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WHAT'S NEW:

Kelley Blue Book's kbb.com Releases 'Toyota: One Year Later' Special Report

Kbb.com: Nearly Three-Quarters of Car Shoppers Say Gas Prices Have Influenced Vehicle Purchase Considerations; Expect Gas Prices to Increase in Near Future

INDUSTRY INSIGHTS:

Looking for a Reason for Optimism

- Jack R. Nerad, executive editorial director and executive market analyst,
Kelley Blue Book's kbb.com

I was watching one of the financial channels on cable the other evening, and the commentators were talking excitedly about the fact that the Dow had crossed the 12,000 mark, a level it had not seen since late 2008. Of course, when it hit 12,000 in 2008 it was tumbling rapidly from the all-time high achieved in 2007, so there was anything but euphoria then. To be fair there isn't anything resembling euphoria now, but it immediately struck me that consumers, businessmen and investors all are looking for something symbolic like the Dow passing 12,000, or maybe something more immediately tangible, to feel good about buying big-ticket items like cars again. So far, despite the favorable news from the stock market, the consumer still seems either unable or unwilling to give the car market the quick upward push we usually see after recessions.

If you look at the Dow or the S&P 500 over the course of the past five years, you see the "V" shape of a traditional downturn-followed-by-upturn. If you track the auto sales rate over the same period of time, the curve looks more like a lazy "L." While the recent Detroit auto show was filled with upbeat talk and some faint signs of a serious upswing, the auto market still has a long, long way to go to match the heady years of 2005 to 2007. And, some will tell you we might never get there.

What the car market seems to be in need of is an inflection point – a marked change in conditions – that will fill consumers with the confidence they need to pull the trigger on a new-vehicle purchase. I was reading a piece in the *Wilson Quarterly* the other day that offered some perspective. In his article "Rethinking the Great Recession," author Robert J. Samuelson discussed the economic theories of Charles Kindleberger, who postulated that the economic cycle has three phases. First is what he called "displacement," something that moves the needle in a positive way. Next comes "euphoria," the feeling of well-being prompted by the big positive news. Euphoria can last for years and build in intensity, until it outpaces its ability to sustain itself. (Picture the world economy in mid-2008). And then comes what Kindleberger called "revulsion," where the bubble bursts and chickens come home to roost.

Well, we certainly have seen the air come out of the balloon in the past two and a half years.

WHAT THE CAR MARKET SEEMS TO BE IN NEED OF IS AN INFLECTION POINT - A MARKED CHANGE IN CONDITIONS - THAT WILL FILL CONSUMERS WITH THE CONFIDENCE THEY NEED TO PULL THE TRIGGER ON A NEW-VEHICLE PURCHASE.

- JACK NERAD

Scores of chickens have returned to the roost to find someone has pillaged the henhouse. Vehicle sales dropped to a level that seemed unthinkable, and yet there they were. Now here we are, apparently coming out of the tunnel, but the tunnel is far longer than we might have hoped, and the road signs along the way – continued high unemployment, jittery home prices, upwardly moving gasoline prices – are all yellow cautionary warnings about how quickly the car market can recover.

What we could really use is some kind of bolt-from-the-blue piece of genuine good news that will push the needle forward. This is not an appeal for a government-concocted program whose benefits will disappear the moment the program ends. No, perhaps just the opposite is what will make the difference. Then the mighty engine that is the U.S. economy can re-start, rev up and really begin accelerating. I don't know about you, but I think we could use a dose of "euphoria" right about now.

LATEST NEWS STORIES ON KBB.COM :

Check out the very latest news stories by visiting www.kbb.com and scrolling down to the Latest News & Articles link on the home page. The following latest news stories by kbb.com's editorial staff went live on the site or were updated during January 2011.

