



COVID-19 Recovery & Industry Outlook

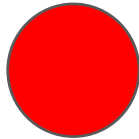
BVRLA Webinar 14 July 2020

Competition Law: Do's and Don'ts

All BVRLA meetings and calls are subject to the application of competition law and therefore must be conducted in compliance with competition law. Attendees are reminded that failure to comply with competition law may bring with it serious consequences for them as individuals and their companies. Such consequences include heavy fines and, in certain cases, the imposition of criminal penalties and sentences.

Members must refrain from exchanging any commercially sensitive or strategic information between competitors, either directly or indirectly via a third party, can result in an anti-competitive agreement. BVRLA has developed the following guidelines to help you adhere with the competition rules. If you have any doubt, then you should seek advice – BVRLA senior staff are at hand should you have any questions.

DO NOT



- Discuss individual company prices, price changes, terms of sale and profit margins.
- Discuss information as to future plans of individual companies, production, distribution or marketing plans, including proposed new territories or customers.
- Discuss matters relating to individual suppliers or customers or any commercially sensitive information.

BE WARY

YOU MUST SEEK ADVICE IF:

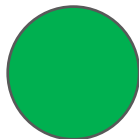
You receive information from another competitor, or are asked to provide information, that you believe is confidential or commercially sensitive.



ALWAYS:

- Ensure a detailed agenda has been circulated in advance and is followed closely and minutes of the meeting are recorded and kept.
- Begin the meeting with the reminder that the attendees should not discuss commercially sensitive information under any circumstances.
- Be prepared to halt a meeting if conversations cross into potentially unlawful territory.

NO PROBLEM



- Discussion on any matter relating to the aims and objectives of the committee – for example issues of law and policy affecting the industry.
- Discussing BVRLA policies, lobbying tactics & strategies, and other BVRLA activities.
- Discussing information about industry activities obtained from third parties or other media sources provided the availability of the information has not been arranged with a competitor.
- Discussion with other trade bodies or organisations which will be of general benefit to the industry.

Welcome and Agenda



Toby Poston, Director of Corporate Affairs, BVRLA
toby@bvrla.co.uk



BVRLA Update

BVRLA Webinar 14 July 2020

2020: Our approach

Phase 1: Covid-19 response (March –June)

- Sharing **information**
- Financial and operational **support**
- **Red tape** reduction
- **Digital** comms, events and engagement

Phase 2: Covid-19 recovery (July onwards)

- Helping Government with its **ambitious policy agenda**
- Big focus on **decarbonisation**
- More **industry insight** and **market intelligence**
- Embracing **digital channels**



Covid-19 Recovery - Stimulus and support measures

Context

Chancellor Rishi Sunak has announced the second phase of the Government's response to the Covid-19 crisis – its 'Plan for Jobs'. It focussed on job retention with no specific support for automotive.

The third phase of the response will come later in the Autumn when the Chancellor will deliver a Budget, Spending Review and National Infrastructure Strategy, aimed at ensuring a sustained, long-term economic recovery.

Our priorities

- 1. Maintaining the supply of affordable asset finance.**
- 2. Provide a tax and incentive regime that supports our sector.**
- 3. Focussing on the key levers for road transport decarbonisation.**
- 4. Preparing for Clean Air Zones.**
- 5. Promoting the future role for car sharing.**



Top priorities

1. Car rental
2. Cost of forbearance



Covid-19 engagement highlights

Regular calls



BEIS Minister (Nadhim Zahawi)
*on business support measures
(CJRS, CBILS, safety at work)*

FTA & RHA

on support measures, supply chains



FLA, SMMT, NAMA & NFDA

on automotive support requirements



Other engagement



Transport Minister (Rachel Maclean)
on COVID-19 support and decarbonisation



Joint Air Quality Unit



FCA & Treasury

*on liquidity, forbearance, regulatory
easement*



HMRC, DVLA, DVSA

*on testing, licensing, tax,
SORN etc*



BEIS Automotive team & Treasury

on motoring taxes & incentives

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FLA *on motor finance liquidity and forbearance*

