

**MARCH
2009**



SOUTHERN EMERGENCY AND RESCUE VEHICLE SALES, LLC.

Volume 1, Issue 1

Special points of interest:

- Plan your year
- New EPA requirements
- Cut your costs by cutting idle time
- What chassis manufacturers have to offer

Inside this issue:

FORD	2
CHEVROLET	2
SPRINTER	2
IDLE TIME	3
NISSAN	3
MONEY FOR 2009	3
AMBULANCE PARTS	4

Planning for 2009

The new year has brought about many changes. The financial market is in shambles. Banks and finance companies have implemented tighter requirements, and some banks are now requiring larger down payments. Some leasing companies are having problems finding places to put Governmental leases due to their low interest rates. Layoffs are being announced every day by larger companies, and the State of Louisiana has announced that they will have a huge shortfall next year.

So enough with the gloom and doom. The good news is fuel prices have reached an all time low. The layoffs in other sectors could become a huge source of new hires of quality employees changing their careers to a semi recession proof industry.

With this information in mind, it will become incumbent on you to plan your future for the next year now, not in November. If you sit around and expect the same call volume and same collection rate as last year you may be very disappointed.

As people are laid off they will lose their healthcare benefits. This will cause an increase in the use of ambulance services, and will correlate directly to your collection rate. The State of Louisiana used its shortfall prediction to cut some Medicaid reimbursements.

As you know, the two largest costs for you are labor and fuel. Fuel cost is currently down and labor cost is rising. To reduce fuel and maintenance costs, the idling of units has to stop and regular maintenance will help. Labor cost will only go down when there is a surplus

of medics. If you actively participate in the recruiting and training of EMT's and Paramedics, this will happen. Your local middle and high schools should be your first targets. Introducing this career to the middle schools kids who will not be going to college, will provide them with an option.

As you know, there are no plans for reimbursement changes to add to your bottom line. It will be your planning for the rest of the year that makes the difference.



The Dow Jones Industrial over the past 12 months.

EPA Requirements mean big changes for 2010

Effective January 2010, all diesel engines have to meet stricter exhaust particulate guidelines. This means there will be a major change on all diesels built after January 1, 2010. The few chassis manufacturers that are left by this date will be left with few choices. Either get out of the diesel business, or find a system that complies. The only system that will comply is Selective Catalytic Reduction

(SCR). This is a urea-dependant after treatment, which will require a separate tank to be added that will need to be filled with urea. The distribution of urea is still in the working stages, but should be available at most truck stops. The estimated usage will be 300 miles per gallon of urea. This system is supposed to improve the fuel economy nominally. SCR has been in use around Europe for a while.

The price of urea has doubled in Europe since it has been used but is less than the cost of diesel fuel. Trucks will be equipped with a warning light when the urea level reaches 25%. An audible alarm will sound at lower levels and finally, deceleration when empty. The bottom line, this is a new concept and one more fluid for crews to add.



What is new for Ford in 2009



Could this be Ford's answer?

LAST OF FORD'S DIESEL. DO NOT WAIT TO ORDER. THEY ARE IN SHORT SUPPLY. IF YOU WAIT PAST JUNE THERE WILL NOT BE ANY LEFT!

Ford Motor Company recently settled its lawsuit with Navistar. The settlement means that Ford is now able to build its own diesel engine. This means that after the 2009 model year, Ford will either be out of the diesel business or it will be building its own. Articles that I have seen so far only talk about the F series. The problem is the E series platform is too small for the 6.0, much less a new engine that meets the new EPA standards. The 6.0 liter was non compliant to the 2007 standards. The new engine is reportedly going to be built in either Brazil, or India.

With this in mind, I believe Ford will not have a diesel engine for the Econoline series for January 2010. The V-10 gasoline engine has been introduced this month at the NTEA show to be available late this year for ambulance production. There has been no firm date of production. This change will save about \$6,500.00 on the initial purchase. The estimated mile per gallon on the V-10 will be 6 to 8.

As far as the 2009 model year, Ford has upgraded the function ability of its E-Series interior. It has a new dash and instrument panel. The

instrument panel will have a 2 line message center for maintenance information as well as fuel economy. The interior now has a more ergonomic feel for the drivers. The upgrade also included new door panels with added storage.

Ford Motor has come to a settlement on its class action lawsuit about the 6.0 liter diesel engines. Every owner of 2003 to 2007 should be receiving a letter over the next few months explaining the settlement.



Chevrolet G-4500

Chevrolet is ready to fill the Void

In September of 2007, Chevrolet started shipping its G-4500 Cutaway. This fills the void Chevrolet had when it came to the long wheel base cutaways. This unit will replace the Ford E-450's for those customers who like the bigger Type III bodies.

This unit, like all the other Chevrolet ambulance approved chassis, have the Duramax 6.6-litre engine. It has 260 horsepower and 460 pounds of torque.

So far, all of our customers have had extremely successful experiences with the Chevrolet Chassis. The down time for shop visits have been minimal. The Chevrolets seem to have a weaker front end, requiring maintenance around 30,000 miles. The other issue that has recently surfaced is the need to replace the particulate filter. Recently one of our customers had 2 separate units that needed these filter replacements. Each of these

units had approximately 50,000 miles, but an extremely high idle time. These filters are not covered by the GM warranty and cost about \$1,500.00 to replace, according to the customer. Chevrolet announced a recall to tweak the processors on the 3500 series to help this problem. The units with this problem were cranked up in the morning and not shut off until the crew got off that night. This shows the importance and savings by stopping idle time.



