone: +27 (0)11 392 7114, Fax: +27 (0)11 392 7000
info-sea@gea.com

www.gea.com

engineering for a better world

Today ... South Africa, tomorrow ... **THE REGION**



In its drive to get closer to the customer and provide a full suite of solutions, Daimler Trucks & Buses has launched its Regional Centre Southern Africa (RCSA)

Based right here in South Africa and managed by Mercedes-Benz South Africa (MBSA), the RCSA will be responsible for Daimler's full commercial vehicle portfolio in the region – which includes the markets of South Africa, Namibia, Botswana, Zimbabwe, Mozambique, Malawi, Zambia, Lesotho and Swaziland.

"The people who manage our business should feel the same problems, read the same news and be immersed in the same culture as our customers," begins Wolfgang Bernhard, member of the Board of Management of Daimler AG responsible for Daimler Trucks & Buses.

"We need to be closer to our dealers to better service our customers and be more responsive to their needs. Many of our customers traverse these countries and we need to make sure we have seamless service, parts availability, quality and standards."

The Regional Centre Southern Africa is the third of six Regional Centres being opened for Daimler's commercial vehicle business around the world. Just two days prior to opening the RCSA in February, the Regional Centre for East, Central and West Africa started operating out of Nairobi, Kenya.

The first Regional Centre was opened in October

2015 in Dubai, as Daimler Commercial Vehicles Middle East North Africa (DCV MENA). Similar bases will follow for South Asia, Southeast Asia and Latin America within the next few months. In the past, Daimler had managed these regions primarily from its group headquarters in Stuttgart, Germany.

Says Kobus van Zyl, executive director: Daimler Trucks & Buses Southern Africa (and head of the RCSA): "Having a stronger presence in the southern African markets means that we are able to react faster and be in touch more frequently with our commercial vehicle customers, as well as the various distributors in the respective countries. The RCSA provides further opportunities for all our commercial vehicle endeavours, including sales, after-sales services, marketing, client services and parts."

"We know these markets are dominated by used vehicles, so we want our customers to benefit from TruckStore as well," he adds.

And benefit they should, as southern Africa is seen by Daimler as a promising growth region for all its commercial vehicles. In 2015, Daimler sold approximately 5 500 trucks and buses in the region. This number is expected to grow at a rate of 3,75 percent in 2016 and by more than 4,5 percent annually between 2018 and 2020.

"There are opportunities in southern Africa," says Van

OEM FOCUS



We're expanding at a time when things are not easy, which should show our commitment to the region.

Van Zyl agrees: "We know that our customers look beyond the purchase of a truck. They look for solutions; they want us to make a difference in



Southern Africa is seen by Daimler as a promising growth region for all its commercial vehicles.

Zyl. "Even though there is risk at the moment, we believe the companies that succeed will be the ones that move now. We plan to have our sales in the region more than double in the next three years," he adds confidently.

Bernhard adds that, on a global scale, the company is in a very good position in terms of sales. "Last year was challenging, but we sold 502 000 trucks worldwide – making us the biggest truck manufacturer in the world. Our bus sales dropped by 50 percent, mainly due to the collapse of the Brazilian market.

"We turned record revenue last year and are very proud to have managed that in the difficult economic environment. These figures show that our global set-up works; we can balance strong and weak markets for a stable business going forward.

"It's better to have people in specific regions to manage those specific markets. We believe it's much better to implement a commercial vehicle business that makes sure customers make money with their vehicles," he says.

their lives."

"Opening our new Regional Centre Southern Africa, we are able to respond even faster to our commercial vehicle customers and their requirements," reiterates Bernhard.



ABOVE LEFT: Kobus van Zyl (centre left) and Wolfgang Bernhard (centre right) launch the Daimler Regional Centre Southern Africa.



"We've been doing business in South Africa for more than 60 years; we have great heritage and history in the region and look forward to a bright and prosperous future for everybody involved. We're expanding at a time when things are not easy, which should show our commitment to the region," he concludes. **F**

"2015 was a GOOD YEAR"



Harrie Schippers, DAF Trucks president, tells GIANENRICO GRIFFINI that the company is optimistic about its prospects for 2016

With a recovering economy and best-ever quality and fuel-efficient trucks, Schippers is very confident about the future. "With the growth of our heavy-duty market share in Europe in 2015, we are on track towards our mid-term objective of 20 percent. Outside Europe we will further expand our presence by focusing on demanding markets with modern emission standards."

The economic recovery in Europe continued during 2015 and the growth of almost two percent had a positive effect on the demand for transport and, hence, trucks. About 269 000 trucks above 16 t were registered in Europe last year – an increase of 19 percent.

"Customers benefit from the low interest rates and low diesel price," says Schippers. "That makes it attractive to invest in new Euro-6 trucks, with five percent better fuel economy, proven reliability and higher resale values."

"All customers I spoke with recently have already completely switched to Euro 6, or are in the process of doing so. All incentives that we can come up with in Europe to help people replace older trucks with newer ones, have a positive impact on the environment."

NEW RECORDS SET

DAF also benefited from the larger market. Indeed, DAF received 30 percent more orders for CF and XF models last year, compared with 2014; the highest number since 2007. To meet the high demand, production in Eindhoven was increased in just four months by 50 percent.

"Production has never risen so quickly; it's a great achievement," says Schippers. "In the last three months of the year, a total of 11 500 trucks were produced in Eindhoven, which is a new quarterly record. In total, we produced almost 41 000 CF and XF trucks last year and around 9 700 LF vehicles."

POSITIVE TREND

The company's European market share in the over 16-t class rose from 13,8 percent in 2014 to 14,6 percent last year. Schippers says: "The good news is that market share grew in almost all main markets in Europe. We grew more than one percent in the United Kingdom and Czech Republic, one percent in Spain and we gained almost a full percent in The Netherlands and Poland."

"The progress realised in Germany, where our market share grew to 10,8 percent, is very important. Germany is by far Europe's largest truck market and we need further



growth there to achieve our market-share objective of 20 percent."

The increasing market share, according to Schippers, was largely due to the successful CF and XF models, which last year became an additional five percent more fuel efficient. This is thanks to the engine innovations and new technologies such as Predictive Cruise Control, Predictive Shifting and Eco Mode.

New "silent versions" allow transport operators to continue distribution in areas where noise restrictions apply. "This all helps our customers achieve the highest yield per kilometre, totally in line with the philosophy of DAF Transport Efficiency," says Schippers. "Currently, our trucks are the most fuel efficient and of the highest quality ever!"

GROWTH STEP-BY-STEP OUTSIDE EUROPE

Last year, DAF made its entrance in Malaysia and Colombia, whereas, in Taiwan, partner Formosa opened a new assembly plant to double production capacity. With a market share of 17,8 percent, DAF is the largest European truck brand in Taiwan.

In Brazil, the plant in Ponta Grossa will soon ramp up production. "Although the Brazilian economy is in a severe recession and competitors are reducing their production, we are working on further growth," says Schippers.

The DAF president finds it difficult to forecast DAF sales in Russia this year. "The ruble is very weak and that



2016 could be the best market since 2008, says an optimistic Schippers.





makes European trucks very expensive in Russia."

