



## Press Release

### **J.D. Power and Associates Reports: Deterioration in Vehicle Quality During the First Three Years of Ownership Has a Major Impact on Customer Satisfaction and Advocacy**

#### Lexus Ranks Highest in Vehicle Dependability for a 14<sup>th</sup> Consecutive Year

**WESTLAKE VILLAGE, Calif.: 7 August 2008** — Deterioration in vehicle quality during the first three years of ownership—determined by comparing long-term dependability rates to initial quality problem rates—strongly affects overall customer satisfaction as well as customer willingness to recommend their vehicle model, according to the J.D. Power and Associates 2008 Vehicle Dependability Study<sup>SM</sup> (VDS) released today.

The study, which measures problems experienced by original owners of 3-year-old (2005 model year) vehicles, finds that, on average, customers report experiencing 75 percent more problems in the third year of ownership than during the first 90 days. Those models with the largest increase in problem levels show the most pronounced declines in satisfaction and the likelihood of owners to recommend their vehicle model. In addition, while no model has fewer reported problems in the third year of ownership compared with the first three months, those models that average less than 35 percent problem growth actually demonstrate improvement in overall satisfaction during the three-year period.

“Understanding and minimizing quality deterioration is critical for manufacturers, as it is a key driver of owner satisfaction and word of mouth recommendations,” said David Sargent, vice president of automotive research at J.D. Power and Associates. “It is imperative that manufacturers design models that not only achieve high levels of initial quality but also attain high levels of longer-term dependability. Vehicle models that stand the test of time will help automaker profitability through superior owner satisfaction and recommendation rates.”

The study also finds that five of the top 10 problems reported industry-wide in the 2008 Vehicle Dependability Study were also among the top 10 most frequently reported problems in the 2005 Initial Quality Study, suggesting that the problems are identified by owners during the initial ownership period, but have not been rectified by automakers during the three-year ownership period.

The problems include:

1. Excessive wind noise
2. Noisy brakes
3. Vehicle pulling to the left or right
4. Issues with the instrument panel/dashboard
5. Excessive window fogging

“Although automakers have achieved tremendous gains in initial quality and dependability in recent years by specifically addressing customer concerns, these particular problems still prove challenging for manufacturers,” said Sargent. “The fact that these problems have endured throughout the industry for many years suggests that additional focus on these issues prior to vehicle launch would benefit not only consumers, but also automakers through increased customer satisfaction.”

For a 14<sup>th</sup> consecutive year, Lexus ranks highest in vehicle dependability, improving by 25 problems per 100 vehicles since 2007 to achieve a score of 120 PP100. Following in the top five rankings are Mercury, Cadillac, Toyota and Acura, respectively.

In addition, Lexus garners six segment awards—the most of any nameplate in 2008—for the ES 330, GX 470, IS 300, LS 430, LX 470 and SC 430. Toyota follows with five segment awards for the Highlander, Prius, RAV4, Sequoia, and Tundra. Ford and Honda each capture two awards. Ford models receiving awards are the Crown Victoria and Ranger, while Honda earns awards for the Element and S2000. Models by Buick, Chevrolet, Hyundai, Mazda and Mercury each rank highest in one segment.

SAAB is the most improved brand in the study, although it continues to rank below the industry average. SAAB improves by 65 PP100 since 2007.

The study finds that long-term vehicle quality has improved by 5 percent industry-wide in 2008—with an overall decrease of 10 problems per 100 vehicles—compared with 2007. More than 60 percent of the 38 nameplates included in the study improve in 2008, compared with 2007. Among the 19 segments included in the study, the midsize premium MAV segment demonstrates the most improvement in 2008—36 PP100 fewer than in 2007. The compact car and midsize car segments also have much lower problem levels in 2008 than in 2007, and together account for more than one-half of the overall industry improvement.

“The gains in dependability for compact and midsize vehicles are good news for consumers who are downsizing their vehicles due to increasing fuel prices,” said Sargent. “Consumers who purchase these smaller vehicles benefit not only from immediate gains in fuel economy, but also from improvements in long-term dependability, compared with previous years.”

