

INTERVIEW

FLEET MANAGEMENT IS CONVERGING TOWARDS TRAVEL MANAGEMENT

FREDERIC BANCO, GENERAL MANAGER, ALD Automotive

What are the trends in the leasing industry? How does the low-emission vehicles - electric, hybrid electric and plug-in hybrid - catch up on the Romanian market?

One major trend that we see at the entire EU level and in Romania is the fuel consumption reduction. Fleet managers are paying more attention and are more careful regarding this topic, because fuel consumption is one of the costliest aspects of a vehicle fleet. In order to address this issue, we brought digital solutions that we consider to be a must nowadays, because a mobile app can provide drivers optimised daily routes and keep the manager connected 24/7 with his fleets. More so, companies choose to provide for the employees who drive on a daily basis, defensive and eco driving lessons, which translate, on a long term, in economic and safety benefits.

Another trend we noticed is the switch from diesel to gasoline powered vehicles. Also, plug-in hybrids

and full-electric vehicles are an alternative taken into account more and more by our customers. Although the price for such models is higher, the difference between petrol and diesel engines is covered by the price of vehicle usage during the leasing agreement because of a lower cost in terms of "energy". As well, there is Rabla Plus program which is certainly a good argument and price support for the acquisition of such models.

This is where the TCM and TCO step in: maintenance is cheaper for a hybrid or an electric vehicle, as well as the energy consumption compared to a gasoline or a diesel car and, not to be neglected, the residual value is also higher. Therefore, if a customer measures these aspects, the TCO for an electric or for a plug-in vehicle could be more advantageous than the one for a similar conventional car.

Not least, the Romanian market is maturing and we see a rising number of SMEs that acknowledge that using the same vehicle fleet for 10 years or

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buying old vehicles with cash is not an economicwise decision. Therefore, they are opting for full operational leasing packages, for 1-2 cars at the beginning and, as the business evolves, the number of vehicles grows accordingly. This proves that the managers are more oriented towards cost optimisation and pragmatic decisions.

How do you see the interest from of the fleet managers to integrate electric vehicles in their fleets?

Technology has evolved and car manufacturers are launching models that provide even twice the distance range than the ones from just a couple of years ago.

The latest figures from the European Alternative Fuels Observatory show that merely 100 charging stations are available in Romania, whilst the neighbours, Hungary and Poland, each have about 600 stations, Germany being in the top, with over 25,000 charging stations.

And, although Romania is still at the beginning of implementing a nationwide charging network, we see growing interest in "green" fleets, especially from large companies that promote a more ecological approach of their businesses.

This is why we launched in 2017 the first operational leasing product dedicated exclusively to plug-in hybrid and electric vehicles: "ALD Electric". Through this solution we provide our customers not only "green" models, but also extra benefits that help maintain their mobility, such as charging stations installed at the company's headquarters and fossil-powered engine vehicles for long trips.

So far, hybrid technology has gained momentum in Romania, due to its easier manner to adapt to the infrastructure and small dependency of charging stations. But we are confident that full-electric models will become more appealing as the charging solutions will evolve.

As a leading company in the leasing industry, you try to add new products or new mobility solutions in your portfolio. What projects or new products you added in the past years?

Digitalisation is one key word when it comes to new and modern products. Knowledge is essential to a growing business; therefore, we are constantly working on updating the digital solutions that we are providing to our customers.

My ALD web portal provides fleet managers with a flexible solution for the efficient management of vehicle fleets. They have real-time access to all data regarding the fleet that is under their management, from the active users and their history to agreements, services, interactive reports and detailed analyses. The fleet managers may notify and communicate with the drivers of the ALD Automotive vehicles via the application.

The drivers also benefit from the "My ALD" mobile app that allows them to locate the closest suppliers or receive directions to the nearest service unit.

The "ALD Electric" product is the latest mobility solution in our portfolio. ALD Automotive is very involved in protecting the environment and we are permanently seeking new ways of "greening" our customers' fleets.

Another new segment in which ALD Automotive is providing solutions in the past years is the one formed by SMEs. We are happy that more and more entrepreneurs are interested in this type of financing and we are committed in helping them, by giving a full analysis and customised vehicle fleets. And, especially for this category, we launched White Label programs in partnership with different auto manufacturers. We are confident that this is one product that will evolve in the next years.

What makes ALD Automotive a leading company in your sector?

The attention that we provide to each and every one of our customers. We don't want to be a supplier, but a partner for them, we provide custom made solutions, fitted for the specific needs of a company. We also look closely to worldwide trends, because they will, eventually, reach Romania and we want to be one step ahead at that moment.

We believe that nowadays it is not enough to just provide a standard operational leasing product, you must create an ecosystem that involves various and modern mobility solutions. Practically, you

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There is a need of cost reduction through innovative and eco-friendly solutions

could say that fleet management is converging towards travel management. Managers and employees at the same time are looking for faster and cheaper ways to move from point A to point B. Maybe the future mobility solution will consist of just a few kilometres of driving, while the best options for the rest of the trip will be riding a bike and using public transport.

ALD Automotive provides services and solutions in 43 countries – what would you say are the main similarities and differences between Romania and other countries in your business?

