

News

United States
Department
of Labor



Bureau of Labor Statistics

Washington, D.C. 20212

FOR DATA ONLY: (202) 691-5200
FOR TECHNICAL INFORMATION:
Thaddious S. Foster: (202) 691-6443
MEDIA CONTACT: (202) 691-5902
<http://www.bls.gov/ppi>

USDL 08-1712
TRANSMISSION OF MATERIAL IN
THIS RELEASE IS EMBARGOED
UNTIL 8:30 A.M. (EST), TUESDAY
NOVEMBER 18, 2008

REPORT ON QUALITY CHANGES FOR 2009 MODEL VEHICLES

Passenger Cars

The value of quality changes for a sample of nine 2009 model year domestically produced passenger cars included in the Producer Price Index (PPI) for October averaged \$170.08, according to estimates by the Bureau of Labor Statistics (BLS) of the U.S. Department of Labor. This change represents 14.55 percent of the average \$1,168.77 increase in manufacturers' invoice prices for this year's models as compared with last year's models.

The retail equivalent value of these quality changes averaged \$185.18, representing 14.08 percent of the average \$1,315.63 over-the-year increase in manufacturers' suggested list prices.

Light Trucks

The value of quality changes for a sample of seventeen 2009 model year domestically produced light trucks included in the PPI for October averaged \$675.41. This change represents 40.65 percent of the average \$1,661.73 increase in manufacturers' invoice prices for this year's models as compared with last year's models.

The retail equivalent value of quality changes for domestically produced light trucks averaged \$746.38, representing 39.48 percent of the average \$1,890.41 over-the-year increase in manufacturers' suggested list prices.

Estimates of the value of quality change are based on a review by the BLS of data supplied by producers for similarly equipped 2008 and 2009 domestically produced models priced for the Producer Price Index. Most of the estimates of quality changes in this release are derived from information supplied for the Producer Price Index for October. These data also form the basis of some of the new vehicle quality adjustments for the Consumer Price Index (CPI). However, it should be noted that, effective with the release of data for January 1999, changes made solely for the purpose of meeting air pollution standards are no longer considered quality improvements for CPI calculation purposes.