How do you look at today's DAF footprint? "You have to be realistic," answers Schippers. "First and foremost, we apply a step-by-step approach and aim for sustainable growth. You cannot enter all marketplaces and be successful in all of them in one go. For DAF, good markets are those with a professional transportation system and modern emission standards.

"We closely monitor developments in China and India, but we all know that there is no focus yet on total cost of operation like, for instance, in Brazil, South Africa, New Zealand, Australia and Taiwan. Truck prices in China and India vary from €30 000 to €40 000 (R526 000 to R702 000) – that is not the premium segment in which we operate, but we closely follow developments there."

PACCAR SYNERGIES

What synergies are being planned within Paccar, when it comes to sharing technologies between Kenworth, Peterbilt and DAF? "Good question," Schippers laughs.

"Unfortunately, I cannot give you examples, but think about electronics and driver-assistance systems. Sharing a cab is difficult, as legislation differs on the various continents. Driveline synergies are possible only up until a certain level.

"You know that already 40 percent of the Kenworth and Peterbilt trucks in North America are running with the Paccar MX engine, developed by DAF in Eindhoven. We have just launched the MX-11 engine in the United States and I expect this to become as successful as it is in Europe!"

2016 DEVELOPMENTS

For this year, it is expected that the world economy will continue to recover slowly, with growth of the European



economy again of almost two percent.

"Despite the unrest in the Middle East, oil prices remain at a low level," says Schippers. "With the economic recovery, transport volumes are likely to remain at a good level, with a slight growth in the truck market as a result.

"It is anticipated that the European market for heavy trucks will be between 260 000 and 290 000 units; 2016 could be the best market since 2008," says an optimistic Schippers. "And yes, the market is at a sustainable level, at, or even above, what under normal economic situations would be a replacement market. However, I don't have a crystal ball – it all depends very much on how the economy develops."

CONFIDENCE IN FUTURE

For 2016, DAF has a large number of investment projects running, such as the construction of the new cab paint shop in Westerlo, involving an amount of €100 million (R1,7 billion).

"In addition, tens of millions will be invested in Eindhoven for the production of new gear wheels, in a new large press in the sheet-metal component plant and in a new production line for cylinder blocks and cylinder heads. That's great news, as all these major investments illustrate confidence in the future of our factories in Eindhoven and Westerlo.

"All these investments are made in order to be prepared for the future, in which I have strong confidence thanks to the best and most-efficient trucks we ever offered, developed, manufactured and marketed," he concludes. **F**

As regular readers of **FOCUS** know, this magazine has been appointed an associate member of the International Truck of the Year (IToY)! **FOCUS** is the sole South African magazine to have joined this prestigious body. One of the advantages of this association is access to exclusive articles, specially written for **FOCUS** by ITOY jury members. This is one such article.



**HYUNDAI**COMMERCIAL
VEHICLESWE ARE
IMPERIAL

THE JUPITER DRAWING ROOM (CT) 48075/5

DRIVE HARD 2***MADE OF THE TOUGH STUFF*****H100**

- 3-Year/60 000km Service Plan
- 7-Year/200 000km Warranty
- 5-Year/150 000km Roadside Assistance
- 1.3 Ton Load Capacity
- Versatile Dropside Deck
- Chassis Cab

HD72

- 1-Year/60 000km Service Plan
- 3-Year/200 000km Warranty
- 3-Year/200 000km Roadside Assistance
- ABS with EBD
- Chassis Cab

www.hyundai.co.za/commercial-vehicles**HYUNDAI**
COMMERCIAL VEHICLESNEW THINKING.
NEW POSSIBILITIES.

GAUTENG: Apex, Boksburg, Germiston, Kempton Park, Centurion, Heidelberg, Roodepoort, Sandton, Edenvale, Strijdom Park, Vereeniging, Wonderboom, The Glen, Weltevredenpark.
WESTERN CAPE: Milnerton, Brackenfell, Paarl, Somerset West, Paarden Island. **EASTERN CAPE:** East London, Port Elizabeth, George. **NORTHERN CAPE:** Upington. **FREE STATE:** Bloemfontein, Welkom. **KWAZULU NATAL:** Newcastle, Pietermaritzburg, Richards Bay, Pinetown, Mobeni. **LIMPOPO:** Bela-Bela, Louis Trichardt, Polokwane. **NORTH WEST:** Brits, Mahikeng, Rustenburg, Klerksdorp. **MPUMALANGA:** Witbank, Ermelo, Lydenburg, Nelspruit.

SMS 'MIGHTY' to 33362 and we'll call you. SMS charge R1.50

TECHNO

van

It may be more of an evolution of the previous model than an outright all-new model, but the Volkswagen (VW) Caddy still has a lot to offer, as GAVIN MYERS found out on its launch in KwaZulu-Natal

Before we get into the nitty-gritty, let's quantify that "evolution" statement. While this fourth-generation model incorporates 4 200 new components compared to its predecessor (which sold 23 400 units locally), it is nonetheless built on the same platform and retains the same dimensions. For now, the range of engines and transmissions also remains the same.

Not that any of that is necessarily bad. Maximum load space of 4,2 m³ is available in the Maxi Panel Van (3,2 m³ in the short-wheelbase version) and the Caddy's versatility, ride refinement and road-holding are top drawer.

RIGHT: Impressive versatility and high-end equipment should mean Caddy will remain a firm favourite.



The 81 and 103 kW 2,0-litre TDI engines (250 and 320 Nm torque respectively) also pull with more than enough gusto. There is also an 81 kW,

155 Nm 1.6-litre petrol engine available in Panel Van and Crew Bus derivatives. A VW-slick five-speed manual is available with the lower-powered vehicles, while drivers of the high-output TDI enjoy VW's superb six-speed DSG transmission.

So, other than the smart, mildly updated appearance, what is new? To begin with, VW-SA has revised the range to include the Panel Van and Crew Bus for commercial

customers (Caddy accounted for 72,4 percent of this market in 2015) and the Trendline and Alltrack, which replaces Cross Caddy, for those looking to use it privately (54,8 percent market share in 2015).

The Panel Van will be available in a "Sport" version, too, which adds certain luxuries for buyers who might also want to use their van privately, or for leisure activities.

The Caddy 4 is not short on luxuries. A range of infotainment systems are available; touch screen in Trendline models, for example, but what will really impress is the high level of driver-assistance technology.

This begins with the Automatic Post-Collision Braking System, which brakes the Caddy when it is involved in an accident to reduce the risk or severity of a secondary collision, while the Driver Alert System monitors steering input above 65 km/h to detect when the driver might be fatigued.

Parking is also made easier by the inclusion (on models with a raising tailgate) of a wide-angle rear-view camera with parking sensors. VW has taken this a step further, though, creating the 360° Optical Parking System. This gives a graphical

representation of the vehicle from above, which allows the driver to easily manoeuvre the vehicle into a gap.

Pricing starts at R226 800 for the Crew Bus 1.6i, and goes to R399 300 for the Maxi Trendline 2.0 TDI DSG. Panel Van and Crew Bus models come standard with a two-year/unlimited kilometres warranty, while the Trendline and Alltrack are covered for three-years/120 000 km. A three-year/60 000 km Automotion Service Plan is standard on all but the 1.6i (optional).

