



Kelley Blue Book  
**KBB.COM**  
The Trusted Resource

# BLUE BOOK BRIEFING

MAY  
2013

## 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: 'Are We Training Consumers Not to Buy?'

### 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:

New-Car Transaction Prices Decrease Slightly in April 2013 According to Kelley Blue Book

Luxury Vehicle Sales Up Nearly 15 Percent in Q1 2013, According to Latest Kelley Blue Book New-Car Market Report

New-Car Sales Pace Above 15 Million Seasonally Adjusted Annual Rate for Sixth Consecutive Month

10 Best Green Cars of 2013 Named by KBB.com

## INDUSTRY INSIGHTS:

### Are We Training Consumers Not to Buy?

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

**H**ave you noticed how much razor blades cost these days? While data on U.S. razor blade prices are hard to come by, a recent report in Britain indicated razor blade prices jumped 99 percent in just three years. A visit to a nearby drugstore or discounter to price razor blades here in America might give you a dose of sticker shock, too. While we have no statistically reliable data on what escalating prices has meant to the razor blade market, anecdotal evidence suggests individual razor blade users are responding in two ways: 1) they are looking for acceptable substitutes to the high-priced, name brand blades they have been accustomed to using, and 2) they are extending the life of their razor blades, perhaps changing every month rather than every week.

So what does the price of razor blades have to do with the automobile business? When I look at the automobile business these days, I have to wonder if we are seeing similar phenomena. More specifically, I wonder if the current industry is training the consumer NOT to buy a new car.

But, you might reply, industry sales are growing. The seasonally adjusted annual sales rate (SAAR) this year is up significantly versus what we saw at this time last year, sitting at 15.3 million or so. How does that indicate consumers are hesitant to buy new cars?

Well, first of all, let's look at the sources of the sales increases we have seen this year over last. Those increases are not, from most indications we have seen, a matter of average consumers returning to the new-car market after a lull prompted by the deep recession of 2008-2010. The fact is a lot of average consumers have not come back into the new-vehicle market yet. Instead the sales upturn has been prompted by an increase in housing starts and other construction and by well-to-do families adding more vehicles to

their family fleets. New-vehicle sales driven by gains in the construction sector isn't really consumer-based at all, though the gains do influence some consumers to buy dual-use (commercial-personal) vehicles, typically pickup trucks. And while growing ownership of new cars by the highly affluent is consumer sales growth, one has to wonder how sustainable it is, since there are only limited numbers of rich folks who need more cars for their children and want more "toy" cars to massage their egos.

What has not happened in this "recovery" is a broad-based resurgence in new-car buying by average American consumers. Instead, the American auto fleet is aging as people hold their cars longer. The average age of a vehicle on the road currently is a little more than 11 years, up from about nine years a decade earlier. But even more telling is the fact that new-car buyers are keeping their cars much, much longer than they did 10 years ago. Consider the average length of ownership of a new vehicle by the original purchaser now is right around six years, where in 2001 it was a little less than four years. Not so far off from what we said about razor blades earlier, is it?

As a group, consumers are either looking for lower-priced alternatives to high-priced new cars (one alternative is the purchase of a used car; another is to lease a new car instead of buying it) or consumers are extending the life of their current cars, keeping them longer before they replace them.

We don't have to spell out for you the ramifications these changes in behavior could have on the auto industry. The auto industry is based on volume and turnaround. Trends that point to lower volumes and slower turnaround point to a weaker overall industry.

## LATEST NEWS STORIES ON KBB.COM:

Check out the very latest news stories by visiting [KBB.com](http://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 April 2013.

### **Videos Posted to KBB.com:**

[\*2014 Mazda Mazda6 Video Review\*](#)

[\*2013 Nissan Altima Video Review\*](#)

[\*2013 Nissan Pathfinder Video Review\*](#)

[\*Toyota Pro/Celebrity Race Scion FR-S\*](#)

[\*Volkswagen GTI Video Review\*](#)

### **Written Stories Posted to KBB.com:**

[\*2015 Volkswagen GTI First Review: The Once and Future King\*](#)

[\*2014 BMW 6 Series and M6 changes confirmed\*](#)

[\*2014 Chevy and GMC pickups to offer best-in-class V8 mpg marks\*](#)

[\*2014 Chevy Cruze 2.0TD turbodiesel boasts top 46-mpg highway mark\*](#)

[\*2014 Fiat 500e priced at \\$33,200 before incentives\*](#)

[\*2014 Ford F-150 SVT Raptor Special Edition unveiled\*](#)

