

busworld newsletter



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BUSWORLD ASIA IS FULL OF EASTERN PROMISE

It is a measure of the importance of the Chinese market that it is the only Busworld Exhibition to be held annually. The 8th edition of Busworld Asia will be held in the New International Exhibition Centre in Pudong, Shanghai, from 11 to 14 March. Once again, the exhibition will fill two large modern halls and a tented pavilion.

This is a very important year for China. The country is building up for the Beijing Olympics, to be held later this summer. That has already led to a massive modernisation of the Beijing bus fleet. It is estimated that as many as 4,200 buses and coaches will be required each day to transport athletes, officials and visitors to the various Olympic events.

There is great rivalry between Beijing and Shanghai. In 2010, Shanghai will play host to a World Expo



Inside a typical Chinese coach factory.



Busworld Asia attracts large crowds

and that is also likely to stimulate demand for buses and coaches, to be used over a longer period than the Olympics.

Busworld's partners in Shanghai, VNU Exhibition Asia, have advised that, at the latest count, there will be 20 bus builders and 150 suppliers of components, accessories and services.

Luc Glorieux, International Director of Busworld, said: "It is a great pleasure to see so many of the same names, year after year. It is proof that the Busworld formula works, giving them the opportunity to meet many professionals from the bus and coach industry. That is the main reason why we have extended

Busworld Asia to four days for the first time".

"Among the vehicle manufacturers, we will be welcoming two or three who have not attended regularly. On the other hand, I regret that a few are not participating this year, evidently because they have no new products to present. That is unfortunate and quite different to what we experience in Busworld Kortrijk."

"European bus and coach operators do not like their manufacturers to keep changing designs. Every time a totally new model comes out, it reduces the residual value of previous models in a fleet. Let me take just two examples. The average



The Zhongtong Bova sells in the top luxury coach sector in China.

European passenger would find it very hard to distinguish between a 2008 Van Hool coach and a well presented one from 1998. Similarly, the best selling city bus, the Mercedes-Benz Citaro, was launched in 1997. Although it has been updated to meet successive rounds of emission limits, there have been only subtle changes in the external design."

"Of course, we at Busworld love the launches of new products. Last year, it was very refreshing to see two or three original new Chinese designs that did not draw on any existing models for their inspiration. It shows how far the Chinese industry has come in less than ten years. Some of the new styles were most attractive, reflecting the confidence of Chinese bus and coach builders"

Over the same period, China has developed an industry that is capable of supplying every conceivable part of a bus and coach. Some of these are wholly Chinese organisations, capable of making components as large as engines, gearboxes and axles.

Others have been established as joint ventures with North American,

European and Japanese partners. Some companies, like Cummins, have several partners in China, building different sizes of engines and, in some cases, to different emission standards.

Although initial price is an important consideration with city bus customers, some are being persuaded of the merits of whole life operating costs. Allison, for example, has supplied thousands of its fully automatic gearboxes. Although they are considerably more expensive than ordinary manual transmissions, the payback comes in reduced down-

at a faster rate than the predicted full year demand from the European market.

Experiences like that make Busworld Asia so exciting. In 2007, there were slightly over 25,000 buses and coaches of 8 tonnes gross and above built in Western Europe. Output in China was nearly four times that.

It was noticeable at Busworld Asia last year that a number of exhibitors were focusing on export opportunities. Most of the leading manufactures are gearing up their



Scania promoted ethanol as an alternative fuel



A typical King Long product in the large sector for midicoaches

time, smoother handling and more contented drivers.

Last year, one of the busiest stands was that of Hubner, the German manufacturer of turntables and bellows for articulated buses. Their Shanghai-based subsidiary was taking orders for new systems in the first two or three months of last year

export activities, but they have to fit into production programmes with strong demand from the home market.

Chinese manufacturers have had some successes in the Middle East and sub-Saharan Africa, where price and simplicity are often the prime considerations in the purchasing decision.

King Long has led the way into the much more sophisticated European market, having sold vehicles in markets as diverse as Bulgaria, Italy, Malta and the United Kingdom. It has been a slow process, partly because of the need to comply with many European regulations on construction, use and emissions. The Chinese manufacturers also realise that it is imperative to have the highest standards of parts and service support in European markets.

A full report of all the novelties at Busworld Asia will appear in the next Newsletter.