The recent emergence of stiffer competition in the Caddy's segment has surely made VW sit up and take notice. While 70 percent of the Caddy's make-up is new, the focus on quality and technology will certainly do a lot to keep buyers in VW showrooms. **F**

Toyota has refreshed its Avanza range of panel vans and people movers, giving these vehicles a more menacing appearance and a host of safety and engine upgrades. GAVIN MYERS drove the range-topping 1.5 TX

Undoubtedly the leader in its segment, the Toyota Avanza was always a good-value package. It might have been seen (literally) to be lacking in a certain area, though; that of its oddball looks.

The designers, it must be said, have addressed that in totality with this update. The sharper front-end treatment is now more in line with Toyota's latest corporate design language. It is accentuated on the TX with a piano-black grille finish, bold chrome detailing and integrated fog lamps – the overall design is much more stylish than before. TX models also sport 15-inch alloy wheels and a roof spoiler.

The interior has also received some nice upgrades. Chief among these are the split third row of seats, which, like their second-row counterparts, are adjustable to a range of configurations.

This practicality is tied in with good passenger space up front and in the second row, though taller adults will find third-row accommodation tight. ISOFIX child-seat anchorage and driver and passenger airbags are standard.

Drivers now enjoy automatic window operation, while an integrated four-speaker audio system (with auxiliary and USB connectivity) and revised dials bring a more streamlined look to the fascia. Pity Toyota didn't redesign the fiddly, unintuitive ventilation controls.

A new 1.5-litre engine powers the TX Avanza and manages well with its 77 kW and 137 Nm power and torque outputs. While the engine is rough at high revs, it

is smooth and quiet low down – good news considering you don't need to rev it hard to make progress.

This could be due to the relatively short gearing, which leaves the motor buzzing away in the region of 4 000 r/min at highway speeds. Nonetheless, Toyota claims the 1.5-litre Avanza will consume just 6,3 l/100 km, while we managed a good 8,2.

The anti-lock brakes have also been upgraded to include Electronic Brakeforce Distribution (EBD).



Toyota has taken the opportunity to upgrade the suspension as well, which aids noise levels and ride comfort. Where the Avanza really impresses, though, is its easy manoeuvrability. Its exceptionally tight turning circle makes city driving and parking a cinch.

Included in the R251 700 list price are a three-year/100 000 km warranty and a four-year/60 000 km service plan. While more refined rivals from Volkswagen and Ford are available, the Avanza's keen pricing, smart new look and updated features are sure to earn it even more favour among buyers. **F**



AVANZA,
with attitude



What's news from the **NORTH?**

We give a synopsis of the major freight transportation stories in North America in 2015 – from the transportation consulting blog of Dan Goodwell and Associates

Last year began with some solid tailwinds for the United States (US) and Canada, but then a number of unexpected events took place that changed the trajectory. Let's take a look at some of the highlights ...

THE COLLAPSE IN ENERGY PRICES

The rout in oil prices began in late 2014, as Saudi Arabia stood firm in its insistence not to cut production quotas. The downturn in China's economy produced less demand, as oil supply remained at pre-downturn levels; a recipe for low oil prices and other challenges throughout the year.

This had a huge impact on Canada's oil companies, resulting in significant layoffs. There were also spill-over effects in other energy sectors such as coal mining, which experienced very large price drops and decreased shipping volumes.

The steep decline in fuel and oil prices has, in turn, been a boon to freight transportation and logistics service providers, while aiding carriers and providers serving retail-based customers, as lower fuel prices have impacted the discretionary income of consumers.

Railroads took advantage of the big increase in crude oil by navigating through commodity-specific hurdles thrown up in their paths. Since most of this freight now moves in

trains, the railways have developed the ability to quickly adjust by matching revenue reduction with corresponding cost reductions.

NORTH AMERICA BEGINS TO ADDRESS CLIMATE CHANGE

Both Canada and the US have finally taken this issue on as a priority item. High-level negotiations on an international agreement to fight global warming were concluded in December outside Paris, in Le Bourget at the 21st Conference of the Parties (COP21) to the United Nations Framework Convention on Climate Change (UNFCCC).

The conference reviewed the reductions in emissions of greenhouse gases (carbon and methane) that each country has pledged to achieve by 2020. The United States and China have promised to shift their industries to green, low-carbon fuels.

EFFECTIVE MANAGEMENT OF TRUCK AND DRIVER CAPACITY

Supply and demand were a bit looser in 2015 than in 2014. While business was still good, gone were the very good spot market rates that were available in 2014, and supply chain disruptions were commonplace across America. There were several trends partially offsetting the weakening of supply and demand tightness from 2014 to 2015.



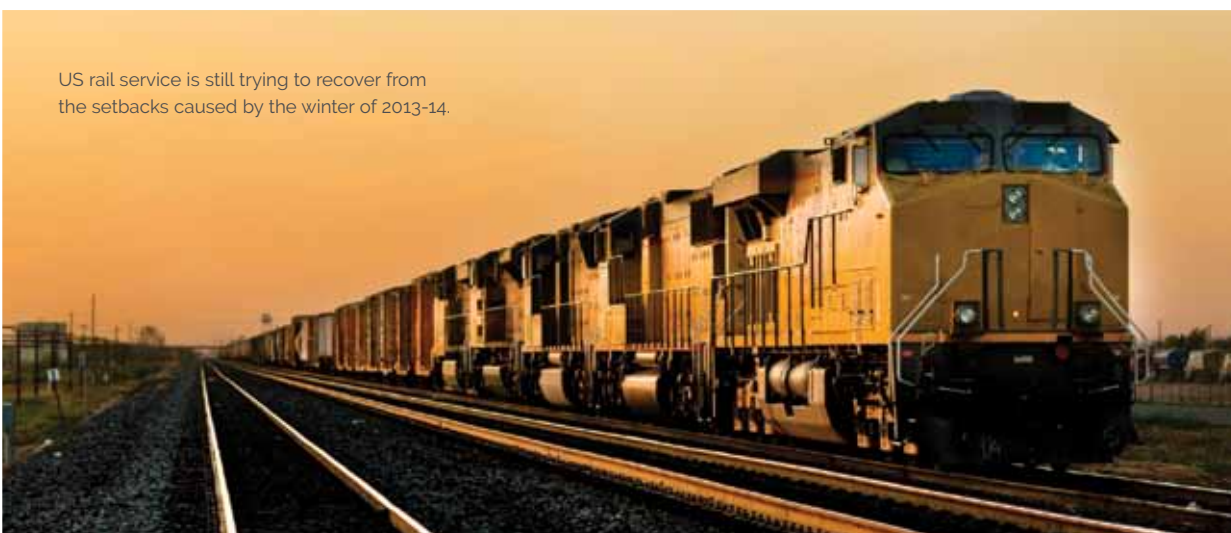
For truck operators, the ability to use capacity efficiently and effectively was the key to profitable growth this year.

from the frenetic pace of demand and tightening of truck capacity that drove rates higher in 2014. Some shippers are willing to work with carriers to enhance equipment utilisation to the mutual benefit of themselves and their carrier partners. Shippers also are benefiting from low fuel prices.

