State of California Department of Consumer Affairs

Arbitration Certification Program
Consumer Satisfaction Survey
2008 Final Report and Findings
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EXECUTIVE SUMMARY

The Department of Consumer Affairs' Arbitration Certification Program (ACP) certifies and monitors third-party arbitration programs of participating automobile manufacturers to ensure compliance with California laws and regulations governing resolution of warranty disputes involving new/used vehicles purchased with the manufacturer's new-car warranty**.** The ACP also ensures that certified programs conduct dispute resolution in a fair and expeditious manner.

In December, 2007 the Department of Consumer Affairs (DCA) issued a Request for Proposal seeking services of a contractor with expertise in the field of research and presentation of public opinion studies. DCA required the perspective contractor to develop a questionnaire, conduct quarterly surveys, analyze collected data and report findings covering a one-year period. PGG submitted a competitive proposal. And in March 2008, Pacific Gateway Group (PGG) with its partner GIS Strategy Research were selected by the Department of Consumer Affairs' Arbitration Certification Program to provide development of a customer satisfaction survey, analysis and recommendations pertaining to the arbitration process offered by automobile manufacturers.

Beginning in the spring of 2008, the PGG team worked closely with DCA staff to augment and redesign the previous survey instrument to measure consumer awareness and knowledge in such new areas as personal experience and mode of hearing conducted. Following approval of the survey instrument, PGG field tested the questionnaire for several days in both English and Spanish with its new automated phone polling system to ensure that it was responsive to consumers. After making some minor changes, the automated phone polling began.

In 2008, PGG introduced a new survey methodology aimed at improving participant response rates. For each quarterly survey conducted, the PGG implemented the following methodology and time table:

- Bilingual Automated Phone Polling – 2 weeks
- On-line Surveys – 2 weeks
- Mail Surveys – 1-2 weeks

The methodology used by the PGG team helped to improve the response rate obtained during the 2008 consumer satisfaction survey. PGG received contact information of 1241 consumers from ACP. After the elimination of those who had law center contact information, the survey methodology was utilized to attempt to reach 974 consumers. Of these, 668 completed their surveys and were included in this current analysis. In the 2008 survey there was an increase of the response rate to more than sixty-eight percent (68.5%), more than double the rate of responses received in 2007 (32%).

	Total # of Records Received	Participants Eligible for contact	Completed Surveys	Overall Response Rate	Adjusted* Response Rate
Year 2007	1,741	1,681	538	31%	32%
Year 2008	1,241	974	668	**53.8%**	**68.5%**

*Based on the number of consumers that were able to be contacted for the survey.

In 2008, the margin of error for a completed sample of 668 surveys is plus or minus 2.2%, at the 95% confidence level. In other words, we are 95% sure that the true population parameters lie within +/- 2.2% of the sample statistics. As an example, if a response category to a question were chosen by 50% of program participants, we would be 95% sure that the true population parameters would lie between 47.8% and 52.2% (50.0% +/-2.2%). This is used when describing the study as a whole. Individual margins of error for each question could be smaller or larger, depending on the proportion of respondents choosing a specific response category.

The following is a summary of the some of the key findings and results of the respondents based on their areas of concern.

Overall Impression

- Almost 58% of respondents stated they had previous knowledge of California's Lemon Law as opposed to 25% in 2007. Females expressed a significantly greater knowledge than male respondents.
- Almost 80% of respondents stated that they did not know about the arbitration process.
- As in previous years, those with favorable outcomes were more likely to consider the process as neutral and unbiased versus those who had unfavorable results. In 2008, those with favorable outcomes rated this at 60% while 75% of those with unfavorable outcomes rated the process as biased in favor of the manufacturer.
- Consumers in 2008 rated as the top the following concerns with their vehicles:
    1. Transmission
    2. Electrical System
    3. Engine

  This differenced slightly from 2007 when the engine was the number one problem of consumers.

Personal Experience

- Consumers stated they learned about the arbitration process from a variety of sources with the top ranked specific sources being:
    1. Internet 60%
    2. Owner's Manual/Warranty Booklet 40.6%
    3. Friend/Relative/Neighbor 40.2%
    4. Manufacturer 35.3%
    5. DCA 33.5%
- Over 75% of consumers stated that they were not informed of the arbitration process by the vehicle seller.
- Just over 50% of consumers stated they contacted ACP for assistance prior to and after the arbitration process.
- As in 2007, those that contacted ACP were more likely to be male, Caucasian, and higher income, some college or higher education.

- Consumers were split on their overall satisfaction with the arbitration process with 50.6% rating as fair or poor and 49.4% rating it as good and excellent.
- Almost 70% of consumers rated the arbitration process as fast.
- Over 55% rated the fairness of the arbitration process as fair or poor.

Interactions with the Vehicle Manufacturer's Representatives

- Almost eighty-seven percent (86.8%) of consumers rated their interactions with vehicle manufacturers as fair or poor. Among subgroups, two findings stand out. All 18-24 year olds in the survey rated their interaction as poor. And the largest group ranking their interactions as excellent was 25-34 year olds where 13.5% stated so.
- Less than half of consumers surveyed were happy about their interactions with the vehicle manufacturer regardless of the arbitration process outcome similar to 2007.
- Consumers had higher negative opinions about the accessibility and accuracy of the information provided by the representatives than their 2007 counterparts.
- Forty percent (40%) of participants who received an award rated their overall satisfaction with the vehicle manufacturer as good or excellent different from their 2007 counterparts (23.7%).
- A high percentage of consumers tended to rate the manufacturer representatives' courteousness as fair or poor.

Administrative Service

- Prior to the hearing, only 27.5% of consumers engaged in a settlement process. Those who engaged were more likely to be Caucasian or Hispanic/Latino between the ages of 45-54. No consumers with lower educational levels engaged in this process.
- Almost 52% rated their overall interactions with the administrative service as good or excellent and only 25% rated it as poor. Females in general were more positive about the process with males being more negative.
- Slightly more than half of all consumers rated the administrative service as good or excellent when asked about the knowledge of the case.
- Two of three consumers rated the administrative service's knowledge of the Lemon Law as good or excellent.
- Almost 70% of consumers rated the administrative service's courteousness as good or excellent.

Interactions with the Arbitrator

- Over 55% of consumers rated their interactions with the arbitrator as good or excellent with only 20% rating them as poor. Once again females were more likely to rate these more positive than males.
- Nearly 50% or Hispanic/Latinos rated their overall interactions with the arbitrator as excellent.
- Almost 80% of respondents rated their arbitrator's knowledge of the process as good or excellent, more than 68% of consumers believed that their arbitrator was prepared for the hearing.

- In 2008, consumers rated the fairness of the arbitrator as poor when in 2007 the vast majority rated it good or excellent.

Mode of Arbitration Hearing and Specific Evaluation

- Over 80% of consumers had an in-person hearing with 12% done by teleconference and 5.5% in writing.
- The method of hearing selected seemed to have an effect on outcomes with 44% of those choosing a teleconference getting a favorable outcome and 48% of those who chose in-person hearing receiving a favorable outcome. Only 25% of those whose hearing were conducted in writing received a favorable outcome. Hispanic/Latinos and young adults (18-24) tended to choose in-person hearings at a higher rate than other groups.
- Only 27% of consumers felt the time and date of the teleconference hearing was somewhat or very convenient.
- Consumers in 2008 were less favorable to about the convenience of their teleconference hearing than those in 2007. Over 73% rated the call quality as good or excellent in 2008.
- The majority of consumers in general rated the in-person hearing as convenient for date, time and location. Most ethnic and age groups seemed satisfied in 2008 with the exception of Asian/Pacific Islanders and “other” ethnic groups where the majority of respondents rated the hearing location as somewhat inconvenient.
- As in 2007, hearings were conducted in various locations through California. The top 5 cities for hearings were San Diego (63), Stockton (36), Los Angeles (28), Culver City (27) and Sacramento/West Sacramento (26).

Arbitration Experience Outcome

- Consumers in 2008 (45.7%) received more favorable outcomes than those who participated in 2007 (39%). In 2008, a higher percentage of females received a positive award then males.
- Almost 74% of consumers did not know they could reapply for arbitration by getting an additional warranty repair.
- Outcomes by consumers in 2008 are as follows: vehicle buybacks 60%, vehicle repairs 21.6% and vehicle replacements 19%.
- 61% of consumers reported the manufacturer performed the required service within the 30 day period. Those consumers who were more highly educated tended to report that the manufacturer failed to meet this time frame.
- Slightly more than 14% of consumers reported they were charged negative equity for a vehicle buyback with young and lower educated participants reporting this at higher rates.
- Almost 73% of consumers were not charged upgrade fees for vehicle replacements. Those small percentages that were demonstrated higher percentages of African-Americans and “other” ethnic backgrounds.
- Females were almost evenly split at the fairness of the arbitration decision while over 67% of males rated it as very or somewhat unfair. Hispanic/Latinos tended to also be about evenly split

with Asian/Pacific Islanders and Caucasians tending to rate it more unfavorably. High percentages of young consumers rated it as very fair.

Improvement Process

- In 2008, consumers were evenly split between those who could consider it in the future (39.2%) versus those who would not use it again (38.9%0 with females stating this more than males.
- Almost 53% of consumers stated they would want their hearing conducted in the same manner.
- The two highest ranked changes to improve the arbitration process was improving vehicle knowledge of arbitrators and expand marketing of the program.

Demographic Profile

- In 2008, the age group with the largest percent of respondents was 35-44 years old with 45-54 year olds ranking second. This was the reverse of the findings in 2007. Younger participants in general tended to receive more favorable outcomes.
- In 2008, the percentage of consumers who had some college, were graduates or had graduate degrees was higher than in the previous year (87% vs. 77%).
- In 2008, the percentage of Caucasians who participated dropped from 2007 numbers while the levels of African-American's, Asian/Pacific Islanders and "other" all rose.
- Access to home internet was up slightly from 2007 (89%) with 91.9% of 2008 consumers reporting home access.

Certified Arbitration Programs

- In 2008, the CDSP rated higher than the BBB Auto Line on almost all quality of service issues.
- Almost sixty-five percent (64.7%) of consumers who utilized the CDSP program rated their overall interactions with the administrative service as good or excellent. Only slightly more than forty-seven percent (47.1%) of the BBB participants rated it as good or excellent.
- In 2008, consumers who utilized the CDSP program rated the overall interactions with the vehicle manufacturer's representatives as good or excellent (18%). Slightly over eleven percent (11.5%) of BBB consumers rated this as good or excellent which is substantially lower.

Manufacturers

- In 2008, only slightly more than forty-four percent (44.6%) of GM consumers rated their overall experience as good or excellent while the general sample response rate was forty-eight percent (48%). Nissan/Infiniti received an even lower rate (42.2%) when consumers were asked the same question.
- When rating their overall satisfaction with the manufacturer's representatives, 92.4% of GM customers rated their experience as poor or fair and 91.6% of Nissan/Infiniti consumers rated this same experience as poor or fair. The sample rating of manufacturer's representatives as poor or fair was 86.8%.

PROJECT BACKGROUND AND SURVEY DESIGN

Research Objectives

The California Department of Consumer Affairs' Arbitration Certification Program (ACP) contracted with Pacific Gateway Group (PGG) to continue its consumer satisfaction study, and conduct four quarterly surveys administered in 2008 to assess the arbitration process offered by car manufacturers and overseen by the Department of Consumer Affairs.

Specific objectives of the research were to:

- Assess overall satisfaction with the Department of Consumer Affairs' Arbitration Certification Program (ACP) and with the different dispute resolution programs, manufacturers and individual arbitrators,
- Measure the effectiveness of each dispute resolution program, referred to as the state certified arbitration program, by evaluating aspects such as the ease of understanding the materials, the timeliness of the resolution process, and the convenience and location of the hearing. The participants of the state certified arbitration program are the BBB (Better Business Bureau) Auto Line, California Dispute Settlement Program (CDSP), and Consumer Arbitration Program for Recreational Vehicles (CAP-RV),
- Understand consumer attitudes about the programs, including perceived value, fairness, and the likelihood of recommending it to others,
- Compare current results with those from the 2007 studies, and
- Gather demographic information regarding program users.

The feedback from this process is used by ACP to continue to monitor and improve the state certified arbitration programs in California. The results presented in this report represent the four quarters of 2008 survey results, based on arbitration cases closed during the months of January to December of 2008.

Methodology

In its proposal, PGG expanded upon the previously required surveying process to augment the amount of information received by the Department of Consumer Affairs. PGG augmented some of the survey instrument areas to include previously untested areas such as personal experience and mode of hearing conducted. The PGG team also added a case number category where consumers who participated in the on-line and mailing process identified their case number and the arbitration program that administered their case.

Additionally PGG expanded the collection methodology to include on-line surveying in addition to the previously tested telephoning and mail back methodology. For each quarterly survey conducted, the methodology sequence was the same-several round of automated phone polling followed by on-line surveying and lastly, by mail. A brief description of this methodology follows.

Questionnaire

Working with ACP staff, PGG developed a questionnaire to measure consumer satisfaction with the arbitration process by incorporating each of the specific objectives outlined. PGG conducted a test of the survey to ensure that consumers understood all the questions properly, prior to conducting the telephone polling.

Working closely with the ACP team PGG organized the 2008 forty question survey instrument into the following categories: Case number, Overall Impression, Personal Experience, Interaction with Vehicle's Manufacturer Representatives, Administrative Service, Interactions with the Arbitrator, Hearing Mode, Arbitration Experience Outcome, Improvement of Process and Demographics. PGG also developed and organized the forty question survey instrument in Spanish for consumers with Spanish as their first language. After reviewing the results of the Second Quarter Survey, PGG recommended minor modifications to the questions to help to increase "user friendliness" and survey response rates. This improved survey instrument was field tested prior to automate phone polling in the second quarter.

Automated Polling

Upon approval of the survey instrument in both English and Spanish, PGG conducted a telephone match of provided consumer names and initiated automated telephone polling throughout the state. This method of telephoning was conducted over the course of 1-2 weeks for each quarter. Following this, messages were left with selected consumers directing them to complete an on-line version of the survey.

On-line Survey

Unlike previous years, PGG worked with ACP staff in order to set up an on-line internet website where consumers were able to take the survey from home or work at their convenience. This new methodology is safe and secure and was established to help improve response rates. All consumers who went through the arbitration process and provided their e-mail address were notified of this option.

Mailing

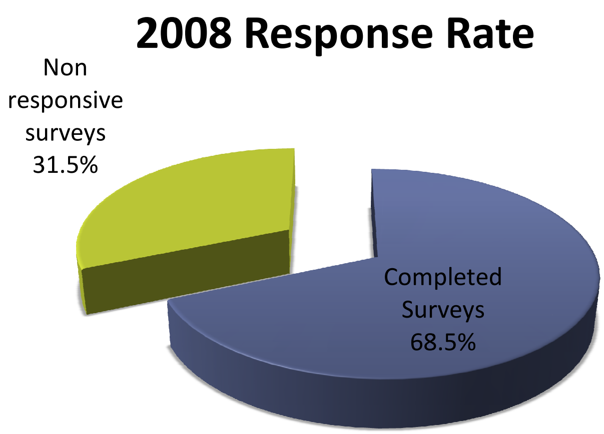
For consumers without phone numbers or e-mail addresses, PGG mailed a hard copy of the survey, along with a postage paid response envelope for returning the survey.

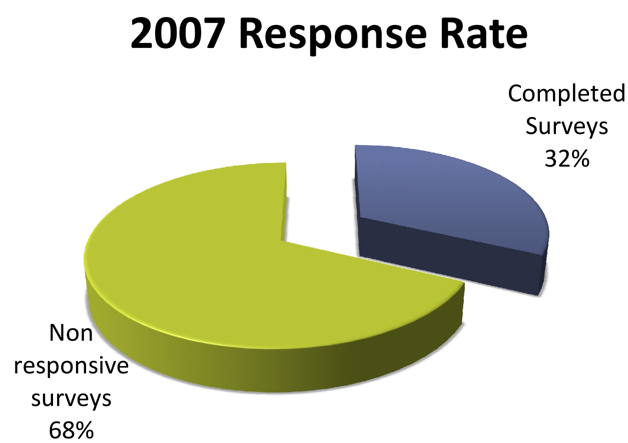
Final Report

In producing this final report and the analyses and findings contained herein, the PGG team reviewed differences among consumer groups, certified arbitration programs, manufacturers and year to year comparisons for each of the questions included in this final report. When the team identified significant differences between these aforesaid categories of respondents, PGG noted these variations and contrasted them to the overall sample. In instances where differences were not significant or varied only slightly from the overall sample, no mention is made in this report. Thus, the reader should conclude that nothing substantially differentiates the category from the overall sample.

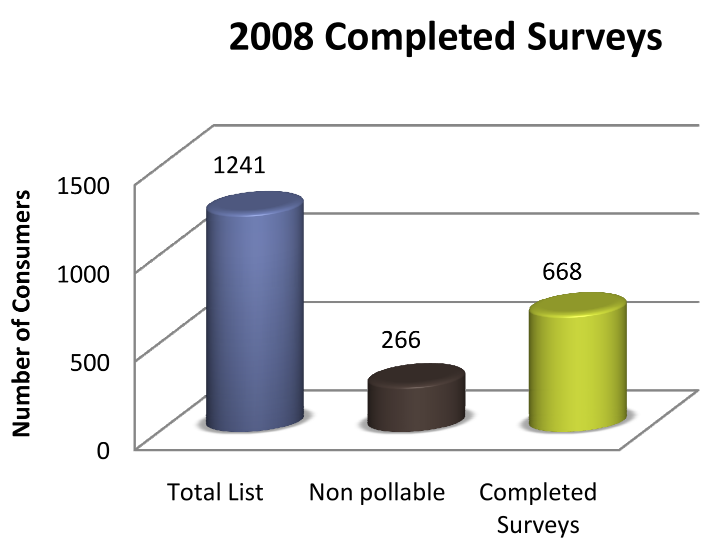
CUMULATIVE 2008 ANNUAL SURVEY RESULTS OVERVIEW

The Department of Consumer Affairs' Arbitration Certification Program (ACP) provided data on 1241 consumers who participated in the arbitration process between January and December of 2008. Following computerized phone matching and the elimination of more than twenty-one percent (21.43%) of consumers who had attorney contact information, surveys were conducted through automated phone polling, on-line capabilities and U.S. mail. Of these 1241 consumers, the evaluation team received completed survey responses from 668.





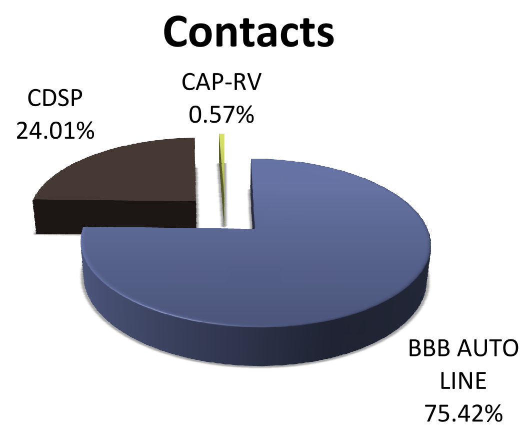
Included below is a breakdown by the types of responses, an analysis based on the arbitration outcome awarded as well as a summary of key findings.



Contact Lists

In 2008, ACP provided PGG the following number of consumer contacts, including the corresponding state certified arbitration program in which each consumer participated.

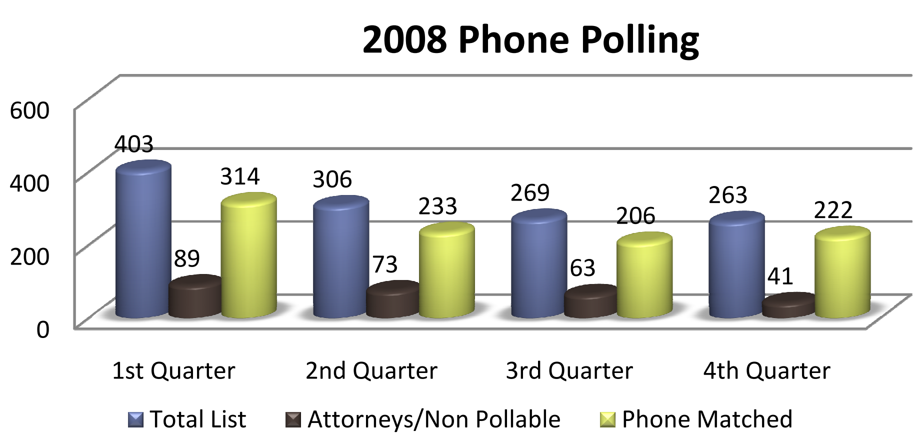
BBB AUTO LINE	936	75.42%
CDSP	298	24.01%
CAP-RV	7	0.57%
TOTAL	1241	100%



Phone Polling

For each quarter of 2008, PGG initiated its survey work with automated phone polling. Telephone number matching was conducted from the original consumer lists. The following graph shows consumers available for phone polling after elimination of attorney and other non-pollable numbers due to insufficient contact information.

