

TEXAS LEMON LAW

2000 ANNUAL REPORT



CONSUMER AFFAIRS SECTION
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Greetings:

The Texas "Lemon Law" was enacted by the Texas Legislature in 1983. It continues to help consumers who buy or lease new motor vehicles with defects and who have repeated problems getting those vehicles properly repaired. From 1988 to 2000, the Motor Vehicle Board processed 15,126 complaints. This process is considerably less complicated and less expensive than going to court.

This is the ninth annual report published on the Lemon Law since the Texas Legislature established the requirement in 1991. The 2000 report includes information on the program results, the geographic distribution of complaints filed, the defects reported, the complaints filed, settlements, complaints closed, and vehicles ordered repurchased or replaced.

The Motor Vehicle Board is currently in the first phase of a multi-year, three-phase technology project to update its current database to an integrated, automated system and to develop database applications to provide improved access by the staff and public. Phase one, which is scheduled for completion in August 2001, involves system analysis and design for the entire project. Phase two, which is scheduled for completion in June 2002, will involve database conversion and construction. Phase three, which is scheduled for completion in December 2002, will include web publishing, electronic commerce and document imaging. Electronic commerce will include filing complaints via the Internet and sending and receiving correspondence and documents electronically. Document imaging will allow for electronic files to the extent allowed by law. These technology improvements will help our agency to continue to become more efficient.

Last year the Lemon Law Rules were amended to extend the disclosure requirement to all vehicles reacquired by a manufacturer, converter, or distributor to settle a warranty claim, including vehicles transferred to Texas for resale. As a result of the rule change, manufacturers were required to disclose the resale of an additional 206 vehicles in 2000, including 23 vehicles transferred to Texas. Subsequent annual reports will contain more statistical information on reacquired vehicles.

The customer satisfaction survey continues to indicate that the vast majority of Texas citizens who have used the Lemon Law consider it to be an effective remedy in resolving a complaint involving a problem vehicle. Nonetheless, the Motor Vehicle Board continues to strive to improve the program.

Sincerely,

Robert C. Barnes
Chairman, Motor Vehicle Board

June 2001

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MOTOR VEHICLE BOARD**

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VEHICLES COVERED

PASSENGER CARS

**LIGHT TRUCKS
INCLUDES MINI-VANS AND
SPORT UTILITY VEHICLES**

**MOTORCYCLES
(MC)**

**ALL TERRAIN VEHICLES
(ATV)**

**MOTOR HOMES
(MH)**

**TOWABLE RECREATIONAL VEHICLES
(TRV)**

**MEDIUM TRUCKS
(MT)**

**HEAVY TRUCKS
(HT)**

INTRODUCTION

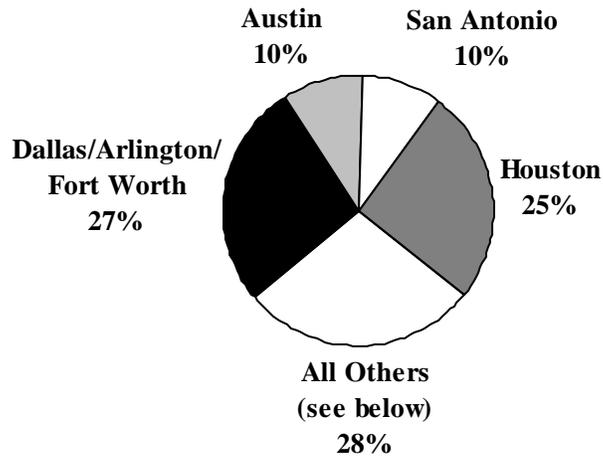
The report includes text and charts to illustrate the resolution of 875 complaints during 2000. Some of the complaints processed in CY00 involved 425 carryovers from the end of CY99, plus 920 new complaints that were received in 2000. Chart A shows an overview of the program results for CY00 along with the previous two years' program results for comparison.

Most complaints involve passenger cars and lights trucks; however, complaints were received on all terrain vehicles, heavy duty trucks, motorcycles, motor homes and towable recreation vehicles. Prices of the vehicles complained against ranged from a few thousand dollars to over six hundred thousand dollars for a luxury motor home.

CHART A SUMMARY OF PROGRAM RESULTS			
	CY98	CY99	CY00
Complaints Filed	1034	890	920
Complaints Closed	1230	964	875
Prehearing Settlements	430	290	223
Hearings Scheduled	618	593	568
Final Orders (Hearings Held)	242	223	138
Repurchase/Replacement Orders	73	72	25

Chart B, which is new for this year, shows the geographic distribution of complaints filed by metropolitan areas. For consumers residing outside these areas, their complaints are included with a nearby metropolitan area. The hearings are held primarily at Texas Department of Transportation offices.

**CHART B
GEOGRAPHIC DISTRIBUTION OF COMPLAINTS FILED
BY METROPOLITAN AREA**



All Others Includes:

0.50% Abilene	0.76% Amarillo	0.43% Atlanta/Texarkana
2.39% Beaumont/Port Arthur/Orange	0.22% Brenham	0.22% Brownsville/Harlingen
0.43% Brownwood	1.63% Bryan/College Station/Huntsville	1.85% Corpus Christi
2.17% El Paso	0.87% Laredo	1.09% Longview
0.76% Lubbock	1.74% Lufkin	3.48% McAllen/Pharr
1.09% Midland/Odessa	0.87% Paris	0.65% San Angelo
2.17% Tyler	0.43% Victoria	3.91% Waco/Killeen/Temple
0.54% Wichita Falls	0.11% Yoakum	

COMPLAINT PROCESS

PROVISIONS OF THE TEXAS LEMON LAW

According to the Texas Motor Vehicle Commission Code:

[Section 6.07](#) provides **new** motor vehicle owners, lessors, or lessees, who purchase or lease their vehicles from licensees of the Motor Vehicle Board, a forum to air complaints about vehicles that they have been unable to have repaired under warranty. Depending on the circumstances, a consumer can seek repurchase or replacement of the vehicle by the manufacturer, converter or distributor under the Lemon Law. A \$35.00 filing fee is required.

[Section 3.08\(i\)](#) provides repair relief to motor vehicle owners whose vehicles do not qualify for repurchase or replacement according to Section 6.07.

For buyers of **used** vehicles or new vehicles purchased or leased from non-licensees of the Motor Vehicle Board, available relief is limited to repairs only under Section 3.08(i).

ENFORCEMENT OF THE TEXAS LEMON LAW

The Motor Vehicle Division of the Texas Department of Transportation, specifically the Consumer Affairs Section, is responsible for enforcement of the Texas Lemon Law. The chart describes the complaint process and time span which may vary depending on the case. A resolution of the complaint may be reached at any stage in the process.

CHART C
COMPLAINT PROCESS AND TIME SPAN

1. **RECEIPT OF COMPLAINT**
A Consumer files a written complaint with the Motor Vehicle Division and may submit a \$35.00 filing fee if the vehicle meets eligibility for filing under Section 6.07.
2. **10 DAYS FROM RECEIPT OF COMPLAINT:**
The Motor Vehicle Division notifies the vehicle manufacturer, the selling dealer, and the servicing dealers of receipt of the complaint.
3. **35 DAYS FROM RECEIPT OF COMPLAINT:**
The Consumer Advisors attempt to resolve the complaint through mediation. A mediation inspection may be scheduled.
4. **90 DAYS FROM RECEIPT OF COMPLAINT:** The Administrative Law Judge schedules and conducts a hearing on the complaint.
5. **135 DAYS FROM RECEIPT OF COMPLAINT:**
The Administrative Law Judge issues a Decision and Final Order.
6. **150 DAYS FROM RECEIPT OF COMPLAINT:**
If a party does not agree with the Administrative Law Judge's Decision and Final Order, a Motion for Rehearing may be filed with the Director of the Motor Vehicle Division or with the Motor Vehicle Board.
7. **165 DAYS FROM RECEIPT OF COMPLAINT:**
The Director or the Motor Vehicle Board rules on the Motion for Rehearing.
8. **CLOSE COMPLAINT**
Parties may still file an appeal in the District Court in Travis County.

RESPONSIBILITIES OF THE CONSUMER ADVISORS

BEFORE A HEARING IS SCHEDULED: When a complaint is received, it is evaluated by a Consumer Advisor who is ASE certified to determine whether the consumer is eligible for relief. After determining that a complaint meets the jurisdictional requirements of either Section 6.07 or Section 3.08(i), the Consumer Advisor serves as a liaison between the consumer and representatives of the manufacturer and dealer. Often, their assistance results in resolution of complaints soon after filing.

AFTER A HEARING IS SCHEDULED: The Consumer Advisor contacts consumers prior to a hearing to review the hearing procedures and to answer any questions that may arise. The Consumer Advisor furnishes information concerning the proof requirements of the Lemon Law described in the consumer handbook and the “Consumer’s Guide to the Texas Lemon Law” video.

