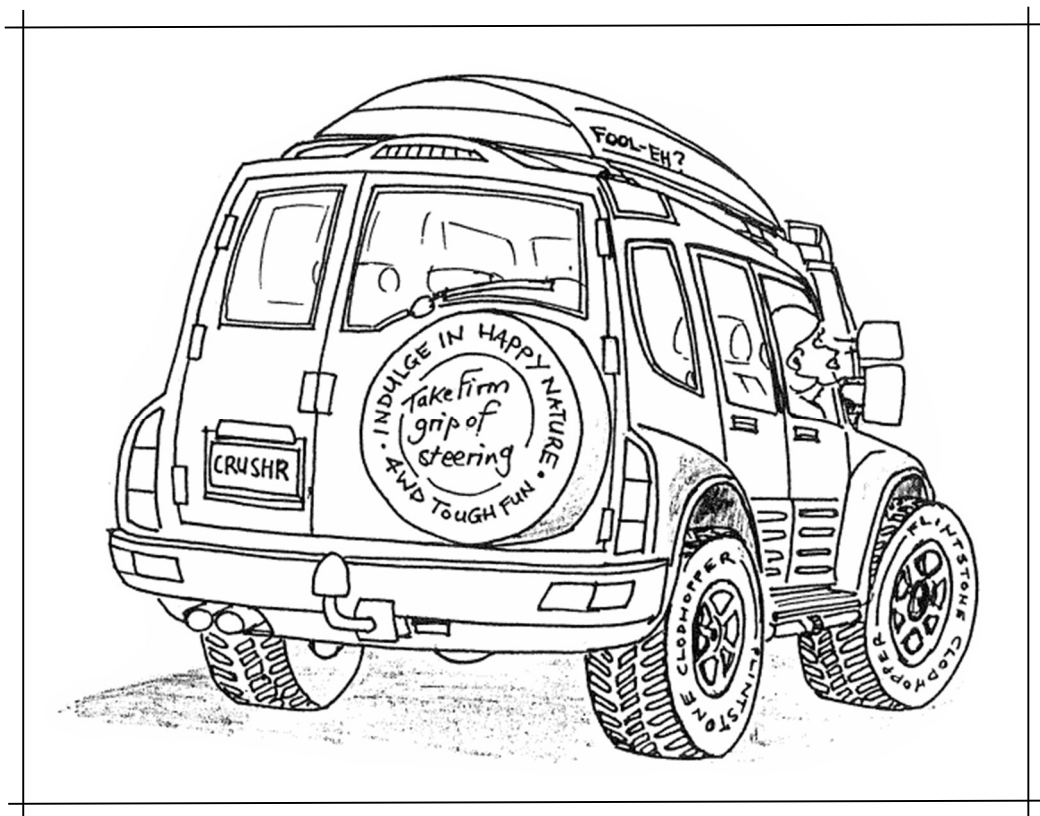


TAKE FIRM GRIP OF STEERING

A collection of humorous, serious and downright scary observations about New Zealand roads, our drivers, the local motor industry, and the politics behind it all.



Graeme Barlow

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FORWARD

Graeme Barlow spent 27 years in the motor industry. Continuing his passionate interest in the local and worldwide development and public profile of the industry and its products, he is now an automotive analyst, consultant and commentator.

The New Zealand motor industry underwent phenomenal change over the last decade and a bit. From an environment where local assemblers were protected by import duties and sales taxes which more than doubled the real prices of new cars, in just three years we became the world's most open and free used car market, exposed to unlimited imports of the world's cheapest second-hand vehicles. It was not until ten years later that the new car market was able to finally rid itself of the import duties that had put it at such a disadvantage, and this period was characterised by pricing uncertainty, customer confusion and bitter political point-scoring between the new car sellers and the used importers.

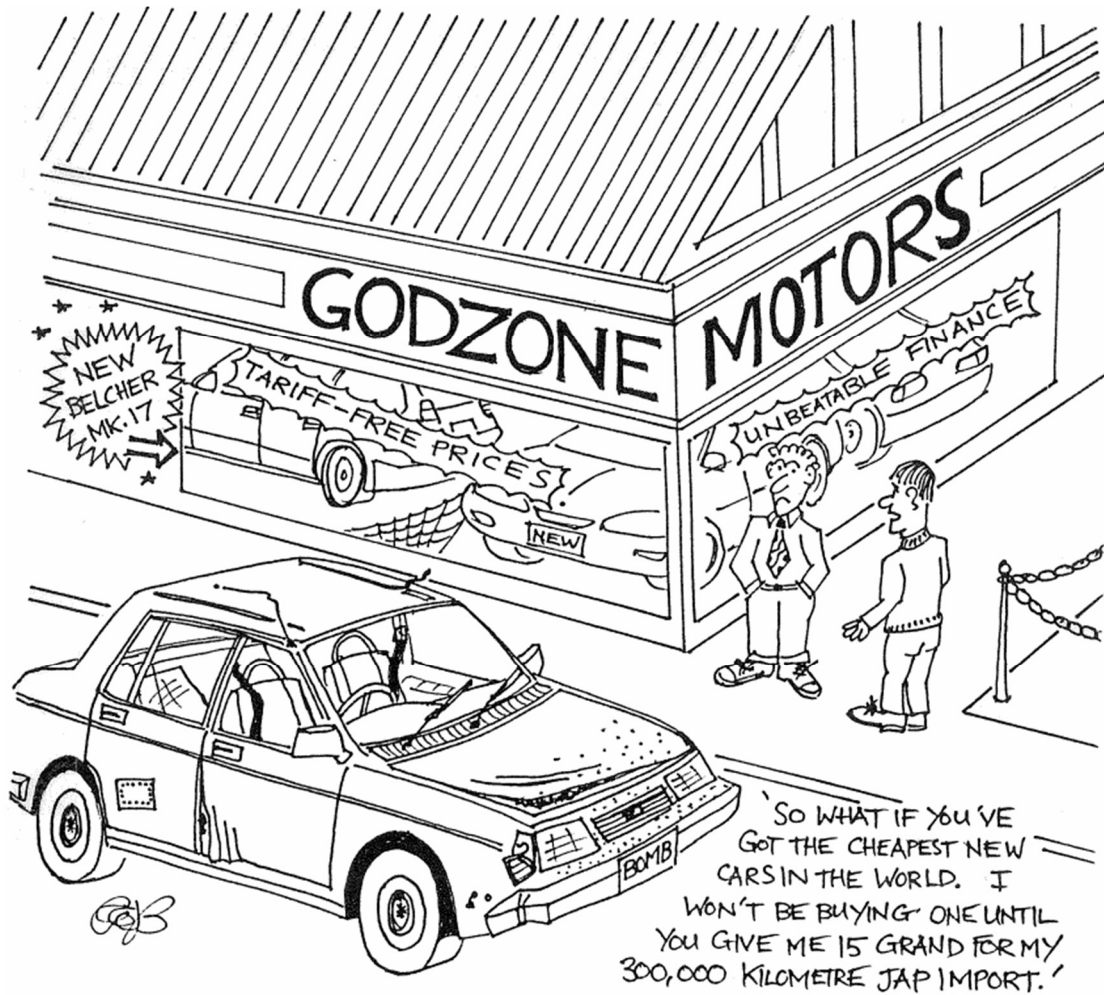
Given the massive price depreciation of the local vehicle fleet and the huge change in market dynamics, it is a tribute to its commitment that the new car distribution network survived. Not only did it survive, albeit at a much lower sales volume, but since elimination of the remaining import duty in 1998 there has been a slow but steady revival in new car sales. Used car pricing parity is swinging away from used imports, which are now settling at the bottom of the food chain, and the future for new car sellers and their customers is starting to look considerably more positive.

* * * * *

This book is a collection of thoughts and opinions gathered during the industry's period of upheaval. Much of the material has been previously published in the form of the 'Apropos' column in DRIVER Magazine between 1998 and 2000, but this is the first time it has been collected in one volume. Thanks and appreciation are due to DRIVER Magazine publisher Allan Dick not only for his guidance and assistance during three difficult years, but also for his kind permission for this collection to be assembled.

What you are about to read is not confined to the motor industry – anyone who owns or drives a car will find something to relate to.

The abysmal state of our main roads, our uneducated drivers, myopic speed enforcement, and the bureaucratic interference faced by motorists are all part of the dubious pleasures of driving in this country, and are therefore included in what is intended to be an enjoyable read, even for those who would not consider themselves to be car enthusiasts. The book takes its name from a 'Japanese-English' phrase commonly seen on the spare wheel covers of used import four wheel drives. Nothing encapsulates the changes in the relationship between New Zealanders, their vehicles and the motor industry more appropriately than the used import tsunami, and nothing identifies a used import more easily than the unfortunate terminology on many spare wheel covers.



THE NEW ZEALAND DRIVING CODE

1. As long as you are sober and driving within the speed limit, you are a perfect driver and cannot be charged with any offence.
2. On motorways, always stay permanently in the right lane, because this tells others that they shouldn't be driving faster than you.
3. Never use the indicators as it wears out the bulbs.
4. If driving a large truck, always drive beside another large truck whenever there is a passing lane.
5. A green light means go. An amber light means go faster. A red light means go faster still but watch out for slow traffic coming through on the green.
6. The rectangular glass thing hanging down from the top of the windscreen is for hanging religious artifacts from.
7. If your car is equipped with pencil-beam high-intensity driving lights, it is mandatory that they be turned on at all times, even in bright sunshine.
8. If your car is a manual and you need to overtake another vehicle, always use the highest gear in the box so that the maneuver takes as long as possible.
9. When confronted by a roundabout, stop. Then ascertain if there is another vehicle within 300 metres in any direction before deciding whether it is safe to proceed. Then make sure that you change lanes twice before leaving the roundabout at the first exit, and never, never use your indicators for any of this.
10. If you are driving a Japanese import van, your children must be unrestrained and free to bounce about the interior like ping pong balls in a food mixer.
11. When entering a motorway, accelerate as slowly as possible in order to thwart the progress of those behind you and promote exciting lane-hopping.
12. If a stranger to the area, always have a map book open on the steering wheel to compensate for the absence of directional signage.
13. If you own or have stolen a black 1989 Subaru Legacy, it is mandatory that your tailpipe is the diameter of a bucket, your cap is on backwards, and your stereo pumps out enough decibels of mind-numbing bass to flex the door panels by at least 5 centimetres.
14. If you have a Mazda Familia 4WD, you must ensure that the suspension is wound back to the bump stops and the driver's shaven head is no higher than the top of the steering wheel.
15. Drivers of Range Rovers and Pajeros are permitted to travel 20km/h faster than anybody else on suburban roads (due to the superior agility of their vehicles) and double-park at the front gate of schools, even if this involves blocking the road.
16. If you see a motorist following another vehicle at the correct distance, you are required to place your vehicle in the gap.
17. When all the tread has gone off your tyres you can go around corners faster because they are now racing slicks.
18. If you don't have a cellphone, make sure that you smoke or eat pizza while driving in order to give your hands something to do.

19. If you're over 65, driving your 1964 Hillman Super Minx at 99km/h through the MacKenzie Country and you get overtaken by a new BMW, it is your duty to take its number and report the driver for dangerous driving.
20. If pulled over by the police, it will be because you've been speeding, so admit it and pay the fine. That way, you will get away with driving a stolen car with a boot full of smuggled AK 47s, a dead body under the blanket on the back seat and a glovebox full of heroin.

THE SNOWJOB OF THE CENTURY

In 1988 the car market was turned on its ear by a radical policy shift that changed forever the historical relationship between the new car and used car markets. Whilst nobody seriously believed that the car assembly industry would remain a permanent part of the local landscape, the abruptness of the change in market circumstances forced huge shifts in customer buying patterns and major restructurings amongst the car manufacturing and distribution companies.

As we lurched headlong into the free-market nirvana which is used imports, leaving a once-proud local assembly industry in ruins and even some new car importers wondering whether there will be a longer term market for their wares, have we allowed the euphoria of our victory over the 'fat-cat' car manufacturers to confuse our understanding of how it all came about and whether it is really all that good for us?

Back in the sixties being a new car dealer was to have the key to Pandora's box - a licence to steal, rape and pillage. Obtaining a franchise to sell one of the more popular makes of car was like marrying into the Onassis family, and only slightly more difficult to do. It was a guarantee of years of easy money, even in a provincial town which today wouldn't have enough going for it to support more than a pub and a gas station. Little wonder that hopeful applicants would put themselves through humiliation and torture at the hands of the franchise principals in order to prove their worth to be entrusted with THE COMPANY'S precious products.

And getting a dealership was only marginally more difficult than actually purchasing one of the drum-braked, cart-sprung, shoddily-assembled, heaterless products displayed within. Some of the trials and tribulations suffered by hapless souls whose only crime was to harbour a desire for an unobtainable new car have become legend. "Look mate, stop wasting my time. I've got 32 people on the waiting list for that model, and I've only been allocated seven for the whole year. I'm not even going to put your name down, so come back and see me in about four years.....I do beg your pardon Sir, did you say that you have an inheritance in England? Well that changes everything. We can deliver the car next month. What colour would you like? I presume you would like us to fit a heater, and how about coming upstairs to celebrate with a wee whisky?"

Of course the import licence/overseas exchange-induced shortage of new cars crossed over into the used car market, where people paid well over the list price for cars which were unobtainable new. Invariably these were cars traded with extortionate profit margins from the lucky few who made it to the top of the waiting list the year before last. Because their late model trade-in represented another gold mine for the dealer, they were conned into going through the whole process again at the expense of the poor mugs who were entering this merry-go-round for the first time.

The dealers of course were only doing what any prudent businessperson would do in the circumstances and that is taking maximum advantage of a supply shortage. Throughout this time massive demand existed for new cars despite the fact that prices were double what they should have been due to the huge rake-off by the Government in the form of import duty and sales tax. As late as the early '80s even CKD packs (major components for locally-assembled cars) were levied for duty at 35%, CBU (Completely Built Up) car duties were much higher, and there was a 30% sales tax compounded on top of everything. And believe it or not, during this period the retail prices were dictated by Muldoon's price freeze. It was 'cost-plus' gone mad.

All things being relative in life, this massive price penalty carried over into all levels of the used car market, exacerbated by the fact that there were not enough new cars to go around.

Of course accepted practice told us that used car markets are not internationally transferable (like the property market), so as long as we were insulated from what went on in the rest of the world and could afford to trade up when the time came, everybody was happy (especially the car manufacturers and their dealers, whose gravy trains rumbled on, as did that of the main beneficiary, the Government).

In 1985 the Motor Vehicle Industry plan started to take effect with the first stage of a progressive reduction in import duty and elimination of sales tax. At last we could see lower priced new cars on the horizon, and used car prices would inevitably follow. The price reductions would obviously take time, however, as they followed the tariff reduction schedule and the progressive elimination of import licensing for new cars.

Then came the bombshell!

1987 saw a loophole opened up for used car imports under the program which freed up import licensing of goods in general. At first the cars had to be imported as accompanied baggage, hence the term 'baggage cars,' and such were the profits to be had from transferring cars from the cheapest used car market in the world to one of the most expensive, the importers could easily fund a Japanese holiday for a friend or relative (or somebody off the street with a week to spare) and still make a tidy sum.

In 1988 the accompanied baggage requirement was lifted, and the floodgates opened. Although the prices of new and used cars had already started to reduce as a result of the sales tax and tariff changes, the market was not yet ready for exposure to unlimited quantities of the world's cheapest used cars. The 1989 new car market reached 84,000 units but the die was cast. The market tipped over in 1990, then collapsed to under 53,000 by 1992. After recovering slightly in 1994-96 it dropped again and looks like setting a new low in 1998.

Throughout all this, a vindictive media was repeatedly and tirelessly drumming into New Zealanders that it was the public spirited and consumer-minded angels of mercy in the new form of used car importers who had single-handedly saved us from the rapacious new car industry by forcing them to lower prices and improve quality and specifications.

The truth is that there was already more than enough competition between new car sellers for this to be happening anyway, and that had the used car market been given another three years to adjust to the lower new car prices, there would have been no opportunity for the used importers. But by then it was too late.

What had actually happened was that the used car importers had been given a gold plated invitation by Government to come with nil investment in either infrastructure or customer commitment, trade off brand equities established by the manufacturers, and plunder obscene profits from a market which was artificially overpriced due to Government-imposed tariffs. Ten years down the track, the smart importers have either retired to Port Douglas or turned their hand to the next 'get rich quick' scheme.

As far as the new car industry is concerned, it lost the opportunity to sell enough new cars to supply the used car market of the future, and Japanese imports became entrenched as the main supply channel for used car buyers. It's now even harder to sell a new car dealership than it was to buy one in the '60s.

Today, days after the assembly industry has confirmed its extinction, the politicians are wiping their hands of it and starting to talk about slowing down the tariff reduction schedule for other manufacturing sectors.

It's hard not to conclude that someone high up in the policymaking area might have had a close relative who tried to buy a new car back in the sixties.

It was the 1987-90 Labour Government, its throat gripped by the 'Rogernomics' revolution, that gave us used imports. Continuing the 'free up the market, every man for himself' philosophy was the National administration that replaced it. The retirement of Ruth Richardson from the finance portfolio wasn't the end of the aggressive dismantling of entrenched structures however, as there were still plenty of political 'drys' ready to prove that little New Zealand could lead the world in stripping an economy to its core.

One of them was John Luxton, a Matamata farmer who had experienced the phasing out of farm subsidies and decided as Minister of Commerce that level (and very wide) playing fields should apply to everyone else, irrespective of political boundaries and international consumer protection structures.

Luxton obviously felt that the overnight exposure of the overpriced car market to the world's cheapest used cars wasn't enough, and that new car distributors needed to have competition from anyone who wanted to parallel import new vehicles from anywhere. He decided to get Parliament to abolish the laws we had against parallel importing – the rules which existed to ensure that established distributors had the incentive to invest in the protection of their customers once the product they sold was no longer new.

'Luxton's Law' was a bizarre view of the world which in theory gave anyone a licence to trade off an established brand and cream the profit, paying no heed to any ongoing commitment to provide a long term servicing regime.



The net effect of the 'Luxton Law' was nowhere near as bad as what had been feared. Four years later, few parallel import new cars had reached our shores. One reason for this is that the new car distributors in the post-import duty environment responded to the threat and ensured that their pricing left no room for opportunists to source cars in volume outside official channels and sell them at a profit. The other reason is that we are too small and too far from anywhere for anyone to be bothered.

There have nevertheless been potential opportunities for parallel importers to undercut local distributors. From time to time excess stocks of unsold new cars become available in other (mainly Asian) markets. As New Zealand has no specific rules regarding specifications, we are a natural market for such stock, provided it is right hand drive. So far, such cars have remained under the control of the international networks of the suppliers, so they tend to arrive in New Zealand as 'special offer' merchandise, but marketed by the official distributor (one could say reluctantly, as this is the only way to stop them arriving through pirate importers).

For the record, Luxton's reign as Commerce Minister ended with the defeat of The National Government in 1999, and he made his exit from politics as part of the 'Shipley mob' prior to the 2002 election.

LOOKING IN THE MIRROR

Apart from the bizarre situation in 1984, when the New Zealand new car market surged to over 96,000 on the back of Muldoon's 'Schnapps Election' and the resultant 20% devaluation which scared customers into a buying frenzy, local new car sales during the seventies and eighties averaged around 70-80,000 per year. Natural population growth and prevailing economic conditions produced an underlying growth trend which saw the market reach 84,000 units in 1989. Given the statistics available from our historical relativity with the Australian market, it could have been expected that the New Zealand new car market would have reached at least 110,000 by 2001, but fate (and politics) took a hand.

From 1989 it was all downhill. In the same year the imported used car wave had washed ashore, immediately devaluing every new and second hand car in the country. New car sales shrunk by almost 40% within three years.

Although the new car distributors were quick to mass their forces against the new enemy, they received little sympathy from either the public or those in high places. Desperate to hang onto what they had, their marketing strategies tended to focus even more strongly on the business/fleet market, where the security of ongoing business was offset by the fact that the loyalty to individual marques was determined by the size of the discount, and very little else.

February 1998 has marked a new low point in new car sales. Registrations of barely 3700 units has New Zealand motor industry executives scratching their heads and wondering where the future lies. It was the most dismal month outside of the traditionally quiet December for over twenty years. The popular line is to put the blame on the flagging economy, together with the promise of duty-free CBU (Completely Built Up) product sometime in the next three years. However it's not too difficult to put the torch to both these theories.

We have been through much more serious periods of economic duress in the past and the new car industry has barely caught a cold compared with the almost terminal case of pneumonia it has at present.

Duty on European and Japanese CBUs is going to drop from 22.5% to zero. On Australian CBUs it is already zero. What everyone is also forgetting is that since 1985 Japanese and European duties have dropped from 55% to 22.5%. Compounded on top of that was a 30% sales tax, which has been phased out to be replaced by GST at a much lower rate. So it's clear that the overwhelming slice of any price drop has already happened, in fact in a totally CBU environment exchange rates and margin recovery will undoubtedly take care of any pricing effect arising from the small proportion of duty which remains. And the disappearance of the local assembly industry will remove the pressure to price for volume. The fact is that new cars are likely to get dearer, not cheaper, in a duty-free environment.

If the industry had the means and the credibility to get this over to the public, it would likely result in a slow but sure reversal of fortunes.

But the problem may well be bigger than this, and the industry may need to look in the mirror to find the major cause of the dilemma it faces.

The issue is the dogged fixation with pandering to the demands of the fleet market and the egos of the purchasing officers in a never-ending quest to gain market share at the expense of someone else. This is a cancer which has brought the industry to its knees and this is why:

- Any advantage is short-lived as the competitors will always match or better the discount. The result is that volume stays the same and everyone is selling at a lower margin.

- At least 25,000 private buyers per year have been taken out of the new car market, never to return.

How is this, you say? Read on.

When fleet discounts reach the 30% level (and this is not unusual, especially with models on runout), we end up with companies putting \$28,000 cars on their books for \$19,600, including GST. When the car is sold after three years the company bean-counter is happy to get the depreciated book value (\$7942). A dealer cleans it up, puts a margin on it and presents it at a retail of \$10,990. And that is why you, Mr. and Mrs. Private Buyer, are offered an insulting trade-in price for your immaculate, one owner 30,000 kilometre 1994 Toyobishi Senvic Smartback.

