

FORD

FORD – THE KING OF THE GAS GUZZLERS

Climate change is caused by the world's dependence on dirty fuels like oil and coal to run our cars and power our industries and homes. The changing climate affects us all. Increasingly frequent floods, storms and droughts threaten the way we live. According to the World Health Organisation, 150,000 people are already dying every year from the effects of climate change.

CLIMATE CHANGE AND TRANSPORT

Transport is a major contributor to climate change. Vehicle emissions are responsible for approximately one third of the pollution that is heating up our planet. Both government and industry have a role to play in reducing transport's impact on the climate:

Government needs to increase investment in public transport and tighten regulations on the fuel efficiency of vehicles.

Industry should stop opposing government measures, like fuel efficiency standards, aimed to reduce transport's contribution to climate change. Car manufacturers also have a responsibility to optimise the fuel efficiency of all vehicles and stop promoting the use of gas guzzling 4x4s for urban use.

WHY FORD? THE RHETORIC AND THE REALITY

Founded in 1903 in the USA, the Ford Motor Company is one of the world's biggest and oldest motor manufacturers. It also owns Aston Martin, Jaguar, Volvo and Land Rover.

Ford claims to agree that climate change is real and the time for action is now. In its Corporate Citizenship report of 2001, Ford's CEO Bill Ford Jr writes: 'The global temperature is rising and the evidence suggests that the shift is being affected by human activity, including emissions related to fossil fuels used for transportation ...We believe it is time to take appropriate action.'¹

However, this rhetorical concern for the climate is not reflected in Ford's corporate behaviour, either in terms of the environmental impact of the vehicles it manufactures or its political activities:

1. Environmental impact:

- Ford has the lowest fuel economy of all car manufacturers in the USA
- Ford has reneged on its promises to improve fuel efficiency
- Ford has refused to install existing fuel efficiency technology in its vehicles, or to fully exploit market demand for less climate-damaging vehicles

2. Political impact:

- Ford is fighting government efforts to increase fuel efficiency standards and other measures that would help tackle climate change

3. Public impact:

- Ford promotes the sale of gas guzzlers such as 4x4s for urban use – in cities, there are few valid uses for 4x4s and promotion of them for this end is damaging the climate

4. Economic impact:

- Ford's focus on gas guzzlers threatens jobs. Both Ford and Land Rover must adapt to produce smaller, efficient vehicles more appropriate for a world threatened by climate change.

1. FORD'S CLIMATE CRIMES – ENVIRONMENTAL IMPACT

FORD VEHICLES GET WORSE MILEAGE THAN THE ORIGINAL MODEL T

When it comes to emissions which cause climate change, Ford are one of the dirtiest car manufacturers in the world if Ford's vehicles were a country, Ford would be the tenth largest global warming polluter worldwide.²

A key reason for Ford's high contribution to climate change is the general fuel **inefficiency** of its vehicles. In the US, Ford ranks **lowest** of all the auto companies for overall fleet fuel economy³ and has made no improvements for over 20 years.⁴

Ford Motor Company is the US's oil addict. According to the US Environmental Protection Agency (EPA), the average fuel efficiency of Ford cars and trucks is 15.7mpg⁵ – dead last among the top six automakers since 1998.⁶ This means that Ford's current fleet of cars and trucks gets fewer miles per gallon than its Model-T did over 80 years ago.^{7 8}

FORD FAILS TO USE EXISTING TECHNOLOGY TO IMPROVE FUEL ECONOMY OF ITS VEHICLES

Ford has the technology to produce vehicles, including 4x4s, with far lower, or even zero emissions. However, Ford has reneged on its promises to improve fuel economy and has refused to install existing fuel efficient technology in its vehicles, or to fully exploit market demand for less climate-damaging vehicles. Instead of trying to make vehicles that are safer for the climate, Ford has prioritised the manufacture and promotion of gas-guzzlers – inefficient cars and 4x4s.

In 2000, Ford acknowledged the problem of poor fuel efficiency and pledged to improve the fuel efficiency of its 4x4 fleet by 25% by 2005. Indeed, Ford has the technology and know-how to increase the fuel economy of its fleet to 40mpg by 2010 and to reduce greenhouse gas emissions to zero by 2020.⁹

Ford's attempts to improve the efficiency of its 4x4s are more about appearing to be environmentally progressive than reducing overall emissions from its vehicles. In the USA, Ford has run a high profile advertising campaign to promote the Ford Escape, the world's first petrol-hybrid 4x4. However, Ford has only produced 200,000 Escapes despite customer demand and now the Escape represents less than one half of one percent of the Ford fleet and will have no effect on the company's bottom ranking amongst US automakers for fuel economy.

