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Daimler Trucks North America
www.daimler-trucksnorthamerica.com / HQ: Portland, Ore. / Employees: 22,800 (N.A.) / Products: Heavy-duty trucks, commercial trucks and vehicles, buses, engines / Roger Nielsen, COO: “We will have growth in the school bus business and have room to grow in ... diesel-powered motor homes.”
So far, 2008 has been a year of change for the largest heavy-duty truck and commercial vehicle manufacturer in North America. In January, the company known as Freightliner LLC officially changed its name to Daimler Trucks North America (DTNA) LLC to address confusion and better connect to its parent company, Daimler AG. “Our business changed dramatically in the past decade, and our name should reflect that reality,” President and CEO Chris Patterson said in a statement. “This time was right to implement a name change that reflects both our global DNA and our broad responsibilities within the NAFTA [North American Free Trade Agreement] region.”

The Freightliner name caused confusion because it was both the company’s name and a truck brand, COO Roger Nielsen explains. “We had one logo on the truck, and one that represented our company,” he says.

Nielsen notes the separation of Daimler and Chrysler in 2007 and the change of DaimlerChrysler AG’s name to Daimler “presented the perfect opportunity to change our name, as well,” Nielsen says.

Also, earlier this year, the company announced plans to relocate approximately 350 members of its corporate staff from its headquarters in Portland, Ore., to Ft. Mill, S.C., by July. “About 80 percent of our trucks are sold east of the Mississippi, and most of the [manufacturing] work is being done on the East Coast,” he explains.

The purpose is to give our corporate staff more face time,” he says. “They will be able to see customers more on a regular basis, as well as interact with our major manufacturing plants,” three of which are located in the Carolinas.

New Products
DTNA strives to introduce innovative and high-quality products to stay competitive in the automotive industry. In 2007, it presented a new truck, called Cascadia, which will “overtake the market,” Nielsen predicts. Part of its Freightliner line, the trucks is its biggest and features bigger doors, a 13.5-foot-wide roof – 10 to 14 inches wider than its largest truck – and a six-foot-long sleeping unit.

“The living space is much larger and there is more shoulder room,” he adds. “There is more room for the growing driver, such as more belly room. The sleeping quarters are also larger and you can stand as you walk. There is also more room to store belongings.”

Daimler Trucks North America

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Business Units
DTNA is comprised of nine business units:

Freightliner Custom Chassis Corporation.
Based in Gaffney, S.C., the subsidiary manufactures premium vehicle chassis for walk-in vans, motor homes, school buses and commercial buses.

Detroit Diesel Corporation
An affiliate company, it is the leading manufacturer of on-highway medium- and heavy-duty diesel engines for the commercial truck market. It is based in Detroit and offers 170- to 515-horsepower engines for the on-highway market, Series 60 engines and Mercedes-Benz engines.

Freightliner Trucks
DTNA’s largest division manufactures Class 5-8 trucks that serve commercial vehicle applications and heavy-duty Class 8 trucks, such as the Columbia, Century Class S/T, Coronado, Classic/Classic XL and the new Cascadia. It also offers the medium-duty Business Class M2.

Daimler Trucks Remarketing Corporation
The largest buyer and remarketer of used trucks, it offers industry-exclusive finance programs, customized specifications and warranties of up to three years or 300,000 miles.

Sterling Truck Corporation
Based in Redford Township, Mich., this division manufactures a full line of Class 3-8 trucks, such as A-Line on-highway trucks, the Set-Back L-Line highway or off-road tractors and the Sterling Set-Forward, geared to the dump, utility and government/municipality markets.

It also offers the medium-duty Acterra, LCOE Sterling 360 for urban use, and the Sterling Bullet for construction, utility and government/municipality applications.

Thomas Built Buses Inc.
Thomas Built is a school bus manufacturer headquartered in High Point, N.C.

Western Star Truck Sales Inc.
The Redford Township, Mich., subsidiary serves the heavy-duty Class 8 owner-operator, premium vocational and specialty/ extreme markets.

Government Vehicles
This unit sells Freightliner, Sterling and Western Star trucks to the U.S. and Canadian governments, as well as custom-built vehicles that transport bulk goods and light construction equipment for the Army.

Exports
Daimler sells heavy-duty trucks to 38 countries outside the NAFTA region, including Australia, Chile, New Zealand and South Africa. Its most popular exports are the Freightliner, Sterling and Western Star new and used heavy-duty trucks.
things, like clothing. “There is also better visibility in the front windshield and improved fuel efficiency,” he adds.

The new truck line also incorporates “traditional” Freightliner characteristics, such as durability and reliability, he adds. To date, the company has sold almost 10,000 Cascadias.

Also, earlier this year, Daimler began ramping up production of Detroit Diesel’s new DD15 engine, and will continue to increase production until 2009. The heavy-duty engine will be the work horse of most of its fleets, he says. “We have thousands in backlog, and it is taking off strongly.”

**Meeting Clients’ Needs**

Daimler Trucks spends at least a year speaking with customers before it starts developing a new product. “We talk about their needs, and see what’s out there in the marketplace that doesn’t meet needs,” Nielsen says. “We just interview drivers and customers to see what they are looking for.”

Fuel costs are the No. 1 concern for customers. For drivers of major fleets, fuel mileage can make or break profits.

“Over the years, [other companies]
have been more and more successful in passing fuel costs to customers, and truck drivers have to pay more," he says.

“We have strived to provide a better fuel economy in our products.”

Environmental concerns are also a priority and DTNA has also taken steps to make its facilities more environmentally friendly.

“We are concerned about land, water and air pollution,” Nielsen says. “Our goal is to have our new factories above the standards set.”

For example, the company’s new manufacturing plant in Saltillo, Mexico, under construction and set to open January 2009, will serve as a benchmark on how it will impact the environment. For example, all the water used on site will be filtered and 100 percent recycled, he says.

“Not one drop will be returned to the sewage system,” he adds.

Aesthetics are also important to truck customers, Nielsen adds. “Companies want trucks that are nice-looking and can attract drivers,” he says. “Major fleets have a hard time retaining drivers. They want to drive in [style].”

**Growth Plans**

The company is proud of being the world’s largest commercial vehicle manufacturer, Nielsen says. It manufactures 470,000 vehicles annually, double the amount of its closest competitor. “We are proud to be a part of Daimler,” he stresses. “We are proud to be the biggest and the largest, and one of the most excellent in the world.”

Daimler prides itself on being a global company. It has had great success with Mercedes-Benz in the Latin American market, outside of Brazil and Argentina, and sells used trucks in Russia.

“They have great value,” Nielsen says. “They typically have between 400,000 and 500,000 miles, and have been operational for three to four years. They are maintained very well and are almost new.”

It is currently focusing its growth in the Asia-Pacific region, Australia, New Zealand, Indonesia, South Africa and other “right hand drive” countries. “We’ll continue to grow our Sterling brand and Western Star brands,” he adds. “We will also have growth in the school bus business and have room to grow in the motor home business, especially for diesel-powered motor homes.”

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