



Press Release

J.D. Power and Associates Reports: Porsche and Mercedes-Benz Continue to Perform Well in U.S. Initial Quality; Several Other European Automakers Make Strong Gains

Two Daimler Plants and One BMW Plant Receive Initial Quality Awards

LONDON: 22 June 2009 — Vehicles by Porsche and Mercedes-Benz make a strong showing in initial quality, while BMW, Land Rover, SAAB and Volkswagen improve substantially from 2008, according to the J.D. Power and Associates 2009 U.S. Initial Quality StudySM (IQS) released today.

Porsche averages 90 problems per 100 vehicles (PP100), second in the nameplate rankings only to Lexus (84 PP100). Mercedes-Benz improves by 3 PP100 from 2008 to rank sixth in a tie with Toyota. Lower PP100 scores indicate a lower rate of problem incidences and higher quality.

Vehicles by BMW, Land Rover, SAAB and Volkswagen improve substantially in initial quality from 2008. Among European automotive brands, Volkswagen posts the greatest improvement—16 problems per 100 vehicles, which moves the brand to 15th rank position in 2009 from 24th in 2008. BMW improves by 14 PP100 to share 15th rank position with Volkswagen, from 21st rank position in 2008. Land Rover and SAAB each improve by 11 PP100 from 2008.

A key component in Volkswagen's overall improvement is the strong performance of the all-new Volkswagen CC model. Historically, all-new models have typically launched with below-average levels of initial quality. However, the CC averages only 89 PP100, notably better than the entry premium vehicle segment average of 103 PP100.

The Daimler plant in East London, South Africa, receives the Gold Plant Quality award in the Europe and Africa region. Averaging just 38 PP100, the plant produces the Mercedes-Benz C-Class. The study captures problems experienced by owners in two distinct categories—design-related problems and defects and malfunctions. Plant awards are based solely on defect and malfunction counts and exclude design-related problems.

Daimler's Bremen plant and the BMW Dingolfing plant, both in Germany, each receive the Silver Plant Quality Award for the Europe and Africa region, in a tie. The Bremen plant produces the Mercedes-Benz C-Class; CLK-Class; SL-Class; and SLK-Class. The Dingolfing plant produces the BMW 5 Series and 6 Series.

"Daimler's East London, South Africa, plant, which has been the highest-ranked plant in the J.D. Power and Associates South Africa Initial Quality Study for two years in a row, is truly a world-class plant," said Brian Walters, vice president of Europe, Middle East and Africa operations at J.D. Power and Associates. "Its exceptional performance is a testament to Daimler's rigorous quality management processes, which enable it to assemble consistently high-quality vehicles in different regions of the world."

2009 Plant Quality Award Recipients

The Toyota Motor Corporation assembly plant in Higashi-Fuji, Japan, receives the Platinum Plant Quality Award for producing vehicles yielding the fewest defects and malfunctions. Averaging just 29 PP100, the plant produces the Lexus SC 430 and Toyota Corolla.

Among North and South American plants, the Honda plant in East Liberty, Ohio, which produces the Civic Sedan, CR-V and Element, achieves the Gold Plant Quality Award.

2009 U.S. Initial Quality Study Findings

Vehicles sold by Chrysler, Ford and GM's U.S. brands improved in initial quality by an average of 10 percent compared with 2008, surpassing the 8-percent rate of improvement by the industry overall.

Overall, the industry average for initial quality is 108 problems per 100 vehicles in 2009, down from 118 PP100 in 2008. Initial quality for U.S. brands has improved to an average of 112 PP100 in 2009 from 124 PP100 in 2008.

“Even in the face of unprecedented challenges, the Detroit automakers are keeping their focus on designing and building high-quality vehicles, which is a precondition for long-term success,” said David Sargent, vice president of automotive research at J.D. Power and Associates. “High quality generally translates into reduced re-engineering costs and lower warranty expenses during a vehicle’s life cycle. High quality also enhances an automaker’s reputation for reliability, which is a critical purchase consideration for many consumers.”

In addition to the marked improvement by Detroit automakers, many Asian and European brands continued to perform well in 2009. Lexus leads the overall nameplate rankings, averaging 84 PP100. Following in the rankings are Porsche, Cadillac (which moves from 10th rank position in 2008 to third in 2009), Hyundai (improving from 13th rank position in 2008 to fourth in 2009) and Honda, rounding out the top five. Suzuki posts the largest improvement in ranking, moving from 32nd place in 2008 to ninth in 2009.

