

Kelley Blue Book Public Relations Contacts:			
Chintan Talati Senior Director, Public Relations 949.267.4855 ctalati@kbb.com	Joanna Pinkham Senior Public Relations Manager 949.268.3079 jpinkham@kbb.com	Brenna Robinson Public Relations Manager 949.267.4871 berobinson@kbb.com	Natalie Kumaratne Public Relations Coordinator 949.267.4770 nkumaratne@kbb.com
In This Issue:			
INDUSTRY INSIGHTS: Timely commentary from Jack R. Nerad, vice president, executive editorial director and executive market analyst, Kelley Blue Book's KBB.com: Encounters with Insanity LATEST NEWS STORIES ON KBB.COM: The latest video and written news stories by the editorial staff of Kelley Blue Book's KBB.com NEW-VEHICLE REVIEWS ON KBB.COM: All-new and updated video and written reviews from the editorial staff of Kelley Blue Book's KBB.com, and links to consumer reviews and ratings on KBB.com		WHAT'S NEW: 10 Best New Sedans Under \$25,000 Named by KBB.com; Honda Accord Ranked No. 1	
		Kelley Blue Book Highlights Fourth of July New-Car Deals	
		Industry New-Car Transaction Prices Up Nearly 1 Percent From Last Year, According to Kelley Blue Book	
		New-Car Sales to Improve 10 Percent in June Reaching Greatest Year-To-Date Gain, According to Kelley Blue Book	
		10 Coolest New Cars Under \$18,000 of 2013 Named by KBB.com; Hyundai Veloster No. 1	

INDUSTRY INSIGHTS:

Encounters with Insanity

Kelley Blue Book

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

just arrived at the airport in Detroit. It's dark. It's raining. And I have to arrive at a special event hosted by an automotive manufacturer in a half hour. The good news is I'm in an all-new car with an advanced "infotainment" system that includes highly sophisticated GPS-enabled navigation and I know the address of the place I'm trying to get to. It should be a piece of whipped-cream-topped angel-food cake, right? Key in the address and without even saying presto-change-o, the car will tell me how to get to my chosen destination.

That was the theory, but in actual practice once at the wheel of the car I was unable to accomplish the supposedly simple task of navigating to a screen that would enable me to enter the address. I'm sure such a screen existed. I'm sure once on that screen everything else would've taken care of itself. But for some reason, driver error one can assume, I found it impossible to enter the address.

"Okay," I told myself as I barreled down I-94 at 65 miles per hour, "I'll just use voice commands." I pushed the voice button, waited for the prompt and then in my best radio voice I intoned the address, which, as I remember, was on Clay Street. "You said Clayton. Is that correct?" a disembodied voice replied. "No," I responded, "that is not correct." I pushed the voice activation button again. Again I gave the address. "You said Clayton. Is that correct?" "No," I screamed. "Clay. Clay!" "If Clayton is not correct, please choose a number from the screen or say none," the car blandly told me. I glanced away from the rainy roadway to the touchscreen in the middle of the center stack. There I saw Clayton Street, Clanton Street and Claymore Avenue, but no Clay Street, so I said, "None."

Like a naïve puppy fetching a ball, the car seemed quite willing to begin anew as if nothing had happened, and so I tried the whole process all over again. Of course, this means I was exhibiting all the symptoms of one vivid definition of insanity - doing the same thing again, but expecting a different result. I have to admit before the ride was over I attempted the same process at least two more times, so I guess I can say the navigation system in this particular car drove me to insanity.

What we have learned in the last few days is I am anything but alone. In fact, according to the results of the recently released 2013 J.D. Power and Associates Initial Quality Study (IQS), a substantial number of new-car buyers have reached a similar level of dissatisfaction with their automobiles' infotainment systems. It is not that there are technical flaws with the hardware and software. No, they work as they were designed. It is simply that the process necessary to operate these systems is beyond the intuitive comprehension of the owners of the vehicles in question. In other words, the systems work fine, but the owners of the systems aren't fine with the way they work.

That presents a whole new take on what quality means. Quality doesn't just mean an absence of defects. Industry criticism of the IQS is that it is simply a "things-gone-wrong" measurement, but there is nothing defective about many of the cars' systems that were red-flagged in the study. The vehicles tested exhibited good "build quality," but they are lacking in the type of "design quality" that would make them simple to use for consumers.