It's all relativities in the used car business, and the lowest common denominator dictates what everything else is worth.

But what about the flood of used imports that has caused this price depreciation, you cry?

Yes, of course they are a big factor, but the new car industry has handed them business on a silver platter by making the depreciation on a new car unaffordable for private buyers. When the private buyers deserted the new car market the result was a dire shortage of low kilometer New Zealand-new used cars. ("Sorry sir, but the only '94 Civolla we can find is ex Acme Packaging and it's done 114,000 kilometres – very carefully driven, of course.")

So what do the used car buyers do?

They hustle down to the nearest import yard. And they do this because when the new car manufacturers abandoned the private market they failed to supply the used car market of three to eight years down the track, thereby cementing in the used import trade as an essential supply channel for used car buyers. And it can only get worse in the short term.

Of course fleet business is important and of course it is reasonable for fleets to expect some consideration for multiple purchases, but how many of those same fleets would expect to give away more than double the total margin on their products just because you promised to buy more of what they produce than someone else did? And how many of the more demanding fleets are Government-owned – yes, tentacles of the very same Government whose policies have squeezed the very life out of our motor industry?

The total reduction in the new car market from the 80,000 levels of the late '80s has come about through a near 70% drop in the number of private buyers – this group is now just a third of the size that it was. The size of the fleet market, despite the near-hysterical levels of discounting, has remained constant. From a 50/50 fleet/private split six or seven years ago we now have a situation where private new car sales account for barely 20% of the total.

Considering profitability, image and dealer morale, which is the best market to have? Maybe it's too late, maybe it's not, but the answer is in the industry's own hands.

RUSSIAN ROULETTE ON THE ROAD

Motoring in New Zealand is not as safe as what it should be, lagging behind the standards set by other western countries. There are two main reasons for this – the poor skill level of our drivers and the relatively primitive standard of our main highways relative to the volumes of traffic they carry.

Once again we have received news of yet another tragic multiple fatality on that apology for a main highway near Meremere. Predictably, it was again caused by 'loss of control', resulting in one vehicle crossing the centreline into the path of another with disastrous consequences.

'Loss of control' is an all-encompassing 'catch-all', which can and will be used by the Police and the LTSA to hide a long list of contributing factors. It is only in the case of fatal accidents that the Coroner gets involved, and his detailed investigation will often reveal the real reason why the 'loss of control' occurred. But this won't be made public until months after the event, by which time all the on-site 'experts' will have long since come to their well meaning but amateurish conclusions and reported them to the ever-gullible media.

There are any number of reasons why 'loss of control' can occur. The most obvious one is excessive speed, but even in this case there has to be another contributing factor, such as tyre failure or an attempt to change direction in an abrupt manner. Never mind, speed will always get the blame unless something else which is glaringly obvious can be found.

Attempting a corner at a speed which is beyond the ability of the vehicle or the skill of the driver can cause 'loss of control', but most New Zealand drivers are over-cautious when it comes to cornering speeds and most 'loss of control' fatal accidents occur in situations where the severity of the corner is not a factor.

What is needed is a great deal more research into accident data, particularly 'loss of control' type accidents. Not only do fatal accidents need to be investigated, but so do non-fatal ones, along with the lucky situations where the 'out of control' vehicle manages to gyrate to a halt without hitting anything solid. This research needs to table information such as the experience level and competence of the driver, the age, specification and condition of the vehicle and its tyres, the weather and road conditions, together with any distractive factors which may have led to a lapse in concentration. Not only that, but all contributing factors need to be cross-referenced to reveal the particular potpourri which will enable us to predict 'loss of control' before it happens. With proper research, the phenomenon 'loss of control' may take on an entirely new meaning.

Many years ago I was following a not-so-old Valiant when its driver decided to abort an overtaking maneuver at no more than 90km/h. The mere fact that he decelerated and swung back onto his side of the road was enough to cause the rear end to step out. By the time he had overcorrected twice too often the result was a series of ever more spectacular slides until it eventually went right around and hurtled backwards off the road into a large tree. Even in its day the Valiant wasn't exactly a paragon of crisp handling, but we are now faced with a burgeoning fleet of vehicles which are little better.

For instance, how many people are aware of the dynamic limitations of some used imports with soft Japanese-specification suspension and undersized tyres? Such a combination may feel deceptively secure when being dragged along under power by its front wheels, but add a full load of hefty Kiwis and a boot full of their weekend gear, then throw in an evasive maneuver which involves coming off the throttle and turning at the same time on a wet road and you've got yourself a bag of trouble. The thing suddenly has all the directional stability of an aeroplane flying backwards. And this is without the added distraction of an underinflated or overworn

tyre, tired shock absorbers, an adverse camber or strategically placed bump in the road, or a driver who lacks the experience or ability to cope with the situation. Any two of the above factors can be a recipe for disaster, dial them all in and it's a virtual certainty. Just pray that it's not you coming in the opposite direction.

Of no assistance at all is a primitive highway system which separates opposing streams of high-volume traffic by barely a metre of fresh air. We are spared from 200 kilometre per hour closing speed head-on crashes by a dotted white line and the good judgement of our fellow citizens. Draconian enforcement of the speed limit is no way to guarantee safety in this situation – indeed there is evidence to suggest that there is a thinking group of motorists out there who would rather lessen their chances of being wiped out by some 'out of control' country bumpkin by driving at a sufficient velocity when on a long trip to guarantee a significantly shorter exposure time to such a probability.

Other civilised countries have over the last 50 years or so embarked on programs to construct proper 4-lane divided highways for all heavily-trafficked routes. The beautiful new highway from Sydney to Melbourne is a case in point, and due to the fact that there are few big towns en-route, it is largely bereft of traffic.

The situation in New Zealand is nothing short of a national scandal. At a time when under-employment is again becoming a major problem, the Government keeps siphoning petrol tax for the Consolidated Fund and claims some sort of victory from the promise that the motorway will reach Hamilton within 30 years or so. It should have reached Hamilton 30 years ago, and should by now stretch all the way to Dunedin, with branch lines to Tauranga and Rotorua. It is nothing short of a miracle that our road toll has reduced by as much as it has, given the unreasonable and increasing exposure we all face to someone else's mistake. The stark evidence of our failure is the fact that all other OECD countries have reduced their road deaths by an even greater margin.

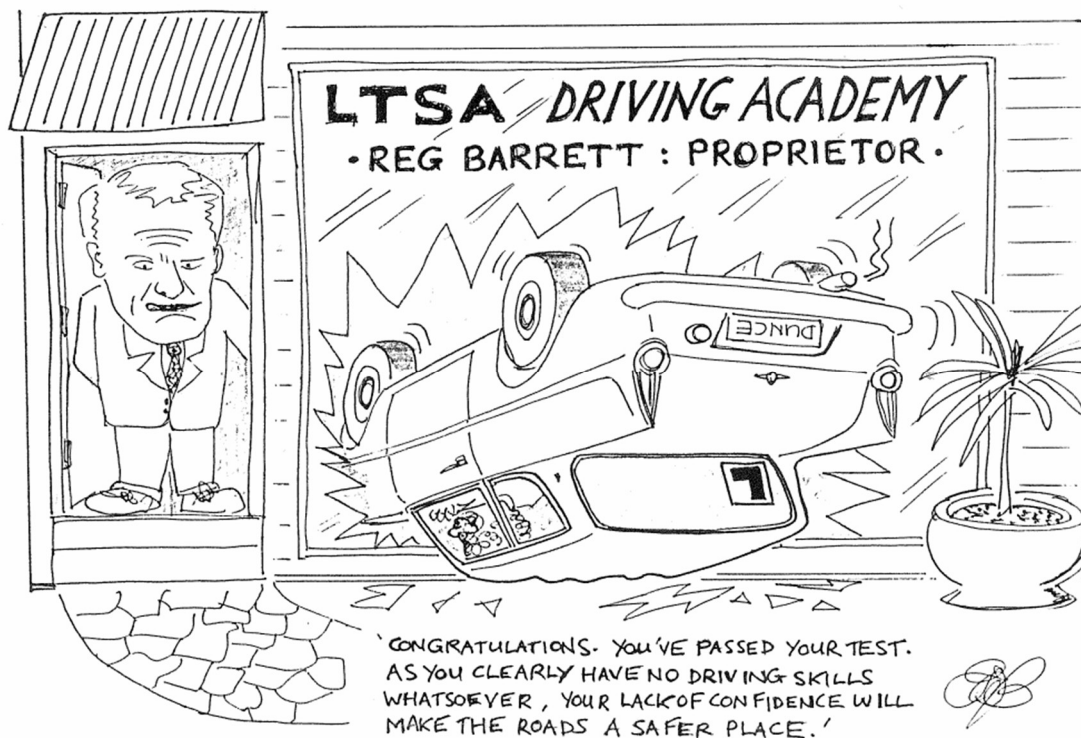


Reg Barrett, former head of the Land Transport Safety Authority, was an enigma. Appointed to the job by Jenny Shipley when she was Minister of Transport, the previous boss of Manawatu Civil Defence was miscast in the biggest possible way. His embarrassing lack of communication skills was in direct proportion to the determination with which he thrust himself into the media limelight.

Barrett's apparent gaffes were legendary, but the saddest thing was that they weren't gaffes. He actually meant it.

The growth of driving schools aimed at the corporate sector, teaching driving competence and car control techniques to a far higher level than the rudimentary skills needed to pass a licence test, annoyed him intensely. His view was that the more skilled drivers became, the more likely they were to want to demonstrate their skills on the road, thereby leading to high-speed accidents.

This illustration encapsulates the world of road safety according to Reg Barrett.



'THEY DON'T MAKE 'EM LIKE THEY USED TO'. THANK GOODNESS FOR THAT

Despite the views of some old-timers, the new cars of today are stronger, more reliable, more comfortable and less expensive than ever before.

Throughout the history of the motor car some members of the older generation have constantly and tediously cried down progress by boasting about how the cars of yesteryear were superior to the latest offerings in so many respects. In recent years this phenomenon has become a little more subdued – could it really be that we have arrived in a world in which there are 'no bad cars?'

"My old Morris Oxford was solid, made of real metal, not the tinfoil of these new Japanese things", was a common cry. "My Grandfather's 1929 Erskine Six could go from Wanganui to Hawera without getting out of top gear", was another. (Of course it could, the old wheezer reached its torque peak in the uppermost of its three straight-cut ratios at about 18mph).

The old silent movie Keystone Cops sequences in which they demolished their Model T Fords against locomotives, buildings and each other wouldn't be quite as hilarious if we stopped to think about what might have happened to the occupants of those old motorised dog kennels in real-life crashes.

The first thing to consider is that the girder chassis had as much give in it as a concrete block. Then ponder upon the fact that the initial point of contact for the collision is the steering box, positioned strategically on the front axle, with a solid steel shaft continuing directly to a point approximately 25 centimetres from the driver's neck. Of course the hapless pilot wasn't normally speared in the neck, because the bothersome lower part of the wooden steering wheel would intrude, splintering in all directions as it carved its way through his ribcage.

Of course this would only happen in a direct head-on accident. Glancing blows could have a variety of even more colourful results. And it would happen not because the car wasn't solid enough, but because it was too solid, meaning that the only things that could absorb collision forces were the unrestrained occupants. And it would happen in accidents at speeds as low as 20 miles per hour.

As the world of motorised transport progressed through the thirties the only thing that changed a great deal was that the cars took on a more stylish look. Those that emanated from the USA graduated to smooth and powerful 6 and 8 cylinder engines, but the British became the victims of ludicrous taxes based on piston area, resulting in engines of miniscule bore and lengthy stroke, producing piston speeds that were beyond the metallurgy and lubrication technology of the day and guaranteeing premature engine wear.

While all this was going on, the 'Model T' layout prevailed, under a more marketable skin. The unforgiving chassis, perpendicular proportions and dreaded steering shaft were still there.

The late forties saw a move towards unit body construction and a lower centre of gravity. But antique, breathless side-valve engines were still very much the norm, not to mention brakes which served only to supplement skilful use of the awkward gearbox as a reliable means of slowing down. Servicing and maintenance was still a nightmare, with endless greasing, frequent valve grinds and regular engine overhauls being an essential part of car ownership.

As we moved into the sixties there were at last some signs of progress on the safety front – collapsible steering columns, disc brakes on the front, radial tyres and seat belts had started to make their appearance. However most cars were still an ergonomic nightmare (I well remember my father's Wolseley 6/110, the steering wheel of which was so gigantic and

mounted so high that my mother looked at the road through it rather than over it. Despite the leverage offered by the diameter of the tiller, trying to influence the direction of the front wheels was akin to raising a drawbridge, and although the thing had three litres of Britain's finest it couldn't manage the performance of today's Toyota Echo 1.3).

Today, we take so many things for granted. We expect power steering, automatic transmission, air conditioning, ABS brakes, electric windows, engines that never need major attention, tyres that last 60,000 kilometres and effortless performance along with parsimonious fuel economy. There are medium-priced two-litre cars today which combine the performance of the fastest saloon of the '60s (Jaguar 3.8 Mk.2) with better fuel economy than a Mini 850. And their grip of the road, steering, braking, ride quality and crash safety are all so far ahead of the levels of the sixties that they may as well be on another planet.

How much do we have to pay for this excellence? Rather less than you may think when you put it into its proper context. Modern cars are the product of massive investment in research, computer-aided design, tooling, testing, manufacturing and international distribution. They have to comply with stringent legislation regarding safety, emissions and public liability. They are expected to operate reliably for up to ten years with no major repairs, despite being left out in all weather and subjected to a variety of stressful treatment. The modern car uses leading-edge componentry throughout – high-strength steel, advanced alloys, compound-curved heat repellent safety glass, fire-resistant plastics and fabrics, sophisticated electronics and computer technology, all assembled by computer-guided robots into a stylish capsule capable of transporting its occupants in comfort and safety at high speeds over long distances.

Per kilogram of total mass, a new Commodore costs \$26. Compare that to \$23 for a fillet of snapper, \$143 for a pair of Levis or \$1000 for a 35mm SLR camera.

Now that we have it in perspective, isn't it wonderful that they don't make 'em like they used to?

When the Volkswagen Group purchased the assets of Rolls Royce Motors (which included Bentley), then entered into an arrangement to sell the Rolls-Royce brand to BMW, the sound of jaws dropping to the ground could be heard all over Britain.

With Rover already in the clutches of BMW (a state of affairs that turned out to be disastrously temporary), the most significant British-owned carmaker was now Reliant, of 'Del-Boy' three-wheeler fame.

Britain and the Empire were no longer the same. How could the Queen possibly entertain the thought of waving to the assembled throngs from a German car? The solution was blindingly obvious.



THE GOOD OLD DAYS AREN'T COMING BACK

After the great imported used car experiment, there was no going back, and the market changed forever.

Back in the days before we were hijacked by the loony bureaucrats who thought that the rest of the world would latch onto their 'free for all, slash and burn' philosophy for international trade and protection of the national interest, our cobbles across the Tasman had a new car market which was about 20% larger than ours on a population adjusted basis. This was a fair reflection of the relative living standards and economic condition of the two countries, and still is, except for one very significant difference.

After ten years of used imports, we now have a situation where the Aussie new car market is running at a record 700,000 or so per year – over 14 times the volume which will be achieved in New Zealand in 1998, with a population less than 5 times the size. Adjusted for the population difference, the Aussie new car market is now three times the size of ours instead of only 20% larger.

One didn't even have to have the intellect of a Member of Parliament, never mind a rocket scientist, to figure out what would be the longer term result of slashing the residual value of every vehicle in the country by opening the floodgates to the cheapest used cars in the world. Imagine the outcry if it were physically possible to transport the world's cheapest houses and sections to this country - your largest investment devalued overnight. Why should your second largest investment be treated any differently?

And why was the new car industry singled out for the biggest single act of government-sponsored aggression since 1939? What about the continuing 'closed shop' enjoyed by the surgical profession in particular, charging extortionate fees and maintaining lengthening waiting lists when there are thousands of eminently qualified surgeons from overseas who can get immigrant status in New Zealand but not registration to practice their profession. The free market works in mysterious ways.

Back to the car business. The diminishing status of New Zealand as a market for new cars is going to have serious implications on the manufacturers' distribution channels, both internationally and locally. Some manufacturers have already grasped the reality of the position, and the others won't be far behind.

The situation can be graphically explained by the introduction of a particularly appropriate analogy. In the mid 1970's there were six independently-owned new car dealerships in Putaruru, each with its own franchise. By the early 1990s there were none. Reducing sales volumes, increasing competitiveness in the market, and the fact that Hamilton wasn't that far away after all meant that one by one, they disappeared.

Without offending the good citizens of Putaruru, one could speculate that the town's importance in the New Zealand scheme of things is roughly relative to where New Zealand fits into the Global situation. Many people in Auckland wouldn't have a clue where Putaruru is, and likewise, many Americans think New Zealand is part of New Guinea. If New Zealand didn't exist, the rest of the world would buy their butter from Denmark. If Putaruru didn't exist, we would probably have to stop for gas in Tirau.

The day that the New Zealand market can justify a multitude of local hierarchies for distribution of new cars is almost over, and the day that provincial towns can justify separate dealerships for each marque has already passed. The assembly plants have gone, and virtually all cars sold here are either already built to Australian Design Rules or are available in such a

specification. It takes longer to send a new car from Sydney to Melbourne to Perth or Darwin than it does to New Zealand, so where is the financial or logistical argument for duplicating the inventory? Imagine the flexibility if buyers were able to choose from a range of stock appropriate to a market 14 times as large, with delivery inside 10 days. "The dealer in Putaruru never had enough to choose from, that's why we had to go to Hamilton".

Every franchised dealer in a town like Masterton has been set up at either his cost or that of the distributor to perform routine servicing on modern vehicles, and the technological and training requirements for each are not dissimilar – why duplicate that investment six or seven times? Already, many makes of car require major 'problem solving' to be handled by main-centre based specialist personnel – either they go to the car or the car comes to them.

A number of new car distributors in New Zealand are currently running extremely marginal operations. This is mainly because they are saddled with the expense of holding stocks of vehicles and parts, promoting their product lines and developing dealer-linked information systems, not to mention the cost of maintaining their local management structure. When you're just there to make up the numbers, there's got to be a more efficient way, but even the volume players will be looking at the economies to be gained from 'piggy-backing' the operation on that of a much larger and growing market. In other words, running the New Zealand operation as a state of Australia.

As the world shrinks, multinational car manufacturers are merging for economies of scale. We've recently seen links between BMW and Rover, Ford and Mazda, Daimler-Benz and Chrysler, and there will be more. If the world market's too small for the number of car manufacturers already in existence, how can provincial New Zealand be big enough for each marque to be represented separately? The Wanganui and Timaru of today will inevitably become the Putaruru of tomorrow. Provincial New Zealand will never again enjoy the growth of yesteryear as the agriculture-based economy steadily loses ground to technology-based activity driven from the main centres. Individual provincial towns will continue to survive on specialist industries and remain attractive as lifestyle choices, however the blanket growth they all enjoyed in the '50s and '60s is long consigned to history. New car dealers in these towns now face an overdue rationalisation task, just as their distributors will quickly acknowledge the efficiencies of operating the business from Sydney or Melbourne.

The world continues to shrink, and life will never be the same again.

LIVES ARE CHEAP

As long as we fail to invest in roading infrastructure, our road toll will always exceed that of countries which give this issue appropriate priority.

Has anyone else noticed that Transit New Zealand has extended its commitment to the world of false economy by using cheap paint on the roads? The recently realigned and widened piece of SH2 at the bottom of the Bombay hills has been in use for about six months, and already the road markings have been almost obliterated by passing traffic. The new eastern arterial road from the southern motorway to the Waipuna bridge has been open since late May, and the road markings have faded almost to oblivion. They will have to be painted again (hopefully this time they will reposition the dotted line which blocks off the main route to Pakuranga, which confuses everybody), and the cost will be greater than if a quality job had been done in the first place.

There was a time when the life of road paint could be measured in years, not months. One has to assume that this latest trend is being driven by the cost accountant mentality which seems to grip our public sector by the throat.

Why this obsession with cheapness, this headlong rush towards inferior products which end up costing more in the long term because they do not perform as well as something that might have cost a little more in the first place?

This lack of a long term strategy is nowhere more visible than in our highway system itself. Transit New Zealand seems to regard Highway One as a series of country roads which need patches of upgrading here and there and a bit of ongoing maintenance. They are clearly blinded to the reality that the whole highway from one end of the country to the other is 50 years out of date. There is an immediate requirement for a plan to upgrade this goat track into a limited access four-lane motorway all the way from Whangarei to Dunedin, by-passing all the country towns en-route. Yes, of course it will take 35 years to complete, but the job has to start now. Transit New Zealand's politically correct mumbo-jumbo about extending the four-laning south to Cambridge and north to Levin 'subject to funding availability' is a blatant insult to every taxpaying motorist in New Zealand.

If you don't know what other countries are doing to their highway systems, update yourself with a visit to Australia. Drive from Sydney to Canberra on a luxuriously-wide concrete superhighway with a 50 metre median strip and almost no traffic. And not a toll gate in sight. Not only that, they have also announced plans for a super high speed rail service between the two cities. This is presumably to relieve the non-existent traffic congestion. Then hop up to Queensland where you will see road construction on a massive scale, as the already perfectly good 4-lane motorway from Brisbane to the Gold Coast is being ripped up and replaced with an 8-lane road. By the roadside you will see a huge sign proudly proclaiming that the job is providing employment for 1160 people, and that's just the construction workers themselves. It doesn't include the restaurant employees, moteliars, architects, lawyers, accountants, mechanics, fuel suppliers, equipment salespeople etc. etc. who all derive employment from a project such as this.

Imagine the economic boost to the country if the New Zealand Government had a strategy to 'fast-track' the rebuilding of State Highway One. Communities the length of the country would feel the flow-on effects of the project for years to come. Huge extra tax-positive employment would be created across a wide range of categories not only during construction, but also in the planning and design stages.