Written Stories Posted to kbb.com:

[2011 Cadillac SRX 2.8T to take final bow](#)
[2011 Chevrolet Camaro Convertible - Los Angeles Auto Show \(w/video\)](#)
[2011 Chevrolet Camaro SS Convertible will pace this year's Indy 500](#)
[2011 Chevrolet Volt Review](#)
[2011 Chrysler 200 Convertible -- First look](#)
[2011 Chrysler 200 Super S by Mopar - 2011 Detroit Auto Show](#)
[2011 Detroit Auto Show](#)
[2011 Detroit Auto Show Top 10](#)
[2011 Jeep Compass First Drive - 2011 Detroit Auto Show](#)
[2011 MAZDA2 Review - Engaging economical and fun, too](#)
[2011 Mopar Ram Runner - 2011 Detroit Auto Show](#)
[2012 Audi A6 - 2010 Detroit Auto Show \(w/video\)](#)
[2012 BMW 1 Series M Coupe -- 2011 Detroit Auto Show \(w/video\)](#)
[2012 Buick LaCrosse eAssist -- Los Angeles Auto Show \(w/video\)](#)
[2012 Buick Verano - 2011 Detroit Auto Show](#)
[2012 Chevrolet Sonic - 2011 Detroit Auto Show](#)
[2012 Ferrari FF - stunning AWD GT coming to Geneva](#)
[2012 Ford Focus Electric unveiled at CES](#)
[2012 Ford Focus will feature new EcoMode driver assist function](#)
[2012 Hyundai Veloster - 2011 Detroit Auto Show \(w/video\)](#)
[2012 Hyundai Veloster teaser - 2011 Detroit Auto Show](#)
[2012 Kia Rio teased](#)
[2012 McLaren MP4-12C will arrive stateside priced at \\$231,400](#)
[2012 Mercedes-Benz S350 BluTEC 4MATIC - 2011 Detroit Auto Show](#)
[2012 Mercedes-Benz SLK-Class - First look](#)
[2012 Saab 9-5 SportCombi -- First peek](#)
[2012 Toyota Prius v - 2011 Detroit Auto Show](#)
[2012 Volkswagen Passat - 2011 Detroit Auto Show \(w/video\)](#)
[2013 Chrysler 300 Hybrid and gas/electric minivan model confirmed](#)
[2013 Ford C-MAX Energi - 2011 Detroit Auto Show](#)
[2013 Ford C-MAX Hybrid - 2011 Detroit Auto Show](#)
[Cadillac CTS-V Coupe World Challenge Racer - 2011 Detroit Auto Show](#)
[Cadillac Urban Luxury Concept - Los Angeles Auto Show \(w/video\)](#)
[Chicago Auto Show](#)
[Chrysler teaming with EPA to develop light-duty hybrid system](#)
[Detroit Auto Show](#)
[Fiat ponders taking a majority interest in Chrysler](#)
[Ford Teases 2012 Focus Electric ahead of CES debut](#)
[Ford Vertrek Concept - 2011 Detroit Auto Show](#)
[Ford adding Auto Start-Stop technology to its 2012 U.S. lineup](#)
[Ford will tear down torture-tested EcoBoost V6 at Detroit Auto Show](#)
[Freshman Car Class: 10 New Names for 2011](#)
[GM taps Argonne National Labs for next-gen battery technology](#)
[Hands-free motoring moves one step closer to reality](#)
[Honda Civic Concept Sedan - 2011 Detroit Auto Show](#)
[Honda Civic Si Concept Coupe - 2011 Detroit Auto Show](#)
[Honda Fit EV Concept - 2010 Los Angeles Auto Show](#)
[Hyundai Blue Link telematics system to launch this spring](#)
[Hyundai Curb Concept - 2011 Detroit Auto Show](#)
[Jeep 70th Anniversary Editions - 2011 Detroit Auto Show](#)
[Kia KV7 Concept - 2011 Detroit Auto Show \(w/video\)](#)
[Los Angeles Auto Show](#)
[Mazda Minagi Concept previews SKYACTIV tech -- and a new U.S. model](#)
[Mazda confirms Mazda2-based EV for Japan in 2012](#)

[Mitsubishi teases Global Small Concept prior to its Geneva debut](#)
[New York Auto Show](#)
[Nissan starts production of new NV commercial vans in Mississippi](#)
[OnStar previews new apps that use Verizon 4G LTE Mobile Broadband](#)
[OnStar will market services for all vehicles through Best Buy stores](#)
[Porsche 918 RSR Concept - 2011 Detroit Auto Show \(w/video\)](#)
[Toyota Entune multimedia system introduced at CES](#)
[Toyota Prius C Concept - 2011 Detroit Auto Show](#)
[Toyota working on new rare-earth-free electric motor technology](#)
[Volkswagen claims 1-2-3 sweep of 2011 Dakar Rally](#)
[Volvo shows crashed C30 EV, confirms U.S. demo fleet coming soon](#)
[ZF developing nine-speed automatic transmission for FWD vehicle](#)