Many other events or factors cut into driving time. Congestion is a major problem, as are poor weather, truck maintenance, fuelling, weigh stations and inspections – as well as detention at shipper or consignee docks, which can, however, be addressed through collaboration.



US rail service is still trying to recover from the setbacks caused by the winter of 2013-14.



The first relates to a slight change in behaviour on the part of asset-based carriers (particularly the large ones) to allocate ever-increasing amounts of their stagnant capacity to large retailers and large e-commerce companies.

For truck operators, the ability to use capacity efficiently and effectively was the key to profitable growth this year and is likely to continue into the future. Many have invested in technology that focuses on asset utilisation and drives efficiency to improve their competitive position. Truck carriers in general are benefiting from a strong rate environment and low diesel prices. They have had more kilometres per truck, a better rate per kilometre and lower fuel costs.

Shippers observed that capacity was more balanced than a year ago, in the aftermath of the disruptive winter storms.

SHIPPERS AND CARRIERS START TO TALK

Last year, US and Canadian shippers enjoyed a breather

RAIL TAKES A STEP BACK

Since the devastating 2013-14 winter wreaked havoc on rail services, the North American supply chain has been subject to increasingly frequent rumblings that major US- and Canadian-based railroads would lose hard-won domestic intermodal business back to truck operators.

Initially, railroad executives were quick to dismiss such assertions. However, service didn't recover measurably and fuel prices plummeted, giving truck carriers another opening to snatch loads that had been lost to the railways. Still rail executives kept to their script, telling investors that intermodal rail was winning out over trucking in key areas.

However, with volume (particularly coal and crude oil shipments) declining and the enviable profit growth of railroads slowing, their tune has changed. The acknowledgement was shared during earnings calls that intermodal has lost share to trucking companies. Railroads must step up their game or lose valuable business. **F**



In his monthly review of global news for local truckers, FRANK BEETON reports on MAN's imminent entry into the integral van market, looks at a rather strange beast that has emerged in Australia, reports on a novel new way to steer trailer axles, and details some interesting 2015 truck market comparisons

Much has changed in the commercial vehicle world since Volkswagen (VW) and Daimler entered their cooperative "heavy van" building partnership in 1995. This collaboration has been highly successful, producing millions of vans, which have been sold in many parts of the world – including a strong push by the Mercedes-Benz Sprinter into the North American market.

However, in 2013, it was announced that the two partners were going their own way from the second half of 2016, with VW Crafter production moving from the Daimler plant at Düsseldorf, in Germany, to Września, in Poland.

Early on, it was said that Volkswagen was keen to build its own unique van in conjunction with affiliated truck manufacturer MAN, as part of its evolving strategy to expand the Group's global commercial vehicle interests.

Last May, Volkswagen announced the formation of Volkswagen Truck and Bus GmbH as the holding division for all its commercial vehicle brands. These are made up of MAN and Scania, and include Volkswagen Caminhões e Ônibus in Brazil, and the previous joint venture with Force Motors in India – both of which are now owned by MAN.

It was noted at the time, however, that Volkswagen

Commercial Vehicles, which is responsible for the Crafter van and lighter commercial models, was not taken into the Truck and Bus division.

MAN's important announcement

During December last year, MAN Truck and Bus AG announced that it was to introduce a new light commercial range, dubbed the MAN TGE, at this year's IAA exhibition in Hanover. This was described as a "twin" to VW's Crafter, and is to be built alongside the parent company's product at the plant in Poland.

MAN says that its motivation for introducing this range will be to service its many existing customers who also operate lighter vehicles than those presently available in the MAN line-up. The TGE range is to include panel vans and chassis-cab derivatives for special body applications, with front, rear and four-wheel drive.

This announcement is intriguing for a number of reasons. First, it gives some clues as to the make-up of the next-generation VW Crafter, which, clearly, will be very different from the present rear-drive product, given the spectrum of drive options mentioned.

Second, it moves a van range and its derivatives firmly into the VW Truck and Bus sphere of influence, where none were positioned before.

Finally, it brings MAN into a market segment where

it has not previously competed. This last factor is particularly important in the discussion about VW's need to adjust the market positioning of its commercial vehicle brands to avoid excessive destructive competition at the upper end of the payload spectrum.

Scania and MAN's adversarial history makes this particularly important, and the launch of the TGE series may be the first in a series of moves to make the German manufacturer less heavily dependent on heavy-duty truck business for its continuing viability.

A significant indicator

It is also important to note that VW is moving ahead

DUAL-STEER ECONIC

Observant visitors to Australia will have noticed the rather peculiar vehicles used there for refuse collection. They invariably have steering wheels on both sides of the cab! The reason for this is the highly automated one-man-operated system of wheelie bin collection that is employed in that country.

Citizens are required to place their bins exactly on painted marks on the kerbside. The refuse compactor vehicles are equipped with side loading equipment that lifts the bin and tips its contents into the onboard hopper, before replacing it exactly on to the aforementioned mark.



Mercedes-Benz has launched a dual-control version of its Econic low-cab range in Australia.

with its commercial vehicle strategy at a time when it has considerable distraction from events related to the "emissions scandal".

Early indications are that the scandal has not seriously affected VW's light-vehicle sales performance, and there is still a good chance that it will be the global best-selling vehicle manufacturer once the final 2015 totals come in. However, nobody can accurately predict the final costs involved in addressing the scandal, but one published estimate has suggested it could be as much as \$US 86 billion (R1,37 trillion)!

VW has stated that it has no intention of selling off its trucking assets, but observers will be anxious to confirm that cash shortages do not compromise important steps that need to be taken to optimise the positioning and development of its Truck and Bus brands.

To control this operation, the driver needs an unobstructed view of the bin, so he sits on the left-hand side of the vehicle while making his stop/start collection rounds. However, when transiting to and from his collection area, he moves over to the right side of the vehicle, so he can deal with traffic from the conventional driving position. Hence the need for steering wheels on both sides.

Econic joins the party

Up to now, dual-steer conversions have only been available in Australia on Iveco ACCO and Dennis Eagle products. They have now been joined by a specialised version of Mercedes-Benz's Econic range.

This is a dedicated 4x2, 6x4 or 6x2 configuration model line-up intended for applications where a low cab profile, or ease of access, is required. This includes refuse



Ease of access is a major drawback of the Mercedes-Benz Econic.



collection (front and rear loading), road sweepers, urban deliveries, firefighting, and a number of airport duties.

The latest version of the Econic, which is based on the new-generation Actros chassis, was launched in Europe during 2013. The introduction of a dual-steer version is likely to increase its appeal on the Australian market, where it will be powered by a Euro-6 7.7-litre, six-cylinder OM 936 LA engine with an output of 220 kW (299 hp), driving through a six-speed Allison fully automatic torque converter transmission.

The Australian specification also includes full air suspension, two suspension driver's seats, electronic stability programme, and an electronically controlled braking system.

"STEER BY BRAKE" COMES TO THE MARKET

Multi-axle bogies, or "axle units" as they are defined in South African legislation, always present some challenges in tight cornering situations. Multiple-driven axles, when placed in close proximity, rely on the differentials located in, and between, the axle aggregates to allow individual sets of wheels to rotate at different speeds, thus reducing the amount of scuffing that would otherwise result in accelerated tyre wear.