A King Long airport bus

CHALLENGES FACING THE WORLDWIDE BUS INDUSTRY

This was the theme of a forum held on Saturday 20 October during Busworld Kortrijk. It was moderated by Doug Jack, principal author of the biennial report on the World's Bus & Coach Manufacturing Industry. Prominent key-note speakers were Mehmet Buldurgan, President of Tamsa; Rajinder Malhan, Executive Director International Operations, of Ashok Leyland in India; Erland Morelissen, Area West Manager, Business Region Europe of Volvo Bus Corporation; and Jean-Pierre Geelen of Enthoven Associates, a design agency that has been involved in many transport projects.

In his opening address, Doug Jack produced some alarming statistics. The population of the world is forecast to grow from three billion in 1950 to nine billion in 2050! The price of oil, last October, was around USD90 per barrel and is forecast to reach USD200 billion by 2016. There have been no new discoveries of large oil fields in the last twenty years, so we can reliably assume that prices will continue to rise higher and higher. The world cannot continue with unlimited use of private cars. This presented both an opportunity and a challenge for bus and coach manufacturers.

Doug discussed alternative fuels and said that buses had to become more economical. Unfortunately,

the requirements of legislation are forever leading to heavier vehicles and therefore higher fuel consumption. Does the industry have to completely re-think and put more effort into the development of lighter composite vehicles?

Mehmet Buldurgan of Tamsa outlined the rapid growth of his company and the development of the industry in Turkey. It has been impressive in his country, and the expansion of Tamsa into Europe has been unprecedented. Nowadays, no one questions Turkish-built products. He talked about the challenges posed by Russian, Indian and Chinese bus and coach builders and said that competition would only become more intense. Globalisation is about access to markets and not just about global costs. Turkish manufacturers will have to innovate to survive, including developing new materials to save weight and improve fuel consumption.

Under the leadership of Mehmet Buldurgan, Tamsa has expanded its markets and its product range at a very rapid rate. In 2008, midicoaches will be delivered to the important US market, offering discerning customers an alternative to traditional cutway vehicles in the mid-size sector. A joint venture manufacturing facility will open this year in Egypt and the main factory in

Adana will start building a new model in another segment of the Turkish and European market.

The presentation of Erland Morelissen included the work that Volvo is carrying out on alternative fuels and hybrid drive systems, also Bus Rapid Transit that is capable of moving large numbers of passengers every hour. Volvo now has BRT systems operating in three continents.

The European perspective was dwarfed by an excellent presentation from Rajinder Malhan, Executive Director – International Operations, of Ashok Leyland. The Indian economy was growing strongly, at 7-9% per annum and it was predicted to continue to grow in the short to medium term. Economic experts predict that India would become the third largest economy in the world by 2020, behind USA and China,



Demand for new buses is growing in India



Tamsa is active in over 40 markets

but ahead of Japan and the major European economies.

Rajinder predicted that the Indian bus market will show a high growth rate in the early phases of development, driven by intercity passenger movement. He forecast that demand for buses on the domestic market would rise from 43,699 in 2003-04 to 69,745 in 2011-12, an increase of more than 60 percent.

India is experiencing rapid urbanisation, driven by economic growth. Cities were becoming overcrowded and needed good public transport. The urban population was

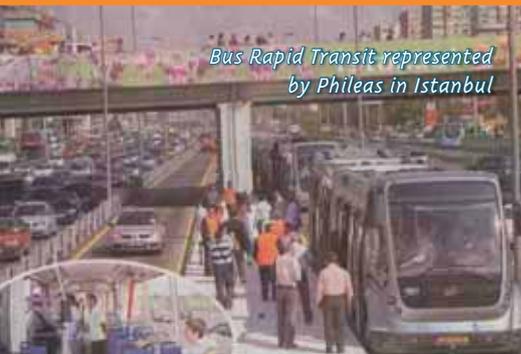
BUSWORLD KORTRIJK 2009

predicted to rise from 217,000,000 in 1991 to 425,000,000 in 2016.

There was a rapid evolution in products. In a relatively short space of time, the average engine power of city buses had risen from 120 to 250bhp. On intercity vehicles, it had gone from 120 to 300bhp.

On city bus services, there was a trend towards vehicles with lower floor heights, either one step above the ground or low entry. Bus Rapid Transit was a solution on the busiest corridors. Ashok Leyland was in partnership with various Government bodies and State Transport Undertakings to introduce Bus Rapid Transit vehicles in India.

Development was being stimulated by the introduction of new regulations on the construction of buses, broadly similar to the European Bus Directive,



Bus Rapid Transit represented by Phileas in Istanbul

and including requirements for Conformity of Production. With the audience already overwhelmed by the volume potentials, Rajinder calmly added that the Government was also considering a maximum eight-year age limit!