[\*2014 Ford Fusion to get new 1.5-liter EcoBoost 4-cylinder\*](#)

[\*2014 Jaguar F-Type First Review: Driving the Future, Feeling the Past\*](#)

[\*2014 Kia Cadenza First Review: Kia's Biggest Deal Yet\*](#)

[\*2014 Maserati Ghibli previewed\*](#)

[\*2014 Nissan Versa Sedan remains the most affordable new car\*](#)

[\*2014 Porsche Panamera adds plug-in hybrid, other changes\*](#)

[\*2014 Toyota 4Runner teased\*](#)

[\*2014 Volkswagen iBeetle revealed\*](#)

[\*2013-2014 Midsize Sedans\*](#)

[\*6 Jeep concepts get dirty at the 2013 Moab Jeep Easter Safari\*](#)

[\*AAA finds annual driving costs up by nearly 2 percent in 2013\*](#)

[\*Acura Concept SUV-X takes the stage in Shanghai\*](#)

[\*Acura Crossover Concept gets Shanghai preview\*](#)

[\*All-new 2014 Lexus IS vs. 3 Series, C-Class and A4\*](#)

[\*Aston Martin Rapide S hydrogen-hybrid racer revealed\*](#)

[\*Audi TT Ultra Quattro Concept celebrates the light stuff\*](#)

[\*Bugatti Veyron Grand Sport Vitesse is world's fastest roadster\*](#)

[\*Buick Riviera Concept makes Shanghai debut\*](#)

[\*Chevrolet prices 2014 Corvette Stingray at \\$51,995\*](#)

[\*Citroen DS Wild Rubis Concept headed for Shanghai\*](#)

[\*Diesel-powered Mazda6 wins first race\*](#)

[\*Editors' Page: 2013 Honda Accord\*](#)

[\*First 2014 Corvette drop-top brings \\$1 million at charity auction\*](#)

[\*First Pics: BMW Concept X4 previews new Bimmer\*](#)

[\*Ford and GM teaming on new 9-speed and 10-speed automatics\*](#)

[\*Ford Escort Concept unveiled in Shanghai\*](#)

[\*Ford Focus is world's best-selling nameplate in 2012\*](#)

[\*Honda announces new City-Brake accident avoidance system\*](#)

[\*Honda Concept M foreshadows a new Multi-purpose Vehicle\*](#)

[\*Honda MPV Concept teased for Shanghai\*](#)

[\*Hyundai HND-9 'Venace' Concept unveiled in Seoul\*](#)

[\*Icona Vulcano erupts in Shanghai\*](#)

[\*KBB Weekend: 2015 GTI driven, 2014 Corvette priced, CLA reviewed\*](#)

[\*KBB Weekend: BMW's next SUV, new Porsche plug-in, top MPG SUVs\*](#)

[\*KBB Weekend: Million-dollar Corvette and world's fastest convertible\*](#)

[\*KBB Weekend: Top 10 green cars, hot new concepts, Jag F-Type\*](#)

[\*Lamborghini Aventador LP 720-4 50 Anniversario unveiled\*](#)

[\*Lamborghini serves up some 50th Anniversary eye candy\*](#)

[\*Maserati teases all-new Ghibli for 2014\*](#)

[\*Mercedes-Benz Concept GLA makes Shanghai debut\*](#)



## LATEST NEWS STORIES ON KBB.COM (CONTINUED):

### Written Stories Posted to KBB.com:

[\*MG CS Concept previewed for Shanghai\*](#)

[\*Mitsubishi Concept G4 Sedan could preview a U.S. Mirage 4-door\*](#)

[\*Motown Shocker: 2014 Detroit Electric SP:01 Revealed\*](#)

[\*NHTSA issues new distracted driving guidelines\*](#)

[\*Nissan Friend-Me Concept brings new democracy to cabin design\*](#)

[\*Nissan LEAF has best sales month since launch\*](#)

[\*Protean Electric shows production-ready in-wheel electric motor\*](#)

[\*Renault Twin'Z Concept unveiled\*](#)

[\*Seoul Shaker: Kia Cub Concept is little in a big way\*](#)

[\*Toyota and Lexus hybrid sales top 5 million worldwide\*](#)

[\*Toyota unveils freshened 4Runner for 2014\*](#)

[\*Toyota will start building the Lexus ES 350 in America\*](#)

[\*Volkswagen announces new 2013 Passat Wolfsburg Edition\*](#)

[\*Volkswagen CrossBlue Coupe Concept debuts in Shanghai\*](#)

[\*Volvo unveils revolutionary new diesel fuel-injection technology\*](#)

[\*Volvo's Flywheel KERS setup can cut fuel use by up to 25 percent\*](#)

[\*VW working on a high-output TDI and 10-speed DSG transmission\*](#)

## 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 April 2013. To see any new-vehicle review from KBB.com's editorial staff, please visit [KBB.com](http://KBB.com) and click on the *Car Reviews* tab, then select the make and model.