Current and recent Governments of this country have been completely bereft of longer-term vision, preoccupied as they are with slashing the cost of everything except their own gravy train. Whilst it's nice not to have to pay import duty on cars anymore, what's the point when wages and profit margins have been forced down to the point where hardly anyone can afford to enjoy the benefits of the cheaper products? This is the end result of having no rules and no idea about how added value provides an economic boost for all.

It is the same short-term, cost down mentality which has allowed Highway One to deteriorate (in relative terms) into an overcrowded, dangerous, two-lane country road. When the inevitable fatal crashes occur it's the drivers who get the blame, not the politicians who failed to put the correct strategy in place.

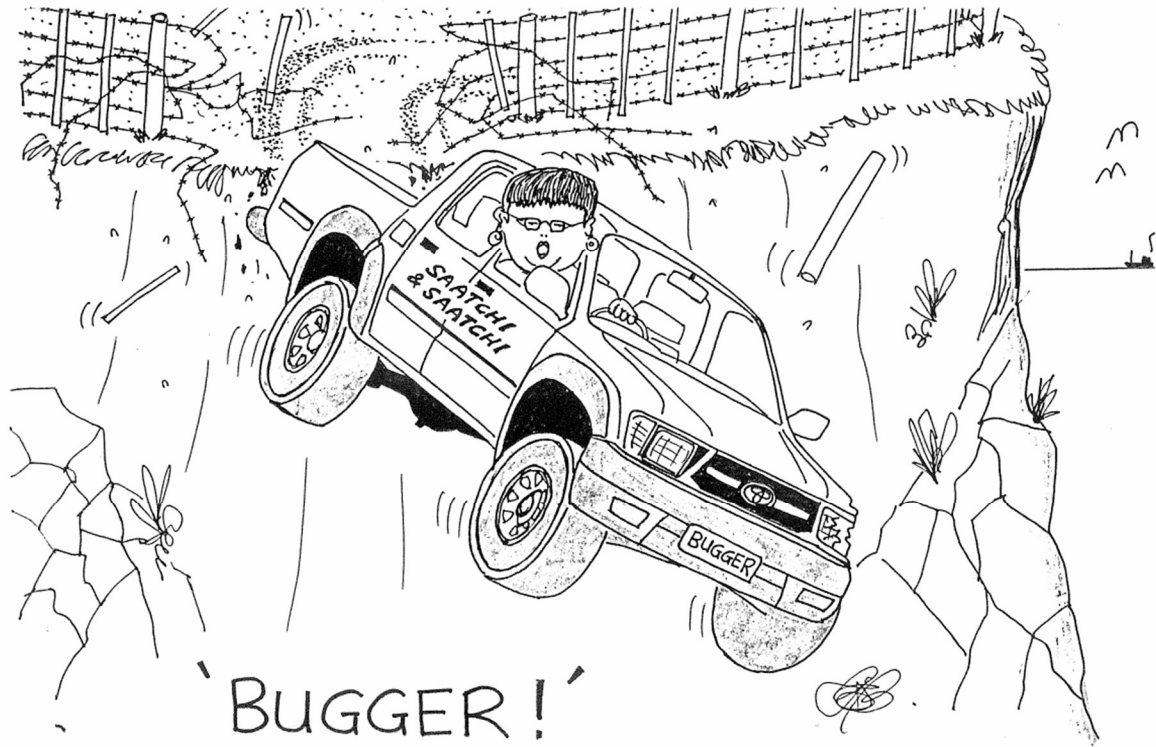
There are three times as many vehicles on New Zealand roads as there were forty years ago, and apart from a few passing lanes and the straightening out of a few notoriously twisty sections, the highway network has hardly changed in that time. Just as bad as Highway One, possibly even worse, are SH2 either side of Tauranga and around Maramarua, and SH5 from Tirau to Rotorua.

At times of economic adversity it is necessary to make investments in projects that will provide economic stimulus and enrich the nation's infrastructure. We are not talking about spurious 'think big' projects here, but tasks which cannot be avoided if the country is to progress economically, and the time to kick such projects into action is when things are quiet and there is plenty of spare capacity.

Given the appalling state of our highways and the incompetence of most of our drivers, the police should be congratulating us for keeping the road toll as low as it is instead of constantly castigating us for speeding. The reason for the reduction in deaths is safer, better handling cars together with quicker access to paramedics and hospitals through the use of helicopters. It has nothing to do with the draconian enforcement of speed limits. Imagine how much lower the death rate would be if our road building had kept up with the rest of the Western World. Then the only thing missing would be the need to teach people how to drive properly.

The short Prime Ministership of Jenny Shipley was characterised by slip-ups and lapses of memory which the media used to great advantage. There was an unfortunate tendency for the holes to get deeper the harder she tried to climb out of them.

One of the more famous examples was the dinner and conversation with Saatchi & Saatchi boss Kevin Roberts which didn't happen, then did. Conveniently, it took place not long after the launch of the superbly conceived television campaign for the Toyota Hi-Lux.



A NATION OF DULLARDS

When it comes to a dubious 'get rich quick' scheme, being late to get on the latest bandwagon, or snapping up a bargain without looking at the fine print, New Zealanders are a soft touch.

What is it about New Zealanders that makes us line up like cannon fodder to part with the folding stuff for all manner of irresistible bargains? A mecca for snake-oil salesmen, we lie down meekly to be fleeced and pillaged, secure in the mistaken belief that if it's cheap, it must be a good thing. The phenomenon is readily apparent in all product categories, but nowhere is it as visible as in the fact that we consume such huge numbers of used Japanese imports of such dubious history? Why are we such suckers for the opportunists, why do we have no pride?

In this respect we are in marked contrast to the Irish. Now the Irish, as you well know, are the butt of countless jokes about their alleged lack of intelligence. However Ireland, with an almost identical population to ours and a remarkably similar urban/rural mix, has made massive recent strides in building a sound and sustainable export-based economy, where we have gone backwards very quickly. Ireland's balance of payments surplus is something we can only envy, and it has come about because this innovative country, which is jokingly regarded as being populated by unintelligent people, has a Government which operates in partnership with business, so that economic decisions can be made for the good of the nation. However, that's a story for another time.

Back to used imports. The other thing which Ireland shares with New Zealand is the fact that we are the only two countries in the civilised world which allow unrestricted commercial imports of used cars. How do the Irish feel about this state of affairs? Well, from all accounts it doesn't faze them a bit. They like to have the choice but they just don't bother to buy the used imports in any great numbers, and the reason for this is that they don't trust them. They don't trust the odometer readings, they don't trust the lack of documentation, they don't trust a previous owner on the other side of the world and they don't trust the seedy types who purvey such merchandise from back street yards.

No, the Irish have an eye for value. Unlike New Zealanders, who seem to respond only to the price of something, the canny Irish are more careful. They take the view that if you pay the lowest price you should put a little more aside to cover the consequences. And if you do that, why not pay the extra for a better product in the first place. So the used import business in Ireland remains firmly on the fringes of the motor trade, supported only by a small minority who have the old New Zealand 'something for nothing' attitude.

And so to the British. No used imports here, but the new car buying patterns are remarkably different to New Zealand's. Always keen to help the progress of technology, the supposedly conservative British will have a go at something different. They actually regard liftbacks, station wagons and MPVs as 'upmarket', whereas in New Zealand if it hasn't got four doors and a boot sticking out the back it's only suitable for old ladies or people of indeterminate sexual orientation. In NZ, station wagons are for sales reps and MPVs are for Asian immigrants with too many kids.

Hand's up who's seen a Renault Megane on the road in New Zealand. And here's an even harder one – what about a Megane SCENIC? The Megane is only available as a hatchback (or a mini-MPV in the case of the Scenic derivative), so you might be surprised to learn that it was the NUMBER ONE selling car in the UK in April 1998. The Scenic did HALF the range's volume, which would have been good enough to put it in the top ten seller's list on its own.

The Megane Scenic is probably the roomiest, most practical and brilliantly designed car of its price in the world. It rides and handles beautifully, and is fully equipped with luxury and safety features. But you never see one. They are about as popular in NZ as used Japanese imports are in Ireland. Why?

The answer is all about image, and how Kiwi 'bloques' like to see themselves.

"Hey Bob, I hear you just got yourself a new company car."

"Yeah, Bruce, I got a Renault Megane Scenic. I figured it rides better than any other two-litre, it has more comfort for five than a Camry, the rear seats are individually removable, it has all the new safety features as standard and you can park it in a smaller space than a Corolla."

"Duh! You got a what?"

"I said a Renault Megane Scenic."

"What the hell's that?"

"It's made in France and I just told you how sensible it is."

"Why would you want something so sensible when nobody's even heard of it? Has it got a boot sticking out the back?"

"No, it looks a bit like an egg actually, which explains its remarkable practicality."

"AAARRGGH..... I don't believe you've done this, Bob. In fact I reckon the best car ever made was the Mark 2 Zephyr, and if that came back on the market tomorrow I'd buy one. Gimme another Lion Red!"

And so it goes on. The dull green backwater at the bottom of the Pacific continues to breed consumers of mediocrity, cheapness and questionable taste. The most successful retail business continues to be The Warehouse, there are more McDonalds per head of population than anywhere else in the world, and even respectable professional people don't mind being seen driving Japan's cast-offs. We line up to lose our money to kiwifruit, deer farming and now ostrich farming syndicates, and we pay up front to travel on underfunded budget airlines. And we do all this while we meekly submit to Big Brother (Sister?) chastising us about what incompetent drivers we are as we meander about the third-world highway network in our smoking Japanese imports.

Is there any hope?

'MADAM. DID YOU KNOW THAT I'VE BEEN CHASING YOU AT 130 KPH SINCE TURANGI?'



HEAVY EQUALS SAFE....NOT.

It is an undeniable fact that a large segment of the population equates the safety of a vehicle with its weight. Whilst this logic is partially true, it ignores not only the increased potential for a heavy, high-built vehicle to have an accident in the first place, but more seriously for society the fact that it transfers the safety risk to the occupants of the smaller vehicle with which it collides.

The New Nissan Patrol is the best value luxury heavy 4WD available in the New Zealand market by a country mile. At an entry price of \$66,990 nothing else in its category comes close. Not only is it conclusively the winner at that price, it makes things like the Lexus LX 470 and Range Rover 4.6 HSE seem positively extortionate at almost double the money. Arch-rival Toyota Land Cruiser, even at its new, reduced price, together with the top-spec Ford Explorers and Jeep Grand Cherokees, are suddenly finding themselves a bit like Bill Clinton with his trousers down. Nissan has done a great job on the specification and pricing of this vehicle.

The new Patrol redefines what can be had in a heavy 4WD for the money. It offers up-to-the-minute style, prodigious off-road capability, a complete list of luxury specifications, massively torquey engines in a choice of petrol or diesel, and a full-leather interior that smells like that of a Rover 3-litre. (If you can't remember what that smelt like then you're not old enough to be reading this publication).

But none of this makes it a good or even relevant vehicle for use on crowded late 1990's roads. It is neither. Basically a more civilised reskin of the uncompromisingly 'workhorse' previous Patrol, it is still mechanically prehistoric. At least the new Land Cruiser has independent front suspension and permanent 4WD. The Patrol is commendably quiet and refined, but like anything with a chassis made from railway irons and a massive live axle at each end you are constantly reminded through the steering wheel and the seat of your pants of its enormous weight, much of it unsprung. It is a feeling that if anything went seriously wrong and an evasive maneuver was called for, it would not be just a question of a stab at the brakes and a deft flick of opposite lock to save the situation. It would be heart-in-the-mouth, white-knuckle, top-heavy, roll-oversteer stuff, with a minimal chance of getting it back together.

And that's not all. Despite the Patrol's monstrous 4.5 litre in-line six, its weight dictates relatively sluggish on-road performance, and all the while it slurps fossil fuel like a dehydrated sailor on shore leave.

Please don't think that we are having a swipe at Nissan here - the company is to be applauded for its ability to respond to what the customers are asking for and getting such a well-equipped and superficially luxurious vehicle to the market at such a bargain price. No, our gripe is with the logic that 90% of the customers for the Patrol and its competitors would advance as their reason for owning such a giant in the first place. It is customer demand that drives the availability of heavy 4WDs, and it is time that the misguided motivation of many such buyers was called into question.

It is common knowledge that a high proportion of the owners of new heavy four-wheel-drives hardly ever go off-road, and most of the minority who do would never risk their beautiful metallic paintwork by venturing into territory that would seriously challenge a Honda CR-V. Three or four trips up to the skifield each winter isn't enough of an excuse, as a much less expensive Subaru Legacy is perfectly happy in this role as well as providing infinitely more pleasurable driving en-route and during the rest of the year. Hauling a six-metre boat up the local ramp would seem to be a shallow justification for owning such a behemoth, because any Commodore or Falcon is more than up to this task. So now we come down to the need to

transport seven people in leather-lined comfort, and what's wrong with something like the easy-handling, smooth-riding Chrysler Grand Voyager LE? This does a much better job of carrying lots of people in style without the clumsy, truck-like handling of a Nissan Patrol or its ilk?

Now the truth starts to come out. The chaps who buy these things for day-to-day use are reliving the pioneering days of their forefathers. Even if their careers and families commit them to a town house in Epsom or Fendalton, they are determined to present to the outside world an image of bushwhacking machoism. How better to do that than drive something which is a Sherman tank on the outside but has all the gin palace comforts of home within? For the lady of the house, it is not hard to be taken in by the perceived safety thing - incredibly, there is a continuing belief out there that bulk equals safety, and this is a major factor driving the sales of these gigantic, ponderous, fuel-swilling, two-tonne-plus monsters. The logic is "I'm OK because when I eventually have my accident, my vehicle is going to flatten yours." That's fine until you consider the fate of those in the other car.

Also, the people who buy these things for all the wrong reasons wouldn't even stop to think that their accident is probably twice as likely to happen anyway because of the sheer inertia of their roadgoing locomotive. Not only is it double the weight of the average car, but its mass is carried way up high and supported on monstrous high-profile tyres which are also expected to serve as mud-pluggers. (Have you ever studied the tread pattern of a tractor tyre? It's not exactly ideal for crisp responses on a wet suburban road.) Emergency avoidance responses in such a vehicle fall into the same category as looping the loop in a 747 or turning a supertanker around at full speed in Tory Channel. What makes it worse is the fact that many owners are new to the concept and drive them into corners as though they are conventional cars. But it's OK, "We can have our accident, because whoever we hit is going to be worse off." Dumb logic, and dangerous, selfish thinking.

As a sop to the marketing gurus, heavy 4WDs are now being fitted with ABS brakes, airbags and so-called 'crumple zones'. Of course the crumple zone extends only from the front bumper to where the full girder chassis starts, and all the airbags in the world aren't going to be much use when two of these monsters decide to have a head-on with each other. However, their occupants will fare much better than those of the conventional car the 4WD collides with, as sheer weight is no respecter of the laws of physics, and the widely differing bumper heights will ensure that the larger vehicle rides right up over the top of the smaller one.

The use of heavy 4WD's by city-dwellers as family cars falls into the category of irresponsible social behaviour. Whilst Nissan will score plenty of sales by equipping and pricing the new Patrol the way they have, they should also be mindful of the effects of further promoting the desire for such irrelevant and unsuitable vehicles amongst prospective owners who will want them for all the wrong reasons.



NO, MRS. WINTHROP - SMYTHE, I DON'T
THINK THE 'HIMALAYA' SUSPENSION
OPTION WILL BE NECESSARY FOR THE
DRIVEWAY AT ST. CUTHBERT'S

After a short period when the new Patrol sold like cold Fosters at an Aussie Rules game, it eventually dawned on the market that its clumsy handling and inconvenient dimensions were just too much to put up with on a day to day basis. There is now a choice of many 4WDs which offer more than adequate off-road capability combined with on-road driveability and active and passive safety similar to that of a conventional car.

* * * * *

AN OBSESSION IS BORN – THEN DIES

When the Formula 1 cars came to Ardmore it was the start of a lifelong love of motor sport. But now it is the overseas events that keep the fizz going.

In 1957, following a two year campaign of pleading and wheedling, my father finally relented and took me to the New Zealand Grand Prix meeting at Ardmore. We sat in the grandstand at College Corner, a 95 degree right-hander at the end of the start-finish straight. It was an experience which started a lifelong interest in motor sport, and even the three hour wait while almost 100,000 people and their cars funneled out of the carpark at the end of the day's racing was worth putting up with.

The famous international names of Moss, Bira, Whitehead, Parnell, Flockhart etc. were actually there in person. The sleek Maseratis and Ferraris which they piloted with such awesome skill and a fair degree of bravery, bare arms flailing as they power-slid around the tricky corner, unrestrained by such niceties as seat belts, had to be seen to be believed. They were like men and machines from another planet.

I vividly remember the sudden silence during the sports car race when the cars stopped coming past and I craned my neck to try and get a view back down the start-finish straight to see what was going on. Although I hadn't seen it happen, I had experienced tragedy at my first motor race meeting, as the noted British driver Ken Wharton, one of the main attractions for the afternoon's Grand Prix, had been killed when his Monza Ferrari flipped near the start-finish line.

Despite the excitement of the high-powered Formula One machines, my youthful interest was equally captured by the saloon car races. Whale-like Mk.7 Jaguars heaved their way around at the front of the pack with a gaggle of Mark One and Two Zephyrs nipping at their heels. In the middle of the swarm, Humber 80s displayed immense body roll trying to keep up with the nimble Borgward Isabellas. Then there would inevitably be a battle between the gasping 100E Ford Anglias with not enough ratios in the gearbox and impossibly skinny tyres and the screaming Austin A30s with not enough cc's in the engine and ludicrously humpy styling. And just to make things even more interesting there would invariably be a couple of front wheel drive air-cooled Goliath 600s chuffing along at the back of the field.

Despite my father's obvious interest in the sport, the trek from Taupo in the heat of mid-summer was quite a mission in those days, so a biennial treat was all that could be justified. 1959 and 1961 stand out as the years Cooper-mounted Jack Brabham and Bruce McLaren kept Moss honest, and we also saw the beautiful 'Piccolo' Maseratis entered by Temple Buell and driven by Carrol Shelby and Harry Schell.

On the saloon car front the Mk.2 Jaguars were now the things to have, and the Zephyrs and Humber 80's were getting quicker and quicker, but were still seriously challenged in the braking and handling departments, which made them so enthralling to watch.

The sixties was the golden age of New Zealand motorsport. Off-season visits by the F1 circus, three of our own drivers at the sharp end of Formula One (culminating in Denny Hulme's World Championship in '68), and the advent of professional promotion with the opening of Baypark gave local motorsport a profile it has never recaptured since.

Television arrived in Taupo in 1963, and AKTV2 covered live the first Wills Six Hour saloon car race at Pukekohe in November of that year. This was the local version of Australia's Armstrong 500. The Wills (subsequently Benson & Hedges) event died many years ago, but its Aussie equivalent is now the top touring car race in the world. Tony Shelly and Ray

Archibald won that first race in a Jaguar 3.8. Second were Kerry Grant and Frank Hamlin in a Cortina GT, and third was the first New Zealand assembled car – a Mk.3 Zodiac driven by Robbie Francevic and Steve Borich.

In later years the event was divided into a shorter race for overseas-assembled cars, and a six-hour event for NZ-assembled models which ran into the hours of darkness. The original circuit was of course still in use, and spectacular was the action at the 'elbow', at the end of the start/finish straight. Bets were taken on how high off the ground the desperately ungainly swing-axle suspended Mark Four Zephyrs could hoist their inside rear wheels, and many an innocent back marker was punted firmly up the escape road by a Valiant which had run out of brakes. In the race's heyday grid positions had to be earned through qualifying, as there were always many more entries than the 66 or so cars which were allowed to start. The starting grid extended over the top of Mobil Mountain!

By this stage yours truly was living in Wellington, and TVNZ had long since lost interest in the race, but this was no impediment. A quick dash up the island, 5000rpm all the way in the trusty 850cc Mini (how it survived I'll never know, but the extra one and a quarter inch SU plus extractor exhaust increased its top and cruising speeds by at least 10 mph with no detrimental effects on reliability), an overnight stop in Taupo and we were there for the start of play.

Today, with no less an interest in the sport and living just 40 minutes away, Pukekohe might as well be in Outer Mongolia. Since the demise of the brave but short-lived Nissan-Mobil 500 in Wellington, there has been virtually no motor sport in New Zealand worth going over the street for. Successive administrators and officials have bowed to individual pressure groups without being aware of the big picture, and race days have been characterised by the uncoordinated milling around and aggressive behaviour of petty officials in white coats who don't seem to notice the absence of the sponsors and spectators who ultimately have to fund the activity.

Fortunately, for serious motorsport fans quality TV coverage of major overseas events is available, and an increasing number of local enthusiasts are able to justify the cost of travelling to at least some of these meetings.

The world is becoming a smaller place, and the lack of high-quality motorsport on our own shores is becoming less of an issue. Perhaps we should just let it quietly fade away to the Clubmans' level, where most of the competitive racing is now to be found anyway.

The recent inclusion of a New Zealand round of the Australian V8 Supercar calendar is the best thing that's happened for local motorsport in over a decade.

IF YOU CAN'T BEAT 'EM, JOIN' EM

The new car distributors join the used import bandwagon.

You've all had to put up with it. Boxed in behind a gasping, wheezing 400,000 kilometre 8 seater Toyota Town Ace Super Casual Royal Lounge Extreme Turbo D Automatic, filled with lace curtains, unrestrained children and portly extended family, belching black soot at 20km/h as it struggles to surmount the 3% gradient of a motorway on-ramp.

Not to mention the ubiquitous Nissan Laurel Medallist Special Edition 2.5 Supreme Comfort Saloon, swaying and lurching on its worn-out suspension at the head of a long and impatient queue of traffic, occupants clutching sick bags and following drivers bemoaning the lack of passing lanes.

Then there is the Mitsubishi Giant Pajero 4x4 Big Heart LWB Scenic Roof Funwagon, proudly emblazoned with 'Go to Countryside, Enjoy Special Relationship With Nature, Please Take Firm Grip of Steering' on its spare wheel cover as it sits double parked outside the entrance to the kindergarten.

Who brought us all this stuff? Who do we have to thank for this reduction of our motoring culture to a collection of affordable but knackered appliances, devoid of passion and bereft of charm, but most of all completely lacking in good taste?