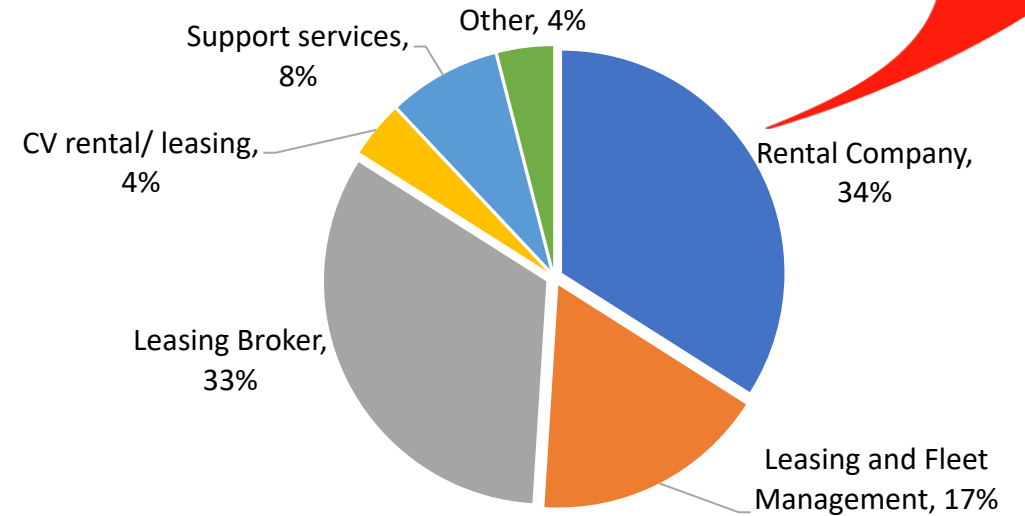
Covid-19 Survey highlights

Background

- 92 responses equivalent to 10% of all member organisations
- Conducted between the 19th and 30th June 2020
- 5% CEO, 26% Managing Director, 47% Director
- Employee numbers - 81% Small (under 50), 13% Medium (50 -249), 6% Large (250+)

Impact on employment

- 71% expect to have staff on furlough at the end of July (rental =77%)
- 28% expect to have at least some staff furloughed at end of October (rising to 39% for rental)
- 70% said the CJRS would have a positive outcome with rental operators being the most positive 81%*
- 43% felt 10% or more of their staff were at risk of redundancy by end of November and 15%* of rental companies think that 50% or more of their staff are at risk of redundancy by the end of November



