



Press Release

J.D. Power and Associates Reports: Toyota Motor Corporation's Cambridge South, Ontario, Plant Receives Gold Plant Quality Award

Four Canadian-Built Models Rank within the Top Three in U.S. Initial Quality in Their Respective Segments

TORONTO: 17 June 2010 — The Toyota Motor Corporation Cambridge South, Ontario, plant receives the Gold Plant Quality Award in the North/South America region, averaging just 30 problems per 100 vehicles, according to the J.D. Power and Associates 2010 U.S. Initial Quality StudySM (IQS) released today.

The Cambridge South plant produces the Lexus RX and is the only plant outside of Japan to build a Lexus model.

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.

Four Canadian-made vehicle models rank within the top three in their respective segments. These high-ranking Canadian-built models are:

- Dodge Challenger (Chrysler's Brampton, Ontario, plant) ranks second in the midsize sporty car segment
- Dodge Grand Caravan (Chrysler's Windsor, Ontario, plant) ranks third in the minivan segment
- Ford Edge (Ford Motor Company's Oakville, Ontario, plant) ranks third in the midsize crossover/SUV segment
- Honda Civic (Honda Canada's Alliston 1, Ontario, plant) ranks second in the compact car segment¹

"The success of Toyota's Cambridge South plant in the 2010 IQS, as well as that of high-performing models built in Canadian plants, is a testament to the skill and dedication of the Ontario communities that continue to deliver high-quality vehicles to the North American market," said Ryan Robinson, automotive practice leader of J.D. Power and Associates Canadian operations.

2010 Plant Quality Award Recipients

The Daimler assembly plant in East London, South Africa, receives the Platinum Plant Quality Award for producing vehicles yielding the fewest defects and malfunctions. The plant, which averages just 28 PP100, produces the Mercedes-Benz C-Class.

In the Asia Pacific region, Toyota Motor Corporation's Kyushu 2, Japan, plant, which produces the Lexus ES, IS and RX, receives the Gold Plant Quality Award.

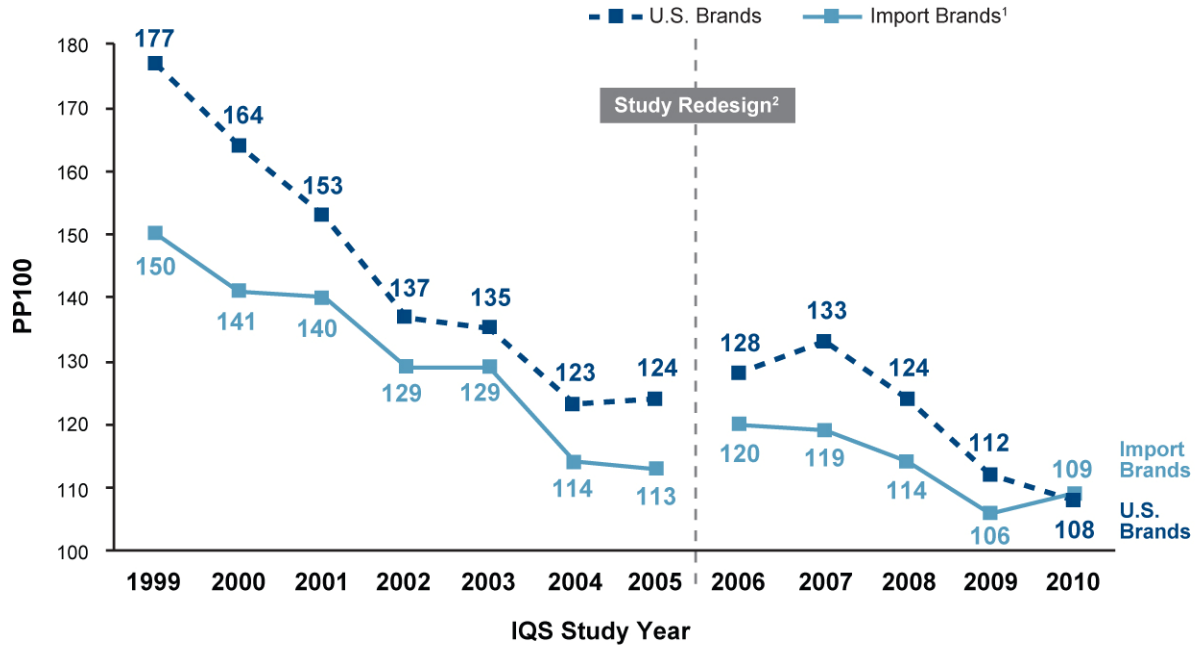
2010 U.S. Initial Quality Study Findings

For the first time since the inception of the study 24 years ago, U.S. auto brands, as a whole, have demonstrated higher initial quality than import brands (automakers headquartered in Europe or Asia Pacific).