There is a school of thought which suggests that used imports are all part of a giant plot by the Central Government to avoid a continuing obligation to contribute a subsidy for public transport. As we all know, nobody rides by bus when driving a car is an affordable alternative. We also know that it was easier and quicker to get around our cities in the thirties and forties, when most people used an efficient bus and tram system and only the rich rode in cars. But we also have to acknowledge that our sparse population distribution renders public transport uneconomic for both the provider and the user unless incentives are in place.

How clever then, to open up car ownership to virtually everyone by eliminating import duties and allowing unrestricted imports of the world's cheapest used cars. Bingo! No need to subsidise the buses and trains, and a huge tax windfall from the GST on the extra turnover in car sales plus the tax on the fuel they use which we all know doesn't get spent on the roads anyway.

Never mind the inevitable congestion all these extra vehicles cause on the roads. We'll hit them again with congestion tolls if they choose to travel at the wrong times of the day (which happen to be those times when their employers want them to come to work).

In the meantime the explosive growth of the used import sector made millionaires of many characters whose only assets were a cellphone, a Japan Airlines Frequent Flyers' Card and a sharp sales pitch.

After everyone and their second cousins got on the importing bandwagon, prices inevitably fell due to oversupply and fat profits weren't so easy to come by. Then someone stumbled on the clever idea of buying 150,000 kilometre cars in Japan and selling 45,000 kilometre cars in New Zealand. The fact that they were the same cars magically restored the profit margin, and very soon the dealers who weren't onto this one found it very hard to compete.

Of course the Government had a vested interest in promoting the used import trade, so nothing was done to protect the interests of either the honest traders or the consumer. Some of the new car manufacturers tried, and after Honda went live in June 1995 with a database which provided a very good indication of whether a car's odometer was telling the truth, the Honda share of used import arrivals dropped steadily from 28% to less than 10% within 18 months.

Since the sacking of the only Minister of Customs who wanted to do something about the scandal (Neil Kirton), Hondas have become popular imports again.

We have seen some dark and dirty dealings in very high places during the transition from the most protected and over-regulated car market in the world to the freest and most competitive, but there are signs that the tide is turning.

In marked contrast to the examples mentioned at the start of this column, the Toyota Mark II I recently evaluated was one of the most awesome high performance sedans I have ever experienced. Extravagantly equipped, shod with quality rubber and beautifully prepared, it would show a clean pair of exhaust pipes to any new sedan available in the local market for less than \$80,000. This is but a precursor, the thin end of the wedge, so to speak, as to what is going to happen when the multinational car manufacturers regain control of the used car market in this country.

The abolition of parallel importing laws in 1998 was intended to remove the manufacturers' monopoly over the distribution of their branded products. In the case of the car distributors what it seems to have done is wake them up to the need to price in line with the cheapest markets overseas and also become involved in 'second phase' distribution, ie. used cars, on a trans-national basis.

Toyota is leading the way with Signature. Blue Ribbon (Sri Temasek), with Mazda backing, is not far behind. BMW has announced direct involvement in imports and Honda keep saying the former assembly plant at Nelson is now a refurbishing centre for imports, so one day we will no doubt see a Honda branding campaign for ex-overseas used cars.

For junk at the bottom end of the market Sam Stitchup will always be there to crowbar people with no money into dodgy cars and finance contracts they can't afford. This will be the image of non-franchised dealers from now on if the new car distributors respond to the challenge.

With their international networks and their interest in protecting their brand image, it would be so easy for the multinational new car distributors to project an image of confidence in their dealers as the only trustworthy place to purchase their products, whether they be new or used. By using their worldwide distribution channels for used cars as well as new, they could eventually regain the control over their brands that the protected market of the 1960's handed them on a plate and which they lost in the early '90's through an arrogant assumption that sufficient bleating would make used imports go away.

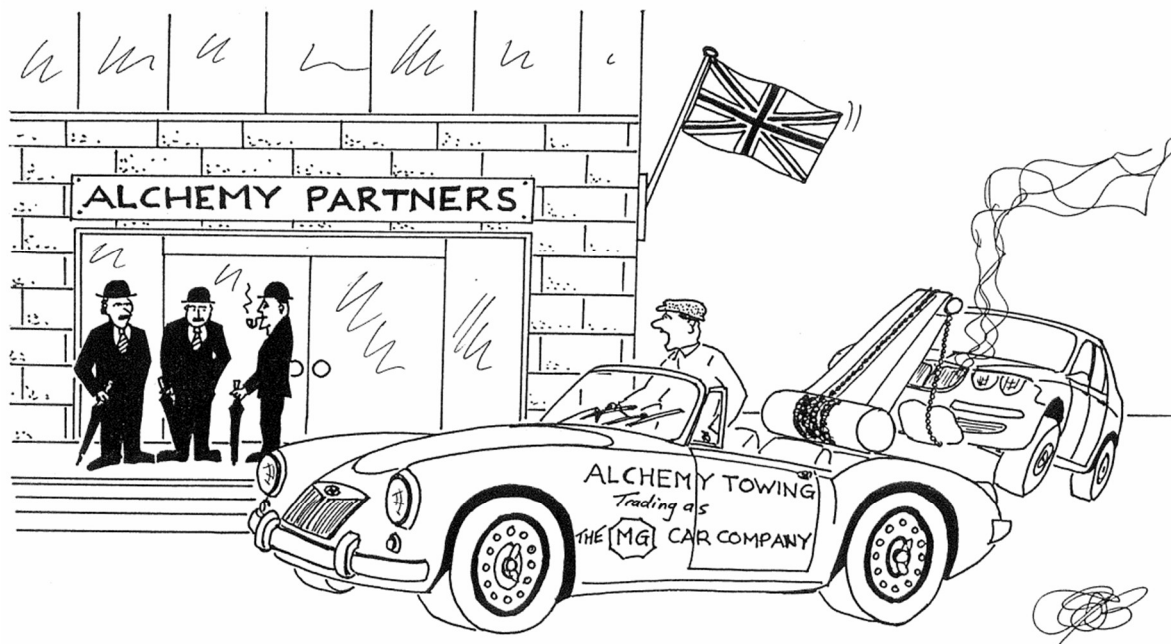
Used imports are not going to go away, but with the right strategies in place we could well see the new car distributors and their dealers regaining the high ground by controlling the distribution of the best cars. But it won't be like the bad old days - there is no import licensing and too much competition this time around. It could very well be the best thing possible for consumers seeking to buy with confidence the best vehicles at the lowest prices. Those who want the cheapest and don't care about history or condition can always go back to Sam Stitchup, but he might have moved to another yard and be trading under someone else's name.

The abortive takeover of Rover Group by BMW will go down as the most spectacularly unsuccessful attempt to merge the cultures of two motor companies in the history of the world. Not only did BMW buy a company that was in infinitely worse financial shape than their highly-educated accountants had managed to determine, but the Rover workforce was locked into a mindset that was telling them that the second world war was still on. They regarded their new German masters with contempt. No way was their peculiarly British hierarchy going to accept change, even though they were well aware that their organization had shrunk from over 50% to less than 5% of the British market in less than 40 years. Blinded to reality, these incredibly naive people, particularly those at a senior level, seriously believed that they could get away with lampooning the owners of the business in the company of internationally respected journalists.

It was a complete and utter shambles. BMW didn't take long to realise what a mistake they'd made, and put the whole debt-ridden lot on the market for ten pounds.

Along came a stiff-upper-lip group of London Financiers by the name of Alchemy Partners. Obviously not knowing too much about the level of commitment required to support the capital-sucking monster that is the car manufacturing and distribution industry, they plonked down their ten pounds and entered due diligence. The fact that their bid for what had become known as The MG Car Company was subsequently abandoned in favour of that of a second British-based group does not detract from the message contained in the illustration below.

Basically, Rover had died on the side of the road, MG was sent to rescue it, but nobody knew how to get the breakdown truck going.



'OI GUV'NOR ! ANY OF YOU GEEZERS KNOW
HOW TO GET THIS THING INTO GEAR ?

BE CAREFUL MR. FORD, BE VERY CAREFUL

In 1999, Ford Motor Company was at the peak of a very profitable, expansive cycle. Seemingly the company could do no wrong, and it was making acquisitions both inside and outside its core business as it sought ways of ploughing its profits into further growth.

There are exciting things going on at Ford. The world's number two automaker is awash in profits, and is moving into interesting territory as it explores ways of being of greater service to more customers, rather than just being a builder of motor vehicles. The European Quik-Fit chain of exhaust and brake shops was a recent acquisition, and Ford has signalled its intention of increased vertical integration as it buys into retail dealerships in the USA, Australia and New Zealand.

Going by the cutesy name of 'Auto Collection', the new retail arm will, in Auckland at least, result in old and revered trading names like John Andrew Ford and South Auckland Ford going by the wayside. Good move? We shall see in the goodness of time, but Ford will not be the only brand sold by the new mega-dealership.

As Mazda comes more into the Ford fold for all the right reasons, its vehicles will also be sold by Auto Collection, in some cases from a separate showroom on the same site as the Ford shop. Ford's control of Mazda came too late to influence the new product differentiation strategy, therefore the current Laser and 323 have far more in common with each other than they will have next time around. The longer term idea is for Mazda to be pitched slightly upmarket of Ford, with styling and appointments which reflect the brands' different roles. The parts the customer can't see, however, will be largely identical.

Where it could become a little more complicated is in the luxury market. Ford made a very expensive investment in Jaguar, and it is at last beginning to pay off. It has been a success because Ford has had the good sense to install skilled production engineers into the Jaguar manufacturing operation and leave the distribution side of it well alone. Jaguar is far enough removed from Ford in pricing and positioning to dissuade any opportunistic temptations towards a 'ruboff' strategy, and it is to be hoped that this situation continues.

It could be different with Volvo.

There is no secret that Ford's purchase of Volvo was the big chance to address a problem that had been eating away at Ford of Europe for the best part of twenty years. The problem was, of course, Ford's ongoing failure to make any impression in the 'upper executive' market in Europe. The sales reps remained happy on their repetitive dose of Sierra and Mondeo, but Granadas and Scorpions would sit araldited to the showroom floor while the Directors and Chief Executives shopped up the road for their Audis and BMWs.

Part of the issue was Ford's product offering. Whilst the Scorpion itself was a competent enough car, it always came across as a bit of a John Dory in a sea full of sleek tuna. In its latest incarnation, John Dory became a gaping, open-mouthed groper with bulging goldfish eyes, and that was the end of Ford's long but frustrating presence in that particular segment.

With the demise of Scorpion, Ford had probably accepted at last that one badge cannot transcend all segments of the market. After all, BMW, Audi and Mercedes-Benz make no attempt to seduce the sales reps out of their Mondeos and we all know what would happen to their brand values if they did. Horses for courses.

Enter Volvo. Ford's purchase of the Swedish automaker gave it a ticket to a presence in the exec. market and a neat way of taking care of those on their way up to Jaguar. This could be

a marriage made in Heaven for Ford, but if the right strategy is not stuck to it will be a road to Hell.

Volvo. Long the darling of the country club set; maker of safe, conservative, well-built cars with a solid upmarket presence. Recently discovered that all these qualities can be successfully combined with style and panache, and without upsetting the loyal following.

Ford will bring welcome improvements to the chassis dynamics and introduce new efficiencies into the design and production process. But a word of warning. Ford would be well advised not to attempt to gain extra economies from the distribution and retail chain, especially where the customer is concerned.

In Europe (and probably here as well) there will be Ford dealers who will be itching to have a luxury car to sell (and drive) and will see this as their big opportunity. Ford itself may be unable to resist the urge to plug Volvo into its worldwide wholesale distribution network, besotted by the status of the badge and the lure of the potential profits. Such a strategy could well bounce back in Ford's face and turn Volvo into another Scorpio.

Buyers of luxury cars are different. The reason they pay more for upmarket badges is because those badges mean something special. These people want to be taken seriously - they don't want to be associated with the middle classes who buy Fords and Nissans. They want to shop at a luxury car dealership and be invited to events where they can mix with their ilk. Any amalgamation of Ford and Volvo at distributor or dealer level would result in a blurring of identities, with Volvo eventually being perceived as just a dressed-up Ford – the kiss of death.

It could be that salvation is already at hand, but only by virtue of a stroke of luck. The recent BMW boardroom bloodletting had the result of releasing the awesomely capable Dr. Wolfgang Reitzle onto the job market. Only very briefly, of course, before he was eagerly snapped up by Ford Motor Co. to head up its international luxury car operations. As one who had so carefully nurtured the BMW brand into its current highly respected position, it could be said that he knows exactly what luxury car brand marketing is all about. Now in charge of Jaguar, Aston Martin, Volvo and Lincoln, one of Reitzle's first acts was to put the planned entry of Lincoln into Europe on the back burner, correctly identifying Volvo as Ford's immediate priority in that market.

Without doubt he will also recognise that the Volvo brand needs to be kept separate from Ford, with separate distribution channels being preserved worldwide. Whilst there is a certain (and mostly well-deserved) aura about Volvo's brand values, the lower-level Volvos wouldn't benefit from a closer association with Ford's current and upcoming Mondeos. There is more to this issue than chassis dynamics and equipment levels. Keeping the brands apart perpetuates the romance, and Reitzle knows it. He knows that Ford Motor Co. will generate far more long term profit out of Volvo by growing it as a separate entity.

Whilst the accountants may offer up all sorts of reasons why Ford and Volvo should consummate their marriage by shacking up together, those who understand the living, breathing dynamics of what brands mean to customers know otherwise.

Please, please Dr.Reitzle, don't let them go there.

How things change. Far from the rampantly profitable company of 1999, Ford is now in crisis mode. Former CEO Jac Nasser has been ousted, Auto Collection (one of his pet projects) has been dismantled in the US and Australia, and whilst the financial structure still exists (for how long?) in New Zealand, the corny name never made it onto the buildings.

Quik-fit has been sold (amidst questions about the quality of its accounts) for a third of what Ford paid for it, and Reitzle has also gone after failing to gain the influence in the corporation he was seeking after the departure of his mentor Nasser.

At risk is the luxury car strategy. If anyone knew what is required to maintain the aspirational values necessary for success in the luxury market it was Reitzle. When funds for investment in brand-building are in short supply there is a serious risk that expedient decisions will be made that could upset the intangible relationship between a brand and its followers. It will be an interesting few years.

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CUSTOMERS ARE IN IT FOR THE LONG HAUL

In this day and age a car that demands too much attention from the technicians is scarcely worthy of a place on anyone's shopping list, despite initial impressions.

Despite the undoubted skills of the majority of motoring journalists, one vital aspect of a car's performance continues to escape their critical review, and undoubtedly always will. And unfortunately it is something which is of huge importance to virtually every car owner.

Whilst every detail of a vehicle from its styling and its on-road dynamics to its market positioning to the design and operation of its cupholders can be dissected and commented on with laser-like precision after a few days of evaluation, it is not physically possible for a motoring writer to judge long-term dependability without living with a car for four or five years. Only an owner can do that.

Three year warranties have shielded car owners from part of the financial risk of owning a 'lemon', but there are still serious frustrations associated with operating a car which needs the attention of the dealer between scheduled services. Like the inconvenience of having to take the damned thing there in the first place and the hassle of having to arrange alternative transport. Then you are obliged to deal with a harassed and overworked service receptionist who has to tactfully explain to you and all the other customers with the same problem that it is really just an 'isolated' fault. Worse, you then find out (too late) that your pride and joy has developed a reputation for bits falling off in the dead of night. The used car trade will have been alert to it before you are and when it comes time to trade it in they will play 'pass the parcel' until someone is prepared to take it off your hands at a price which reflects the fact that used car buyers can't afford to take risks and want to buy something with a reputation for reliability. Don't laugh, it's real.

Thankfully, it's not as bad as it was. A generation or so ago the local market was dominated by four arrogant local assemblers in the form of Ford, General Motors, New Zealand Motor Corporation (Austin/Morris/Triumph) and Todd Motors (Chrysler/Hillman). Arrogant because they were milking the licence-restricted, demand-driven market for all it was worth, heaving some famously half-cocked products into the bottomless pit that was the New Zealand new car market, and allocating them to their dealers on the basis of how effectively these scrupulously-chosen agents were screwing the customers.

During this period one of these companies foisted upon the market a car which, partly due to its adventurous mechanical specification but also because of cost-cutting in critical design areas, turned out to be one of the greatest 'lemons' of all time. Even though the standard industry warranty at the time was only 12 months or 12,000 miles (20,000 kilometres), there was sufficient scope in this case for major financial exposure, and so it proved. But then the unbelievable occurred. After the parent company had worked out what the major problem areas were and taken remedial action in production, the New Zealand affiliate of the company then decided that 'because our cars are more reliable now, there is no longer any need for such an extensive warranty'. They therefore decided on this basis to halve the warranty to 6 months/6000 miles.

It lasted precisely two weeks. Even the hand-picked, fiercely loyal dealers would have nothing of this one, even though they would have had the opportunity to charge retail rates for fixing customers' cars at 6001 miles. Customer credibility was worth more than that. The Great One was forced to back down.

Then came the Japanese. From small beginnings in the late 60's, they became an alternative choice in the 70's then a tsunami in the 80's. From the day the Japanese entered the volume car market the total reliability and user-friendliness of their products has tended to escape the testosterone-driven priorities of most of the motoring press. (In defence of our local heroes, the Europeans are the major culprits, the Kiwi press, along with the Americans and some of the Australians, tend to be more pragmatic).

Fact is, the Japanese make more reliable cars. No argument. Every consumer survey in the world will tell you that. Apart from the odd 'fluke' result here and there, the consistent thread is that the products of the Orient are more likely to keep working as intended, day in, day out, rain, shine or snow, long after others have succumbed to the intricacies of their overly-complex, enthusiast-oriented specifications.

(Amongst the 'fluke' results could probably be included the ascendancy of a European brand to the top of the 1998 J.D.Power /What Car customer satisfaction survey in the UK after four years of domination by the Japanese. That brand was Skoda, and without taking anything away from the massive improvement in quality which new owner Volkswagen group has achieved at the Czech automaker, the assumption has to be made that there was an element of customer expectation distorting the result. One has to say that, because no other Volkswagen/Audi brands made it into the top ten. Apart from Skoda at the top, the leaderboard was again dominated by Asian brands, only interrupted by Jaguar in fourth and BMW in sixth. The low ranking of virtually all the medium-priced Europeans was particularly notable).

Back here in New Zealand, statistics on reliability between the various makes and models available in our market are difficult to obtain. The big leasing companies have a lot of information but are obviously reluctant to part with it for competitive reasons. We do know, however, that the Koreans are rapidly establishing themselves as having the reliability to challenge the Japanese. At least one leasing company regards the Hyundai Lantra as the most trouble-free car on its books. In the experience of the vehicle lessors certain European brands do not perform as well as they might over the long haul. This does not come as a surprise given the experience of UK magazines with long-term tests.

The issue is that only a small percentage of car buyers would regard the ultimate driving dynamics so beloved of motoring journalists as being more important than long term dependability. To most customers a car is an appliance which must provide bulletproof day to day reliability, and they wouldn't notice the thin line which divides the exceptional driving experience from the merely very good. For those that would, there are now Japanese cars which provide world-class dynamics along with total dependability.

At a time when electronics are starting to play a major role in whether cars will successfully negotiate corners, set off airbags when they are needed and not before and activate the windscreen wipers, designing for reliability is more important than ever. This is a much greater issue than whether your car will start in the morning or not. We must be very alert to the future inevitability that the ten year old electronic marvel approaching you on the highway spent the first half of its life in Tokyo and since arriving in New Zealand has had three owners and is now being maintained by a self-taught mechanic out the back of Opotiki. The integrity of its computer systems is all that is preventing it from becoming an unguided missile as it hurtles towards oncoming traffic.

In these circumstances 'bulletproof' reliability takes on a whole new dimension.

The Gulf War of 1991 proved a few things, for example::

It was not a particularly smart idea for Saddam Hussein to invade Kuwait.

When at war in a desert, there are not a lot of things to hide behind.

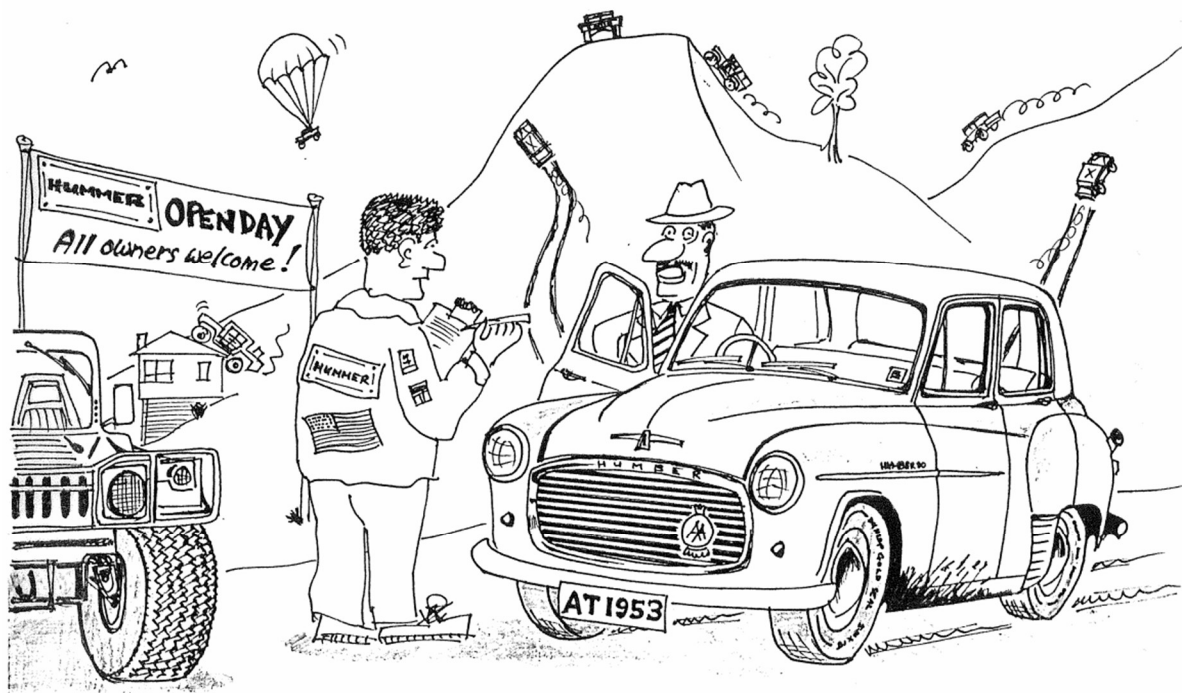
With no roads, your vehicle can be as wide as you want it to be.