Sprinter Type II

(1) Sprinter Demo Available for IMMEDIATE DELIVERY solid white call for options f.o.b Clinton, LA

Sprinter

Dodge currently holds a contract with Daimler until 2010. After that time no one really knows who will be selling the Sprinter brand. Sprinter is actually a Mercedes product that is built in Germany, sent here in a kit, and assembled in the US. Previous experience with this product was the 5 cylinder diesel engine, that is

no longer made, lasted 100,000 miles maximum. Parts were hard to come by, some having to be ordered from Germany. This year's version has 6 cylinder diesel and many improvements. The Type II version is supposed to get 20 mpg; we have only been able to get 14 mpg on a demo. Mileage has improved the more

miles that has been put on this unit. Unfortunately, this unit is priced several thousand dollars more than the Chevrolet and Ford with no incentive discounts available. The cutaway version is available, but the payload is so low that reputable ambulance manufacturers are trying to build a light body for it.

Cutting Idle Time

When the Ford 6.0 Liter Diesel engine came out, maintenance requirements changed. Most providers got into their ambulance and drove down the road without ever reading the owners manual. The oil changing requirements went from changing oil every 200 hours, 2,000 miles, or every six months, whichever comes first. Ford considers every hour of idling time as 30 miles traveled. Unless you special order an hour meter, (only the F-series has one built into the odometer) you will never be able to guess your idle time.

In the New Orleans area, a unit

with 50 thousand miles would really have 2.5 times that with idle time or 125 thousand miles. That would mean you would have to change the oil 62.5 times during the first 50,000 miles. If you go 50,000 miles a year, this would average an oil change every 6 days.

The math is simple. The cost of idle time outweighs shutting the unit down when it is not necessary. You will save on fuel, oil, egr valves, and particulate filters. All providers will need to band together to contact facilities to install (2) 30 amp shorelines per ambulance parking place. One

for the unit and inverter, the other one for 110 volt optional a/c. This way, the inverter, which is also a battery charger, will maintain the batteries if something is accidentally left on or if the batteries are low. If you add the optional a/c to your unit, the crew will come back to a unit that is cooled off for the patient and crew.

It should be an easy sale to the facilities as they are always complaining because of the noise and smell of the idling units.



**UNIT WITH 110 VOLT
ADDITIONAL AC TO
REDUCE IDLE TIME**

Nissan

Nissan Motor Company will build 3 different light commercial trucks in Canton, Mississippi in 2010. There was speculation that one of these would be a van product similar to the Sprinter. Recently we have found out from reliable sources this would not be the case.

The reason there was speculation was Nissan hired

the former head of Ford's Commercial Products to run this department. This program was originally reported to have a partnership with Cummins for its engines and the German based ZF Friedrichshafen AG for transmission.

This model will not be available until June 2010 and will not have diesel capability.



Nissan new LCV

Finance for 2009

We have recently seen a transition by banks to require larger deposits on the purchase of ambulances. This is probably due to the more stringent requirements put on the banks from the Feds. Now that the banks are under scrutiny, so will the borrowers. Everyone needs to take into consideration that this will require time. What used to take 24 hours for loan

approvals, may take weeks.

The FDIC is now looking at bank liquidity versus debt to asset ratios. The banks are not going to put too many eggs in a basket anymore. This will lead to some loans being denied.

With this in mind, it is now time to look at the alternative source of financing. Leasing and finance companies used to be

frowned upon. Today they may be the source of money that you need. Currently the interest rates for private companies are varying from 8 to 10 per cent, depending on the history. Municipal funding is 4 to 6 per cent depending on length and payment method. Either method should be considered and prior approval is highly recommended.



YOU WANT IT WHEN?

**YOUR BANKER WHEN
YOU ASK FOR A LOAN**



P.O. BOX 288
9180 HIGHWAY 67
CLINTON, LA 70722
Phone: 800-468-5473
Fax: 225-683-1466
E-mail: RREMOUNT@BELLSOUTH.NET

Southern Emergency and Rescue Vehicle Sales, LLC. (S.E.R.V.S) was established in 2007 to service the needs of EMS providers throughout the United States. S.E.R.V.S replaces our original company Richards and Clarke, Inc. In our commitment to providers, we purchased a 30,000 sq foot facility allowing us room to provide extensive maintenance, body repairs and remounts.

We have an extensive new product line as well as used units. Rentals are also offered for the customers who have units down short or long term.

Replacement Parts

When we moved into our new building we decided to divide our parts department into a separate company, Ambulance Parts DOT Com. We are in the process of setting up our website to make ordering parts easier.

This company has an edge over many of its competitors as we buy factory direct in most cases. It is our goal to be able to provide parts for any brand ambulance. Our remount experience gives us the opportunity to dissect every brand on the market. Our staff knows what is working and what is not.

We are able to stock a variety of products needed to keep your units on the road. We also have a wide variety of used parts that may no longer be made today.

Due to the large number of different custom parts, we have the capability to fabricate them here saving you money and time. If you are not sure which part you need, our staff can walk you through the steps to acquire the information needed to get the correct part.

With the ever increasing cost of new units, repairing and upkeep of your older fleet makes more sense.

We are helping you save by ordering in large volume to get bigger discounts. We try to ship the same day ordered!

MARCH SPECIALS:

HI DOME BULBS \$ 3.87

DOME LIGHT LENS \$ 4.52

**4" POP IN STOP TAIL TURN
RED LED LT ONLY \$ 13.83**

**4" POP IN AMBER TURN LED
LT ONLY \$ 13.83**

**KUSSMAUL AUTO EJECT YEL-
LOW COVER \$ 18.98**

**WHELEN S30TL STROBE
BULB \$ 26.57**

