



Press Release

J.D. Power and Associates Reports: Despite Continuing Challenges with In-Vehicle Technology, Automakers Post a Strong Improvement in Initial Quality

Lexus Is the Highest-Ranked Nameplate for a Second Consecutive Year;
Toyota Motor Corporation Receives Five Model-Level Awards;
General Motors Company and Nissan Motor Co., Ltd. Garner Four Awards Each

WESTLAKE VILLAGE, Calif.: 20 June 2012 —As the U.S. automotive industry continues to recover, vehicle manufacturers post the strongest improvement in initial quality since 2009 and are producing higher-quality vehicles than ever before, according to the J.D. Power and Associates 2012 U.S. Initial Quality StudySM (IQS) released today.

Overall initial quality for the industry improves by 5 problems per 100 vehicles (PP100) to average 102 PP100 in 2012—an improvement of 5 percent from 2011. There are year-over-year gains in most areas of initial quality, with one notable exception—audio, entertainment, and navigation problems have increased by 8 percent from 2011. This continues a recent trend, as problems in this category have increased by 45 percent since 2006 while other categories have improved by 24 percent, on average.

As manufacturers introduce increasingly sophisticated multimedia systems designed to enhance the ownership experience, owners more frequently cite these systems as a source of quality problems. For the first time in the 26-year history of the study, owners report more problems related to audio, entertainment, and navigation systems than in any other vehicle area. This is driven in part by a rapid increase in the fitment of new technology, such as voice recognition on mainstream models.

“Until recently, this type of sophisticated technology was found primarily on high-end models” said David Sargent, vice president of global automotive at J.D. Power and Associates. “However, over the past few years it has rapidly found its way into the automotive mainstream. For example, in 2012, more than 80 percent of owners indicate that their new vehicle has some form of hands-free technology.”

Specifically, the number of owner-reported problems with factory-installed hands-free communication devices has increased 137 percent during the past four years. In fact, hands-free devices not recognizing commands has become the most-often-reported problem in the industry.

“As smartphones become ubiquitous in the lives of consumers and are ever-more sophisticated, expectations about the complementary technologies being offered in new models will only get higher,” said Sargent. “Automakers and suppliers are working hard to meet those expectations with systems intended to make the driving experience safer, more convenient and more entertaining. However, the most innovative technology in the world will quickly create dissatisfaction if owners can’t get it to work.”

Other key findings from the study include:

- Of the 34 brands ranked in the 2012 IQS, 26 have improved from 2011, five have declined, one scores the same as in 2011 and two were not included in the 2011 study.
- Of the 185 models ranked in both the 2012 and 2011 IQS, 65 percent have improved.
- The average quality of all-new or redesigned models improves 12 percent compared with 2011, with eleven all-new or redesigned models performing better than their segment average.

The Initial Quality Study, now in its 26th year, 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 models and by consumers to help them in their vehicle purchase decisions. Initial quality has been shown throughout the years to be an excellent initial indicator of long-term 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.

2012 IQS Ranking Highlights

Lexus is the highest-ranked nameplate in the industry for a second consecutive year, averaging 73 PP100. With 75 PP100 each, Jaguar and Porsche follow Lexus in a tie to rank second. Jaguar posts the largest improvement in the study—reducing problems by 39 PP100 and vaulting from the 20th rank position in 2011. Cadillac (80 PP100) and Honda (83 PP100) round out the top five rank positions.

Among the 21 model-level segment awards, Ford and Lexus receive three each. Ford earns awards for the Expedition, Mustang and Taurus, and Lexus garners awards for the ES 350, LS and RX. Receiving two segment awards each are Infiniti (EX-Series, M-Series); Nissan (Frontier, Quest); and Toyota (Corolla, Yaris). The Porsche 911 ranks highest in the premium sporty segment and achieves 44 PP100, the lowest PP100 score since the study was redesigned in 2006.

Also receiving segment awards are the Buick Enclave; Cadillac Escalade; Chevrolet Malibu; GMC Sierra LD; Honda CR-V; Kia Soul; Mazda MX-5 Miata; and Volvo C70.