Videos Posted to kbb.com:

[2012 Audi A6 - 2011 Detroit Auto Show](#)
[2012 BMW 1 Series M Coupe - 2011 Detroit Auto Show](#)
[2012 BMW 6 Series Convertible - 2011 Detroit Auto Show](#)
[2012 Buick Verano - 2011 Detroit Auto Show](#)
[2012 Chevrolet Sonic - 2011 Detroit Auto](#)
[2011 Chrysler 300 - 2011 Detroit Auto Show](#)
[2011 Ford F-150 Raptor - Raptor 2, Airborne Boogaloo](#)
[Ford C-MAX - 2011 Detroit Auto Show](#)
[2012 Ford Focus Electric - 2011 Detroit Auto Show](#)
[Ford Vertrek Concept - 2011 Detroit Auto Show](#)
[Honda Civic Sedan and Coupe Concepts - 2011 Detroit Auto Show](#)
[Hyundai Curb Concept - 2011 Detroit Auto Show](#)
[2012 Hyundai Veloster - 2011 Detroit Auto Show](#)
[2011 Jaguar XJ Video Review - 2011 Detroit Auto Show](#)
[Kia KV7 Concept - 2011 Detroit Auto Show](#)
[Mini Paceman Concept - 2011 Detroit Auto Show](#)
[Porsche 918 RSR - 2011 Detroit Auto Show](#)
[Toyota Prius Family - 2011 Detroit Auto Show](#)
[2012 Volkswagen Passat - 2011 Detroit Auto Show](#)

The following new-vehicle reviews written by kbb.com's editorial staff went live on the site or were updated during January 2011. To see any new-vehicle review from kbb.com's editorial staff, please visit www.kbb.com and click on the News and Reviews tab, then select the make and model.

[2011 Acura TSX Sedan](#)

While its Acura TL big brother competes with heavy hitters like the BMW 3 Series and Infiniti G Sedan, the second-generation Acura TSX is light on direct competitors. Why? Because for those seeking a premium-branded sedan with a \$30,000 starting price and fuel economy that reaches into the 30 miles-per-gallon range, the choices are rather limited. The Audi A4 is one, as are the Volvo S40 and Lexus IS. However, the TSX's big advantage versus most of its competitors can be summed up in a word that a premium-brand marketer like Acura would never use: Value. The base model with a manual transmission (another increasingly rare feature in this class) starts just over \$30,000 and even fully loaded barely reaches \$34,000; a loaded V6 stays just south of \$40,000. Piece together its quality, performance, features and fuel economy, and the TSX looks to be one of the best premium sedan bargains going...

[2011 Honda Accord Coupe](#)

The 2011 Honda Accord Sedan is a car that needs no introduction; the popular four-door has been a mainstay of the mid-size market for years. However, the Accord Coupe is a different story. Here is a Honda that many people couldn't pick out of a lineup. Though unknown to many (and sure to undersell the sedan by a considerable margin), its availability offers buyers more choice in the form of a two-door alternative to the familiar Sedan. The Coupe shows Honda's sporty side and competes in a narrow segment that includes the 2011 Nissan Altima Coupe, the sporty Hyundai Genesis Coupe, and to a lesser degree, the V6 versions of the Ford Mustang, Dodge Challenger and Chevrolet Camaro...

[2011 Honda Accord Crosstour](#)

The 2011 Honda Accord Crosstour joins a growing list of vehicles that are not quite wagon yet not fully crossover SUV (think Subaru Outback and BMW X6). Sharing the same architecture as the venerable Accord, the Accord Crosstour offers more ground clearance, a larger cargo hold and available all-wheel drive. Although the sloping rear severely cuts into the cargo holds ability to carry taller items, the Accord Crosstour is still a competent alternative to the Accord Sedan, providing all the attention to detail, interior comfort and fuel economy expected of a car carrying the Accord nameplate. If you can get past the Accord Crosstour's polarizing styling and somewhat lofty entry price, the car makes a viable alternative to bulky and fuel-thirsty SUVs...

