



Press Release

J.D. Power and Associates Reports: Buick and Lexus Brands Tie for Highest Rank in Vehicle Dependability

Strong Dependability Levels Can Elevate Residual Value and Purchase Price of Used Vehicles

WESTLAKE VILLAGE, Calif.: 9 August 2007—Buick ties with Lexus to rank highest among nameplates in vehicle dependability—marking the first time in 12 years that another brand ties with Lexus for the highest-rank position, according to the J.D. Power and Associates 2007 Vehicle Dependability StudySM (VDS) released today.

The study, which measures problems experienced by original owners of 3-year-old (2004 model year) vehicles, finds that Buick and Lexus tie for the top rank position with a score of 145 problems per 100 vehicles (PP100). Following in the top five rankings are Cadillac, Mercury and Honda, respectively.

“With three non-premium nameplates—Buick, Honda and Mercury—ranking within the top five, and particularly with Buick tying with Lexus for the top rank, consumers seeking a vehicle with strong dependability have good choices at various price levels,” said Neal Oddes, director of product research and analysis for J.D. Power and Associates. “Consumers don’t necessarily need to pay premium prices to obtain high quality and dependability.”

Lexus garners five segment awards—the most of any nameplate in 2007—for the GS 300/GS430, GX 470, LS 430, LX 470 and SC 430. Toyota follows with four segment awards for the RAV 4, Sequoia, Tacoma and Tundra. Ford, Honda and Oldsmobile each capture two awards. Ford models receiving awards are the Crown Victoria and Mustang (in a tie), while Honda earns awards for the Civic and S2000. Oldsmobile models receiving awards are the Bravada and Silhouette. Models by Buick, Chevrolet, Infiniti, Mazda and Scion each rank highest in one segment.

HUMMER is the most improved brand in the study, although it continues to rank below the industry average. HUMMER improves by 65 PP100 since 2006.

The study also finds that vehicle models with strong dependability may retain up to 15 percent more of their value after three years, which may increase their purchase prices when sold as used vehicles. In particular, vehicle models that demonstrate strong dependability lose their value less rapidly compared with vehicles that are not as dependable. With higher residual value, dependable vehicles may command higher purchase prices on the used-vehicle market. In addition, vehicles with higher retained value can be important assets to automakers and dealerships, which may be able to sell a dependable vehicle two to three times during its life cycle.

For example, the Scion xA—which receives an award in the sub-compact car segment with a score of 207 PP100—maintains residual value averaging 71 percent, which is considerably higher than the industry average of 56 percent. After three years, the 2004 Scion xA may retain value up to \$10,607 of its initial average transaction price of \$14,939, compared with only \$8,366 if the model’s residual value rate matches only the industry average.

“Automakers may reap numerous benefits from producing dependable vehicles—not only in higher residual values, decreased warranty costs and opportunities for remarketing their vehicles, but also in higher customer satisfaction and increased likelihood of customers recommending or purchasing newer dependable models,” said Oddes. “This is

why it is especially important for automakers to successfully launch new vehicle models with high initial quality and appeal—models that perform well in these regards tend to exhibit particularly strong dependability later in their life cycle.”

The study also finds that approximately 65 percent of vehicle owners experience one or more problems that require components to be replaced. Owners who have problems that require component replacements within the first three years of ownership are considerably less satisfied than owners who don’t need to replace components. Satisfaction is decreased further if owners are required to replace a major component, such as a transmission, as well as if minor components, such as brake pads, need to be replaced frequently. Component failure and the accompanying decline in satisfaction can lead to decreased customer loyalty. Owners who experience component failure expect to keep their vehicle approximately one year less than do owners who experience problems but do not need to replace components.

“As owners experience vehicle problems—particularly ones that require components to be replaced—they are less likely to repurchase or recommend their current model,” said Oddes. “Automakers can improve upon customer loyalty by working closely with their component suppliers to monitor quality, since failure of a component ultimately reflects upon the quality of the vehicle brand in the minds of consumers.”

The 2007 Vehicle Dependability Study is based on responses from more than 53,000 original owners of 2004 model-year vehicles. The study was fielded from January through April 2007.

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.