MEDIATION INSPECTION PROGRAM

The Mediation Inspection Program is conducted by an ASE certified inspector in an attempt to resolve complaints earlier in the process without the need for time-consuming hearings. Generally, inspections are performed at authorized dealerships located near the consumer with consumer’s and manufacturers’ representatives present. The Motor Vehicle Division’s inspector analyzes the facts based on the inspection of the vehicle and the evidence that the consumer could prove, should a hearing be required. Very often, the parties reach an agreement during the inspections to resolve the complaint. In CY00, 84 inspections were conducted throughout the state. In 65% of these cases, the inspection resolved the complaint. Chart D shows the results of the inspections held in CY00.

CHART D				
MEDIATION INSPECTIONS				
Manufacturer	Section 3.08(i)		Section 6.07	
	Held	Resolved	Held	Resolved
Carpenter Industries	0	0	1	1
DaimlerChrysler	7	4	22	20
Dutchmen (MH)	1	1	0	0
Ford	4	2	10	6
General Motors	3	2	24	11
Georgie Boy (MH)	0	0	1	1
Honda	0	0	1	1
Isuzu	0	0	4	2
Mazda	0	0	1	1
Mitsubishi	0	0	1	1
Navistar (HT)	1	1	0	0
Nissan	0	0	3	1
TOTALS	16	10	68	45
PERCENT RESOLVED	63%		66%	

HEARINGS

Administrative Law Judges travel throughout the state holding hearings in locations as convenient for consumers as possible.

WHAT TO EXPECT AT A HEARING

- Consumers and manufacturers are allowed to present evidence and arguments in support of their respective positions
- The parties and their witnesses personally appear and present their evidence, under oath, and in accordance with the Administrative Procedure Act, the Texas Rules of Civil Procedure and the Texas Rules of Evidence
- Consumers are required to bring their vehicle to the hearing for an inspection and test drive

WHAT TO EXPECT FOLLOWING A HEARING

- The Administrative Law Judge considers all of the evidence received at a hearing and issues a written decision and order at a later date. Generally, orders require one of the following:
- Repurchase or replacement of the vehicle by the manufacturer with a reasonable allowance for the consumer's use of the vehicle deducted
- Repair of the vehicle under the manufacturer's warranty, or
- Dismissal of the complaint if it was not proven

WHEN THE DECISION IS FINALIZED

The decision and order are sent to the parties by certified mail.

- Any party who disagrees with the decision may file a motion for rehearing (a request for reconsideration of the decision) with either the Motor Vehicle Division's Director or the Motor Vehicle Board. In CY00, 34 motions for rehearing were filed with the Motor Vehicle Division's Director and 9 motions for rehearing were filed with the Motor Vehicle Board. The results of the motion for rehearing can range widely from an affirmation or minor modification of the original decision and order to the granting of a complete new hearing.

- After a final ruling on a motion for rehearing, any party who disagrees with the Motor Vehicle Division's final action may file an appeal in state district court under the substantial evidence rule. A very small percentage of the total number of Lemon Law complaints that proceed to a hearing are appealed. Only two Lemon Law cases were appealed in CY00. Both appeals were filed by the manufacturer's of the vehicles.

COMPLAINTS FILED

Chart E shows how many complaints were filed against manufacturers (listed alphabetically by make) for CY98 through CY00.

Although the complaints filed increased 3.4% from CY99, some manufacturers experienced sharper increases, like BMW of North America, Inc., Mercedes-Benz USA, LLC, and Mitsubishi Motors Sales of America, Inc. On the other hand, a few manufacturers experienced sharp declines, like Kia Motors America, Inc. and Mazda North American Operations.

CHART E				
COMPLAINTS FILED - BY MANUFACTURER AND MAKE				
MANUFACTURER	MAKE	CY98	CY99	CY00
Aero (TRV)		0	0	1
Airstream (TRV)		2	2	1
Alfa Leisure (TRV)		1	0	1
AM General		1	1	0
American Cruiser (MH)		0	0	1
American Iron Horse (MC)		1	0	0
Beaver Coaches (MH)		1	1	0
Big Dog (MC)		0	0	2
Blue Bird (MH)		0	1	0
BMW		5	2	8
Buell Distribution (MC)		0	0	1
Carpenter Industries		0	0	1
Coach House (MH)		0	0	1
Coachmen (MH/TRV)		4	1	3
Country Coach (MH)		0	0	1
	Chrysler	31	23	19
	Dodge	108	81	85
	Eagle	1	0	0
	Jeep	39	32	30
	Plymouth	24	12	11
DaimlerChrysler TOTAL		203	148	145
Damon (MH)		4	2	2
Dutchmen (TRV)		0	0	3
Dynamax (MH)		0	0	1
Excelsior Henderson (MC)		0	1	0
Fleetwood (MH/TRV)		19	12	22
	Ford	164	149	154
	Lincoln	9	8	11
	Mercury	8	16	13
Ford TOTAL		181	173	178
Forest River (MH/TRV)		0	2	3
Four Winds (MH)		1	0	2
Freightliner (HT)		5	2	3
	Buick	11	6	7
	Cadillac	8	12	14
	Chevrolet	234	222	183
	GMC	51	33	38
	Oldsmobile	15	18	14
	Pontiac	59	32	38
General Motors TOTAL		378	323	294
Georgie Boy (MH)		1	2	3
Gulf Stream (MH/TRV)		2	2	1
Harley Davidson (MC)		0	1	0
HME Inc. (HT)		0	0	1
Holiday Rambler (MH/TRV)		4	3	0
Home & Park (MH)		0	0	1
	Acura	3	1	1
(Including MC)	Honda	10	15	15
Honda TOTAL		13	16	16
Hyundai		16	13	11
Illusion (MC)		0	1	0
Isuzu		15	18	19
Italjet (MC)		0	0	1
Jaguar		1	2	3
Jayco (TRV)		0	0	1

CHART E				
COMPLAINTS FILED - BY MANUFACTURER AND MAKE				
MANUFACTURER	MAKE	CY98	CY99	CY00
Kawasaki (MC)		1	1	1
Keystone (TRV)		1	1	1
Kia		50	43	30
KME (HT)		0	0	1
K-Z Inc. (TRV)		0	1	0
Land Rover		2	3	4
Mazda		9	14	5
Mercedes-Benz		4	4	11
Metrotrans (MH)		0	0	2
Midwest Motors (MC)		0	0	2
Mitsubishi		17	19	31
Monaco Coach (MH)		3	2	3
National RV (MH)		2	1	2
Navistar (HT)		2	1	2
Newmar (MH)		1	1	1
	Infiniti	0	2	0
	Nissan	23	11	15
Nissan TOTAL		23	13	15
Overland (MH)		0	0	1
	Kenworth	2	0	2
	Peterbilt	1	0	2
Paccar TOTAL (HT)		3	0	4
Polaris (ATV)		1	0	1
Porsche		0	1	0
Rexhall (MH)		1	1	0
	Bentley	0	0	0
	Rolls Royce	0	0	1
Rolls Royce		0	0	1
R-Vision Inc. (MH/TRV)		0	1	3
Saab		1	1	1
Safari (MH)		2	1	0
Saturn		1	3	2
Subaru		1	0	3
Sunny Brook (TRV)		0	0	1
Suzuki (Including MC)		6	1	3
Teton (TRV)		2	0	0
Thor (MH/TRV)		1	2	3
Tiffin Motor Homes (MH)		2	0	1
Titan Motorcycle (MC)		0	0	2
	Lexus	2	0	2
	Toyota	16	20	15
Tovota TOTAL		18	20	17
Ultra Motorcycles (MC)		0	0	2
Ural America (MC)		0	1	0
Viking Recreation (TRV)		0	0	1
	Audi	1	0	1
	Volkswagen	12	9	17
Volkswagen TOTAL		13	9	18
Volvo		7	7	9
	Volvo Trucks	0	1	2
	WhiteGMC	0	0	0
Volvo Trucks (HT) TOTAL		0	1	2
Western RV (TRV)		0	1	0
Winnebago (MH)		2	6	3
Yamaha (MC)		0	1	0
TOTAL COMPLAINTS FILED		1034	890	920

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Chart F shows how many complaints were filed by model and it includes a complaint filed index (CFI). The market share in Chart F is used as an indicator of market share for all year models. The CFI was obtained by dividing the model's share of the complaints filed by its market share.

