

LTI VEHICLES – A LEGENDARY BRITISH COMPANY

NEW ROLE NEW CHALLENGES

John Russell joined Manganese Bronze Holdings PLC, parent company of LTI Vehicles, as Chief Executive Officer in March 2007. With a long career in the automobile industry, John was looking forward to the challenges his new role presented.

Taxi Mirror asked John about his role at Manganese Bronze and how he sees the future unfolding. He says: "My job as CEO at Manganese Bronze means a varied role. Manganese Bronze Holdings PLC is the company that owns and runs LTI Ltd. Overall, my job includes things such as prime responsibility to manage the company in the best interests of all the stakeholders including shareholders, customers, dealers, employees etc. This requires me to take responsibility for every aspect of the company's performance; this ranges from customer satisfaction to profitability to health and safety but my prime responsibility is to set and put in place a strategy that realizes the full potential of the business."

LOOKING TO THE FUTURE

When Taxi Mirror spoke to John, it was clear that he is really enjoying his new role and the variety it entails. He says there are three things he enjoys most of all. "The challenge of making our future a success for everyone involved in the business, the

variety of things I get involved in and the people I meet and work with all make this an exciting role." As in any executive role, the one which faces John will see various changes to the business. Plans are already underway to grow the business with the Geely agreement. John continued: "We have a great opportunity to secure our future and grow the business by making a success of our joint venture with Geely in China. By bringing in components from China we can make our Coventry operation more cost effective and take away some of our current supply risks. We will also be able to compete internationally and thereby grow the business which in turn will enable us to invest more into the business."

"Secondly we need to continue to demonstrate our green credentials by explaining how well our Euro IV compliant TX4 performs environmentally whilst investing in further meaningful and effective vehicle improvements that advance the environmental performance of our products. Climate change is a growing

concern for everyone and we must play our part in developing effective solutions."

As you can read elsewhere in this issue of Taxi Mirror, the deal with China is of great importance to LTI and Manganese Bronze. The factory in Shanghai is an existing, modern facility built by Geely, the joint venture party. John told our reporter: "It is being modified to take our unique vehicle design and we expect to see the first prototype vehicles coming out of the factory mid 2008 with full production commencing later in the year." This is an exciting phase in the development of the agreement and everyone is working closely to bring it to fruition.

INNOVATIVE AND ICONIC

John talked about the TX4 and its innovations. He said: "Our strength is that we adapt and apply existing technologies for taxi use and TX4 is a great example of this capability. In particular the new VM engine is a great example of applying known technology to the arduous taxi duty cycle to create a vehicle that has a unique combination of fuel efficiency, performance, smoothness and emissions." The TX4 has been extremely popular with taxi drivers looking to buy an iconic purpose built vehicle since its launch and its success continues to grow.



Now the team at both Manganese Bronze, LTI and Geely are already evaluating more international marketing opportunities for the Chinese manufactured products. John continued: "When the evaluations have been completed, we will be able to answer the question of where the taxi might be going next. Also remember that many countries around the world have and/or are taking vehicles today."

THE VM ENGINE

John was asked how satisfied the company is with the way the engine manufacturer for the TX4, VM Motori, are meeting the requirements to supply the taxi engine. He said: "VM, the manufacturer of the diesel engine in the TX4, are proving to be a great partner and we have every confidence that they can meet our future demands. We chose VM for many reasons but one was their desire to grow with us and our positive assessment of their ability to meet all our future needs."

MATTHEW CHEYNE TAKES ON NEW ROLE

Known to many taxi drivers in this role as Sales and Marketing Director, Matthew Cheyne has now changed his role within LTI Vehicles. He has now taken on the role of International Market Development Director.



This role has been created following the formation of the joint venture company with Geely Automotive. Under the terms of the contract, Manganese Bronze Holdings have the sales rights for the taxi that will be manufactured in China, for the rest of the world outside of Asia. Matthew also has a good deal of experience in the automobile industry and this will stand him in good stead as he takes on his new challenges of identifying new markets for the Chinese produced taxi and possible new business models. He said: "In this new role, I will also be ensuring that when we are ready to launch the taxi in any new market, the vehicle complies with local legislation and we have a suitable sales, distribution and aftersales network."

PROUD OF THE BRITISH ICON

Matthew is proud to be working at the largest British owned automotive manufacturer. He told our reporter: "As well being the largest British owned automotive manufacturer, LTI Vehicles is also responsible for one of the greatest British icons we have in this country. There is

also a great deal of variety in my job whether I am dealing with drivers, legislators or other potential customers. When you add in language barriers, travel, local variations in the taxi trade and different specification for the vehicle it all makes for an interesting life!"

During his time at LTI Vehicles, Matthew has been in the chair at many of the Listening Programme meetings held at the Coventry factory. The intention of these meetings has always been to listen to the taxi trade and try to implement any of the practical good ideas that evolve from the meetings. It is not always possible to integrate new ideas immediately, but ideas from meetings in the past have certainly helped shape the TX4. Matthew said: "At LTI we are always listening to our customers and include their feedback in any future product development programme. One of the main benefits for us and our customers is that as we design the entire vehicle and do not take someone else's vehicle to convert into a taxi, we can include driver suggestions into our vehicle more easily. Of course we always have to keep an eye on cost and this does limit us somewhat as to how many radical changes we can make at any one time."

"Suggestions coming from recent listening groups include six seats, pollen filters, improved vehicle jack and

more driver storage. Driver groups can always contact LTI through the website and ask for the Sales and Marketing Department to arrange a visit."

VED AND THE TX4

Despite the arguments which have been presented to Gordon Brown when he was Chancellor, he would not be moved on the VED for the TX4. Together with some of the later model TXII taxis, the auto version of the new vehicle is in Band G. Matthew commented: "Of course we are disappointed that Gordon Brown would not accept that taxis are a valuable part of the integrated transport system on this particular point or that the current VED rules incentivise drivers to buy older vehicles which produce more CO2! In our opinion it is not sensible to compare a saloon car with a taxi designed to carry wheelchair passengers. VED was set up to incentivise the mass car market to buy more environmentally efficient cars but this does not take into account niche vehicle manufacturers, like ourselves, who produce vehicles which meet stringent licensing conditions – these conditions inevitably add weight to the taxi, which increases CO2."

"The increase in the tax classification also fails to take into account that when people are using a taxi, they are not driving themselves and so there is a reduction in emissions and CO2. We are working to reduce CO2 emissions from the TX4, this will reduce the cost of VED and achieve fuel savings - we will keep the trade updated on developments."



Nothing short of brilliant