Overall, the industry average for initial quality is 109 problems per 100 vehicles (PP100) in 2010, increasing slightly from 108 PP100 in 2009. However, initial quality for U.S. brands as a whole has improved by 4 PP100 in 2010 to an average of 108 PP100—slightly better than the initial quality of import brands, which averages 109 PP100 in 2010.

¹ Of the units sold in the United States of this model, a portion are produced in Canada.

Initial Quality of U.S. and Import Brands, 1999 - 2010



¹ Import brands include automakers headquartered in Europe or Asia Pacific.

² PP100 scores prior to 2006 are not directly comparable to scores between 2006 and 2010 due to a redesign of the study.

Source: J.D. Power and Associates U.S. Initial Quality StudySM (IQS), 1999-2010

Substantial improvements by many U.S. models—including the Ford Focus, Ram 1500 LD and Buick Enclave—drive the overall improvement of domestic automakers in 2010. In particular, initial quality of Ford models has improved steadily for the past nine years. In addition, as a corporation, Ford Motor Company (including Volvo) has 12 models that rank within the top three in their respective segments in 2010—more than any other corporation. General Motors Company has 10 models that rank within the top three in their segments.

Initial quality performance demonstrated by U.S. brands in 2010 contrasts sharply with consumer sentiment from one year ago. According to data collected by the J.D. Power Web Intelligence Division between May and July 2009, much of the online consumer discussion about automotive quality centered around the difficulties U.S. automakers were facing, and perceptions that these problems were largely caused by poor product quality.

“Domestic automakers have made impressive strides in steadily improving vehicle quality, particularly since 2007,” said David Sargent, vice president of global vehicle research at J.D. Power and Associates. “This year may mark a key turning point for U.S. brands as they continue to fight the battle against lingering negative perceptions of their quality. However, there is still a long road ahead, and domestic manufacturers need to consistently prove to consumers that they can produce models with quality that equals or beats that of the import brands. Achieving quality comparability is the first half of the battle; convincing consumers—particularly import buyers—that they have done this is the second half.”

According to the Web Intelligence Division, online consumer conversations about vehicle quality have recently shifted to a more concrete tone. In 2010, consumers are more often discussing quality as it applies to their own personal vehicle purchase decisions, rather than how domestic brands overall are affected by perceptions of low quality.

Initial quality of new models and major redesigns continues to improve in 2010, led by new launches from Ford, Honda, Lexus, Mercedes-Benz and Porsche.

The all-new Honda Accord Crosstour and the redesigned Ford Mustang, Ford Taurus and Lexus GX 460 each rank highest in initial quality in their respective segments. The Ford Fusion, Mercedes-Benz E-Class Coupe and Sedan and Porsche Panamera also launch with notably high initial quality levels.

Historically, newly launched models have incurred substantially more quality problems than carryover models, on average. However, more than one-half of all models launched during the 2010 model year perform better than their respective segment averages. Furthermore, 12 all-new and redesigned models rank within the top three in their respective segments. Meanwhile, initial quality of carryover and freshened models has declined for the 2010 model year.

“With automakers committing huge budgets for the design, engineering, production and marketing of all-new models and major redesigns, hitting the quality mark out of the gate is critical,” said Sargent. “Getting initial quality right on model launches can serve dual purposes for automakers—boosting profitability and also inspiring consumer confidence in the overall quality of their models. Having a strong quality image is essential for automakers to be able to compete in today’s market—both in the U.S. and around the globe.”

The 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 vehicle durability, which directly impacts consumer purchase decisions. The study captures problems experienced by owners in two distinct categories—design-related problems and defects and malfunctions.