Consumers can determine if a model has received more or less than its "expected share" of complaints if:

- A model's share of the complaints filed equals its market share, the CFI will be 1.0
- A model has **more** than its expected share of complaints, the CFI be greater than 1.0
- A model has **less** than its expected share of complaints, the CFI is less than 1.0

There are 13 models, down from 18 last year, having a CFI of 1.0 or below, including 7 models with a CFI of 0.5 or below. Models included in these lists are only those with a market share greater than 1% or sales over 14,505. Those models from lowest to highest CFI are:

- | | |
|--------------------|-----------------------|
| • Toyota Camry | • Ford Expedition |
| • Ford Focus | • Ford F250 Pickup |
| • Honda Accord | • Chevrolet Silverado |
| • Ford F150 Pickup | • Ford Explorer |
| • Chevrolet Tahoe | • Dodge Caravan Van |
| • Ford Ranger | • Ford Mustang |
| • Ford Taurus | |

There are 7 models (down from 8 last year) with a market share greater than 1% having a CFI greater than 1.0. Those models from lowest to highest CFI are:

- Dodge Ram 1500
- Pontiac Grand AM
- Ford F350 Pickup
- Chevrolet Cavalier
- GMC Sierra 1500 Pickup
- Chevrolet Suburban
- Jeep Grand Cherokee

CHART F COMPLAINT FILED INDEX BY MAKE AND MODEL						
MAKE	MODEL	COMPLAINTS FILED	COMPLAINT SHARE	TEXAS SALES	MARKET SHARE	CFI
Acura	TL	1	0.11%	4,493	0.3098%	0.35
Aero	Cub (TRV)	1	0.11%	Unknown		
Airstream	CT (TRV)	1	0.11%	Unknown		
Alfa Leisure	Ideal (TRV)	1	0.11%	Unknown		
American Cruiser	RC 2000 (MH)	1	0.11%	Unknown		
Audi	A6	1	0.11%	800	0.0552%	1.97
Bentley	Continental	1	0.11%			
	Bentley Total	1	0.11%	27	0.0019%	58.39
Big Dog	Pit Bull	2	0.22%	Unknown		
BMW	300 Class	6	0.65%	5,964	0.4112%	1.59
	M3	1	0.11%	2	0.0001%	788.32
	Z3	1	0.11%	1,129	0.0778%	1.40
Buell Distribution	X-1	1	0.11%	Unknown		
Buick	Century	1	0.11%	6,147	0.4238%	0.26
	LeSabre	4	0.43%	9,179	0.6328%	0.69
	Park Avenue	2	0.22%	2,514	0.1733%	1.25
Cadillac	Catera	3	0.33%	949	0.0654%	4.98
	DeVille	5	0.54%	8,282	0.5710%	0.95
	Seville	6	0.65%	1,833	0.1264%	5.16
Carpenter Industries	Cadet (Medium Truck)	1	0.11%	Unknown		
Chevrolet	Astro Van	7	0.76%	5,426	0.3741%	2.03
	Blazer	16	1.74%	13,031	0.8984%	1.94
	Camaro	8	0.87%	6,466	0.4458%	1.95
	Cavalier	13	1.41%	16,186	1.1159%	1.27
	Corvette	7	0.76%	2,987	0.2059%	3.69
	Express G10 Van	4	0.43%	3,105	0.2141%	2.03
	Express G20 Van	1	0.11%	1,660	0.1144%	0.95
	Express G30 Van	1	0.11%	2,849	0.1964%	0.55
	Geo Metro	3	0.33%	2,384	0.1644%	1.98
	Geo Prizm	1	0.11%	3,097	0.2135%	0.51
	Geo Tracker	2	0.22%	3,473	0.2394%	0.91
	Impala	1	0.11%	11,606	0.8001%	0.14
	Lumina	2	0.22%	2,063	0.1422%	1.53
	Malibu	18	1.96%	13,676	0.9428%	2.08
	Monte Carlo	1	0.11%	4,060	0.2799%	0.39
	S10 Pickup	8	0.87%	12,563	0.8661%	1.00
	Silverado	51	5.54%	90,317	6.2266%	0.89
Suburban	30	3.26%	28,725	1.9803%	1.65	
Tahoe	6	0.65%	20,494	1.4129%	0.46	
Venture	3	0.33%	4,208	0.2901%	1.12	
Chrysler	300M	1	0.11%	2,408	0.1660%	0.65
	Cirrus	2	0.22%	1,903	0.1312%	1.66
	Concorde	5	0.54%	2,601	0.1793%	3.03
	Imperial	1	0.11%	None		
	Sebring	10	1.09%	2,970	0.2048%	5.31
Coach House	192KS	1	0.11%	Unknown		
Coachmen	Catalina (MH)	1	0.11%	Unknown		
	Prospera (TRV)	1	0.11%	Unknown		
	Santara (MH)	1	0.11%	Unknown		

CHART F COMPLAINT FILED INDEX BY MAKE AND MODEL						
MAKE	MODEL	COMPLAINTS FILED	COMPLAINT SHARE	TEXAS SALES	MARKET SHARE	CFI
Country Coach	Prevost (MH)	1	0.11%	Unknown		
Damon	Intruder	2	0.22%	Unknown		
Dodge	Avenger	3	0.33%	501	0.0345%	9.44
	Caravan Van	9	0.98%	14,790	1.0196%	0.96
	Dakota Pickup	3	0.33%	11,170	0.7701%	0.42
	Durango	15	1.63%	13,262	0.9143%	1.78
	Intrepid	4	0.43%	8,748	0.6031%	0.72
	Neon	6	0.65%	7,351	0.5068%	1.29
	Ram 1500 Pickup	28	3.04%	39,233	2.7048%	1.13
	Ram 2500 Pickup	4	0.43%	11,234	0.7745%	0.56
	Ram 3500 Pickup	3	0.33%	Unknown		
	Ram Van B150	7	0.76%	2,015	0.1389%	5.48
	Ram Van B250	2	0.22%	704	0.0485%	4.48
	Stratus	1	0.11%	6,449	0.4446%	0.24
	Dutchmen	Classic (TRV)	2	0.22%	Unknown	
Signature (TRV)		1	0.11%	Unknown		
Dynamax	Isata (MH)	1	0.11%	Unknown		
Fleetwood	Avion (TRV)	3	0.33%	Unknown		
	Bounder (MH)	3	0.33%	Unknown		
	Discovery (MH)	6	0.65%	Unknown		
	Flair (MH)	1	0.11%	Unknown		
	Pace Arrow (MH)	1	0.11%	Unknown		
	Prowler (TRV)	2	0.22%	Unknown		
	Savana (TRV)	1	0.11%	Unknown		
	Southwind (MH)	2	0.22%	Unknown		
	Terry (TRV)	1	0.11%	Unknown		
	Wilderness (TRV)	2	0.22%	Unknown		
Ford	Contour	3	0.33%	3,209	0.2212%	1.47
	Crown Victoria	2	0.22%	7,742	0.5337%	0.41
	Econoline E150 Van	5	0.54%	4,694	0.3236%	1.68
	Econoline E350 Van	1	0.11%	2,870	0.1979%	0.55
	Escort	10	1.09%	9,920	0.6839%	1.59
	Excursion	2	0.22%	7,648	0.5273%	0.41
	Expedition	12	1.30%	32,400	2.2337%	0.58
	Explorer	25	2.72%	43,301	2.9852%	0.91
	F150 Pickup	25	2.72%	90,088	6.2108%	0.44
	F250 Pickup	11	1.20%	27,338	1.8847%	0.63
	F350 Pickup	11	1.20%	14,842	1.0232%	1.17
	F450 Pickup	2	0.22%	Unknown		
	F550 Pickup	3	0.33%	Unknown		
	Focus	4	0.43%	22,038	1.5193%	0.29
	Mustang	15	1.63%	23,814	1.6418%	0.99
	Ranger	9	0.98%	28,485	1.9638%	0.50
	Taurus	8	0.87%	25,186	1.7364%	0.50
Windstar Van	6	0.65%	12,302	0.8481%	0.77	
Forest River	Cherokee (TRV)	1	0.11%	Unknown		
	Flagstaff (TRV)	1	0.11%	Unknown		
	Reflection (MH)	1	0.11%	Unknown		

