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BLUE BOOK BRIEFING

JUNE 2012

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INDUSTRY INSIGHTS:

Exciting the Unexcited

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

The other day I had the chance to sit down with Sheryl Connelly, the very engaging “futurist” at Ford Motor Company, and she reinforced a notion that we at Kelley Blue Book's kbb.com have sensed for several years now with more than a trace of consternation. What is that notion? The idea that today's young buyers aren't all that excited about buying a new car or even owning a car, for that matter. “Take away my car,” the Millennials say, “but don't take away my smartphone.” This is unsettling to an industry that lives on (in fact requires) substantial adoption and rapid rates of turnover.

The fuel that drove the American auto industry to its heights in the last four decades of the 20th Century and the first decade of this century was the move from the “family car” concept (one vehicle per family) to the two-car household (one car per each working adult in the family) to the multi-car household (one or more cars for each family member). These days the whole idea of “my car” is being re-thought by young consumers, ages 17 - 30. While members of previous generations looked at personal car ownership as desirable, the youngest generation doesn't seem nearly as energized by needing to own their own vehicles. Instead, if they can get from point A to point B by some other means, such as public transportation or bicycle, they seem perfectly happy to eschew the big expense, potential hassle and environmental downsides of vehicle ownership.

“Car ownership doesn't appear to be nearly as important to this generation as it is to older buyers,” Connelly said. “It seems like if they have access to a car when they need one, that is enough.”

This is borne out by the fact that 15-, 16- and 17-year-olds seem to be in much less of a hurry than previous generations to even obtain a driver's license. If you look at the statistics, they are startling. One recent study showed that only 30 percent of 16-year-olds got their driver's license in 2008, compared to 44 percent in 1988.

In the past, it used to be important for people to own things, while today it seems quite good enough to simply have access to things like movies, music and games. Why buy, the thinking goes, if you are going to get limited use from something and/or replace it quickly? Connelly refers to this pervasive mindset as “the Sampling Society.” Its ethic revolves around having experiences rather than having “stuff.” Traveling to other lands, guarding the Earth and staying connected with others (at least with a cord of electrons) trumps owning the McMansion, powerboat and fancy car. This generation is more likely to look at the car as a “transportation appliance” than as a talisman of success.

On top of that, the newest generation in the workforce – used to laptops, tablets and smartphones that allowed them to study anywhere while they were students – does not believe that they need to come into a workplace to do their jobs. They frequently feel they are more productive working at home, the local internet café or wherever they have Internet access, and their employers, seeing a chance to save substantially on rent and utilities, are increasingly agreeing with them. Why battle a one-hour commute when that one hour can be put to more productive use by working from home?

So what does this mean to the auto industry? It means that the industry can't assume two things. No. 1: Everybody on Earth needs and/or wants to own a car. No. 2: Everybody on Earth who has a car would really rather have a better, more expensive car. Conspicuous consumption is out, and thoughtful sharing of resources is in. It also implies that everyone involved in the auto industry should look to create new excitement over car ownership and new reasons to buy and own vehicles, or the industry is headed toward a sobering decline.

LATEST NEWS STORIES ON KBB.COM:

Check out the very latest news stories by visiting kbb.com and clicking the the *Kbb Top Picks* tab on the home page. The following latest news stories by kbb.com's editorial staff went live on the site or were updated during May 2012.

Videos Posted to kbb.com:

[2012 BMW 3 Series Video Review](#)

[2012 Toyota Camry Video Review](#)

[2012 Toyota Prius C Video Review](#)

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Written Stories Posted to kbb.com:

[2014 Chevrolet SS high-performance sedan details revealed](#)

[2014 Porsche 918 Spyder Prototype starts road testing](#)

[2013 Audi Q5 revised and revealed](#)

[2013 BMW 3 Series Sport Wagon revealed](#)

[2013 BMW 7 Series updates revealed](#)

[2013 BMW 135is revealed](#)

[2013 Cadillac XTS goes \(gas\) capless](#)