2010 U.S. IQS Ranking Highlights

Porsche leads the overall nameplate rankings, averaging 83 PP100. Following in the rankings are, respectively, Acura (which moves from 14th rank position in 2009 to second in 2010), Mercedes-Benz (which improves from sixth rank position in 2009 to third in 2010), Lexus and Ford (which moves into the top five for the first time since the inception of the study). MINI posts the largest improvement in 2010, reducing problems by 32 PP100 from 2009.

Toyota’s problem count increases by 16 PP100, moving it from sixth rank position in 2009 to 21st in 2010.

“Clearly, Toyota has endured a difficult year,” said Sargent. “Recent consumer concerns regarding Toyota’s quality are reflected in the nameplate’s performance in the 2010 study. That said, Toyota’s success was built on a well-deserved reputation for quality, and there is little doubt that they will do everything possible to regain that reputation.”

Ford and Lexus each garner three segment awards. Ford captures awards for the Focus, Mustang and Taurus, while Lexus receives awards for the GS, GX and LS models. The Lexus LS has the fewest quality problems in the industry, with just 55 PP100.

Chevrolet, Honda and Toyota receive two awards each. Chevrolet models earning awards are the Avalanche (in a tie) and the Tahoe. Honda receives awards for the Accord and the Accord Crosstour, while Toyota receives awards for the FJ Cruiser and Sienna.

Also receiving segment awards are: Acura RDX, Cadillac Escalade, GMC Sierra LD (in a tie), Hyundai Accent, Mazda MX-5 Miata, Mercedes-Benz C-Class, Nissan Frontier, Scion xB and Volvo C70.

The 2010 Initial Quality Study is based on responses from more than 82,000 purchasers and lessees of new 2010 model-year vehicles surveyed after 90 days of ownership. The study is based on a 228-question battery designed to provide manufacturers with information to facilitate identification of problems and to drive product improvement. The study was fielded between February and May 2010. Visit the [J.D. Power Business Center](#) for additional information on J.D. Power’s [automotive research](#).

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, Web intelligence 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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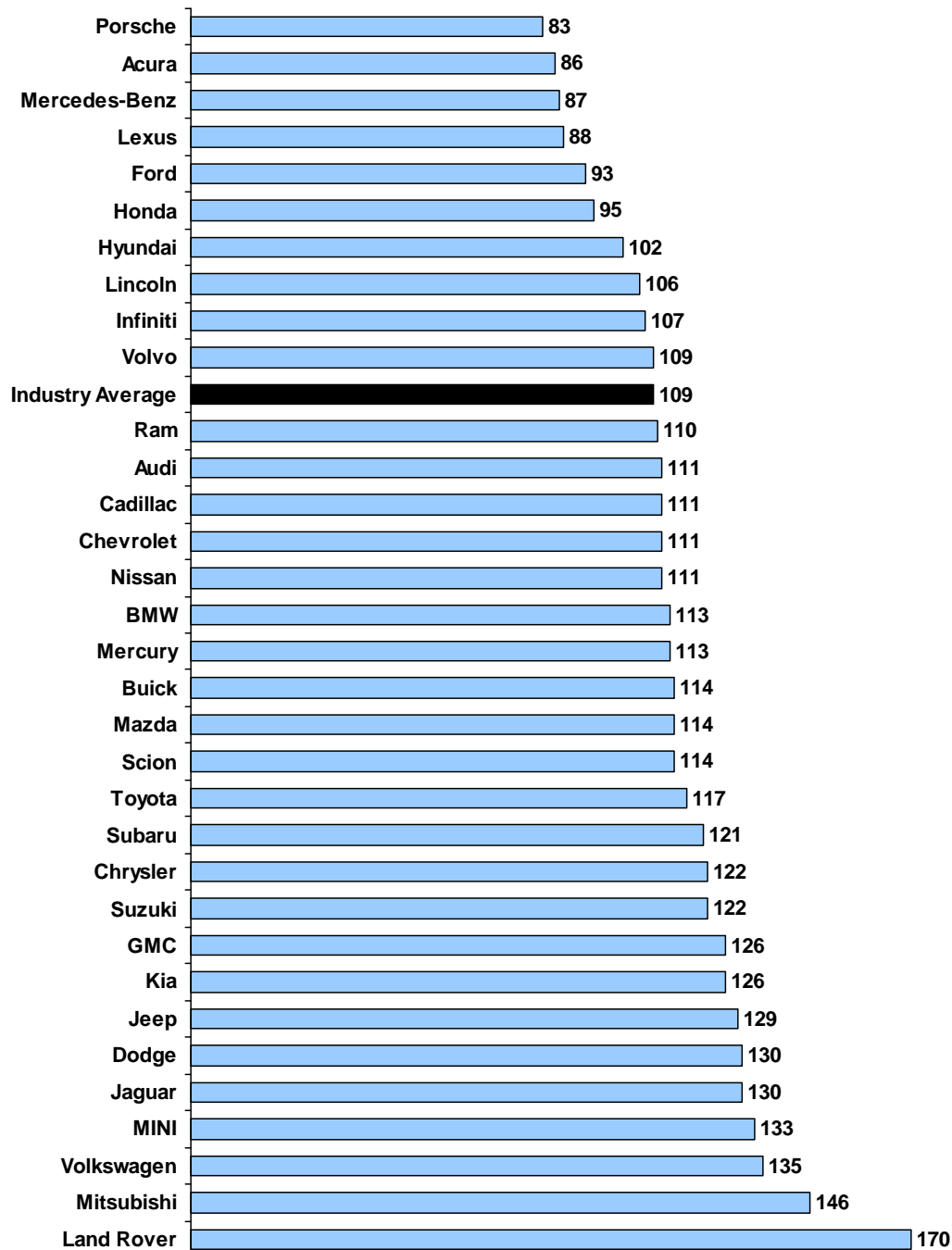
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NOTE: Four charts follow.