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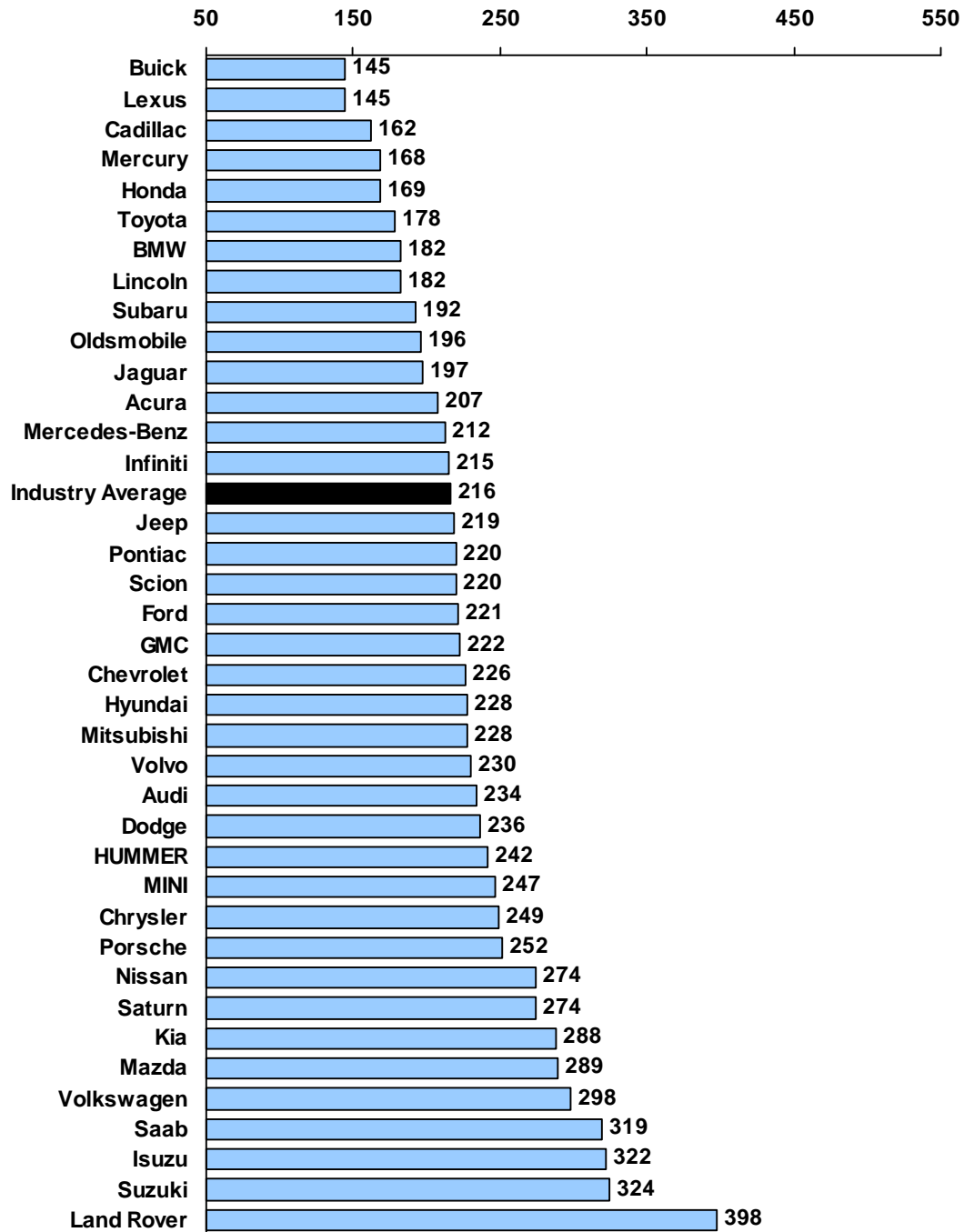
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NOTE: Three charts follow.

J.D. Power and Associates 2007 Vehicle Dependability StudySM (VDS)

2007 Nameplate Ranking Problems per 100 Vehicles



Source: J.D. Power and Associates 2007 Vehicle Dependability StudySM

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Top Three Models per Segment Car Segments

Sub-Compact Car	Compact Premium Sporty Car
Highest Ranked: Scion xA Hyundai Accent Chevrolet Aveo	Highest Ranked: Honda S2000 BMW Z4 Mercedes-Benz SLK-Class
Compact Car	Entry Premium Car
Highest Ranked: Honda Civic Toyota Prius Toyota Corolla	Highest Ranked: Infiniti I35 Cadillac CTS Lexus IS 300/IS 300 SportCross
Compact Sporty Car	Midsize Premium Car
Highest Ranked: Mazda Miata Mitsubishi Lancer/Lancer Sportback Toyota Celica	Highest Ranked: Lexus GS 300/GS 430 Acura RL Lexus ES 330
Midsize Sporty Car	Large Premium Car
Highest Ranked: Chevrolet SSR (tie) Ford Mustang (tie) Toyota Solara	Highest Ranked: Lexus LS 430 Lincoln Town Car Cadillac DeVille
Midsize Car	Premium Sporty Car
Highest Ranked: Buick Century Buick Regal Mercury Sable	Highest Ranked: Lexus SC 430 Ford Thunderbird Chevrolet Corvette
Large Car	
Highest Ranked: Ford Crown Victoria Mercury Grand Marquis Buick Park Avenue	

NOTE: Models with multiple trim levels are combined for ranking purposes.

**For more detailed findings on vehicle quality performance,
visit www.jdpower.com**

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

Compact MAV	Midsized Pickup
Highest Ranked: Toyota RAV4 Honda CR-V Honda Element	Highest Ranked: Toyota Tacoma Ford Ranger Mazda B-Series
Midsized MAV	Van
Highest Ranked: Oldsmobile Bravada Buick Rainier Toyota 4Runner	Highest Ranked: Oldsmobile Silhouette Mercury Monterey Honda Odyssey
Large MAV	Midsized Premium MAV
Highest Ranked: Toyota Sequoia GMC Yukon Chevrolet Suburban	Highest Ranked: Lexus GX 470 Lexus RX 300 Infiniti FX-Series
Large Pickup	Large Premium MAV
Highest Ranked: Toyota Tundra Ford F-150 Heritage/F-150 Lightning Ford F-150 LD	Highest Ranked: Lexus LX 470 Toyota Land Cruiser Cadillac Escalade EXT

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