[2013 Chevrolet Corvette ZR1 will pace this month's Indianapolis 500](#)

[2013 Chevrolet Trax - 2012 Paris Auto Show Preview](#)

[2013 Dodge Dart First Review: Almost a Bull's-Eye](#)

[2013 Ford Shelby GT500 officially rated at 662 hp and 631 lb-ft of torque](#)

[2013 Hyundai Sonata gains equipment, loses manual transmission](#)

[2013 Morgan 3 Wheeler will go on sale here this summer 2012 Mini John Cooper Works GP edition unveiled](#)

[2012 Volkswagen Passat TDI runs record 1,626 miles on a tank of fuel](#)

[AAA study finds total vehicle operating costs up 1.9 percent in 2012](#)

[Aston Martin DBS Ultimate revealed](#)

[BMW earns top auto status in new global brand equity study](#)

[Carroll Shelby: American automotive legend - 1923-2012](#)

[Ferrari unveils its latest HY-KERS hybrid system](#)

[Fiat and Mazda will join forces to develop a new sports car](#)

[Hertz adding 2012 Volkswagen Jetta TDI to its Green Traveler Collection](#)

[Honda developing new traffic-flow optimizer system](#)

[Honda unveils new UNI-CUB Personal Mobility Device](#)

[Kia Sedona gone after 2012, replacement could arrive by 2014](#)

[Learning to Drive the Mercedes-Benz Way](#)

[Lexus HS 250h Hybrid to be replaced by new 2013 ES 300h model](#)

[Mercedes-Benz launches Predictive Powertrain Control system](#)

[Mitsubishi i-MiEV Evolution Pikes Peak challenger unveiled](#)

[Nevada issues first license plate in US for an autonomous vehicle](#)

[Nissan introduces innovative low-tire-pressure warning system](#)

[Nissan will build 4-cylinder engines in U.S. for Mercedes-Benz and Infiniti](#)

[Renault Alpine 110-50 Concept revealed in Monaco](#)

[Smart scooter will hit the streets in 2014](#)

[Toyota hybrid vehicle sales top 4 million worldwide](#)

The following new-vehicle reviews written by kbb.com's editorial staff went live on the site or were updated during May 2012. To see any new-vehicle review from kbb.com's editorial staff, please visit kbb.com and click on the *Car Reviews* tab, then select the make and model.

[2013 Acura RDX](#)

The 2013 model year marks the second generation for Acura's RDX, and it feels akin to a rebirth for this 5-passenger SUV that made its debut six years prior. Now slightly bigger and more powerful – yet lighter and more fuel efficient – the new RDX is better refined and more mature than its predecessor. Among the biggest and best news is that the RDX is now propelled by a powerful-yet-efficient V6 engine instead of the smaller, fuel-thirsty turbocharged 4-cylinder of old...

To read the latest Consumer Reviews & Ratings on this vehicle, click [here](#).

[2013 Dodge Dart](#)

Dodge's first compact model since the Neon, the all-new 2013 Dart is an impressive exercise that's stylish, roomy, well-finished and offers loads of powertrain and personalization possibilities. With a host of new techno touches, innovative user-friendly features and multiple trim grades – including a late-arriving, performance-oriented R/T variant – this engaging front-drive sedan can be tailored to meet almost any set of buyer preferences...

[2013 Ford Escape](#)

All-new and totally rethought for 2013, Ford's compact crossover SUV is now one of the segment's style leaders, a fuel-efficiency expert and a total tech geek. Highlights include a choice of impressive engines, athletic suspension tuning and an updated version of the MyFord Touch infotainment system. But the first feature buyers will want to show their friends is a power liftgate they can open and close by waving a foot under the rear bumper...

[2013 Infiniti JX](#)

The all-new 2013 Infiniti JX35 was designed to fill a gap in the luxury market for families who need a vehicle with 7-passenger capacity, but who don't want a minivan. While 3-row crossovers are common offerings of most non-luxury brands, they are relatively rare in the luxury segment, so Infiniti feels it has a big opportunity. The Acura MDX and Audi Q7 are the market leaders among luxury 3-row crossovers, and the new JX has competitive advantages to match up well versus either of them...

