FIA Newsletter Mobility Conference Week Issue 6: Taking Ownership - 30/08/2013



Dear Colleague,

There's now just over a week to go until FIA Mobility Conference Week kicks off in the Hague and for this, our final pre-event newsletter, we thought we'd give you an insight into one of the keynote addresses you'll be treated to during the event.

Dr Adjiedj Bakas has spent his working life Identifying economic, technological, demographic, environmental, spiritual and security trends. Of Indian origin, he was born and raised in Latin America and has lived in Europe for more than 28 years. He has sold more than 500,000 books worldwide and was one of the first commentators to predict the current economic crisis – and the path to recovery.

On Wednesday of Conference Week, Dr Bakas will bring his unique vision to bear on a topic clubs wrestle with daily – how to remain relevant in a changing mobility landscape. Before the big day, however, we asked him to divulge just a little of what his talk, entitled 'Owning Your Future', might involve...

## FIA: What issues are clubs likely to face going forward?

**Adjiedj Bakas:** The world population grows daily by a net amount of 220,000, so a net amount of six million people per month. Also, people are growing older but in much better condition. To cope with that we will have to develop very efficient methods of transportation, otherwise we'll simply go nowhere.

We've already seen developments that mitigate against that: more people work from home and shop from home, so on the one hand we are going to see less mobility. However, because there are more people and a bigger and bigger middle class, the demand for mobility will rise. More people will be on the move for leisure, for travel and we have to have more efficiency.

We are going to see more of what we are already seeing which is shared mobility. You don't have to own it anymore. Many car owners don't use their car for 80 per cent of the year, so why would you own it. You have to pay tax, insurance and many other things so why not rent it by the hour. I think we will see many more hybrid systems such as this in the next 10 to 15 years.

## FIA: Give us one example of how clubs might deal with that?

**AB:** They should probably split up! No, by that I mean they should devolve into several divisions. One should be for car owners, which would lobby for their interests. Then, owing to changes in the energy market, they could for example act as a co-op of car owners. They could buy energy as a group – oil and gas, electricity for hybrid and electric cars – for the car owners.

For car renters, they should lobby for good infrastructure – good roads, good vehicles, efficient IT, so members could order a vehicle by phone, get it back, have these cars available at convenient places near residential areas.

## FIA: Do you see clubs providing these car sharing services?

**AB:** Why not? It could be an interesting new revenue model. Part of the difficulty for clubs is that cars are becoming better and better. One of the past revenue streams for them has been recovery services of breakdown services. That's a diminishing area of return as cars get better and as car companies themselves package this type of service with their cars. So exploiting the cars themselves and exploiting access to them would be a good revenue opportunity.

## FIA: What do you hope will be the result of the talk you give to Conference Week?

**AB:** I hope to inspire the delegates to think out of the box when it comes to new business models and ways to stay relevant in the future, and in how to service their members in a way that fits with the 21<sup>st</sup> century.

There will be much more food for thought over the course of the event, however, as Dr Bakas will not be the only keynote speaker attending the conference this year.

On Day Two Ton Steenman, Vice President of the Intel Architecture Group and general manager of the company's Intelligent System Group, will be exploring the theme of Connected Cars and looking at how ever-increasing levels of computing power in modern cars are set to change the motoring landscape, and how clubs fit into it.

Finally, on Day Three, David Metz, visiting professor at the Centre for Transport Studies, University College London, and José Viégas, Secretary General of the International Transport Forum, will attempt to divine the future of four-wheel transport in a session entitled 'The Car: What Next'. With strong backgrounds in scientific research, public administration and the formulation of transport policy both men are sure to provide unique insights into what the future holds for the automobile.

And that brings us right up to date. We hope you've enjoyed this series of newsletters and trust that they have given you some idea of what this year's event will be like. We're certainly looking forward to welcoming you to The Hague.

Best wishes,

Your Conference Week Team.