It is quite unusual to encounter vehicles with more than two driven axles grouped together in any bogie combination, but the never-ending quest for heavier payloads (particularly in the abnormal load transport sector) has resulted in tridem axle sets – and even combinations of four or more axles – coming into play on trailers and semi-trailers.

When conventional rigid axles have been used in these applications, considerable sideways drag caused by tyre scrub has been experienced when the rig is required to take a tight corner. This has resulted in larger turning radii and high tyre wear. It can even lead to

possible mechanical failure of axle and suspension components, over time and distance.

For this reason, the use of self-steering axles has become widespread, both on trailers – and even when additional non-driven axles are added to prime movers.

The current state of play

In a paper presented to the seventh International Symposium on Heavy Vehicle Weights and Dimensions held at Delft, in the Netherlands in June, 2002, Brian Jujnovich and David Cebon, of the Cambridge-based Transportation Research Group, identified three types of semi-trailer steering technologies: self-steering systems, command steer systems, and pivotal bogie systems.

In the self-steering type, the rearmost axle in the tridem bogie group is controlled by a preloaded spring and damper attached to the trailing arm. In cornering, the wheels on this axle automatically align with the direction of travel, while the spring/damper applies a self-centering force. This type of steering axle usually needs to be locked in the straight-ahead position for reversing.

In the command steer system, the steering axle or axles are "commanded" to steer through mechanical or hydraulic linkages, as determined by the articulation angle between the tractor and semi-trailer. The degree of articulation, and the amount of trailer steer input required, is measured and transmitted through either a mechanical or electronic control system.

The third type, the pivotal bogie system, has been most commonly used in extremely long semi-trailers. Typically



it consists of a ball-race bearing-mounted, tri-axle bogie with fixed front axle, and two steered rear axles.

The axles progressively steer as cornering causes the angle between the bogie and trailer chassis to increase, bringing the bogie back into line with the chassis. All three of these systems theoretically reduce the wheelbase dimension of the semi-trailer, to the benefit of its cornering performance.

SBB enters the scene

While all of these systems have proved to be effective

ownership after the combination of initial investment, tyre wear and maintenance are considered.

We have noted that this system is being touted specifically for heavy-load, multiple-axle trailers. This leads us to believe that it may not be as cost-effective in high-speed applications using tridem bogies, given the greater influence of fuel consumption and tyre costs on the operational economics in that area of activity.

It will be interesting to follow its progress, and to see if it migrates into more general haulage usage at a later date.



ABOVE: German trailer manufacturer Kässbohrer used this quad-axle bogie set to demonstrate the "Steer by Brake" system it has developed in conjunction with braking specialist Knorr-Bremse

on the tridem bogie semi-trailers used most commonly for general haulage all around Europe, they do require the addition of material, unladen mass and cost to the trailer.

German trailer manufacturer Kässbohrer GmbH unveiled its alternative solution, aimed at abnormal-load trailers with more than three axles, at the Hanover IAA show in 2014. Termed "Steer by Brake", this concept employs conventional non-steering rigid axles, and utilises the trailer electronic braking system (TEBS) to brake the rearmost inner wheel during cornering.

This action is claimed to have a similar wheelbase-shortening effect to that provided by a self-steering axle. The TEBS technology also configures the trailer's air suspension system for the desired legislated turning radius when the combination enters a tight turn at low speed.

The Steer by Brake system has been developed by Kässbohrer in conjunction with braking specialist Knorr-Bremse. With commercial availability set for May 2016, its claimed benefits include: the elimination of complex self-steering operation, elimination of the requirement to lock axles when reversing, and lower total cost of

2015 MARKET COMPARISONS

Once the December sales returns had been audited, the South African market for commercial vehicles over 3 500 kg gross vehicle mass (GVM), generally known as the "truck market", finished the full 2015 calendar year with total reported sales of 30 535 units.

This was some 3,2 percent off the 2014 total of 31 558 units, but was generally considered to be a positive result – considering the challenging economic climate prevailing in the country, and its main trading partners, throughout the year.

However, it is important to note that the volumes quoted include estimates by the National Association of Automobile Manufacturers of South Africa (Naamsa) of sales volumes for Daimler Truck and Bus's Mercedes-Benz, Freightliner and Fuso models; as that grouping has continued to report only aggregated data divided into total passenger and commercial unit sales since November 2014.

The unfortunate withholding of detailed data, by such an important participant in the market, makes the accurate determination of overall market and segment sizes impossible.

Kenworth maintained a leading market share of 20,4 percent in Australia's heavy-duty category.



Aussie reportback

Nevertheless, the data provided by Naamsa is the best available, and the only measure we have to compare the local market with offshore equivalents. As we have stated many times before, the Australian truck market is probably more similar, in both size and composition, to our own equivalent than any other, making comparisons valuable.

During 2015, the total number of trucks and large vans sold in Australia amounted to 32 003 units, which improved on the equivalent 2014 year total by a margin of 4,5 percent (this total excludes bus deliveries, which numbered 1 355 units over the same twelve-month period).

Of the segments making up the market, heavy-duty trucks (over 39-t gross combination mass) totalled 9 895 units; light trucks (3,5 to eight tonnes GVM) recorded 9 868 units; medium-duty trucks (eight tonnes GVM to 39 t GCM) finished on 6 725 units; and vans (3,5 to eight tonnes GVM) recorded 5 515 units.

Australian commentators noted that the lower payload categories had experienced healthy sales during the year, while heavy-duty sales were down 25,8 percent from their performance in the peak year of 2007, with this premium payload segment falling to 31 percent share of the total market from a reported highpoint of 37 percent three years back.

During December 2015, Volvo (184 unit sales) finished ahead of perennial heavy-duty segment leader Kenworth (153 unit sales), this being the first time in many years that Kenworth has been displaced from the premier position. The other Swedish heavy truck manufacturer, Scania, also finished the year on a high note with 132 unit sales in December.

In the overall 2015 market, Isuzu remained the top seller, capturing a 23,3 percent share, followed by Hino with 13,9 percent and Mitsubishi Fuso with 10,8 percent. Isuzu led both the light and medium truck segments, with shares of 35,4 percent and 40,8 percent respectively. In the heavy-duty category, Kenworth maintained top spot over the whole year with 20,4 percent segment share, ahead of Volvo with 14,9 percent and Isuzu with 12,2 percent.

Mercedes-Benz retained leadership of the van category with 43 percent share, but a growing challenge was mounted by Renault with 24,7 percent share.

Slices of the (big) American pie

The United States market is, of course, an entirely different kettle of fish. Total Class 4 to 8 sales, which cover the GVM spectrum upwards from 6 364 kg, finished 2015 at no less than 449 458 units.

This improved on the equivalent 2014 outcome by 10,5 percent of the individual market categories, Class 8 (above 15 000 kg GVM) increased by 12,9 percent; Class 7 (11 818 to 15 000 kg GVM) improved by 8,7 percent; Class 6 (8 864 to 11 818 kg GVM) grew by 6,6 percent; Class 5 (7 273 to 8 864 kg) improved by 7,8 percent and Class 4 (6 364 to 7 273 kg GVM) increased by 7,4 percent.

