



June 3, 2006

On Route of Chevrolet Impala, Signposts to Detroit's Decline

By [MICHELINE MAYNARD](#)

DETROIT, June 2 — To understand why Detroit is having so much trouble competing against Asian car companies, look no further than the [Chevrolet Impala](#).

In the 1960's, the Impala was king of the road. [General Motors](#) sold more than a million of them in 1965. Now the Impala is still the best-selling American car, but it is selling less than a third of that total.

The Impala also lags behind four Japanese offerings — the [Toyota Camry](#) and Corolla, and the [Honda Accord](#) and Civic — in the annual race to be the best-selling car in America.

But Chevrolet, by its own admission, has no plans to try to win back the bragging rights anytime soon.

The reason is that G.M. prefers to stick with its decades-old approach of breadth over depth, buckshot over a silver bullet. So rather than placing an all-or-nothing bet on a single car at one division, it sells family cars through a variety of brands, including Chevrolet, Buick, Pontiac and Saturn.

"We're able to get at more people because we've got locations that sell all these vehicles," said Chevrolet's general manager, Edward J. Peper Jr.

That idea served G.M. well when it sold more than half of all new cars and trucks back in the 1960's. But now G.M. controls less than a quarter of American sales.

And in today's ruthlessly competitive market, that strategy means that no single G.M. car will get the same amount of resources — engineering, design and marketing — as [Toyota](#) and [Honda](#) devote to their best sellers.

The Impala "comes across as the best that the American companies can do," said Brian Moody, a road test editor at Edmunds.com, a Web site that offers buying advice to consumers. "In a vacuum, it's hard to find anything wrong with it. And then you drive the Camry and the Accord."

The strength of those two cars is a reason Asian auto companies took a record 40 percent of the American market in May, when Detroit's market share fell to its second-lowest level in history, less than 53 percent.

To be sure, G.M. and [Ford](#) vastly outsell their Japanese competitors in pickup trucks and sport utility vehicles: the two markets where they have put most of their resources for the last decade and a half.

Moreover, G.M. executives say they are thrilled with the newest version of the Impala, which went on sale last year to good reviews and initially high quality ratings. And while sales at G.M. have dropped 8 percent this year, Impala sales are up 6.4 percent this year over 2005.

Impala can go head to head with Japanese cars in several ways, and price is among them. Like them, Impala sells for about \$20,000 to \$27,000. The Accord, Camry and Impala are on the list of recommended vehicles of Consumer Reports. And the Impala, like the Camry and Accord, has loyal buyers: some 45 percent of its buyers come back for a second one, according to Chevrolet.

The similarities largely end there, however, and the differences among the cars are marked. The main one is Impala's place in the G.M. lineup. It is part of a flock of family sedans at the automaker. In fact, it is not even the only family car at Chevrolet, which also sells the Malibu.

By contrast, Camry is Toyota's brightest star. Camry is "the center of the target," said James Press, who was recently named president of Toyota Motor North America.

Getting the latest Camry ready for its introduction this April was akin to a space launching for Toyota, which is building Camrys in eight markets around the world, including China, where production began last week.

It corralled engineers from the United States and Japan, and manufacturing experts from all the places it builds Camrys. They worked on ways to improve the car up to the time it started rolling off the assembly line.

The last American company to focus that kind of effort on a family car was Ford, which famously put together a team in the 1980's to develop the Taurus. Even back then, the goal was to beat the Accord and the Camry, and they did so, taking the best-selling title for a number of years until 1997, when Camry captured it. It has ceded the title only once since, to Accord.

Toyota's win coincided with Ford's shift of resources to focus on pickups and S.U.V.'s. Even though Ford now has its own flock of family cars, including the Ford Fusion, it does not plan to build enough of any

one model to fight Camry and Accord.

Nor does Chevrolet. In 2006, it expects to make about 275,000 Impalas at a plant in Oshawa, Ontario, the only one where the Impala is built.

That leaves it well shy of Toyota, which sold more than 400,000 Camrys in 2005. For the American market, Toyota builds Camrys in Georgetown, Ky., and it imports more from Japan and soon will be able to build another 100,000 a year when it begins production in 2007 at Subaru's plant in Lafayette, Ind. Toyota holds a stake in Subaru's parent company.

With more than two million Camrys on the road, the name "has become almost a household word," said Tom Libby, an industry analyst with J. D. Power & Associates.