[2011 Honda Accord Sedan](#)

While the Honda Accord-versus-Toyota Camry debate hasn't sparked nearly as many family feuds or bar-room brawls as Ford vs. Chevy, Coke vs. Pepsi or Mac vs. PC, it is nevertheless one of consumerism's biggest rivalries. Their continuous run as the two of the best-selling cars in America extends back to the second millennium, and they combine to account for roughly 40 percent of sales in a segment that numbers about 20 nameplates. As American, Korean and other Japanese manufacturers continue to roll out worthier and worthier competitors, however, choosing the right mid-size sedan is no longer as straightforward as flipping a coin. And, with no hybrid model or all-wheel-drive option, the Accord runs the risk of falling behind in offering the technologies more consumers are demanding...

[2011 Honda Fit](#)

Having temporarily abandoned the subcompact car genre that helped established the brand, Honda has recently rejoined the game with its five-door Fit. The Fit represents a return to Honda's roots, a car that mimics the attitude and determination of the first Honda Civic but with modern day comfort and safety features unimaginable in the Civic's early years. Cute, frugal, fun-to-drive and above all else notoriously reliable, the Fit exists to challenge new entries such as Scion, Hyundai and MINI, as well as Toyota's Yaris Sedan. Although the Fit is priced a bit higher than most of its competitors, Honda offers a substantial number of standard features, plus one attribute you won't find on any option list: Outstanding resale value...

[2011 Kia Optima](#)

If midsize sedans were contestants on a dating show, the previous-generation Kia Optima would have been among the first would-be suitors kicked off. Bland to behold inside and out, and generally uncompetitive in every category but average selling price, the old Optima was easy to overlook. But things have changed in a big way for the 2011 model year. The Kia Optima is now one of the most stylish, most amenity-laden midsize sedans available, and qualifies as a viable, attractive alternative to the segment's heaviest hitters...

[2011 Mazda CX-9](#)

When Mazda created the seven-passenger CX-9, it sought to build a family-friendly wagon that could also radiate the sporty, urban vibe created by its CX-7 crossover utility vehicle (CUV). Three years and a boatload of awards later, the 2011 CX-9 has successfully accomplished Mazda's master plan, offering everything a growing family needs in a car and still looking cool while doing it. Sharing much of its architecture and drivetrain with the Ford Edge and Lincoln MKT (a product of the now defunct Ford/Mazda partnership), the CX-9 might be considered a bit of a world car, but regardless of its pedigree, its attitude is all Mazda. From its sleek good looks to its capable handling, stunning interior and standard safety features, the 2011

2011 Nissan Murano

Nissan's Murano crossover SUV has always been a step ahead of the competition. It was the first such vehicle to offer a Continuously Variable Transmission (CVT), which is a more efficient transmission that maximizes both power and fuel economy. The Murano also remains ahead of many rivals in the area of high-tech electronics, and increasingly important factor in many consumer's final purchasing decision. Of course, newer competitors like the Ford Edge, Mazda CX-7 and Kia Sorento now offer many of the same features, but the Murano's edgy styling, performance oriented suspension and Infiniti-like luxury interior place it in a league of its own...

2011 Nissan Rogue

While Nissan is well known for its mid-size and full-size SUVs, they have only recently entered into the red-hot compact crossover SUV market. With its introduction in 2008, the Rogue earned mixed reviews mainly for its polarizing styling and somewhat Spartan interior. For 2011, Nissan has traded up, giving the Rogue a new look, a new interior and far more in the way of affordable creature comforts. Under the new skin, the same fuel efficient four-cylinder engine and CVT (Continuously Variable Transmission) provide plenty of pep, and the available all-wheel drive model is ideal for snowy climates. With heavy hitters such as the Subaru Forester, Honda CR-V, Ford Escape and Toyota RAV4 already well established, and new comers like the all-new Kia Sportage, and Hyundai Tucson, the Rogue will have its work cut out. But, Nissan loyalists have always been on the cutting edge of style and performance, and they represent a larger audience the Rogue might yet have a chance to win over...

2011 Toyota Camry Hybrid

Using the same Hybrid Synergy Drive as the popular Toyota Prius, the 2011 Toyota Camry Hybrid employs a fuel-thrifty four-cylinder engine coupled with a powerful electric motor. But, where the Prius easily stands out in a crowd the humble Camry Hybrid looks exactly like a standard Camry Sedan. In fact, about the only noticeable differences between the Camry Hybrid and its gasoline-powered equivalent are a different front end, a smaller trunk (due to the placement of the battery pack), and the obvious Hybrid Synergy Drive badges. Not that a car's appearance has any effect on fuel economy or lower emissions, however, it's just that eco-friendly drivers usually like others to know at a glance that they...