The vast volume opportunity offered by this market explains why major truck manufacturers remain prepared to continue building the unique types of products demanded by the overwhelming majority of American operators and drivers – including bonneted (conventional) premium prime movers, and petrol-engined light and medium payload models – while there is only a limited demand for these vehicle types elsewhere in the world. **F**



Global FOCUS is a monthly update of international news relating to the commercial vehicle industry. It is compiled exclusively for FOCUS by Frank Beeton of Econometrix. Do you have a comment or thought you would like to share based on this column? Visit www.focusontransport.co.za and have your say.

VOITH EXPANDING DISTRIBUTOR NETWORK IN AFRICA

According to Grant Robinson, vice president of Voith EMEA Division – Mining and Metals South Africa, Voith will be expanding its distributor network in Africa. The company currently operates in over 60 countries worldwide and covers 19 countries in Africa with nine distributors.

Voith held its annual distributor conference near its regional head office in Heidenheim, southern Germany, on November 24 and 25, 2015.

At the conference, distributors from Mozambique, Namibia, Botswana, Zimbabwe, Angola and South Africa, interacted on challenges

and opportunities confronting business in Africa. Voith also provided insight on what it can offer its African distributors in terms of back-up and support.

Robinson says: "Voith aims to develop a relationship with its distributors by actively assisting and supporting with product training, technical and sales support."

As one of the largest family-owned companies in Europe, and with an income generation of €4.3 billion (R77.5 billion) in sales, Voith successfully operates in energy, oil, gas, raw materials, transport and automotive industries.



UNITRANS A HIT WITH THE CHICKS

Supply chain management and integrated logistics specialist, Unitrans, has clinched two substantial contracts – worth in the region of R400 million – to supply specialised distribution and logistics services to Quantum Foods, and specifically its animal feed supply and farm services business.

The contract involves all the farm-services business of Quantum Foods, including the regional transport of eggs for subsidiary business Nulaid, as well as a full suite of specialised logistics services, such as the distribution of day-old chicks and live hens through their full lifecycle.

The transportation and feeding of the birds requires a range of customised equipment and specialised fleet of 64 vehicles, as well as the expertise to handle the birds healthily and safely.

In addition, Unitrans has been contracted to move point of lay hens for the Nulaid laying operation. Finally,

Unitrans moves eggs from pack stations to market destinations in the Eastern Cape region on behalf of Nulaid.

Says Ray Singh, chief business development officer at Unitrans: "The farm services industry is a huge and highly specialised sector in terms of its supply chain and logistics requirements. The transportation of eggs and live birds is delicate and demands industry knowledge and the right equipment to take proper care of the cargo."

"Unitrans has been involved in the industry for over two decades, and has been involved with Quantum Foods as a feed distribution partner since 2005. The award of this extended farm services contract, and the renewal of the existing contract, speaks to the confidence the company has in our abilities and expertise in the sector," he concludes.



COMMERCIAL VEHICLE SALES REPORT FOR JANUARY 2016

Note: For the time being, Great Wall Motors SA (GWM) and Mercedes-Benz SA (MBSA) will only report aggregated sales data. The GWMSA and MBSA commercial vehicle market split volumes are estimates based on historical trends and forecasting techniques. The totals listed below do not include MBSA figures.

Light Commercial Vehicles < 3 501 kg	Total: 12 074
AMH	440
Fiat Group	31
Ford Motor Company	2 462
GMSA	1 601
GWM	109
Jaguar Land Rover	59
JMC	35
Mahindra	236
Mazda South Africa	71
Mercedes-Benz SA – estimate	11
Mitsubishi Motors SA	6
Nissan	2 362
Peugeot Citroën SA	4
Renault	13
TATA	74
Toyota	4 162
Volkswagen SA	434
Medium Commercial Vehicles 3 501 – 8 500 kg	Total: 531
AMH	18
Fiat Group	7
Ford Motor Company	27
GMSA	58
Iveco	53
JMC	20
Mercedes-Benz SA – estimate	135
Peugeot Citroën SA	4
TATA	47
Toyota	107
Volkswagen SA	55
Heavy Commercial Vehicles 8 501 – 16 500 kg	Total: 269
FAW	42
GMSA	72
Iveco	4
MAN	4
Mercedes-Benz SA – estimate	35
TATA	57
Toyota	44
Volvo Group Southern Africa	46
Extra-Heavy Commercial Vehicles > 16 500 kg	Total: 466
Babcock DAF	20
FAW	14
GMSA	25
Iveco	43
MAN	66
Mercedes-Benz SA – estimate	249
Powerstar	29
Scania	57
TATA	6
Toyota	32
Volvo Group Southern Africa	174
Buses > 8 500 kg	Total: 41
Iveco	12
MAN	18
Mercedes-Benz SA – estimate	14
Scania	4
TATA	5
Volvo Group Southern Africa	2

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

CLAIRWOOD LOGISTICS PARK: A-GRADE LOGISTICS AND DISTRIBUTION

Construction of the R3,5 billion Clairwood Logistics Park has been approved by KwaZulu-Natal MEC of Economic Development, Tourism and Environmental Affairs, Michael Mabuyakhulu.

Fortress Income Fund, which is South Africa's third-largest property fund, will develop approximately 350 000 m² of warehousing for the Clairwood Logistics Park on the former Clairwood Race Course site.

The government has reserved an eight-hectare portion of the site and given environmental authorisation for Fortress Income Fund to construct and rehabilitate a sustainable fauna and flora wetland. The remainder of the site will be utilised to service the facilities.

Clairwood Logistics Park is situated on the last available flat land for development, which is located close to the Durban port. The south Durban basin is a national economic hub bordered by major transport linkages.

Development manager, Nico Prinsloo, says Clairwood Logistics Park will meet the demand for A-grade logistics and distribution facilities, which will improve community livelihoods through job creation. An estimated 18 900 jobs will be created during construction and 4 600 permanent jobs post completion in December 2020.

He adds: "This development will improve traffic flow into and out of the site and will ease overall traffic flow in the area. It will significantly improve road safety, especially for learners attending schools in the area."



TAKING CLEAN AIR TO THE SKIES

All new aircraft designs from 2020 will comply with the new International Civil Aviation Organisation (ICAO) "CO₂ Standard" – the first global certification standard for CO₂ emissions from new aircraft.

The agreement is the result of six years of work by a task force of experts from governments, industry and environmental groups. Once the CO₂ Standard is formally adopted by the ICAO Council, it will be implemented by national civil aviation authorities around the world and will be part of the rigorous certification process all new aircraft must meet before entering service.

"The CO₂ Standard places an obligation on the manufacturers and the market-based measure will do the same thing for airlines and other

operators. Both steps are an integral part of the aviation sector's plan for capping CO₂ emissions from 2020 and then halving them by 2050, based on 2005 levels," says executive director of the Air Transport Action Group, Michael Gill.

"A flight taken today will produce on average half the CO₂ produced by the same flight in 1990. This has been made possible through a range of climate actions, including new technology; better operation of existing aircraft; and improvements in infrastructure," he adds.

"New technology aircraft can provide significant savings in CO₂ as they enter the world airline fleet. Manufacturers currently spend around US\$ 15 billion (R237,4 billion) per year on efficiency research and development," he concludes.

