

# March 2009 Hybrid Market Dashboard

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

## Overview

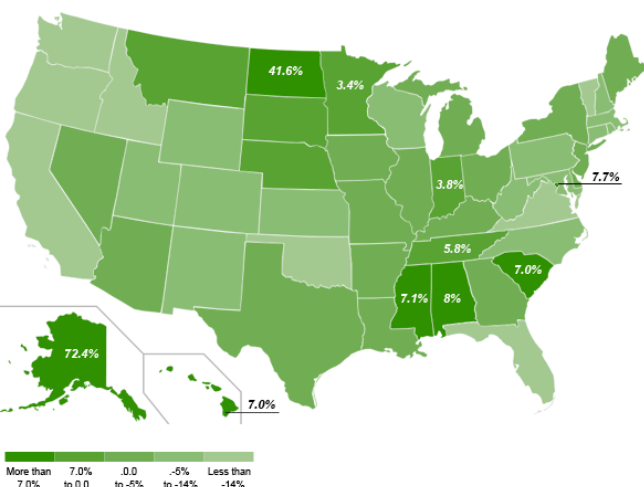
There was cautious optimism among auto executives this month, as overall car sales increased 24 percent from February's number. Hybrid sales fared even better, rising by 34 percent compared to last month. Nonetheless, the market remains well below its past levels: relative to 2008, sales-to-date for both hybrids and conventional vehicles are off by nearly 40 percent.

So have hybrid sales finally hit bottom? Probably, if a few trends continue. The first is buyers: manufacturers lured consumers into showrooms this month by offering record-high incentives on existing cars. On average, dealers offered \$3,169 worth on incentives on each vehicle that sold in March. While the numbers were lower for manufacturers like Toyota and Honda that dominate the hybrid market, customer incentives remain on numerous hybrid models including the Prius, Civic Hybrid, Altima Hybrid, and Tahoe Hybrid. At the moment, the "cash on the hood" of hybrid models is propping up sales. Future growth will only occur with continued incentives, a rebound in consumer interest, or a bit of both.

The second key trend is gas prices. Gas prices have risen more than 20 percent since December, and jumped 6 percent during March. But the cost of crude remains low, and gasoline is still relatively cheap, averaging less than \$2.00 a gallon last month. Without a sustained increase in the price of gasoline, it is unlikely that hybrid sales will show significant sales expansion. More than ever, mainstream car buyers are interested in saving money—which means they'll only invest in a more expensive hybrid car if the pain they feel at the pump gets harder to bear.

The final trend is new models. Growing hybrid sales beyond 2 to 3 percent of the market will require offering a wide variety of body styles—from compact sedans to large pickups—from numerous manufacturers, both foreign and domestic. Two new hybrid offerings, the Honda Insight and the Ford Fusion/Mercury Milan Hybrid, entered the market in March, expanding the total number of hybrid nameplates in the US to 22. Since the new models began shipping in the middle of the month, it's hard to judge their March performance. However, it is worth noting that the Insight is already enjoying higher sales volumes than most other hybrid models, including all six of GM's offerings. So while a diverse lineup of hybrid models is important, so are manufacturers' commitments to produce and sell their hybrid cars in large volumes, rather than simply positioning them as "niche" vehicles.

**Growth in Hybrid Sales Last Year, All States and DC**  
% Growth Hybrid Sales 2007-2008

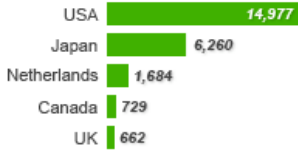


SOURCE: R. L. POLK & CO

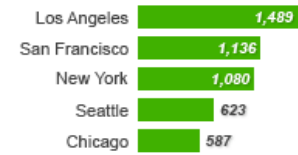
## 2009 global hybrid registrations



### Top 5 global hybrid markets



### Top 5 US hybrid markets



SOURCE: R. L. POLK & CO.

