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Photos: author, archive

Will it shake things up? Part one

As soon as it entered the global automobile market, it brought news that could literally change the game. We’re talking about the brand-new FORD F-MAX truck from the Turkish company Ford Otosan.

Why could it “shake things up” and “change the game”? Up until now, the proverbial pie in the truck sector of the European automobile market was cut up and divided among seven players, the final-stage manufacturers of heavy trucks. Their “piggy in the middle” game they played on customers went so far that one of them reported the other six to the European Commission and they all got rewarded with high penalties for making cartel agreements. And so, it happened that they paid 3 billion euro to the European money box for secretly agreeing on controlled slowdown in development of internal combustion engines, which lead to introduction of new and stricter emission standards. Does it ring a bell? Maybe the hysteria with the name “Dieselgate”, which affected the world of personal automobiles, albeit sadly only medially? Well, yes, you are not far from the truth.

How is the game played?

Seven final-stage manufacturers of heavy trucks representing the brands Iveco, DAF, MAN, Mercedes-Benz, Renault, Scania and Volvo took control of the whole European automobile market thirty to forty years ago. They secured their game by financial and property interconnection and more or less happily went on to deceive its customers. To be honest, all their vehicles across the so called “competition” in their comparable market categories and model groups are very similar. Therefore, from the technological and construction perspective, there’s no clear “loser” or “winner”. The purchase prices are almost in the same situation. Sometimes a manufacturer decides to claim a bigger market share in any of the less important markets and he “behaves immorally” by offering dumping prices. At least half of the aforementioned brands behaved in this way in the past in Czechia and Slovakia. The reason is evident – importers, or more specifically their top management is not rewarded on the basis of units sold, but rather on the basis of claiming the predetermined percentage of market share. In this phase of the game, the right definition of the market category is also important, mostly being based on the overall vehicle weight. The category varies, sometimes beginning at 14 tons, sometimes at 18 tons, in short its “craftily marketed” according to the needs of the manufacturer. The foundation that allows this behavior is the fact that the profit of the heavy truck manufacturers is slowly but surely being moved from the manufacturing sector into the service sector, aka after-sales. What does it mean? In very simple terms the product profit margin is extremely slim, sometimes does not exist at all and sometimes is even negative. In this way the product price is relatively low – at least at first glance. However, the profit must be generated in form of services provided to customers. That’s why all these service-level agreements exist and that’s why there’s an effort on all levels to “hold onto” the customer and not let him perform vehicle maintenance himself or at any unauthorized facility. There’s a wide variety of tools that serve this purpose, for example the high use of telemetry, which is an online connection to the service facility of the brand and so on. There are final-stage manufacturers that can function on a long-term basis with a profit margin less than one percent! For that matter, it’s the earlier mentioned financial and property bonds that allow this situation to exist. It has been a long time since customers could choose from seven independent brands of heavy trucks. The so-called manufacturing and consumption globalization will essentially lead to further property and manufacturing resource grouping. And as before we had these “seven sisters”, today we only have five.

From seven to five

Few years ago, Volvo has definitively gobbled up Renault Trucks and added it to their transatlantic brand Mack, while their formerly super important American brand White is being kept only as a name in the North America due to the nostalgia the name holds. Another American acquisition made by the Scandinavians is TerexTrucks. When it comes to property in Asia, Volvo has dealt with Chinese manufacturer Dong Feng, Japanese UD Trucks and Indian Eicher.

Mercedes-Benz is a brand from the portfolio of the giant Daimler AG, to which belongs plethora of formerly independent American and Japanese manufacturers – Freightliner, Detroit Diesel, Western Star, Fuso, Thomas Built Buses. To their portfolio belongs also the German Setra and the Indian manufacturer BharatBenz.

Few years ago, VW Group has financially taken control, besides many others, of Swedish Scania and German MAN, which was forced to buy Brazilian manufacture VW Commercial, invest in it and shape it into a key player in the South American market. This year the group assembled a new organization unit called TRATON, where it focused all its truck manufacturers. For that matter, VW Group covets the property merge (nowadays defined as ownership of 20% of shares) with one of the last, until recently independent American manufacturer, Navistar.

Iveco is a part of a huge conglomerate CNH Industrial, which this year seeks to recover from the sudden death of a huge automobile guru, Sergio Marchionne.

DAF is a part of an American group PACCAR, which owns the manufacture of the American heavy trucks Peterbilt and Kenworth, while in the UK they still hold onto the brand Leyland.