2011 Toyota Prius

The Toyota Prius, now in its third generation, derives its name from the Latin word meaning "to go before." And, while the name is certainly fitting – the Prius is the world's first mass-produced and best-selling hybrid car, after all – it no longer carries the original car's quirky, new-age image. The 2011 Prius has gone from eco-novelty commuter to the vehicle of choice for those desiring to spend less on fuel and more on comfort and versatility. Not only has the Prius invaded the garages of empty-nester across America, it has become a catalyst for prodding other manufacturers to enter the hybrid arena. Interestingly, while cars like the all-electric Nissan LEAF can't travel as far as the Prius, plug-in hybrids like the Chevrolet Volt certainly look to give the Prius a run for its money...

2011 Toyota Tacoma

The 2011 Toyota Tacoma is the best selling compact pickup five years running. While some competitors, such as the Ford Explorer Sport Trac, are bowing out of the compact pickup segment all together, Toyota has expanded its presences by adding five new trims to the Tundra line up. Of course, the term compact doesn't necessarily mean small, as the Toyota dwarfs the Ford Ranger and Chevrolet Colorado in every area that counts. It's now more akin to the midsize Dodge Dakota and Nissan Frontier, and not all together much smaller than some full-size regular cab pickups. And, while the Frontier and Dakota are worthy competitors, neither can match the Tacoma's excellent resale value and overall history of reliability...

2011 Toyota Venza

Slotting between Toyota's best selling Camry Sedan and its Highlander SUV, the 2011 Toyota Venza is part crossover, part wagon and part family sedan. Unlike many compact crossovers, the Venza's wide body creates a spacious interior with plenty of room for five passengers and their gear. Long rear doors make for hassle free entry and exits (not to mention securing in place those bulky child safety seats) and the Venza's impressive ground clearance and available all-wheel drive helps it traverse deep snow with ease. Because it blurs the line between wagon and SUV, the Venza can be cross shopped against a number of competitors including the Nissan Murano, Mazda CX-7 and Subaru Outback. Its choice of four or six-cylinder engines, along with a healthy roster of available equipment, give the Venza a leg up on many challengers, as does Toyota's reputation for quality and stellar resale values...

Kelley Blue Book's kbb.com® Releases 'Toyota: One Year Later' Special Report

Toyota Values Perform In Line with Competitors; Company Fails to Sway Many New-Car Shoppers

IRVINE, Calif., Jan. 18, 2011 -- Kelley Blue Book www.kbb.com, the leading provider of new car and used car information, today announces the release of its special report [Toyota: One Year Later](#), providing an in-depth look at Toyota one year after its major recall crisis began in January 2010. The comprehensive report from Kelley Blue Book's kbb.com includes a detailed look at Toyota's new- and used-car values over the past year; up-to-date shopper data providing consumer opinions, vehicle consideration and safety perceptions of Toyota since the recall crisis began; expert industry analysis from kbb.com's executive market analysts; and [MORE...](#)

Kbb.com: Nearly Three-Quarters of Car Shoppers Say Gas Prices Have Influenced Vehicle Purchase Considerations; Expect Gas Prices to Increase in Near Future

As Gas Prices Rise, So Does Consideration for Alternative-Fuel Vehicles; Analysis Shows \$3.00 Per Gallon Gas is Optimum Price Point

IRVINE, Calif., Jan. 24, 2011 -- According to the latest Kelley Blue Book www.kbb.com Market Intelligence survey concerning gas prices, the current economic situation coupled with concern over the potential rise in gas prices has caused new car and used car shoppers to change their vehicle consideration criteria. Nearly three-quarters (70 percent) of car shoppers say that gas prices have influenced vehicle considerations, or the type of vehicle they are considering. Almost half (43 percent) of car shoppers report delaying the purchase of a vehicle due to economic concerns and gas prices, and more than half (51 percent) report reducing or stopping entirely behaviors such as vacationing, going out to eat, shopping and engaging in activities for entertainment, among other things. Moreover, 75 percent of kbb.com survey respondents said they expect gas prices to rise in the next 30 days, and data from the U.S. Energy Information Administration reveals that gas prices are projected to rise throughout 2011 and into 2012. [MORE...](#)

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