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US Big Three look to auto alternatives

By Robert Wright in New York

The big three US carmakers are eyeing increasing involvement in alternatives to private car ownership such as e-bikes and buses, amid a dip in car use and ownership.

The three – General Motors, Ford and Chrysler – are reacting to figures that show young people are delaying learning to drive and more young professionals are moving to city centres.

The vehicle manufacturers are increasingly involved in local car-sharing services intended to serve urban professionals who occasionally need a car but prefer to avoid full-time ownership.

The new thinking marks a significant change for companies that once encouraged the US's steady shift in many areas towards almost total reliance on the private car.

Sheryl Connelly, Ford's futurologist, said the carmaker started studying the changes' impact after noticing the proportion of 16-year-olds holding a driving licence in the US fell from 50 to 30 per cent in the 30 years to 2008.

Ford recognised there would be days in a city such as London where a commuter would conclude train travel made most sense, Ms Connelly said. On others, it would be more practical to rent a car.

"The future of mobility is going to be multi-modal," Ms Connelly said. "It's going to be context and purpose-driven."

Peter Kosak, GM's executive director for urban mobility, said increased urbanisation worldwide – including an apparent drift towards formerly rundown inner cities in the US – had changed the carmaker's thinking.

Among GM's responses had been its investment – which it increased in November – in Proterra, a North Carolina-based builder of electric buses. The company is also studying whether to start manufacturing, selling or managing sharing systems for electric bicycles. E-bike use is growing fast in many parts of the world.

"Bikes and e-bikes are going to be a part of urban mobility solutions to a growing extent," Mr Kosak said. "So, certainly, that's something we're looking at as well."

JoAnn Heck, Chrysler's director of consumer and market insights, said carmakers would

increasingly work with local governments and other companies to provide customers with choices about how to move about.

“It may be that companies think more about addressing a business model associated with open ownership,” Ms Heck said. “Particularly in cities, there are a lot of ways that this can be addressed.”

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