CHART F COMPLAINT FILED INDEX BY MAKE AND MODEL						
MAKE	MODEL	COMPLAINTS FILED	COMPLAINT SHARE	TEXAS SALES	MARKET SHARE	CFI
Four Winds	Hurricane (MH)	1	0.11%	Unknown		
	Infinity (MH)	1	0.11%	Unknown		
Freightliner	C120 (HT)	1	0.11%			
	FL80 (HT)	1	0.11%			
	FLD120 (HT)	1	0.11%			
	Freightliner Total	3	0.33%	5,134	0.3539%	0.92
Georgie Boy	Cruise Master (MH)	1	0.11%	Unknown		
	Maverick (MH)	1	0.11%	Unknown		
	Pursuit (MH)	1	0.11%	Unknown		
GMC	Jimmy	1	0.11%	3,740	0.2578%	0.42
	Safari	2	0.22%	1,515	0.1044%	2.08
	Savana G1500	1	0.11%	964	0.0665%	1.64
	Sierra 1500 Pickup	19	2.07%	18,493	1.2749%	1.62
	Sierra 2500 Pickup	4	0.43%	2,752	0.1897%	2.29
	Sierra 3500 Pickup	1	0.11%	831	0.0573%	1.90
	Sonoma	1	0.11%	2,883	0.1988%	0.55
	Suburban	4	0.43%	438	0.0302%	14.40
	Yukon	5	0.54%	11,089	0.7645%	0.71
Gulf Stream	Innsbruck (TRV)	1	0.11%	Unknown		
HME Inc.	Engager (HT)	1	0.11%	Unknown		
Home & Park	Road Trek (MH)	1	0.11%	Unknown		
Honda	Accord	6	0.65%	30,597	2.1094%	0.31
	Odyssey Van	3	0.33%	8,421	0.5806%	0.56
	Passport	4	0.43%	2,014	0.1388%	3.13
	Prelude	1	0.11%	1,163	0.0802%	1.36
	XR650L (MC)	1	0.11%	Unknown		
Hyundai	Accent	3	0.33%	4,631	0.3193%	1.02
	Elantra	4	0.43%	7,200	0.4964%	0.88
	Sonata	2	0.22%	2,895	0.1996%	1.09
	Tiburon	2	0.22%	1,117	0.0770%	2.82
Isuzu	Amigo	1	0.11%	1,089	0.0751%	1.45
	Hombre Pickup	1	0.11%	785	0.0541%	2.01
	Rodeo	14	1.52%	7,981	0.5502%	2.77
	Trooper	3	0.33%	2,376	0.1638%	1.99
Jaguar	XJ Series	1	0.11%	540	0.0751%	1.45
	XK Series	2	0.22%	502	0.0346%	6.28
Jayco	Eagle (TRV)	1	0.11%	Unknown		
Jeep	Cherokee	1	0.11%	6,843	0.4718%	0.23
	Grand Cherokee	20	2.17%	18,479	1.2740%	1.71
	Wrangler	9	0.98%	6,437	0.4438%	2.20
Kawasaki	Ninja (MC)	1	0.11%	Unknown		
Kenworth	T2000 (HT)	1	0.11%			
	T600 (HT)	1	0.11%			
	Kenworth Total	2	0.22%	1,496	0.1031%	2.11
Keystone	Montana (TRV)	1	0.11%	Unknown		
Kia	Sephia	15	1.63%	4,967	0.3424%	4.76
	Sportage	15	1.63%	4,438	0.3060%	5.33
KME	Renegade Excel (HT)	1	0.11%	Unknown		

CHART F COMPLAINT FILED INDEX BY MAKE AND MODEL						
MAKE	MODEL	COMPLAINTS FILED	COMPLAINT SHARE	TEXAS SALES	MARKET SHARE	CFI
Land Rover	Discovery	3	0.33%	1,665	0.1148%	2.84
	Range Rover	1	0.11%	379	0.0261%	4.16
Lexus	GS Series	1	0.11%	2,577	0.1777%	0.61
	LS Series	1	0.11%	1,502	0.1036%	1.05
Lincoln	LS	3	0.33%	3,766	0.2596%	1.26
	Navigator	5	0.54%	4,834	0.3333%	1.63
	Town Car	3	0.33%	7,247	0.4996%	0.65
Mazda	626	3	0.33%	6,916	0.4768%	0.68
	Protégé	2	0.22%	6,611	0.4558%	0.48
MC-Italjet	Formula 50 (MC)	1	0.11%	Unknown		
Mercedes-Benz	C Class	1	0.11%	1,890	0.1303%	0.83
	CL/CLK Class	1	0.11%	1,287	0.0887%	1.23
	ML320	2	0.22%	2,016	0.1390%	1.56
	ML430	2	0.22%	576	0.0397%	5.47
	S Class	3	0.33%	2,192	0.1511%	2.16
	SL/SLK Class	2	0.22%	1,261	0.0869%	2.50
Mercury	Cougar	3	0.33%	3,634	0.2505%	1.30
	Grand Marquis	5	0.54%	11,854	0.8172%	0.67
	Mountaineer	1	0.11%	3,072	0.2118%	0.51
	Mystique	1	0.11%	1,326	0.0914%	1.19
	Sable	1	0.11%	4,521	0.3117%	0.35
	Tracer	2	0.22%	None		
	Irizar	Metrotrans (MH)	2	0.22%	Unknown	
Midwest Motors	Cougar 100 (MC)	1	0.11%	Unknown		
	Jincheng (MC)	1	0.11%	Unknown		
Mitsubishi	3000GT	1	0.11%	None		
	Diamante	2	0.22%	943	0.0650%	3.34
	Eclipse	9	0.98%	6,645	0.4581%	2.14
	Galant	9	0.98%	7,768	0.5355%	1.83
	Mirage	3	0.33%	3,722	0.2566%	1.27
	Montero Sport	7	0.76%	9,524	0.6566%	1.16
Monaco Coach	Diplomat (MH)	2	0.22%	Unknown		
	Windsor (MH)	1	0.11%	Unknown		
National RV	Tradewinds (MH)	2	0.22%	Unknown		
Navistar	4700 (HT)	1	0.11%			
	4900 (HT)	1	0.11%			
	Navistar Total	2	0.22%	6,169	0.4253%	0.51
Newmar	Kountry Star (MH)	1	0.11%	Unknown		
Nissan	Altima	1	0.11%	6,436	0.4437%	0.24
	Frontier	4	0.43%	13,235	0.9124%	0.48
	Maxima	6	0.65%	9,541	0.6578%	0.99
	Pathfinder	2	0.22%	5,248	0.3618%	0.60
	Quest Van	2	0.22%	2,401	0.1655%	1.31
Oldsmobile	Alero	9	0.98%	6,496	0.4478%	2.18
	Aurora	1	0.11%	1,252	0.0863%	1.26
	Intrigue	3	0.33%	3,096	0.2134%	1.53
	Ninety-Eight	1	0.11%	None		
Overland	Lorado	1	0.11%	Unknown		

CHART F COMPLAINT FILED INDEX BY MAKE AND MODEL						
MAKE	MODEL	COMPLAINTS FILED	COMPLAINT SHARE	TEXAS SALES	MARKET SHARE	CFI
Peterbilt	379	2	0.22%			
	Peterbilt Total	2	0.22%	2,642	0.1821%	1.19
Plymouth	Neon	8	0.87%	3,195	0.2203%	3.95
	Voyager Van	3	0.33%	2,316	0.1597%	2.04
Polaris	SPTMN 500	1	0.11%	Unknown		
Pontiac	Bonneville	3	0.33%	2,905	0.2003%	1.63
	Firebird	9	0.98%	4,810	0.3316%	2.95
	Grand Am	11	1.20%	14,873	1.0254%	1.17
	Grand Prix	5	0.54%	7,838	0.5404%	1.01
	Montana	6	0.65%	2,158	0.1488%	4.38
	Sunfire	2	0.22%	5,722	0.3945%	0.55
	Trans Sport Van	2	0.22%	None		
R-Vision, Inc.	Condor (MH)	1	0.11%	Unknown		
	Trail Harbor (TRV)	2	0.22%	Unknown		
Saab	9-5	1	0.11%	638	0.0440%	2.47
Saturn	SC	2	0.22%	2,572	0.1773%	1.23
Subaru	Forester	1	0.11%	1,225	0.0845%	1.29
	Legacy	2	0.22%	1,003	0.0691%	3.14
Sunny Brook	Mobile Scout (TRV)	1	0.11%	Unknown		
Suzuki	Intruder (MC)	1	0.11%	Unknown		
	Sidekick	1	0.11%	None		
	Vitara	1	0.11%	2,230	0.1537%	0.71
Thor	Travel Eze (TRV)	2	0.22%	Unknown		
	Wanderer (TRV)	1	0.11%	Unknown		
Tiffin Motor Homes	Allegro (MH)	1	0.11%	Unknown		
Titan Motorcycle	Phoenix (MC)	2	0.22%	Unknown		
Toyota	4Runner	1	0.11%	10,736	0.7402%	0.15
	Avalon	7	0.76%	8,706	0.6002%	1.27
	Camry	2	0.22%	28,090	1.9366%	0.11
	Celica	1	0.11%	3,439	0.2371%	0.46
	Land Cruiser	1	0.11%	1,349	0.0930%	1.17
	Rav4	1	0.11%	2,507	0.1728%	0.63
	Tacoma Pickup	1	0.11%	9,596	0.6616%	0.16
Ultra Motorcycle	Tundra Pickup	1	0.11%	8,240	0.5681%	0.19
	Ground Pounder (MC)	1	0.11%	Unknown		
	Wide Series II (MC)	1	0.11%	Unknown		
Viking Recreation	Legend (TRV)	1	0.11%	Unknown		
Volkswagen	Jetta	7	0.76%	7,428	0.5121%	1.49
	New Beetle	5	0.54%	6,028	0.4156%	1.31
	Passat	5	0.54%	3,415	0.2354%	2.31
Volvo	960	1	0.11%	None		
	C70	2	0.22%	278	0.0192%	11.34
	S40	2	0.22%	1,433	0.0988%	2.20
	S70	3	0.33%	2,037	0.1404%	2.32
	V70	1	0.11%	914	0.0630%	1.72
Volvo Trucks	VNL64T (HT)	2	0.22%			
	Volvo Trucks Total	2	0.22%	746	0.0514%	4.23
Winnebago	Chieftain (MH)	1	0.11%	Unknown		
	Horizon (MH)	1	0.11%	Unknown		
	Itasca (MH)	1	0.11%	Unknown		
TOTAL COMPLAINTS FILED		920	100%			

Chart G shows how many defects, by component system or category, consumers reported on filing their complaints. Consumers reported 1,670, or 1.82 defects per vehicle, with the engine (performance/emissions) category being the most common (18.14%). By comparison, in CY99 consumers reported 1,618 defects, which was also 1.82 defects per vehicle. The engine (performance/emissions) category was also the most common (17.74%).