The study finds that initial quality for newly launched and redesigned models in 2009 has improved, compared with previous years. Historically, all-new models have typically launched with below-average levels of initial quality. However, in 2009, several all-new models, including the Hyundai Genesis, Kia Borrego, Toyota Venza and Volkswagen CC, perform considerably better than their respective segment averages. Many redesigned models in 2009 also show notable improvement from the previous generation—particularly the Acura TL, Ford F-150, Honda Pilot and Nissan Z.

“Achieving high levels of initial quality in all-new models is one of the greatest challenges for manufacturers,” said Sargent. “Now that more manufacturers are getting their launch quality right straight out of the gate, consumers can expect the quality of new vehicles to continue to rise.”

The U.S. Initial Quality Study serves as the industry benchmark for new-vehicle quality measured at 90 days of ownership. The study is used extensively by manufacturers worldwide to help them design and build better vehicles and by consumers to help them in their vehicle purchase decisions. Initial quality has been shown over the years to be an excellent predictor of long-term durability, which can significantly impact consumer purchase decisions.

2009 U.S. IQS Ranking Highlights

Toyota Motor Corporation captures 10 segment awards—more than any other corporation in the 2009 study—including five for Lexus, four for Toyota and one for Scion. Lexus receives awards for the IS, GS, GX, LS and LX models. The Lexus LX has the fewest quality problems in the industry, with just 52 PP100. Toyota models receiving awards in their respective segments are the 4Runner (in a tie); Sienna; Tundra (in a tie); and Yaris.

Ford receives three awards for the Edge (in a tie); F-150 (in a tie); and Mustang. Garnering two awards each are Nissan (Altima and Z); and Honda (CR-V, in a tie, and Ridgeline).

Also receiving segment awards are: Chevrolet Trailblazer (in a tie), Chrysler PT Cruiser Wagon (in a tie), GMC Yukon, Hyundai Elantra Sedan, Mercury Sable and Scion tC.

The 2009 U.S. Initial Quality Study is based on responses from more than 80,900 purchasers and lessees of new 2009 model-year cars, trucks and multi-activity vehicles surveyed after 90 days of ownership. The study is based on a 228-question battery designed to provide manufacturers with information to facilitate identifying problems and drive product improvement. The study was fielded between February and May 2009.

About J.D. Power and Associates

Headquartered in Westlake Village, Calif., J.D. Power and Associates is a global marketing information services company operating in key business sectors including market research, forecasting, performance improvement, training and customer satisfaction. The company's quality and satisfaction measurements are based on responses from millions of consumers annually. J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

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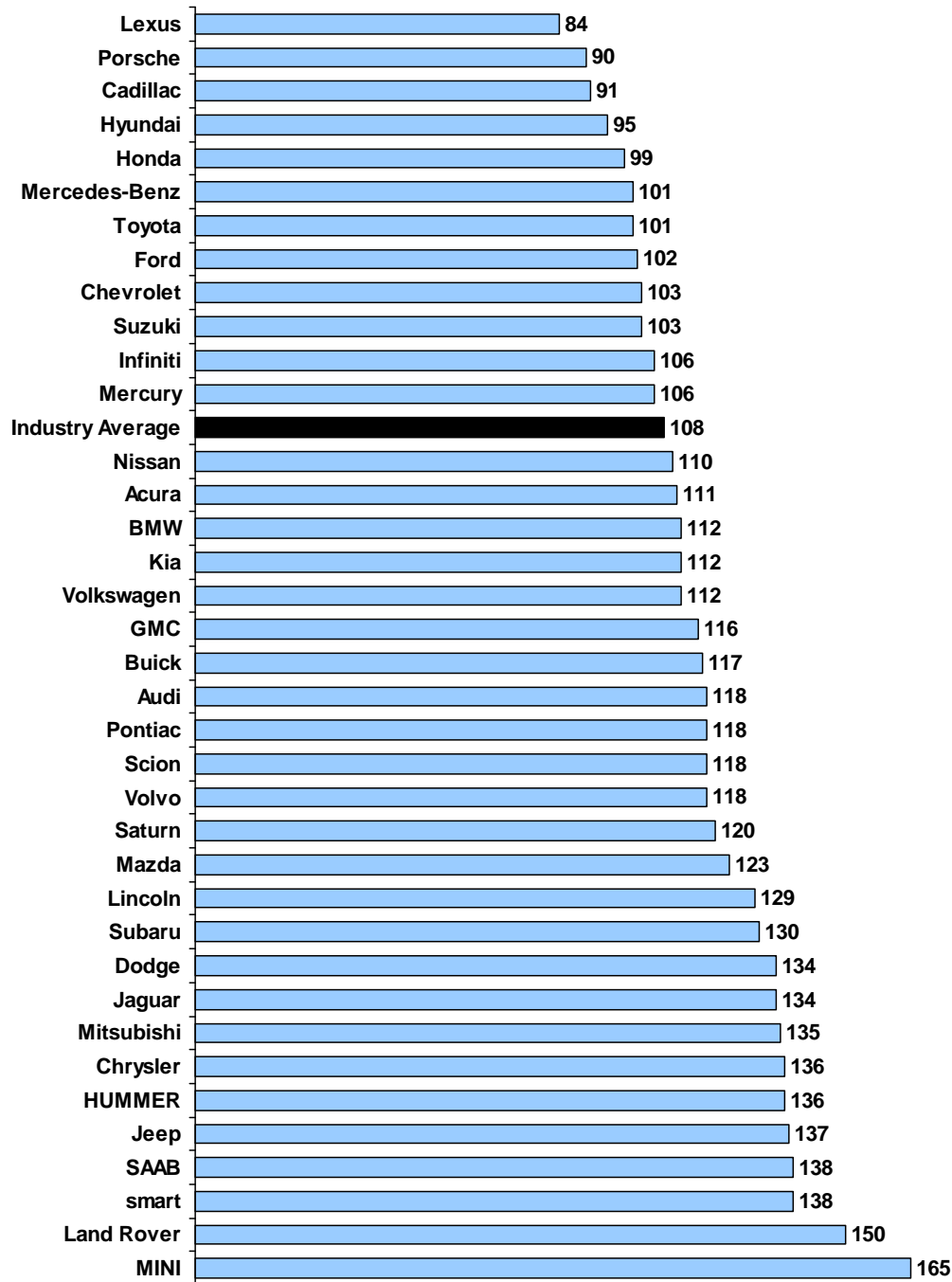
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NOTE: Four charts follow.