From five to six

This year, another final-stage manufacturer of heavy trucks joins the game and it is the Turkish Ford Otosan. Overall, its onset and timeline that are marked by some very important construction and business milestones are very interesting, perhaps even stunning. The company exists in Turkey since 1928 when it was established as a Ford importer. For a long time, majority owners – the Koc family held the company in their motherland. With the assumption of responsibility over the development of engines for a whole variety of global personal automobiles and Ford trucks and then even with literally lightning fast growth of manufacturing capacity and manufacture of vehicles themselves designated for customers in the whole world, the Turkish Ford has finally entered the international spotlight. The following numbers speak for themselves. In 1997 the company had a manufacturing capacity of 47 000 automobiles, it manufactured 43 102 automobiles from which 667 were designated for export. After only 20 years, in 2017, its manufacturing capacity grew tenfold to 470 000 vehicles, its production grew nine times to 373 007 vehicles and its export increased 450 times to 297 396 vehicles.

Holding the cards

Today it has been for quite some time manufacturing even trucks of three basic categories – heavy trucks, delivery trucks and construction vehicles. After sixty years of dreaming about its own heavy truck, this year Ford Otosan finally introduces a vehicle named FORD F-MAX. Except transmission, which is for now bought from ZF, of course Traxon, is everything on the vehicle developed and constructed internally.

From the cabin with a width of 2500 mm and inner height of 2160 mm, flat floor, big 13-liter straight-six engine Ecotorq with emission specification Euro 6D, 500 horsepower and 2500 Nm torque, chassis and axle to electronic driver-assistance systems, standard telemetry installation and plethora of details improving the comfort of the driver and his crew.

FORD F-MAX was developed during last five years by five hundred developers out of twelve hundred in total that work for Ford Otosan. For 1720 weeks, 223 prototypes were driven for more than five million test kilometers in eleven countries of four different continents and it has undergone 15 000 hours of testing in laboratories. All that for an incredibly efficient spending of 400 million USD. Brand new heavy truck can not only go toe-to-toe with the current European competition, but because it’s the newest, in many aspects it can even outperform it. For example, with its storage compartment layout inside the cabin, excellent cost-saving engine, advanced aerodynamics, and therefore its very favorable operating costs, aka the magical coefficient TCO. Moreover, the official strategy of Ford Otosan to enter the market with Ford F-MAX and other Ford Otosan heavy trucks is to gradually penetrate the market from Balkan into the countries of Eastern and Central Europe, later Western Europe and primarily to set a very favorable purchase price. According to the leadership of the Ford Otosan company, the purchase price will be under any circumstance kept under the price of all other final-stage manufacturers operating in Europe. And that’s why I think that with the fulfillment of promises and supplemented by excellent service facilities, FORD F-MAX can really shake things up and change the game entirely…

…to be continued.

Photos: from top to bottom, left to right (translator’s note)

Photo 1: FORD F-MAX arrives – a photo with the name of the truck still concealed.

Photo 2: POSITIONING and shape of the side mirrors not only complies with all European and other legislative measures, but are also, compared with some of the competition, fully functional.

Photo 3: BOTH sides of the cabin have a spacious compartment, primarily accessible by opening the outer small door up to 90 degrees. Both compartments are also accessible from the inside of the vehicle, from where they can be opened.

Photo 4: THE ERGONOMY of the Ford F-MAX’s cabin is truly exemplary. Great job.

Photo 5: THE NAME F-MAX comes from a certain tradition of referring to “small” Fords. The letter F references the undisputedly most successful and best-selling Ford vehicle – full size pick-up F-150.

Photo 6: EXTREMELY carefully “treated” aerodynamics of the new cabin and the whole body of the truck brings benefits in the shape of lowering fuel consumption by 2% compared to the previous model New Cargo 1846.

Photo 7: STEPS to the cabin offer enough space for storing drivers’ shoes, if he is used to change them for driving.

Photo 8: DESIGNERS and constructers paid special attention to the interior of the cabin, which aspires to be the best in its category.

Photo 9: FRIDGE is standardly available and placed under the bed in the center of the cabin.

Photo 10: FOR THE FIRST TIME in the history of heavy truck manufacturing, storage compartments are placed at the back of the cabin, mimicking overhead bins in planes.

Photo 11: SYSTEM of resealable storage compartments above the upper edge of the windshield.

Photo 12: THERE are two folding steps in the front mask of the truck to allow the driver effortless cleaning of the windshield – the system is a subject of the patent.

Photo 13: Ford F-MAX has unambiguously and by a huge margin earned the title for International Truck of the Year 2019. The jury consisting of twenty-three renowned European journalists gave the truck not only the first place, but also a huge point lead on the second place.