CHART G DEFECTS REPORTED		
CATEGORY	NUMBER	PERCENT OF TOTAL REPORTED
Engine (mechanical)	165	9.88%
Engine (performance/emissions)	303	18.14%
Air conditioning and heating	116	6.95%
Automatic transmission	131	7.84%
Standard transmission	35	2.10%
Driveline (axles and driveshaft) / vibrations	94	5.63%
Brakes	169	10.12%
Electrical	157	9.40%
Suspension and steering	205	12.28%
Body and trim	180	10.78%
Paint	25	1.50%
Water leaks	56	3.35%
Safety devices, seat belts, airbags	17	1.02%
Other	17	1.02%
TOTAL DEFECTS REPORTED	1670	100%

Chart H shows the predominate defect claimed by consumers on filing their complaints for vehicles with a market share of one percent or greater. The engine (performance/emissions) category was a predominate defect on 11 of the 20 models listed. The brakes category was the predominate defects on 5 of the 20 models listed.

The model's predominate defect percentage was obtained by dividing the total number of predominate defects reported for that model by the total number of complaints filed.

Example: Ford F350 Pickups had a total of 21 defects reported on 11 complaints that were filed. Four of the defects reported were engine (mechanical) complaints and another four were engine (performance/emissions) complaints. There were three defects each reported in the automatic transmission, driveline (axles & driveshaft)/vibrations, and brakes categories, two defects reported in the suspension and steering category and one defect reported in both the manual transmission category and the paint category. The defect percentage for each of the predominate defects is found by dividing the 4 reported defects by the 11 complaints received, which equals 0.36 or 36%.

CHART H PREDOMINATE DEFECTS REPORTED (MARKET SHARE GREATER THAN 1%) BY MAKE AND MODEL				
MAKE	MODEL	COMPLAINTS FILED	DEFECT	DEFECT % FOR MAKE
Chevrolet	Cavalier	13	Engine (performance/emissions)	46%
Chevrolet	Silverado	51	Suspension and steering	43%
Chevrolet	Suburban	30	Driveline (axles & driveshaft) vibrations	27%
Chevrolet	Tahoe	6	Brakes	67%
Dodge	Caravan Van	9	Engine (performance/emissions)	44%
Dodge	Ram 1500 Pickup	28	Engine (performance/emissions)	39%
Ford	Expedition	12	Engine (performance/emissions)	42%
Ford	Explorer	25	Engine (performance/emissions)	40%
Ford	F150 Pickup	25	Engine (mechanical)	40%
Ford	F250 Pickup	11	Suspension and steering	45%
Ford	F350 Pickup	11	Engine (mechanical)	36%
			Engine (performance/emissions)	36%
Ford	Focus	4	Brakes	50%
Ford	Mustang	15	Engine (performance/emissions)	33%
Ford	Ranger	9	Engine (performance/emissions)	67%
Ford	Taurus	8	Engine (performance/emissions)	63%
GMC	Sierra 1500 Pickup	19	Engine (mechanical)	32%
			Engine (performance/emissions)	32%
			Automatic transmission	32%
			Suspension and steering	32%
Honda	Accord	6	Engine (performance/emissions)	17%
			Air conditioning and heating	17%
			Automatic transmission	17%
			Standard transmission	17%
			Brakes	17%
			Body and trim	17%
			Safety devices	17%
Jeep	Grand Cherokee	20	Brakes	35%
Pontiac	Grand AM	11	Body and trim	45%
Toyota	Camry	2	Brakes	50%
			Suspension and steering	50%

COMPLAINTS CLOSED

Chart I shows 307 complaints were resolved before a hearing was scheduled. The following methods of resolution and the numbers resolved are:

- Lack of jurisdiction, no warranty defect, etc., 50 which is 16.3% of the total resolved
- Not pursued (some may have settled with the initiation of communication by the Motor Vehicle Division between the consumer and the manufacturer), 34 which is 11.1% of the total resolved
- Consumer received relief, 223 which is 72.6% of the total resolved

CHART I
COMPLAINT RESOLUTION BEFORE HEARING SET

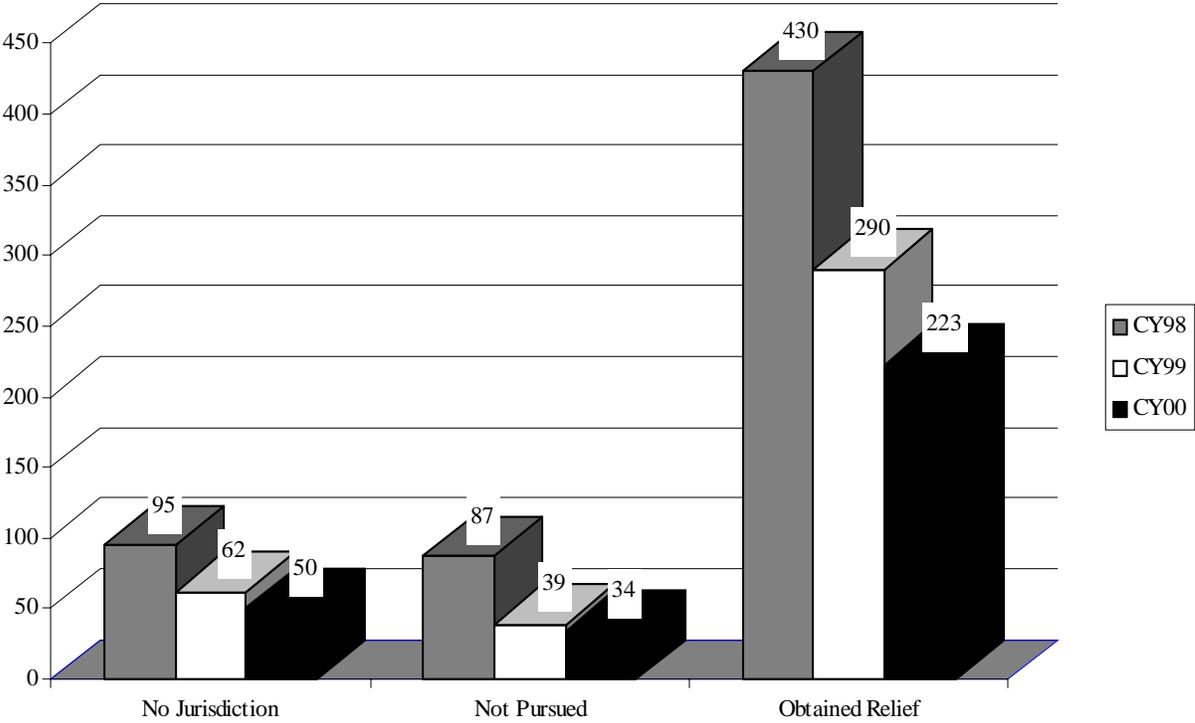


Chart J shows the number of cases settled in CY00. Before a decision was issued, 566 complaints settled at various stages of the process.

