

Commuter Cars Update: April 27, 2006

The sale of the first *Tango T600* to George Clooney in the fall of 2005 represented a major milestone for Commuter Cars Corporation. The vehicle has gained a good deal of publicity (including an appearance in Vanity Fair's *Green Issue*) from Mr. Clooney's desire to reduce dependency on foreign oil. Referring to his movie *Syriana*: "If you're doing a movie about oil consumption and corruption," said Clooney, "you can't just talk the talk. You gotta walk the walk."

For Commuter Cars, the production of this *Tango* also resulted in virtual completion of the engineering and tooling required to begin a significant production endeavor. The company is now in the process of firming up arrangements with producers and suppliers of the components that will permit regular manufacturing to get under way. We anticipate being able to complete the next *T600* within approximately six months.

Orders continue to be placed; we presently have deposits for over 50 *Tangos*. Five are for the *T600*, 13 are for the next-anticipated model, the *T200*, and the rest are for the *T100*.

Production schedules continue to be dependent on financing. Lacking significant funding, we will be producing one *Tango T600* at a time at a price (\$108,000) prohibitive to all but the wealthy. This approach will eventually yield us enough profit to increase production and produce less expensive models, ultimately making the higher-production (under \$20,000) models possible. This will take many years to achieve. However, with a relatively modest \$50 million investment base, Commuter Cars would be able to start engineering, tooling, and manufacturing the *T100* sub-\$20,000 *Tango* immediately which would then naturally grow to mass-produced even more-affordable vehicles.

The *Tango* solves the incredibly painful congestion problem so thoroughly that by giving people unprecedented freedom of mobility in large cities, it will incidentally move transportation away from oil-dependency in the same way the Model-T moved the world away from the horse and buggy.

The full-sized automobile transporting a single occupant 90% of the time has stifled our cities and highways. Because it has been a gradual process (in fact, most of us were born into it) people have hardly noticed the pain that this has added to their daily lives. In horse and buggy days, rarely did a single occupant use a buggy unless needed for carrying capability. It was much easier to just hop on a horse, saving space and avoiding the congestion and parking problems. Now, for the first time after a century of this degeneration, that mobility and parking freedom can return. When half of the single-occupant drivers have switched to these new vehicles, over 3 billion barrels of oil per year worldwide will be replaced by electricity at approximately 1/6 the cost of gasoline.

(See <http://commutercars.com/downloads/batteryCharging/energyICEvsTango.pdf>)

Even if SUV drivers could be convinced to switch to hybrid cars, it won't ultimately solve the problem. Hybrids get about twice the fuel efficiency of standard internal combustion vehicles. As explained by Bill McDonough, author of *Cradle to Cradle*, if you want to go to Mexico and you're headed toward Canada it won't do much good to slow down to 20 mph—you have to turn around. No matter how many standard vehicles are replaced with hybrids, we are still dependent on a non-renewable resource, oil—most of which has to be imported. \$2,700 worth of solar panels on a home or business's rooftop will provide a lifetime supply of commuter transportation for the *Tango*, with no further cost and no need for any other fuel.

Over half the commuters surveyed at the Los Angeles Auto Show would prefer to drive *Tangos*. By supplying a car that is so convenient, fast, safe, and fun to drive that even the Hummer driver would rather drive, except for the 10% of the time that he needs the extra space, passenger capacity, or range, people will naturally gravitate to the new system of transportation that will eliminate their dependence on non-renewable, expensive, and polluting fuels.