J.D. Power and Associates 2009 U.S. Initial Quality StudySM (IQS)

2009 Nameplate IQS Ranking

Problems per 100 Vehicles



Source: J.D. Power and Associates 2009 U.S. Initial Quality StudySM

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 2009 U.S. Initial Quality StudySM 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 survey results without the express prior written consent of J.D. Power and Associates.

J.D. Power and Associates 2009 U.S. Initial Quality StudySM (IQS)

Top Three Models per Segment Car Segments

Sub-Compact Car	Midsize Premium Car
Highest Ranked: Toyota Yaris Hyundai Accent Honda Fit	Highest Ranked: Lexus GS Acura RL Lexus ES
Compact Car	Midsize Sporty Car*
Highest Ranked: Hyundai Elantra Sedan Toyota Prius Honda Civic	Highest Ranked: Ford Mustang
Compact Sporty Car*	Large Premium Car*
Highest Ranked: Scion tC Volkswagen GTI	Highest Ranked: Lexus LS Mercedes-Benz S-Class
Compact Premium Sporty Car*	Midsize Car
Highest Ranked: Nissan Z Mercedes-Benz SLK-Class	Highest Ranked: Nissan Altima Pontiac G6 Chevrolet Malibu
Entry Premium Vehicle	Large Car
Highest Ranked: Lexus IS Cadillac CTS (tie) Infiniti G-Series (tie)	Highest Ranked: Mercury Sable Toyota Avalon Chevrolet Impala

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

NOTE: For a segment award to be issued, there must be at least three models with sufficient sample that comprise 80 percent of market sales within an award segment. There were only two premium sporty models and no large van models with sufficient sample size, thus no premium sporty or large van awards have been issued.

**No other model in this segment performs above the segment average.*

Source: J.D. Power and Associates 2009 U.S. Initial Quality StudySM

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

Compact MAV	Large Premium MAV
Highest Ranked: Chrysler PT Cruiser Wagon (tie) Honda CR-V (tie) Mitsubishi Outlander	Highest Ranked: Lexus LX Cadillac Escalade Mercedes-Benz GL-Class
Midsized MAV	Large Pickup
Highest Ranked: Chevrolet TrailBlazer (tie) Ford Edge (tie) Toyota 4Runner (tie)	Highest Ranked: Ford F-150 (tie) Toyota Tundra (tie) Chevrolet Avalanche
Large MAV*	Midsized Pickup
Highest Ranked: GMC Yukon Chevrolet Tahoe	Highest Ranked: Honda Ridgeline Nissan Frontier Ford Ranger
Midsized Premium MAV	Minivan*
Highest Ranked: Lexus GX Lexus RX Cadillac SRX	Highest Ranked: Toyota Sienna Honda Odyssey