Jean-Pierre Geelen looked at the challenge from a different perspective. If buses are to attract people out of cars, they had to be as comfortable. Many in the industry had scoffed when his company recommended leather seats in the latest trams in Brussels, predicting that they would be vandalised. "Not so", he said "if you give people better quality they respect it."

The 19th edition of Busworld Kortrijk was bursting at the seams. The demand from exhibitors was so great that quite a number had to be accommodated in temporary pavilions. This was far from ideal, for those exhibitors and for visitors, even though the weather was favourable throughout the fair.

The Busworld management team had to face reality. Had the world's most international bus and coach exhibition outgrown its home? Was it time to leave the nest and find more space? What would be the impact on Kortrijk Xpo and the city of Kortrijk? What were the alternatives?

BAAV, the parent of Busworld, is the Flemish association of bus and coach operators. There was a strong desire to keep Busworld in a Flemish location. Discussions were held with the Xpo management and a very limited number of optional venues.

This edition of the Busworld Newsletter has been held back for a very important reason. Much to the relief of the city of Kortrijk and Busworld, Xpo Kortrijk has agreed to increase the exhibition area at Xpo, with a number of additions. The main entrance will now be relocated to one end of the Ramblas, between the halls that were occupied last year by Irisbus and other exhibitors on one side, and Temsa, VDL Group and others on the other side.

The present banqueting suite will become another internal hall and two



A typical well-presented stand at Busworld Kortrijk

large concrete platforms will be built adjacent to the halls, fully serviced with all utilities to provide ready-to-use platforms for pavilions. These measures will raise the floor capacity to around 56,000 square metres. That is a massive increase on the 37,000 sq m of the permanent facilities of Xpo Kortrijk today.

Mieke Glorieux, Director of Busworld Kortrijk, said: "We are all delighted that this agreement will enable us to stay in our traditional home and meet the ever-increasing demand for space from exhibitors – and the growing number of visitors. There is a unique atmosphere to Busworld Kortrijk and we would have put that at risk if we had relocated. It is great news for Busworld, for Xpo Kortrijk, for exhibitors and visitors, and, above all, for the city of Kortrijk which benefits greatly from the presence of Busworld."

The 20th edition of Busworld Kortrijk will be held from 16 to 21 October 2009. Bookings for stand spaces will be opening on 5 March 2008, with priority going to those who make early commitments.



So that is how it works!

BUSWORLD TURKEY IN APRIL

The second Busworld Turkey International Exhibition will be held from Thursday 24 to Saturday 26 April in the modern Istanbul Expo Centre, situated close to Ataturk International Airport to the west of the city centre.

Busworld's partners in Turkey are HKF Trade Fairs and, the International Road Transport Union (IRU). The exhibition is also supported by TOFED the Turkish Bus & Coach Federation. HKF Trade Fairs was established with the aim of organising prime quality international trade fairs in Turkey and to ensuring the attendance of Turkish companies to well-selected trade fairs abroad.

Turkey is a very important centre for the manufacture of buses and coaches. As the accompanying chart shows, production rose again in 2007. That was despite the decision by Otoyal to cease production of minibuses (and light trucks).



Otokar has started to build larger midibuses

Although the domestic market was relatively stable, exports increased again. Mercedes-Benz Türk put production at its Hosdere factory to over 3,000 units and has a strong order book for 2008. With new models like the Turismo, the new Conecto low floor city bus in solo and articulated versions, and the multi-



Mercedes-Benz Türk is building the new low floor Conecto.

purpose Intouro, the factory will be very busy.

MAN now builds all its interurban and luxury coaches in Turkey for all markets, with the exception of a few top-end Neoplan models that are still made in Germany. Although there are styling differences between the MAN and Neoplan brands, there is a very high degree of mechanical commonality.

As the chart shows, there is still high demand for minibuses, seating up to 14 passengers. Many are used on regular routes in the larger towns and cities in Turkey. The authorities are concerned about the noise and pollution that they cause, and there are encouraging signs of more sophisticated public passenger transport systems, like Bus Rapid Transit in Istanbul. One new line, not yet fully operational, links the city centre with the airport, next door to the Istanbul Expo Centre.