Despite the rhetoric, Ford is failing to convert its fleet, including 4x4s, to more climate-friendly engines using the technological know-how it has developed. In fact, in 2003, the company announced its intention to break its promise to improve the fuel economy of 4x4s.¹⁰

2. FORD'S CLIMATE CRIMES – POLITICAL IMPACT

FORD IS FIGHTING GOVERNMENT EFFORTS TO TACKLE TRANSPORT'S CLIMATE IMPACT

The motor industry has a long history of blocking legislation designed to improve vehicle safety and environmental performance. In the last 15 years, Ford has played a key role in the car lobby's efforts to prevent measures to fight climate change.¹¹

In the UK, where transport accounts for about a quarter of the emissions that cause climate change, Ford led an attempt to block regulation to introduce CO₂ labelling. The government proposed that all new vehicles should be labelled according to the amount of CO₂ they emit, similar to efficiency ratings already found on fridges. This would be one step toward helping consumers make an informed choice about their contribution to climate change. Ford, which has claimed to be a champion of 'green motoring', tried to block the proposal on behalf of the British motor industry.¹²

In the USA, there are many other examples of Ford's obstructive practices. Perhaps most damaging for the climate has been its opposition to improvements in legislation that regulates the average fuel economy of motor manufacturers' fleets. The Corporate Average Fuel Economy (CAFÉ) legislation is one of the only pieces of legislation in the USA that in some way regulates emissions of climate change gases. It was introduced in the 1970s and helped to increase the average number of miles per gallon of US vehicles by 56% by 1988.¹³ Since the late 1980s, Ford has consistently opposed attempts by the US legislature to raise the level of fuel efficiency demanded by law.

In California, Ford and other car manufacturers are taking legal action against the state for its efforts to regulate vehicle emissions.¹⁴ Bill Ford Jr has also written personally to Republican governor Arnold Schwarzenegger to oppose regulation that encourages the use of hybrid vehicles. Fearing the legislation would affect its competitiveness, Ford made attempts to block it instead of improve the environmental performance of its fleet.

In an effort to support its obstructionist stance, Ford has targeted politicians through advertising which presents its vehicles as environmentally benign. The adverts, commissioned by Ford and other car-makers, describe cars as virtually emission-free. This assertion ignores emissions of CO₂, therefore denying the impact of CO₂ as a pollutant.¹⁵

As Republican senator John McCain said: 'At one time they were against seat belts. At one time they were against air bags. It's the automakers that have resisted every single change in safety and efficiency over the past 40 years.'¹⁶

3. FORD'S CLIMATE CRIMES – PUBLIC IMPACT

FORD IS AGGRESSIVELY PROMOTING IRRESPONSIBLE USE OF GAS GUZZLERS

With regards to transport and climate change, one of the most damaging trends in recent years has been the increased use of gas guzzlers such as 4x4s as urban family cars.

One of the most recognisable Ford brands in the UK is Land Rover – the market leader for 4x4 sales. The increasing use of 4x4s is in part down to irresponsible marketing by Ford of Land Rover, once associated with hard-wearing vehicles for farming and other commercial uses. In 2004, Ford spent over £18 million¹⁷ in the UK (£3.2 million¹⁸ in London alone) marketing Land Rovers as glamorous products for town and country dwellers alike.

In cities, there are few valid uses for 4x4s and promotion of them for this end is damaging the climate. 4x4s are utility vehicles, designed for specialist use such as off-road and farming work, and emit up to four times as much CO₂ as efficient family cars. Even with technological improvements, 4x4s will always be wasteful because of their weight, size and utilitarian specifications.

The vehicles Ford produces under the Land Rover name are some of the worst performers on the market in terms of fuel economy. The Land Rover Discovery only does 12mpg¹⁹ in urban areas. Contrast this with the 2005 European car of the year, the Toyota Prius – this electric-hybrid family car can do over 55mpg in the city.²⁰ As the amount of climate-damaging CO₂ released by a car relates directly to its fuel efficiency, this means the Land Rover emits almost four times as much CO₂ as the Toyota Prius.²¹

4. FORD'S CLIMATE CRIMES – ECONOMIC IMPACT

FORD'S FOCUS ON GAS GUZZLERS IS PUTTING JOBS AT RISK

Ford is losing its market share. In the US, where overall vehicle sales are up, Ford's are falling.²² In April 2005 Ford announced a 38% slide in its first quarter profits over last year,²³ causing Ford's credit rating to be downgraded to junk status.²⁴

One of the main reasons cited for this drop in sales is high oil prices discouraging consumers from purchasing gas guzzling 4x4s, which form the cornerstone of Ford's fleet.²⁵ Conversely, sales of Asian manufacturers' vehicles, renowned for higher fuel efficiency, have soared. Toyota, makers of the fuel-efficient hybrid Prius, saw its sales increase in April 2005 by 25.9% over the same month in the previous year, whilst sales of the Prius itself were up 208% from a year ago.²⁶

Oil prices are set to continue rising, with some predicting them reaching \$100 per barrel in three years.²⁷ At the same time, on both sides of the Atlantic, governmental regulations aimed at reducing emissions from transport, including fiscal measures, will further disadvantage sales of 4x4s and increase the demand for more efficient vehicles. Unless Ford addresses this, its business will continue to suffer.

For Land Rover, which produces solely 4x4s, this means radical changes are needed in order to retain its competitiveness and to protect the jobs of the 8000 workers employed in the UK. Both Ford and Land Rover must adapt to produce smaller, efficient vehicles more appropriate for a world threatened by climate change.

