

SUV popularity in North America: historical perspective

1904-1918 The advent of the automobile

In the beginning, all vehicles looked alike. There was nothing to distinguish a car from a light-duty truck. Vehicle ownership was only for the well-off, who were captivated by the speed, luxury and feeling of freedom offered by the automobile.

1918-1945 The democratization of the automobile

After the First World War, the automobile went from being a luxury item to a **mass consumer item**. Marketing segmentation practices were born, and different vehicle lines were introduced (variations in chassis, engines and bodywork).

The distinction between cars and trucks occurred in the 1930s. Light-duty trucks were **initially designed for commercial and institutional purposes** (army, police, fire department, cargo transport).

1946-1972 The development of the automobile culture

For nearly 40 years, the **station wagon** was seen as the car for the average American family.

1973-1979 Oil price shocks and the introduction of GHG emissions standards for light duty vehicles in North America

The oil price shocks and the attendant spike in the cost of gasoline at the pump were responsible for the very **first regulations governing GHG emissions and fuel consumption** for light-duty vehicles. From that point on, light-duty trucks enjoyed **laxer standards** and were thus the preferred choice of vehicle manufacturers.

At the same time, the weight of a vehicle became an important feature because lighter vehicles meant less fuel consumption. And so the **public turned to more energy efficient models** built in Europe and Japan. To help North American automobile manufacturers to adapt their models to reflect best practices employed elsewhere, governments provided them with financial support.

1980-2000 Light-duty trucks make their appearance as a passenger transport niche

Trade deals limiting imports of foreign vehicles were added to the new GHG emission standards and government subsidies supported the North American automotive industry. Utility trucks were now adapted to **passenger transport**, and consumers began to shift away from cars. A **rebound effect** was also noted: because of improved vehicle energy efficiency, there was a tendency towards the purchase of larger models.

In 1984, the **minivan** was the best-selling vehicle in North America. It had become the new go to car for the typical North American family.

2001-2007 Diversification of the light-duty truck market and the advent of crossover utility vehicles (CUV)

Small and economical for city dwellers, powerful and sporty for outdoor enthusiasts, spacious and safe for families, luxurious and prestigious for the wealthy: **there was now an SUV for everyone**. Befitting its strong and growing popularity, the SUV was the **highest selling vehicle** in Canada in 2004.

The year 2007 marked the arrival of **CUVs** on the market, a turning point in the dominance achieved by light-duty trucks in Canada's vehicle fleet. Offering features similar to those found in cars, they consume less fuel than traditional SUVs.

CUV's popularity was evident when the cost of gasoline went up: consumers opted for smaller versions of the same category of vehicle they owned.

2008 to today Increased popularity of SUVs and CUVs

In the wake of the economic crisis of 2008, the Canadian government offered the North American automobile industry **financial support** for the economic recovery. Meanwhile, the financialization of the automotive industry has become more and more pronounced.

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