The 2008 Vehicle Dependability Study is based on responses from more than 52,000 original owners of 2005 model-year vehicles. The study was fielded from January through April 2008.

Find more detailed findings on vehicle dependability as well as model photos and specs by watching a video, reading an article and reviewing brand and segment dependability ratings at [JDPower.com](http://JDPower.com).

#### **About J.D. Power and Associates**

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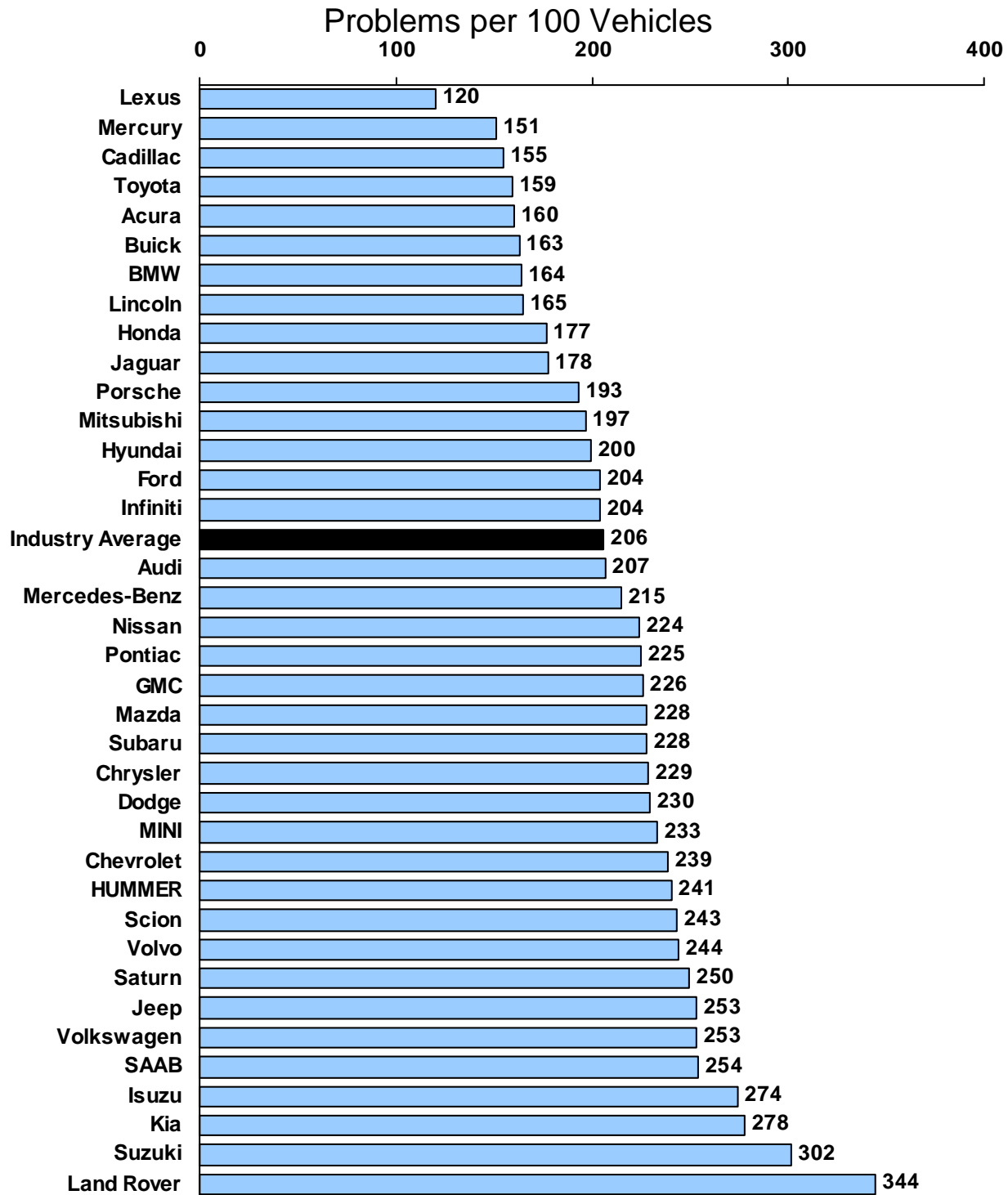
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NOTE: Three charts follow.