J.D. Power and Associates 2010 U.S. Initial Quality StudySM (IQS)

2010 Nameplate IQS Ranking

Problems per 100 Vehicles



Source: J.D. Power and Associates 2010 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 2010 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 2010 U.S. Initial Quality StudySM (IQS)

Top Three Models per Segment Car Segments

Sub-Compact Car	Midsize Premium Car
Highest Ranked: Hyundai Accent Toyota Yaris Honda Fit	Highest Ranked: Lexus GS Mercedes-Benz E-Class Sedan Volvo S80
Compact Car	Midsize Sporty Car*
Highest Ranked: Ford Focus Honda Civic Hyundai Elantra	Highest Ranked: Ford Mustang Dodge Challenger
Compact Sporty Car*	Large Premium Car
Highest Ranked: Mazda MX-5 Miata Scion tC	Highest Ranked: Lexus LS 460 Mercedes-Benz S-Class Porsche Panamera
Compact Premium Sporty Car*	Midsize Car
Highest Ranked: Volvo C70 Mercedes-Benz E-Class Coupe	Highest Ranked: Honda Accord Ford Fusion Chevrolet Malibu
Entry Premium Car	Large Car
Highest Ranked: Mercedes-Benz C-Class Acura TL Cadillac CTS	Highest Ranked: Ford Taurus Buick Lucerne Nissan Maxima

**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 2010 U.S. Initial Quality StudySM

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

Compact Crossover/SUV	Midsize Premium Crossover/SUV
Highest Ranked: Toyota FJ Cruiser Honda CR-V Honda Element	Highest Ranked: Lexus GX 460 Infiniti FX-Series Volvo XC70
Compact MPV	Large Premium Crossover/SUV
Highest Ranked: Scion xB Chrysler PT Cruiser Wagon Nissan Cube	Highest Ranked: Cadillac Escalade Mercedes-Benz GL-Class Infiniti QX56 (tie) Land Rover Range Rover (tie)
Entry Premium Crossover/SUV	Large Pickup
Highest Ranked: Acura RDX BMW X3 Volvo XC60	Highest Ranked: Chevrolet Avalanche (tie) GMC Sierra LD (tie) Ford F-150 LD
Midsize Crossover/SUV	Midsize Pickup
Highest Ranked: Honda Accord Crosstour Honda Pilot Ford Edge	Highest Ranked: Nissan Frontier Ford Ranger Ford Explorer Sport Trac
Large Crossover/SUV	Minivan
Highest Ranked: Chevrolet Tahoe Chevrolet Suburban GMC Yukon	Highest Ranked: Toyota Sienna Kia Sedona Dodge Grand Caravan