This implies two things to our industry. First, vehicle designers and engineers must balance added features and complexity with the requirement that systems be simple to operate. In fact, a better design goal would be "intuitive," since one person's definition of simple can differ widely from another person's. I'm sure the designer of the system of that car in Detroit I drove feels strongly that the system he designed is "simple to operate." The second implication is that proper vehicle delivery, which includes detailed explanations of how stuff works, is more important than ever before. The day of handing the new owner keys and thrusting him or her toward the door should be long gone, but the IQS results prove conclusively they aren't.

LATEST NEWS STORIES ON KBB.COM:

Check out the very latest news stories by visiting KBB.com and clicking the the KBB.com 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 June 2013.

Videos Posted to KBB.com:

2014 Jaguar F-Type - KBB Answers Your Questions

2013 Chevy Malibu Video Review

2013 Ford Taurus Video Review

2013 Volvo S60 Video Review

Written Stories Posted to KBB.com:

2014 BMW 4 Series Coupe unveiled 2014 BMW M6 Gran Coupe First Review: Living the Fast-lane Fantasy 2014 Buick LaCrosse First Review: Positively Premium 2014 Cadillac CTS opens at \$46,025, CTS Vsport starts at \$59,995 2014 Chevrolet Corvette Stingray performance stats released 2014 Chevrolet Malibu upgrades add room, refinement, efficiency 2014 Chevrolet SS opens at \$44,470 - plus TBD gas guzzler tax 2014 Chevy Silverado and GMC Sierra V6 tops in payload and towing 2014 Ford Fiesta SFE earns class-best 41 mpg highway EPA rating 2014 Ford Ford F-150 Tremor unveiled 2014 Honda Accord Hybrid officially unveiled 2014 Jeep Cherokee to start at \$23,990 2014 Mazda3 bows in New York 2014 Mini Paceman and Countryman to offer new JCW trim packages 2014 Range Rover Sport HSE sets new Pikes Peak speed mark 2013 Fiat 500/500c Gucci Editions return to America 2013 Mercedes-Benz GLK250 BlueTEC: Thrift can be fun 2013 Porsche 911 50th Anniversary Edition Revealed 2013 Volkswagen Passat TDI sets new Guinness mpg mark AAA study finds hands-free doesn't mean distraction-free driving All-electric Mercedes-Benz SLS breaks Nurburgring EV record Apple to offer 'iOS in the Car' for 2014 Aston Martin Vanquish Volante revealed, starts at \$297,995 Audi's new INRIX Park gives real-time guidance to the right spot

Best Questions: 2014 Jaguar F-Type Class of 2014: The All-New Cars Declining auction prices signal better deals on used vehicles Drayson Racing sets new EV top-speed mark of 204.185 mph Editors' Page: 2014 Fiat 500L Ford EcoBoost 1.0-liter voted International Engine of the Year Ford Mustang to star in upcoming 'Need for Speed' movie Ford pioneering the use of robotic test drivers Future MyFord Touch systems will have more buttons and knobs GHSA study: Speeding looms more critical in teen driving deaths GM and Porsche shine in 2013 J.D. Power Initial Quality Study GM enhancing maintenance plan on 2014 Buick, Chevy, GMC models High-powered 2014 Audi SQ5 will open at \$52,795 KBB Short Answer: Honda Accord, Nissan Altima or Toyota Camry? KBB Weekend: 10 Best Luxury SUVs, 3 midsize sedans, 911 turns 50 KBB Weekend: 10 Best Sedans, Jaguar F-Type Q&A, small Porsche SUV spied KBB Weekend: BMW 4 Series unveiled, 4-door Fiat driven, S60 video Mazda MX-5 sets new Guinness record Mazda unveils smarter, more stylish Mazda3 for 2014 Next-gen Honda Civic to get Earth Dreams direct-injected engine NHTSA issues new guidelines on autonomous vehicle development Nissan ZEOD RC electric racer to race at Le Mans in 2014 Porsche's 2014 Le Mans race car hits the test track

Spied: 2014 Porsche Macan

LATEST NEWS STORIES ON KBB.COM (CONTINUED):

Written Stories Posted to KBB.com:

Spied: All-new 2014 Nissan Rogue

Standard on 2014 GM models: Unlock and start via smartphone app

Tesla announces major nationwide expansion of Supercharger system

Tesla introduces new battery swap technology for Model S

Toyota unveils next-generation Corolla for 2014

NEW-VEHICLE REVIEWS ON KBB.COM:

The following new-vehicle reviews written by KBB.com's editorial staff went live on the site or were updated during June 2013. To see any newvehicle review from KBB.com's editorial staff, please visit <u>KBB.com</u> and click on the *Car Reviews* tab, then select the make and model.

