

Six (6) Myths About the Detroit Three
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Summary: The debate over aid to the Detroit-based automakers is awash with half-truths and misrepresentations that are endlessly repeated by everyone from members of Congress to journalists. Here are six (6) myths about the companies and their vehicles and the reality in each case.

Myth No. 1

Nobody buys their vehicles.

Reality:

General Motors Corp., Ford Motor Co. and Chrysler LLC sold 8.5 million vehicles in the United States last year and millions more around the world. GM outsold Toyota by about 1.2 million vehicles in the United States last year and holds a U.S. lead over Toyota of about 560,000 so far this year. Globally, GM in 2007 remained the world's largest automaker, selling 9,369,524 vehicles worldwide -- about 3,000 more than Toyota.

Ford outsold Honda by about 850,000 and Nissan by more than 1.3 million vehicles in the United States last year. Chrysler sold more vehicles here than Nissan and Hyundai combined in 2007 and so far this year.

Myth No. 2

They build unreliable junk.

Reality:

The creaky, leaky vehicles of the 1980s and '90s are long gone. Consumer Reports recently found that "Ford's reliability is now on par with good Japanese automakers." The independent J.D. Power Initial Quality Study scored Buick, Cadillac, Chevrolet, Ford, GMC, Mercury, Pontiac and Lincoln brands' overall quality as high or higher than that of Acura, Audi, BMW, Honda, Nissan, Scion, Volkswagen and Volvo.

Power rated the Chevrolet Malibu the highest-quality midsize sedan. Both the Malibu and Ford Fusion scored better than the Honda Accord and Toyota Camry.

Myth No. 3

They build gas-guzzlers.

Reality:

All of the Detroit Three build midsize sedans the Environmental Protection Agency rates at 29-33 miles per gallon on the highway. The most fuel-efficient Chevrolet Malibu gets 33 m.p.g. on the highway, 2 m.p.g. better than the best Honda Accord. The most fuel-efficient Ford Focus has the same highway fuel economy ratings as the most efficient Toyota Corolla. The most fuel-efficient Chevrolet Cobalt has the same city fuel economy and better highway fuel economy than the most efficient non-hybrid Honda Civic. A recent study by Edmunds.com found that the Chevrolet Aveo subcompact is the least expensive car to buy and operate.

Myth No. 4

They already got a \$25-billion bailout.

Reality:

None of that money has been lent out and may not be for more than a year. In addition, it can, by law, be used only to invest in future vehicles and technology, so it has no effect on the shortage of operating cash the companies face because of the economic slowdown that's killing them now.

Myth No. 5

GM, Ford and Chrysler are idiots for investing in pickups and SUVs.

Reality:

The domestic companies' lineup has been truck-heavy, but Toyota, Nissan, Mercedes-Benz and BMW have all spent billions of dollars on pickups and SUVs because trucks are a large and historically profitable part of the auto industry. The most fuel-efficient full-size pickups from GM, Ford and Chrysler all have higher EPA fuel economy ratings than Toyota and Nissan's full-size pickups.

Myth No. 6

They don't build hybrids.

Reality:

The Detroit Three got into the hybrid business late, but Ford and GM each now offers more hybrid models than Honda or Nissan, with several more due to hit the road in early 2009.