HONDA'S AMERICAN JOURNEY

HONDA SHOWS OFF ITS 'GREEN HALO'

The automaker steps up and asks for tougher fuel economy standards

June 8, 2009 @ 12:01 am

Neil Roland
Honda, which already has environmental credibility, has just launched the redesigned Insight hybrid. Honda hasn't been shy about promoting its history of eco-friendly cars. Even so, not all of its environmental efforts have gotten the public attention they deserve.

In a show of independent leadership, Honda broke ranks with the rest of the auto industry early in 2005 and called for tougher U.S. fuel economy standards. Its efforts helped pave the way for Congress to pass 2007 energy legislation that mandated more rigorous standards for cars and light trucks over the next decade.

In April, the EPA put the new guidelines into effect for cars and trucks. They lift fuel economy requirements by 8 percent for the 2011 model year, to an average of 27.3 mpg.

"It took guts to do what Honda did," John DeCicco, senior fellow at the Environmental Defense Fund advocacy group, told Automotive News. "There's peer pressure, as in any industry. It was a significant step along the way to enactment of stronger standards."

Honda already had established its environmental credibility. The company topped all four reviews by the Union of Concerned Scientists of the environmental performance of leading automakers between 2000 and 2007.

In the most recent study, Honda vehicles edged out Toyota's in lowest overall emissions.
"A lot of people perceive Honda as a green automaker," said Jim Kliesch, a senior engineer at the Union of Concerned Scientists. "By our calculations, Honda has earned that green halo."

**Proactive step**

In 2005, Honda urged tougher federal standards aimed at reducing greenhouse gas emissions. That proactive approach diverged from the company's typical quiet manner — waiting to see what the government proposed, then privately offering recommendations.

Honda had joined other automakers in filing court challenges to California's effort to enforce its own rules for greenhouse gas emissions. The car companies called that initiative a backdoor attempt to regulate fuel economy, which they said was solely a federal responsibility.

Honda challenged California's right to pre-empt federal law. But, significantly, it did not take issue with the state standards themselves, even though they were more stringent than those favored by the administration of President George W. Bush.

"We were uneasy with state-by-state regulation of greenhouse gases," recalled Ed Cohen, Honda's senior Washington lobbyist. "We felt if we could jump-start the federal effort and be responsive to the growing need for energy independence, let's get started."

By contrast, the Detroit 3 wanted to keep the fuel economy guidelines set in the mid-1980s, rules that called for a fleetwide average of 25.3 mpg. Rep. John Dingell and other powerful Michigan lawmakers of both parties backed the Detroit automakers.

But Honda concluded that tighter regulation was inevitable, perhaps after Bush left office. Cohen worked on the press release with a half-dozen other U.S. Honda executives.

'Compelling premise'

"Honda's intervention is based on a single but compelling premise: that it is the federal government's role to regulate greenhouse gas emissions from motor vehicles, not the individual states'," the statement said.

The National Highway Traffic Safety Administration "already has the authority to regulate vehicle efficiency, and
Honda calls upon the agency to increase the stringency of the fuel economy requirements," Honda's statement added.

The statement got little media coverage. But congressional aides took notice. Honda executives worked behind the scenes with Capitol Hill staff to build a case for lawmakers to endorse more stringent fuel-efficiency guidelines.

Nissan followed Honda's lead, lobbying for the legislation even more aggressively.

"In contrast to General Motors saying the world will end if you pass this, Honda was saying we can live with it," said Dan Becker, director of the Safe Climate Campaign, an environmental lobby in Washington. "It was fairly earth-shattering — or earth-mending."

The federal legislation and subsequent EPA rules raised the fuel economy guidelines for passenger cars for the first time in more than two decades. Those actions reflected Americans' desire for energy independence and a clean environment, as well as pressure from courts and state regulators.

But Honda played a big part, too.
SUBSCRIBE TO AUTOMOTIVE NEWS

Our in-depth authoritative automotive coverage and degree of access from the boardroom to the showroom makes Automotive News unrivaled in the industry. Chances are, if you're not subscribed to Automotive News, you're missing information that's vital to your business.

GET FREE NEWSLETTERS

Sign up today to get the best of Automotive News delivered straight to your email inbox, free of charge. Choose your news - we’ll deliver.