Yet, the Impala was an even bigger household name back when Toyota was barely a blip on the radar. Since 1958, the year after Toyota first sold cars here, Chevrolet has sold more than 14 million Impalas, making it one of the most recognizable cars in automotive history.

But unlike Camry, which has been sold continuously in the United States since 1982, always aimed at the family market, G.M. stopped selling the Impala for two stretches in the 1980's and 1990's. From its roots as a fast, chrome-laden car with six taillights, the Impala grew in size, then shrank and, in the eyes of critics, became generic.

Like many other G.M. models, it is sold to rental car companies, government agencies and corporations, markets where Toyota generally does much less business. The Impala is also a police car, bought by, among others, the New York Police Department. About 20 percent of the Impalas go to so-called fleet sales, down from almost half last year (about 10 percent of Camrys are sold to fleets).

Chevrolet is trying to veer away from the bulk sales and sell more to consumers. One goal with the new Impala, said its marketing manager, Mark A. Clawson, is to put features on the car that Toyota does not offer.

For example, the top-of-the-line SS version can go from 0 to 60 miles per hour in 5.7 seconds, thanks to a zippy V-8 engine with 303 horsepower.

Camry does not offer a V-8, but it has options Impala does not — namely, a manual transmission and four-cylinder engine, both available on its basic and midlevel cars. With gas prices staying high, both those features increasingly are in demand as buyers switch from bigger vehicles, especially S.U.V.'s, to

cars.

But buyers who like the roominess of an S.U.V. may be pleased with another Impala feature. Inside the Impala SS, there are fold-flat rear seats, like those in minivans and S.U.V.'s, creating a vast storage space that most sedans cannot match. There are other options, too, like a jack for an MP3 player, a Bose stereo system and satellite radio.

On the outside, Impala looks conservative — a criticism that used to be leveled at Camry before its latest redesign, which created a curvy car with a light, nimble feel.

Unlike Toyota, which was aiming this time out for a more eye-catching car, Chevrolet deliberately tried not to make a style statement with Impala, Mr. Clawson said.

"We weren't looking for a vehicle that would turn heads, but we weren't looking for one that would turn heads away either," Mr. Clawson said. "We were looking for a balance," a car that was "nicely styled but not ostentatious."

That approach, Mr. Moody of Edmunds.com said, seemed reasonable given the relatively bland appearance of the previous Camry and Accord models. But it now seems unwise given what Toyota has done with the latest Camry, which "so far exceeds the previous car that it almost seems like it's not a Camry," he said, but rather a Lexus luxury car. The Accord, already more eye-catching, gets another face-lift this fall.

Chevrolet has put more emphasis this year on marketing its new S.U.V.'s, especially the [Chevrolet Tahoe](#), and its new line of pickup trucks. It is only now beginning to promote cars like the Impala that it maintains get better fuel economy than its Japanese rivals.

"The American companies spent so much time focusing on trucks and S.U.V.'s that they neglected their cars," Mr. Moody said. "Now they're just playing catch-up."

Even so, Chevrolet dealers, for their part, seem happy with the Impala. Sales of the latest version are up 20 percent at Genoa Chevrolet outside Toledo, Ohio, said Mike Pauley, the dealership's executive manager.

In past years, many of Mr. Pauley's customers chose the Impala largely because of G.M.'s deep discounts, or because they wanted an American-made sedan. But the new version, which carries a modest \$500 rebate, has attracted buyers more on its own merits, he said.

One recent customer was Gary McKeel, a retired salesman from Perrysburg, Ohio, who switched to the Impala after owning Buicks for the last 17 years. "It's spacious and it rides very nice," Mr. McKeel said.

But down the road, Impala may not be such a great deal. According to Edmunds.com, a typical Impala owner will spend 11.3 percent more, or about \$4,300, on the car over five years than the owner of a typical Camry, mainly because the car loses its value faster and has higher repair costs. That figure takes into account the \$500 rebate that Chevrolet is offering on Impala versus none on the Camry.

Mr. Libby of J. D. Power said he did not rule out Detroit's taking the car crown again. This Impala will not be the one, however, he said. Impala "has not had the strength, it has not had the equity of the Camry," he said.

Getting the title back will require another companywide effort like Ford made 20 years ago — the kind that Toyota and Honda routinely make when they introduce new versions of their bread-and-butter cars.

"To me, it's a step-by-step process," Mr. Libby said. "There are no shortcuts."

Nick Bunkley contributed reporting for this article.

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