

LESSON 1

THE IMPORTANCE OF THE AUTOMOTIVE INDUSTRY – PART 1

BAROMETER

[bə'romɪtə]

something which shows you what people think or what is going to happen

REPLICATE

['replɪkeɪt]

to do or make something in exactly the same way

MANEUVERABLE

[mə'nu:vəəbəl]

easy to turn or move

DETERIORATE

[di'tɪəriəreɪt]

to become worse

ENCOMPASS

[ɪn'kʌmpəs]

to include many ideas, subjects, etc.

COMMODIOUS

[kə'məʊdiəs]

if something is commodious it can hold many things because it is very spacious

COMPLY

[kəm'plaɪ]

obeying an order or request

VERSATILE

['vɜ:sətəɪl]

good at doing many different things

MOCKUP

['mɒk ʌp]

a copy of a vehicle which is not real but appears real

PROTOTYPE

['prəʊtəʊtaɪp]

the first example of a new car, airplane, machine, etc.

THE IMPORTANCE OF THE AUTOMOTIVE INDUSTRY

The automotive industry is truly one of the most important industries worldwide for many reasons, including the following:

1. **it encompasses such a broad range of diverse business activities**, including design, engineering, manufacture, assembly, production, import/export, logistics, purchasing, finance, sales, advertising, marketing. etc.
2. **it impacts on the economies** of both the auto manufacturer's home country, as well as on countries participating in such activities as assembly, production, importing, sales, etc.
3. **it is an important barometer of a country's economic health**, as well as being an indicator of periods of general worldwide economic growth or slowdown

4. **it is the employer of millions of people**, and can therefore substantially improve the standard of living in many countries, especially developing countries
 5. **it creates, sustains, and reflects many important trends in industrial design**, fashion, lifestyles, changes in behavior, etc., among consumers across the globe, as in the case of the introduction of the minivan in the U.S. during the 1980s
 6. **it provides a new found sense of freedom and mobility for people**, especially those living in remote rural areas with limited or non-existent public transport facilities
 7. **it stimulates a great deal of additional economic activity** by creating demand for industrial materials such as steel, glass, rubber, leather, vinyl, fabric, etc., as well as for manufactured products such as tires, windshields, steering wheels, seats, computers, fuel injection systems, etc.
-

WHAT ARE SOME OF THE MANY BUSINESS ACTIVITIES ENCOMPASSED BY THE AUTOMOTIVE INDUSTRY?

The automotive industry encompasses such diverse business activities as design, engineering, manufacture, assembly, production, import/export, logistics, purchasing, finance, sales, advertising, marketing, etc.

CAN WE SAY THAT THIS INDUSTRY HAS A SIGNIFICANT ECONOMIC IMPACT ON PARTICIPATING COUNTRIES?

Yes, as it impacts greatly on the economies of both the manufacturer's home country, as well as countries participating in activities such as assembly, production, importing, sales, etc.

WHY IS THIS INDUSTRY SUCH AN IMPORTANT BAROMETER OF ECONOMIC GROWTH OR SLOWDOWN?

Because if a country's economic situation begins to deteriorate, the number of new car sales will immediately decrease, whereas in good economic times, they will increase significantly.

HOW CAN THE AUTOMOTIVE INDUSTRY IMPROVE LIVING STANDARDS IN DEVELOPING COUNTRIES?

By employing millions of people worldwide, the industry can improve living standards if it invests in developing countries.