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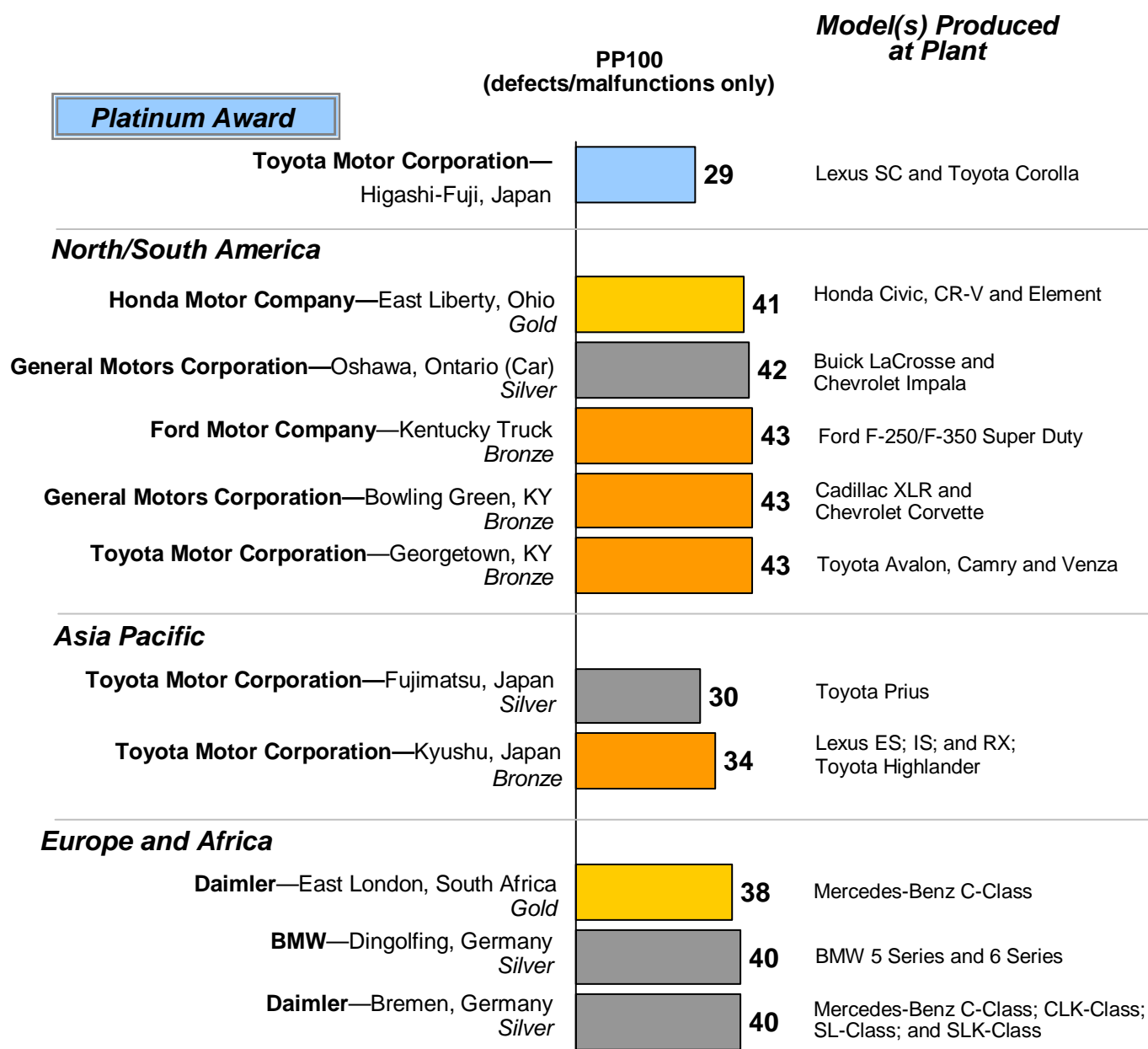
**No other model in this segment performs above the segment average.*

Source: J.D. Power and Associates 2009 U.S. Initial Quality StudySM

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J.D. Power and Associates 2009 U.S. Initial Quality StudySM (IQS)

2009 Assembly Plant Quality Award Recipients Based on Vehicles Produced for U.S. Market



Source: J.D. Power and Associates 2009 U.S. Initial Quality StudySM

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