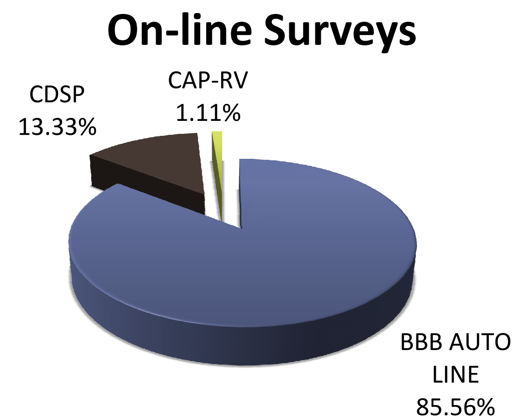
	Total List	Non-Pollable	Phone Polling	Phone Matched %
1st Quarter	403	89	314	77.92%
2nd Quarter	306	73	233	76.14%
3rd Quarter	269	63	206	76.58%
4th Quarter	263	41	222	84.41%
TOTAL	**1241**	**266**	**975**	**78.57%**



On-line surveys

For each quarter of 2008, consumers who provided their e-mail address to the state certified arbitration program were notified of the on-line survey via e-mail. Also, phone messages were left about the on-line surveys for those consumers who had not yet completed the phone survey. Ninety consumers took the survey on-line; all were tabulated in the results. The following chart illustrates the number of consumers who responded to the survey on line.

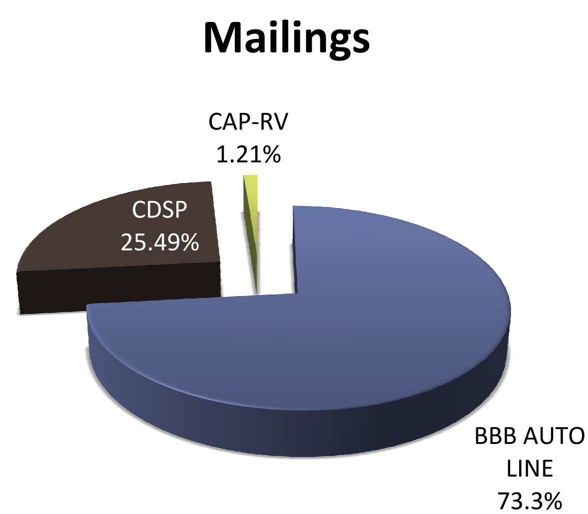
BBB AUTO LINE	77	85.56%
CDSP	12	13.33%
CAP-RV	1	1.11%
TOTAL	90	100%



Mailings

In each quarter, a hard copy survey was mailed to consumers who could not be reached by telephone or e-mail. The following table shows the number of mailings sent according to each state certified arbitration program.

BBB AUTO LINE	302	73.30%
CDSP	105	25.49%
CAP-RV	5	1.21%
TOTAL	412	100%



Of the 412 surveys that were sent, only 4 consumers mailed back to the PGG team their answered surveys. Also 6 mailings were returned as undeliverable.

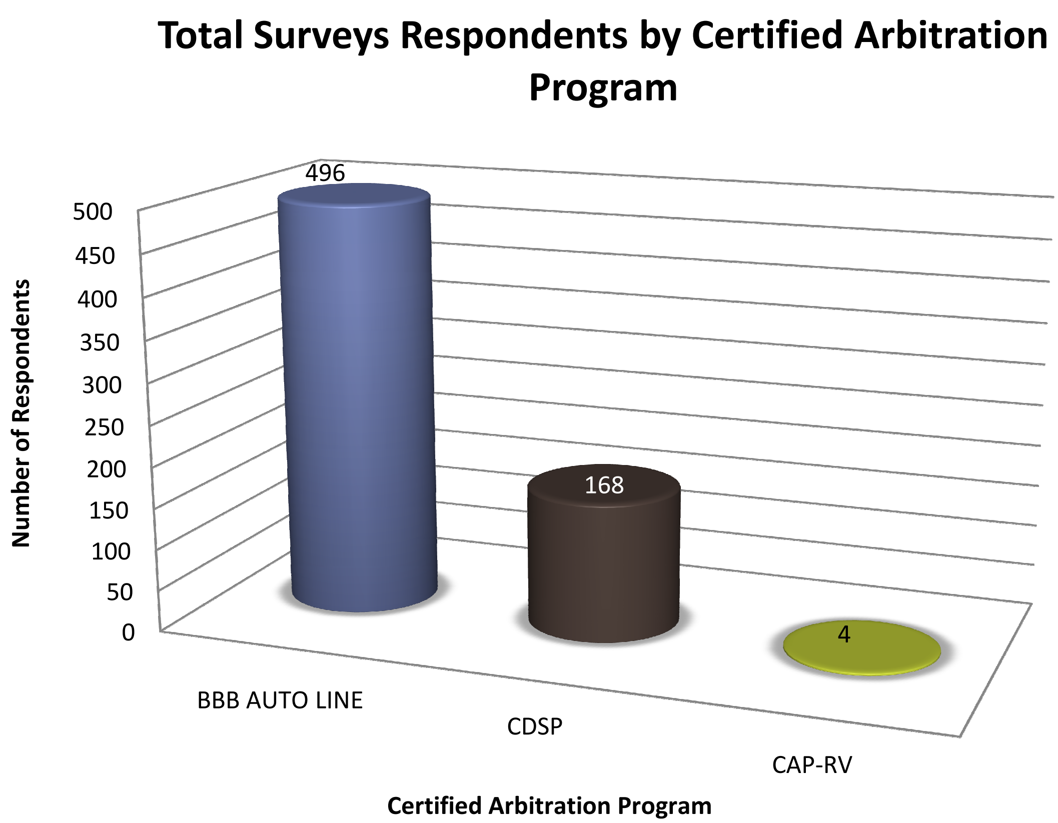
Other

In 2008, a total of five (1.6%) consumers acknowledged receipt of an e-mail or letter about their opportunity to participate in the survey. Each of these consumers reported to PGG that they lacked the time, desire or ability to complete the survey.

Total surveys

For the 2008 consumer satisfaction survey analysis, a total of 668 surveys (phone polling, on-line and mailed surveys) were evaluated.

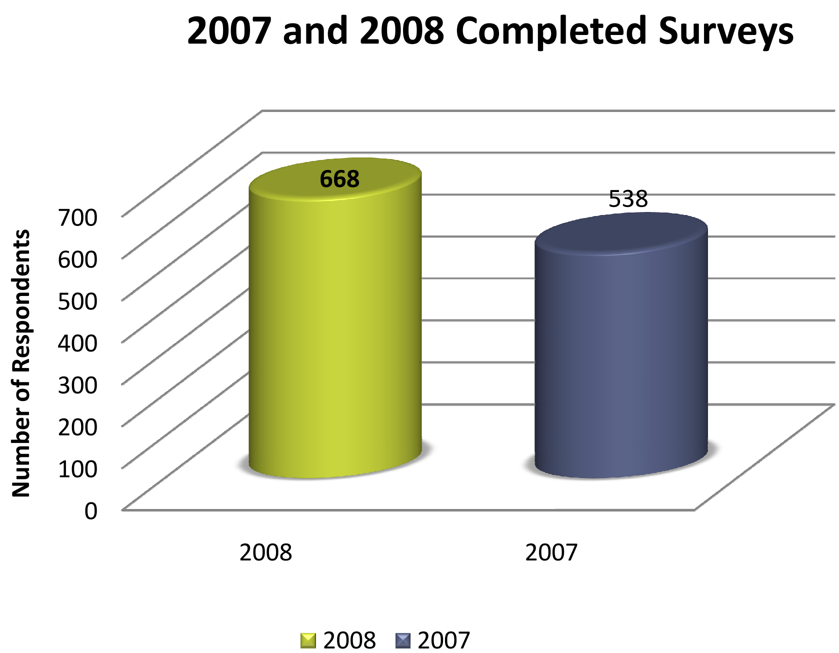
2008 total survey respondents included: 496 from the BBB AUTO LINE, 168 from the CDSP and 4 from the CAP-RV.



Response Rate

These 668 respondents result in a response rate of almost fifty-four percent (53.8%) for all surveys received from DCA. When the non-pollable consumers were discarded (due to attorney contact info), the response rate increases to more than sixty-eight percent (68.5%), more than double the rate of responses received in 2007 (32%).

Year	Total List	Attorneys/Non-Pollable	Phone Polling	Completed Surveys	Completed Survey%
2008	**1241**	**266**	**974**	**668**	**68.5%**
2007	1741	60	1681	538	32%



2008 SURVEY RESULTS AND FINDINGS ANALYSIS

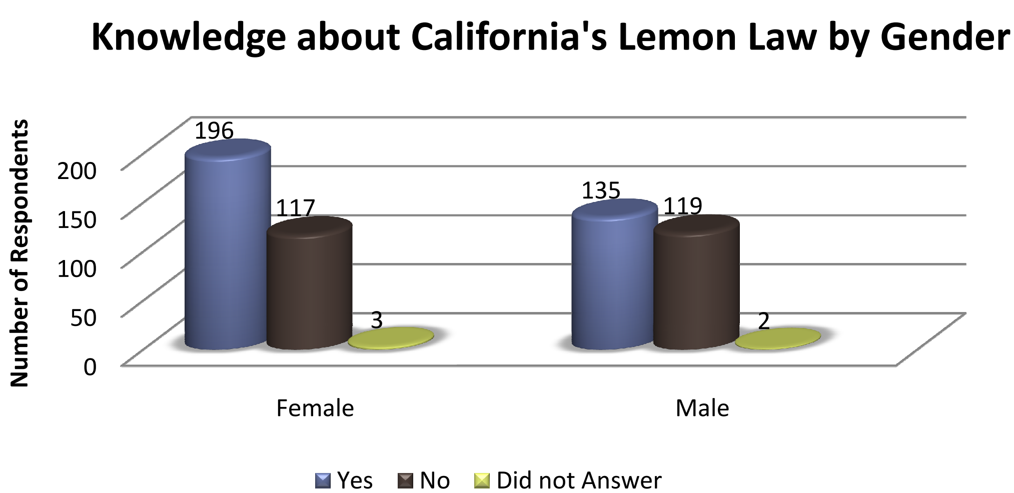
Overall Impression

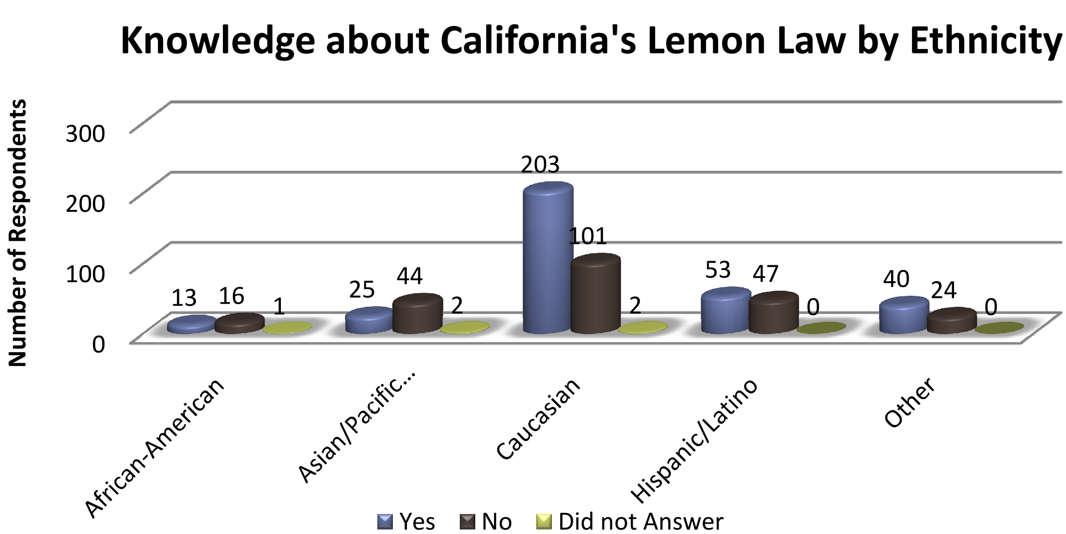
1. Before you purchased your vehicle, did you know about the California's Lemon Law?

Almost fifty-eight percent (57.8%) or 343 consumers stated that they knew about California's Lemon Law before purchasing their vehicle. This is in contrast to the 2007 survey findings where only twenty-five percent (25%) of respondents were familiar with the Lemon Law and the arbitration process.

Group Differences

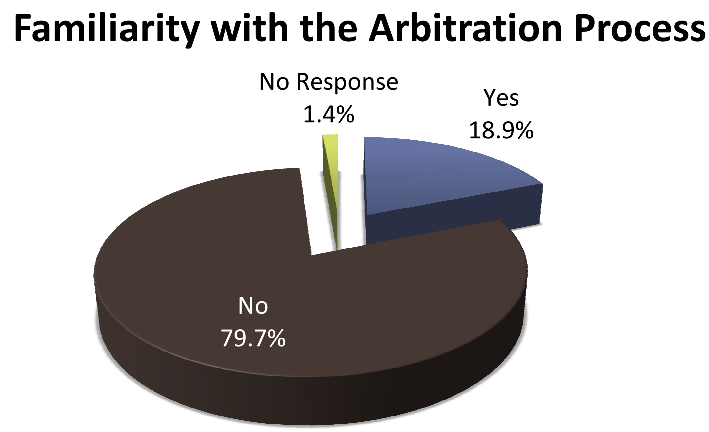
In 2008, females were significantly more knowledgeable about the Lemon Law (59.2%) than males (40.8%). Also, in 2008, Caucasians expressed a stronger knowledge of the Lemon Law than other ethnic groups with nearly 2/3 or more than sixty-six percent (66.3% or 203 participants) stating they had knowledge with "other ethnics" coming in a close second with more than sixty-two percent (62.5% or 40 participants) expressing knowledge. The majority of African-Americans and Asian/Pacific Islander did not know about the California's Lemon Law before purchasing their vehicle.





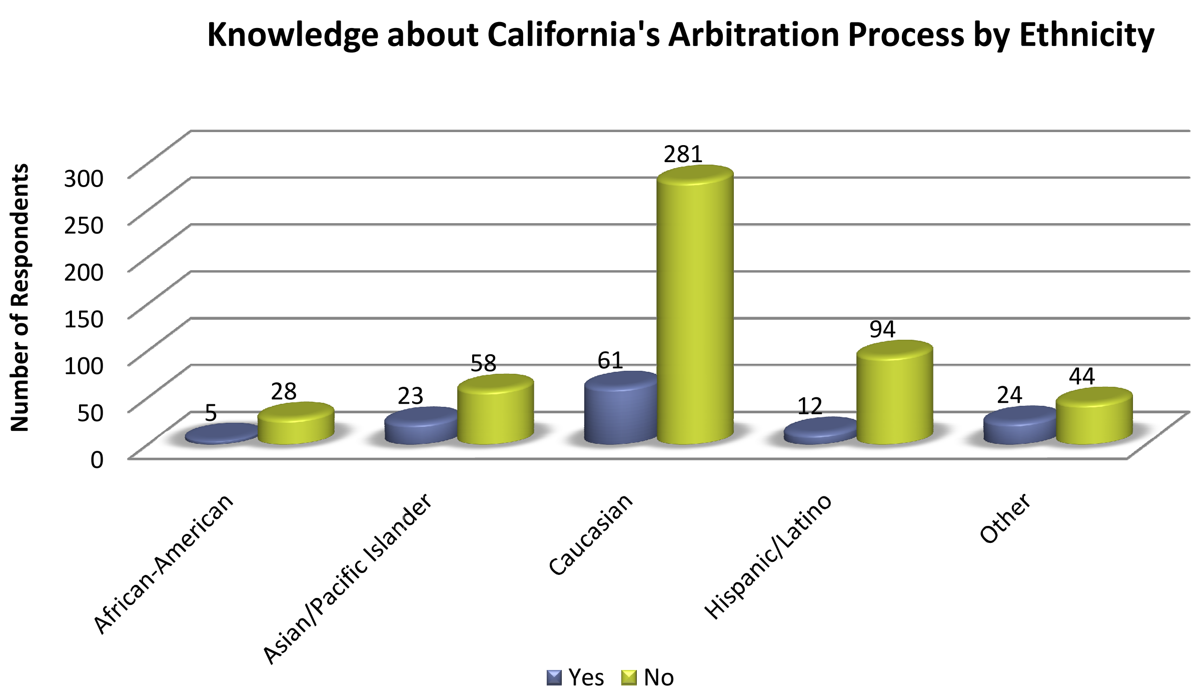
2. Did you know about the arbitration process?

In 2008, even though the majority of participants knew about California's Lemon Law before purchasing their vehicle, almost eighty percent (79.7%) or 527 consumers didn't know about the arbitration process.



Group Differences

Even though Caucasians had a greater knowledge of California's Lemon Law, in 2008 they also were one of the least knowledgeable about California's arbitration process, where more than seventy-one percent (71.6%) or 281 Caucasians out of 342 stated they did not know about California's arbitration process before purchasing their vehicle. Hispanic/Latinos had more than eighty-eight percent (88.7%) or 94 consumers out of 106 who did not know about the process prior to acquiring their vehicle.



Year to Year results

Though there was a similar question in previous years' survey to compare the results obtained from the 2008 survey, the PGG team could not find the proper data in the annual report to conduct a meaningful comparison.

3. *Regardless of the outcome of your specific case, how would you rate the overall arbitration process on a scale of 0 to 10 in terms of being a valuable service for consumers? With 0 being a poor value and 10 being an excellent value?*

The overall rating of the arbitration process showed no strong trends. Slightly more than forty percent (40.3%) or 264 participants rated the overall arbitration process as poor (0, 1, 2 and 3). While on the other hand, more than forty-one percent (41.3%) or 273 consumers rated it as good or excellent (7, 8, 9 and 10).

How would you rate the overall arbitration process on a scale of 0 to 10?

Scale	Frequency	Percent
0	54	8.2%
1	145	21.9%
2	50	7.6%
3	15	2.3%
4	33	5%
5	30	4.5%
6	61	9.2%
7	31	4.7%
8	70	10.6%
9	92	13.9%
10	80	12.1%
Total	661	100%
Did not Answer	7	

Group Differences

A breakdown of responses by ethnic groups showed some significant trending. More African-Americans rated the overall arbitration process as poor (45.4%) compared to the other ethnic groups. However almost sixty percent (51.6%) African-Americans rated it good or excellent. The majority of Asian/Pacific Islanders rated the arbitration process as poor (42%). The "other" ethnic group had the greatest percentage (52.9%) of participants who rated the overall process as good or excellent. Also a high percentage (43.6%) of Caucasians rated the arbitration process as good or excellent.

	Poor	Fair	Good-Excellent	Total
African-American	45.4%	3%	51.6%	100%
Asian/ Pacific Islander	42%	24.6%	33.4%	100%
Caucasian	41.2%	15.2%	43.6%	100%
Hispanic/ Latino	40.6%	19.8%	39.6%	100%
Other	32.4%	14.7%	52.9%	100%

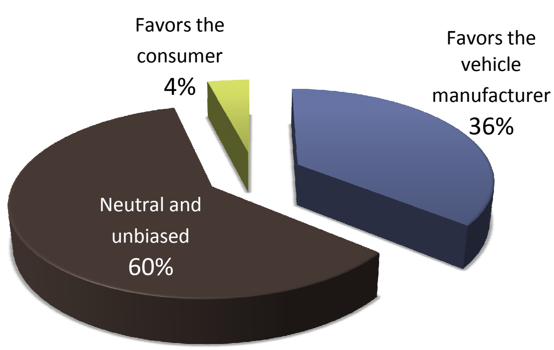
Year to Year results

Though there was a similar question in previous years' survey to compare the results obtained from the 2008 survey, the PGG team could not find the proper data in the annual report to conduct a meaningful comparison.

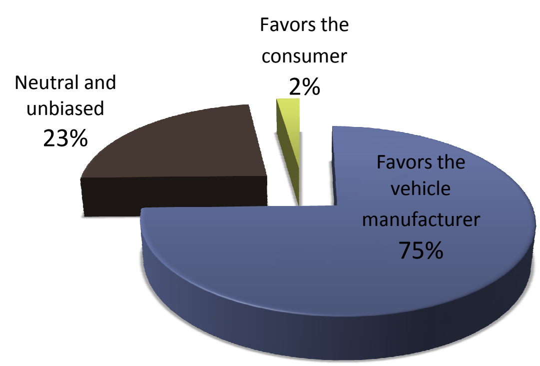
4. Would you say the process is: Biased in favor of the vehicle manufacturer, Neutral and unbiased or biased in favor of the consumer?

