

The Facts on



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WHAT Really Affects FUEL ECONOMY?

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



consumer choice

Automakers design vehicles that meet consumer needs while providing various levels of *fuel economy*, but consumers hold the key to higher *fleet fuel economy* through their purchase decisions.



increased efficiency

While automakers have significantly increased fuel efficiency in vehicles over the years, consumer choices for vehicle size and options can dampen gains in fleet fuel economy levels.



incentives

Incentives that encourage consumers to purchase vehicles with advanced fuel-efficient technologies (that initially are more expensive than conventional technologies) can help pull into the market vehicles with significant improvements in fuel economy.

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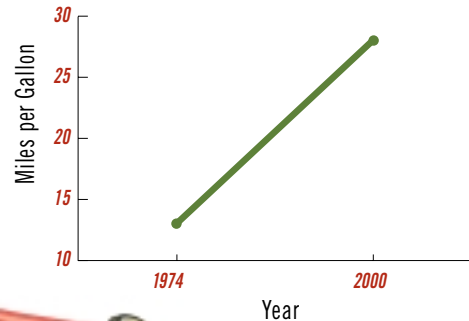
Fuel Efficiency Continues to Grow Each Year

Since the early 1970s, new vehicles have continued to become more fuel-efficient. According to the EPA data, efficiency has increased steadily at nearly 2 percent per year on average from 1975 to 2001 for both cars and trucks.

Fuel economy rates in cars have more than doubled in the past generation, from 14.2 miles per gallon in 1974 to more than 28.1 miles per gallon in 2000.

Today's light truck gets better mileage than the compact cars from the 1970s.

Increase in fuel economy



◀ *Auto engineers have learned to pack 28 miles in one gallon.*

How can fuel efficiency be increasing each year while fuel economy has remained static since the late 1980s?

There's a big difference between fuel efficiency and fuel economy.

Fuel efficiency is a measure of how effectively a vehicle uses the energy from fuel. Efficiency gains can be used to transport the vehicle more miles per gallon, to provide other attributes that consumers demand, or to overcome additional weight from new safety features.

Fuel economy is what consumers measure as they drive on the road – the miles per gallon that their vehicle provides – and what manufacturers report to the government. Although fuel economy for cars and light trucks has

increased significantly since 1975, most of this increase occurred in the late 1970s to early 1980s in response to consumer demands due to high fuel prices.

While car and light truck **fuel efficiency** increased, the overall fleet **fuel economy** remained essentially flat because of consumers demanding more features such as advanced safety features, increased towing capacity, increased cargo carrying capacity, greater utility, more comfort and due to market shifts.

Fuel Economy



Americans are driving more than ever!

1969
8,685 miles

55%
increase

1995
13,476 miles

Taking advantage of low fuel prices, Americans are driving their vehicles more miles per year. In 1969, the average annual miles traveled per driver was 8,685 miles; by 1995, the average annual miles had grown to 13,476 miles—an increase of 55 percent.*

So how can fuel economy be increased without limiting vehicle choices for consumers?

We Need to Work Together to Accelerate the Introduction of Advanced Technology Vehicles. Advanced technology vehicles, such as gas-electric hybrids, offer an opportunity to substantially increase fuel economy without sacrificing safety, towing capacity, cargo capacity, performance and other features that add utility. But advanced technologies typically don't pay for themselves through fuel savings. The Alliance supports consumer tax incentives to help offset the initial costs until more advancements and greater volumes make them less expensive to produce.



A hybrid-powered Ford Escape is being designed to be the cleanest, most fuel efficient sport utility on the planet when it debuts in 2003.

* National Personal Transportation Survey, Federal Highway Administration and Oak Ridge National Laboratory; Table 22, p. 38.



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