### [2014 Acura RDX](#)

"...the 2nd-generation Acura RDX is a rare example of an SUV that does almost everything right."

"...the 2014 RDX...remains an attractive package for value-seeking luxury car shoppers."

"Exceptional resale value combined with Acura's well-established reputation for quality offers prospective RDX owners an added measure of peace of mind."

"...the 2014 RDX delivers above and beyond the expected level of dynamism, proving itself a capable performer in initial acceleration and passing power."

### [2014 Audi A8](#)

"If you seek a sophisticated full-size luxury sedan with class-leading fuel economy, world-class craftsmanship, and the latest in connected car technology, the 2014 Audi A8 L TDI is a no-brainer."

"Boasting an impressive EPA-estimated 24/36 city/highway rating, the A8 L TDI introduces a new level of fuel efficiency to the full-size luxury segment."

### [2014 BMW 3 Series](#)

"For more than 30 years, the BMW 3 Series has set the standard for entry-level luxury sedans..."

"Automotive purists on the prowl for the most enthusiast-oriented sports sedan on the market need look no further than the 2014 BMW 3 Series."

### [2014 BMW X1](#)

"With quick acceleration, nimble handling, the choice of rear-wheel-drive or all-wheel drive and laudable fuel-efficiency to boot, the X1 packs a lot of fun and versatility into a tidy package."

"If you want a compact SUV with fine amenities and European badge appeal, the 2014 X1 is an excellent choice."

### 2014 Chevrolet Cruze

“The Cruze stands out from other compacts with its comfort-oriented ride and overall feeling of solidity and strength.”

“Whether running errands around town or, yes, cruising on the highway, the 2014 Cruze’s driving manners stand out for their comfort and refinement...”

### 2014 Chevrolet Impala

“If you’re looking for a sizable sedan that offers sizable value, the 2014 Chevrolet Impala is perfectly capable of capturing your attention.”

“Its quicker-than-you’d-guess zero-to-60-mph time of 6.8 seconds is just one indication that the V6-powered Impala feels powerful in any situation...”

### 2014 Ford Escape

“...the 2014 Ford Escape compact crossover SUV became one of the segment’s leaders in styling, fuel efficiency and forward-looking technology.”

“Get-noticed styling, great fuel economy and a powerful technology package are three good reasons you might find the Ford Escape is just what you want in a small crossover.”

### 2014 Ford Flex

“The 2014 Ford Flex is not your typical 7-passenger family vehicle, as you can tell just by looking at it.”

“If what you’d really like is a modern interpretation of the classic American station wagon theme, the 2014 Ford Flex could be the one.”

### 2014 Kia Forte

“It’s as sporty and substantial inside as it is outside...”

“The 2014 Kia Forte’s key strengths include its good looks, great tech and a generous warranty.”

### 2014 Land Rover Range Rover

“The 2014 Range Rover represents the pinnacle of Land Rover’s lineup, and offers among the best combination of off-road ability and on-road comfort of any vehicle...”

“...the Range Rover is as comfortable hurtling over highways as it is crawling up cliffs.”

“If you want the ability to traverse any terrain while ensconced in a cocoon of the finest amenities, the 2014 Range Rover fits the bill.”

“On-road or off, the 2014 Range Rover is a no-compromises machine.”

### 2014 Mercedes-Benz CLA-Class

“[The 2014 Mercedes-Benz CLA is]...attracting a younger generation of brand loyalists with an attractive starting MSRP of \$29,900.”

“...the all-new 2014 Mercedes-Benz CLA-Class wraps...a smaller, tighter package that aims to steal car shoppers away from compact to mid-size sedans...”

“The Mercedes-Benz CLA boasts two primary selling points: premium looks and a surprisingly accessible price of entry.”

### 2014 Mercedes-Benz E-Class

“The 2014 Mercedes-Benz E-Class is the blue-chip standard for luxury sedans and coupes.”

“The 2014 E-Class delivers discreet style that delicately straddles the line between status and functionality.”

[2014 Mitsubishi Outlander](#)

“...all-new for 2014, the Outlander is a capable SUV that offers commendable fuel economy, high-tech safety features and a long warranty.”