In 2008 more consumers perceived the process as being biased in favor of the vehicle manufacturer by a percentage of 57.6% or 380 consumers. Among respondents, not surprisingly, this feeling depended on the outcome of the arbitration process. Among those who received an award, 60% believed the process was neutral and unbiased with only 36% believing it favored the manufacturer. Conversely, among those who did not receive a favorable outcome, 75% of consumers believed the process favored the vehicle manufacturer while only 23% stated it was neutral and unbiased.

Perceived Bias in the Arbitration Process among awardees in 2008



Perceived Bias in the Arbitration Process among non-awardees 2008



Group Differences

In 2008, the majority (66.70%) of males believed the arbitration process was biased in favor of the vehicle manufacturer. Among females this number dropped to 51.7% with nearly half or 47.7% of females stating the process was neutral and unbiased.

	Biased in favor of the vehicle manufacturer	Neutral and unbiased	Biased in favor of the consumer	Total
Female	180	166	2	348
	51.7%	47.7%	0.60%	100%
Male	190	85	10	285
	66.7%	29.8%	3.5%	100%
Total	370	251	12	633
	58.5%	39.7%	1.9%	100%

Year to Year results

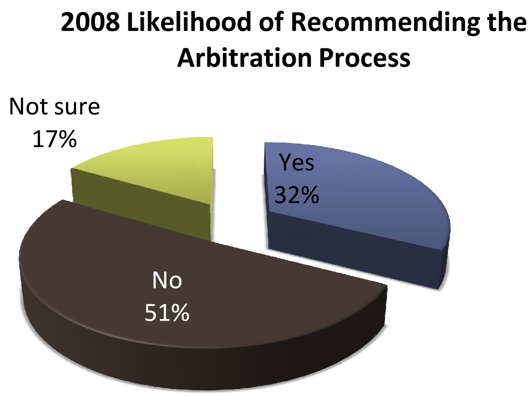
A larger percentage of participants who received an award in 2007 rated the arbitration process as being neutral and unbiased (81%) higher than in 2008 when only sixty percent (60.1%) of the sample considered the arbitration process neutral and unbiased. Also, consumers who didn't received an award in 2007 had a higher perception of the arbitration process as being biased in favor of the vehicle manufacturer (84%) than in 2008 (74.6%).

	Among consumers who did not receive an award		Among consumer who received an award	
	2007	2008	2007	2008
Favors the manufacturer	84%	74.6%	14%	35.9%
Neutral and unbiased	14%	23.1%	81%	60.1%
Favors consumer	2%	2.3%	5%	4%

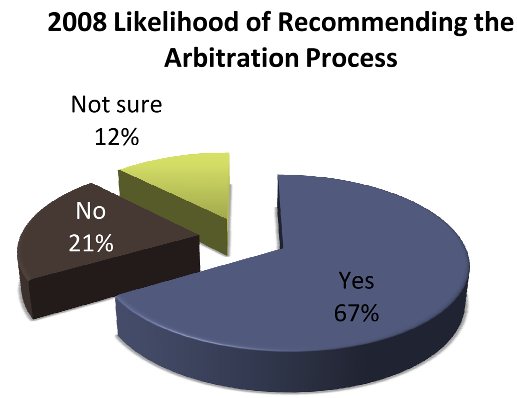
5. *Would you recommend the arbitration process to a friend or family member?*

In 2008, slightly more than forty-seven percent (47.4%) or 313 consumers would recommend the arbitration process to a friend of family member.

As shown in the figures below, sixty-seven percent (67%) participants who received an award were likely to recommend the arbitration process. However, the majority (51%) of those who did not receive an award would not recommend it.



Among those who did not received an award



Among award recipients

Consumer respondents who utilized the CDSP process rated the process more highly than all other respondents when asked if they would recommend the process to a family member or a friend, with almost fifty-four percent (53.8%) of CDSP respondents saying yes while the general population would recommend it. This contrasts with consumers who utilized the BBB process where slightly less than forty-five percent (44.9%) of BBB respondents answered in the affirmative.

	Yes	No	Not sure
BBB Auto Line	44.9%	39.8%	15.4%
CDSP	53.8%	34.9%	11.2%
CAP-RV	75%	0%	25%

Group Differences

Regardless of outcome, females (50%) were more likely to recommend the arbitration process to a friend, family or neighbor than males (45.5%) during the 2008 study. Most of the racial or ethnic groups were more likely to recommend the arbitration process, with the exception of Asian/Pacific Islanders from which the majority (53.10%) stated that they would not recommend it.

	Yes	No	Not sure	Total
African-American	63.6%	30.3%	6.1%	100%
Asian/ Pacific Islander	32.1%	**53.1%**	14.8%	100%
Caucasian	50%	37%	12.3%	100%
Hispanic/ Latino	46%	38.7%	15.1%	100%
Other	50%	42.6%	7.4%	100%
Total	47%	40%	12.2%	100%

Year to Year results

Consumers who received an award in 2007 were more likely to recommend the process to a friend (88%) than those participants who were awarded in 2008 (66.6%). For consumers who didn't receive an award, the likelihood of recommending the process is similar in both years- 2007 (29%) and 2008 (32.5%).

	Among consumers who did not receive an award		Among consumer who received an award	
	2007	2008	2007	2008
Yes	29%	32.5%	88%	66.6%
No	71%	51%	12%	21.1%
Not sure	0%	16.5%	0%	12.4%

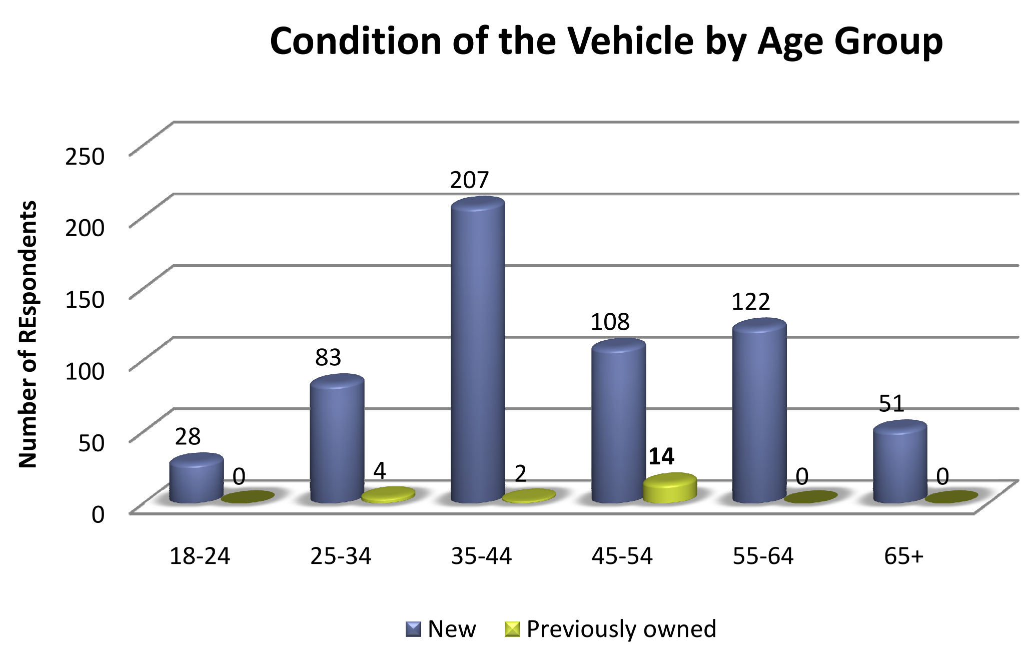
Personal Experience

6. Was the vehicle new or previously owned?

Slightly more than ninety-six percent (96.2%) or 636 consumers had a new vehicle and slightly less than four percent (3.8%) had a previously owned vehicle.

Group Differences

Among all of the age groups, the percentages of new vehicle owners to previous owners was similar with the exception of the 45-54 years old age group where more than eleven percent (11.5%) or 14 consumers had previously owned vehicles.



Year to Year results

During last year's survey, there were ninety-four percent (94%) of consumers who that purchased a new vehicle, similar to this year (96.2%). Six percent (6%) of the sample purchased a previously owned vehicle in 2007, slightly more than two percent (2.2%) more than during 2008.

Vehicle Condition at Purchase

	2007	2008
New	94%	**96.2%**
Previously owned	6%	3.8%
Total	100%	100%

7. *What was the MAIN area of concern with your vehicle? Engine, Transmission, Exterior, Brakes,* Electric system, Climate control, Leaks, Noises or Other?

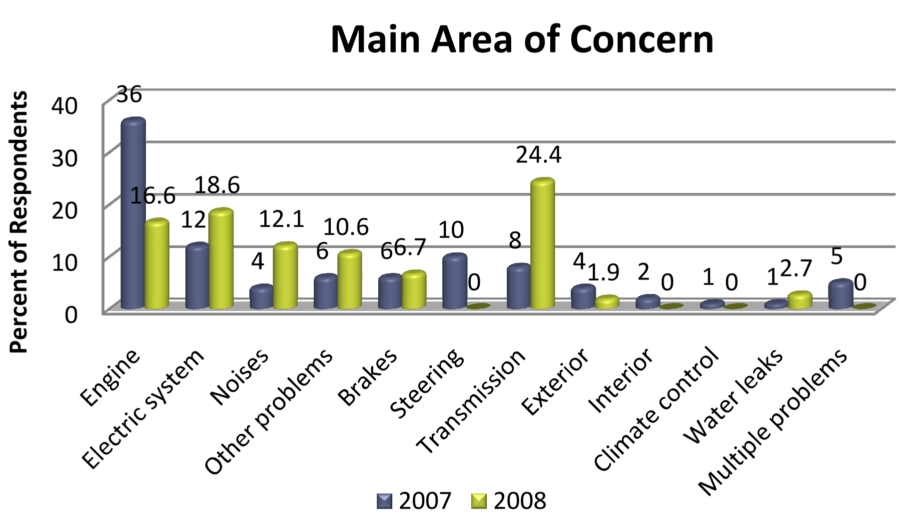
In 2008, the main area of concern with vehicles was the transmission as reported by more than twenty-four percent (24.4%) or 143 consumers. The second most frequent reported concern was the electric system with more than eighteen percent (18.6%) or 109 participants and the third most reported concern was engine with more than sixteen percent (16.6) or 97 consumers.

Main Area of Concern

	Frequency	Percentage
Transmission	**143**	**24.4%**
Electric system	**109**	**18.6%**
Engine	97	16.6%
Noises	71	12.1%
Other	62	10.6%
Brakes	39	6.7%
Leaks	16	2.7%
Exterior	11	1.9%
No Response	37	6.3%
Total	585	100%
Missing System	83	

Year to Year results

During 2007, the major area of concern was the engine with thirty-six percent (36%) of consumers. However, in 2008, "engine issues" was the third major concern, accounting for a decrease of slightly more than nineteen percent (19.4%). In both years, the electrical system ranked as the second most prominent concern. While in 2007, steering ranked third.



	2007		2008	
	Percentage	Frequency*	Percentage	Frequency
Engine	36%	194	16.6%	97
Electric system	12%	65	18.6%	109
Noises	4%	22	12.1%	71
Other problems	6%	32	10.6%	62
Brakes	6%	32	6.7%	39
Steering	10%	54	0%	0
Transmission	8%	43	24.4%	143
Exterior	4%	22	1.9%	11
Interior	2%	10	0%	0
Climate control	1%	5	0%	0
Water leaks	1%	5	2.7%	16
Multiple problems	5%	27	0%	0

*2007 frequencies were calculated based on percentages provided.

8. *How did you learn about the arbitration process? Through a vehicle seller, an automobile association, a state agency – which agency did you contact? Department of Consumer Affairs, Department of Motor Vehicles, Other State agency (specify)*, Manufacturer, Owner's manual or warranty booklet, Internet, Friend, relative or neighbor or other?*

Slightly more than twenty-two percent (22.4%) or 103 consumers learned about the arbitration process through a vehicle seller. Almost six percent (5.7%) or 23 participants learned through and Automobile Association. Slightly more than eighteen percent (18.1%) learned about the process through a state agency, where more than thirty-three percent (33.5%) or 146 consumers learned through the Department of Consumer Affairs. Slightly more than nine percent (9.1%) or 36 consumers learned about the process through the Department of Motor Vehicles and slightly more than four percent (4.3%) learned through another state agency. Also, more than thirty-five percent (35.3%) or 157 consumers found out about the process through the manufacturer. More than forty percent (40.6%) or 191 consumers through the owner's manual or warranty booklet. More than sixty-one percent (61.5%) or 243 participants learned through the internet. Slightly more than forty percent (40.2%) or 132 consumers learned through a friend, relative or neighbor. And more than ninety five percent (95.4%) learned about the arbitration process through other source of information. Note that consumers were allowed to select more than one option.

Group Differences

More females (83) than males (20) learned about the arbitration process through the vehicle seller. More males (87) than female respondents (54) learned about the process through the Department of Consumer Affairs. More than twice as many females (26) than males (10) knew about the arbitration process through the DMV. Also the majority of females (114) learned about the arbitration process through the manufacturer of the vehicle; unlike males that almost nineteen percent (18.8%) contacted the manufacturer to get information about the process. Additionally more females (16) contacted an "other state agency" to learn about the California's arbitration process, different from male respondents where none stated they contacted an "other state agency".

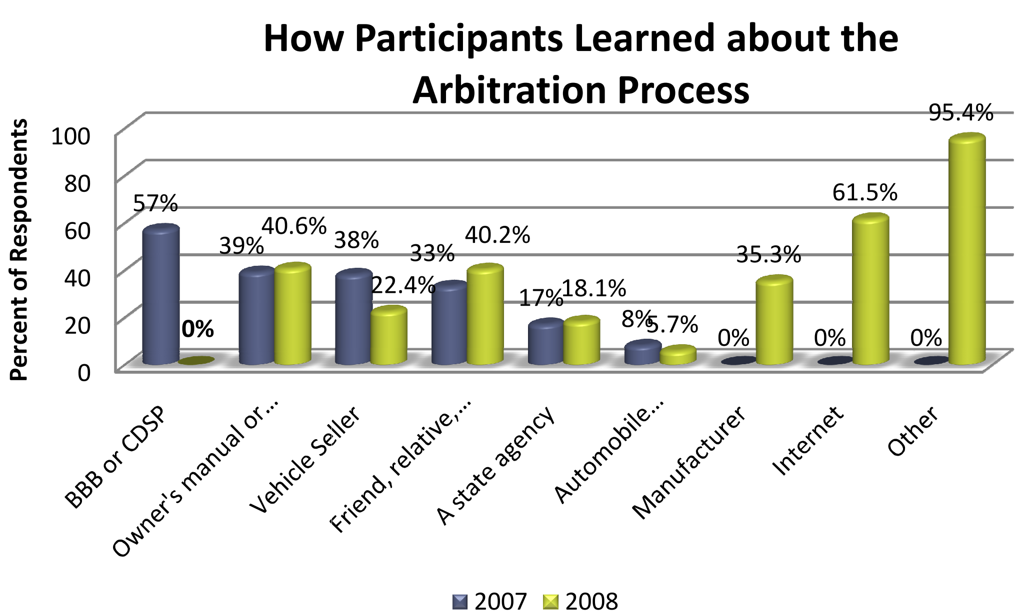
	First Choice	Second Choice	Third Choice
Female	Internet	Owner's Manual/Warranty Booklet	Manufacturer
Male	Internet	DCA	Friend, relative or neighbor

Among the ethnic groups, there were different methods reported for learning about the arbitration process. Below is a chart which shows each ethnic group and its top two choices for learning about this process.

	First Choice	Second Choice
African-American	Internet	Owner's Manual/Warranty Booklet
Asian/Pacific Islander	Automobile Association	Internet
Caucasian	Internet	Manufacturer
Hispanic/Latino	Internet	DCA
Other	Internet	Friend, relative or neighbor

Year to Year results

The most common information source during 2007 was the arbitration service itself, with fifty-seven percent (57%) of consumers responding they learned about the arbitration process through arbitration program handled through either BBB Automobile Line or CDSP. In 2008, none of the participants stated learning about the arbitration process through the arbitration service. Also, during 2008 more than thirty-three percent (33.5%) of consumers stated they learned about this through the Department of Consumer Affairs.

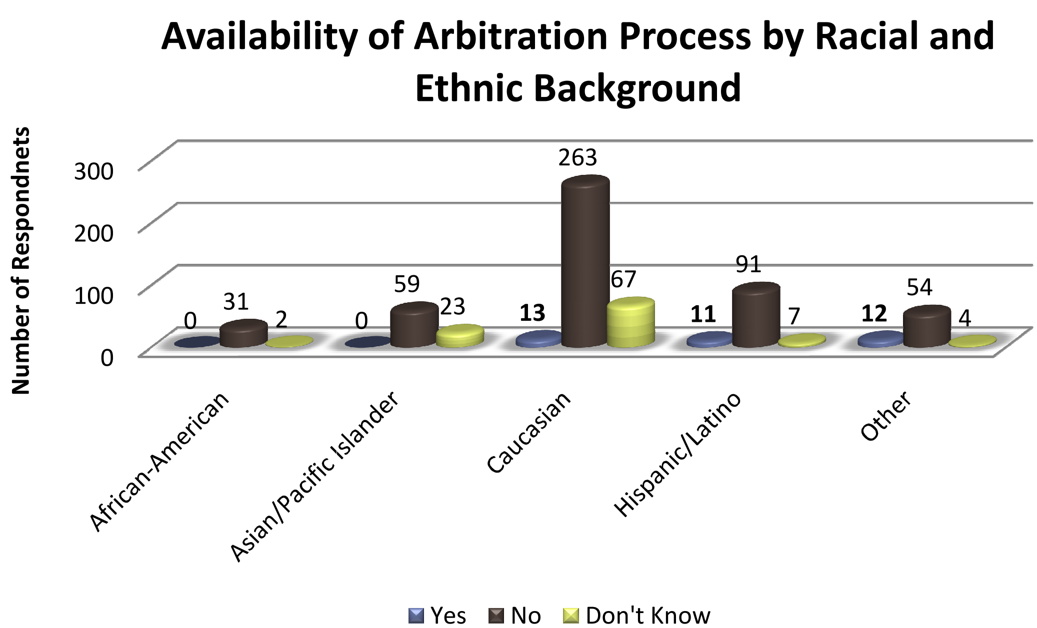


9. When you purchased your vehicle, did the vehicle seller tell you that there is an arbitration process available should you need it?

In 2008, slightly more than seventy-six percent (76.3%) or 510 consumers stated they were not informed by the vehicle seller that there is an arbitration process available should they need it. A large number of consumers (17.4% or 111 participants) did not know if they were informed or not.

Group Differences

More females (22) were advised by the vehicle seller about the arbitration process availability than males (10). Also participants (22) with a household income of $100,000 or more were told about the process available by the vehicle seller. Among the racial and ethnic backgrounds, Caucasians (13), Hispanic/Latinos (11) and "other" (12) were informed by the vehicle seller about the available arbitration process when they bought the vehicle. Among those that were told by the vehicle seller about the available arbitration process and that answered this question (32), the majority (56.25%) were participants between the ages of 25-34. Additionally more participants with a post graduate work/degree (13) were advised by the vehicle seller about the arbitration process available if needed.



Year to Year results

Though there was a similar question in previous years' survey to compare the results obtained from the 2008 survey, the PGG team could not find the proper data in the annual report to conduct a meaningful comparison.

10. Did you contact the State of California Department of Consumer Affairs' Arbitration Certification Program for assistance prior to and after the arbitration process?

Almost fifty percent (49.7%) or 332 consumers didn't not contact the DCA's Arbitration Certification Program for assistance prior to and after the arbitration process.

Group Differences

Among those participants that contacted the DCA ACP for assistance prior to and after the arbitration process, there were more male participants (147) than females (97).More participants with a household income of $100,000 (96) contacted the ACP than any other household income groups. Among the different racial and ethnic backgrounds, Caucasians (136) had a higher participation rate of contacting the ACP before and after the arbitration process. Participants that attended some college were the most likely to contact the ACP prior and at the end of the arbitration process.

	Yes	No	Don't Know	Total
$20,000 to $39,999	6	15	4	25
	24.00%	60.00%	16.00%	100.00%
$40,000 to $59,999	31	35	8	74
	41.90%	47.30%	10.80%	100.00%
$60,000 to $79,999	25	46	13	84
	29.80%	54.80%	15.50%	100.00%
$80,000 to $99,999	65	55	0	120
	54.20%	45.80%	0.00%	100.00%
$100,000 or more	96	91	29	216
	44.40%	42.10%	13.40%	100.00%
Did not Answer	20	73	14	107
	18.70%	68.20%	13.10%	100.00%
Total	243	315	68	626
	38.80%	50.30%	10.90%	100.00%

Year to Year results

In 2008, almost forty percent (38%) reported they contacted the State of California ACP for assistance. In 2007, more than half (53%) of respondents reported contacting the Arbitration Certification Program for assistance in 2007.