TURKEY: BUS AND COACH PRODUCTION BY MAKE AND SIZE: 2000-2007

	2000	2001	2002	2003	2004	2005	2006	2007
Minibus								
Askam	0	0	0	0	15	13	8	0
BMC	263	171	291	557	427	784	629	965
Ford Otosan	14080	5110	4431	7046	19271	20795	16721	18897
Hyundia Assan	1314	159	216	3824	5498	2779	1180	292
Karsan	2644	751	325	870	1264	1177	1735	1550
Otokar	1750	295	762	1237	1415	595	455	295
Otoyol	546	0	114	91	271	19	0	0
Total	20597	6486	6139	13625	28161	26162	20728	21999
Midibus								
Anadolu Isuzu	2111	629	1057	1157	2006	2265	1992	1928
BMC	267	83	132	245	286	188	291	184
Karsan	4810	1230	1655	2658	3345	890	1835	4253
Otokar	51	16	70	613	1108	793	935	1164
Otoyol	3532	798	1329	1912	2151	1832	1909	350
Temsa	735	244	134	209	1007	1141	1301	1426
Total	11506	3000	4377	6794	9903	7109	8263	9305
Bus								
BMC	526	39	111	551	864	687	565	959
MAN (city)	162	424	501	533	1296	1609	2351	2069
MAN (intercity)	557	257	299	579				
Mercedes-Benz (city)	753	561	482	747	685	2298	2200	3006
Mercedes-Benz (intercity)	1699	1095	1048	1624	1354			
Otokar (city)	0	0	0	0	0	0	0	106
Temsa	516	125	243	456	640	812	903	806
Total	4213	2501	2684	4490	4839	5406	6019	6946
Grand Total	36316	11987	13200	24909	42903	38677	35010	38250

Note: Minibus is defined as up to 14 passengers, Midibus from 15 to 25 passengers, and Bus for 26 passengers and above.
Source: OSDI, Turkey



A busy street scene in Istanbul



ASIAN COACH WEEK

ASIAN COACH WEEK

From 8 to 10 March, immediately before the doors of Busworld Asia open, exhibitors with new vehicles are invited to take part in Asian Coach Week. This is similar to the tried and tested format of the European Coach Week that precedes Busworld Kortrijk, but with one important difference. Because there are so many manufacturers in China, there are usually around 30 vehicles entered. That resulted in a lot of hard work for the judges, running between the vehicles to make their assessments.

In previous years, teams of judges from Europe and China have assessed each of the entries for a number of categories, including style and appearance, driver

and passenger comfort, safety equipment, ride and handling, low emission levels, and so on.

This year, the judging team will be even more international, because two leading Indian trade journalists are taking part. That is wholly appropriate. India and China are the two largest bus markets in the world. India had fallen behind in terms of style, design and comfort, but is now catching up rapidly.

Representatives of the various manufacturers follow the proceedings very keenly, usually assisted by interpreters. They are always keen to listen to any observations, such as recommendations where improvements could be made. Usually, it is relatively minor, like a sharp surface that could cause injury to a passenger, or the addition of hand rails to make it easier to get on and off. If you make a recommendation one year, they will take great delight in seeking you out to demonstrate how they have responded on their new products.



Cristiana Sandulescu from Tranzit, Romania, was one of the judges.

There is a large area adjacent to the main halls where ride and handling can be tested, without the need to drive on public roads. This enables judges to assess features like acceleration, suspension, steering and braking.

Quite a variety of vehicle sizes are normally entered. Medium-sized coaches are more clearly truck-derived, with features that can throw European judges during the driving tests, such as totally reversed gate patterns on manual gearboxes.

After all the vehicles have been tested, the judges add up their marks for the various categories. Prizes are awarded at a gala dinner on the first evening of Busworld Asia. It is a colourful event which creates great excitement among all the participants.

An award by BAAV, the parent of Busworld is highly prized by Chinese manufacturers. They are not only displayed on vehicles and other products during the exhibition, but are used, sometimes years later, on literature and websites.



Drumming up the audience at the ACW awards dinner



Happy prize winners at ACW 2007

XIAN SILVER DEBUT

After a gap of a few years, Xian Silverbus, a joint venture between Volvo and the Xian Aircraft



The new Volvo 9600 launched in Shanghai

Corporation, will be launching two new vehicles at Busworld. The 9600 will be based on a B9R chassis with a 380bhp engine and the popular I-Shift automated gearbox. This will have the European 9700 body. The Volvo 9800 will be based on a B12M chassis with localised production of the 9700 body.

Volvo has a second bus joint venture in China, Sunwin Bus, with Shanghai Automotive Industry Corporation. Large numbers of their city buses can be seen on the streets of Shanghai.

NEWSLETTER ON LINE

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