- 223 settled prior to scheduling of a hearing
- 182 settled after a hearing was set but before the hearing was held
- 161 settled after a hearing convened

Of those that settled:

- 132 were repurchased
- 121 were replaced
- 60 were given trade assistance

CHART J SETTLEMENTS			
	Prior to Hearing Scheduled	After Hearing Scheduled but Before Hearing Convened	After Hearing Convened
Repurchased	53	47	32
Replaced	59	34	28
Trade-assists	18	24	18
Repaired	60	41	24
Extended Service Contract	27	19	23
Others	6	17	36
TOTAL	223	182	161

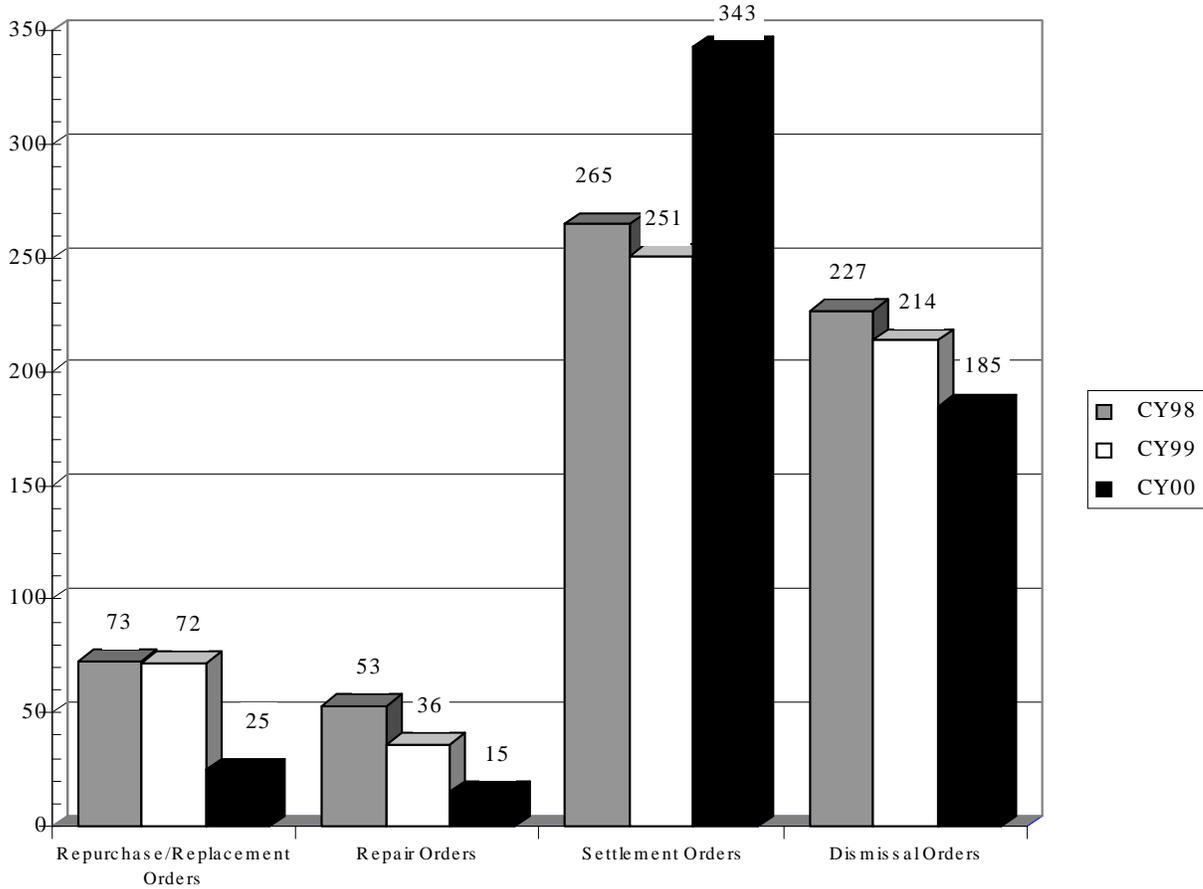
Chart K describes the vehicles (listed alphabetically by manufacturer) that were repurchased or replaced or had trade assistance provided before a hearing convened. Although the totals by manufacturer have had a tendency to remain relatively constant, the total for Ford Motor Company increased 93% from CY99. However, the total for DaimlerChrysler Motors Corporation decreased 31.7% from CY99.

CHART K				
REPURCHASE/REPLACEMENT/TRADE ASSIST SETTLEMENTS				
MANUFACTURER	Repurchase	Replacement	Trade Assist	TOTAL
Airstream	0	0	0	0
BMW	0	1	1	2
Buell Distribution	1	0	0	1
Coachmen	0	0	0	0
DaimlerChrysler	9	28	4	41
Fleetwood	0	1	0	1
Ford	4	26	26	56
Four Winds	0	0	0	0
General Motors	62	23	5	90
Gulf Stream	1	1	0	2
Honda	1	1	0	2
Hyundai	1	0	0	1
Isuzu	1	3	1	5
Jaguar	0	0	0	0
Keystone	0	0	0	0
Kia	5	1	1	7
Land Rover	1	0	0	1
Mazda	1	0	0	1
Mitsubishi	5	1	0	6
Monaco Coach	0	0	0	0
Navistar	0	0	0	0
Nissan	1	1	0	2
Polaris	1	0	0	1
R-Vision	0	0	1	1
Saturn	0	2	0	2
Subaru	0	0	0	0
Suzuki	0	0	0	0
Thor	0	0	0	0
Toyota	2	0	1	3
Ural America	0	0	0	0
Viking Recreation	1	0	0	1
Volkswagen	2	3	2	7
Volvo	1	1	0	2
Winnebago	0	0	0	0
TOTAL	100	93	42	235

Chart L shows the orders that were entered in 568 cases scheduled for hearing. Some form of relief was granted in 67% of the cases. The following methods of resolution after the hearing was set and numbers resolved are:

- Ordered repaired, repurchased or replaced, 40 or 7% of the total resolved
- Settlement order, 343 or 60% of the total resolved
- Ordered dismissed (abandoned or not proven), 185 or 33% of the total resolved

CHART L
COMPLAINT RESOLUTION AFTER HEARING SET



Charts M₁ and M₂ reveal:

- The number of complaints closed **decreased** 9% from CY99 and 28.9% from CY98
- The number of hearings scheduled **decreased** 0.5% from CY99 and 8.1% from CY98
- The number of final orders issued **decreased** 37.8% from CY99 and 43% from CY98
- The number of vehicles ordered repurchased or replaced **decreased** 65.3% from CY99 and 65.8% from CY98