11. *How would you rate your personal experience with the arbitration process itself, in terms of:*
    a. *Overall satisfaction with your entire experience (from the time you heard about it to the final decision)*
    b. *Being a fast process*
    c. *Being a fair process*

Overall, more than fifty percent (50.6%) or 338 consumers rated their overall satisfaction with their entire experience as fair or poor. When queried about the fastness of the process, almost seventy percent (69.5% or 444 consumers) rated good or excellent. And lastly, fifty-seven percent (57%) or 367 consumers rated fair or poor when asked to rate the fairness of the arbitration process.

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Poor	67	43	59	21
Fair	37	59	25	29
Good	55	18	24	53
Excellent	65	25	33	45

The CDSP program had a slightly better satisfaction rating with fifty-percent (50%) of the consumers saying that the experience was either excellent or good and slightly more than forty-eight percent (48.2%) saying it was fair or poor. The BBB program had a rating of almost forty-seven percent (46.9%) saying good or excellent while almost fifty-two percent (51.8%) felt the experience was fair or poor. There were too few CAP-RV respondents to give a meaningful response.

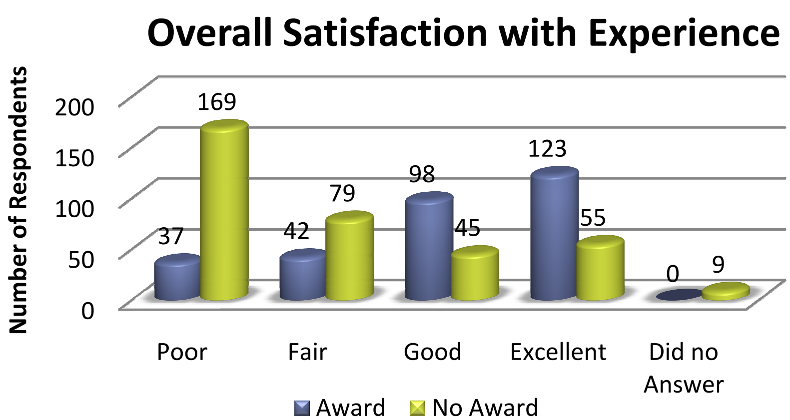
	Poor-Fair	Good-Excellent
BBB Auto Line	51.8%	46.9%
CDSP	48.2%	50%
CAP-RV	50.6%	48%

GM consumers rated their overall satisfaction with the entire experience lower than the general sample. Only slightly more than forty-four percent (44.6%) of GM consumers rated their entire experience as good or excellent while the general sample response rate was forty-eight percent (48%). Nissan/Infiniti received an even lower rate when consumers were asked the same question. Only slightly more than forty-two percent (42.2%) of respondents rated their entire experience as good or excellent.

	Poor-Fair	Good-Excellent
Ford	47.9%	50.4%
General Motors	54.6%	44.6%
Nissan/Infiniti	55.5%	42.2%
Toyota	48.5%	49.7%

CDSP also did better with participants thinking the process was fair with more than forty-seven percent (47.5%) rated this good or excellent while only more than forty percent (40.8%) of the BBB participants rated the fairness of the process good or excellent.

	Poor-Fair	Good-Excellent
BBB Auto Line	59.1%	40.8%
CDSP	52.4%	47.5%
CAP-RV	0%	100%



Group Differences

Asian/Pacific Islanders were more likely to rate their personal experience with the arbitration process as poor. For example, more than fifty-eight percent (58.5%) rated their overall satisfaction as poor. Almost forty percent (38.9%) rated poor when asked if the arbitration process was a fast process and more than sixty-five percent (65.3%) rated the same mark when asked about the fairness of the process. Conversely, Hispanic/Latinos were more likely to rate their personal experience with the arbitration process itself as excellent. Almost forty percent (38.5%) rated their overall satisfaction with their entire experience as excellent. More than forty percent (40.7) stated excellent when asked how fast the process was and almost thirty-five percent (34.9%) Hispanic/Latinos rated excellent the fairness of the process.

	Poor	Fair	Good	Excellent
African-American	9	11	3	10
	27.3%	33.3%	9.1%	30.3%
Asian/Pacific Islander	48	14	13	7
	58.5%	17.1%	15.9%	8.5%
Caucasian	83	66	86	108
	24.2%	19.2%	25.1%	31.5%
Hispanic/Latino	34	22	11	42
	31.2%	20.2%	10.1%	38.5%
Other	32	8	20	10
	45.7%	11.4%	28.6%	14.3%

Also males (56.1%) were more likely to rate their overall satisfaction as poor and females (30.1%) as excellent.

Year to Year results

Fewer consumers surveyed in 2008 who received an award (73.7% or 221 consumers) rated their overall satisfaction with the entire experience positively (good or excellent) while in 2007 eighty-eight percent (88%) rated their overall satisfaction as good or excellent. Conversely, more consumers who didn't receive an award after going through the arbitration process in 2008 rated their overall satisfaction positively (28% or 64 consumers) contrasted to the twenty-two percent (23%) of consumers who in 2007 rated as positive their overall satisfaction.

	Among consumers who did not receive an award		Among consumer who received an award	
	2007	2008	2007	2008
Poor-Fair	77%	69.4%	12%	26.3%
Good-Excellent	23%	28%	88%	73.7%

Interactions with the Vehicle Manufacturer's Representatives

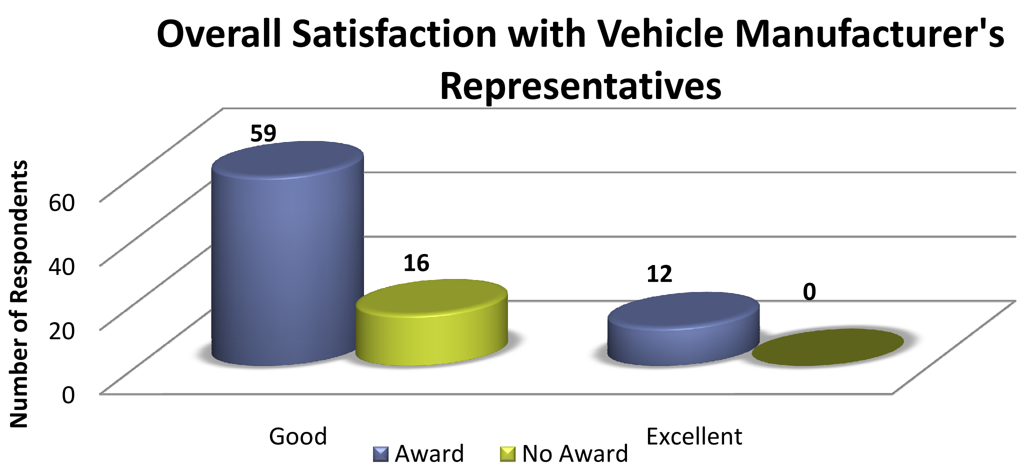
12. How would you rate your overall interactions with vehicle Manufacturer's Representatives?

Almost ninety percent (86.8%) or 571 consumers rated the overall interaction with the vehicle manufacturer's representatives as poor or fair during the year 2008.

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Poor	131	88	93	80
Fair	55	57	33	34
Good	37	0	12	26
Excellent	10	0	3	9

CDSP had higher ratings when respondents were asked to rate the overall interactions with the vehicle manufacturer's representatives as good or excellent with an eighteen percent (18%) compared to the general population rate of slightly more than thirteen percent (13.2%). The BBB response rate on this same question was substantially lower with only eleven and one half percent (11.5%) ranking as good or excellent.

	Poor-Fair	Good-Excellent
BBB Auto Line	88.5%	11.5%
CDSP	82 %	18%
CAP-RV	75%	25%



Among those who rated it good or excellent

Toyota received higher ratings when consumers were asked to rate their overall satisfaction with the manufacturer's representatives. More than twelve percent (12.2%) rated their interactions as good or excellent. GM received the lower ratings when respondents were asked the same question. Only more than seven percent (7.6%) rated their interactions as good or excellent.

	Poor-Fair	Good-Excellent
Ford	87.7%	12.2%
GM	92.4%	7.6%
Nissan/Infiniti	91.6%	8.4%
Toyota	82.2%	17.9%

Group Differences

When asked about their manufacturer's representatives, both females (57.4%) and males (59.4%) rated poor as their highest category when describing their overall interactions with the vehicle manufacturer's representatives. Among ethnic groups, only Caucasian participants rated their overall interactions as excellent (3.5%) with no other participants among the other racial or ethnic backgrounds rating their interactions as excellent. Two interesting responses jump out if the data in this category of the data in this category. The entire group of participants between the ages of 18-24 rated their overall interactions with the manufacturer's representatives as poor. More than thirteen percent (13.5%) of participants between the ages of 25-34 rated their overall interactions as excellent unlike all the other age categories where not a single respondent describe their interactions as excellent.

	Poor	Fair	Good	Excellent	Total
18-24	28	0	0	0	28
	100%	0%	0%	0%	100%
25-34	45	19	13	12	89
	50.6%	21.3%	14.6%	13.5%	100%
35-44	117	65	27	0	209
	56%	31.1%	12.9%	0%	100%
45-54	37	57	19	0	113
	32.7%	50.4%	16.8%	0%	100%
55-64	81	25	16	0	122
	66.4%	20.5%	13.1%	0%	100%
65+	42	9	0	0	51
	82.4%	17.6%	0%	0%	100%
Total	350	175	75	12	612
	57.2%	28.6%	12.3%	2%	100%

13. And more specifically in terms of courtesy of representatives, Accessibility (timely responses to your inquiries) and Accuracy of information provided.

Almost fifty-six percent (55.9%) or 360 consumers rated the manufacturer's representatives' courteousness as fair or poor. Almost sixty-six percent (65.8%) or 421 consumers rated fair or poor when asked about the accessibility of the representatives. And slightly more than seventy-eight percent (78.1%) or 507 respondents rated the accuracy of the information provided by the manufacturer's representatives as fair or poor.

Consumer who utilized the CDSP program rated the accessibility question more highly than those who utilized the BBB program. More than forty-seven percent (47.2%) of CDSP respondents rated this question as excellent or good while only 29.3% of the BBB respondents had this same rating.

	Poor-Fair	Good-Excellent
BBB Auto Line	70.7%	29.3%
CDSP	52.7%	47.2%
CAP-RV	25%	75%

Group Differences

Males and females showed little difference in response in these areas as high percentage of both females and males rated the timeliness of the manufacturer's representatives as poor. Also, both females and males rated the accuracy of the information provided by them as poor. More than thirty percent of females (30.7%) rated the courtesy of the representatives as good.

The majority of Caucasians (34.5%) rated the courtesy of the representatives as good, as well as the majority (35.7%) of the "other" racial group. The majority of the remaining racial and ethnic groups rated the courteousness as poor.

	Poor	Fair	Good	Excellent	Total
African-American	6	5	5	6	22
	27.3%	22.7%	22.7%	27.3%	100%
Asian/Pacific Islander	43	20	13	6	82
	52.4%	24.4%	15.9%	7.3%	100%
Caucasian	53	105	117	64	339
	15.6%	31%	34.5%	18.9%	100%
Hispanic/Latino	41	29	23	7	100
	41%	29%	23%	7 %	100%
Other	22	16	25	7	70
	31.4%	22.9%	35.7%	10%	100%
Total	165	175	183	90	613

Year to Year results

In 2008, as in the previous year less than half of these surveyed were happy about their interactions with the vehicle manufacturer regardless of the arbitration process outcome.

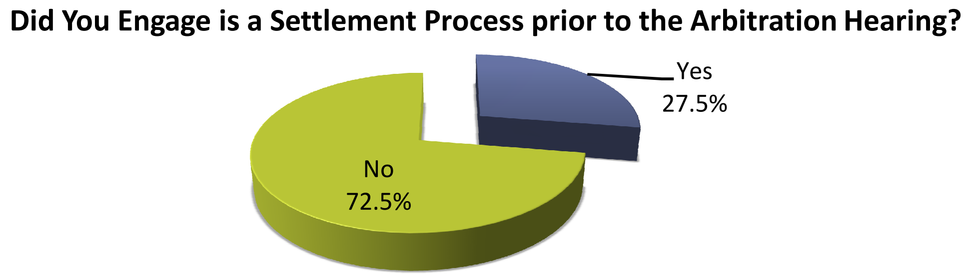
In 2007, manufacturer's representatives were evaluated in a more positive manner than this year in respect to their courtesy. This year's (2008) consumers had higher negative opinions about the accessibility and accuracy of the information provided by the representatives.

A higher percentage (40%) of participants in the 2008 arbitration process who received an award rated their overall satisfaction with the vehicle manufacturer as good or excellent different from their 2007 counterparts where almost twenty four percent (23.7%) or 71 consumers rated their overall satisfaction with those same marks.

Administrative Service

14. *After you contacted the Administrative Service, did you engage in a settlement process prior to the arbitration hearing?*

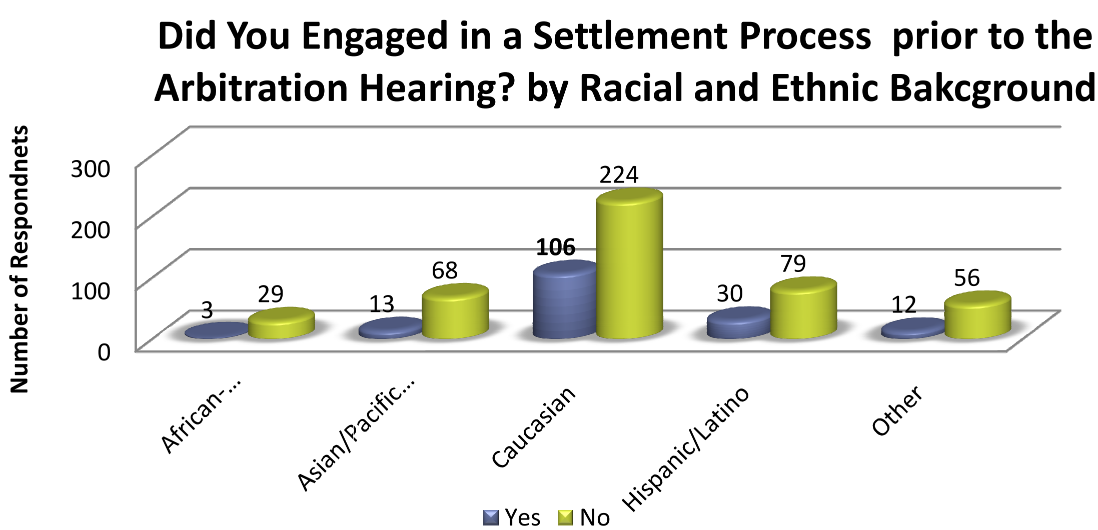
More than seventy-two percent (72.5%) or 458 consumers did not engage in a settlement process prior



to the arbitration hearing.

Group Differences

Among ethnic groups, more than thirty-two percent (32.1%) or 106 Caucasians consumers reached a settlement prior to the arbitration hearing. The ethnic group with the next highest number of consumers engaging in a settlement process was Hispanic/Latinos. None of the participants with an education level of trade/vocational school, high school or less, engaged in a settlement process prior to the arbitration hearing. Consumers in the age group of 45-54 had a higher percentage (33%) of engaging in a settlement process than the rest of the age groups.



Year to Year results

Similar to 2007 (31%), in 2008 almost thirty percent (27.5%) engaged in a settlement process prior to the arbitration process.

15. Thinking about your communications with the Administrative Service, how would you rate your overall interactions?

Almost fifty-two percent (51.8%) or 336 consumers rated their overall interactions with the administrative service as good or excellent. Slightly more than twenty-five percent (25.3%) or 164 consumers rated their overall interactions as poor.

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Poor	48	64	32	20
Fair	28	47	28	31
Good	83	9	49	44
Excellent	45	25	27	54

Consumers who utilized CDSP did significantly better when respondents rated their overall interactions with the administrative service. Almost sixty-five percent (64.7%) rated this excellent or good while the BBB respondents rated this much more negatively with only slightly more than forty-seven percent (47.1%) of the BBB participants rating it as good or excellent.

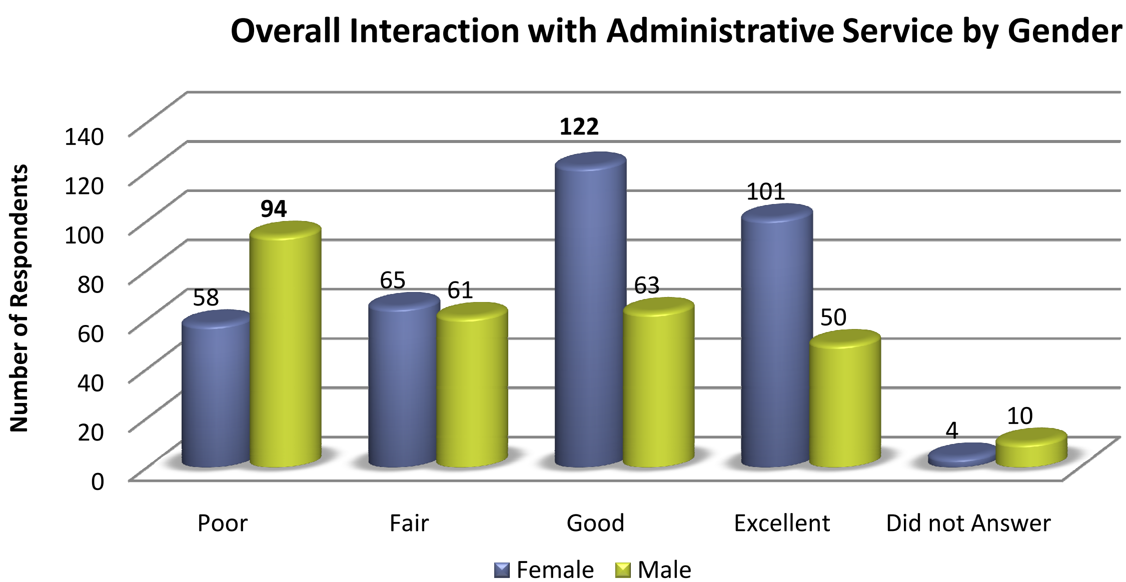
	Poor-Fair	Good-Excellent
BBB Auto Line	50.8%	47.1%
CDSP	32.9%	64.7%
CAP-RV	0%	100%

Toyota received higher marks when respondents rated the overall interactions with the administrative service. More than sixty-four percent (64.2%) of Toyota consumers rated the overall interactions as good or excellent. GM received lower ratings when respondents were asked the same question. Only slightly more than forty-three percent (43.6%) consumers rated it as good or excellent.

	Poor-Fair	Good-Excellent
Ford	50.5%	49.5%
GM	54.7%	43.6%
Nissan/Infiniti	51.2%	47.6%
Toyota	33.3%	64.2%

Group Differences

Females were more likely to rate the administrative service as good (34.9% or 122 consumers) and males were more likely to rate it poor (33.8% or 94 consumers). Hispanic/Latinos (28.4%) and the ethnic category “other” (42%) were more likely to rate their overall interactions with the administrative service as poor, while Caucasians were more likely to rate their overall interactions as good (35.7%). Additionally, seniors (39.2%) had a greater likelihood of rating poor when asked about their overall interactions with the administrative service. Also the majority of participants who attended a trade/vocational school (61.5%) rated their overall interactions with the administrative service excellent.



Year to Year results

In 2008 almost sixty-eight percent (67.6%) of participants who received an award rated their overall interactions with the administrative service as good or excellent. This is a decrease of more than twenty percent (20.4%) compared to 2007 when eighty-eight percent (88%) rated their overall interactions as good or excellent. Thirteen percent (13%) of consumers who did not received an award rated their overall interactions with the administrative service as good or excellent, this is also a decrease (30%) compared to last year (43%).

	Among consumers who did not receive an award		Among consumers who received an award	
	2007	2008	2007	2008
Good-Excellent	43%	40.3%	88%	67.6%

16. *And more specifically in terms of: Being knowledgeable about your case, Being knowledgeable about the California Lemon Law, Being knowledgeable about the Arbitration process, Providing documentation prior to the hearing (such as repair orders, manufacturer's position, technical service bulletins), Being easy to reach, Being timely in responding to inquiries and Being courteous.*

Slightly more than fifty-four percent (54.3%) or 355 consumers rated the administrative service good or excellent when asked about they were knowledgeable about the case. Almost sixty-seven percent (66.7%) or 401 consumers rated good or excellent the administrative service's knowledge about the California Lemon Law. Also slightly more than sixty-six percent (66.3%) or 424 consumers rated the administrative service's knowledge about the arbitration process as good or excellent. More than sixty percent (60.5%) or 372 respondents rated the administrative service good or excellent while providing documentation prior to the hearing. Fifty-eight percent (58%) or 361 participants considered the administrative service being easy to reach. Slightly more than fifty-eight percent (58.4%) or 364 respondents rated good or excellent the administrative service when asked about the timeliness. Almost seventy percent (69.6%) rated the administrative service's courteousness as good or excellent.

