



UNDER EMBARGO UNTIL: Wednesday, March 28, 2012

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Second Annual CarMD Vehicle Health Index Provides First Ever Year-Over-Year Comparison of “Check Engine” Light Repair Trends

Data shows drivers putting off simple repairs that impact gas mileage, lead to more expensive problems

IRVINE, Calif. (Mar. 28, 2012) – CarMD.com Corporation, a leading provider of automotive information and products, today released its second annual CarMD® Vehicle Health Index™, providing the industry and consumers with the first comprehensive year-over-year comparison of car repair trends. Coinciding with April Car Care Awareness Month, this Index reveals and ranks the most common “check engine” light problems, their related repairs and how much those repairs cost. This year’s most common repair is “replace oxygen sensor,” which can lead to as much as a 40% reduction in fuel economy if ignored. The April 2012 CarMD Vehicle Health Index is an unbiased collection of repair data, input and validated by CarMD’s nationwide network of ASE-certified technicians. It is available at <http://corp.carmd.com>.

“We are pleased to present the second annual CarMD Vehicle Health Index, which for the first time ever, enables consumers and the automotive industry to analyze year-over-year car repairs, costs and trends,” says Art Jacobsen, vice president, CarMD. “It’s encouraging to see that despite many fiscal and environmental challenges, the automotive industry continues to make positive strides in designing vehicles that last longer. Despite the fact that the average vehicle age is at an all-time high of nearly 11 years, 2011 saw a decrease in average national auto repair costs. However, the CarMD data also shows that consumers continue to put off small repairs, which can result in much more expensive, catastrophic repairs, and negatively impact fuel economy.”

Jacobsen adds that, “the CarMD Vehicle Health Index provides never-before-seen transparency and hard data, which can empower consumers and the industry to make a range of informed decisions that save money, improve safety and extend the life of a vehicle. We are releasing this data to remind consumers to listen to your car’s warnings. With gas well over \$4 a gallon and pushing \$5 in some places, it’s important to immediately address repairs that can jeopardize safety and reduce your vehicle’s fuel economy. In many cases the repairs will pay for themselves very quickly in fuel savings. Car Care Awareness Month is the ideal opportunity to address problems before the summer driving season.”

Key Index Findings

In 2011, overall auto repair costs were down 6% from the previous year, despite a 1.4% increase in parts costs, which was more than offset by a 17% decrease in labor rates. The overall decrease can be attributed to independent auto repair shops and dealerships adjusting their labor rates to compensate for the increased cost of goods resulting from factors such as the tsunami in Japan. Although repair costs are down, statistics show that consumers continue to put off small repairs that can snowball into more expensive repairs. For instance the no. 6 most common repair “replace spark plug(s) and spark plug wire(s)” is a minor repair, but if left unchecked can require the replacement of more expensive ignition coils. Now the no. 4 repair, faulty ignition coils, if left unrepaired, can in turn result in the need to “replace catalytic converter,” which costs upwards of \$1,000 to repair.

Each of the five most common “check engine” repairs will reduce gas mileage if ignored. However, when problems are caught early, automotive repairs are almost always more affordable. The 15 least expensive repairs in the CarMD database average only \$72.03, while the 15 most expensive repairs average \$3,185.09.

(MORE)

CarMD Releases 2012 Vehicle Health Index – 2-2-2

The following are additional highlights from the Second Annual CarMD Vehicle Health Index:

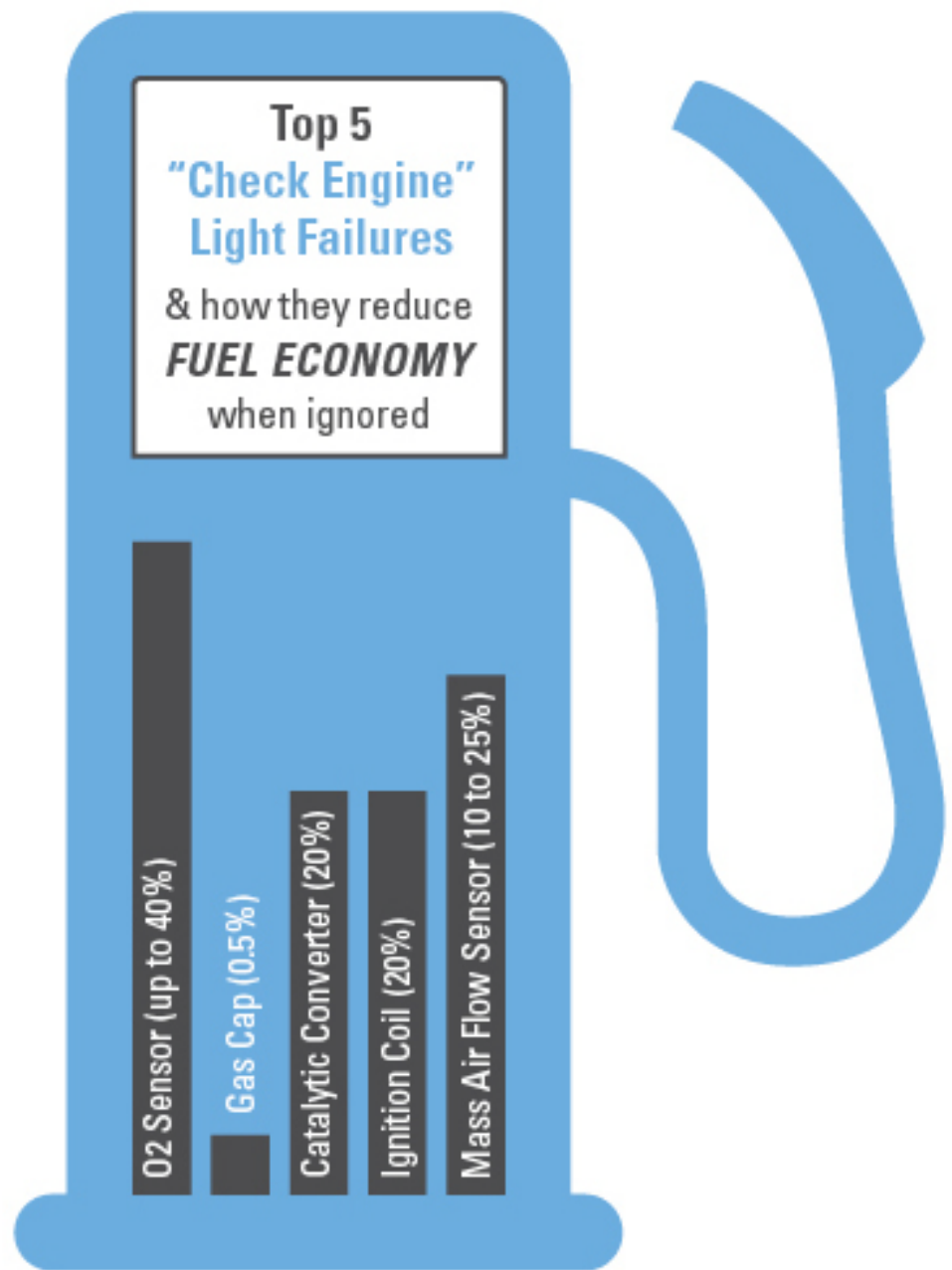
- **Most common problems can reduce gas mileage if not repaired**
 - Each of the top five most common car problems will negatively impact a vehicle's gas mileage if ignored. The no. 1 most commonly needed repair is "replace oxygen sensor," which can lead to as much as a 40% reduction in gas mileage if ignored – that's more than \$900 extra per year in extra fuel costs.
 - The no. 2 most common repair during 2011 was due to a loose or missing gas cap, which accounts for more than 147 million gallons of evaporated gas each year, and can result in a 0.5% decrease in gas mileage.
 - The no. 3 most common repair, "replace catalytic converter," appeared in the top three repairs for all four geographic regions studied. In most cases, a catalytic converter won't fail unless a related part – such as a spark plug – is ignored for too long. A damaged catalytic converter will result in gradual fuel consumption loss and may eventually cause a vehicle to quit working altogether. The average cost to repair is \$1,028.53, partly because it is illegal to sell or install an aftermarket catalytic converter that does not meet EPA criteria.
 - New to the top five this year is "replace ignition coil(s)," the no. 4 most common repair. Ignition coils can fail due to bad spark plugs, high underhood heat or age, and can decrease fuel economy by up to 20%.
 - No. 5 is "replace mass air flow Sensor (MAF)," which can lower fuel economy by 10% to 25% if not repaired.

