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Getting a Customer Focus: Considerations for Voluntary Programs

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Diesel Technology Forum: Leaders from All Sectors

- Engine Makers
- Fuel System/Component Suppliers
- Fuel Refiners
- After-treatment Suppliers
- Original Equipment Manufacturers

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Leaders in Promoting Clean Diesel Technology

CATERPILLAR®

Cummins®

GM General Motors

BOSCH

ISUZU

JM Johnson Matthey

ExxonMobil

EATON

KOMATSU

bp

Garrett®

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FEDERAL MOGUL

DETROIT DIESEL CORPORATION

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Voluntary / Incentive Programs: Who are the Potential Participants?

- Users
- Manufacturers
  - Engines
  - OEMs
  - Suppliers
  - Dealers/Distributors
- Refiners
- Shippers
- State Governments
- Local Governments

Voluntary Program Incentive Options

- Marketable emission credits
- Tax Incentives
- Relief from permitting or operating fees
- Relaxation of local usage restrictions
- Access to HOV lanes or other premium access/usage issues
- Grants, public funding,
- Other local/regional incentives

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Voluntary Programs

- What is the "Value Proposition" for participation in a voluntary Program?
  - Clean Air / Environmental Quality ?
  - Market Advantages ?
  - Image ?
  - Publicity ?

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Voluntary Programs: Equipment Users

- Must have a Customer focus
  - Relationships, trust, support: with dealers and distributors
  - Dealers and Distributors understand customers, needs
    - Large network
    - Provide Installation and maintenance

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Diversity in Capabilities and Possibilities

- Large Fleets/ Equipment Users
  - Most knowledgeable, aware, motivated, innovative, capable;
  - Have largest numbers of engines
  - ***BUT…***
    - Probably have the newest equipment, best maintenance
    - Run the cleanest operations already
    - National in scope

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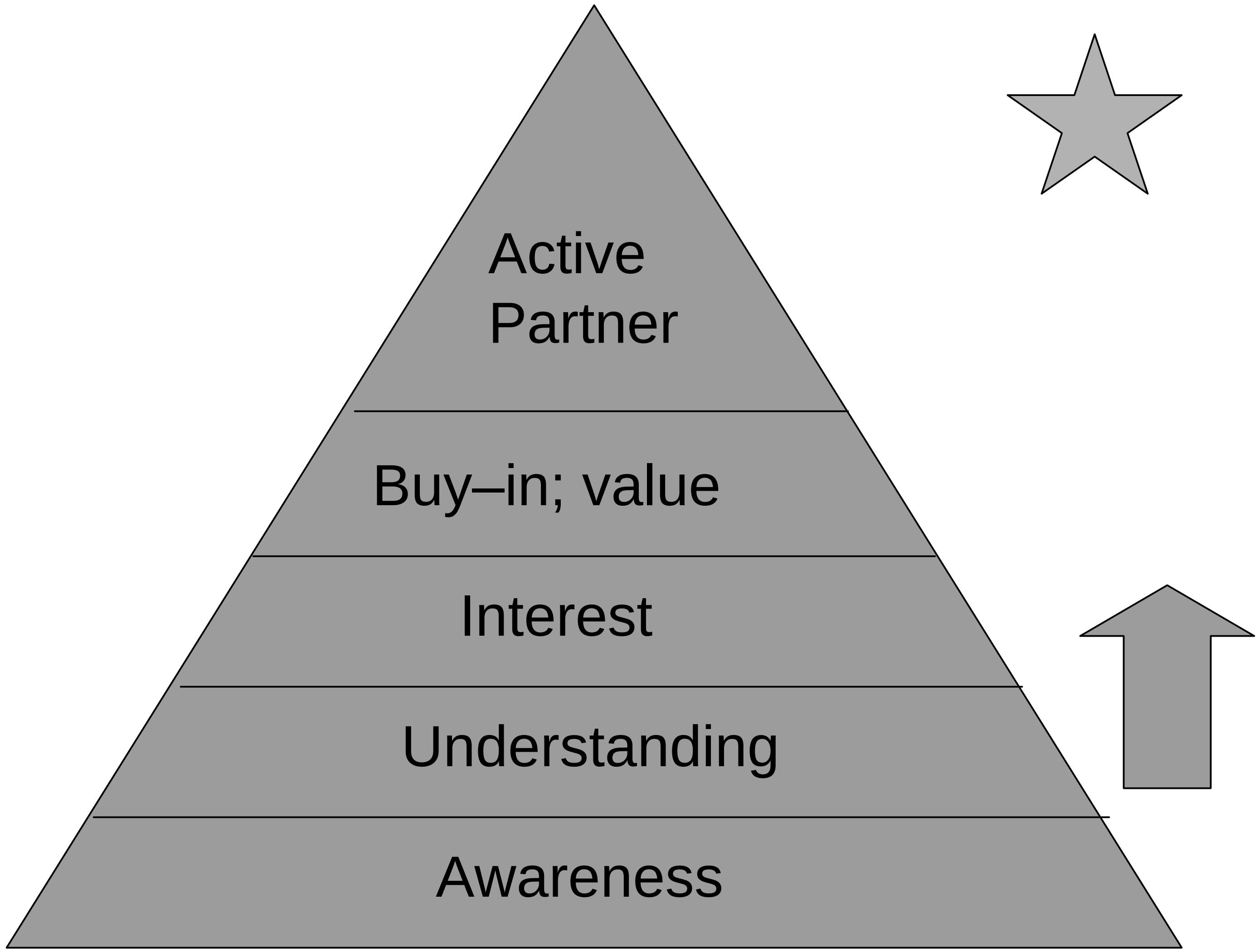
Dynamics of Smaller Companies– Fleets and Equipment Operators

- Compared to large fleets…
  - Less informed, sophisticated, capable, motivated
  - More localized/regional operations
  - BUT
    - Oldest equipment
    - Greatest potential for impacts
    - Fewer numbers of engines/equipment

Stages of Participation



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What's Needed

- Approach … like marketing a new product
  - Sector Survey – targets of stakeholders
    - Find out what's important to them
  - Focus Groups
  - Test/pilot program/products
- Provide the right options
- Value proposition significant