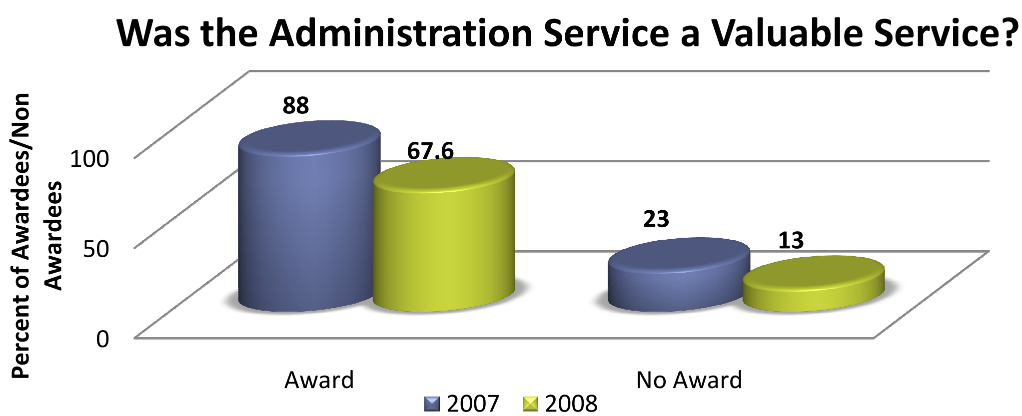
Group Differences

Female and male consumers rated the administrative service almost equally. The exceptions were when consumers were asked how they would rate the administrative service as being knowledgeable about the case, lemon law, being easy to reach, timely in responding to inquiries. In all of these categories, female consumers rated the administrative service in a more positive manner than males.

	Knowledgeable about the case		**Knowledgeable about the law**		**Easy to reach**		**Timely in responding to inquiries**	
	Poor-Fair	Good-Excellent	Poor-Fair	Good-Excellent	Poor-Fair	Good-Excellent	Poor-Fair	Good-Excellent
Fem-ale	126	220	103	210	109	222	110	222
	36.4	63.5	32.9	67.1	32.9	67.1	33.1	66.8
Male	165	123	80	177	139	132	136	135
	57.3	42.7	29.9	66	51.3	48.7	50.2	49.8

Year to Year results

Similar to last year's ratings, the administrative service received more positive (good plus excellent) rates than the manufacturer's representatives. Each aspect was positively rated when consumers were asked to assess the administrative service during 2008. Even though the majority of the participants of the 2008 consumer survey rated each aspect of the administrative service as valuable, last year's counterparts evaluated the administrative service more positively (regardless of the outcome).



Among those cosnumers who defined the administration service as good or excellent.

Interactions with the Arbitrator

18. How would you rate the overall interactions with the Arbitrator?

Fifty six percent (56%) or 353 consumers rated their overall interactions with the arbitrator as good or excellent. Only slightly more than twenty percent (20.3%) or 128 participants rated their interactions as poor.

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Poor	47	10	36	10
Fair	66	17	9	17
Good	18	41	34	41
Excellent	74	81	53	81

Consumers who utilized the BBB program rated their overall interactions more positively 56.4% than those consumers who utilized the CDSP program 53.4%.

	Poor-Fair	Good-Excellent
BBB Auto Line	43.60%	56.40%
CDSP	46.60%	53.40%
CAP-RV	0%	100%

Ford received high marks when consumers were asked to rate the overall interactions with the arbitrator. Almost sixty-two percent (61.8%) of consumers rated their overall interactions as good or excellent. GM received lower rates when respondents were asked the same question. Only slightly more than fifty-four percent (54.4%) rated their overall interactions with the arbitrator as good or excellent.

	Poor-Fair	Good-Excellent
Ford	28.2%	61.8%
GM	45.7%	54.4%
Nissan/Infiniti	41%	58.9%
Toyota	46.8%	53.2%

Group Differences

Female consumers (43.1%) had a higher perception of their overall interactions with the arbitrator rating them as excellent. In contrast, male consumers (37.6%) were more likely to rate the overall arbitrator's interactions fair. Almost half of Hispanic/Latinos (49%) rated their overall interactions with the arbitrator excellent. Unlike the majority of Asian/Pacific Islanders (53.1%) who rated their overall interactions as fair. More than ninety percent (92.9%) or 39 seniors (65+) rated as poor their overall interactions with the arbitrator.

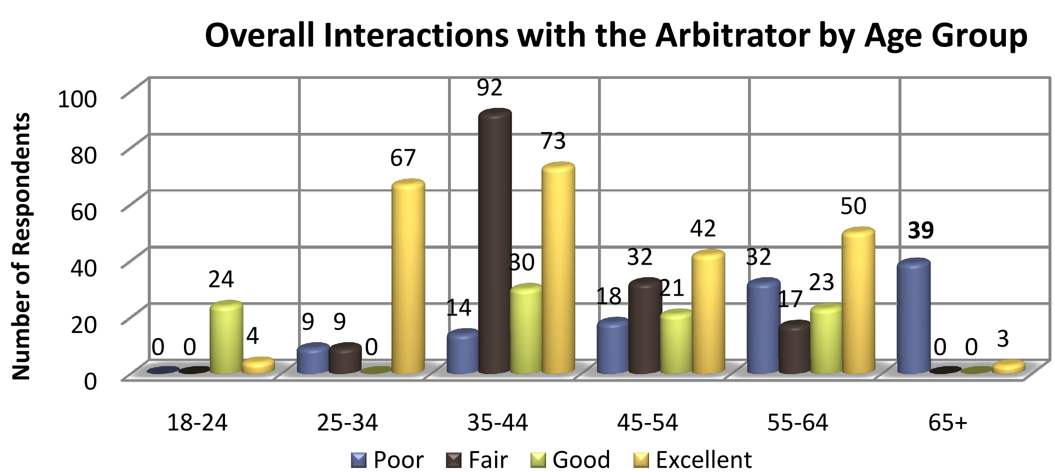
Year to Year results

In 2008, more than seventy-four (74.3%) consumers who were awarded rated their overall interactions with the arbitrator as good or excellent. In 2007, almost ninety percent (89%) rated it with the same marks. Almost forty percent (37.7%) of participants who did not receive an award rated their interactions as good or excellent, this is an increase of almost five percent (4.7%) compared to 2007.

	Among consumers who did not receive an award		Among consumers who received an award	
	2007	2008	2007	2008
Good-Excellent	33%	37.7%	89%	74.3%

19. And more specifically in terms of: Being professional, Being knowledgeable about your case, Being knowledgeable about the process, Being courteous, Being fair, Being prepared for the hearing, Being knowledgeable about the law.

Forty one percent (41%) or 263 participants rated the arbitrator's professionalism as excellent. Fifty-four percent (54%) or 344 respondents rated the arbitrator's knowledge about the case as good or excellent. Almost eighty percent (79%) or 495 consumers rated the arbitrator's knowledge about the process as good or excellent. Eighty-one percent (81%) or 516 consumers rated the arbitrator's courteousness as good or excellent. However, more than fifty-one percent (51.6%) rated the arbitrator's fairness as poor or fair. More than sixty-eight percent (68.3%) or 429 participants believed the arbitrator assigned to their case was prepared for the hearing. And sixty-five percent (65%) or 405 consumers thought the arbitrator was knowledgeable about the law.



Group Differences

Female consumers tended to rate arbitrators in each of the seven categories as good or excellent, while male participants tended more to rate arbitrators' categories lower, with the highest percentage in the fair category. Talking about the professionalism of the arbitrator, all ethnic groups rated it as excellent, except for Asian/Pacific Islanders, who the majority (50.6%) rated it as good. The majority of African-Americans (36.4%) rated as poor when asked if the arbitrator was knowledgeable about the case. Only the majority of Caucasians (44.90%) rated as excellent when asked about the fairness of the arbitrator. A high percentage of Asian-Pacific Islanders (39.5%) rated as good when asked if the arbitrator was knowledgeable about the law, while the rest of the racial and ethnic groups rated it excellent.

	Poor	Fair	Good	Excellent
African-American	12	4	9	8
	36.4%	12.1%	27.3%	24.2%
Asian/Pacific Islander	19	33	21	8
	23.5%	40.7%	25.9%	9.9%
Caucasian	58	77	85	114
	17.4%	23.1%	25.4%	34.1%
Hispanic/Latino	23	20	27	35
	21.9%	19%	25.7%	33.3%
Other	14	23	4	21
	22.6%	37.1%	6.5%	33.9%

Year to Year results

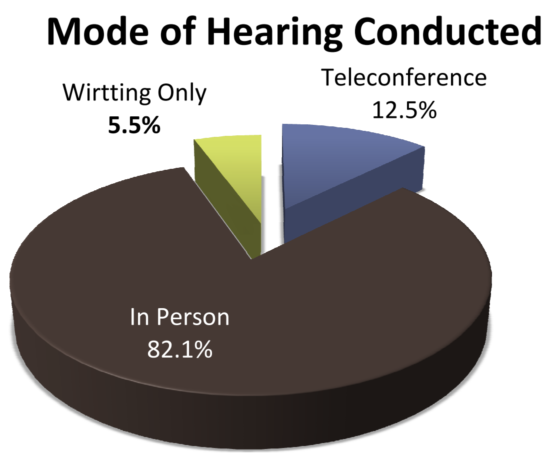
The administrative service had similar marks during 2007 and 2008. The vast majority who received an award during 2007 rated each of the seven aspects of the arbitrator positively. However, in 2008 every aspect of the arbitrator was rated positively except the fairness aspect which the majority rated as poor or fair. Even though in both years the majority of consumers evaluated the arbitrator aspects in a positive manner, during 2007 arbitrators received higher marks by consumers surveyed.

	2008	2007
Overall interactions	74.3%	89%
Professionalism	86.8%	93%
Courteousness	96.3%	95%
Knowledgeable about the Law	87.3%	92%
Knowledgeable about the process	90.6%	93%
Prepared for the hearing	80.1%	88%
Fairness	69.6%	89%
Knowledgeable about specific case	72.7%	86%

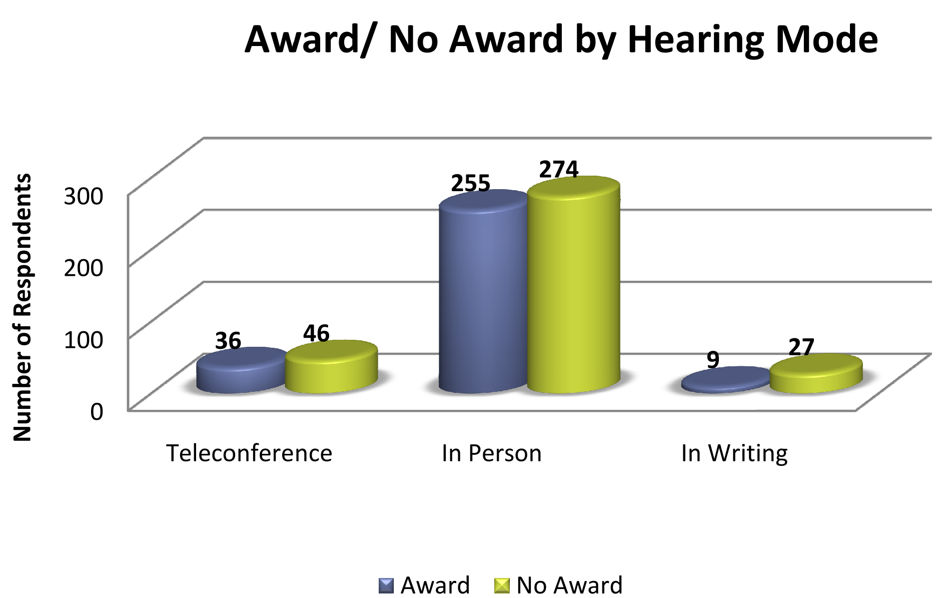
Mode of Arbitration Hearing and Specific Evaluation

17. How was your arbitration hearing conducted?

Slightly more than eighty-two percent (82.1%) or 540 consumers had an in person hearing during 2008. Only slightly more than five percent (5.5%) had their hearing conducted in writing.

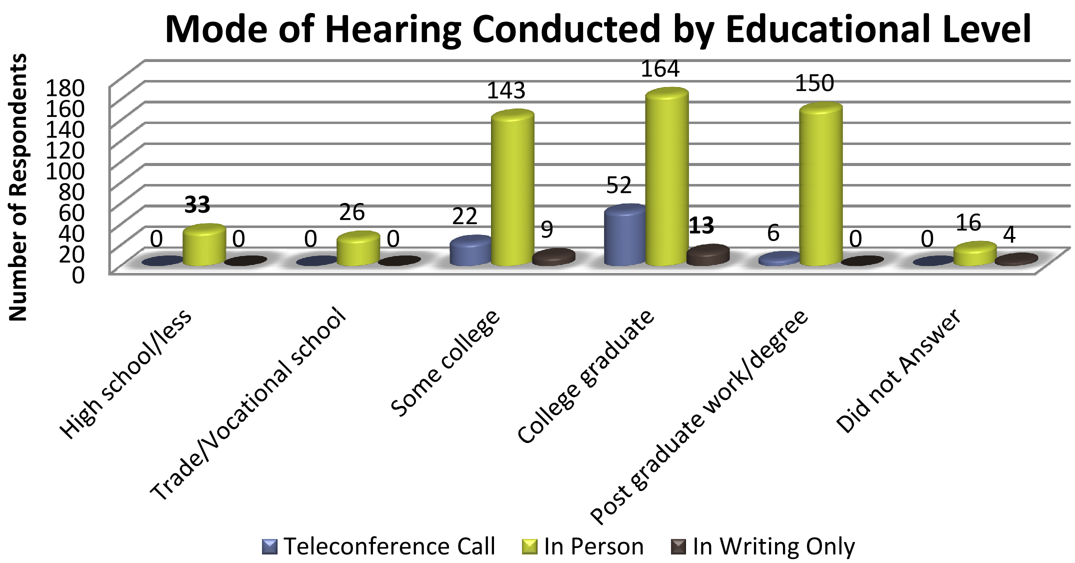


The mode of hearings conducted had an influence over the consumers' outcome. For consumers who had a teleconference, approximately forty-four percent (44%) received favorable ratings. For those who had in person hearings, those who received an award increased to more than forty eight percent (48.2%) of consumers who chose this method. However, those consumers who chose in writing hearings only received awards twenty-five percent of the time-almost half the rate of other hearing modes.



Group Differences

There were no real differences between female and male consumers regarding the type of hearing mode selected. Among the different racial and ethnic groups, Hispanic/Latinos had more in person hearings (92.7%) and less teleconference calls (5.5%). Additionally, young adults (18-24) had only in person hearings, and no teleconference calls or in writing hearings. Participants with a high school diploma or less and a trade/vocational certificate had all of their hearings in person, unlike college graduates who had almost six percent (5.7% or 13 consumers) of hearings in writing. Also, the majority of participants with a post graduate work/degree (96.2%) had their hearing in person.

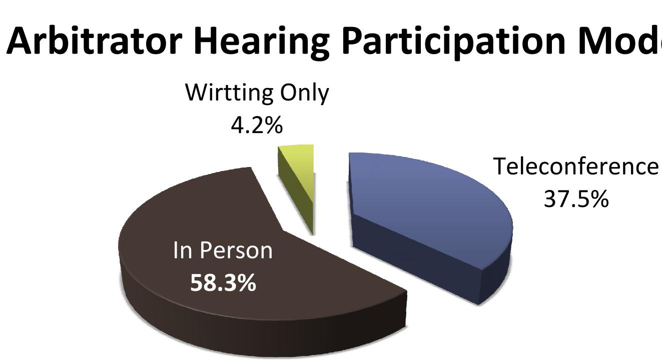


Year to Year results

Though there was a similar question in previous years' survey to compare the results obtained from the 2008 survey, the PGG team could not find the proper data in the annual report to conduct a meaningful comparison.

B. If you had an IN PERSON, TELECONFERENCE, or IN WRITING hearing what about the manufacturer's representative:

Also, slightly more than fifty eight percent (58.3%) or 356 respondents had the manufacturer's representative in person during the hearing.



	Frequency	Percentage
Teleconference Call	229	37.5%
In Person	356	58.3%
In Writing Only	26	4.2%
Total	611	100%
Did not Answer	57	
	668	

Year to Year results

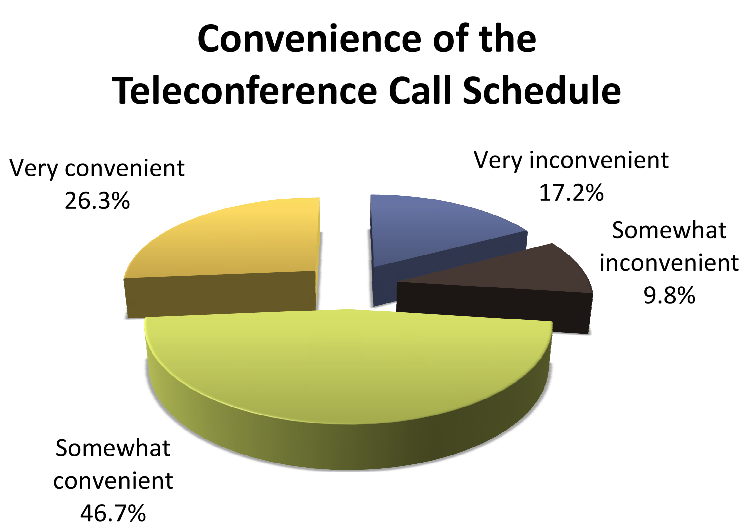
There was not a similar question in previous years' surveys to compare the results obtained from the current year's survey.

If you had a TELECONFERENCE hearing (ask of Teleconference participants only), how would you rate the:

1. *Convenience of the date and time when the teleconference hearing was scheduled?*

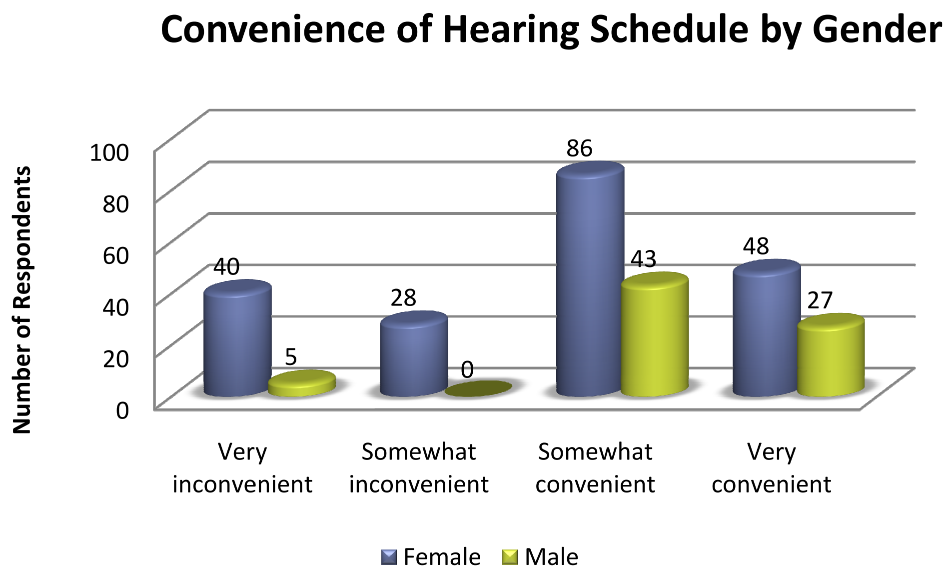
Almost forty-seven percent (46.7%) or 133 participants rated the date and time of the teleconference hearing as somewhat convenient. Slightly more than twenty-six percent (26.3%) or 75 consumers rated it as very convenient.

	Frequency	Percentage
Very inconvenient	49	17.2%
Somewhat inconvenient	28	9.8%
Somewhat convenient	133	46.7%
Very convenient	75	26.3%
Total	285	100%
Did not Answer	383	
	668	



Group Differences

The largest group of both females (42.6% or 86 consumers) and males (57.3% or 43 consumers) rated the convenience of the teleconference hearing schedule as somewhat convenient. Also, while Asian/Pacific Islanders (58.3%), Caucasians (53.3%) and Hispanic/Latinos (43.4%) rated the teleconference's dates and times as somewhat convenient, the "other" ethnic category largest group felt that it was somewhat inconvenient (40.6%).



Year to Year results

Unlike the 2007 consumers, this year's participants were not that sure about the convenience of the teleconference call. The largest group (46.7%) rated the convenience as somewhat convenient when the majority (54%) of 2007 participants rated it very convenient.

21. Quality of the call in terms of call transmission clarity?

More than seventy-three percent (73.4%) or 206 consumers who had a teleconference hearing, rated the quality of the call as good or excellent. Only eleven percent (11%) or 31 participants rated the call's quality as poor.