- **Vehicle age plays a role in the most common repair ranking**
 - The average passenger vehicle is now 10.8 years old. The no. 1 "check engine" repair for model year (MY) 2001 vehicles, which are in line with today's average vehicle age, is a damaged or loose gas cap (8.26%). The no. 2 most common repair for MY2001 vehicles is "replace O2 sensor" and no. 3 is "replace catalytic converter(s).
 - Brand new vehicles also have problems, which can be attributed to new owner error, cautiousness or problems that occurred at the factory. The gas cap is the most common culprit for newer model repairs, accounting for a whopping 26.9% of fixes on MY2011 vehicles. The no. 2 most common repair was "reprogram power train control module" followed by faulty wiring at no. 3.

- **As manufacturers make parts standard on a wider array of vehicles, it affects the type of repairs made**
 - Several new repairs appear on the top 25 most common "check engine" repairs this year, including "inspect battery and charging system and repair as necessary" (no. 16); "replace wheel speed sensor(s)" (no. 17); "replace ABS control module" (no. 20); and "replace air/fuel ratio sensor" (no. 24).
 - "Replace ABS Control Module" wasn't even in the top 100 last year. It is responsible for helping to ensure a vehicle's anti-lock brake system is working properly. While ABS has been available for decades, only recently have vehicle manufacturers made it standard on a wider range of vehicles and linked it to the on-board diagnostic (OBD2) system, which may explain its trip upward on the list.
 - In 2011, the no. 10 most common repair was "remove aftermarket alarm." Aftermarket parts should always be installed by a qualified technician. Installing the wrong part or plugging it into the wrong system can cause damage, as is common with aftermarket alarms, which manufacturers are increasingly making standard on more vehicles. While it was the no. 10 most common repair across all models in 2011, the alarm system ranked no. 3 on MY1996 repairs but did not account for any repairs on MY2011 vehicles.

About The CarMD Vehicle Health Index

Beginning in 1996, the U.S. government mandated on-board diagnostics (OBD2) for all foreign and domestic cars, light trucks, minivans and SUVs sold in the United States. This technology detects malfunctions, sets a diagnostic trouble code (DTC) and turns on the "check engine" light if a problem (or potential problem) is detected. The system is currently installed on about 85 percent of vehicles nationwide. CarMD's network of Automotive Service Excellence (ASE)-certified technicians has built the largest, most up-to-date-database of diagnostic trouble codes, expert fixes and repair costs. This constantly updated database, from which it draws its CarMD® Vehicle Health Index™, continues to double in size annually. This 2012 Index statistically analyzes roughly 165,000 repairs and 150,000 DTC scenarios that apply to more than 239 million vehicles on the road in the U.S. The Index is released each April in conjunction with National Car Care Awareness Month to provide vehicle owners and the industry with a comprehensive and independent report on vehicle repair trends. For more information, including the complete Index, methodology and archived data, visit <http://corp.carmd.com>.



*based on 163,532 "check engine" repairs made from Jan. 1, 2011 to Dec. 31, 2011. Source: April 2012 CarMD® Vehicle Health Index™.

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