And the HumVee was wide. Ideal for desert warfare, this standard-issue US Army conveyance was pole-vaulted into icon status by the Gulf War and for a while ended up being the vehicle of choice for the magazine-cover set of Beverly Hills.

Inevitably, civilian versions started rolling off the production lines, and worse, these monsters became available in right hand drive, which meant that there was no way of arresting their arrival in the land of the 'I'm rich, so I must have one,' nouveau-riche clique.

For use on NZ four wheel drive trails, worn into deep, narrow-gauge ruts by generations of Land Rovers, Cruisers and Pajeros, the Hummer was always going to be useless, even if its wing mirrors weren't swiped off by the first manuka attack. Its awesome ground clearance and traction would not be tested here because it would never be able to penetrate the treeline to the challenging but wide-open territory beyond. Its ludicrous width would be as much of a handicap as its impossibly incompetent interior, in which four occupants would have even less room to move than in a Daihatsu Terios.

As a 'cult' vehicle, the Hummer would have no doubt meant something to the two or three New Zealanders who amazingly wrote out a cheque for one, but as something that actually made sense, it was in the same category as a waterproof teabag.



"HUMMER! I THOUGHT YOU SAID HUMBER!"

WELCOME TO THE WAREHOUSE ECONOMY.

The last generation or so has seen a major change from the New Zealand we knew. The availability of a vast range of lower-cost consumer goods has not necessarily improved our quality of life. There is also the important matter of affordability to consider.

Back in the fifties, as we luxuriated in post-war prosperity, we could scarcely imagine how things would change over the next four decades. In retrospect, it was a false prosperity, as the wool boom arising out of the Korean war propelled our farming sector into an era of riches which was quite unlike anything it would experience before or since. So huge was the demand for wool, so massive the amount of money flowing back to our farmers, that the Government had to hold it in a special account and distribute it piecemeal over several years in order to avoid over-stimulating the economy. The flow-on effect lasted well into the sixties, the buoyancy of the rural economy propping up the cities and giving us a place in the sun that many still consider to be our rightful position. Third highest living standard in the world, a currency stronger than even the US dollar, and an insatiable demand for consumer products, despite the fact that they were double the price they should have been due to extortionate taxes and duties. We had money coming out our ears, and not enough things to spend it on.

How times change. We are now 24th in the world ranking for standard of living, and that is probably a fair reflection of our productivity in the new economy in which adding value has replaced the old dependence on commodity prices. We have an endless range of products and services to choose from, at amongst the cheapest prices in the world, but lack the purchasing power to take advantage of it. We have a ballooning underclass of welfare dependents, and a shrinking taxpayer base to provide the funding. We are part of the international economy, in which investment flows in and out depending on the potential returns, and successful entrepreneurs have no incentive to remain in a country which cannot allow them to fulfil their expectations. We are small, we are not important to the rest of the world, and we are vulnerable.

We have seen a change from an under-supplied, over-regulated market, to an over-supplied, under-regulated market in which the consumer is King. But have we gone too far in our quest to lead the world into free and unencumbered trade? The car industry is a good example.

Since we closed down the local car assembly industry and further stimulated used imports by abolition of the minimum duty, our balance of payments deficit has skyrocketed. This would come as no surprise to anyone who can do simple mathematics, but it seems to be lost on the political 'drys' who have brought about the situation. The end result of a continuing acceleration of the deficit is a sinking currency value, higher interest rates and a further deterioration of the deficit as we struggle to pay for the formerly locally-made but now imported goods necessary for daily life. The assumption that assembling cars is an activity that higher-volume factories in other countries can do more efficiently is correct, but where are the local jobs to replace those lost? Efficiency does not always equate to prosperity, just ask the Americans.

The fact is that unless we can provide some sort of incentive for capital investment in industry, we are destined for a life of struggling in a low-wage economy. If the incentive cannot be tariff protection, then it has to be in the form of tax advantages.

If you want to know what a low-wage economy is like, you're in one. It is an economy in which the middle class cannot afford to buy a new car every three years. It's an economy in which price and discount are the only things that consumers respond to. It's an economy in which wages and margins are driven down so far that purchasing power is eroded, companies struggle, the stock market is flat and tax revenue is stifled. It's a market in which 'The

'Warehouse' is the country's largest retailer, built on the supply of cheap imported goods to consumers who can no longer afford anything better. It is a vicious cycle, a lack of purchasing power chasing cheaper and cheaper goods and services, which in turn leads to a further reduction in purchasing power. It is an economy which has at its roots a philosophy which says that we should expose our manufacturing sector to the cheapest goods from anywhere in the world and see what happens. It's an economy which consigns you to a Japanese import of questionable history and unknown mileage when your parents could afford a new six-cylinder car every couple of years. And your kids have to borrow to pay their own way through university, thus crippling their future purchasing power and further constipating the economy. It's not a rosy future.

Compounding the problem as far as the car market is concerned is the fact that we are now importing Japan's cast-offs at the rate of about 140,000 per year. And they are getting older. Now, the average Japanese import starts its new life in New Zealand at seven years old and about 90,000 kilometres on the clock (but in more than a few cases many more on the rest of the car). Four or five years later it is worth next to nothing, a minor scrape will see it written off instead of repaired. The panel beater misses out on a job and another one is imported.

In this regard we have truly reached the bottom of the food chain. Virtually every other western country places a degree of importance on the new car market and the extent to which it is a barometer of national prosperity. Consumers take pride in their ability to afford a new car and express their personalities in their individual choice. In New Zealand this is a privilege enjoyed by only the very rich. No, we have successfully destroyed the 'magic' associated with buying a new car, not because new cars are unaffordable, but because their depreciation is. On New Zealand incomes pride comes at a price, and it makes more economic sense to pay \$7,000 for a used import and throw it away after three years. After all, that's what all your neighbours do. The days of trying to live like Americans on a Portuguese income are over.

More recently, and especially since the effect of the removal of import duty on cars in 1998 has flowed through to the used car market, the depreciation issue on new cars has lessened substantially. New cars are again a viable option for private buyers.

At the same time, our balance of payments has improved thanks to the marked improvement in world commodity prices during 1999/2000. Realistically though, this should be viewed as a temporary aberration in a trend line which is locked in long-term pessimism for economies dependent on the export of commodities.

IS FORMULA 1 FINALLY GETTING ITS ACT TOGETHER?

The gladiator sport of the modern age needs some major changes for its long-term survival.

Cast your mind back to 1966/67 to what many would call the 'glory days' of Formula One. The days of raw power and no downforce, and drivers rapidly acquainting themselves with the new three-litre engines after five years of pootling around in anaemic one point fives.

Jim Clark, Jack Brabham, Jochen Rindt, John Surtees, Bruce McLaren and Graham Hill are but a sampling of the names that graced the F1 leaderboards in that memorable era, and most of them raced in New Zealand in their off-season. What days they were!

But what else was different?

You got it - the cars were red, green, blue, white or silver. Some had a stripe or two, the nose cone may have been picked out in a different colour, and of course they had racing numbers and the driver's name. That was the extent of the colour scheme. The cars represented the countries of their team owners, not the brands and logos of the companies that bankrolled the sport. National pride was at stake, and the evil sponsorship dollar was still hidden from public view.

Then 1968 happened. The Gold Leaf Lotuses (Lotii?) arrived in their strident red and gold livery and Formula One life has never been the same since. The tobacco barons were calling the tune, lesser sponsors fell into line astern, and the cars became mobile billboards.

As far as the tobacco industry was concerned, this was an opportunity to display its brands to television audiences all over the world without contravening the increasingly restrictive legislation which precluded direct media advertising. The money poured in, top drivers could demand multi-million dollar salaries, booming television audiences attracted even more money, Bernie Ecclestone became one of Britain's richest men, and Formula One became an industry rather than a sport.

One had to admire the fag purveyors for making the most of an opportunity. Even before the safety advancements of the seventies and eighties, a Formula One driver was statistically much more likely to be killed by one of the sponsors' products (assuming he was a user) than he was to die on the track. By associating themselves with what was perceived to be a dangerous sport, they were glorifying smoking and also positioning themselves, by association, as being less of a health risk than they actually were. Imagine the relevance of a tobacco company sponsoring chess or snooker!

But it's all going to change. EC pressure is about to come down on sponsorship as an avenue for tobacco companies to promote their wares, and with that, the dollars from that particular avenue will dry up. So, where to from here? It's quite simple, really.

The more astute amongst you might have noticed the subtle changes which are starting to happen in the relationships between leading Formula One teams and their engine suppliers. Up until now, the only motor manufacturer directly involved in Formula One as a constructor is Fiat, through their Ferrari subsidiary. There is now a wave of change taking place which will alter the makeup of F1 forever.

It started with Ford's purchase of the Stewart team, which the rumour mill correctly predicted would result in a Formula One car badged Jaguar. Ford is determined that Jaguar will have a worldwide image which surpasses that of either Mercedes Benz or BMW, and it sees Formula One as the key to achieving it. The Stewart Grand Prix team has effectively become a division of Jaguar Cars.

And don't forget that DaimlerChrysler have recently taken a shareholding in McLaren. It's not as if the Mercedes-Benz arm of DaimlerChrysler actually makes the engines which sit in the sleek silver cars. They are in fact made by Ilmor Engineering in the UK, but there is design input and financing from Mercedes Benz and for that they get their logo on the cam covers. It's all to do with marketing, and building an image.

The shareholding in the McLaren team is all about consolidating a relationship for the future, and ensuring the continuity of the Mercedes-Benz brand in the top echelon of Formula One.

And what about BMW? Yes, when the Munich engine goes into the Williams cars next year it will be BMW-Williams, not the other way around, and don't be surprised if some shares change hands there as well.

As for Honda, the Japanese company came within a whisker of deciding to enter the ring next year as a full constructor in its own right, but elected at the last moment to be the engine supplier to BAR instead. BAR has had a terrible first year, and a new engine is only part of the solution. Honda being Honda, they will have a lot of influence on the rest of the car, and BAR could well be one of the dark horses of the 2000 season.

Honda's affiliated company, Mugen, has powered Eddie Jordan's team into third place in the Constructor's championship this year, and it's a sure bet that with all the other alliances that are firming up, either Jordan or BAR (or perhaps both) is going to have a much closer relationship with Honda Motor Co in the future.

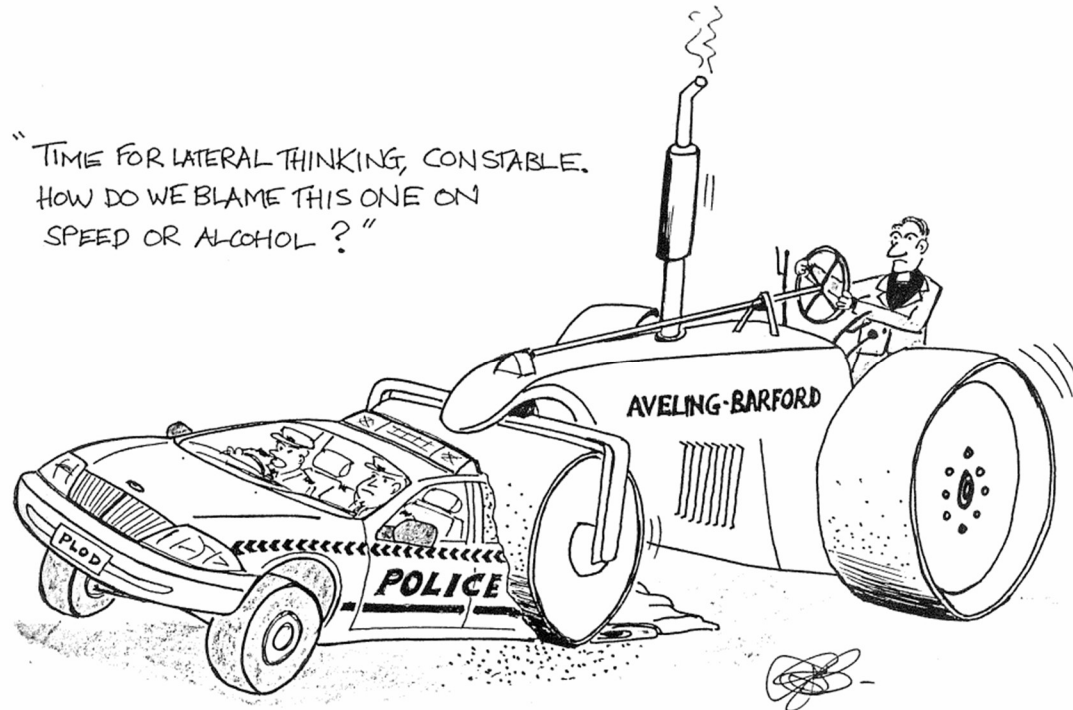
It's not a proper party without the French, and after earlier rumours that they might pull out of F1 in favour of rallying, Peugeot are now leaning towards an enhanced commitment to the Prost team. A betting man would probably suggest that with Renault hinting at a return, the only way for Peugeot to prevent their arch-rival scoring an alliance with the only French team in F1 was to stay involved. Renault's return is likely to be back with Benetton.

And so to Toyota. The Japanese giant has indicated its intention to enter Formula One in 2001 or 2002, with its own team and a car of its own manufacture. Such a development will complete the circle. Rather than be dependent on funding from tobacco companies, Formula One will be driven by the car manufacturers, each with something to prove. Each car will be branded with the name of the car company which built its engine, it will be much simpler to communicate the technological link to vehicles that ordinary people drive, and the Formula One industry will enter a new era of global acceptance and popularity. Ford (Jaguar), Fiat (Ferrari), DaimlerChrysler (Mercedes-Benz), BMW, Peugeot, Renault, Honda and Toyota will all be fighting it out in cars with their own livery, and the only current constructors who have yet to link up with a car manufacturer are Sauber, Minardi and Arrows.

All we need is VW/Audi, General Motors and Hyundai to look after those three and it's an almost perfect world.

The icing on the cake would be if the rulemakers could come up with a zero-downforce chassis formula so that we could have a return to the days of really exciting racing.

The non-acceptance by the Police and LTSA of any road accident causes other than drink-driving and speed is the result of one-dimensional thinking that focuses on things that are easy to measure and have a high emotional pull. Never is the road engineering, the condition of the vehicle or the competence of the driver called into question.



A MYTHICAL JOURNEY DOWN THE ROAD WE'VE PAID FOR, BUT HAVEN'T GOT

Since time immemorial the Government has extracted a big slice of what you pay for every litre of fuel. Only a small part of it ever finds its way into the roading budget.

Imagine if you will, a New Zealand in which your fuel taxes and registration fees had been ploughed back into the roads. We take a journey in this mythical country, a journey between the country's largest city and the Capital.

Leaving the Americas Cup Village, we head up to the top of Hobson Street where we have the choice of taking the Southern Motorway or the South Western Link. The South Western carries a lot of traffic coming from Albany and points North via the Hobsonville/Greenhithe motorway, and this connection has taken about a third of the through traffic off the Southern between Manukau and Northcote Road. We decide to join the South Western Link at Avondale, passing through Mt. Roskill at a steady 110km/h and joining the Southern Motorway at the Manukau Interchange.

Breezing over the Bombay Hills and out past Mercer the road swings left at Meremere and skirts the Eastern side of Lake Waikare. We see the village of Te Kauwhata on our left as the highway rises to clear another country road. We are now heading across low-lying country between Orini and Gordonton, and the highway, six lanes as far as Pokeno, has now reverted to four.

We pass the first of three Hamilton exits. We've been on the road for an hour and five minutes. The highway, six lanes again, now takes a more easterly course and after skirting to the north of Cambridge it runs alongside Lake Karapiro before a major interchange just North of Tirau splits it into three four lane highways heading for Tauranga, Rotorua and Wellington, via Taupo. An integral part of this interchange is a huge service centre with Australasia's largest fuel station, multiple fast-food outlets, a separate truck stop, three motels and a full-service hotel and conference centre.

It is a beautiful road so far. No oncoming traffic, no intersections, bridges providing the same width of verge as the normal carriageway, and there are sections between Pokeno and Cambridge where the opposing lanes are separated by up to a hundred metres. Trucks are not an issue. The law sees to it that they are not permitted in the outside lane, and every uphill section is provided with a third, slow speed lane.

As the route encounters more difficult terrain south of Tokoroa there is no compromise in the quality of the road. Grades are easy, and curves radiused to permit easy cornering at well over the 110km/h legal limit. For the first time we see gantry signs equipped to warn winter drivers of the possible presence of ice.

The high level bridge over the Waikato River is an engineering masterpiece. Gently curved, it sweeps a majestic arc across the valley south of the Wairakei geothermal power station, and travellers can get a panoramic view of Huka falls as they cross.

The route now skirts the northern suburbs of Taupo before an interchange adjacent to Taupo airport sends another highway off to Napier. Another major service centre provides anything motorists may need. We have been on the road for two hours and 35 minutes.

Although the route around the eastern side of Lake Taupo never gets very close to the lake itself, there are occasional vistas of the country's largest lake as the highway hugs the side of a series of hills which rise to the Kaimanawa ranges in the distance. Construction of this particular stretch was an environmental triumph. The highway had to be built without disturbing

any of the precious trout streams, which are spanned by high level bridges, the foundations of which are situated well away from the streams themselves.

The climb up to the desert road involves some of the steepest gradients on the entire route, but the curves are gradual and the scenery spectacular. As Mt. Ruapehu comes into view the northbound and southbound lanes of the highway are occasionally out of sight of each other, very reminiscent of some highways in the desert states of the USA. As we bypass Waiouru we notice a large grey building adjacent to the old highway. This houses a fleet of six high-speed snowplough trucks, which ensure that even in the worst winter weather the road is only ever closed for very short periods.

Much earth and rock had to be shifted to provide a highway of this quality down past Taihape to Hunterville, but the result has been worth the effort, as this stretch is one of the very best pieces of multi-lane highway in the world. Particularly impressive is the series of cuttings and viaducts which take the highway alongside the Rangitikei River near Ohingaiti. It's reminiscent of an Italian autostrada.

The last major junction and service centre on the route is just north of Bulls, where the motorway crosses the Palmerston North-Wanganui motorway, itself currently in the process of being extended to Napier and New Plymouth.

Spearing across the plains towards Foxton, the highway then heads to the seaward side of Lake Horowhenua, then skirts the built-up areas of Otaki, Waikanae and Paraparaumu before heading up Transmission Gully and down to the shores of the Paremata Harbour. The completion of the Transmission Gully section, together with the widening of the motorway to Paremata to six lanes, was of huge benefit to the Wellington region, shortening the commuting time between Paraparaumu and the City at rush hour from 80 minutes to just 35. With three lanes in each direction, the route follows a natural valley and involved 32 stream crossings in its construction.

We have maintained a steady 110 km/h since leaving Auckland and the 640km trip to Te Papa has taken a mere 5 hours and 50 minutes. Our journey has not been disrupted by having to negotiate towns or contend with trucks, farm traffic, bicycles or pedestrians.

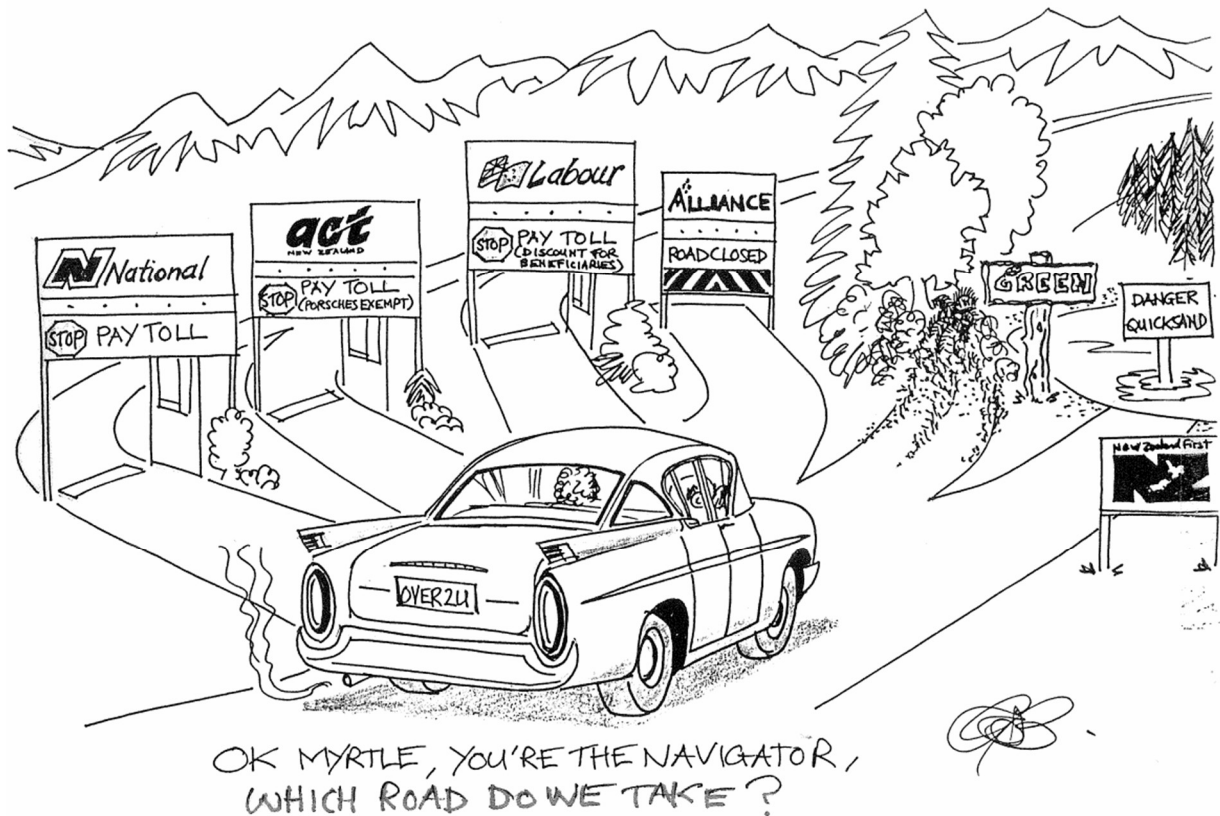
An impossible dream? Not really. This is what it's like in other countries where governments haven't stolen motorists' money and used it for other things. This is what it would be like here if the bureaucrats had done their sums and calculated the benefits of having thousands of people planning and building roads, and paying tax instead of drawing unemployment.