	Frequency	Percentage
Poor	31	11%
Fair	44	15.7%
Good	78	27.7%
Excellent	128	45.6%
Total	281	100%
Did not Answer	387	

Group Differences

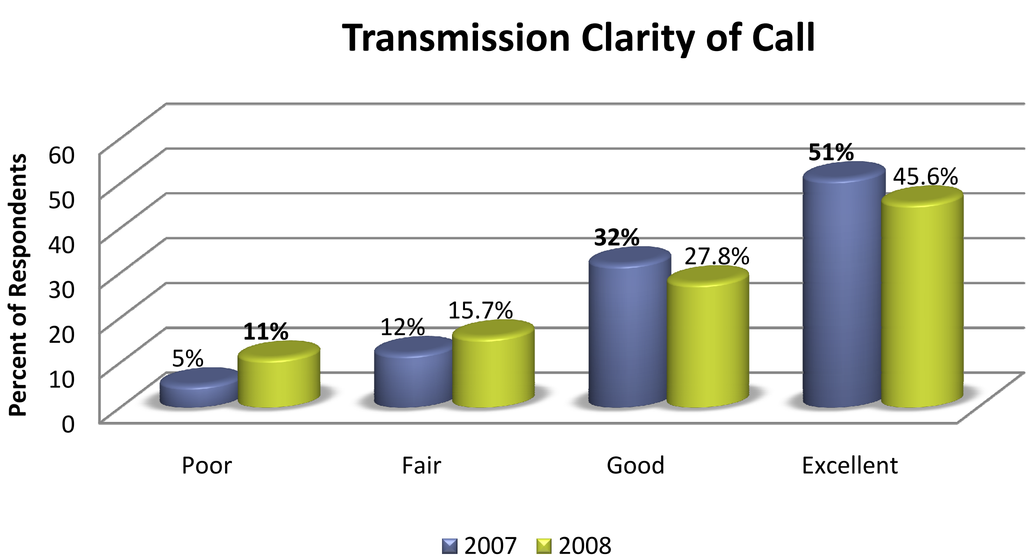
A high percentage of both, females (49%) and males (41.3%), rated the transmission clarity as excellent. Asian/Pacific Islanders were less favorable when rating the transmission clarity of the teleconference call, with a high percentage (41.7%) rated it as fair. All the other ethnic groups rated their highest category as good or excellent.

Quality of the call in terms of call transmission clarity?

	Poor	Fair	Good	Excellent
African-American	0	0	3	6
	0%	0%	33.3%	66.7%
Asian/Pacific Islander	5	10	0	9
	20.8%	41.7%	0%	37.5%
Caucasian	13	20	67	63
	8 %	12.3%	41.1%	38.7%
Hispanic/Latino	10	10	5	28
	18.9%	18.9%	9.4%	52.8%
Other	3	4	3	22
	9.4%	12.5%	9.4%	68.8%

Year to Year results

In 2008, there was a decrease of almost ten percent (9.6%) compared to 2007 when consumers were asked to rate the call transmission clarity. In 2007 eighty-three percent (83%) rated it good or excellent while in 2008 only slightly more than seventy-three percent (73.4%).



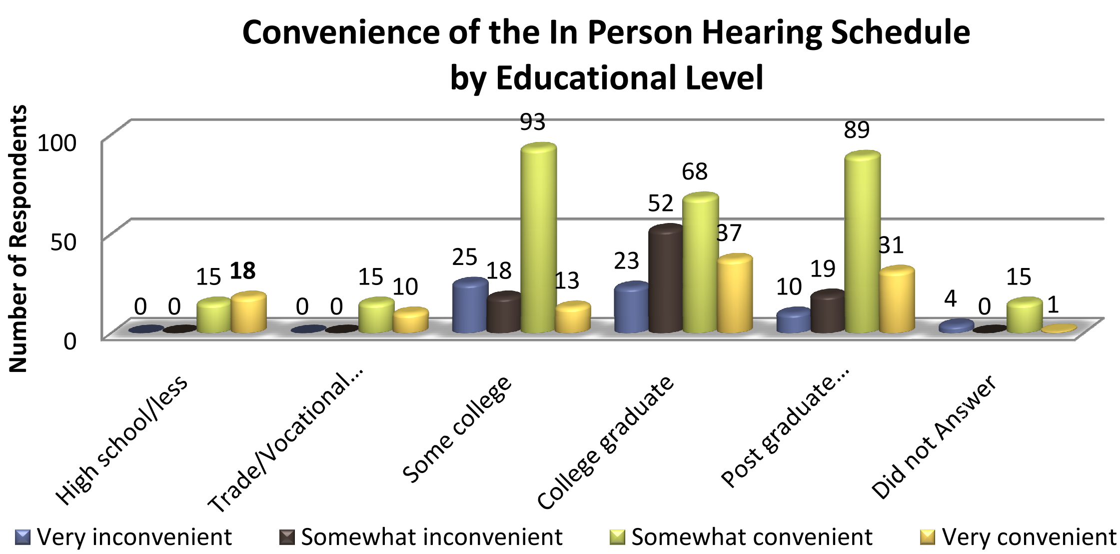
If you had an IN PERSON hearing (ask of IN PERSON hearing participants only) how would you rate the:

22. Convenience of the date and time the hearing was scheduled?

Fifty-three percent (53%) or 296 consumers rated the date and time the hearing was scheduled as somewhat convenient. Only twenty percent (20%) or 112 consumers rated the hearing schedule as very convenient.

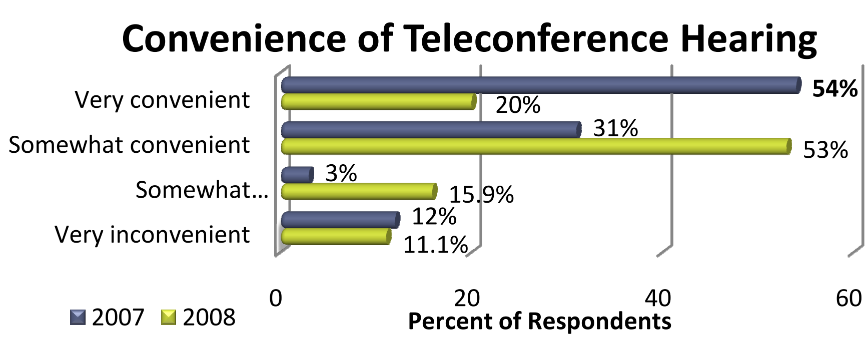
Group Differences

A high percentage of both females and males considered the convenience of date and time the hearing was scheduled as somewhat convenient. Among ethnic groups, the largest response rates were also "somewhat convenient". Among the age groups, the largest percentages for 25-34 years old (36.5%) and for 55-64 years old (45.5%) were more favorable, rating the convenience as very convenient. The other groups rated it somewhat convenient. Also the majority (54.5% or 18 out of 33) of consumers with an education level of high school or less rated the hearing schedule as very convenient.



YEAR TO YEAR RESULTS

In 2008, the percentage of consumers who rated the teleconference hearing as very convenient (20%) decreased from those consumers in 2007 who rated this as very convenient (54%). Consumers in the 2008 survey tended to rate the convenience of the teleconference hearing as somewhat convenient (53%) or inconvenient (27%).

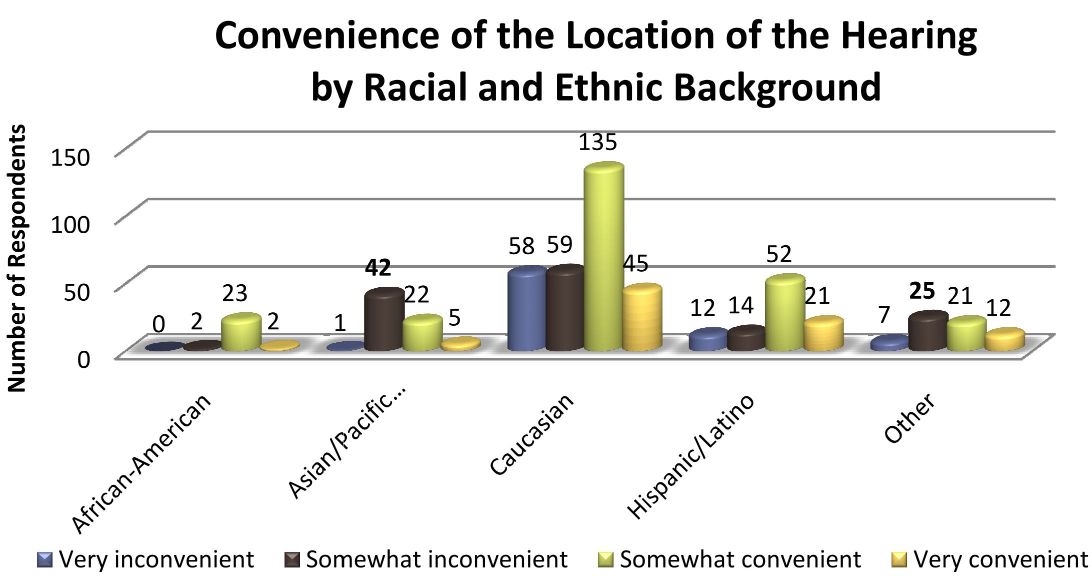


23. Convenience of the location where the hearing was held?

More than forty six percent (46.4%) or 264 participants rated the location of the hearing as somewhat convenient. Almost fifteen percent (14.9%) or 85 respondents rated the location as very convenient.

Group Differences

Females and males agreed that the convenience of the location where the hearing was held was somewhat convenient. Also, African-Americans, Caucasians and Hispanic/Latinos believed the hearing location was somewhat convenient. The majorities of Asian/Pacific Islanders (42) and the "other" (25) ethnic background rated the hearing location as somewhat inconvenient.



Year to Year results

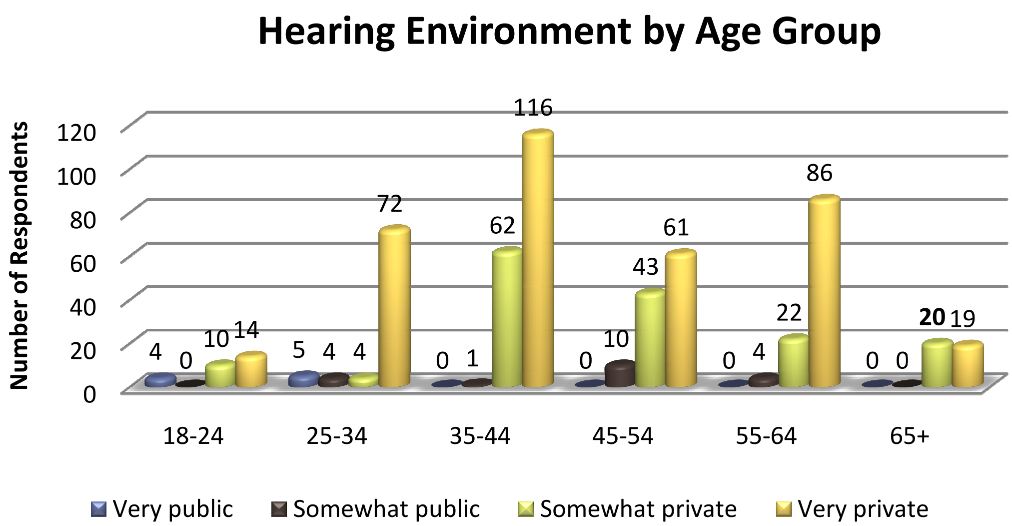
Though there was a similar question in previous years' survey to compare the results obtained from the 2008 survey, the PGG team could not find the proper data in the annual report to conduct a meaningful comparison.

24. Environment in terms of privacy?

Sixty-five percent (65%) or 370 consumers thought the environment of the hearing was very private. More than twenty-eight percent (28.5%) rated it as somewhat private.

Group Differences

Females and males believed the hearing environment was very private. The majority of all racial and ethnic backgrounds agreed that the environment was very private. Only the majority of seniors (51.3% or 20 respondents) considered the environment of the hearing as somewhat private.



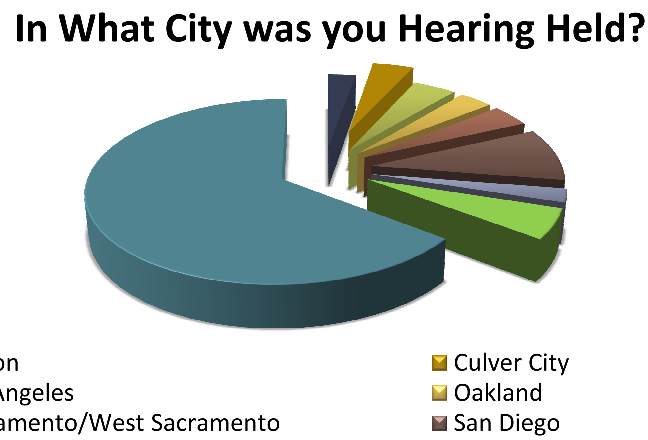
Year to Year results

In 2007, nearly all respondents who had an in person hearing rated the environment as private. In 2008 as well, nearly all the respondents (93.5%) rated the environment of the hearing in terms of privacy as somewhat private or very private.

25. In what city was your hearing held?

The city in which more hearings were conducted was San Diego with slightly more than nice percent (9.3%) or 63 consumers.

City	Frequency
San Diego	63
Los Angeles	28
Culver City	27
Sacramento/West Sacramento	26
Oakland	22
Colton	18
Stockton	16
Did not Answer	36
Other	432

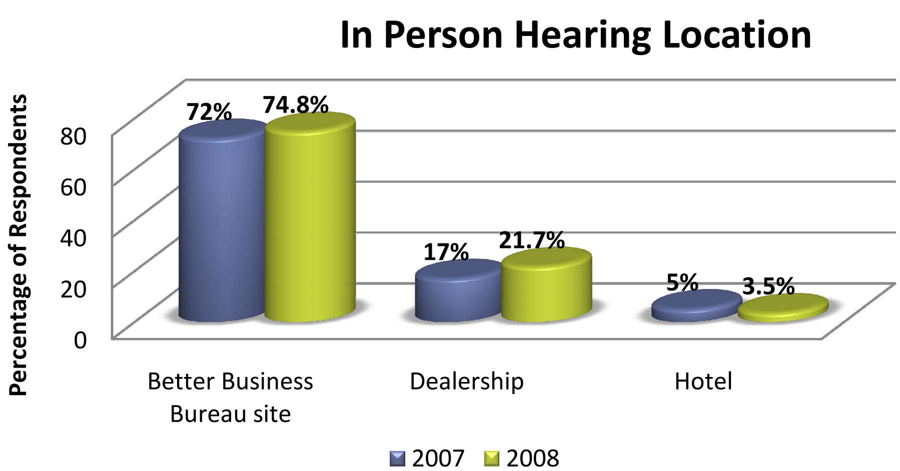


Year to Year results

Though there was a similar question in previous years' survey to compare the results obtained from the 2008 survey, the PGG team could not find the proper data in the annual report to conduct a meaningful comparison.

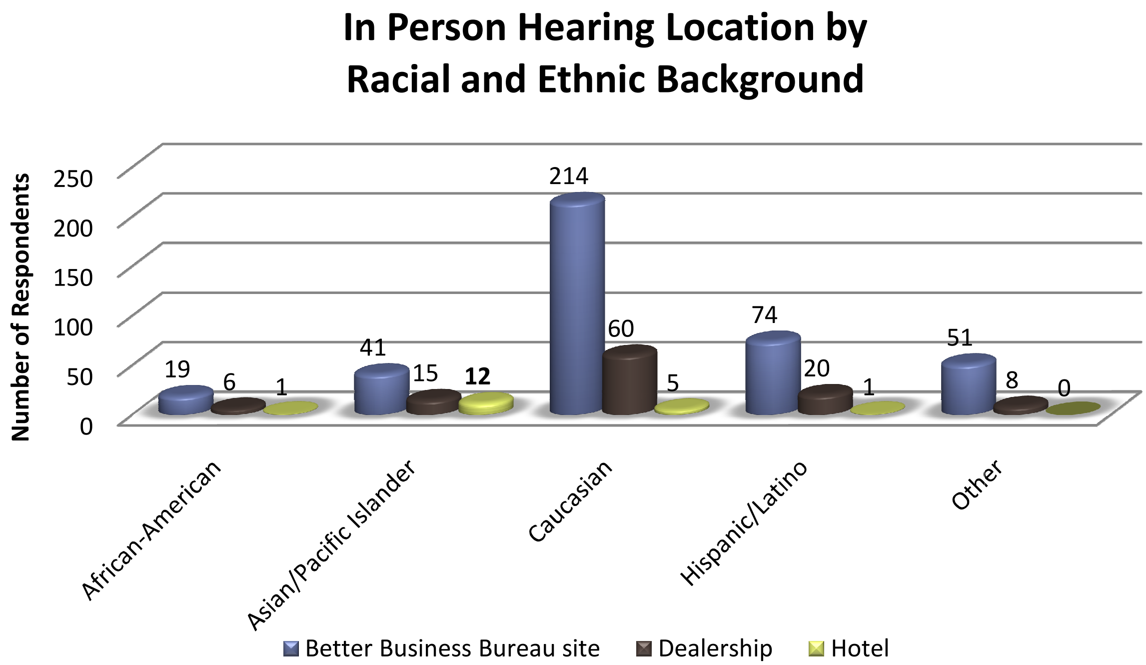
26. Was your hearing held at a:

Almost seventy-five percent (74.8%) or 406 consumers had their hearing conducted in the Better Business Bureau site. And almost twenty-two percent (21.7%) or 118 participants had their hearing conducted at the dealership.



Group Differences

Gender had little influence in the location where the hearing was held. The majority of both female and male hearings were held at a BBB site. Also racial and ethnic background had almost no influence on hearing locations, which reflected the overall responses of consumers. One exception was for Asian/Pacific Islanders who had a much higher percentage (17% or 12 respondents) for choosing to conduct their hearing at a hotel hearing room.



Year to Year results

Similar to last year, the BBB site offices were the most common location (74.8%) to conduct the in person hearings. The other common site locations, car dealership and hotels, are also similar to the number of hearings conducted in those places last year.

	2007	2008
BBB Site	72%	74.8%
Car dealership	17%	21.7%
Hotel	5%	3.5%
Library	4%	0%
Office	1%	0%
Other	1%	0%

Arbitration Experience Outcome

27. Which of the following best describes your arbitration outcome? Award or no award?

Only more than forty-five percent (45.7%) or 300 consumers received an award after the arbitration process. Slightly more than fifty-four percent (54.3%) or 357 didn't received a favorable outcome.

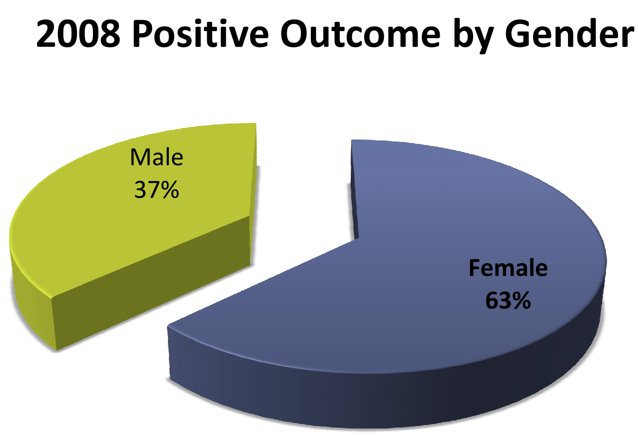
Arbitration Outcome

	Frequency	Percent
Award	300	45.7%
No Award	357	54.3%
Total	657	100%
Did not Answer	11	
Total	668	

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Award	110	56	68	66
No Award	123	89	73	72

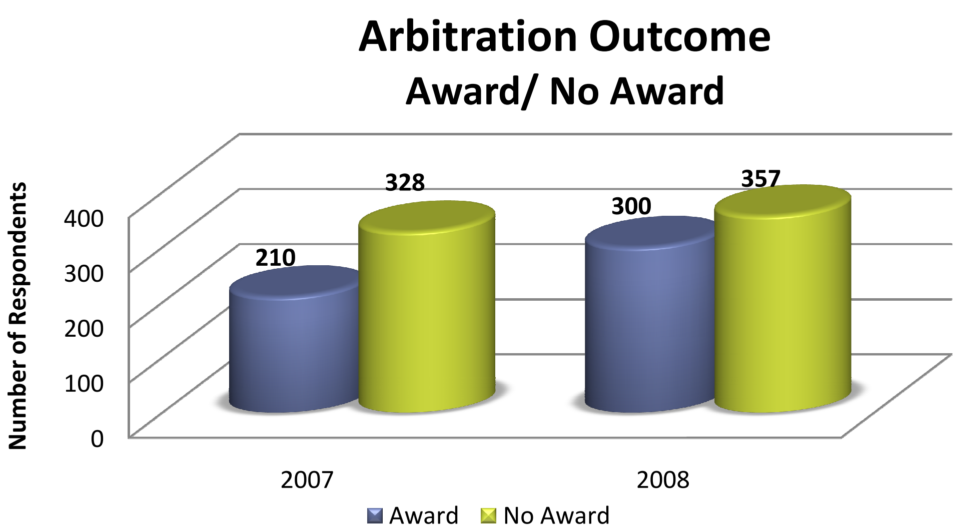
Group Differences

Females received a higher number of positive outcomes than males. Sixty-three percent (63%) of females who participated in the 2008 arbitration process received an award. Conversely, the majority of males (51.8%) received a negative outcome.