## US Sales

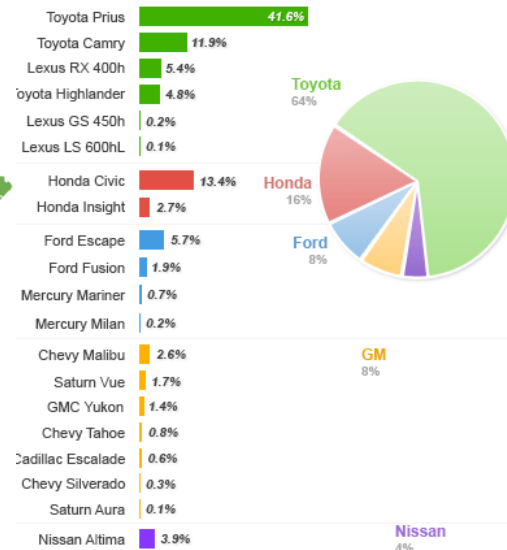
Our information is based on hybrid sales as reported by the manufacturers. For each model, this month's sales are shown compared to sales in the previous month and at the same time last year. We also examine hybrid market share by model and manufacturer.

Hybrids sold in the U.S. (March 2009): **21,433**

### US Hybrid Sales for March 2009

| Model        | Units   | vs. 02/09 | vs. 02/08 |
|--------------|---------|-----------|-----------|
| Prius        | 8,924   | 23.4%     | -56.8%    |
| Camry        | 2,554   | 22.8%     | -63.1%    |
| Highlander   | 1,037   | 8.5%      | -53.7%    |
| RX400h       | 1,165   | -22.4%    | -25.8%    |
| LS600hL      | 25      | 13.6%     | -77.9%    |
| GS450h       | 42      | 90.9%     | -35.4%    |
| Civic        | 2,869   | 110.6%    | -23.9%    |
| Escape       | 1,211   | 3.3%      | -32.0%    |
| Mariner      | 140     | 14.8%     | -38.1%    |
| Yukon        | 171     | -3.6%     | -24.1%    |
| Malibu       | 547     | 177.7%    | n/a       |
| Vue          | 362     | 92.6%     | 273.2%    |
| Tahoe        | 304     | -3.6%     | 35.1%     |
| Aura         | 26      | 13.0%     | 30.0%     |
| Altima       | 834     | 80.1%     | 0.2%      |
| Escalade     | 134     | -3.6%     | n/a       |
| Silverado    | 68      | 44.7%     | n/a       |
| Fusion       | 402     | n/a       | n/a       |
| Milan        | 49      | n/a       | n/a       |
| insight      | 569     | n/a       | n/a       |
| All hybrids  | 21,433  | 33.8%     | -44.7%    |
| All vehicles | 857,982 | 24.4%     | -36.8%    |

### U.S. Hybrid Sales for March 2009 by Manufacturer and Model



## Regional Data

Curious where hybrid buyers live? We present the data in two ways. First, we list the 15 cities and states that boast the largest numbers of new hybrids on their roads within the past year. For example, residents in the New York City area put over 8,000 new hybrids on the road in 2007. 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 | 3,339        |
| 2    | Florida    | 937          |
| 3    | Washington | 731          |
| 4    | Illinois   | 725          |
| 5    | New York   | 716          |

### Most Popular States for Hybrids

| Rank               | State                | New Hybrids per 1000 residents* |
|--------------------|----------------------|---------------------------------|
| 1                  | Washington           | 0.120                           |
| 2                  | District of Columbia | 0.100                           |
| 3                  | California           | 0.090                           |
| 4                  | Colorado             | 0.080                           |
| 5                  | Minnesota            | 0.080                           |
| U.S. State Average |                      | 0.05                            |

### Cities with the Most Hybrid Sales

| Rank | Metropolitan Area | New Hybrids* |
|------|-------------------|--------------|
| 1    | Los Angeles       | 1,489        |
| 2    | San Francisco     | 1,136        |
| 3    | New York          | 1,080        |
| 4    | Seattle           | 623          |
| 5    | Chicago           | 587          |

### Most Popular Cities for Hybrid

| Rank                    | Metropolitan Area | New Hybrids per 1000 residents* |
|-------------------------|-------------------|---------------------------------|
| 1                       | Portland, OR      | 0.550                           |
| 2                       | San Francisco     | 0.480                           |
| 3                       | Seattle           | 0.370                           |
| 4                       | San Diego         | 0.270                           |
| 5                       | Los Angeles       | 0.270                           |
| U.S. Metro Area Average |                   | 0.090                           |

\*Registrations CYTD January 2009