“While in past years a handful of brands tended to collect numerous segment awards, 14 different brands receive segment awards in 2012—this is only the second time in the history of the study that so many different brands achieved award status,” said Sargent. “This is a positive indication of how widespread high quality is among automakers, with most brands producing a number of models with exceptional quality levels.”

Plant Assembly Line Quality Awards

Honda Motor Company’s Suzuka 3, Mie (Sss) plant in Japan, which produces the Honda CR-Z and Fit, receives the Platinum Plant Assembly Line Quality Award for producing models yielding the fewest defects or malfunctions. Plant awards are based solely on average levels of defects and malfunctions and exclude design-related problems.

Among plants in the North/South America region, the Toyota Motor Corporation Cambridge South, Ontario, plant, which produces the Lexus RX, receives a Gold Plant Assembly Line Quality Award.

In the Europe and Africa region, Volvo receives a Gold Plant Assembly Line Quality Award for the Uddevalla, Sweden, plant, which produces the Volvo C70 in a joint venture with Pininfarina.

The 2012 U.S. Initial Quality Study is based on responses from more than 74,000 purchasers and lessees of new 2012 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 identification of problems and drive product improvement. The study was fielded between February and May 2012.

About J.D. Power and Associates

Headquartered in Westlake Village, Calif., J.D. Power and Associates is a global marketing information services company providing performance improvement, social media and customer satisfaction insights and solutions. The company's quality and satisfaction measurements are based on responses from millions of consumers annually. For more information on [car reviews and ratings](#), [car insurance](#), [health insurance](#), [cell phone ratings](#), and more, please visit JDPower.com. J.D. Power and Associates is a business unit of The McGraw-Hill Companies.

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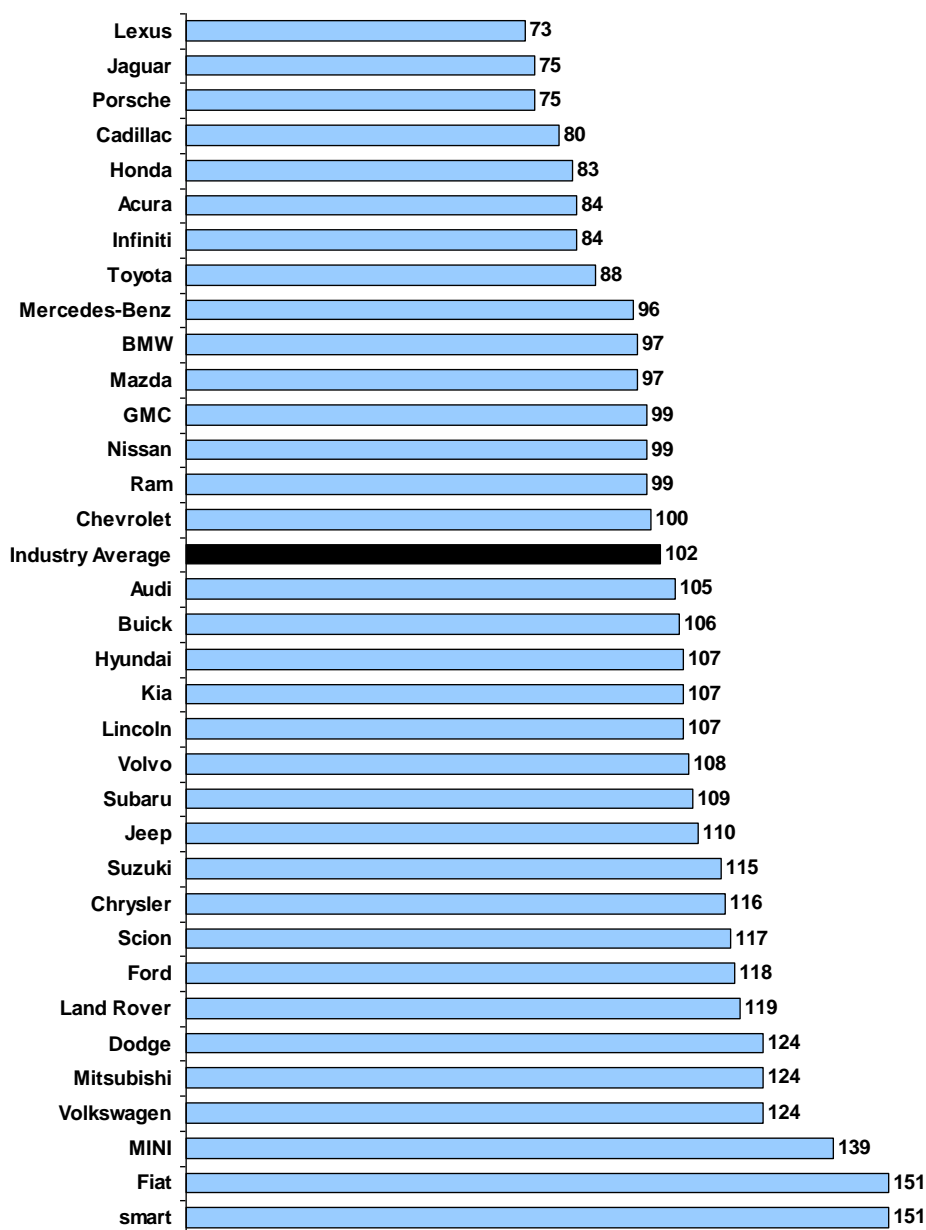
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NOTE: Four charts follow.