20,000 workers off the dole would save \$300,000,000 per year. Add the tax they would pay (\$120,000,000 per annum). \$420,000,000 per year for the 20 year construction period is \$8,400,000,000. This is \$13,125,000 per kilometre. Enough for a reasonably world-class road, one would have thought.

Maybe we don't need the fuel tax money after all. Just the extra economic activity created by the road's construction would be enough to pay for it.

Now, let's see if we can find an economist in Parliament who can grasp that one.

During the 1996-99 parliamentary term there was more attention on matters of motoring than usual. Maurice Williamson's implementation of photo drivers' licences created one of the biggest storms of controversy that motorists had seen for many years. There was also talk of building new roads and funding them with tolls. It wasn't usual for motorists to have so many important issues to worry about, and the 1999 election provided an opportunity for each of the main political parties to present their policies on roading.



WHEN DRIVING WAS FUN

Anyone can drive today's cars. In the old days it was a challenge, and your licence wasn't at risk if you wanted to enjoy yourself.

I haven't done a long highway trip for six months. It's not because I don't enjoy driving, but there just hasn't been the need. Unlike Editor Dick, I have a problem with just driving off somewhere to sample the mixed blessings of a substandard highway system polluted with revenue collectors. If you're not sixth in line behind some campervan meandering along at 74km/h, you're continually on the alert for a headlight flash warning you of yet another potential dent in your chequebook. I'd rather spend the time on the golf course, where I'm at least in partial control over how much fun I can have.

In the fifties and sixties driving was an experience to be enjoyed. Not only were the roads uncrowded but the cars were a challenge to master. Many were close to the limits of their wheezing engines and lolloping suspensions long before they got to the open road speed limit (which is no higher now than it was in 1961). Every car had a different gearchange arrangement, and a new learning curve for the uninitiated. Not even the almost ubiquitous four on the tree configuration was consistent - some had the third-fourth plane back towards you, others located it away from you. Just to be different, Peugeot put the whole lot upside down, while Citroen had a three-speed which sprouted out of the middle of the dashboard like a soup ladle. Attempting to effect a change of ratio in most Rootes Group cars was like trying to poke golf balls into a sack with a knitting needle.

Clutches could be like triggering a mousetrap, pulling your boot out of a foot-deep cow pat, or anything in between. In most cases the length of pedal travel was no indication of where the clutch would actually start to release.

Automatic transmissions were for the extremely lazy. The early ones were lethargic in their response and gluttonous in their use of fuel. Nobody trusted them and everyone who drove one for the first time bounced his/her passenger off the windscreen as they 'declutched' with the brake when coming to a stop.

Then there were the brakes. Twisting hill descents were invariably accompanied by the whiff of tortured linings signalling the impending onset of fade. This effect could be minimised by skilful use of the gearbox, but sudden brake loss accompanied by the need to double-declutch before getting tangled up in the 'hit and miss' gear linkage could have interesting results.

Minor controls tended to be randomly scattered all over the fascia and were totally inconsistent between different makes and models. One car's choke knob would be the next one's main headlight switch. Clocks became speedometers and turning up the radio volume often activated the windscreen wipers. It was necessary to have a considerable degree of application to the task.

But for all that, the cars of a generation and a half ago weren't as lethal as some might think. For a start, their straight line performance was snail-like. Today's Daihatsu Mira would have no trouble seeing off a Mark Three Zephyr, one of the performance leaders of its day, and the 1960's equivalents of today's Corollas and Pulsars were decidedly unhappy at being asked to cruise at the legal limit for any length of time. Roadholding-wise, most cars were incapable of generating enough lateral G to dislodge unbelted occupants from their bench seats, despite impressive levels of body roll. It was all something of a slow-motion adventure, but because the tires were so skinny the low limits of adhesion in the dry were much the same on a wet road. These were cars built for the adventurous age of motoring, an age which is gone forever.

We are now firmly in the era of cars as appliances. Like your fridge, your microwave oven, or your rotary lawnmower, they are merely tools of convenience, and if you should ever be so irresponsible as to attempt to get some enjoyment out of them, the law will be down on you like a ton of hot bricks. The lowest common denominator, one size fits all mentality will get you.

But what is there to enjoy anyway? Virtually all cars now have their controls in a common layout. It's no challenge going from one to another, the voyage of discovery has gone. Speedometer/tachometer straight ahead of you, indicator stalk on the right and wiper stalk on the left (OK, the Euros have them reversed), radio and air conditioning controls in the middle, and an ignition lock to the right of the steering column.

The few manual transmissions left have floor levers that all have the same gate arrangement and move with the precision of a well oiled rifle bolt. Clutches are predictable and progressive, and when the brake pedal is depressed, the car slows quickly, smoothly, and in a straight line. What could be more boring? There is nothing required of the driver.

Automatic transmissions are now almost universal. Nearly all used imports now have them, and there is a generation of new drivers who will never ever have to cope with a clutch. The list of new cars available with manual transmission is shortening on a daily basis.

Anyone can step into a modern car and appear competent. There are no challenges. Driving has become a reflex action like opening a door or activating the remote control of a TV set.

And this is where the plot has gone wrong. Cocooned in 220km/h space capsules, air conditioning banishing the discomforts of the outside world, eight speaker CDs barking in the ears, our robotised drivers are but a prod on the accelerator away from creating carnage on a massive scale.

Modern suspensions and ultra low profile tyres can produce racetrack-like G forces in the dry. But in wet conditions, and particularly when the sharp tips of our cheaply-made coarse chip road surfaces are worn smooth like ball bearings, the relative deterioration in tyre grip is alarming.

Slingshot acceleration makes many cars capable of reaching velocities in a few hundred metres which were unheard of in the sixties outside Formula One. This combination of driver-flattering ergonomics with the constraints of real-world physics is a seriously relevant issue. It may well explain why our social engineers have no choice but to impose lowest common denominator speed limits on us.

Of course, there are still ways in which driving enthusiasts can console themselves. They can either buy an appropriate classic car which can be used in anger without infringing the speed limit, or resort to a Playstation.

* * * * *

THE LAND OF FILTHY EXHAUSTS

Sending our seriously polluted air out into the Pacific is not good enough.

There are more important things to worry about in New Zealand than addressing the subject of exhaust emissions. While the rest of the Western World has had to face this important issue, we continue to rely on the ever-present winds sweeping across our narrow country to cleanse our air on a daily basis. Our only problem is the localised one of black, sooty smoke when we have to follow a diesel used import in traffic. (That is an interesting story in itself. A prominent Auckland talkback host, captured by the used import lobby, actually once said on air that the smoke is caused by the different mixture settings which have to be used in Japan due to their 'lower grade diesel fuel'. Everyone else knows that it is caused by badly-maintained, worn out engines with unknown mileages and gunked-up injectors).

Overseas, diesels are coming under increasing pressure from the legislators because their smoke emissions, once thought to be comparatively harmless, are now believed to contain carcinogens. Micro-filtering of the emissions does nothing except reduce the size of the particles, it doesn't make them any less harmful. (In fact, the smaller particles can penetrate further into the lungs).

Diesel or petrol, the fact is that in New Zealand there are no rules. Our Ministry for the Environment is currently at the 'calling for submissions' stage on this issue, which effectively means 'carry on dirtying the air, folks.'

Maybe New Zealand is lucky to be a long, narrow country with reliable westerly winds, but perhaps we are being just a little irresponsible in avoiding our obligations to the rest of the world and the preservation of the ozone layer. However, as time goes on, the problem is going to fix itself. As our new car suppliers increasingly align their NZ specifications to those of Australia or other major markets, our new car fleet will be supplied with at least the minimum standard of environmental protection that applies in more environmentally-conscious countries. The same will apply to used cars, as we will inherit whatever rules apply in Japan (and they are becoming increasingly stringent). The main thing missing will be a requirement to test for ongoing compliance as the vehicle ages. At present there is no requirement for a catalytic converter at all, let alone one that continues to operate.

There is one company in the new car market which, despite the absence of any rules, is determined to offer cars in New Zealand which meet the most stringent emissions requirements anywhere on the globe. Honda is the world leader in environmentally-friendly technology, and California has the world's toughest environmental laws. Honda's LEV (low emission vehicle) family of engines produce just 15% of the emission levels permitted under current Californian law, with no loss of performance or driveability. Many other cars sold in California struggle to comply with the existing limits and will have major problems when the rules are further tightened in 2000. You can now buy cars with LEV engines from your local New Zealand Honda dealer, and Honda ULEV (ultra-low emission vehicle) engines, which easily beat the 2000 legislation, are already on the market in California.

Of course, the biggest-selling vehicles in the USA are not cars, but trucks, and truck-based SUVs (sport utility vehicles). Why? Partly because they are big, heavy and roomy and fuel is cheaper than bottled water, but also because they are cheap. Why are they cheap? Partly because of the production economies of scale of their major componentry, but also because they are not subjected to the same rules for emissions, fuel consumption and safety as those applying to passenger cars. Yes folks, it makes more financial sense to own a truck in the

USA instead of a car, especially if you don't care about the planet, or the occupants of the car that you happen to hit.

But it's all about to change. Legislation is to be finally introduced to force light trucks and their derivatives used for non-commercial purposes to comply with the same rules as apply to passenger cars.

This will cause major upsets in Detroit's corridors of power. After ten years of milking massive profits from their 'cash cow' light trucks while they watched the Japanese make major inroads into their 'too hard' passenger car market they will now have to spend some serious money on making their trucks comply. Meanwhile the Japanese already have a head start with the technology and it will be a simple matter to transfer it to their own light trucks. Things suddenly won't be so cosy in Motor City.

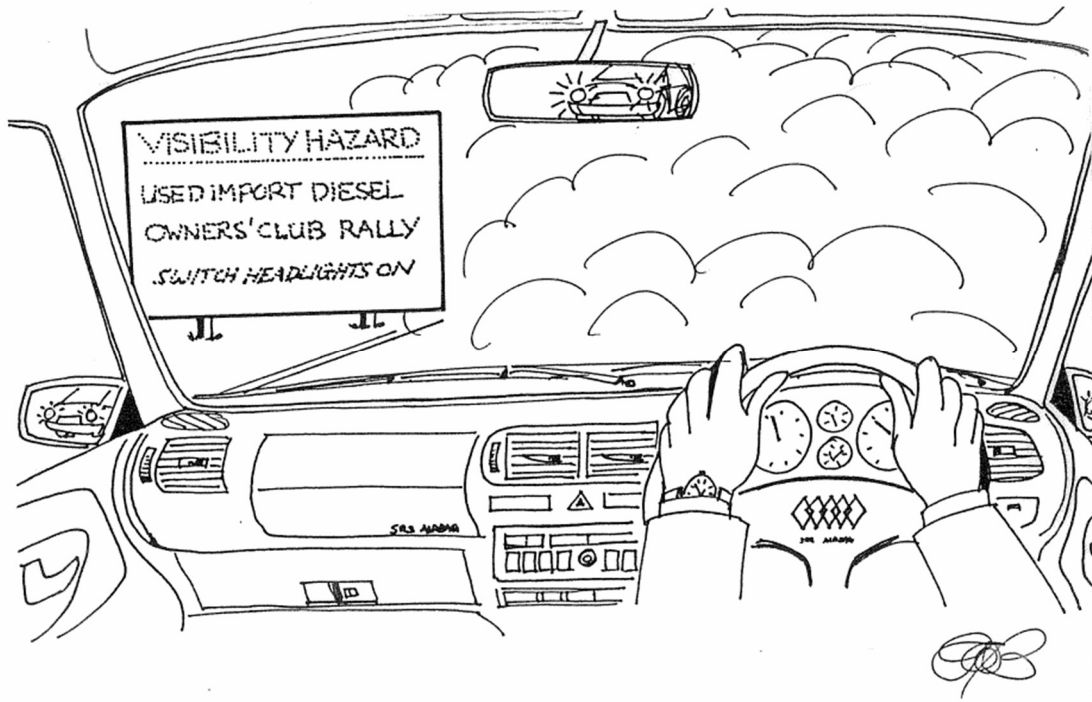
Take Ford for instance. This company is generating huge profits from the F-Series, Explorer and Expedition family while its US passenger car division continues to be a source of major frustration. With what now lies ahead, it's easy to rationalise the speculation which came from Ford sources at the recent Detroit Motor Show regarding a mega-merger of Ford and Honda. What could Ford want from Honda? Motorbikes? Don't be silly. There are two major things that Ford could learn from Honda. Those things are: firstly, the secret of how to build and market high-volume, high-quality medium sedans in the USA very profitably. Secondly, and more importantly, access to Honda's lean-burn technology. This would enable Ford to meet the requirements of the new legislation for light trucks in very short order, and GM wouldn't see which way they went. Chrysler, however, wouldn't be very far behind, as its new partner Daimler-Benz will play the Honda role in this alliance, and Ford is very aware of this.

What could Honda learn from Ford? Apart from a great deal about trucks, the greatest benefit to Honda would be a new-found ability to operate as a true multinational company, respecting local cultures and ways of doing business instead of trying to turn everyone including their customers into clones of the Japanese.

Financially, Honda doesn't need this merger, but if the mischievous utterings from Detroit were actually realised and it did come to pass it would produce the most dynamic motor company in the world which would overtake an ailing General Motors in fairly short order to become the world's largest vehicle producer.

Such an eventuality would be ironic in view of the events of 1972, when Henry Ford II refused Honda's offer to supply complete Civic engine/transmission units at US\$750 apiece for the forthcoming American-made Fiesta. 'We're not dealing with those Japanese so-and-so's', he thundered. 'We'll build our own engines and run them out of town.'

The US Fiesta lasted about five years. The Honda Civic went on to become by far the most successful small car in the US market.



The 1999 rumours about the Ford-Honda merger were very short-lived. Since then Ford has stumbled badly, particularly in the US market, while Honda has continued to prosper.

JAPAN INC. HAS LIFE IN IT YET

Despite recent troubles in the domestic economy, Japan is still an automotive powerhouse which shows no sign of slowing down.

Those who have never visited Japan have missed out on a fascinating part of their education. The bureaucracy is unbelievable. Everywhere there are people clipping the ticket.

At 2 am there will be a street being dug up, probably something to do with yet another extension to a subway line which cannot be worked on during the day. Despite the fact that there is no traffic, the site will be signalled by no less than six men, mostly elderly, waving illuminated batons to warn the non-existent motorists of the need to merge into one lane to avoid a clearly-marked obstacle. Everywhere, there are people constantly polishing mirrors in elevators or sieving the butts out of sand-filled ashtrays. The theory has it that the more there are earning an income, even for a non-job, the more purchasing power is fed into the economy. This provides a market for the mind-boggling range of consumer goods churned out by a plethora of factories up and down the land and distributed by multi-tiered layers of ticket-clippers.

But it is all unravelling. Recognition has finally dawned that there is a price to pay for all this. During Japan's export growth years the vast bureaucracy could be sustained on the back of surging receipts, but not any more. The internal cost structure in Japan can be afforded by the high-earning Japanese, but when that cost structure starts to affect the competitiveness of exports, 'Japan Incorporated' starts to creak at the seams.

'Jobs for life,' and promotion based on age have long been entrenched features of Japanese society, but both are under threat as the need for a more competitive environment beckons. International business consultants and change management experts are now flocking to Japan to a market crying out for their services.

Nowhere is the change more visible than in the motor vehicle manufacturing industry. Once the powerhouse of the Japanese export drive, the country's automotive industry is now a restless beast with much of its production capacity offshore and a complex network of international cross-shareholdings.

Of the Japanese motor manufacturers, only Toyota, Honda and Mitsubishi remain independent. Isuzu, Suzuki, and now Subaru are linked with General Motors. Daihatsu and Hino are effectively divisions of Toyota, and Nissan and Mazda are now controlled by Renault and Ford respectively.

The latter two are undergoing major culture change as they become much more Western in their business philosophy. Some commentators have labelled the Renault/Nissan shack-up as the 'marriage made in Hell,' claiming that Gallic flair and romance will never mix with Japanese rigidity. It's a big claim, but without Renault's cash Nissan was struggling to stay afloat. The French, led by their legendary cost cutter Carlos Ghosn, have huge plans for a dramatic reduction of Nissan's Japanese manufacturing capacity and an equally impressive slashing of the number of vehicle platforms produced by the two companies. It's a strategy which flies in the face of the traditional Japanese 'work for life' culture, but one which must be adopted for survival.

Meanwhile, down in Hiroshima there has been a sensational profit turnaround at Mazda, despite the fact that the company is almost totally exposed to Japanese manufacturing and needs to export two-thirds of its production. Since Ford took control some three years ago Japanese work practices have been steadily replaced by Western systems. Suppliers have

been educated to compete on cost and quality rather than length of tenure, and workers are now judged and promoted on their ability rather than their age or years of service. The retirement of former President Jim Miller and his replacement by 38 year old fellow American Mark Fields will only hasten that process. Mazda is now a shining example of how restructuring and adoption of a Western business culture can produce profits from Japanese manufacturing, even in times of a record high Yen and a depressed domestic market.

Mitsubishi's continuing independence comes at a price. The company is heavily reliant on Japanese manufacturing, with traditional work practices firmly entrenched. The truck division is being split off into a separate company with cross-shareholdings with Volvo, but the passenger car division remains heavily exposed, and without an international partner at this stage. If the media commentators are right, this could soon change.

The other two Japanese car companies have been given some breathing space due to their highly successful overseas manufacturing operations. The American plants of Toyota and Honda still struggle to meet demand for the booming Camry and Accord models, and the profits they are making in North America have to some extent insulated them from the need for a culture change back home.

Both companies also have major ambitions in Europe. Toyota's brilliant European-designed Echo (Vitz in Japan, Yaris in Europe), will go into production in France shortly, and Honda is expanding the Swindon, England plant to produce a European-inspired replacement for the Logo small car. Nissan's successful UK factory is in contrast to the company's problems back home, and these three companies are destined to spearhead a new Japanese attack on the European market.

The fact that the Japanese manufacturers have failed to challenge the EC 10% market share ceiling in recent years has not been lost on Japan Incorporated. This ceiling, which the Europeans had earlier wanted extended because they felt threatened, will have been lifted by the time you read this, and the European manufacturers no longer seem the slightest bit concerned about it. How times change. The other Japanese will follow Toyota's lead and build the kind of cars the Europeans really want to buy. High quality and dependability on their own are not enough. It is also necessary to provide design flair, sophisticated suspension damping, and handling which is entertaining as well as predictable.

The Japanese carmakers will undoubtedly grow in Europe and continue to prosper in North America. They will also do very well in South East Asia as those markets continue to recover strongly.

Back home in the land of the soaring yen, the problems remain for the moment. But it could well be that the pioneering changes which Mazda and Nissan are making could presage a new revolution in Japanese industrial society. When Toyota and Honda come on board (as surely they must) with a combination of Japanese commitment and Western competitiveness, watch out world.

The Renault influence in Nissan, via Carlos Ghosn, has proved to be a spectacular success, with the company already strongly in profit and moving boldly in a new product design direction. Meanwhile, Mitsubishi is now effectively controlled by DaimlerChrysler.

WHERE THE RUBBER MEETS THE ROAD

It's actually quite scary when you do a bit of digging and find out just what the Warrant of Fitness regulations don't cover.

Venture out on the highway at your peril. There may be someone on Woosung tyres coming the other way.

An acquaintance recently purchased a 1990 VN Commodore as a second vehicle mainly aimed at towing duties. Everything about it seemed tidy and honest, and the selling dealer was part of the extended family, so off he went on his merry way.

Everything was fine until the drizzle came. A slick road surface, a tightish though very familiar corner, and 3.8 litres of torque conspired to send 1500 kilos of Australia's finest spearing backwards off the road.

Now this chap is no mug when it comes to driving. Of an enthusiast bent, he knows the limitations of his machinery. Whilst his prime mode of transport is a European of advancing age but considerable pedigree, the Commodore's predecessor was an elderly and well-used Land Cruiser, which despite its challenging handling characteristics had managed to negotiate the same stretch of road innumerable times with never a problem. Fortunately the Commodore was undamaged, but when the man's wife managed to repeat the performance two days later (also fortunately without damage), questions had to be asked.

A quick inspection revealed a set of tyres with a copious amount of tread, branded 'Woosung'. Whether they were fitted by a previous owner or by the selling dealer in order to satisfy WOF requirements is irrelevant. According to the Commodore's owner, as soon as the road got damp, they were like driving on bakelite. Whilst this particular Woosung tyre might be perfectly reasonable for taxi use in Seoul, it is clearly a mismatch on a Commodore in New Zealand, and a dangerous one at that.

Off came these bargain-basement horrors, to be replaced by a set of boots with a familiar brand name, and the trusty Commodore is back to its former reasonably predictable self.

How is this allowed to happen? What are the legal requirements for the vehicle/tyre relationships which may explain so many of the 'loss of control' accidents which kill and maim so many New Zealanders on our third-world two-lane roading system? And does it stop at tires? Why are vehicles issued with a Warrant of Fitness when the shock absorbers, a crucial element of vehicle control under extreme conditions, could well be completely knackered, and there is no requirement to test or replace them?

The LTSA's regulatory code for tyre specifications reads like something out of the 1920s. Get this: 'Tyres on the same axle must be of the same nominal size and be of similar construction'. As few cars actually have axles these days, we must assume that this relates to tyres on opposite sides of the car. So we're not allowed to fit a 6.40 x 15 crossply on one side and a 215/65 R15 steel belted radial on the other. How enlightening, it doesn't take a great deal of common sense to determine that that's not a good idea. But nowhere does it say that you can't have tires of different construction front to rear.

