

Immediate release

## **Global brand portfolios are key to Ford's survival, argues latest Trend Tracker White Paper**

***In a new white paper entitled "Building brand portfolios and managing investors: The case of Ford", UK automotive research firm Trend Tracker's analyst Michael Wynn-Williams suggests that rumours of Ford selling off brands to survive is testament to Ford's short-sighted planning horizon, and argues that in order to survive the roller-coaster ride of its booms and busts, Ford should spread market risk amongst its brands as it looks to the longer term.***

In his latest research paper, Michael Wynn-Williams identifies that in an age of creeping globalisation, giant multinationals such as Ford owe their existence to building strong brand portfolios and even resuscitated brands years after their demise to use as tools for opening new market niches. The paper explains that although global vehicle manufacturers rest on the need to find economies of scale in manufacturing and economies of scope in marketing, there is little evidence that either is pursued to its logical conclusion. Indeed, parent groups continue to give brands their own manufacturing facilities and dedicated sales outlets, suggesting the existence of another agenda.

Michael Wynn-Williams writes that: "At the forefront of Western brand building has been Ford, now sheltering over half a dozen famous names. But with the parent group itself now threatened, the 'brand portfolio strategy' has become the subject of cynical speculation. Rumours abound that Ford needs to auction off the portfolio to fund its own survival, yet Ford has no future in consuming its own offspring.

Like most Western manufacturers Ford is hindered by a short-sighted planning horizon, a position forced on it by shareholders who have their own mortality to worry about. Their attempts to find the best home for their savings causes fluctuations in the business cycle and the company lurches from boom to bust."

Michael's latest white paper concludes by arguing that building Ford's brand portfolio is not about market presence but a defensive strategy to spread market risk and smooth out the 'boom and bust' roller-coaster ride: "In doing so shareholder sentiment is upheld and borrowing costs levelled out. In the current climate Ford needs these productive brand assets more than ever, whatever the short term difficulties" added Wynn-Williams.

**ENDS**

Notes for editors

The white paper, 'Building brand portfolios and managing investors: The case of Ford', and a previous white paper by the same author entitled 'Jaguar's part in rescuing Ford', can be downloaded from [www.trendtracker.co.uk](http://www.trendtracker.co.uk), or obtained via email to: [info@trendtracker.co.uk](mailto:info@trendtracker.co.uk) or by calling Charles Oakham on +44 (0)870 421 4350.

### **About Trend Tracker**

Trend Tracker is a UK-based independent, specialist automotive research company which undertakes bespoke client research programmes and publishes automotive market studies based on consumer and business-to-business research. These include the Castrol Business Services-sponsored Trend Tracker reports on car servicing and car repair, and other MFBI-brand studies of the new and used car, car finance, service and repair and body repair markets in the UK.

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