J.D. Power and Associates 2012 U.S. Initial Quality StudySM (IQS)

2012 Nameplate IQS Ranking

Problems per 100 (PP100) Vehicles



Source: J.D. Power and Associates 2012 U.S. Initial Quality StudySM

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J.D. Power and Associates 2012 U.S. Initial Quality StudySM (IQS)

Top Three Models per Segment Car Segments

Sub-Compact Car	Midsize Premium Car
Highest Ranked: Toyota Yaris Honda Fit Mazda MAZDA2	Highest Ranked: Infiniti M-Series Lincoln MKS Mercedes-Benz E-Class Sedan/Wagon
Compact Car	Midsize Sporty Car*
Highest Ranked: Toyota Corolla Toyota Prius Honda Civic	Highest Ranked: Ford Mustang Dodge Challenger
Compact Sporty Car	Large Premium Car
Highest Ranked: Mazda MX-5 Miata Volkswagen Eos Scion tC	Highest Ranked: Lexus LS Mercedes-Benz S-Class Porsche Panamera
Compact Premium Sporty Car*	Midsize Car
Highest Ranked: Volvo C70 Mercedes-Benz E-Class Cabriolet/Coupe	Highest Ranked: Chevrolet Malibu Ford Fusion (tie) Honda Accord (tie)
Entry Premium Car	Large Car
Highest Ranked: Lexus ES 350 Acura TL Lincoln MKZ	Highest Ranked: Ford Taurus Toyota Avalon Chrysler 300 Series
	Premium Sporty*
	Highest Ranked: Porsche 911 BMW 6 Series

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

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

Source: J.D. Power and Associates 2012 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: Honda CR-V Toyota RAV4 Toyota FJ Cruiser	Highest Ranked: Lexus RX Infiniti FX-Series Cadillac SRX
Compact MPV*	Large Premium Crossover/SUV
Highest Ranked: Kia Soul Toyota Prius v	Highest Ranked: Cadillac Escalade Infiniti QX56 Land Rover Range Rover Sport
Entry Premium Crossover/SUV	Large Pickup
Highest Ranked: Infiniti EX-Series Acura RDX Mercedes-Benz GLK-Class	Highest Ranked: GMC Sierra LD Chevrolet Silverado HD Chevrolet Avalanche (tie) Nissan Titan (tie)
Midsize Crossover/SUV	Midsize Pickup*
Highest Ranked: Buick Enclave Honda Crosstour Honda Pilot (tie) Jeep Grand Cherokee (tie) Nissan Murano (tie) Toyota Highlander (tie)	Highest Ranked: Nissan Frontier Honda Ridgeline
Large Crossover/SUV	Minivan
Highest Ranked: Ford Expedition GMC Yukon Chevrolet Tahoe	Highest Ranked: Nissan Quest Honda Odyssey Toyota Sienna