2013 Aston Martin Vantage: Almost-Affordable Exoticism

"...one run through the gears and you'll be hooked for life..."

2014 Acura MDX: The Smart-Luxury SUV "One of the most rewarding ownership experiences in the business."

One of the most rewarding ownership experiences in the business.

2014 Audi A4: The Refinest Entry-Lux Sedan in America

"...comfort is supreme, performance is impressive, and efficiency is noteworthy – the entire package is terrific."

2014 Cadillac ATS: Is That BMW Losing Sleep?

"The 2014 Cadillac ATS is a red-blooded American sports sedan with a distinctly Cadillac look."

2014 Chevrolet Silverado HD: This IS the Big Dog

"The 2014 Chevrolet Silverado 2500 HD and 3500 HD deliver the size and muscle to get big jobs done."

2014 Chevrolet Spark: This IS the Little Dog

"Numbers are appealing here, specifically a sub-\$13,000 starting price and 39-mpg highway fuel-economy rating."

2014 Chevrolet Tahoe: The All-American All American

"It is not by accident that Chevy's Tahoe is this country's all-time favorite full-size SUV."

2014 Chevrolet Traverse

"Even with its formidable and growing competition, the Chevy Traverse is one of our favorite crossover SUVs to drive."

2014 Fiat 500L: Cute car. Does it come in a Long?

"...the 5-passenger 500L boasts interior space in spades..."

2014 Ford Fusion and Fusion Energi

"The 2014 Ford Fusion continues to redefine the role of the family sedan."

2014 Ford Taurus

"If you're seeking the feel of a big, solid car but can't find anything that doesn't scream SUV, try the 2014 Ford Taurus."

2014 GMC Sierra 1500: Tower of Power

"We had no problem hauling a 5,000-pound Airstream trailer up steep grades with the 5.3-liter engine."

2014 Jaguar F-Type: The Return of the Leaping Cat Sports Car

"So do you want to go fast, faster or fastest? That's the choice Jaguar gives you."

2014 Jaguar XK Series: Dead Solid Sexy

"It isn't often that a luxury performance car can be both gorgeous and menacing, but that's exactly what the 2014 Jaguar XK, XKR, XKR-S, and XKR-S GT are."

NEW-VEHICLE REVIEWS ON KBB.COM (CONTINUED):

2014 Lincoln MKS: Tech It to the Limit

"The MKS is luxury done Lincoln-style."

Electric City Car: 2014 Chevrolet Spark EV

"Spark EV models use an electric motor that makes 130 horsepower and a prodigious 400 lb-ft of torque."

Elegant Value: 2014 Buick Enclave

"...a driving experience that's smooth and well-controlled along with handling that's responsive, predictable and certainly far better than it needs to be..."

<u>Style Meets Value: 2014 Ford Focus</u> "The Focus deserves your attention."

The Great Haul: 2014 GMC Savana "As a work van, it's tough to beat."

WHAT'S NEW

10 Best New Sedans Under \$25,000 Named by KBB.com; Honda Accord Ranked No. 1

Kelley Blue Book Editors Help Car Shoppers Discover Which Affordable New Sedan is Right for Them

IRVINE, Calif., July 9, 2013 -- Shoppers in the market for an affordable new sedan can see which models the experts recommend most in the list of <u>10 Best Sedans Under</u> **\$25,000 for 2013** from Kelley Blue Book <u>www.kbb.com</u>, the leading provider of new and used car information.

While the marketplace of new sedans in the sub-\$25,000 price point has never been stronger, that also leaves car shoppers with more questions about which model really is right for them. In this new list on KBB.com, editors provide their insights and rank what they think are this year's 10 Best Sedans Under \$25,000, ultimately naming the completely redesigned **2013 Honda Accord** No. 1...**MORE**

Kelley Blue Book Highlights Fourth of July New-Car Deals

KBB.com Reports on Financing, Cash Incentive, Lease Deals on Popular Models from Acura, Ford, Honda, Lexus, Toyota

IRVINE, Calif., July 3, 2013 -- Holidays are historically an ideal time for new-car shopping, and the experts from Kelley Blue Book <u>www.kbb.com</u>, the leading provider of new and used car information, have identified great <u>financing</u>, <u>cash incentive and lease deals</u> available nationwide from a variety of auto manufacturers over the upcoming long Fourth of July weekend.