***For more detailed findings on new-vehicle quality performance,
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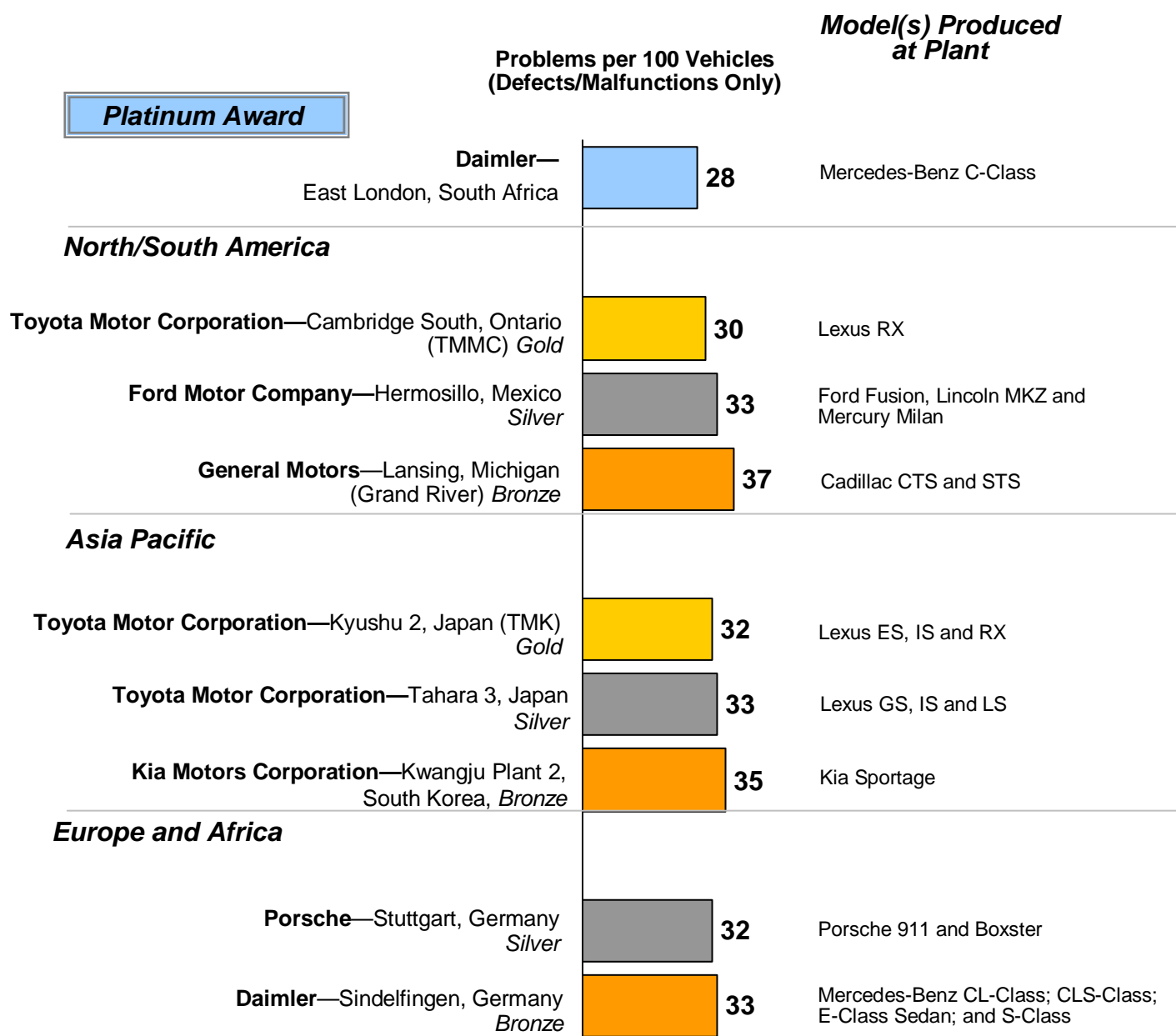
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J.D. Power and Associates 2010 U.S. Initial Quality StudySM (IQS)

2010 Assembly Plant Quality Award Recipients Based on Models Produced for U.S. Market



Source: J.D. Power and Associates 2010 U.S. Initial Quality StudySM

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