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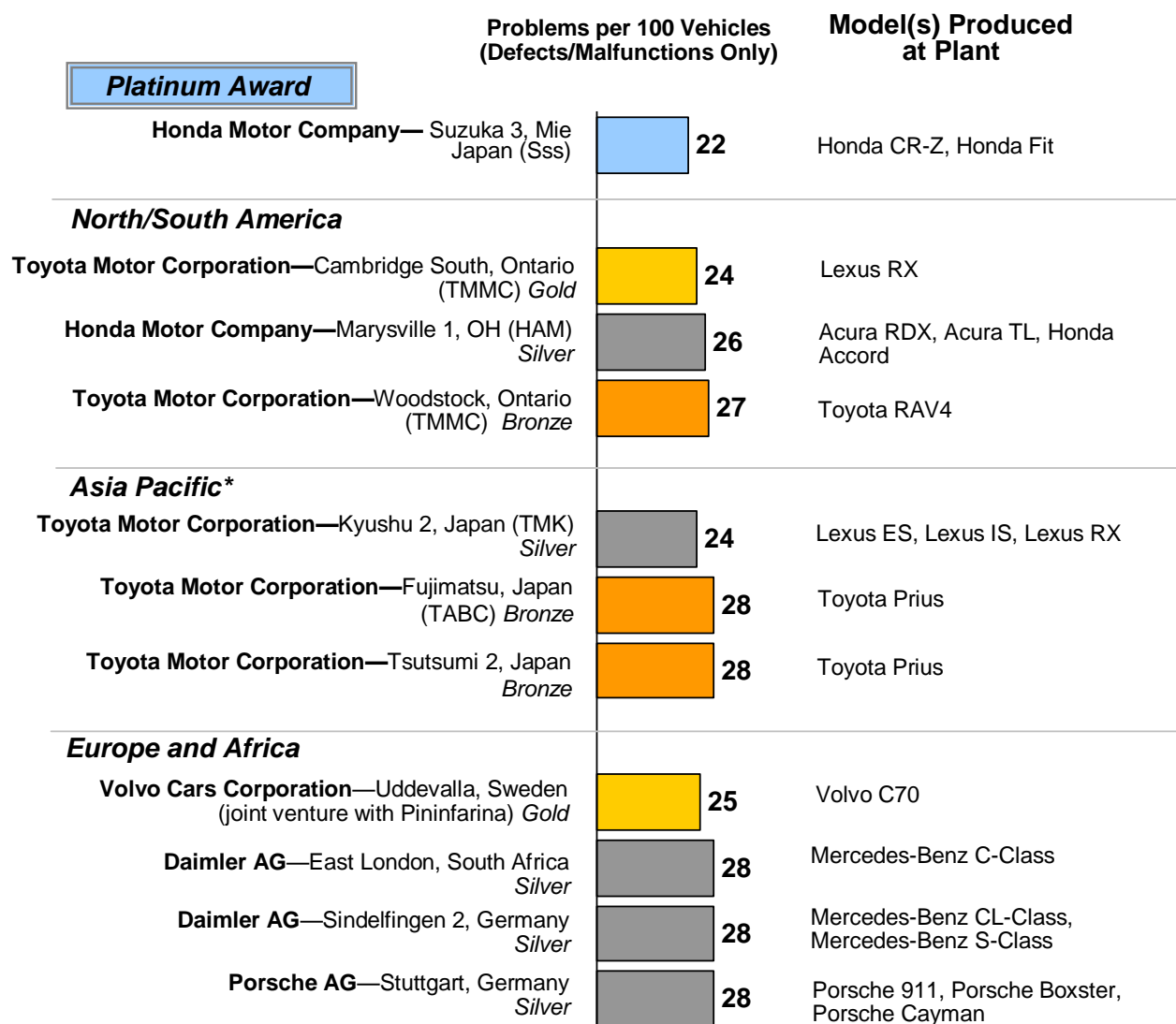
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Source: J.D. Power and Associates 2012 U.S. Initial Quality StudySM

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2012 Plant Assembly Line Quality Award Recipients Based on Models Produced for U.S. Market



*Because Honda Motor Company was awarded the Platinum Award, which represents the top assembly plant in the world for initial quality, no Gold award is issued for Asia Pacific.

Source: J.D. Power and Associates 2012 U.S. Initial Quality StudySM

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