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Pitch on Efficient Jeep Shows Marketing of Brawn as Green

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Chrysler Group LLC rolled out a vehicle this week that boasts the ability to drive 700 miles between fill-ups and gets 30 miles per gallon on the highway, with a eight-speed automatic transmission and a gasoline-saving “eco” mode.

The vehicle that debuted at the North American International Auto Show in Detroit wasn't a subcompact fuel sipper. With flashing lights and thumping music, the cover was pulled off a 2014 Jeep Grand Cherokee, a model that was the third most frequently traded in during the 2009 U.S. cash-for-clunkers program. After lauding the SUV's “strength and opulence,” ground clearance and dual exhaust system, Jeep brand President Mike Manley made a pitch praising it as a fuel saver.

Jeep joined a festival of mixed messages this week in Detroit, where Ford Motor Co. ([F](#)), Kia Motors Corp. (000270) and General Motors Co. ([GM](#)) were among automakers highlighting improved fuel economy while introducing bigger, more powerful cars and trucks.

“Clearly the auto companies are trying to tell the government that they're following the law, while they're telling consumers come buy our biggest gas-guzzling trucks,” said Dan Becker, director of the Safe Climate Campaign, which supports increasing vehicle fuel efficiency. “Then they tell their shareholders they make the most profit on the biggest gas-guzzling trucks, so we'll try to sell more of them.”

Marketing Benefit

Automakers see a marketing benefit from better fuel economy. They're also being pushed by U.S. regulators, who require them under a rule completed last year to increase fleet-wide average fuel use to 54.5 miles (88 kilometers) per gallon by 2025, about double today's standard.

“They know everybody’s watching, particularly the government’s watching,” said John O’Dell, green-car editor for auto-researcher Edmunds.com. “So if they don’t give lip service to the fact that fuel efficiency is important, even at the level of a new Corvette or Escalade, they’re open to criticism.”

GM introduced a redesigned Corvette sports car and Silverado pickup, and a Cadillac ELR plug-in hybrid, at the Detroit show.

The cash-for-clunkers program offered discounts of as much as \$4,500 to consumers who exchanged a gas guzzler for a more fuel-efficient car or truck. The 2014 model will be available with a 3.0-liter V-6 diesel engine rated at 30 miles per gallon on the highway.

Sparks Fly

Ford introduced a concept of its next F-150 pickup in a press event where the full-sized truck was lowered from the rafters of Joe Louis Arena, home of the Detroit Red Wings hockey team, while sparks flew from men in hardhats on a steel girder backdrop. Dubbed the Atlas, the concept is close to what the new F-150 will look like when it debuts next year, Chief Executive Officer Alan Mulally said.

Ford is seeking to improve fuel economy on the next F-150 by lowering its weight by as much as 750 pounds, Mark Fields, the automaker’s chief operating officer, said Jan. 15. The truck will feature technology, borrowed from hybrids, that shuts off the engine at stoplights to save fuel. It also is equipped with speed-activated grille and wheel shutters and a front spoiler, which improve aerodynamics and boost mileage by two miles per gallon, according to Ford.

Vehicle Redesign

“Over the next few years, every vehicle redesign is going to get a lot of attention to aerodynamics,” Robert Bienenfeld, Honda Motor Co.’s senior U.S. manager for environment and energy strategy, said in an interview at the auto show.

Honda’s display featured an SUV concept intended for city driving to be sold starting next year.

“Automakers are trying to balance what they feel they should be putting out there versus what sells and what brings them the profitability,” said Jesse Toprak, an analyst for TrueCar.com, an auto pricing and data service in Santa Monica, California. “They’re under the gun to produce more gas- efficient vehicles and promote them as heavily as they can. The reality is per-vehicle profit-wise, those vehicles are not as profitable as larger vehicles.”

Last year, the average passenger vehicle sold in the U.S. got 23.1 miles per gallon, according to TrueCar, which uses sales data and U.S. Environmental Protection Agency fuel-economy ratings and assumes 45 percent highway driving and 55 percent city.

The fact automakers introduced big vehicles isn’t surprising, because they’re trying to make an impression at the Detroit show, said Alan Baum, principal of Baum & Associates consultancy in West Bloomfield, Michigan. The show is attended by journalists from around the world, analysts, investors and the general public.

“My takeaway is, performance is a big deal, specialty vehicles are a big deal,” Baum said in an interview this week as he walked the show floor.

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