The Road to Zero Emissions

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The future of trucks, transport and automotive industry supply chains

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KoganPage

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ABOUT THE AUTHORS

The co-authors have spent over 120 years in the automotive and transport business and have been closely involved with the commercial success of several truck manufacturing operations since 1975. Most recently they have over 50 years between them with MAN Truck & Bus Ltd, a division of Traton AG (the commercial vehicle division of VW AG).

Dennis Evans

Dennis Evans served as Head of Aftersales Business Development and Strategic Projects for MAN Truck & Bus UK Ltd in the period from 2005–2016, following a successful career in the automotive industry working for several major manufacturers and Tier 1 suppliers in 23 countries since 1975. These included original equipment manufacturers (OEMs) such as Ford Motor Company, Unipart, Rover, Land Rover, Mini, BMW, and body builder Mayflower Ltd. Mayflower was a Tier 1 supplier to Rover, MG, Ford, Aston Martin, Chrysler, Mercedes and Alexanders – a UK bus manufacturer. Dennis Evans has specialized in the development of market representation strategies and innovative customer relationship and retention programmes.

Des Evans OBE

Des Evans OBE was recognized in the 2016 Queen's Birthday Honours List for services to industry. He served as CEO for a decade at MAN Truck & Bus UK Ltd and successfully built the VW-owned UK operation from a £50 million turnover business to one delivering over £500 million in the period from 1993–2013. Des's legacy is rooted in the development of innovative and disruptive business models that have changed the basis of competition in the industry.

Alistair Williamson MBA

Alistair Williamson MBA started his working life as a development engineer with Bedford Trucks and graduated through engineering, sales, business development and marketing roles at Scania (Great Britain) Limited. He became Marketing Director for MAN Truck & Bus UK Limited in a period of rapid development, where he introduced the word 'trucknology' into the commercial vehicle lexicon and launched the MAN TGA range in the UK market. Alistair subsequently became Vice President Worldwide Marketing for MAN Truck & Bus AG based in Munich, where he was responsible for the worldwide launches of the D20 engine and the TGL/TGM truck ranges. He has operated his own successful marketing consultancy for 14 years, during which time he has carried out many significant projects for other automotive companies. Additionally, he has developed an innovative web portal, www.truckepedia.com, which provides the commercial vehicle, distribution, transport and logistics industries with an innovative 'business intelligence service' aimed at developing commercial relationships through knowledge management and business development projects.

PREFACE

A letter to the future

The Arctic is warming rapidly and is on the frontline of climate change. As our world warms, the region's glaciers weep. Iceland's 400-plus glaciers have been melting steadily, now losing roughly 11 billion tons of ice every year. Scientists fear that by 2200, Iceland will no longer be a land of ice. All the country's glaciers will have disappeared.

A century ago, the Okjökull glacier covered 15 square kms (5.8 square miles), measuring some 50 metres thick. But ravaged by warming temperatures, it has now shrunk to barely one square km of ice less than 15 metres deep, meaning it is no longer classified as a glacier. It is now seen as 'dead ice.'

The plaque to the lost glacier is inscribed in Icelandic and English and is 'a letter to the future' authored by one of Iceland's most prominent writers, Andri Snær Magnason. was erected by scientists in Iceland in June 2019.

The letter reads:

> *In the next 200 years, all our glaciers are expected to follow the same path. This monument is to acknowledge that we know what is happening and what needs to be done. Only you will know if we did it.*

The Road to Zero Emissions roadmap

The Road to Zero Emissions will provide a roadmap for those wishing to avoid the disaster of Okjökull in Iceland. This is a road we do not wish to travel; our journey is to gain the knowledge and motivation to make a positive contribution to climate change and deliver on the goals of the Paris Agreement. Think of this book as 'your letter and guide to the future of trucks and transportation'.

FIGURE 00.1 A letter to the future

SOURCE https://news.rice.edu/2019/08/13/memorial-honoring-lost-glacier-to-be-installed-in-iceland-aug-18-2/

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The research we undertook found many answers to the questions raised in reports from the International Energy Agency. The Paris Agreement – a seminal document charting the obligations nearly every country in the world has signed up to – has been expertly detailed on the website of The Centre for Climate and Energy solutions: https://www.c2es.org/content/paris-climate-agreement-qa/

The many white papers and strategy documents issued by the UK Government and The European Commission have enabled the authors to document what budgets and investment criteria will be available to support the strategic projects necessary to deliver the goals of the Paris Agreement. We wish to thank all of these research bodies for their knowledge and expertise.

In particular, we would like to thank a number of senior consultants working for McKinsey & Company for their generous contributions and insight. These include: Alex Matthey at McKinsey's Munich Office; Martin Hattrup-Silberberg at McKinsey's Frankfurt Office; Andreas Cornet, a Senior Partner in McKinsey's Munich office; and Harald Deubener, a Partner in McKinsey's Stuttgart Office.

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opportunities the UK automotive industry faces, and we thank him for his cooperation in supplying facts and figures to enhance our knowledge of key developments in this area.

Roland Berger, a leading European consultancy based in Munich, Germany, have provided insight into the future of the truck aftersales business, the growth of OEM-owned service factories, and trends into aftersales operations over the next 10 years.

Chapter 11 of this book on business innovation and disruptive business models illustrates how changing the basis of competition can be accomplished in mature industries. We are thankful to Professor Tim Baines of Aston Business School and Professor Malcolm McDonald of Cranfield University for their insight and experience that contributed to this chapter.

A special mention for Tony Pain, formerly Marketing Director at DAF Trucks for many years. Tony was a great sounding board for the place that alternative fuels will have in our industry; his insight into the threat from Chinese battery manufacturers has proved prophetic. Our thanks to Tony for sharing his knowledge and experience in this area.

The target audience for this book is served by a number of trade magazines and trade associations including RTM – Road Transport Media. RTM have been central to providing market intelligence and the latest news on key trends in the UK truck and transport business. We have worked closely with key members of the RTM executive team. We would like to thank Will Shiers, editor of *Commercial Motor*, RTM Director Steve Hobson, Divisional Director Vic Bunby and Managing Director Andy Salter for their support in getting the message out to the industry at large.

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