CHARTM₁
COMPLAINTS CLOSED COMPARISON

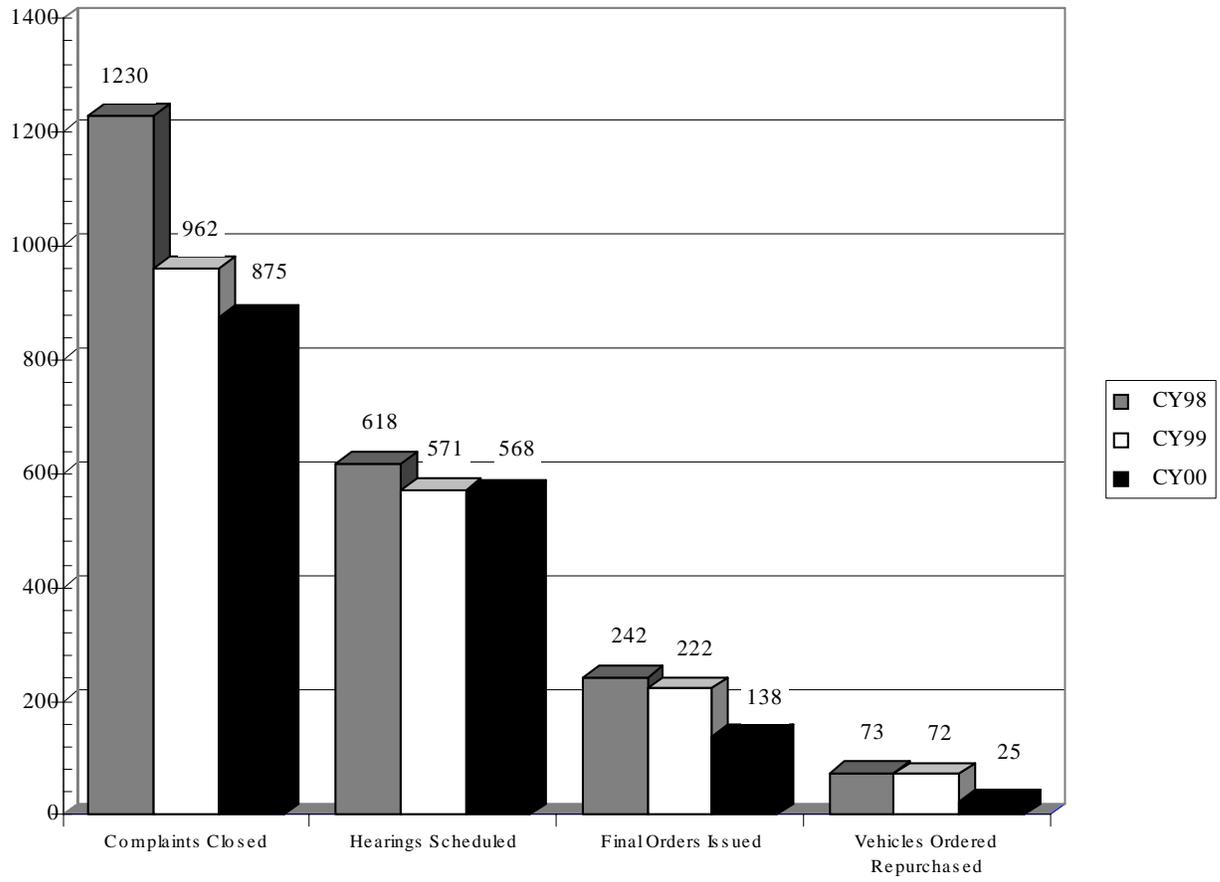


CHART M ₂					
COMPLAINTS CLOSED - BY MANUFACTURER AND MAKE					
MANUFACTURER	MAKE	COMPLAINTS CLOSED	HEARINGS SCHEDULED	FINAL ORDERS	REPURCHASE or REPLACEMENT ORDERS
Airstream		1	1	0	0
Beaver Coaches		1	1	0	0
Big Dog		1	1	0	0
BMW		5	3	0	0
Buell Distribution		1	0	0	0
Carpenter Industries		1	1	0	0
Coach House		1	0	0	0
Coachmen		3	3	1	0
	Chrysler	24	9	1	0
	Dodge	73	45	8	3
	Eagle	0	0	0	0
	Jeep	34	17	2	0
	Plymouth	12	8	3	0
DaimlerChrysler TOTAL		143	79	14	3
Damon		3	2	0	0
Fleetwood		18	13	5	2
	Ford	149	95	25	5
	Lincoln	5	3	2	1
	Mercury	17	6	2	0
Ford TOTAL		171	104	29	6
Forest River		2	2	0	0
Freightliner		2	2	1	0
	Buick	10	8	1	0
	Cadillac	15	11	3	0
	Chevrolet	194	135	29	5
	GMC	37	21	5	0
	Oldsmobile	18	7	4	1
	Pontiac	30	21	9	1
General Motors TOTAL		304	203	51	7
Georgie Boy		1	1	1	0
Gulf Stream		3	3	0	0
HME Inc.		1	1	0	0
Holiday Rambler		4	4	1	0
Home & Park		1	1	0	0
	Acura	1	1	0	0
	Honda	11	7	1	0
Honda TOTAL		12	8	1	0
Hyundai		8	5	0	0
Isuzu		15	12	4	0
Kia		47	40	8	2

CHART M ₂					
COMPLAINTS CLOSED - BY MANUFACTURER AND MAKE					
MANUFACTURER	MAKE	COMPLAINTS CLOSED	HEARINGS SCHEDULED	FINAL ORDERS	REPURCHASE or REPLACEMENT ORDERS
Land Rover		2	0	0	0
Mazda		6	3	2	0
Mercedes-Benz		4	4	2	1
Midwest Motors		1	1	0	0
Mitsubishi		30	18	6	2
Monaco Coach		3	3	1	1
National RV		2	2	0	0
Newmar		2	2	2	1
	Infiniti	0	0	0	0
	Nissan	11	8	3	0
Nissan TOTAL		11	8	3	0
	Kenworth	0	0	0	0
	Peterbilt	1	1	0	0
Paccar TOTAL		1	1	0	0
Polaris		1	1	0	0
Rexhall		1	0	0	0
R-Vision		3	2	0	0
Saab		2	1	0	0
Saturn		3	0	0	0
Subaru		2	0	0	0
Sunny Brook		1	0	0	0
Suzuki		3	1	1	0
Thor		1	0	0	0
	Lexus	0	0	0	0
	Toyota	14	10	3	0
Toyota TOTAL		14	10	3	0
Ultra Cycles		1	1	0	0
Viking Recreation		1	1	0	0
	Audi	1	0	0	0
	Volkswagen	12	6	0	0
Volkswagen TOTAL		13	6	0	0
Volvo		12	9	1	0
Volvo Trucks		1	1	0	0
Western RV		1	1	0	0
Winnebago		3	1	0	0
Yamaha		1	1	1	0
TOTAL CLOSED		875	568	138	25

There were 25 vehicles ordered repurchased or replaced after a contested hearing when an Administrative Law Judge found the complaint met the statutory requirements for relief under the Lemon Law.

Included are:

- 7 passenger cars
- 14 trucks
- 4 motor homes

Chart N describes the vehicles that were ordered repurchased or replaced by manufacturers listed alphabetically by make and model.

- The make's share of lemons (repurchase percentage) was obtained by dividing the number of that make's vehicles found to be lemons by the total number of vehicles found to be lemons by the Motor Vehicle Division (25).

Example: Kia had two vehicles repurchased, which would be 2 divided by 25, which equals .08 or 8%.

- The lemon index for each make was obtained by dividing the make's share of lemons by its market share in the state.

Example: Dodge has a repurchase percentage of 12% which, when divided by their market share of 8.54% , gives them a lemon index of 1.405.

Use of the chart must be tempered by several considerations:

- The number of vehicles ordered repurchased or replaced is very small compared to the number of new vehicles registered in Texas in CY00. The importance of this is that one additional vehicle ordered repurchased or replaced may significantly change the lemon index for a particular model.
- The market percentage figures were obtained from *The Polk Company*. The market percentage is used as an indicator of market percentage for all year makes involved in repurchase or replacement orders.
- Conversion vehicles (shown as "Conv") are listed alphabetically first by the party ordered to repurchase the vehicle then by the other involved parties.
- Comparisons to results reported by other states should be used with caution due to major structural differences in the lemon laws of various states.

CHART N							
VEHICLES ORDERED REPURCHASED OR REPLACED - BY MAKE AND MODEL							
YR	MAKE	MODEL	PROBLEM AREA	PRICE	MARKET %	REPUR. %	LEMON INDEX
98	Chevrolet	Blazer	Air conditioning and heating	\$23,560.51	17.33%	16%	0.923
99	Chevrolet	Silverado	Engine (mechanical), driveline (axles and driveshaft)/vibrations, brakes	\$23,325.75	17.33%	16%	0.923
97	Chevrolet/ Traveltime Vans	Silverado (conv)	Brakes	\$27,316.99	Unknown	4%	Unknown
99	Chevrolet	Corvette	Engine (performance/emissions)	\$43,212.95	17.33%	16%	0.923
99	Chevrolet	Suburban	Suspension and steering, body and trim	\$24,660.20	17.33%	16%	0.923
99	Dodge	Durango	Engine (performance/emissions)	\$27,002.19	8.54%	12%	1.405
00	Dodge	Durango	Engine (performance/emissions)	\$28,567.79	8.54%	12%	1.405
99	Dodge	Intrepid	Engine (performance/emissions)	\$17,695.82	8.54%	12%	1.405
98	Fleetwood	Discovery (MH)	Driveline (axles and driveshaft)/ vibrations, suspension and steering	\$103,581.88	Unknown	8%	Unknown
00	Fleetwood	Discovery (MH)	Body and trim	\$132,808.16	Unknown	8%	Unknown
98	Ford	Contour	Electrical	\$15,050.86	25.39%	20%	0.788
98	Ford	Explorer	Engine (mechanical)	\$21,611.64	25.39%	20%	0.788
98	Ford	Explorer	Standard transmission	\$16,640.32	25.39%	20%	0.788
98	Ford	F150 Pickup	Engine (performance/emissions)	\$13,295.03	25.39%	20%	0.788
99	Ford	F350 Pickup	Standard transmission	\$28,392.03	25.39%	20%	0.788
98	Kia	Sephia	Brakes	\$9,582.33	0.76%	8%	10.505
98	Kia	Sportage	Standard transmission	\$17,874.02	0.76%	8%	10.505
98	Lincoln	Navigator	Engine (performance/emissions)	\$36,282.89	1.16%	4%	3.453
99	Mercedes-Benz	ML430	Electrical	\$42,420.31	0.85%	4%	4.700
98	Mitsubishi	Eclipse	Brakes	\$15,001.09	2.09%	8%	3.826
99	Mitsubishi	Montero Sport	Automatic transmission	\$23,891.13	2.09%	8%	3.826
98	Monaco	Dynasty (MH)	Entry step	\$254,699.25	Unknown	4%	Unknown
99	Newmar	Dutch Star (MH)	Air conditioning and heating, Body and trim	\$168,221.91	Unknown	4%	Unknown
99	Oldsmobile	Alero	Engine (mechanical)	\$19,855.83	0.92%	4%	4.360
98	Pontiac	Grand Prix	Engine (performance/emissions)	\$23,051.22	2.69%	4%	1.488
TOTAL VEHICLES REPURCHASED: 25				\$1,157,602.10			

Chart O is provided to allow the reader to put the lemon index in perspective, taking into consideration the market share of the different manufacturers in Texas. The percentages are obtained by dividing the overall sales for each manufacturer as furnished by *The Polk Company* by the total Texas sales. For the fourth year, more new trucks were registered in Texas than new cars.

