

## GMSA has rosy view of 2010 car sales

General Motors South Africa (GMSA) is planning to launch 10 new vehicles over the next two years and it's forecasting that new vehicle sales in 2010 will be marginally higher than last year

By [Henrie Geysler](#) 3 Feb 2010



According to Malcolm Gauld, GMSA vice president of sales and marketing, the company is confident that the market will not further deteriorate this year. "We foresee a gradual improvement in sales and project that the 2010 market will come in at 412 000, about a 5% up on last year's 394 000."

He said there was no doubt that consumers were still facing challenging economic upheaval with steep the rise in food and commodity prices. "We are mindful that the pending increase in electricity prices can adversely affect cost of living which will curb consumer spending confidence."

### 'Phenomenal' growth

However, Gauld said the right product line up was essential for sales growth and its new mid-size sedan, the Chevrolet Cruze (one of the finalists in this year's SA Car of the Year competition) and the arrival of the new Chevrolet Spark later this year would ensure GMSA remained on par with other major car-makers.

"Chevrolet has grown phenomenally since the brand was re-introduced into the South African market in late 2003 and it continues to sell well locally."

GMSA's award-winning locally built commercial vehicles are strong sellers with the Corsa Utility being the half ton market leader for almost five years and the Isuzu KB still a popular choice among South Africans, having attained first position in both the Petrol Single Cab and the Diesel Double Cab segments in the late Synovate Quality Awards.

### Boost for PE

Meanwhile GMSA strives to continuously improve its product portfolio and production facilities. Michael Sacke, GMSA vice president of finance, said the company was in the process of consolidating production facilities in Port Elizabeth.

He said both Corsa Utility and Isuzu KB were now being built at the Struandale plant. Previously Isuzu had been manufactured in Kempston Rd, GM's oldest manufacturing facility in Africa.

The Struandale plant was named the best local manufacturing plant for Light Commercial Vehicles (LCV) in the latest 2009 Synovate Quality Awards.

In addition, Corsa Utility won the quality award for best half ton LCV and Isuzu scooped several quality awards in its various segments.

## **Investment on the cards**

Sacke said the company was looking at investing approximately R900 million between 2010 and 2012 on new product and upgrading production facilities. "It is important for us to continue improving our production facilities as this contributes to the quality of our products."

Later this year GMSA plans to open its state-of-the-art Pan African Parts Distribution Centre (PAPDC) at the Coega Industrial Development Zone. The PAPDC, an investment of R250 million, will replace the existing GMSA Parts and Accessories (P&A) facility in Kempston Road, Port Elizabeth.

The new facility of 38 000m<sup>2</sup> will house all of GMSA's after-sales operations under one roof and aims to meet the needs of the growing parts and accessories business which has an annual revenue of in excess R1 billion.

Contact Henrie Geysler at .

### **ABOUT HENRIE GEYSER**

Henrie Geysler joined the online publishing industry through iafrica.com where he worked for five years as news editor and editor. He now freelances for a variety of print and online publications, on the subjects of cars, food, and travel, among others; and is a member of the South African Guild of Motoring Journalists. [henrieg@iafrica.com](mailto:henrieg@iafrica.com)  
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