



Consumer Federation of America

For Immediate Release:
April 29, 2013

Contact: Jack Gillis 202-737-0766

NEW RESEARCH: CONSUMERS EMBRACE NEW FUEL ECONOMY STANDARD, ARE PURCHASING MORE HIGH MPG VEHICLES, AND PLAN TO SIGNIFICANTLY INCREASE FUEL EFFICIENCY IN FUTURE PURCHASES

First “progress report” on 54.5 mpg standard shows consumer demand strong, automakers meeting the challenge, and electrics gaining popularity

Washington, DC – Consumer demand for more fuel-efficient vehicles is high and the nation is well on its way to establishing a more fuel-efficient vehicle fleet, according to new research released today by the Consumer Federation of America (CFA). The analysis, [*On the Road to 54.5 MPG: A Progress Report on Achievability*](#), provides the first ever “progress report,” on the response of consumers and automakers as both begin to experience the effects of the newly adopted 54.5 miles-per-gallon federal fuel economy standard.

“Looking at current market offerings, consumer purchasing trends and our surveys of consumer demand, there is no doubt that the federal effort to significantly raise fuel economy is benefiting, consumers, car companies, autoworkers and the environment”, said Jack Gillis, report co-author who is CFA’s Director of Public Affairs and author of *The Car Book*.

Poll: Consumers Strongly Support Higher Mileage Standards

A new nationwide poll, the first by CFA since the federal adoption of the new standard last year, finds that a large majority of Americans support federal government requirements to increase the fuel economy of new cars to 35 miles per gallon by 2017 and to an average of 55 miles per gallon by 2025 (using CAFE ratings). Top findings include:

- Eight-five percent of respondents said they “support” the requirements, with more than half (54 percent) saying they “strongly support” the standard.

- This remarkable support extends across the political spectrum, with 77 percent of Republicans, 87 percent of Independents and 92 percent of Democrats saying they support the higher standard.
- Fuel economy will be an important factor for 88 percent of respondents in their next vehicle purchase (59 percent say it will be a “very important” factor).
- Those who say fuel economy is very important expect to get twelve miles more per gallon (mpg) from their next vehicle than those who say it is not important.
- Consumers intend to purchase even higher mileage vehicles going forward. Those who indicated that their current gas mileage was 24 mpg and who intend to purchase a vehicle in the future, expect a seven mpg increase, or to get 31 mpg from their next vehicle.
- More than half (57%) of respondents who said they intend to purchase a SUV said they want its fuel economy to be at least 25 mpg.

“These results should lay to rest any concerns that some car dealers had about consumer demand for more fuel efficient vehicles,” said Gillis. In spite of the support of car companies, unions, consumer and environmental groups, the National Automobile Dealers Association was the only major entity opposed to the new requirements.

Consumers Increase Purchase of Higher-Mileage Vehicles

The gas mileage of popular cars, pick-ups, and vans has increased significantly in the past few years, with the percentage of popular vehicles getting at least 30 mpg tripling. Comparing popular 2009 models with 2013 models, the new analysis shows that the percentage of vehicles getting at least 30 mpg rose from four to 12 percent. Over the same time period, the percentage of popular vehicles getting at least 23 mpg rose from 30 to 56 percent; and the percentage getting under 22 mpg fell from 70 to 44 percent.

In part, this increasing mileage reflected the growing popularity of four-cylinder vehicles. In 2005, less than 30 percent of the vehicles purchased had four-cylinder engines, and in 2012, nearly half of those purchased had four cylinders. “What is remarkable is that improvements in engine efficiency, driven by the standards and consumer demand, resulted in a significant increase in four-

cylinder vehicles with little compromise in performance,” said Mark Cooper, CFA’s Director of Research. Increasing mileage performance is also reflected the growing sales of hybrid and electric vehicles, which have doubled in sales during the past four years to over half a million vehicles.

Electric Sales Promising

“Particularly significant is our examination of the current adoption curve related to electric vehicles. Despite what many media pundits would have you believe, consumer acceptance of those vehicles is higher than acceptance of hybrids when they were first introduced,” said Cooper. “As battery technology improves and prices go down, there is no question that electrics will play an important role in meeting consumer demand for higher efficiency.”

Consumer demand for higher-mileage and alternative fuel vehicles is clearly a function of the enormous impact that gas costs have on the average wallet. “In looking at what consumers paid for gasoline in 2012, we determined that the average car owning household spent \$3000. That’s 50 percent more than the total amount they spent on the energy costs needed to run their homes,” said Cooper. “Our analysis has consistently shown that increases in vehicle prices are more than offset by savings from gasoline purchases.”

Automakers Increase the Gas Mileage of the Vehicles They Manufacture

Spurred by the higher government standard and greater consumer demand, automakers are increasing the mileage of the vehicles they produce. Between 2009 and 2013, the percentage of total available models getting at least 30 mpg rose from one to nine; the percentage getting at least 23 mpg increased from 19 to 45; and the percentage getting less than 15 mpg fell from 15 to three.

“In part, this increasing gas mileage reflects the decision of automakers to improve the fuel economy of ‘new series’ vehicles – those with significant design changes. Each year from 2010 to 2013, the average fuel economy for these ‘new series’ vehicles increased – by an average of 2.2 mpg over their previous series,” said Gillis. Over the past 6 years, there were even greater mileage improvements for many individual models. Standouts include the Chevy Malibu (went from 20 to

29 mpg), the Honda Accord (went from 24 to 30 mpg), the Nissan Altima (went from 26 to 31 mpg), the Ford Escape (went from 19 to 25 mpg), and the Ford Fusion (went from 21 to 26 mpg.)

In addition, many car companies have vehicles on the market that are already meeting the new standard. We examined the 2013 vehicles on a model by model basis. Looking at the 134 different car models available in 2013, 64 (49 percent) include a model that already meets the 2014 mpg standard. Thirty-two (24 percent) have a model that meets the 2017 standard and 12 models (nine percent) already meet the 2025 standard.

“The decision to reform and restart the fuel economy program has played a much larger part in triggering the increase in fuel economy than gasoline prices, although they matter too,” Cooper said. “The impact of the standard and the dynamic response of the market are strong indicators that the long-term goal of 54.5 miles per gallon by 2025 is achievable and in the consumer and national interest, which is why it enjoys such widespread support,” added Gillis.

The Consumer Federation of America is an association of more than 260 non-profit consumer groups that, since 1968, has sought to advance the consumer interest through research, education, and advocacy.