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| <p>1 Quoted in Public Citizen Will the Real Ford Motor Company Please Stand Up?
 www.corpwatch.org/article.php?id=11423</p> <p>2 www.corpwatch.org/article.php?id=11423</p> <p>3 Environmental Protection Agency 2002 cited by the Sierra Club
 www.sierraclub.org/pressroom/releases/pr2003-11-12.asp</p> <p>4 Rainforest Action Network Top Ten Reasons Why Ford Must Stop Fueling America's Oil Addiction
 www.jumpstartford.com/facts/FordTopTen.pdf</p> <p>5 All mileages are in UK gallons. 1 UK Gallon is equal to 1.2 US gallons. Where data has been taken from a US source, a conversion has been made.</p> <p>6 www.jumpstartford.com/home/</p> <p>7 www.sierraclub.org/globalwarming/ford100birthday.asp</p> <p>8 www.ran.org/news/newsitem.php?id=1227&area=home nb 25 US gallons is equivalent to 20.8 UK gallons</p> <p>9 www.jumpstartford.com/home/</p> <p>10 www.sierraclub.org/globalwarming/ford100birthday.asp</p> <p>11 DETR, Transport Ten Year Plan 2000: Delivering better transport</p> <p>12 The Independent 01 February 2004</p> <p>13 Alliance to Save Energy, American Council for an Energy-Efficient Economy, Natural Resources Defense Council, USPIRG, Sierra Club and Union of Concerned Scientists Increasing America's Fuel Economy 2002</p> | <p>14 www.climate-network.org/eco/cops/cop10/en/ECOCOP1004.pdf</p> <p>15 A New Automaker Mantra: Emissions? What Emissions? New York Times 22 March 2005</p> <p>16 www.detnews.com/20002/politics/0203/14/politics-439673.htm</p> <p>17 Media Monitoring Service</p> <p>18 Media Monitoring Service</p> <p>19 www.vcacarfueldata.org.uk/search/vehicleDetails.asp?id=12782</p> <p>20 www.vcacarfueldata.org.uk/search/vehicleDetails.asp?id=10982</p> <p>21 www.vcacarfueldata.org.uk/search/vehicleDetails.asp?id=12782 & www.vcacarfueldata.org.uk/search/vehicleDetails.asp?id=10982</p> <p>22 GM, Ford continue to struggle; Asian rivals soar USA Today 03 May 2005</p> <p>23 Asian competitors and falling sales drive down Ford profits The Guardian 21 April 2004</p> <p>24 40 mpg.org: GM, Ford junk bonds should be called 'Yagashi Bonds' to recognise legging US auto leadership PR Newswire 10 May 2005</p> <p>25 GM, Ford continue to struggle; Asian rivals soar USA Today 03 May 2005</p> <p>26 GM, Ford continue to struggle; Asian rivals soar USA Today 03 May 2005</p> <p>27 Coming oil crisis feared Guardian Weekly 28 April 2005</p> |
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DEMANDS

INDUSTRY: FORD SHOULD CLEAN UP ITS ACT

As one of the world's largest motor manufacturers, Ford should be leading the way to help road transport meet the challenge of climate change instead of standing in the way of progress:

Develop, promote and install fuel efficient technology:

Ford should focus its money and expertise on improving the fuel efficiency of its entire fleet, producing vehicles appropriate for their final usage. Ford should stop promoting gas-guzzling vehicles as city family run-about.

Support national and international action to tackle climate change through regulation:

Ford should immediately stop blocking measures that would help tackle the problem of climate change on both sides of the Atlantic.

GOVERNMENT: MAKE POLLUTERS PAY

Increase the cost of petrol and diesel:

The Government needs to send a clear message to car manufacturers and the public that current levels of CO₂ emissions and climate damaging pollution from transport are unacceptable if we are to combat climate change. Revenue raised should be used to improve public transport.

Increase road tax for gas guzzlers:

The Government should dramatically increase VED (Vehicle Excise Duty) for inefficient vehicles such as 4x4s. Government should provide incentives for state-of-the-art fuel efficient vehicles.

PUBLIC: GET GAS GUZZLERS OFF OUR ROADS

Demand action:

- Tell Tony Blair to increase road tax on inefficient vehicles, like Land Rovers
- Tell Ford to stop opposing action on climate change and improve the fuel efficiency of all its vehicles, including Land Rovers.
- Visit www.choosecleanenergy.com to take action

Make responsible transport decisions:

A Land Rover Discovery only does 12mpg in the city. The Toyota Prius, a family saloon, does 55mpg

Greenpeace's clean energy campaign is committed to halting climate change caused by burning oil, coal and gas.

We champion a clean energy future in which the quality of life of all peoples is improved through the environmentally responsible and socially just provision of heating, light and transport.

We promote scientific and technical innovations that advance the goals of renewable energy, clean fuel, and energy efficiency.

We investigate and expose the corporate powers and governments that stand in the way of international action to halt global warming and who drive continued dependence on dirty, dangerous sources of energy, including nuclear power.

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Greenpeace
Canonbury Villas
London N1 2PN

020 7865 8100

choosecleanENERGY.com