[2013 Scion FR-S](#)

A few years ago, Toyota and Subaru joined forces to develop a fun, affordable sports coupe. Known abroad as the Toyota 86 and GT86, the fruit of that union comes to America as both the somewhat-more-premium Subaru BRZ and the value-focused 2013 Scion FR-S. With a sub-\$25,000 base price the 2013 FR-S gives budget-minded sports car enthusiasts all the essentials – sporting style, solid straight-line performance and nicely balanced rear-drive handling dynamics...

[2013 Toyota Land Cruiser](#)

After 60 years, the Toyota Land Cruiser continues to define the standards of off-road prowess. Over the decades, the Toyota Land Cruiser adopted the latest comfort and convenience features one would expect from a high-end luxury vehicle, and the 2013 Land Cruiser is no exception. For 2013, Toyota raises the bar once again by adding an abundance of high-tech gadgetry to its flagship SUV. Despite the technological upgrade, the Toyota Land Cruiser has not forgotten its roots. Seating for eight, an 8,200-pound tow rating and unrivaled off-road capability make the Toyota Land Cruiser a capable family mover...

To read the latest Consumer Reviews & Ratings on this vehicle, click [here](#).

[2012 BMW 7 Series](#)

With more than a dozen versions, including two lengths, three engines, two hybrid variants, available all-wheel drive, and a performance-oriented quartet from Alpina, the 2012 BMW 7 Series sedan offers something for most every very affluent buyer. Adjustable suspension and steering allows 7 Series owners to tune the car to their changing moods...

To read the latest Consumer Reviews & Ratings on this vehicle, click [here](#).

[2012 Land Rover Range Rover](#)

Delivering a gratifying combination of off-road capability and on-road comfort, the 2012 Land Rover Range Rover expands its go-anywhere, do-everything mantra with a host of refinements. Considering the Land Rover brand is an international icon for luxury SUVs, it's no surprise the flagship Range Rover offers the most desirable creature comforts along with the latest high-tech gadgets...

To read the latest Consumer Reviews & Ratings on this vehicle, click [here](#).

[2012 Lexus GX 460](#)

As one of the few luxury SUVs utilizing a traditional boxed ladder frame, the 2012 Lexus GX 460 strikes an excellent balance between serious off-road capability and civilized daily driving manners. Competing against such worthy adversaries as the BMW X5, Acura MDX and Mercedes-Benz M-Class, the Lexus GX 460 separates itself from its road-going competitors with standard full-time 4-wheel drive (4WD), exceptional ground clearance and a host of off-road tech features...

To read the latest Consumer Reviews & Ratings on this vehicle, click [here](#).

[2012 Lincoln MKS](#)

The 2012 Lincoln MKS shares a platform with the Ford Taurus, but in addition to having more upscale looks and features, it is slightly longer and taller. That extra size on the outside translates to even more room for driver and passengers on the inside of Lincoln's full-size luxury flagship sedan. Two V6 engine options are available in the Lincoln MKS, including a powerful turbocharged version, and the car can be had with all-wheel-drive for better performance and traction. Unlike many luxury competitors in this segment, the MKS in standard form is front-wheel drive...

To read the latest Consumer Reviews & Ratings on this vehicle, click [here](#).

[2012 Lincoln Navigator](#)

As America's first full-size luxury SUV, the 8-passenger Lincoln Navigator's immediate success subsequently paved the way for additional challengers such as the Cadillac Escalade, Infiniti QX56, Lexus LX 570 and Mercedes-Benz GL. Big and capable, the Navigator can now add "high-tech" to its list of superlatives thanks to the addition of Lincoln's new smartphone integration software, Sync Applink...

To read the latest Consumer Reviews & Ratings on this vehicle, click [here](#).

