

The Facts on



WHAT IS THE ANSWER? **Advanced Technology Vehicles.**

As Congress considers developing an energy policy, the 13-member Alliance of Automobile Manufacturers is providing a series of fact sheets to promote understanding about consumers and fuel economy.

Key Points to Remember



Advanced technology vehicles offer great promise, allowing manufacturers to both improve fuel economy and continue to offer consumer the comfort, safety and utility they demand.



With government and automakers working together, the combination of advanced technology vehicles and tax incentives will ***improve fuel economy at prices*** affordable to consumers.



Because of the higher cost of advanced technology vehicles, ***Congress needs to implement tax incentives*** to make such vehicles cost-competitive with conventional vehicles and to encourage consumer demand.

WHAT IS THE ANSWER? Advanced Technology Vehicles.

Consumers Are in The Driver's Seat

American consumers demand a great deal from their motor vehicles. They want comfort, safety, performance, cargo capacity, passenger room, and often times off-road (4X4) capability and towing ability.

By utilizing advanced technologies (electric drive, hybrid and fuel cells) customers can take advantage of breakthrough fuel economy gains without sacrificing

these vehicle attributes. Without the development of advanced technologies, manufacturers are forced to consider tradeoffs in key vehicle attributes in order to accommodate fuel economy gains.



SUVs, for example, incorporate size, security, 4X4, cargo capacity and other attributes that have made them very popular with customers. As a result, fuel economy level for SUVs are generally lower than those of passenger cars without these attributes.

Vehicle Attributes

Light Truck

- ▶ *4 wheel drive*
- ▶ *Passenger Room*
- ▶ *Cargo Capacity*
- ▶ *Towing Capacity*
- ▶ *Off-Road Capability*
- ▶ *Greater Vehicle Size*
- ▶ *Larger Engine*

Passenger Car

- ▶ *Aerodynamic*
- ▶ *Front-wheel Drive*
- ▶ *Smaller Engines*

Advanced Technology Vehicles



Although advanced technology vehicles offer tremendous potential, significant obstacles must be overcome before these vehicles can be widely introduced into the marketplace. Many of these new technologies are more expensive than conventional motor vehicles. And, as with any technology, consumers must be comfortable with it before they make the significant financial and emotional investment buying a new motor vehicle requires.



To make advanced technology vehicles more appealing to consumers, the Alliance supports consumer tax incentives for the purchase of such vehicles. Instead of pushing new technology on customers by regulating higher CAFE, the government and manufacturers should motivate consumers to adopt and purchase new technologies that reduce fuel consumption.



To see more of these advanced technology vehicles now in development, go to www.autoalliance.org and click on "Advanced Technology."



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