How about this one? 'Tyres must be pneumatic and of good quality and construction throughout'. When did you last attempt to purchase a solid rubber tyre?

It gets worse.' Tyres must be suitable for the purpose. A tyre marked for example 'ADV' (Agricultural Drawn Vehicle) must not be used on a vehicle capable of highway speeds'. So, you farmers out there, don't fit the tyres off your hayrake to your HSV for a quick trip into town.

On and on it goes. The LTSA, guardian of safety on our roads, persists with seventy year old rules governing the most important influence on roadholding performance, while they continue to blame the resulting 'loss of control' accidents solely on speed.

Modern cars, particularly high performance ones, have tyres which are specifically tuned to the roadholding characteristics of the chassis. In other developed countries it is mandatory that the speed rating of the tyres matches the performance potential of the vehicle. No such luck here. If you can find a set of Woosungs to fit your 260 km/h Nissan Godzilla, as long as they have more than a match head of tread depth you're free to go out there and make your contribution to the road toll.

There are a huge number of cars tooling around in New Zealand on second hand tyres of indeterminate origin. There is nothing in the regulations to prevent it, and there is nothing to ensure that replacement tyres need to comply with the vehicle manufacturer's specification for original equipment. Such nonsense would be unheard of in other Western countries. In fact any fatal accident which could be directly traced to substandard tyres would result in the fitter, seller and importer of such tyres facing manslaughter charges.

Not here in good old Enzed, the land of the free. As long as the tyres meet the LTSA's 1920's guidelines everything is hunky-dory, and your inevitable accident will be put down to speed.

Vehicle manufacturers are very particular about the tyres they fit as original equipment. It would be so simple to specify that replacement tyres must meet the manufacturer's new vehicle specifications.

The LTSA are in the throes of developing a new Tyres and Wheels rule. It will apparently be issued as a 'green' draft within the next few months. Whilst this is a step in the right direction, it is moving far too slowly, and we have to ask what has been happening over the last twenty years to align our tyre regulations with those of the rest of the developed world. It is the sort of document that could be produced by a small group of experts in a matter of days.

It doesn't stop at tires. Someone not too far from here bought a tidy old one owner 1990 Lancer a few months ago for a runabout. At 112,000 kilometres it drove quite well with one major exception. The suspension felt as if it was made of jelly.

A quick trip to the shock absorber shop fixed all, albeit at considerable cost. No longer does it give the impression that a sudden avoidance maneuver would result in uncontrollable roll oversteer.

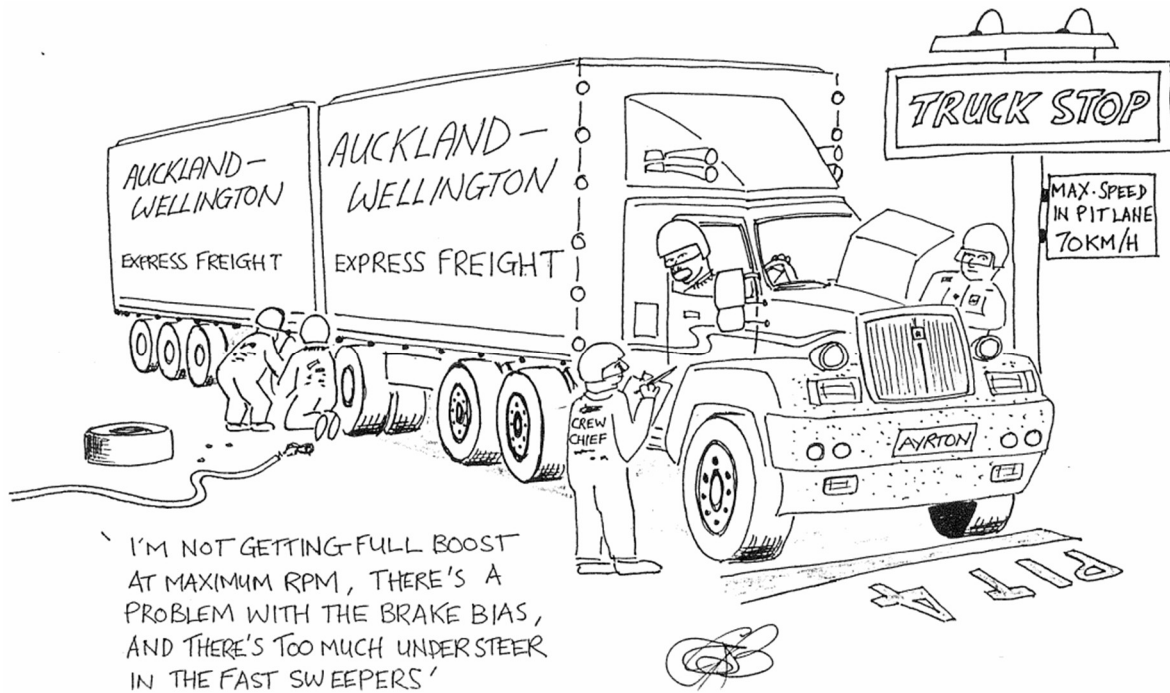
So many of our highway fatalities are caused by 'loss of control' due to worn out shock absorbers, yet there is no requirement for mandatory regular replacement. The LTSA is also working on this one, and will soon be submitting to the Government a recommendation that 'worn shock absorbers which affect the directional control of the vehicle' would be illegal. How the WOF issuer would test for such a condition hasn't been explained, but it is a step in the right direction.

In the meantime, just pray that the tatty old 300Z hurtling towards you on a bumpy, wet road and driven by a 17 year old who might not have a licence isn't still riding on its original shocks and a discount set of Woosung tyres.

The number, size and speed of trucks on New Zealand highways has become a serious issue in recent years. The decline of rail as a transport medium has placed huge volumes of freight onto a roading system which is not up to the task. Truck and trailer combinations are theoretically limited to 80 km/h, but with their huge 400 horsepower engines these 40 tonne behemoths are easily capable of 110, a speed which most of them seem to travel at. They get

away with it too, because police speed cameras, set to catch cars only, have a trigger speed of about 111.

Competitive cost pressures force truckies to cram as many kilometers into a working day as possible, and it is widely suspected that many of them often operate outside the law with regard to hours of work, rest breaks and overloading. The same cost pressures influence the quality of maintenance, and coupled with the speeds at which they travel the combined effect is a major concern for road safety. An accident involving a heavy truck is never a pretty sight.



THE OTHER SIDE OF FORMULA 1

Many Formula 1 races have been so tedious that it's actually more exciting to go into the internet and study the statistics.

Poor old Giancarlo Baghetti. He must have thought that a stunning future awaited him when he won the first F1 World Championship Grand Prix he ever started. But the driver who started 12th in the 1961 French GP in a privately entered Ferrari just happened to be in the right place when the chequered flag fell, after all three works Ferraris and a number of the other top contenders had retired. By season's end Baghetti was an also-ran, and subsequently faded from the scene.

Several drivers came second in their first ever GP. Apart from Alberto Ascari and Luigi Fagioli in 1950, for all the others this was the pinnacle of their F1 careers, with the exception of Jacques Villeneuve, who finished second in Melbourne in 1996, and won the Championship the following year.

Who is the greatest driver ever? If we divide each's total championship points by the number of races competed, it is Fangio, at 4.8 points per race, just ahead of Michael Schumacher at 4.5. Prost is next on 3.9, followed by Senna (3.8), Stewart (3.6), and Clark, Farina and Ascari, each on 3.5.

If drivers are judged by pole positions, then Nigel Mansell's 1992 season is an all-time record. His 14 poles in 16 races for 9 wins just beats Senna's 13 poles and 8 wins (1988) and Prost's 13 poles for 7 wins (1993). Senna also scored 13 poles in 1989 but got pipped by Prost for the championship. Damon Hill even managed 9 poles and 8 wins in 1996, but in 1999 scraped only 7 championship points in a season when his teammate (Heinz-Harald Frentzen) scored 54.

If consistency rather than speed is the key to winning Championships, then the prize must go to Keke Rosberg, who took the title in 1982 with only one win, one pole and no fastest laps. Denny Hulme was almost as crafty, Champion in 1967 with two victories, two fastest laps and no pole positions at all.

The only man ever to win five World Championships was Fangio. He did it in four different cars and was the same age (40) when he won his first one as the only other 40 year old champion (Jack Brabham) was when he won his last. Fangio won his last championship at 46. The youngest ever champion was 25 year old Michael Schumacher in 1994.

Machinery-wise, Ferraris have started more Grands Prix than any other car. The 619 starts by Ferraris up to the end of the 1999 season have produced 125 wins, a percentage of 20.2. The win ratio is headed by Williams, with 103 wins from 403 races for 25.6%. McLaren are a close second with 25.0%. So the three longest-running teams in F1 also have the best winning percentages, with one major exception. In 1954/55 Mercedes-Benz started in 12 Grands Prix and won 9, an amazing 75% record. The constructors' Championship has been won nine times by Ferrari and Williams, eight times by McLaren and seven times by Lotus. Nobody else has won it more than twice, and of 50 different constructors listed as having participated in F1, only 11 have ever won the Constructors' title.

Driver safety has made huge advances. In the 1950s 7 drivers were killed in 94 races, an average of one driver for every 13.4 races. The 1960s saw 8 drivers killed in 100 races (one fatality per 12.5 races.) To that should also be added the 15 spectators killed by Von Trips' crashing Ferrari at Monza in 1961. In the 1970s 8 drivers met their deaths in 144 races. The big improvement came in the 1980s, with only two drivers killed in 156 races, both of them in

1982. For twelve years until that tragic weekend at Imola in 1994, Formula One didn't lose a single driver to a racetrack crash. Then in two days Roland Ratzenberger and the seemingly immortal Senna were both killed in freakish circumstances, but there have been no more fatalities in the five seasons since.

There are 43 drivers who have contested 100 or more F1 races. Denny Hulme (112) and Bruce McLaren (100) make the cut, but Chris Amon falls just short. Chris can take comfort however, from the fact that there are others who started more races than he did without recording a win. The names Pierluigi Martini (118 races without a win), Eddie Cheever (132), Jean-Pierre Jarier (134) and the legendary Andrea de Cesaris (208 races without the scent of victory) spring to mind. De Cesaris in fact sits in third place for the most races competed in by any driver in history. Top of the tree is Riccardo Patrese (256 races), followed by Gerhard Berger (210), but both these drivers contributed by winning a few.

Fascinated? If the tedium of the racing gets to you, there is a veritable treasure trove of F1 statistics to keep you amused forever.

* * * * *

WHAT'S GOOD FOR AMERICA IS GOOD FOR YOU

Styling is probably the biggest determinant of a car's success or otherwise in the marketplace, and the experts don't always get it right.

In the car-starved New Zealand of the fifties and sixties, nothing got the hormones going like the sight of one of the enormous symbols of affluence represented by an American car. And that was for just an algae-green New Zealand assembled poverty-pack Pontiac Laurentian. The real orgasmic experiences would be reserved for the rare sight of a pillarless '58 Dodge Custom Royal in three tone off-white, apricot pink and burgundy, or a '60 Cadillac Fleetwood two-door hardtop in metallic mauve with tailfins as high as the roof. There was something about these overstyled aircraft carriers. Not everyone liked them, but there was no doubt that they were distinctive in an awe-inspiring sort of way.

As the fifties merged into the sixties this annual race to deliver the most outlandish fins, the most gargoyle-encrusted flanks, the most bizarre variations on clear plastic steering wheels with embedded spangles, gave way to a general sobering down of style.

There were some awkward moments during the settling-down period until GM struck gold with the '63 and '67 Buick Rivieras and the '65 'coke bottle' Chevrolet Impala, surely some of the most beautiful big cars ever. For a few years American cars, large, intermediate and middle sized, were invariably pretty good lookers.

But as the sixties unfolded into the seventies, some of the Vietnam War chemicals of destruction must have seeped into the styling studios. It seemed that the Datsun 100A coupe was held up as the pinnacle, then enlarged, distorted and misshapen to fit the proportions of a seventeen foot American two-door. It was as if Jules Verne and Walt Disney got together to design cars.

By the time the eighties dawned, the days of annual styling changes were well and truly over. The old perimeter frames, on which it was so cheap to redo the external skins, had disappeared in the interests of crash safety. This meant monocoque construction, more expensive tooling, and a limit to the frequency of styling changes. Get it wrong and you're stuck with it for five years, which, in the American system means 'keep it conservative, boy.'

Thankfully, the American multinationals weren't so cautious when it came to this part of the world. Few would dispute that the current Commodore is one of the best looking big cars in the world, and that the AU Falcon, whilst polarising opinion to a greater extent, is more acceptable than anything recent out of Ford USA.

Which begs the question. Are there any American-designed cars which could be big sellers in this part of the world?

Ford? Well, the Taurus was tried, but was a glorious failure, not because it was too conservative, but because it was too ugly and didn't have the commitment from Ford's Falcon-pushing Australian arm. GM? Have a look at the current mid sized Chevrolets on the internet, then quickly look away before nausea strikes.

The closest example of a successful American-designed car we see locally is the Honda Accord, however despite its lusty V6 option it doesn't sell as well as its predecessor. This is partly due to the dull styling, designed to tempt the Buick buyers of Des Moines, Iowa. But compared with what is coming to a Toyota showroom near you, the Honda is a Ferrari.

We are about to see Toyota Australia take their biggest gamble ever. For the last six years, a humdrum device called the Avalon has been the Japanese giant's way of attracting the attention of those Americans for whom the Camry is too small and the Buick Regal too exciting.

It's a stretched version of the previous generation Camry. Because the Avalon has also been exported to Japan a fair few have made it to New Zealand as used imports. Here it's as distinctive as a black toupee in a Tokyo railway station. It's as exciting to look at as a stale custard pie, that's why you've probably never noticed one. The Avalon has recently been replaced in the US by an all-new model which further advances the art of visual nothingness, complete with flat plank dashboard and optional bench front seat.

Believe it or not, the tooling for the old one has been relocated to Melbourne, from where Toyota Australia are supposedly going to challenge Falcon and Commodore with a car which looked dull six years ago and worse, is front wheel drive.

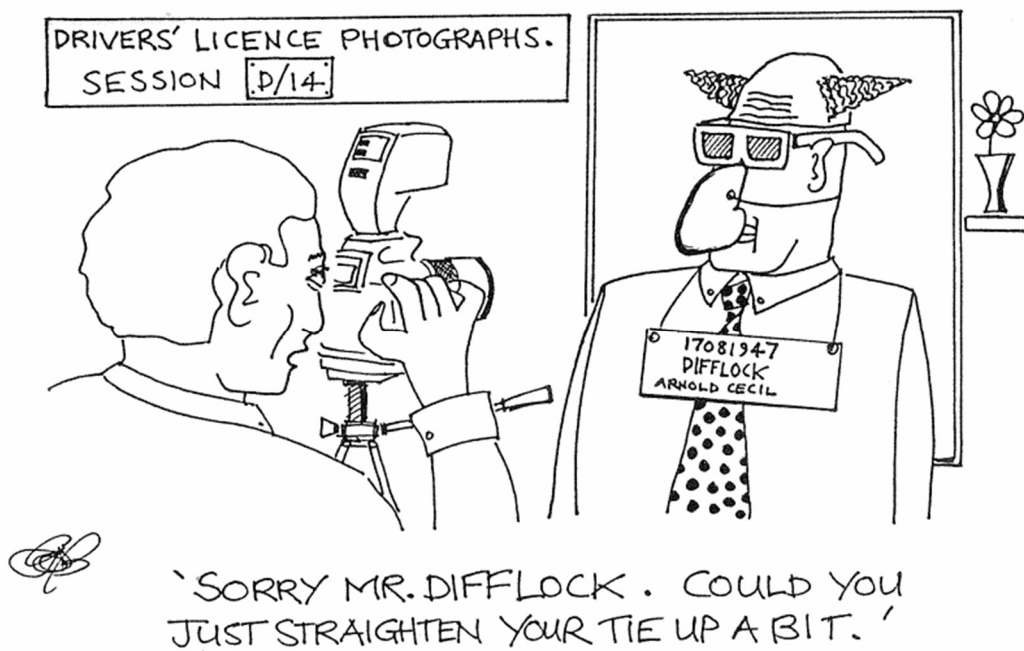
This is a brave call in a part of the world where American-inspired mainstream cars lost their appeal in about 1969. Toyota however, have never been noted for making mistakes, and given the steady regression of American cars in a styling sense they are probably safer with the 1994 model than its even more sterile replacement.

If we end up with that one in 2006 we'll really have something to worry about.

The Avalon, predictably, never caught on. Sales started slowly on both sides of the Tasman then dropped to a relative trickle. Rather than write the whole thing off as a bad investment, much of the 'under the skin' componentry of the Avalon is also being used on the new Australian-made Camry, which in the rest of the world has its own unique platform. Whether this was always the plan (it makes sound economic sense for the Australian factory even if the Avalon had been a success) we will probably never know.

Former Transport Minister Maurice Williamson's Photo Drivers' Licence was not a particularly bad idea in itself. In a modern, highly mobile society it is necessary to have a foolproof system of ensuring that only those properly licensed are behind the wheel. The problem was in the selling. Because of the way it was launched to the public, it was immediately seized upon as a 'Big Brother' conspiracy to rob individuals of their privacy and have digitised information on every driver (that means the vast majority of New Zealanders) stored in a computer database somewhere for further use as the State may see fit. Of course the intention was nothing of the sort, but Williamson's self-confessed expertise and interest in the world of computer technology had the populace somewhat concerned.

A number of people contrived ways to beat the system, most of them rather more subtle than this example.



THE WOLF GOES TO BED WITH THE LAMB

Almost impossibly, the used importers agree with the new car industry, but it all turns to custard. No surprise there.

The unbelievable has happened. It's as if General Motors and Ford decided to share a showroom in downtown Manhattan. It's like Richard Prebble and Jim Anderton going flatting together, or the US Air Force ordering Mig 29s. Yes, the MIA (Motor Industry Association), representing the new car distributors, and the IMVDA (Independent Motor Vehicle Dealers' Association), representing used import dealers, have agreed with each other on a recommendation to ban importation of cars over seven years old.

It's the best thing to happen in the car market for over a decade. We can only hope that our adventure-seeking government can take notice of this unexpected unanimity and follow through with action to cement the joint recommendation into law.

The early days of used imports were spent in a constant state of war between these new-found friends, and for the first few years the used importers won all the important battles.

Their public relations strategy was masterful. Fronted by IMVDA Chairman John Nicholls, with Rod Milner furiously making bullets in the background, they managed to convince New Zealanders that they were being robbed blind by the profiteering new car distributors. They conveniently ignored the fact that until the mid 80's, at least half the cost of a new car was in Government-levied duties and taxes, and that the profits were squeezed wafer-thin by price controls. Local used car prices prevailing at the time were a direct result of the government revenue grab, then overnight we were flooded with shiploads of the cheapest used cars in the world. Of course it was the fault of the new car manufacturers!

Milner took a prominent media person to Japan to drool over the unlimited supplies of cheap, beautifully prepared, equipment-laden cars, and talk to the carefully selected people responsible for organising their dispatch to a nation of car-starved consumers eager to stick one up the evil new car sellers.

They did a superb job. They even managed to get one of their cronies, temporary MP Trevor Rogers (who had also been involved on the fringes of the trade) installed as chairman of the Parliamentary Motor Vehicle Industry Review Committee. The new car industry had no hope.

By 1994 there were so many involved in this new 'get rich quick' scheme that competition was impacting on margins. There were suspicions of widespread speedometer rewinding for competitive advantage, which were given credibility when certain new car distributors were able to access historical service records in Japan.

The resultant level of public anxiety caused a few wobbles in the used import business, then the importers scored something of an 'own goal' when the new car assembly industry was destroyed by the stroke of a government pen in 1997. An own goal because the elimination of import duty narrowed the price gap between new and used cars, and the process of pushing used imports down to the bottom of the food chain started.

There are exceptions, and these come in the form of Toyota's brilliantly packaged Signature concept, together with the less obvious but still worthy activities of Honda, BMW, and Daihatsu. All are sourcing late model, quality stock in Japan and preparing it to high standards for local resale, and some dealer chains and non-franchise importers are doing the same.

But many are not. There are increasing numbers of substandard vehicles being imported and sold through both licenced and unlicenced channels. To quote John Nicholls: 'Total registrations of 'ex-overseas' cars in 1999 were 131,118. Included were 72,821 units first

registered overseas 1988 to 1992. A major proportion of those vehicles were sourced from scrap and dismantling yards, having been judged to be at the end of their economic life. Also, a significant number had been involved in major accidents.'

Even today, a certain talkback host, no doubt still paying back that long ago but still memorable trip to Japan, continues to rave about how used imports 'took all the old crap off the road,' when in fact they're doing the opposite.

Interestingly, the recommendation for a seven year age limit on imports has come from the IMVDA's Executive, and a number of member dealers are vehemently opposed to it. The situation is a national scandal, and dealers who won't support their Executive's initiative don't deserve to belong to the IMVDA or any other responsible organisation.

This junk is a waste of overseas exchange, it is a danger on the road, and it is a huge disposal problem.

Slowly but surely the new car market is coming back, and the IMVDA knows it. They need to have an image of respectability, and they need to isolate the junk sellers as unprincipled 'cowboys'. That is why they are in bed with the former enemy in their call to ban the importing of older cars.

They should be applauded for their ability to face the facts and the new car distributors should welcome their new friends with the good grace that was so hard for them to find when this whole messy business started.

It was too good to be true. The IMVDA Executive faced a full-on revolt from their membership and was forced to back down on the 7 year rule. What replaced it was a half-baked scheme designed to restrict imports to those cars which complied with the new frontal impact rules phased in in the Japanese market between 1994 and 1997. It is a hugely complex set of rules, it does not apply to 4WDs, vans and MPV type vehicles, and is effectively a 'once-only' line in the sand. Within two or three years the cowboys will be back to importing ten year old junk.

* * * * *

A LIMIT FOR THOSE OF LIMITED TALENT

Can't drive properly? Then we'll make you safe from yourself by making sure that your crash happens at a slow speed.

Our house is situated on a no-exit street. As you can imagine, there are a number of benefits which can accrue from this state of affairs, in our situation even more so as the street was only designated as such about a year after we moved in.