[2012 Mercedes Benz M-Class](#)

The 2012 Mercedes-Benz M-Class is a mid-size luxury SUV that offers an excellent mix of comfort, utility and power, all with the prestige inherent in any vehicle adorned with the Three-Pointed Star. With its range of engine choices and package options, the M-Class can take the form of a midlevel people mover that competes with the Lexus RX and BMW X5, to a super-premium hauler that can go toe-to-toe with a Range Rover Sport or Porsche Cayenne Turbo...

To read the latest Consumer Reviews & Ratings on this vehicle, click [here](#).

[2012 Mitsubishi Outlander](#)

As one of the larger vehicles in its segment, the 2012 Mitsubishi Outlander strikes a satisfying balance between compact and mid-size SUVs. The Outlander differentiates itself from the competition with an array of optional tech features along with aggressive styling, generous cargo space and available seating for seven. While its bold exterior design can certainly talk the talk, the Mitsubishi Outlander also walks the walk thanks to a sport-tuned suspension system, lightweight aluminum roof and available all-wheel drive (AWD) with three driver-selectable modes...

To read the latest Consumer Reviews & Ratings on this vehicle, click [here](#).

[2012 Scion xD](#)

In an attempt to give younger customers everything they want and nothing they don't, the 2012 Scion xD aims to further simplify the car shopping experience with additional standard equipment on top of the availability of nearly three dozen dealer-installed options. The Scion xD offers impressive passenger and cargo carrying capabilities for its size thanks to its hatchback design and versatile seating configurations...

To read the latest Consumer Reviews & Ratings on this vehicle, click [here](#).

[2012 Suzuki SX4](#)

Suzuki's compact SX4 comes in three versions: An all-wheel-drive hatchback called the Crossover; a slightly shorter, front-drive hatch called the SportBack; and a sedan that was introduced in 2008. When the Suzuki SX4 was launched in 2006, it was a breath of fresh air in the compact hatch segment, featuring all-wheel-drive and commendable cargo space for a price well under \$20,000...

To read the latest Consumer Reviews & Ratings on this vehicle, click [here](#).

[2012 Volvo C70](#)

Although the advent of the retractable hardtop can be traced back to the mid-1930s, it wasn't until the late 20th century that automotive engineers began refining and perfecting this technology of the "Golden Age." Today, the rising popularity of retractable hardtops stems as a result of their safety, light weight and, best of all, affordability. The 2012 Volvo C70 emulates all the desirable qualities one would expect from a premium cabriolet; however, conventional hardtops are unable to equal the C70's legion of safety features...

To read the latest Consumer Reviews & Ratings on this vehicle, click [here](#).

[2012 Volvo XC90](#)

Volvo's XC90 wasn't the first upscale SUV on the market when it debuted a decade ago, but it intended to be the safest of the bunch while providing a comfortable, car-like ride. Ten years after it made its initial bow, the 2012 XC90 still offers a lot of safety and versatility in a rugged-on-the-outside, refined-on-the-inside SUV. The vehicle also bucks the bigger-is-better trend, with the ability to seat seven in a body smaller than others in this segment such as the Acura MDX, Buick Enclave and Nissan Pathfinder...

To read the latest Consumer Reviews & Ratings on this vehicle, click [here](#).

WHAT'S NEW

Innovative New kbb.com Classifieds Experience Provides Unique, Helpful Way To Search For Car Listings In Shopper's Local Area

Kelley Blue Book's kbb.com Debuts New Tool Helping Buyers Find Local New and Used Cars That Best Meet Their Needs

IRVINE, Calif., June 7, 2012 - Kelley Blue Book, the leading provider of new car and used car information, today announces an all-new, innovative approach to car shopping on its top-rated website www.kbb.com. The 'cars for sale' section on kbb.com has been completely rebuilt, featuring a distinctive design and functionality created specifically for Kelley Blue Book's unique audience. The new kbb.com Classifieds experience eliminates the pain-points often associated with finding the right [new and used cars for sale](#) in a shopper's local area... [MORE](#)

To view the graphic associated with this announcement, please click [here](#).

