

8 August 2007

European Commission
200 Rue de la Loi
1049 Brussels

Dear Sir,

Response by the Advertising Association to Commission Communication on the Community Strategy to reduce CO2 emissions from passenger cars and light commercial vehicles

I am writing on behalf of the UK Advertising Association (AA) to submit some comments on the Commission's communication of 7 February on "the results of the review of the Community Strategy to reduce CO2 emissions from passenger cars and light-commercial vehicles" and the second communication from the same date on "a Competitive Automotive Regulatory Framework for the 21st Century Commission's position on the CARS 21 High Level Group Final Report A contribution to the EU's Growth and Jobs Strategy". I hope the Advertising Association's comments can be taken into account, even though the consultation deadline has recently closed.

The AA is a federation of 31 trade bodies and organizations representing the advertising and promotional marketing industries, including advertisers, agencies, the media and support services in the UK (list of members attached). It is the only body that speaks for all sides of an industry that was worth almost £19 billion in 2005. Further information about the AA, its membership and remit, is can be found on our website: <http://www.adassoc.org.uk/>

The AA understands the importance of the debate in reducing CO2 emissions. We note that the Communication suggests that "in addition to consumer information, the way in which cars are marketed may also need to be adapted, so as to focus less on the dynamic performances of vehicles. To guarantee a level playing field, there is a need for coordinated action amongst the industry. Car manufacturers are invited to sign up before mid 2007 to a voluntary agreement on an EU wide code of good practice regarding car marketing and advertising aimed at the promotion of sustainable consumption patterns".

There are, of course, already requirements on car manufacturers to include such information in their promotional literature and advertising, in accordance with the Labelling Directive, and we support these being fully enforced.

However, the approach being proposed by Chris Davies MEP in his Own Initiative Report¹ currently under discussion in the European Parliament is to impose mandatory minimum requirements for the display of information relating to the fuel economy and CO2 emissions of new cars in all marketing and promotional literature. He proposes that a minimum of 20% of the space devoted to the promotion of new cards though advertising, marketing literature or point-of sale displays in showrooms should provide information on fuel economy and CO2 emissions in an approved format.

This is not a workable or proportionate proposal. It ignores the fact that various factors contribute to a car's energy efficiency, including air conditioning, tyre size, driving patterns, as well as fuel consumption. For example, a large family buying a bigger vehicle may result in lower CO2 emissions than if they bought two or more smaller cars,

¹ Report for Environment Committee on the Community Strategy to reduce CO2 emissions from passenger cars and light commercial vehicles

whilst a higher CO2 emission requirement may ignore the nature of a car and how it is driven. Thus, the manufacturer should be able to promote other information, in addition to CO2 emissions. However, Chris Davies' proposal – by over-emphasising the latter – would not make this possible.

When buying a new car, consumers usually make their decision based on a range of factors, including their personal requirements (e.g. size of family), travel needs, fuel efficiency and many other factors. The manufacturer should have the scope to highlight any of these other issues as well, in advertising and promotions, but if he is required to fill 20% of the space in the advertisement with details about CO2 emissions, there would not be much room to highlight other marketing points.

In addition, mandatory requirements to fill 20% of an advertisement or promotional brochure with CO2 emissions information would be particularly damaging for some advertising-funded media, and would be simply unfeasible to apply to SMS, radio and television. Such a requirement would therefore create distortions of competition between media and undermining revenue and in turn jeopardise high quality programme or editorial investment.

For these reasons, the AA supports alternative amendments that have been tabled to the report, namely:

Amendment to Paragraph 23

Reinforces the requirements concerning the information on CO2 emissions and fuel consumption in promotional literature laid down in Article 6, Annex 4 in the Directive 1999/94/EC.

Amendment to Paragraph 24

Proposes that advertising, marketing literature, or point-of-sale displays in showrooms should provide information on fuel economy and CO2 emissions in an approved format.

The practicability of imposing further requirements should be fully discussed in the context of the review of the 1999 Labelling Directive (Directive 1999/94/EC relating to the availability of consumer information on fuel economy and CO2 emissions in respect of the marketing of new passenger cars) before being introduced.

Yours sincerely,

Sue Eustace
Director of Public Affairs

Members of the Advertising Association

BSkyB
Channel Four Television
Cinema Advertising Association (CAA)
Communication Advertising and Marketing Education Foundation
Data Publishers Association (DPA)
Direct Marketing Association (UK) Ltd (DMA)
Direct Selling Association (DSA)
Five
GMTV
Institute of Sales Promotion
Internet Advertising Bureau (UK) (IAB)
Institute of Practitioners in Advertising (IPA)
International Advertising Association - UK Chapter
ISBA – The Voice of British Advertisers
ITV plc
Marketing Society
MRS (Market Research Society)
Point-of-Purchase Advertising International
Mail Order Traders' Association (MOTA)
Proprietary Association of Great Britain (PAGB)
Marketing Communication Consultants Association (MCCA)
Newspaper Publishers Association (NPA)
Newspaper Society (NS)
Periodical Publishers Association (PPA)
RadioCentre
Royal Mail
Satellite and Cable Broadcasters' Group (SCBG)
Scottish Newspaper Publishers Association (SNPA)
Yell (Yellow Pages)
Outdoor Advertising Association of Great Britain (OAA)
Virgin MediaTelevision