Year to Year results

Consumers who went through the arbitration process during 2007 had less favorable outcomes than consumers during the 2008 arbitration process. Out of the 538 completed surveys received in 2007, only the 39% or 210 consumers received favorable outcomes. In contrast, in 2008, almost forty-six percent (45.7%) or 300 consumers received favorable outcomes. This is an increase of almost seven percent (6.7%) in favorable outcomes. Slightly more than fifty-four percent (54.3%) or 357 consumers during 2008 were not granted an award after the arbitration process, while in 2007 the percentage of non-awardees stood at sixty one percent (61%).



*Eleven consumers did not answer this question.

A. *If no award was received, did you pursue legal action?*

Slightly more than eighty percent (80.4%) or 303 consumers did not pursue legal action if no award was received during 2008.

Group Differences

Gender, age, racial and ethnic group, education level had little influence in this decision. The majority in each of these divisions did not pursue legal action.

Year to Year results

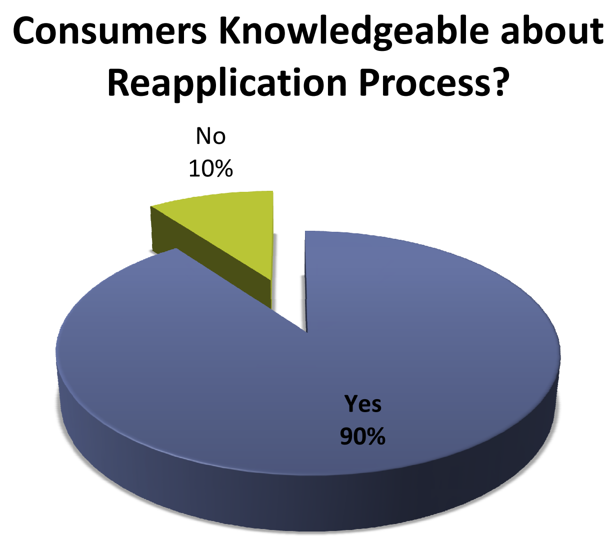
Though there was a similar question in previous years' survey to compare the results obtained from the 2008 survey, the PGG team could not find the proper data in the annual report to conduct a meaningful comparison.

B. If no award was received, did you know you could reapply for arbitration by getting an additional warranty repair?

Almost seventy-four percent (73.8%) or 276 consumers did not know they could reapply for arbitration, only slightly more than twenty-six percent (26.2%) or 98 consumers knew.

Group Differences

Gender, age, racial and ethnic group, and education level showed no significant differences among consumers in regard to knowledge of reapplying for additional warranty repair. Most of the participants in the different household income groups did not know they could reapply for arbitration, except for those consumers with a household income of $20,000-$30,000, where ninety percent (90%) reported they knew about this.



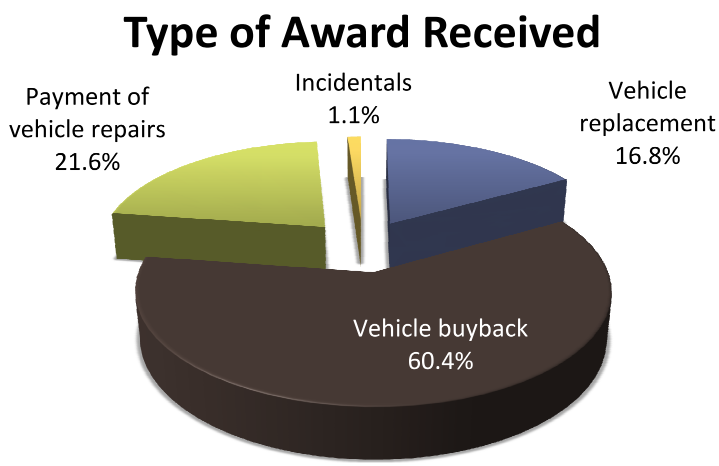
Among those with a household income between $20,00-$39,999

Year to Year results

Though there was a similar question in previous years' survey to compare the results obtained from the 2008 survey, the PGG team could not find the proper data in the annual report to conduct a meaningful comparison.

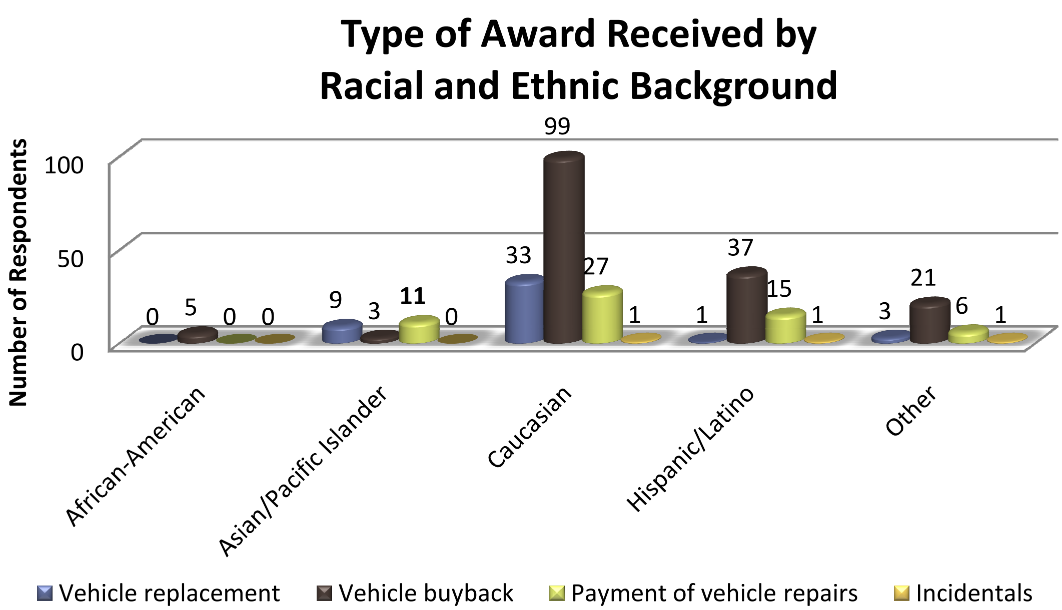
C. If an award was received, was it a: Vehicle replacement, Vehicle buyback, Payment of vehicle repairs, Incidentals or other?

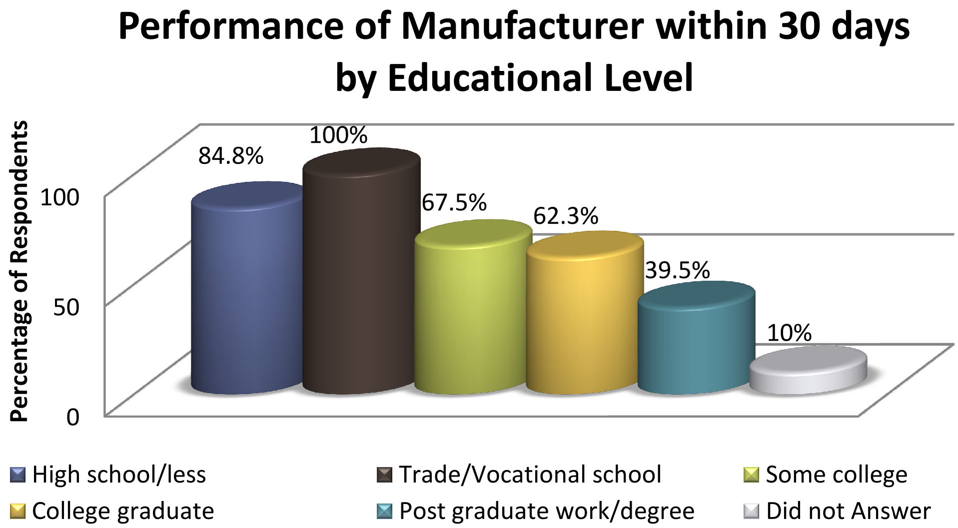
Of the awards received by consumers, more than sixty percent (60.4%) or 165 consumers had vehicle buybacks, more than twenty-one percent (21.6%) or 59 consumers had payment of vehicle repairs and almost seventeen percent or 46 participants had vehicle replacements during 2008.



Group Differences

Gender and education level are not distinguishable as to whether consumers had a vehicle replacement, buyback, repairs or other award. In both cases, the majority of participants had vehicle buybacks. Only a high percentage of Asian/Pacific Islanders (47.8%) or 11 consumers had vehicle repairs, the other ethnic groups' high percentages had vehicle buybacks. Seniors (69.2%) and middle adults (37.8%) had vehicle repairs, all other consumers had buybacks.





Year to Year results

In both 2007 (59%) and 2008 (60.4%) the majority of consumers who received an award had vehicle buybacks. In 2008, almost seventeen percent (16.8%) of consumers had their vehicle replaced which is a considerable increase from 2007 when only twelve percent (12%) had replacements. Similarly in 2008, there was an increase in payment for vehicle repairs, when more than twenty-one percent (21.6%) received payment as contrasted to 2007 when only fifteen percent (15%) received payment.

	2007	2008
Vehicle replacement	12%	16.8%
Vehicle buyback	59%	60.4%
Payment of vehicle repairs	15%	21.6%
Incidentals	0%	1.2%
Extended warranty	1%	0%
Other	1%	0%

28. A. Did the manufacturer perform within the 30 days you accepted the award?

Sixty-one percent (61%) or 249 consumers had the manufacturer performed within the next 30 days.

Group Differences

Gender had almost no influence in whether the manufacturer performed within the 30 days after the consumer accepted the award. Conversely, age and education level had a higher influence. Those consumers with a post graduate work/degree had a lower percentage (39.5%) of manufacturers performing within 30 days. It can be said that the higher the educational level, the fewer manufacturers performed within the time frame specified. This trend proves to be similar by analyzing the answers obtained during the 2008 survey by the age group of the participants where older participants were less likely to receive manufacturer assistance during this 30 day period.

Did the manufacturer perform within the 30 days you accepted the award?

	Yes	No	Total
High school/less	28	5	33
	84.8%	15.2%	100%
Trade/Vocational school	10	0	10
	100%	0%	100%
Some college	81	39	120
	67.5%	32.5%	100%
College graduate	99	60	159
	62.3%	37.7%	100%
Post graduate work/degree	30	46	76
	39.5%	60.5%	100%
No response	1	9	10
	10%	90%	100%
Total	249	159	408
	61%	39%	100%

Year to Year results

There was not a similar question in previous years' survey to compare the results obtained from the current year's survey.

B. If it was over 30 days, did you agree to the time period?

One hundred and thirty seven (137) consumers did not agree to the time period if it exceeded the 30 days.

Group Differences

Participants with a household income of $20,000-$39,000 were more open to agreeing to a time period which exceeded 30 days. Consumers with an income of $100,000 or more seemed reluctant (23.1%) to agree to the delay. Asian/Pacific Islanders (3.1%) were harder to agree to the time period after the manufacturer didn't perform within 30 days. Conversely, most of African-Americans (83.3%) agreed to the extension in order to have the manufacturers perform.

If it was over 30 days, did you agree to the time period?

	Yes	No	Total
African-American	10	2	12
	83.3%	16.7%	100%
Asian/Pacific Islander	1	31	32
	3.1%	96.9%	100%
Caucasian	46	64	110
	41.8%	58.2%	100%
Hispanic/Latino	3	19	22
	13.6%	86.4%	100%

Other	11	21	32
	34.4%	65.6%	100%
Total	71	137	208
	34.1%	65.9%	100 %

Year to Year results

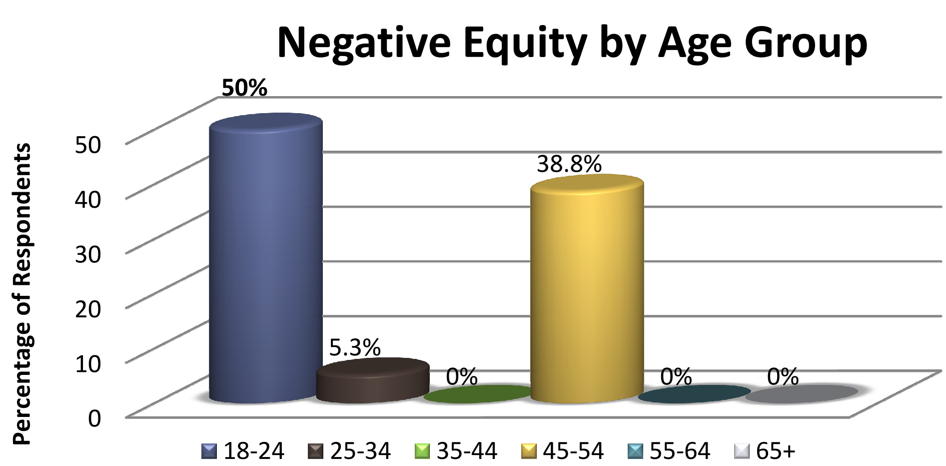
There was not a similar question in previous years' survey to compare the results obtained from the current year's survey.

29. For a vehicle buyback, were you charged negative equity? (That is, did you have to pay a loan charge or upside down loan charge from your trade in?)

Just more than fourteen percent (14.7%) or 44 respondents were charged with negative equity for a vehicle buyback in 2008. The vast majority of respondents replied "don't know" to this question.

Group Differences

Consumers with a low educational level (high school or less 35.7%) and young (18-24 50%) were the most likely to be charged negative equity when having a vehicle buyback. There were few differences among ethnic groups in the charges for negative equity in the 2008 survey.



Year to Year results

Similar to 2007 (16%), in 2008 almost fifteen percent (14.7%) was charged negative equity.

30. On a vehicle replacement, were you charged any upgrade fees for a substantially identical new vehicle?

Almost seventy-three percent (72.9%) or 129 consumers were not charged any upgrade fees for a substantially identical new vehicle.

Group Differences

Among ethnic groups, the majority of African-Americans (100%) and a high percentage of "other" (37.9%) reported a higher number of consumers that were charged upgrade fees for a substantially identical new vehicle. Participants with an educational level of trade/vocational school (100%) were also charged upgrade fees.

Year to Year results

In 2008 only nice percent (9%) was charged with upgrade fees, in contrast to 2007 consumers where a sixteen percent (16%) were charged with upgrade fees.

31. How would you rate the fairness of the arbitration decision?

Fifty-nine percent (59%) or 373 participants rated the fairness of the arbitration decision as poor or fair. Thirty-five percent (35%) or 221 consumers rated it excellent.

Consumers who did not receive an award tended to rate the arbitration decision as unfair or somewhat unfair while conversely participants who were awarded rated the arbitration decision as fair.

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Very Unfair	94	97	56	47
Somewhat Unfair	37	10	16	16
Somewhat Fair	9	10	19	0
Very Fair	74	28	44	75

Group Differences

The majority of males (53%) rated the arbitration decision as very unfair. A high percentage of female consumers (41.2%) rated the arbitration decision as very fair.

A high number of Asian/Pacific Islanders and Caucasians rated the fairness of the arbitration decision as poor. Hispanic/Latinos who a high percentage (39%) rated it very unfair and another (39%) rated it very fair.

The majority of participants between the ages of 18-24 (64.3%) and 25-34 (71.9%) rated the arbitration decision as very fair. Unlike the majority of older adults who rated it very unfair. In general, as consumers increased in age, they tended to rate the process more unfairly.

How would you rate the fairness of the arbitration decision?

	Very unfair	Somewhat unfair	Somewhat fair	Very fair	Total
Female	141	39	24	143	347
	40.6%	11.2%	6.9%	41.2%	100%
Male	149	40	14	78	281
	53%	14.2%	5%	27.8%	100%
Total	290	79	38	221	628
	46.2%	12.6%	6.1%	35.2%	100%

Year to Year results

Similar to 2007 this year's participant ratings were extremely polarized and highly dependent upon the arbitration outcome. Last year, seventy-five percent (75%) of participants who did not received an award rated the arbitration decision as very unfair, while seventy-one percent (71%) of participants who received an award rated the decision as very fair. This year more than sixty percent (60.33%) or 181 consumers who received an award rated the arbitration decision as very fair, while almost sixty-five percent (64.98%) or 232 consumers who did not receive an award rated the decision as very unfair.

	Among consumers who did not receive an award		Among consumer who received an award	
	2007	2008	2007	2008
Very unfair	75%	69.9%	8%	20.7%
Somewhat unfair	15%	14.2%	8%	10.7%
Somewhat fair	8%	3.9%	13%	8.3%
Very fair	2%	12%	71%	30.3%

Improvement Process

32. If you had a similar problem in the future, how likely would you consider the arbitration process again?

The use of the arbitration for the future problems was evenly split among respondents. Almost thirty-nine percent (38.9%) or 240 participants would not consider the arbitration process again in the future if they have a similar problem. However, slightly more than thirty-nine percent (39.2%) would consider it in the future.

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Very Likely	103	28	55	56
Somewhat Likely	19	10	20	36
Somewhat unlikely	18	20	12	0
Very Unlikely	65	81	48	46

Group Differences

Females (45.60%) were more likely to consider the arbitration process again in the future, unlike males (41.5%) who were very unlikely to consider it. Also, Asian/Pacific Islanders (51.90%) were very unlikely to undergo the process in the future as were older adults (45-65). In contrast younger adults (18-44) were very likely to consider the process in the future.

33. Would you want your hearing conducted in the same manner?

Almost fifty-three (52.6%) or 315 consumers would want their hearing conducted in the same manner.

Group Differences

The majority of females (59.1%) would like their hearing conducted in the same manner, unlike males (54.2%) who would not want the hearing to be conducted the same way.

Would you want your hearing conducted in the same manner?

	Yes	No	Total
Female	189	131	320
	59.1%	40.9%	100%
Male	126	149	275
	45.8%	54.2%	100%
Total	315	280	595
	52.9%	47.1%	100%

Year to Year results

In 2008, almost seventy nine percent (78.9%) of respondents who received an award would want to conduct the hearing in the same manner. While in 2007, ninety percent (90%) of awardees reported they would like their hearing conducted in the same way. In both 2007 (73%) and 2008 (73.7%) consumers who did not receive an award expressed negative feelings about their willingness to conduct the hearing in the same manner.

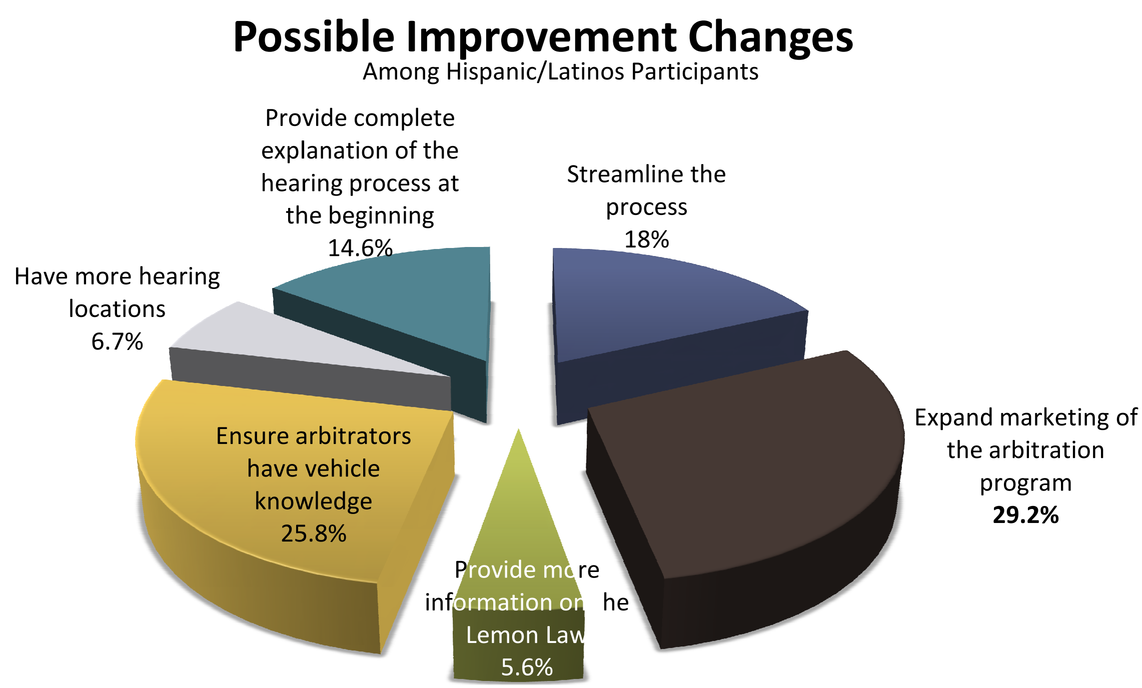
34. If you could think of one major change to improve the arbitration process, what would that be?