Honda Boasts Three Of The Top Four Most-Visited New Cars On Kbb.com During Q1 2012

Mirroring Sales Statistics, Honda's New CR-V, Civic, Accord among Most Popular Models with Shoppers on Kbb.com

IRVINE, Calif., May 24, 2012 - Kelley Blue Book, the leading provider of [new car](#) and [used car](#) information, today reveals that [Honda](#) had three out of the four most-visited new cars during the first quarter of 2012 on its top-rated website, www.kbb.com. The [Honda CR-V](#) was the most-shopped new vehicle on Kelley Blue Book's kbb.com during Q1 2012, with the [Civic](#) taking No. 2 and [Accord](#) following at No. 4 during the same time period... [MORE](#)

Kbb.com's 10 Best Road Trip Cars Of 2012: Editors Recommend Best New Convertibles For Hitting The Open Road

Kicking Off Summer Driving Season and Popular Road-Trip Weekend, Ragtop Renaissance Inspires Top-Down Theme for Annual Kbb.com List

IRVINE, Calif., May 23, 2012 - Just in time for Memorial Day, one of the most popular road-trip weekends of the year, the expert editors from Kelley Blue Book's www.kbb.com, the leading provider of [new car](#) and [used car](#) information, today announce the [10 Best Road Trip Convertibles](#). According to AAA, about 30.7 million people will drive to destinations 50 miles or more away from home between May 24 and 28, the start of the peak driving season in the United States, which is nearly a half million more people than last year. With so many Americans kicking off summer driving season with Memorial Day road trips, the kbb.com editors decided to compile a list of their favorite new convertibles for hitting the open road... [MORE](#)

Memorial Day Sales Events Will Drive Auto Industry To 14.2 Million SAAR, According To Kelley Blue Book Analysts

2011 Inventory Woes Result in Excessively Strong May 2012; Toyota Poised to Surpass Ford in Market Share

IRVINE, Calif., May 23, 2012 - Kelley Blue Book www.kbb.com, the leading provider of [new car](#) and [used car](#) information, projects new-vehicle sales to approach 1.4 million units, or 14.2 million seasonally adjusted annual sales rate (SAAR), in May 2012; a nearly 30 percent year-over-year improvement. After adjusting for the two additional selling days this month and a major car-selling holiday weekend, sales are projected to show a 20 percent gain. This will mark the most pronounced year-over-year gain in more than 12 months.

"At this point, it is almost as if the tail is wagging the dog," said Alec Gutierrez, senior market analyst of automotive insights for Kelley Blue Book. "During a typical post-recession recovery, we would expect to see auto sector gains being driven by broad economic growth. In the first quarter, the opposite was true, as auto sales were the primary driver behind GDP growth and have consistently been a bright spot in an otherwise slow-paced recovery."

Vehicle sales accounted for half of the 2.2 percent increase in the first-quarter gross domestic product (GDP), highlighting the fact that economic growth largely has been driven by increases in production and revenue generated by automotive manufacturers... [MORE](#)

Great Deals Await Consumers On New Vehicles Headed For 2013 Redesign

Ten Value Buys for Bargain New-Car Shoppers for May 2012

IRVINE, Calif., May 16, 2012 - According to Kelley Blue Book www.kbb.com, the leading provider of [new car](#) and [used car](#) information, auto sales are rebounding in the United States due to the plethora of redesigns and new introductions during the last few years. Shoppers in the market for a new-car bargain who have little care for owning the most up-to-date body style on the road can find great deals on models headed for a redesign this fall.

New-car shoppers have an abundance of competitive offerings available in nearly every segment. Strong sales of popular models including the [Toyota Camry](#), [Hyundai Sonata](#), [Chevrolet Cruze](#), [Ford Focus](#) and [Honda CR-V](#) all are the result of strong redesigns in the last few years... [MORE](#)

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