One similarity is the interest in "green" fleets. Although Romania still does not provide a charging infrastructure sufficiently developed for long drives with electric vehicles, fleet managers become even more interested in this solution. The extended range of new models can provide enough autonomy for day to day drives in the city, with the battery charging overnight.

In terms of differences, I believe that Romania is not yet ready for alternative mobility solutions. Most of the big cities do not have a high-tech public transportation system, therefore business cars remain the best option for employees, although costs are higher. Authorities in other European countries invested in these areas and encourage people to use buses, trams or other means of transportation, such as bicycles, trikes or walking. This is why our colleagues at ALD Automotive Netherlands, for example, launched the "E-bike"

product that provides the customers the possibility to lease electric bicycles instead of cars.

Overall, Romania is an emerging market that adopts worldwide trends slower, but with growing interest.

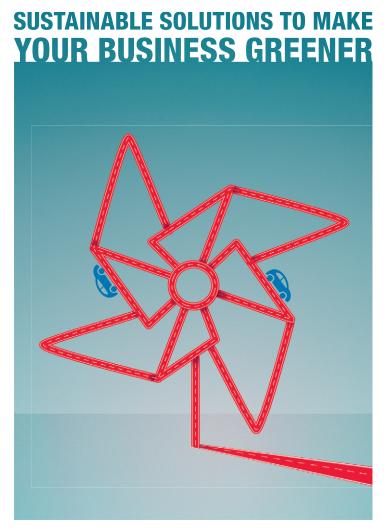
As the leader in vehicle leasing operations in Europe, what kind of trends do you foresee to be adapted in Romania in the following years?

R: The operational leasing market is dynamic, and it constantly adapts to the customers' needs. And right now, there is a need of cost reduction through innovative and eco-friendly solutions. I know I have been mentioning the term "green" very much so far, but we consider that this is the emerging trend in Romania.

We believe that Romanians are more interested in alternative mobility solutions than 5 years ago and we can see that via the huge adapting rate to carsharing services, Uber and Taxify, bike rental apps, like the Ape Rider, or sales of electric trikes. All of these can be part of an entire ecosystem of mobility and we are already making the first steps into this direction. I think it's just a matter of time until operational leasing will mean more than just vehicles.

What's your "Be careful at..." advice for 2019?

R: Take care of your customers' needs, expectations and feedback, in order to provide them with customised solutions!



BLUEFLEET SOLUTIONS BY ALD AUTOMOTIVE

HANDLE THE ENVIRONMENTAL IMPACT OF YOUR FLEET BY MAKING THE BEST SUITED CHOICES THROUGH OUR ALTERNATIVE POWERTRAIN OFFER.

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LET'S DRIVE TOGETHER





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V V I I N L							
RANKING BY Turnover	COMPANY NAME	TURNOVER 2017 (RON)	TURNOVER 2016 (RON)	TURNOVER Evolution	PROFIT/LOSS 2017 (RON)	NO, OF Employees 2017	CONTACT
1	WINE SOLUTIONS NETWORK SRL	284,232,118	31,157,833	812.23%	1,233,110	167	SECTOR 1, BUCURESTI
2	SCHWAB AGRO PROD SRL	160,342,481	163,517,042	-1.94%	1,986,413	47	ARDUD, SATU MARE
3	JIDVEI SRL FILIALA ALBA	158,244,217	150,692,856	5.01%	20,493,177	178	JIDVEI, ALBA
4	CRAMELE RECAS SA	148,433,629	120,100,205	23.59%	38,911,623	110	RECAS, TIMIS
5	COTNARI SA	148,088,705	139,055,177	6.50%	11,452,863	424	COTNARI, IASI
6	WINE SOLUTIONS SRL	104,506,800	52,623,080	98.59%	-14,630,580	25	SECTOR 1, BUCURESTI
7	CRAMELE RECAS GROUP SRL	93,887,346	78,133,132	20.16%	8,825,613	36	RECAS, TIMIS
8	VINCON VRANCEA SA	79,558,659	66,477,319	19.68%	3,231,745	432	FOCSANI, VRANCEA
9	ZAREA SA	76,172,251	71,321,495	6.80%	6,483,529	198	SECTOR 1, BUCURESTI
10	CRAMA CEPTURA SRL	66,832,328	45,156,664	48.00%	12,607,121	92	CEPTURA, PRAHOVA
11	ANGELLI SPUMANTE & APERITIVE SRL	49,111,739	47,681,791	3.00%	7,302,786	78	SECTOR 6, BUCURESTI
12	CRAMELE HALEWOOD SA	40,224,838	37,579,403	7.04%	467,668	142	PLOIESTI, PRAHOVA
13	SPEED SRL	39,797,090	40,070,256	-0.68%	572,994	107	HUSI, VASLUI
14	DOMENIILE VITICOLE TOHANI SRL	37,488,596	33,549,107	11.74%	2,862,852	83	GURA VADULUI, PRAHOVA
15	VINEXPORT TRADE-MARK SA	33,562,941	52,216,755	-35.72%	16,097,232	99	FOCSANI, VRANCEA
16	CASA DE VINURI COTNARI SA	31,319,603	13,215,004	137.00%	14,302,424	21	CARJOAIA, IASI