“Outlanders are...noteworthy for their impressive warranty, available safety features like automatic braking and lane-departure warning, and sophisticated all-wheel-drive system that’s very adept in the snow.”

“If you’re looking for a smaller SUV with seating for seven and commendable fuel economy, the 2014 Outlander is worth considering...”

[2014 Porsche Boxster](#)

“If you’re just as enthusiastic about the act of driving a performance roadster as you are about the appeal of driving one, the Porsche Boxster will deliver on both desires.”

“...the 2014 Porsche Boxster drives exactly as your imagination would insist a sports car should.”

[2013 Hyundai Santa Fe](#)

“You say you were born and raised practical and now you’re raising a practical family? The new Santa Fe should own a space on your SUV shopping list.”

“...the 2013 Hyundai Santa Fe does excel in its sheer talent for being easy to drive.”

**WHAT’S NEW**

## **New-Car Transaction Prices Decrease Slightly in April 2013 According to Kelley Blue Book**

**Industry Transaction Prices Decrease 0.5 Percent from March 2013,  
Increase from April 2012; Compact Car Share Increases on KBB.com in April 2013**

IRVINE, Calif., May 1, 2013 - The estimated average transaction price for light vehicles in the United States was \$31,356 in April 2013, down \$170 (0.5 percent) from last month, March 2013, and up \$154 (0.4 percent) from a year ago, April 2012, according to Kelley Blue Book [www.kbb.com](http://www.kbb.com), the leading provider of new and used car information.

“There is still strong pent-up demand from consumers looking to purchase a new vehicle who have been on the sidelines waiting for at least a few years,” said Alec Gutierrez, senior market analyst... [MORE](#)

## **Luxury Vehicle Sales Up Nearly 15 Percent in Q1 2013, According to Latest Kelley Blue Book New-Car Market Report**

**Cadillac Achieves Greatest Gains Among Luxury Brands; Mercedes Tops Overall Luxury Brand Sales**

IRVINE, Calif., April 25, 2013 - As overall U.S. auto sales posted respectable gains of more than 6 percent in the first quarter, the luxury market more than doubled overall industry gains at 14.6 percent compared to last year, according to the latest [New-Car Market Report](#) from Kelley Blue Book [www.kbb.com](http://www.kbb.com), the leading provider of new and used car information.

“The Q1 2013 total of nearly 400,000 luxury units marks the largest first quarter for new luxury vehicle sales since 2007,” said Alec Gutierrez, senior market analyst... [MORE](#)

## New-Car Sales Pace Above 15 Million Seasonally Adjusted Annual Rate for Sixth Consecutive Month

**SAAR for April Reaches 15.3 Million; Truck Sales Continue Strength with New-Home Construction, Low Fuel Prices; Mid-Size Sedan Race Heats Up**

IRVINE, Calif., April 24, 2013 - Through the first three weeks of April 2013, [new-car sales](#) are on pace to remain above a 15 million unit annual selling pace for the sixth consecutive month, according to Kelley Blue Book [www.kbb.com](#), the leading provider of new and used car information. Kelley Blue Book projects light vehicle sales to surpass 1.3 million units by month end, which is an 11.4 percent annual gain, equaling a SAAR of 15.3 million for April 2013. Sales are driven by host of factors, including low interest rates and increasingly favorable credit conditions, high [used-car trade-in values](#), and fresh redesigns such as the all-new [2013 Honda Accord](#), [Ford Fusion](#) and [Nissan Altima](#).

“[Ford](#) is poised to post significant gains, with an increase of 15.3 percent because of strong demand for the Fusion and Focus, both of which improved sales by more than 20 percent in the first quarter,” said Alec Gutierrez, senior market analyst... [MORE](#)

## 10 Best Green Cars of 2013 Named by KBB.com

**Editors Recommend Environmentally Friendly New Vehicles, Provide Commentary and Mileage Information**

IRVINE, Calif., April 18, 2013 - Just in time for Earth Day, eco-friendly drivers in the market for a new car can see which models the experts recommend in the list of [10 Best Green Cars of 2013](#) by the editors of Kelley Blue Book [www.kbb.com](#), the leading provider of new and used car information.

In recent years, Green Cars really have gone mainstream. Several of the best-selling cars in the country are now being offered in hybrid, diesel or even pure electric form, giving buyers the ability to drive the car they want with the powertrain they prefer.

To view the multimedia assets associated with this release, click [here](#).

### About Kelley Blue Book ([www.kbb.com](#))

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 [www.kbb.com](#), 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.