Slightly more than thirty-one percent (31.2%) or 139 consumers stated that a major change to improve the arbitration process would be to ensure that arbitrators have vehicle knowledge. A second major improvement would be to expand the marketing of the arbitration program (17.1% or 76 respondents).

	Frequency	Percent
Ensure arbitrators have vehicle knowledge	139	31.2%
Expand marketing of the arbitration program	76	17.1%
Provide more information on the Lemon Law	69	15.5%
Have more hearing locations	69	15.5%
Streamline the process	56	12.6%
Provide complete explanation of the hearing process at the beginning	36	8.1%
Total	445	100%
Did not Answer	223	

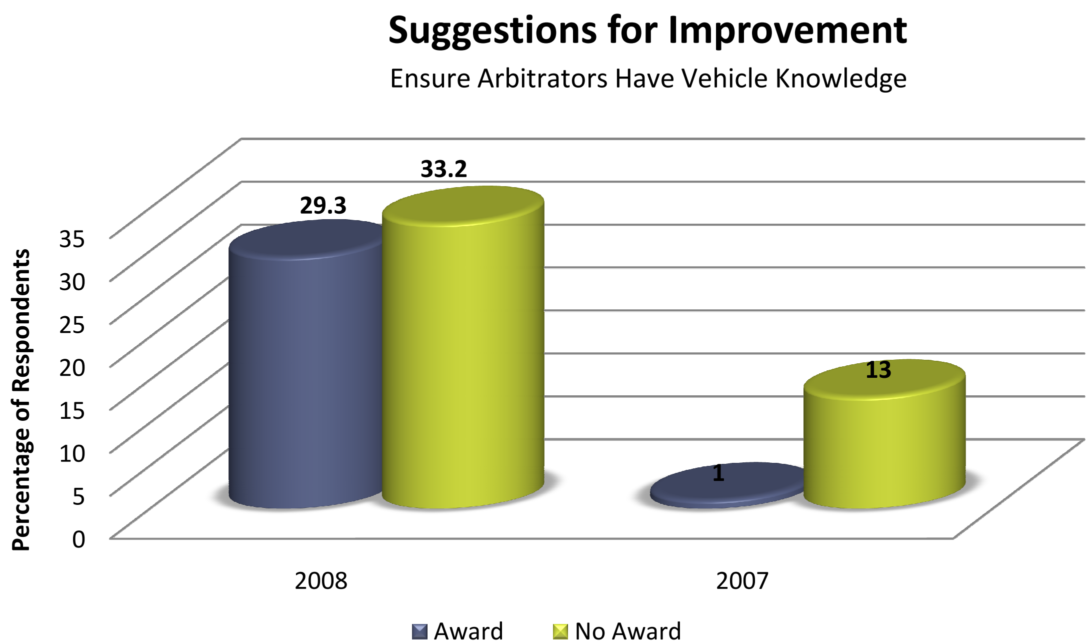
Group Differences

A high percentage of, both, females and males would like to ensure arbitrators have vehicle knowledge as a way to improve the arbitration process. The majority of the racial and ethnic backgrounds (Asian/Pacific Islander, Caucasian and other) would also like to ensure arbitrators have vehicle knowledge as a major change to improve the process. Only a high percentage of Hispanic/Latinos (29.2%) thought about expanding the marketing of the arbitration process as an improvement. A high percentage of African-Americans (45.5%) would like to have more information on the Lemon Law.



Year to Year results

Similar to 2007, more consumers who did not receive an award (33.2%) during 2008 suggested that arbitrators had more vehicle knowledge than consumers who did receive an award (29.3%). Overall, regardless of the outcome, consumers focused on the arbitrators' expertise and knowledge.

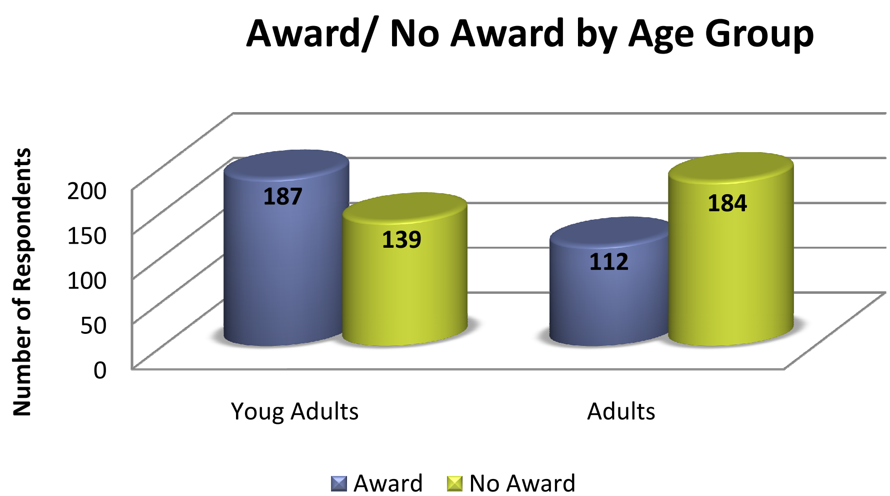


Demographic Profile

35. What is your age?

The age group with the majority of participants was 35-44 with 209 consumers or almost thirty-four percent (33.6%). The age group with lowest participants was young adults (18-24) with only 28 consumers participating.

Younger participants (18-44) in general received a higher number of favorable outcomes (187) versus adults (112) between the ages of 45-65. Likewise this older age group had a larger number of unfavorable outcomes. In general, the older the participant, the higher unfavorable outcome awarded.



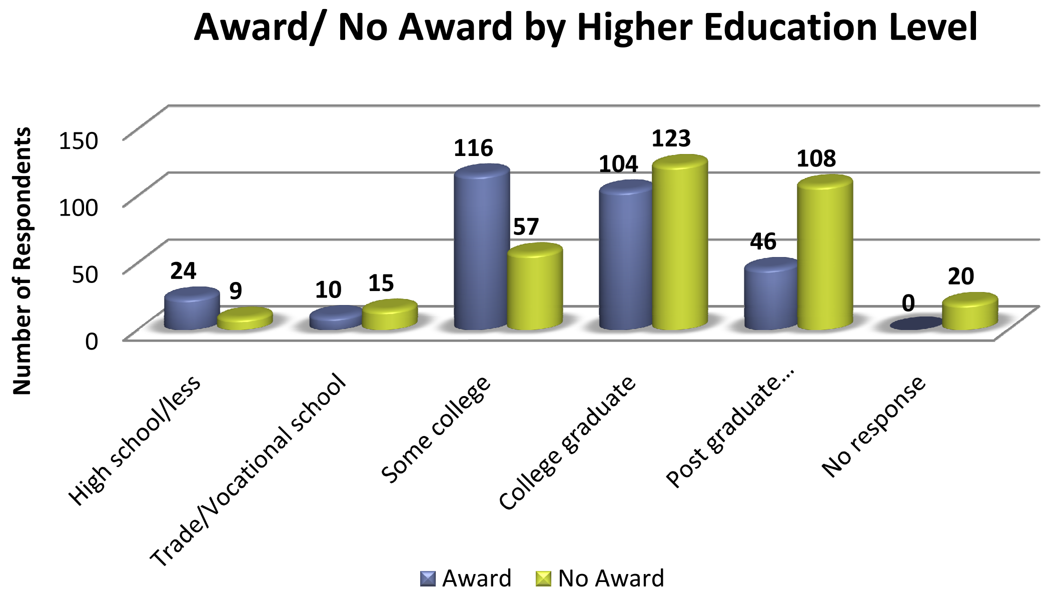
Year to Year results

When comparing the two years, the age brackets with the two highest participation rates flip flopped between 2007 and 2008. In 2008, the highest percentage of participants was between the ages of 35-44, while in 2007 this group ranked second. Second in 2008 were the 45-54 year olds who ranked first in 2007. In 2008 there was a slight increase in the participation of 18-24 year olds and slight drop in the 65+ bracket.

Age	2007	2008
18-24	4%	4.5%
25-34	22%	14.3%
35-44	24%	33.6%
45-54	25%	19.8%
55-64	15%	19.6%
65+	11%	8.2%
Total	100%	100%

36. Which category best describes the highest level of education you have completed?

The majority of respondents (35.9% or 229 participants) during the 2008 survey were college graduates. Also slightly more than twenty-seven percent (27.3%) or 174 consumer attended some college. More than twenty-four percent (24.5%) or 156 consumers had a post graduate work or degree. As mentioned above, in 2008 higher education levels tended to trend towards more unfavorable outcomes.



Year to Year results

Unlike the 2007, the vast majority of the 2008 participants were college graduates. The second highest ranking was among consumers who attended some college. During 2007, this category had the most participants. Post graduate work or degree participants were higher during 2008 by almost ten percent (9.5%). Participants with high school degree or less were fewer than during 2007.

Education	2007	2008
High school/less	15%	5.2%
Trade/Vocational school	9%	4.1%
Some college	32%	27.3%
College graduate	30%	35.9%
Post graduate work/degree	15%	24.5%
No response	0%	3.1%
Total	100%	100%

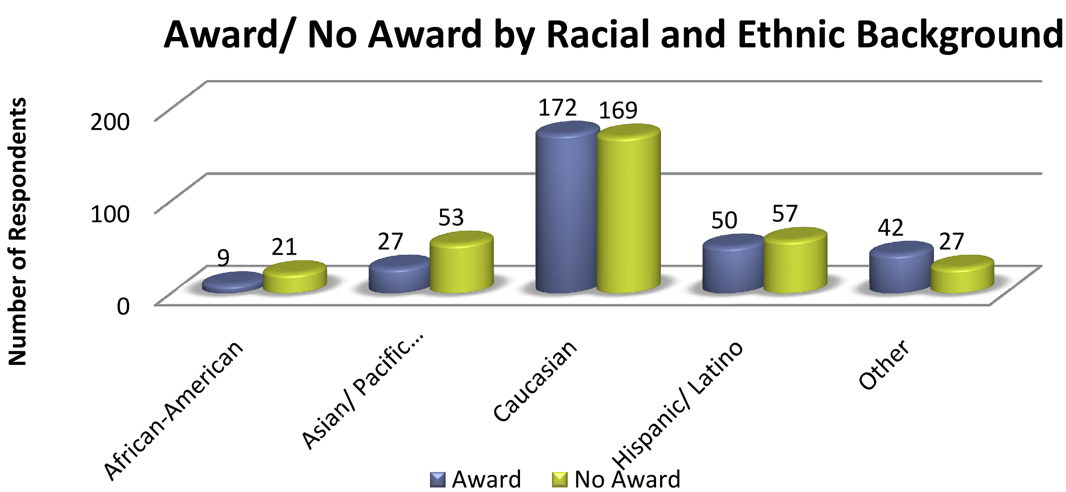
37. Which category best describes your racial or ethnic background?

Almost sixty percent (53.8%) or 343 consumers that participated in the 2008 survey were Caucasians. Slightly more than seventeen percent (17.1%) or 109 consumers were Hispanic/Latinos. And only slightly more than five percent (5.2%) or 33 participants were African-Americans. The "other" racial category accounted for eleven percent (11%) or 70 consumers of the sample.

In 2008, Caucasians and the “other” ethnical category were the only racial groups that received more favorable outcomes than unfavorable. The majority of the consumers in the other racial and ethnic groups received unfavorable outcomes after the arbitration process.

Year to Year results

Similar to 2007, the vast majority of participants were Caucasians. During this year there were slightly less Hispanic/Latinos than during 2007 where twenty-one percent (21%) participated. However, African-Americans and Asian/Pacific Islanders and “other” had higher participation rates during 2008.



Ethnicity	2007	2008
African-American	4%	5.20%
Asian/ Pacific Islander	8%	12.90%
Caucasian	60%	53.80%
Hispanic/ Latino	21%	17.10%
Other	7%	11%
Total	100%	100%

38. Which category best describes your total yearly household income from all sources?

In the 2008 survey, the majority of participants (34.5% or 216 consumers) had a yearly household income of $100,000 or more. And only four percent (4%) or 25 respondents have an annual household income between $20,000 and $39,999.

Year to Year results

During 2007, like 2008, the majority of respondents (38%) stated they had a yearly household income of $100,000 or more. Also, the minority of participants (3%) had an annual household income under $20,000, and fourteen percent (14%) reported a household income between $20,000 and $39,999, ten percent more than during 2008.

Completed Surveys by Annual Household Income

	2007	2008
$20,000 to $39,999	14%	4%
$40,000 to $59,999	19%	11.8%
$60,000 to $79,999	13%	13.4%
$80,000 to $99,999	12%	19.2%
$100,000 or more	38%	34.5%
Did not answer	NA	17.1%

39. Do you have access to the Internet?

Almost ninety-two percent (91.9%) or 581 consumers that participated in the 2008 survey have internet access in their home. Just over eight percent (8.1%) reported that they access the internet in some "other" place.

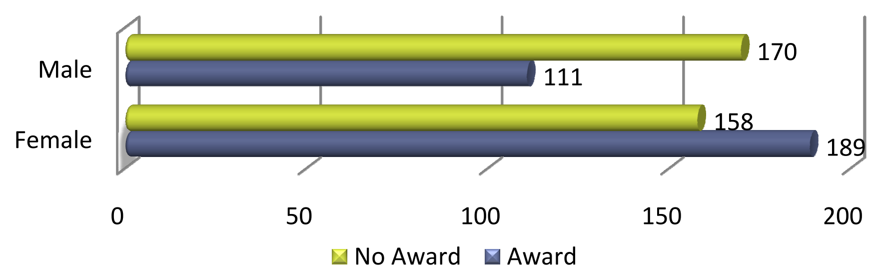
Year to Year results

Similar to 2008, during 2007 the vast majority of respondents (89%) had internet access from home.

40. Gender:

The majority of the2008 survey participants were female with almost fifty-five percent (54.9%) or 350 consumers participating. Slightly more than forty-five percent (45.1%) or 288 consumers were male. During 2008, females received more favorable outcomes than males.

Award/ No Award by Gender



Year to Year results

During 2008 there were almost seventeen percent (16.9%) more females than in the prior year, when only thirty-eight percent (38%) completed the arbitration survey. Last year, males accounted for sixty-two percent (62%) of the sample.

Gender	2007	2008
Female	38%	54.9%
Male	62%	45.1%
Total	100%	100%

KEY FINDINGS AND TRENDS

Based on its review and analysis of the consumers survey data from each of the four quarters of 2008, Pacific Gateway Group and its partner, GIS Strategy Research, make the following observations and findings about trends in the responses of the 668 consumers who responded to this year's survey by DCA.

Internet Usage

Survey data reflected an increase of consumers use and access of internet. This coupled with automated phone polling helped to produce the response rate of 53.8% which is nearly twice as high as 2007 (31%).

2008 Outcome Improvement

In 2008, almost forty-six percent (45.7%) or 300 consumers received favorable outcomes while in 2007 these 210 consumers accounted for only 39%. This is an increase of almost seven percent (6.7%) in favorable outcomes. Slightly more than fifty-four percent (54.3%) or 357 consumers during 2008 were not granted an award after the arbitration process, while in 2007 the percentage of non-awardees stood at sixty one percent (61%). Also in 2008, females received a higher proportion of awards than males.

Knowledge, Ethnicity and Award

The 2008 data demonstrated that having prior knowledge of the Lemon Law affected the outcomes for certain ethnic group. Caucasians (66.3%) and Hispanic/Latinos (53%) reported higher rated of awareness and received higher reward rates (Caucasians- 50.4% and Hispanic/Latinos-46.7%). On the other hand, Asian/Pacific Islanders (35.2%) and African-Americans (43.3%) reported lower rates of prior knowledge and received significantly lower favorable outcomes (Asian/Pacific Islanders-33.8% and African-Americans-30%).

Knowledge, Education Level and Award

The data showed that there was an inverse relationship between prior knowledge of the Lemon Law, your education level and your award. The more education you have the more likely you are to know about the Lemon Law. Only 35.5% of consumers with high school or less know about the Lemon Law prior to their purchase with all other educational levels reporting prior knowledge of between 55-64%.

However, the more education you have the least likely are that you would receive an award. Only 29.9% of those with post graduate work or degree received an award but 73.7% of those with a high school diploma or less received an award.

Overall Perceptions

Consumers survey results showed that they were evenly split when asked to rate their overall satisfaction with the arbitration process (fair or poor-50.6% and good or excellent-48%). Consumers overall perceptions varied greatly when asked about their interactions with the different parties in the process. Consumers rated their interactions as good or excellent with the arbitrator (56%); with the administrative service (51.8%); and with the manufacturer's representatives (13.2%). As in previous years, a consumer who got a positive outcome had more positive overall satisfaction than those who had negative outcomes.

Fairness of the Process

Participants' ratings in 2008 were extremely polarized and highly dependent upon the arbitration outcome just as in 2007. Last year, seventy-five percent (75%) of participants who did not received an award rated the arbitration decision as very unfair, while seventy-one percent (71%) of participants who received an award rated the decision as very fair. In 2008, more than sixty percent (60.33%) or 181 consumers who received an award rated the arbitration decision as very fair, while almost sixty-five percent (64.98%) or 232 consumers who did not receive an award rated the decision as very unfair.

Mode of Hearing Conducted

The mode of hearings conducted had an influence over the consumers' outcome. For consumers who had a teleconference, approximately forty-four percent (44%) received favorable ratings. For those who had in person hearings, those who received an award increased to more than forty eight percent (48.2%) of consumers who chose this method. However, those consumers who chose in writing hearings only received awards twenty-five percent of the time-almost half the rate of other hearing modes.

Arbitration Program Comparison

Overall CDSP rated higher than the BBB on almost all quality of service issues. For instance, almost sixty-five percent (64.7%) of consumers who utilized the CDSP program rated their overall interactions with the administrative service as good or excellent. BBB respondents rated this much more negatively with only slightly more than forty-seven percent (47.1%) of the BBB participants rating it as good or excellent. Additionally, consumers who utilized the CDSP program rated the overall interactions with the vehicle manufacturer's representatives as good or excellent with an eighteen percent (18%). The BBB response rate on this same question was substantially lower with only eleven and one half percent (11.5%) ranking as good or excellent.

Manufacturer Comparison

In general, consumers who purchased GM and Nissan/Infiniti automobiles rated their experiences as lower than the overall sample. Only slightly more than forty-four percent (44.6%) of GM consumers rated their overall experience as good or excellent while the general sample response rate was forty-eight percent (48%). Nissan/Infiniti received an even lower rate (42.2%) when consumers were asked the same question. In rating their overall satisfaction with the manufacturer's representatives, 92.4% of GM customers rated their experience as poor or fair and 91.6% of Nissan/Infiniti consumers rated this same experience as poor or fair. The sample rating of manufacturer's representatives as poor or fair was 86.8%. The manufacturers' comparisons represent too small a sample of California consumers to reach statistically valid outcomes. The reader is cautioned against drawing any definitive conclusions from this limited data.

Recommendations

Pacific Gateway Group and its primary survey research vendor, GIS Strategy Research, make the following recommendations based on their experience in conducting the 2008 California Department of Consumer Affairs Arbitration Certification Program (ACP) public opinion study. These recommendations are intended to increase the effectiveness and usability of the survey results for California consumers, DCA staff and analysts and other interested parties who review and utilize the survey results and findings. Our recommendations are as follows:

1. **Increased Public Awareness**
   Survey results clearly showed that California consumers have knowledge of the California Lemon Law (57.8%) but little specific knowledge of the arbitration process (20.3%). The state of California needs to develop strategies and resources for increasing public awareness of the use and benefits of its Arbitration Certification Program.
2. **Continued Expanded Survey Methodology**
   Based on the 2008 survey response rates (68.5%), the Department of Consumer Affairs should continue to use both phone and on-line survey techniques to increase consumer response rates from prior years (32%).
3. **Discontinue Mail Survey Format**
   Based on the 2008 survey response rate, the PGG team believes that mail back surveys have a negligible effect on overall response rates (0.97% of surveys). By eliminating this costly and time consuming survey methodology, the Department of Consumer Affairs could continue conducting consumer surveys in a cost effective manner.
4. **Manufacturer Data and Analysis**
   In order to capture reliable and valid information from consumers based upon vehicle manufacturers, makes and models, the Department of Consumer Affairs should consider a multi-year survey to ensure that sample sizes are large enough to provide the necessary data and response rates necessary for proper analysis.
5. **Knowledge of Arbitrators**
   Survey respondents from 2008 consistently stated that "if they could think of one major change to improve the arbitration process would be to ensure arbitrators had vehicle knowledge (31.2%)". The PGG team recommends the Department of Consumer Affairs consider developing a program to increase the arbitrators' knowledge of specific vehicles.