

Monday » July
28 » 2008

Rumours of auto industry's death greatly exaggerated

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It's not like we haven't seen crises before.

Y2K was purported to be the end of the microchipped universe. It fizzled like Bill Gates's dream to take over the Internet.

Still on the subject of technology fizzling, not so long ago, the media currently decrying the end of the world proclaimed the Nasdaq unstoppable - it sunk as quickly and almost to the same depths as the Titanic.

Even the automotive industry - which I occasionally delude myself into thinking is more rational - is subject to the same throes of panic.

A decade ago, it was the "bigger is better" mantra as absolutely anyone who knew anything about something universally agreed that only large automakers could survive. Ford bought Volvo, Jaguar and Land Rover, Daimler "merged" with perpetually troubled Chrysler and smaller mid-sized companies with perfectly balanced chequing accounts, such as BMW, were told they could never survive despite their healthy profits.

The result? Well, Ford has sold everything but the kitchen sink, including Jaguar and Land Rover (not to mention Aston Martin). Perhaps the only reason it hasn't sold Volvo is because so many Ford automobiles are based on the Swedish platforms.

Likewise, the good folks from Stuttgart dumped Chrysler for literally pennies on the dollar, shucking off Ann Arbor as fervently as Christie Brinkley did Peter Cook. Meanwhile, Porsche, surely the smallest manufacturer able to claim it mass produces automobiles - with annual sales of about 100,000 - has all but taken over Volkswagen, the world's third-largest automaker, with annual sales of 6 million units. So much for accepted wisdom.

There's still in the streets as exasperated North American motorists try to come to grips with what is essentially world-priced gasoline. Pickup trucks are being traded in at huge losses, Baby Boomers are embracing fuel-sipping hybrids as if they were their idea all along and grown-ups - not first-year engineering students who spent all their money on Jack Daniels - are doing the modern version of the classic "dine and dash" at local gas stations. My God, can the locusts be far behind?

I think we all have to settle down a little, literally take a deep breath, meditate and/or pound back a few brewskies and realize this latest escalation in the price of crude is just another in a long line of economic upheavals that will eventually - like all such crises before - come to an end. And, yes, I'm pretty sure the automotive landscape will be something we recognize.

Oh, the large, truck-based sport-utility vehicle - at least those in the mid-priced snack bracket - will probably go the way of the dodo. Range Rovers, Cayennes and the like will survive because the independently foolish will always have money to burn, but I think we have seen the passing of the Suburban, at least as a showy alternative to the minivan (which is where its heady sales numbers of late came from).

But the pickup is going to survive. Yes, the bottom has dropped out of the truck market, but people still have to work, haul dirt bikes and motorboats and fifth-wheel trailers, not to mention clean out the back shed and haul all that garbage to the dump.

No doubt we'll see a major revamp of the basic design, however. Honda's Ridgeline, with its unibody construction, might turn out to be prescient as the future of lighter, more fuel-efficient cargo haulers.

General Motors, for instance, investigated the possibility of a front-wheel-drive pickup years ago. The fuel crisis might spell the end of the pickup's classic body-on-frame construction (cheap and easy as it was for the manufacturers to build), but I have a feeling that given a choice between unibody pickups and a Toyota Prius, most Texas good ol' boys are going to choose the former over the latter.

And, you know, the effect of a crisis on people's mindsets is notoriously short. Once the initial shock has worn off, we tend to go right back to the same behaviour. I just spent a month travelling California's highways and byways, a state dominated by hybrid-owning concerned citizens (I was going to say tree huggers, but four weeks in La-La Land has rendered me incomprehensibly sensitive).

While the owners of large

SUVs had slowed down dramatically in a quest to remain solvent, guess what cars sped by my twin-turbo Bimmer with amazing regularity? Yup, the funky-looking Prius. The odd thing, as those who follow automotive technology know, is that hybrids offer virtually no fuel economy advantage over a similarly sized gas-powered vehicle at highway speeds.

The end of the world is not nigh.

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