SUBSCRIBE TO FOCUS ON TRANSPORT AND LOGISTICS

YES! Please add my name to the **FOCUS ON TRANSPORT & LOGISTICS** mailing list for 12 issues per annum at **R1 100,00** including VAT / postage (valid for postage within RSA borders).

Method of payment: ☐ Cheque enclosed (made out to Charmont Media Global) ☐ Direct Deposits: Charmont Media Global Bank: FNB Craighall
Branch code: 255805 Account no: 62059168825

Title: Mr / Mrs / Ms: Initials: Surname:
Job Title: Company:
Tel No: Cell No:
Fax No: email address: Signature:
Postal Address: Postal Code:
Company's main product or service:

Fax to 011 782 0360 or post to PO Box 957, Fontainebleau, 2032

BUSES

Cape Town's public transport system is going green as the city prepares to procure electric buses for its MyCiti bus service. THATO TINTE looks into other cities that have adopted this form of transport and shares some insights



systems.

Technology first brought us e-mail, e-commerce, e-books and now we have e-buses (we promise this is not a Zulu lesson). These "green fleets" are fast gaining global popularity as environmentally friendly buses that will help reduce carbon emissions in the public transport system.

On January 20, Patricia de Lille, executive mayor of Cape Town, announced that the city intends to purchase electric buses for its bus rapid transit (BRT) system, MyCiti.

This will mean replacing the city's current fleet of diesel buses with the 12-m, eco-friendly electric buses. These will be the first electric buses used for public transport in Africa.

De Lille says that these buses will be able to travel for at least 250 km in traffic before the batteries need to be charged, and that charging stations as well as

the necessary training for drivers and engineers will be provided.

Alternative fuel experts say that 97 percent of public transport across the world operates on diesel and that, by 2025, global cities will represent 80 percent of energy use and carbon emissions on the planet. This makes it imperative for global public-transport communities to find ways of easing the environmental impact.

As the introduction of these buses is still at conceptualisation stage, with the service-provider tender only advertised in early February, it is still unclear when these buses will make their debut in the city, how the logistics will work and how public concerns will be addressed. These concerns include:

- How long the buses will take to be charged;
- Where the charging stations will be situated;
- What measures will be in place in case of load shedding; and
- How fare prices will be managed when electricity tariffs increase.

Africa's first **ELECTRICITY** buses on the way!



BUSES

Despite some concerns, these buses can offer great environmental and operational benefits and the City of Cape Town has the opportunity to proactively learn from the experiences of other cities that make use of electric buses.

In China, the Build Your Dreams (BYD) electric bus called Kg is an all-electric bus model manufactured by Chinese automaker BYD Coach Company. BYD is a leading global manufacturer of electric buses.

The bus has similar specifications to those that the City of Cape Town is planning to purchase and has a range of 250 km on a single charge under urban road conditions.

This "pure electric" transit bus, which was launched in Changsha, China in 2010, is also being assembled in the United States of America. It has been tested and is being used in other countries including Japan, Colombia and the Netherlands.

According to the BYD website, the Kg buses have different charging capabilities, which range from three hours to overnight, depending on the power required.

BYD states that the buses are powered by lithium-ion phosphate batteries, which were developed in house and utilise the most efficient battery technology currently available. Power is also provided by the company's

in-wheel motor drive system and solar panels on the on-board batteries.

Further insight can also come from Siemens which, in 2014, built its first electric bus in Austria, together with public transport company Wiener Linien. This helped establish Europe's first fleet of mass-produced, quick-charge, fully electric buses.

The Siemens-Rampini bus – which is comparable to the BYD Kg – gets its energy from the overhead power lines used for trams in the Austrian city, Vienna. The buses, coined "eBuses", recharge their batteries in ten to 15 minutes. The three-phase, 85 kW (114 hp) AC motor from Siemens also acts as a generator.

A study of electric buses, conducted by the Volvo Group and accounting firm KPMG, reveals that electric buses can help save in running costs in addition to the societal and environmental benefits.

Research presented at the African Union of Public Transport (UATP) Workshop, hosted by Transport for Cape Town in late 2015, revealed that buses running on electricity or gas can cover a greater distance than buses running on diesel when using the same amount of energy.

UATP also provides a list of benefits of electric buses. These include that they produce zero carbon emissions and have lower operational and maintenance costs, as they have fewer parts to service. The motors also produce less heat and noise and provide a more pleasant ride for the driver and passengers.

As the city of Cape Town considers a long-term goal of utilising electric double-deck buses for longer distances, Cape Town Mayoral Committee member and Transport for Cape Town councillor, Brett Herron is enthusiastic about the reduction of noise pollution produced by these buses.

As MyCiti continues to make progress, **FOCUS** will keep you updated on these exciting developments. **F**

The City of Cape Town prepares to head down electric avenue, in keeping with the growing electric-bus trend.



The eco-friendly BYD electric bus, with a 250 km range, is what Cape Town's officials have in mind.

How about a “TONNAGE GUARANTEE”?

South Africa's famous Blue Train provides some ideas of what can be done to boost local rail transport

In September 2015, Transnet boss Siyabonga Gama announced a partnership with Sun International that would see the hotel and leisure giant promote the Blue Train to boost its appeal to tourists. Sun International would also contribute the requisite skills to run the enterprise.

According to Gama, Transnet wanted to extend the "reach and footprint" of the "iconic" train, and to increase its occupancy, currently at 70 percent.

Two months later, at the opening of the R800-million renovation of the City Deep Container Terminal, Gama implored the private sector to invest its "lazy cash" into upgrading infrastructure, calling for "concomitant commitment" from captains of industry to lift the economy. (*Business Day*, November 27).

It's always encouraging to see the railway trying out new things and wanting to partner with outsiders. Sadly, as I have pointed out in previous columns, in transport there is usually a gap between theory and reality.

What became of the Sun City Express, the Sappi "Supplytrain", the Jacaranda Express, the Daylight Sitter,

the Narrow Arrow, the Alfred County Railway and Outeniqua Tjoe-Tjoe?

In 2007, Transnet called for Expressions of Interest from organisations to run the Blue Train. Those who paid a R25 000 non-refundable deposit, would be short-listed. I don't know how many people lost their money, because nothing ever came of that proposal.

In 2010, Transnet was still running the train and it was trying to sell it to the then recently formed Passenger Rail Agency of South Africa (Prasa) for R1.

At that stage, the annual loss was R65 million. That deal also fell through, although the recent report of the Public Protector suggests that Prasa's management has certainly been using the train!

By now the deficit must be close to R100 million per



year, which is a lot of money to spend on an operation that carries only 6 000 passengers or so each year. I can personally testify that, as a researcher at the railway's head office (passenger services) in the early 1980s, I started asking questions about the Blue Train's financial performance, but was politely told to back off.

Can we call for some consistency from both Transnet and its owner, the government? If the underperforming Blue Train and Gautrain can have "patronage guarantees" of R100 million and over R1 billion respectively, how about a "tonnage guarantee" on some lines?

To use Gautrain-speak: rural projects can also "create thousands of jobs and add two percent to the local gross domestic product" – but at a lower cost.