# J.D. Power and Associates 2008 Vehicle Dependability Study<sup>SM</sup> (VDS)

## 2008 Nameplate Ranking



Note: Maserati is included in the study but not ranked due to small sample size.

Source: J.D. Power and Associates 2008 Vehicle Dependability Study<sup>SM</sup>

Charts and graphs extracted from this press release must be accompanied by a statement identifying J.D. Power and Associates as the publisher and the J.D. Power and Associates 2008 Vehicle Dependability Study<sup>SM</sup> as the source. Rankings are based on numerical scores, and not necessarily on statistical significance. No advertising or other promotional use can be made of the information in this release or J.D. Power and Associates study results without the express prior written consent of J.D. Power and Associates.

# J.D. Power and Associates 2008 Vehicle Dependability Study<sup>SM</sup> (VDS)

## Top Three Models per Segment Car Segments

### Sub-Compact Car

**Highest Ranked: Hyundai Accent**  
Scion xA  
Chevrolet Aveo

### Compact Car

**Highest Ranked: Toyota Prius**  
Mitsubishi Lancer  
Toyota Corolla

### Compact Sporty Car

**Highest Ranked: Mazda Miata**  
Toyota Celica  
Subaru Outback Sport

### Midsize Sporty Car

**Highest Ranked: Chevrolet Monte Carlo**  
Toyota Camry Solara Coupe/Convertible  
Mitsubishi Eclipse

### Midsize Car

**Highest Ranked: Buick Century**  
Mercury Sable  
Toyota Camry Sedan

### Large Car

**Highest Ranked: Ford Crown Victoria**  
Mercury Grand Marquis  
Buick Park Avenue

### Compact Premium Sporty Car

**Highest Ranked: Honda S2000**  
BMW Z4 (tie)  
Porsche Boxster (tie)

### Entry Premium Vehicle

**Highest Ranked:**  
**Lexus IS 300/IS 300 SportCross**  
BMW 3 Series  
BMW X3

### Midsize Premium Car

**Highest Ranked: Lexus ES 330**  
Lexus GS 300/GS 430  
Acura RL

### Large Premium Car

**Highest Ranked: Lexus LS 430**  
Lincoln Town Car  
Cadillac DeVille

### Premium Sporty Car

**Highest Ranked: Lexus SC 430**  
Ford Thunderbird  
Porsche 911

**For more detailed findings on vehicle quality and dependability performance,  
visit [www.jdpower.com](http://www.jdpower.com)**

Source: J.D. Power and Associates 2008 Vehicle Dependability Study<sup>SM</sup>

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## Top Three Models per Segment *Truck / Multi-Activity Vehicle (MAV) Segments*

### Compact MAV

**Highest Ranked: Honda Element (tie)**  
**Toyota RAV4 (tie)**  
Honda CR-V

### Midsize Pickup

**Highest Ranked: Ford Ranger**  
Toyota Tacoma  
Dodge Dakota

### Midsize MAV

**Highest Ranked: Toyota Highlander**  
Buick Rainier  
Mercury Mountaineer

### Van

**Highest Ranked: Mercury Monterey**  
Ford E-Series  
GMC Savana

### Large MAV

**Highest Ranked: Toyota Sequoia**  
Chevrolet Suburban  
Ford Excursion

### Midsize Premium MAV

**Highest Ranked: Lexus GX 470**  
Lexus RX 330  
Volvo XC70

### Large Pickup

**Highest Ranked: Toyota Tundra**  
Ford F-150 LD  
Dodge Ram Pickup LD

### Large Premium MAV

**Highest Ranked: Lexus LX 470**  
Cadillac Escalade EXT  
Cadillac Escalade/Escalade ESV

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