There is also a significant drawback.

Our street, due to its lack of through traffic, and the fact that it has a gradient, has become the place to which all the local driving instructors bring their nervous, quivering pupils to practice their three point turns and hill starts. And it's always happening when I am on an urgent mission to or from a client, the Post Office, or somewhere else you don't need to know about. Today, there were three of them lined up to take their turn when I was frantically trying to get back to my home office to get a press release printed and in the mail before it closed.

Quite why anyone would want to engage in the profession of being a driving instructor boggles the mind. It must be the most frustrating, stressful, not to mention dangerous way there is to eke out a modest living. I say this with the greatest of respect for my good and talented friend Wayne Price, who taught two of my children to drive, with results so far which but for one instance of bad judgement, could be rated at 100%. Had he taught the other one my no claims bonus would have stayed intact for much longer.

But Wayne is also guilty of impeding my daily progress by bringing his customers into my street to lurch backwards into the kerbs. I suppose everyone has to learn to drive somewhere.

In my day, it was much more informal. Father was self-taught and prided himself on wearing out the gearbox before the brake linings by trying to do Napier-Taupo in the Mark 1 Zephyr (when most of the road was dirt) with only about three applications of the brakes.

My training picked up from there. Licence on my 15th birthday (round the block, no questions about when and where I learned), heavy truck licence at 18. 'I see you can handle it OK, so you can have your heavy trailer and artic as well to save you coming back, and by the way, tell the guy you borrowed it (a '61 Thames Trader) from, that the WOF has expired.'

I'm not saying the laid-back attitude was a good thing, but what we did learn in those days was how to control evil-handling old beasts in all kinds of conditions. Driving was an adventure, and the degree to which we explored the capabilities of our machines had a lot more to do with bravery than it did with concern for a speed limit which many of the cars of the day struggled to attain.

Now, we use less than half the speed potential of our cars, and a fraction of our concentration as we drift along in a nanny-state imposed stupor, a one-size-fits-all enforcement regime that takes no account of widely-varying circumstances but makes it easy for the police not to have to make a judgement call. 109km/h and the law won't touch you, 111 and you're a danger to society and will be punished. Rain, hail or shine, gravel road or motorway, new BMW or ancient Morris Marina, three weeks or thirty three years driving experience, it makes no difference to the revenue-gatherers.

We have a speed limit designed for the ditherers, those who are behind the wheel because they have to be, not because they want to be. The types who wouldn't know a cornering line from a fishing line, and think that the rear view mirror is for hanging ornaments on.

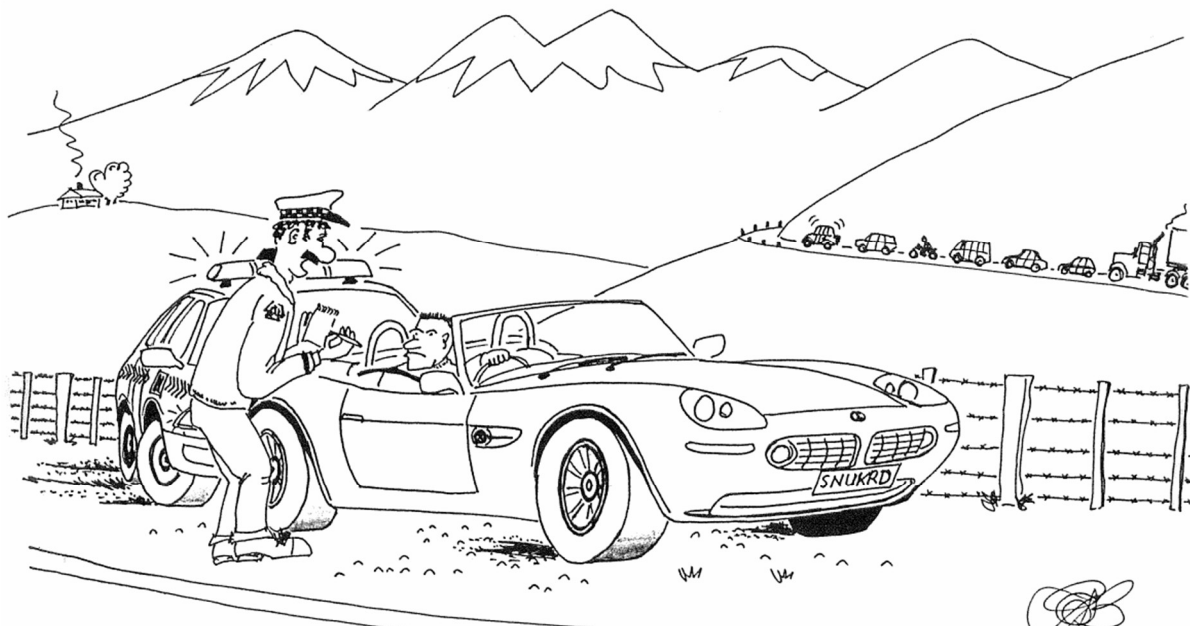
Given that most open-road crashes are caused by one of these plonkers going out of control and crossing the centre line (and they will do it at 80km/h just as easily as they will at any

other speed) it is the duty of serious drivers to minimise their exposure to them. The way to do this is to travel at a speed which effectively reduces time spent on the road. By averaging 100km/h from Auckland to Wellington instead of 80, you will save over an hour and a half, and reduce your chances of getting mixed up in someone else's accident by 20%.

You might get the odd photograph in the mail, but what price survival?

If that doesn't appeal, you can seek out a piece of interesting road, like the 120 kilometres of corkscrews between Stratford and Ohura, and spend a delightful hour and a half shaving apexes, power oversteering around challenging curves, late braking into hairpins and generally being a danger to life and limb, all without breaking the law.

The world's a funny place.



'SORRY SIR, BUT UNDER SUPERINTENDANT GYDE'S NEW RULES, I'M GOING TO HAVE TO ISSUE YOU WITH AN INFRINGEMENT NOTICE FOR FAILING TO HOLD UP A QUEUE OF TWELVE FRUSTRATED MOTORISTS'

BEEN 'LOGGED-ON' LATELY?

'Pick up sticks' can be a fun game, but not when the sticks are giant-sized and you're underneath them.

What is it about these logging truck cowboys that they can't get their act together? Why can't they, as an industry, come up with some simple rules regarding the stacking and securing of loads of logs that will prevent the things from either toppling over and/or breaking loose when subjected to cornering forces? Why can't the Road Transport Association or the LTSA, both of whom are charged with the responsibility of maximising safety in the trucking industry, get something done before even more innocent motorists are crushed under a load of logs?

Could it be because all of these quasi-governmental outfits are stuffed full of useless bureaucrats, unable to get a proper job in a profit-making enterprise, and committed to a life of milking the system under the pretence that they are doing something useful? I suspect that this might be very close to the truth. What else could explain the complete lack of action in an area which is costing lives on an increasingly regular basis?

What has happened since the tragedy at Katikati which killed four innocent women? Yes, the driver became the scapegoat and is now behind bars. Yes, he might have been at the end of a long working day, and he might have been travelling slightly too quickly for the corner, but should he be carrying the complete blame? Where was the safety margin in the loading of the truck and trailer? Who calculated the centre of gravity and within what prescribed limits?

Having been brought up in Taupo and been a frequent user of the roads from there north to the Bay of Plenty, I am all too familiar with the scary sight of mountains of loosely packed logs swaying along the road, ready to turn into a giant sized game of 'pick-up-sticks' as soon as something goes wrong. Following such a rig is not really the problem, the big risk is meeting one coming the other way which is in the process of failing to beat the laws of gravity.

During my thousands of kilometres on Bay of Plenty roads I was lucky not to have been closely involved in a major logging truck incident, although many were the times I saw them lifting wheels and shaking their loads to the extent that logs would shift, restraining chains would slacken and large chunks of bark would pepper the windscreen. My closest encounter with disaster in fact was about six years ago between Westport and Murchison, where a spirited drive along one of New Zealand's most enjoyable stretches of highway was abruptly interrupted by a glimpse of a log on the apex of a corner, a man frantically waving a towel, and then a smorgasboard of logs strewn along the opposite side of the road to where the trailer which had been carrying them now lay on its side. If there had been a car coming the other way it and its occupants would have been flattened, and I had arrived about two minutes later. Maybe that plumber in his old Leyland Sherpa van who held me up through the Buller Gorge saved my life.

But it shouldn't be a game of chance. What have we heard since the Katikati tragedy, and the more recent one on the Desert Road where the occupant of a car lost his life to a load of logs?

Nothing, except the bleatings of certain politicians that the answer is to put speed governors on logging trucks.

What an absolute and utter cop-out. A speed governor would have to be set at about 40 km/h to provide a reasonable chance that logging trucks wouldn't be able to fall over. The problem is in the way the rigs are designed, and the way they are loaded. Take a close look the next time you're following one. The steel 'cradles' that the logs sit in are actually wider at the top than they are at the bottom. This means that once the logs are stacked, there is more weight

on the top half of the load than there is on the bottom half. Duh! Then we throw a couple more logs on the top for good measure. It's like expecting your Ford Prefect to handle with a piano strapped to the roof.

Without the benefit of a PHD in physics, it would seem reasonable to think that if log cradles were designed so that they tapered inwards at the top, the centre of gravity would be concentrated in the lower part of the load. But maybe they wouldn't be able to carry as much weight.

SO BLOODY WHAT! The freight costs per tonne might go up a bit, but more innocent motorists would be alive.

OK, you useless, seat warming bureaucrats! I've given you the idea you couldn't think of. Now get out there and earn your fat salaries!

Recent statistics claim that logging truck rollovers have remained relatively constant over the last three years despite a trebling in logging truck traffic, and recent new regulations for loads will improve the position further. The author would derive considerable satisfaction from having contributed to that result, albeit in a very small way.

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EXERCISING THE RIGHT OF WAY - MY WAY

Blatant ignoring of intersection rules in Auckland has reached epidemic proportions. Sooner or later someone with a Rambo streak is going to take the law into his hands and do something about it.

Before I depart this earth I am going to fulfil an ambition I have craved for most of the years I have been obliged to live in the motorists' nightmare that is Auckland. I am going to make a practice of exercising my right of way on the roads of this city of unpoliced driver incompetence.

In order to carry out this strategy with a minimum of financial stress and personal inconvenience, it will be necessary for me to make some adjustments to my vehicular arrangements.

My new mode of transport will therefore be a tatty but tough old Nissan Patrol diesel. The bumpers will be replaced by a double layer of railway irons, which will extend around each corner of the vehicle, much in the style of a Waikaraka Park stock car. I shall then proceed to go about my business around the city not in a threatening or aggressive manner, but woe betide any idiot who ignores the rules that are put there in the vain hope of bringing some order and discipline to the traffic of Auckland.

The best place to put my new vehicle to the test will be on the appallingly-designed new eastern arterial road, which, for the benefit of out-of-towners, connects Pakuranga/Howick with the southern motorway. Half way along this route, on either side of the Carbine Road intersection, for some stupid reason a third lane has been installed, only to peter out a couple of hundred metres each side of the traffic lights. Naturally, this temporary lane is always occupied by a nose-to-tail chain of steely-glazed half-wits who pretend that it is not their lane that is disappearing but yours, so it becomes a game of 'back off or else'.

My new strategy will change all that. I will give them the alternative of 'railway irons one side, concrete median the other, or fall in behind, the choice is up to you.' And if they want to keep thinking that my lane is now theirs, I will take the greatest pleasure in turning their beautifully-groomed, fresh from the speedo-winder import into a facsimile of a tinfoil pretzel. 'Oh golly, didn't you see me? What a pity that you chose to move into my lane without indicating. Would you like to borrow my cellphone to call the guy who vacuums up the remains of 1992 Mazda Familias off the tarmac?'

Roundabouts will be a lot of fun too. At last I will be able to enjoy proceeding through a circular traffic monitoring device with the total confidence that the car entering it from the other side is also going straight ahead, as displayed by the lack of flashing indicators. 'Oh darn it, did I open up the entire left hand side of your new car like a sardine tin? You really should complain to your dealer. Just a couple of weeks old and the bulbs in your indicators are blown already. Or did you think that to share your knowledge of which direction you were going would somehow be in breach of the privacy act? Gosh, I could have sworn that you were going straight ahead. Oh look, you've taken a bit of paint off my railway irons. Your insurance company will have to foot the bill for that.'

Tailgaters will pay. Just for good measure the rear irons on my Patrol will have a couple of sawtooth-shaped vertical extensions welded on. 'Dreadfully sorry I had to stop so suddenly, old boy. Did you see that cat darting across the road? I love cats, I couldn't bear to hurt one. What a shame you couldn't stop in half the clear distance in front of you. Oh dear, is your radiator sawn in half? Never mind, at least the cat's OK.'

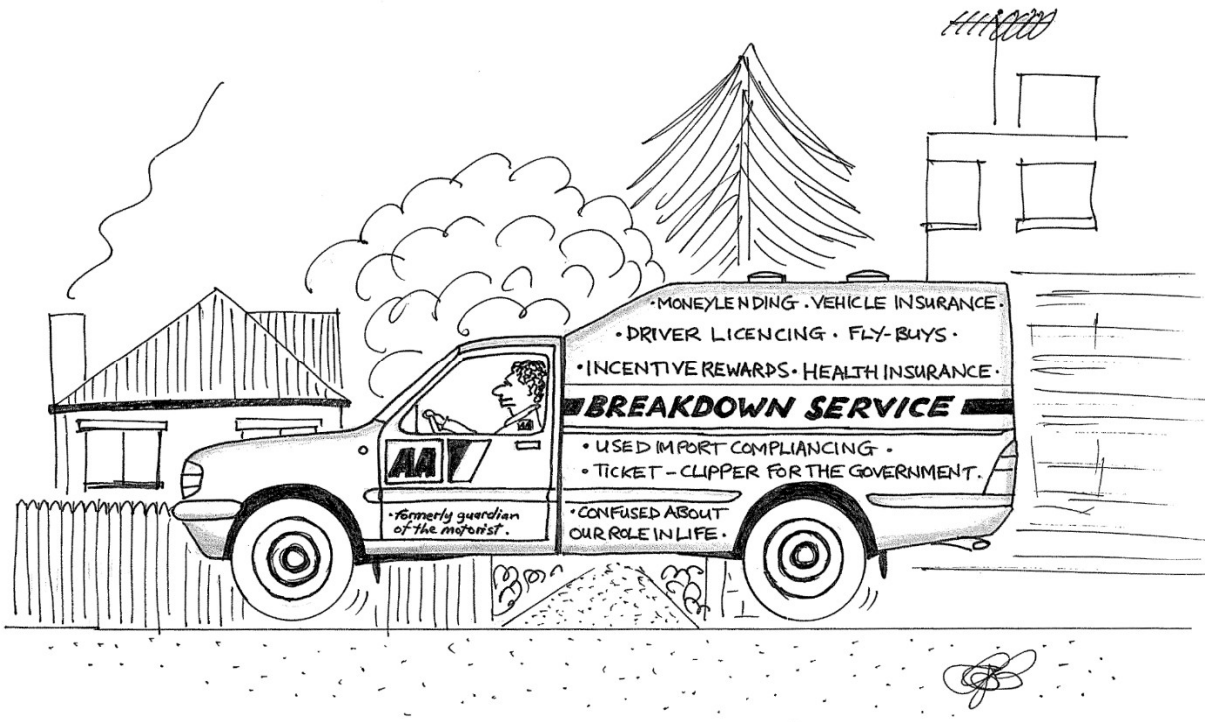
The red light runners will be easy enough to get as well. It will just be a matter of timing my arrival at red lights to be first in the queue. Then as soon as I get a green it's away, straight into the side of the clown who will invariably be steaming through after his amber phase has switched to red. Bang! Railway iron meets beer can. Another ignoramus bites the dust. This is going to be fun.

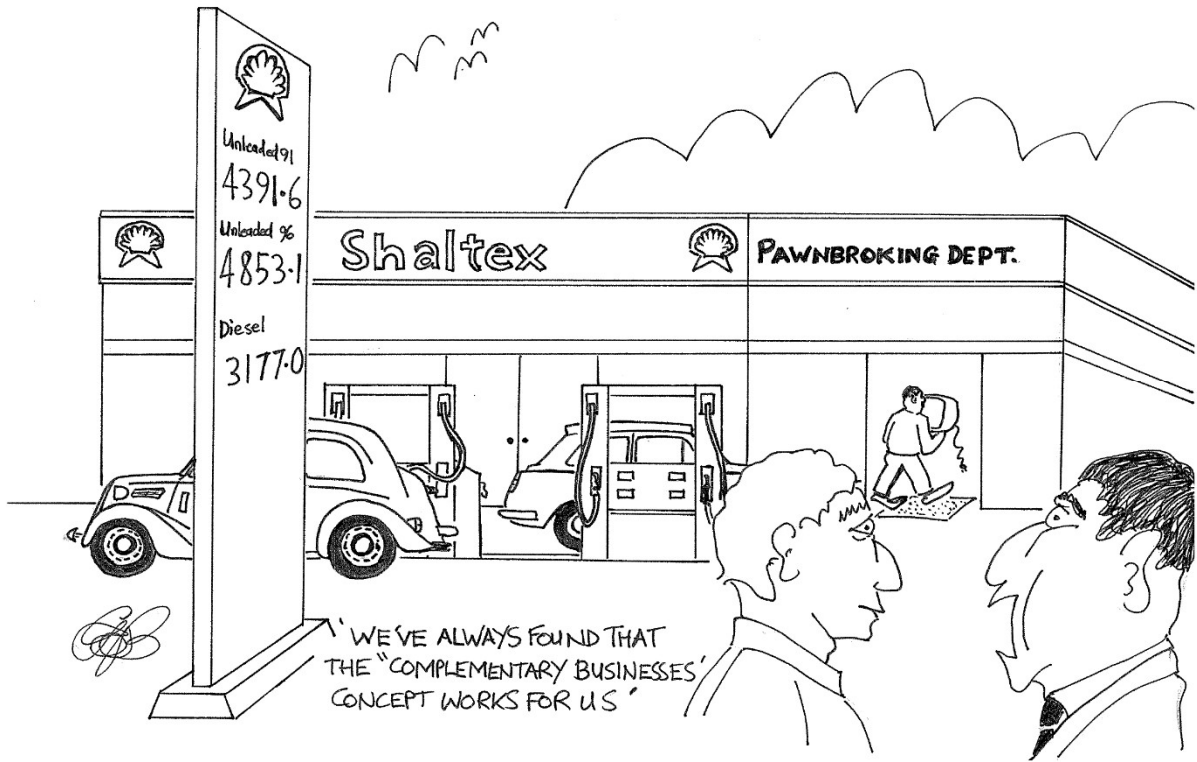
Everything I have learned about defensive driving I will be able to forget. No longer will I have to travel through green lights with caution, ready to slam on the brakes. Roundabouts will never again be a game of 'let's stop, and wait till we know which way this twit is going to go.' As long as I have the right of way I will be OK, and any idiot who wants to challenge me for it can suffer the consequences.

I can't wait.

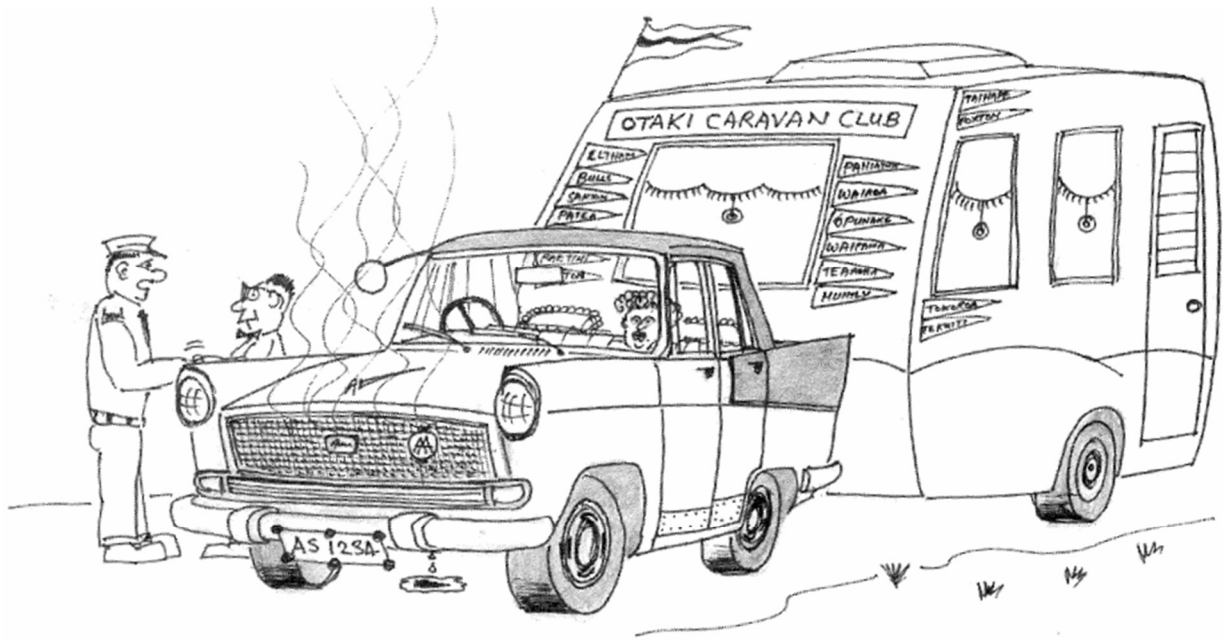
Police car crashes are legendary, and to be fair, many of them are inevitable given the nature of the job. There are nevertheless a disturbing number of crumpled police cars which make the headlines for all the wrong reasons. One of the most spectacular was the one where two police teams were travelling at high speed but on different streets to the same incident in Auckland when they t-boned each other at a major intersection. (One of them obviously ran a red light). Both cars were demolished, as was an adjacent building.







"WE'VE ALWAYS FOUND THAT
THE "COMPLEMENTARY BUSINESSES"
CONCEPT WORKS FOR US"



'CECIL, ON BEHALF OF NZ POLICE, I'D LIKE TO CONGRATULATE YOU FOR YOUR CONTRIBUTION TO REDUCING THE DEMON SPEED ON OUR ROADS'