Sadly, a huge repository of institutional memory and

HOPPING OFF

grassroots expertise has been stripped out of Spoornet in recent decades. The result is that we have forgotten how to run a daily all-stations train, which is the backbone of any decent railway.

Nevertheless, Spoornet, itself, has identified about 40-odd lines that could be rehabilitated. These are listed on pages 128 to 136 of its 2013, 30-year, long-term planning framework.

One is the Apple Express (Port Elizabeth to Avontuur), which is derelict, but deserves to be revived and declared a world heritage line. Another, surprisingly, is George to Knysna, which, like the Port Shepstone to Harding line (not on the list) is closed. Both closures were attributed to lines being washed away, which should not necessarily be used as an excuse to close any line.

Both lines carried a substantial amount of freight, but also brought in locals and tourists. In 2002, the Knysna line carried over 100 000 passengers, of which 70 percent were foreign tourists. Beat that, Blue Train!

Another line (also not on the list) is Bloemfontein-Ficksburg-Bethlehem. If Transnet can partner with Sun

International, why not also have an arrangement with Sandstone Estates near Ficksburg – which has the largest collection of narrow-gauge steam locomotives in the world – to run a regular train on the line?

Sandstone might even be able to organise a steam locomotive to work the train over weekends, which would also probably attract more local and foreign tourists at a lower cost than the Blue Train.

In terms of footprint, reach and corporate social development, such projects will make a stronger impact than running a "health" train.

With an asset base of over R300 billion and total annual income of R61 billion, I suspect that there is enough "lazy cash" lying around in Transnet's own bank account to start turning rail transport around in South Africa.

Talking of "lazy cash", I hold a now-worthless share certificate, number 25, in the ACR, the company that worked the Harding line – so much for "concomitant commitment".

Nevertheless, I wish both Transnet and Sun International good luck with the Blue Train! **F**



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

BUS STOPS

SCHOOL BUSES GO GREEN IN INDIA

Eicher Trucks and Buses showcased a number of products at India's Auto Expo 2016, held in New Delhi during early February. Among the vehicles was the Eicher Skyline Pro School Bus, a hybrid school bus developed and manufactured at the VE Commercial Vehicles Pithampur plant.

The hybrid system combines a conventional internal combustion engine with an electric propulsion system to drastically reduce emissions and improve fuel efficiency.

This bus also has state-of-the-art electronic safety features and advanced telematics. It comes with a host of safety features such as: vehicle tracking, geo-fencing, a camera with recording capabilities, student ridership status (which is available to the parents) and fire detection/suppression system.

Eicher Trucks and Buses is part of VE Commercial Vehicles, which is a 50/50 joint venture between the Volvo Group and Eicher Motors.



The Eicher Skyline Pro School Bus offers hybrid power and top-line safety features for students.



ADL's double-deckers get even **LOWER!**

FRANK BEETON gives us the lowdown on some low-height, double-deck buses

The overall height of double-deck buses is an important factor in determining where they can be operated. In South Africa, their maximum height limitation is 4.64 m, whereas most other road vehicles, together with their payloads, may not exceed 4.3 m. This means that operators need to carefully plan routes for double-deck buses, so that they do not fall foul of low bridges, or clash with street furniture and overhead wires.

In the late 1920s, British bus manufacturers started developing "low-bridge" double-deck designs to allow wider use of the type in areas where historically low railway bridges or overpasses were encountered.

These designs used offset gangways and four-abreast seating on the upper deck to lower the roof height. This concept was developed further in the 1950s with drop-centre rear drive axles; allowing the lower saloon height to be reduced.

However, the limitations imposed by the contemporary use of conventional "body-on-frame" designs placed practical limits on the amount of height reduction possible.

Subsequently, double-deck buses fell from widespread favour, and most urban transport networks adopted long single-deck and articulated buses to carry heavy passenger loads, although these configurations inevitably obliged many of the passengers to travel standing.

Recent efforts to restore the popularity of public transport usage have turned the spotlight back on increased provision of seating accommodation. This has prompted bus manufacturers to refocus attention on reducing double-deck bus height.

A year ago, British bus specialist Alexander Dennis Limited (ADL) added a 100-passenger, 4.1-m high version

of its Enviro500 double-decker to its catalogue, which already included 4.27 and 4.17-m versions. The reason for this was to gain increased access to the American and Canadian markets without requiring buyers to apply for over-height permits.

Instant market acceptance showed that ADL had opened up an important new market niche. The company has since moved on to develop an even lower, 83-passenger, 3.9-m high, three-axle variant for Go Transit in Toronto. This model, designated SuperLo E500, offers the same upper-deck interior height as its 4.1-m sibling and incorporates a large secure luggage compartment on the lower deck.

The further reduction in overall height has been achieved by reducing the chassis profile by 75 mm, and strengthening the frame. This is claimed to have lowered and flattened the floor, and reduced entrance step heights.

The technical specification of the 12.9-m long Enviro500 includes a Cummins ISL9 turbocharged and intercooled six-cylinder diesel engine with EPA 2013 compliance, which develops 246 kW or 285 kW (330 or 380 hp). It features Allison B500R, Voith D854.6 W53, or ZF 6AP1700B six-speed automatic transmissions, an integral retarder as well as full air suspension.

The low height is obtained by using a deep drop-beam front axle, drop-centre rear axle and deep drop-beam steering rear trailing axle. GVM rating is 26 500 kg, and the vehicle has an overall width of 2 520 mm.

Production of SuperLo model has commenced at ADL's Guildford facility, and preparations are under way for contract assembly of all three E500 versions in Vaughan, Canada. Customer deliveries are scheduled to commence during the third quarter of 2016. **F**

RUGGED

AND BUILT FOR AFRICAN CONDITIONS

EVERSTAR
industries

Powerstar 2642

Features: Single Sleeper Cab, Hub Reduction & Double Chassis Rails.

Powerland 3042

Features: Double Cab, Retarder, Medium - Long Haul.



POWERSTAR

trucks built to last



POWERLAND

trucks built to last

Centurion (Head Office)

103 Park Avenue North, Highway Business Park
Rooihuiskraal, Centurion 0157
Tel 012 940 1750

Pietermaritzburg (Plant)

24 CB Downes Road, Mkondeni
Pietermaritzburg 3201
Tel 033 846 0500

YOUR ONE STOP

Quick • Reliable • Convenient

TRUCK TYRE FITMENT CENTRE



Best Prices

Compare our prices, great **SAVINGS** guaranteed



Big Range

We stock a complete range of tyres for Light Truck, Heavy Truck & Bus



Multi-Brands

A wide variety of trusted brands for every size and application



Services

Precision truck tyre services by expert Technicians with the latest Equipment



Service Excellence

We deliver excellent service 1st time, everytime

STOCKIST OF ALL SIZES IN BIAS & RADIAL TYRES
***All Position *Drive *Steer & Trailer *Multi-Service**

GOODYEAR

Continental

DUNLOP

apollo

MICHELIN

ONYX
TRUCK & BUS RADIAL TYRES

TRANSLOGIX
BIAS TYRES

MALAS

012-357 0650

VISAGIE STREET, CNR,
KGOSI MAMPURU (POTGIETER) STREET, PRETORIA
B-BBEE Level 2 Contributor

WWW.MALAS.CO.ZA
DRIVEN
By you