

February 2008 Hybrid Market Dashboard

read more online at <http://www.hybridcars.com/market-dashboard.html>

Overview

Now that Eliot Spitzer is back on the job market, he might consider a new stint as hybrid promotion spokesman. The story of Spitzer cleaning up corruption on Wall Street only to fall prey to his own character weaknesses has overtones similar to another unfolding scandal: the auto industry has been promising to clean up cars and trucks with lots of hybrid choices, but has failed to deliver just when car buyers are most ready to go green. Sales of hybrids in February 2008 showed no growth compared to January 2008, and declined by more than five percent compared to one year ago.

More importantly, the hybrid market continues to be composed of the vehicles introduced in the earliest period of hybrid growth: Toyota Prius, Honda Civic Hybrid, Ford Escape Hybrid, Toyota Highlander Hybrid, and Lexus RX 400h. Toyota has not yet redesigned the Prius, more than five years after the introduction of the second generation model. Toyota recently reiterated its commitment to offer hybrid offerings of all its models, but the timing for the company's next hybrid introduction is still unknown. In the past year, Honda has reduced its number of hybrid offerings from three to one. Ford has long ago backed away from its hybrid pledges. And GM has rolled out impressive marketing campaigns for hybrids and other "gas-friendly" models, but February sales of the Saturn Vue Green Line and Saturn Aura Green Line were 30 units. (That's no typo: three-oh units.)

Sales of luxury hybrid sedans from Lexus were negligible, and General Motors is not reporting sales for the Chevrolet Tahoe or GMC Yukon Hybrids or the Chevrolet Malibu Hybrid.

Nissan increased sales of the Altima Hybrid by nearly 12 percent compared to January and more than doubled sales compared to one year ago. Those sales amounted to only 529 units, because the Altima Hybrid is only available in eight states. With that growth, and sales of the Camry Hybrid on a solid ground, the availability of a high-mpg popular family sedan seems like a safe play.

The scandal—considering how eager automakers are to lift sales in a declining market—is the lack of new hybrids on the market. That left the market essentially flat in February and may represent a huge missed opportunity for March, considering that oil prices have climbed well past \$100 per barrel and \$4 gas is right around the corner. Eliot Spitzer is back on the job market. Carmakers looking for a spokesman to promote hybrids couldn't find somebody with skills and qualifications better suited to that task.

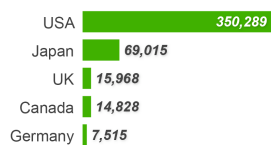
Looking Ahead

The rise in gas prices will almost certainly produce significant gains in hybrids sales in March. Expect the market share for various models, and the carmakers, to remain unchanged, but the numbers should go way up. As stated above, there are no new hybrid model introductions to take full advantage of the shift toward efficiency, although we can expect small cars to be big. And the model which could really clean up—Honda's new global hybrid, aimed at making hybrids affordable with a price tag probably below \$20,000—is more than year away.

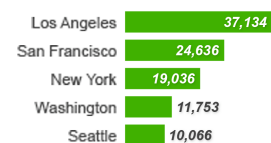
2007 global hybrid registrations



Top 5 global hybrid markets



Top 5 US hybrid markets



SOURCE: R. L. FOLK & CO.

"Top 5 global hybrid markets" based on vehicle registrations January - December 2007.

and "Top 5 US hybrid markets" based on vehicle registrations January - December 2007.

US Sales

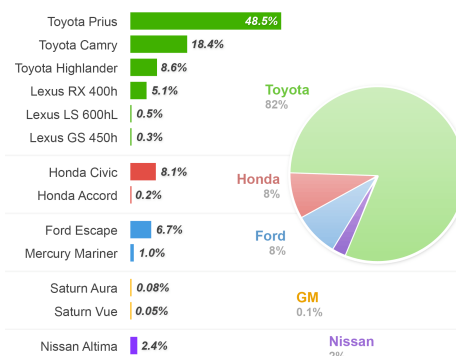
Our information is based on hybrid sales as reported by the manufacturers. For each model, this month's sales are shown compared to sales in the previous month and at the same time last year. We also examine hybrid market share by model and manufacturer. The historical sales graph for top-selling hybrid models shows final 2007 volumes.

Hybrids sold in the U.S. (February 2008): **22,441**

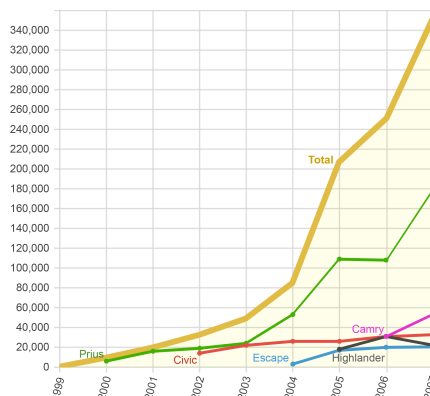
US Hybrid Sales for February 2008

Model	Units	vs. 12/07	vs. 01/07
Altima	529	11.8%	156.8%
Prius	10,893	-4.3%	-10.9%
Civic	1,808	3.6%	-6.0%
Accord	42	-12.5%	-86.5%
Camry	4,121	9.9%	23.7%
Highlander	1,938	-9.6%	2.4%
RX400h	1,148	-5.2%	-8.1%
GS450h	77	20.3%	-51.9%
LS600hL	112	6.7%	n/a
Escape	1,509	16.4%	3.1%
Mariner	234	31.5%	90.0%
Vue	11	10.0%	-98.5%
Aura	19	111.1%	n/a
All hybrids	22,441	0.1%	-5.5%
All vehicles	1,176,254	11.0%	-6.3%

U.S. Hybrid Sales for February 2008 by Manufacturer and Model



U.S. Hybrid Market Sales (1999 - 2007)



Regional Data

We present the data in two ways. First, we list the cities and states that boast the largest numbers of new hybrids on their roads within the past year. Second, we adjust for population and look at hybrids per person (in states) or per household (in metro areas). This lets us include cities like Portland, OR: a city that has fewer overall vehicles (and thus fewer hybrids) but has more hybrids per capita than anywhere else.

States with the Most Hybrid Sales

Rank	State	New Hybrids*
1	California	91,417
2	Florida	19,283
3	New York	17,385
4	Texas	17,196
5	Washington	13,107

Most Popular States for Hybrids

Rank	State	New Hybrids per 1000 residents*
1	California	2.530
2	Oregon	2.277
3	Washington	2.085
4	Vermont	2.014
5	Washington DC	1.900

U.S. State Average 1.076

Cities with the Most Hybrid Sales

Rank	Metropolitan Area	New Hybrids*
1	Los Angeles	40,634
2	San Francisco	27,292
3	New York	20,692
4	Washington DC	12,744
5	Seattle	11,098

Most Popular Cities for Hybrids

Rank	Metropolitan Area	New Hybrids per 1000 residents*
1	Portland, OR	16.873
2	San Francisco	11.585
3	Monterey, CA	9.286
4	Santa Barbara	7.820
5	Los Angeles	7.339

U.S. Metro Area Average 2.366

*Registrations CYTD December 2007