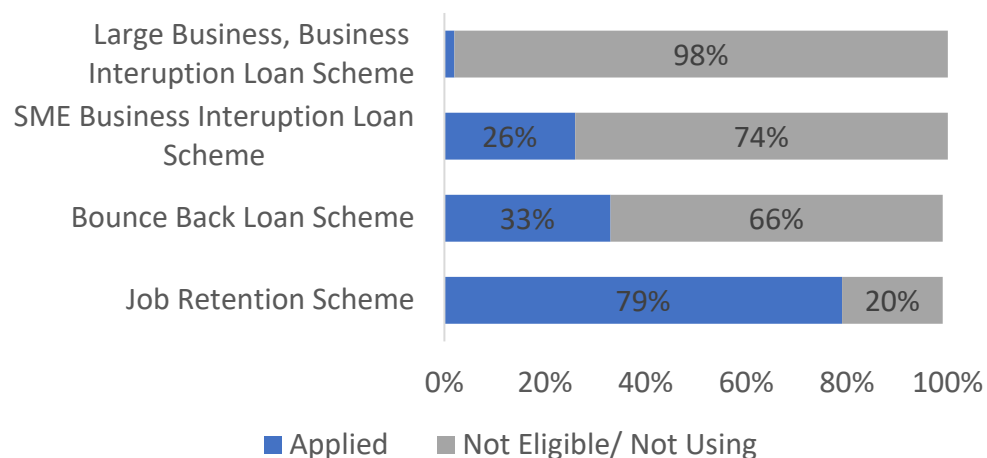
Covid-19 Survey highlights continued

Transaction levels

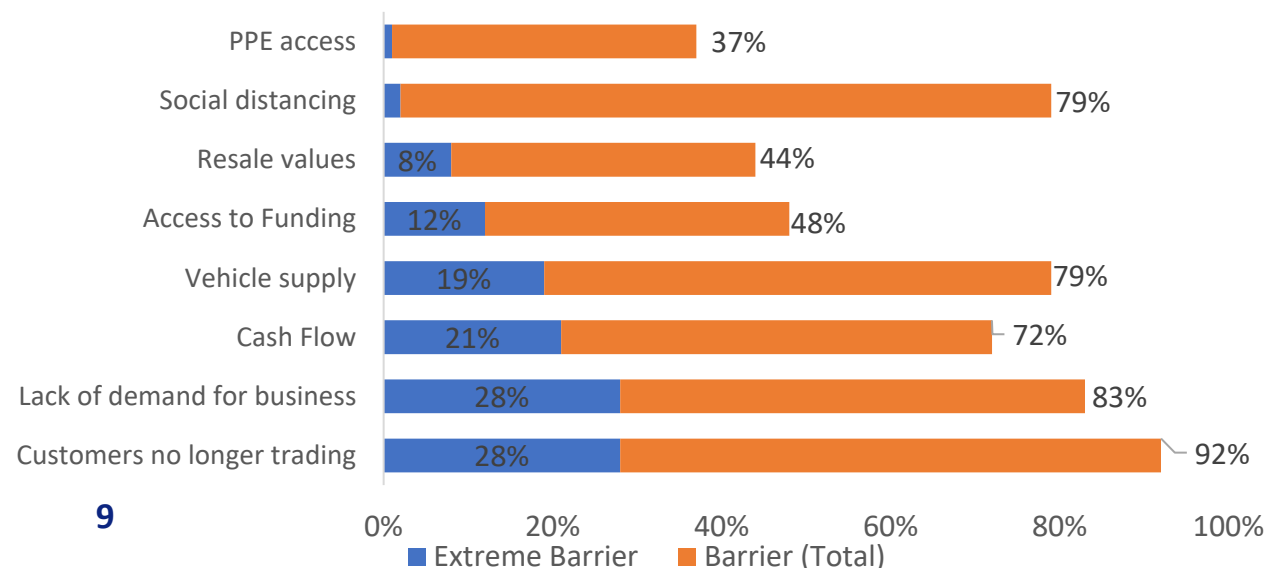
- In June members estimated their level of sales were 51% of expected levels for this time of year (46% rental)
- By December members anticipate sales will be back up to 79% of expected levels (68% for rental)
- 7% in June have been able to operate at or close to their original plan, rising to 17% in December (No rental members could for June, and only 13% for December)
- 2 members are concerned that financially their company is in danger of permanent closure in the next 8 weeks

Government Support

Use of Government Schemes to Support Business



Barriers Preventing Businesses Returning To Normal



Decarbonisation: End-of-sale date consultation

- **Segmented** approach – some comfortable with 2030, some nervous about 2040!
- Some areas need **more support** & have **higher impact** e.g. van and rental
- Solutions for **specialist vehicles** e.g. refrigerated, towing, onboard power (hydrogen?)
- **PHEVs** should be **off the table**
- We need **long-term, competitive incentives**
- **Grid investment** model needs to change



Panel Session

Facilitated by Toby Poston, BVRLA

Please use the Q&A box on your screen to ask any questions regarding the information in today's webinar.



Panellists



Joe Howick
Fleetondemand



Martin Phillips
i247



Paul Kirby
Autorama



BVRLA

Industry Outlook

New opportunities for thought leadership and engagement



**We are reaching out
to key partners and
looking for new
industry insight**

NEW

Industry Outlook Channel

A combination of research, videos, blogs and live events, bringing the latest insight and perspectives from across the vehicle rental and leasing industry and its supply chain. All this content will be managed in a new 'Industry Outlook' channel within the 'Insight' section of the BVRLA website.

Research

- **4 x Leasing Outlook reports:** Published quarterly. Produced in conjunction with AFI and our panel of industry and sector experts.
- **Annual Industry Outlook Report:** Published in December. Focuses on 8-10 key trends facing the fleet sector in the year ahead.
- **Annual CV Outlook Report:** Published in December. Focuses on 8-10 key trends facing the CV sector in the year ahead.



Events

- **Industry Outlook Conference:** Annual event (digital or physical) held in December. Focuses on the key issues facing the industry in the year ahead.
- **CV Outlook webinar:** In December/January. Brings some of the contributors to the CV Outlook Report together in a guided panel discussion.
- **Leasing Outlook webinars:** Quarterly, to coincide with the publication of the Leasing Outlook reports. Guided panel debate featuring a range of contributors from the latest report.

Blogs & interviews

- **Monthly or fortnightly blog:** At least one of the blogs commissioned each week has a forward looking theme and can be promoted in our Industry Outlook Channel.
- **Interviews:** Recorded via Zoom or Teams. These interviews should be available on our Industry Outlook YouTube channel and also on our website.

Final Thoughts

Thank you to our speakers and you for participating in today's webinar.

An email will be sent out containing the slides and a link to the recording so you can listen/watch again.

Recordings: all webinars are available on the [BVRLA Website](#).

Events: will be run virtually for the remainder of 2020. The events calendar is on the [BVRLA website](#)

Virtual training suite: all L&D courses are online, a mix of e-learning, instructor-led and written work for a variety of topics (SM&CR, Fair Wear & Tear, Selling Contract Hire). View the [training calendar](#) on the website.

More information on travelling abroad, VE103s and Fair Wear and Tear can be read on the [BVRLA Website](#).