"Holiday weekends like the Fourth of July provide a great opportunity for new-car shoppers to snag a hot deal, especially as dealers begin to clean house in preparation for accepting new 2014 model-year inventory," said Alec Gutierrez, senior market analyst for Kelley Blue Book's KBB.com...MORE

Industry New-Car Transaction Prices Up Nearly 1 Percent From Last Year, According to Kelley Blue Book

Compact and Luxury Crossovers Page Views Up; Mid-Size and Subcompact Page Views Decline on KBB.com

IRVINE, Calif., July 2, 2013 -- The estimated average transaction price for light vehicles in the United States was \$31,663 in May 2013, up \$370 (1.2 percent) from last month and up \$269 (0.9 percent) year-over-year, according to Kelley Blue Book <u>www.kbb.com</u>, the leading provider of new and used car information.

"Consumer confidence continues to be a strong factor, along with pent-up demand and for now, low interest rates, bringing shoppers into the showroom to purchase a new vehicle," said Alec Gutierrez, senior market analyst of automotive insights for Kelley Blue Book...MORE

New-Car Sales to Improve 10 Percent in June Reaching Greatest Year-To-Date Gain, According to Kelley Blue Book

June SAAR is 15.5 Million, Highest Since November 2012; Nissan Continues to Lead Vehicle Sales Increases

IRVINE, Calif., June 26, 2013 -- <u>New-car sales</u> are expected to improve 6.0 percent year-over-year in June to a total of 1,363,000 units according to Kelley Blue Book <u>www.kbb.com</u>, the leading provider of new and used car information. After adjusting for one fewer selling day this June, the 10.1 percent year-over-year gain will mark the strongest improvement thus far in 2013. The seasonally adjusted annual rate (SAAR) for June 2013 is 15.5 million, which is the highest SAAR since November 2012 at 15.5 million and highest June SAAR since 2007 at 15.8 million.

"We've had a strong first half of the year with new-car sales up nearly 7 percent compared to the first half of last year," said Alec Gutierrez, senior market analyst of automotive insights for Kelley Blue Book...

10 Coolest New Cars Under \$18,000 of 2013 Named by KBB.com; Hyundai Veloster No. 1

Kelley Blue Book Editors Rank This Year's Top Picks for Affordable New Rides Boasting "Cool Factor"

IRVINE, Calif., June 20, 2013 -- Shoppers in the market for a cool, affordable <u>new car</u> can see which models the experts recommend most in the list of <u>10 Coolest New Cars</u>. <u>Under \$18,000 of 2013</u> from Kelley Blue Book <u>www.kbb.com</u>, the leading provider of new and used car information. Each year, the <u>KBB.com</u> editors collectively pool their wisdom and expert opinions as they choose the 10 coolest affordable new cars, and this year the <u>2013 Hyundai Veloster</u> ranks No. 1 on the list.

"Quite frankly, automakers keep making it easier to pay them less," said Jack R. Nerad, executive editorial director and executive market analyst for Kelley Blue Book's KBB.com...

To view the multimedia assets associated with this release, please click <u>here</u>.

About Kelley Blue Book (<u>www.kbb.com</u>)

Founded in 1926, Kelley Blue Book, The Trusted Resource[®], is the only vehicle valuation and information source trusted and relied upon by both consumers and the industry. Each week the company provides the most market-reflective values in the industry on its top-rated website <u>www.kbb.com</u>, including its famous Blue Book[®] Trade-In and Suggested Retail Values and Fair Purchase Price, which reports what others are paying for new cars this week. The company also provides vehicle pricing and values through various products and services available to car dealers, auto manufacturers, finance and insurance companies as well as governmental agencies. KBB.com provides consumer pricing and information on cars for sale, minivans, pickup trucks, sedan, hybrids, electric cars, and SUVs. Kelley Blue Book Co. Inc. is a wholly owned subsidiary of AutoTrader Group.