Vehicles registered in Texas in 2000:

■	Cars	604,420
■	Trucks	846,087

CHART O				
MARKET SHARE PERCENTAGE - BY MANUFACTURER AND MAKE				
		APPROXIMATE MARKET SHARE		
MANUFACTURER	MAKE	CARS	TRUCKS	COMBINED
	Bentley	0.004%	0.000%	0.002%
	Rolls Royce	0.002%	0.000%	0.001%
Bentley Total		0.007%	0.000%	0.003%
BMW		1.795%	0.200%	0.748%
	Chrysler	1.799%	1.716%	1.750%
	Dodge	3.832%	11.902%	8.539%
	Eagle	0.000%	0.000%	0.000%
	Jeep	0.000%	3.754%	2.190%
	Plymouth	0.668%	0.274%	0.438%
DaimlerChrysler Total		6.299%	17.645%	12.917%
Daewoo		0.736%	0.000%	0.307%
	Ford	15.206%	32.663%	25.389%
	Lincoln	1.980%	0.571%	1.158%
	Mercury	3.530%	0.629%	1.838%
Ford Total		20.716%	33.863%	28.385%
Freightliner		0.000%	0.607%	0.354%
	Buick	3.669%	0.000%	1.529%
	Cadillac	1.992%	0.334%	1.025%
	Chevrolet	10.345%	22.320%	17.330%
	GMC	0.000%	4.919%	2.869%
	Oldsmobile	1.794%	0.291%	0.917%
	Pontiac	5.981%	0.336%	2.688%
General Motors Total		23.781%	28.199%	26.358%
	Acura	1.456%	0.065%	0.645%
	Honda	8.976%	2.153%	4.996%
Honda Total		10.432%	2.218%	5.641%
Hyundai		2.639%	0.062%	1.136%
Isuzu		0.000%	1.610%	0.939%
Jaguar		0.495%	0.000%	0.206%
Kia		0.000%	0.000%	0.000%
Land Rover		1.456%	0.065%	0.645%
Mazda		8.976%	2.153%	4.996%

CHART O				
MARKET SHARE PERCENTAGE - BY MANUFACTURER AND MAKE				
		APPROXIMATE MARKET SHARE		
MANUFACTURER	MAKE	CARS	TRUCKS	COMBINED
Mercedes-Benz		1.591%	0.322%	0.851%
Mitsubishi		3.156%	1.330%	2.091%
Navistar		0.000%	0.729%	0.425%
	Infiniti	0.834%	0.204%	0.466%
	Nissan	3.941%	3.375%	3.611%
Nissan Total		4.775%	3.579%	4.077%
	Kenworth	0.000%	0.177%	0.103%
	Peterbilt	0.000%	0.312%	0.182%
PACCAR Total		0.000%	0.489%	0.285%
Porsche		0.307%	0.000%	0.128%
	Bentley	3.941%	3.375%	3.611%
	Rolls Royce	0.000%	0.000%	0.000%
Rolls Royce Total		3.941%	3.687%	3.793%
Saab		0.220%	0.000%	0.092%
Saturn		2.716%	0.000%	1.132%
Subaru		0.214%	0.145%	0.174%
Suzuki		0.211%	0.264%	0.242%
	Lexus	1.532%	1.044%	1.247%
	Toyota	9.952%	4.686%	6.880%
Toyota Total		11.483%	5.730%	8.127%
	Audi	0.428%	0.000%	0.178%
	Volkswagen	3.070%	0.012%	1.286%
Volkswagen Total		3.498%	0.012%	1.464%
Volvo		1.061%	0.000%	0.442%
Volvo Trucks		0.000%	0.088%	0.051%
Western Star		0.000%	0.028%	0.016%
All Others		0.016%	0.707%	0.419%
		111%	104%	106%

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Considering the number of complaints filed, the number of repurchase or replacement orders was relatively small in CY00. It may be more beneficial to focus attention on the total number of complaints closed by the Motor Vehicle Division and compare how manufacturers responded to their respective share of complaints.

Chart P indicates at what rate and in what manner manufacturers settled complaints that were closed. It is noteworthy that certain manufacturers were particularly receptive to settling complaints rather than contesting them at a formal hearing. The following chart illustrates the settlement rates of different manufacturers listed by make of vehicle.

DaimlerChrysler Motors Corporation, General Motors Corporation, and Ford Motor Company continuing their trend to settle more cases prior to the entry of an adverse decision through the hearing process. Together, the three manufacturers voluntarily repurchased or replaced 191 vehicle in CY00. These were not counted in determining their lemon index from Chart N. In addition Kia Motors America, Inc.; Hyundai Motor America; Mazda North American Operations; Nissan North America, Inc.; Gulf States Toyota, Inc.; Volkswagen of America, Inc.; and Volvo Cars of North America improved their settlement rates significantly.

CHART P				
SETTLEMENT RATE - BY MAKE OF VEHICLE				
VEHICLE MAKE	NUMBER OF COMPLAINTS	NUMBER SETTLED	SETTLEMENT PERCENTAGE	REPURCHASED/ REPLACED
Acura	1	1	100%	0
Airstream	1	1	100%	0
Audi	1	1	100%	1
Beaver Coaches	1	0	0%	0
Big Dog	1	1	100%	0
BMW	5	3	60%	1
Buell Distribution	1	1	100%	1
Buick	10	8	80%	2
Cadillac	15	10	67%	4
Carpenter Industries	1	1	100%	1
Chevrolet	194	135	70%	77
Chrysler	24	17	71%	6
Coach House	1	0	0%	0
Coachmen	3	2	67%	1
Damon	3	2	67%	2
Dodge	73	57	78%	25
Fleetwood	18	10	56%	3
Ford	149	95	64%	30
Forest River	2	2	100%	2
Freightliner	2	0	0%	0
Georgie Boy	1	0	0%	0
GMC	37	22	59%	12
Gulf Stream	3	3	100%	2
HME Inc.	1	1	100%	0
Holiday Rambler	4	1	25%	1
Home & Park	1	0	0%	0
Honda	11	5	45%	3
Hyundai	8	7	88%	2
Isuzu	15	8	53%	5
Jeep	34	24	71%	14
Kia	47	32	68%	12
Land Rover	2	1	50%	1
Lincoln	5	3	60%	1

CHART P				
SETTLEMENT RATE - BY MAKE OF VEHICLE				
VEHICLE MAKE	NUMBER OF COMPLAINTS CLOSED	NUMBER SETTLED	SETTLEMENT PERCENTAGE	REPURCHASED/ REPLACED
Mazda	6	4	67%	1
Mercedes-Benz	4	0	0%	0
Mercury	17	9	53%	3
Midwest Motors	1	1	100%	0
Mitsubishi	30	18	60%	7
Monaco Coach	3	2	67%	0
National RV	2	0	0%	0
Newmar	2	0	0%	0
Nissan	11	6	55%	3
Oldsmobile	18	10	56%	7
Peterbilt	1	1	100%	0
Plymouth	12	6	50%	2
Polaris	1	1	100%	1
Pontiac	30	17	57%	8
Rexhall	1	1	100%	0
R-Vision	3	3	100%	0
Saab	2	0	0%	0
Saturn	3	2	67%	2
Subaru	2	1	50%	0
Sunny Brook	1	1	100%	0
Suzuki	3	0	0%	0
Thor	1	0	0%	0
Toyota	14	6	43%	2
Ultra Cycles	1	0	0%	0
Viking Recreation	1	1	100%	1
Volkswagen	12	10	83%	4
Volvo	12	9	75%	3
Volvo Trucks	1	0	0%	0
Western RV	1	1	100%	0
Winnebago	3	2	67%	0
Yamaha	1	0	0%	0
TOTAL CLOSED	875	566		253

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CONCLUSION

Despite a 16.2% increase in motor vehicle sales from 1999 to 2000, the number of complaints filed increased only 3.4%. In our view, the smaller increase is attributable to a strong economy, improved vehicle quality and heightened competition. Although it is obvious, improvements in the quality of vehicles will result in fewer warranty claims, and therefore, fewer consumers resorting to arbitration programs for relief. The other two reasons for the decline may require a brief explanation. When the economy is strong, most consumers continue to have good credit and thus are more likely to resolve their complaints by just trading in their vehicles, which negates the necessity of resorting to an arbitration program. Also, a more competitive marketplace, coupled with a desire by manufacturers to increase or at least maintain market share, has resulted in more emphasis being placed on customer satisfaction programs, which has resulted again in fewer customers resorting to an arbitration program for relief.

The statistics for CY00 further reveal that most manufacturers have continued to view the Lemon Law as an opportunity to improve customer satisfaction and increase market share instead of costly litigation where success is defined as winning at any cost. For example, DaimlerChrysler Motors Corporation, Ford Motor Company and General Motors Corporation voluntarily repurchased or replaced 191 vehicles in CY00. The decrease in the number of vehicles ordered repurchased or replaced is attributable to the manufacturers recognizing and settling the meritorious complaints.

Statistics reveal that in 67.5% of the complaints closed in CY00, consumers received some type of relief totaling more than \$7.4 million in benefits to consumers. However, with the exclusion of the complaints closed for no jurisdiction, not pursued, withdrawn, etc., the success rate rises to 74.7%.

It is anticipated that the information presented here will be of benefit to consumers and manufacturers. Anyone who has questions may call (512) 416-4800 or the Texas toll-free number (800) 622-8682, for further clarification. This report and additional Lemon Law information are available from the Texas Department of Transportation or on the Internet.

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