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Annual CarMD State-by-State Ranking of Car Repair Costs Finds Drivers in New Jersey Paid Most for Check Engine Repairs in 2012

As average repair cost rises 10% nationwide, 4 out of top 5 most expensive states are on the East Coast

IRVINE, Calif. (June 11, 2013) – When the dreaded check engine light illuminates on the dashboard, drivers in New Jersey now pay the most in the nation to have it diagnosed and repaired, at an average cost of \$392.99, according to CarMD.com Corporation’s analysis of more than 160,000 repairs made on vehicles with check engine light problems in 2012. Indicating a coastal shift from West to East, and rounding out the top five most expensive U.S. states/districts for auto repair were no. 2 District of Columbia, no. 3 California, no. 4 North Carolina and no. 5 Maryland. Increased frequency of expensive repairs, such as catalytic converter replacement, in those states with higher average repair costs indicates drivers in some areas continue to put off small repairs that spiral into more expensive problems and drive up check engine-related repair costs. The complete ranking is available at www.carmd.com.

“CarMD taps our extensive Vehicle Health Index check engine light database to rank repair costs by state, providing the industry and consumers with insight on trends that impact cost of ownership and vehicle life,” said Leon C. Chen, CEO, CarMD.com Corp. “In 2012, we saw a dramatic shift in the top five most expensive states for average car repairs, as many drivers along the East Coast incurred rising auto repair costs, while they simultaneously contended with Hurricane Sandy’s aftermath. Car owners in many states also continued to put off small repairs, contributing to cumulative failures with increased repair costs. With costs and vehicle age up from coast to coast, we encourage the industry and car owners to utilize this data to help maximize vehicle life and minimize repair costs.”

The average cost for check engine light-related repairs in the U.S. in 2012 was \$367.84, up 10% from 2011. The Northeast experienced the largest percent increase (11.56%). But the West, historically known for having some of the highest car repair costs, saw only a 6.53% increase in costs. California is the only western state among the top five this year.

From 2011 to 2012, vehicle owners in New Jersey saw a 20.7% increase in labor rates and an 8.2% increase in parts costs, making it the state with the highest average parts cost. New Jersey drivers also paid more than the U.S. average for many repairs, including catalytic converter replacement at \$1,112.48 per transaction. CarMD attributes this hike to several factors such as more than double the number of trips to the repair shop spurred by Hurricane Sandy-related flood damage that either resulted in new repairs or uncovered unrepaired problems that had been put off for some time.

On a more positive note, as hybrid repair costs across the country trend down, New Jersey owners paid the least to replace a hybrid battery at \$2,005.05 on average, as compared with Arizona’s high of \$4,409.94. Some factors that can contribute to repair costs include availability of diagnostic capabilities and technicians trained to service these vehicles, as well as vehicle population mix. Catalytic converter repairs were the second most common reason the check engine light came on in three of the five states with the highest repair costs. This is a very pricey part that is often the result of extensive vehicle age, or putting off smaller repairs such as spark plugs or oxygen sensors.

The following is CarMD’s ranking of the five states with the highest car repair costs in 2012:

| State | Average Parts Cost | Average Labor Cost | Average Total Car Repair Cost in 2012 (Parts & Labor) |
|-------------------------|--------------------|--------------------|---|
| 1. New Jersey | \$256.28 | \$136.71 | \$392.99 |
| 2. District of Columbia | \$247.97 | \$143.65 | \$391.62 |
| 3. California | \$247.13 | \$143.24 | \$390.37 |
| 4. North Carolina | \$249.32 | \$140.59 | \$389.91 |
| 5. Maryland | \$250.79 | \$136.99 | \$387.78 |

(MORE)

CarMD State-by-State Ranking of Car Repair Costs – 2-2-2

CarMD ranking of states with the lowest car repair costs:

| State | Average Parts Cost | Average Labor Cost | Average Total Car Repair Cost in 2012 (Parts & Labor) |
|-------------------|--------------------|--------------------|---|
| 51. Vermont | \$153.82 | \$115.90 | \$269.72 |
| 50. West Virginia | \$180.16 | \$130.33 | \$310.49 |
| 49. South Dakota | \$182.90 | \$128.98 | \$311.88 |
| 48. Delaware | \$183.23 | \$130.39 | \$313.62 |
| 47. Iowa | \$181.20 | \$133.57 | \$314.77 |

Other key findings:

- **The states that pay the most:** The 2011 ranking found all five states with the highest repair costs were from the West. For 2012, three hail from the Southeast, one from the Northeast and California remains the only western state among the five states with the highest repair costs.
 - o A gap has begun to close between the states/regions with the highest/lowest repair costs (i.e. there was no change in Arizona’s average repair cost, yet it dropped in rank from no. 5 to no. 22, with many states from other regions rising).
- **The states that pay the least:** Two of the five states with the lowest car repair costs are from the Midwest (Iowa and South Dakota) and two are from the South/Southeast (Delaware and West Virginia). Rounding out the most affordable states for auto repair is Vermont, the only Northeastern state to enjoy a drop in average car repair costs in 2012.
- **Year-over-year trends:** A majority of states/districts experienced an increase in repair costs in 2012, with the exceptions being Delaware, New Mexico, Utah, Vermont, West Virginia and Wyoming.
 - o D.C. had the largest increase in repair costs, up 20% from 2011 to 2012. This is partially attributed to the type of repairs being made. Time-consuming repairs that cost over \$1,000 accounted for nearly 10% of D.C. repairs in 2012, as compared with 7% in 2011, while quick-fix, gas cap-related problems were down five points.
 - o Wyoming saw the biggest drop with a nearly 17% dip in average repair costs. Some very positive news for Wyoming is catalytic converter replacements have dropped from the second to seventh most common repair, showing drivers in Wyoming are taking better care of their cars and may also be trading in older model vehicles for newer ones.
- **Labor charge trends:** Drivers in Vermont paid the least in labor at \$115.90. While still low, this is up from Vermont’s labor rate of \$90.85 in 2011. For the second consecutive year, Colorado is the state with the highest labor charge at \$150.75 on average.
- **Parts cost trends:** Drivers in Vermont also paid the least for parts at an average of \$153.82, with those in New Jersey paying the most (\$256.28).

“As summer approaches, it’s important for drivers in all states to be aware of the effect of temperature extremes on car parts, and to replace failing parts as recommended or as soon as a problem is detected,” said David Rich, CarMD’s Technical Director. “All 1996 and newer model vehicles have sophisticated on-board diagnostic computers that can detect problems early, often before you’re left stranded. CarMD encourages drivers to heed warning signs, such as the check engine light, and get repairs made before that next road trip to help reduce the potential for roadside emergencies and inflated repair costs.”

CarMD’s state-by-state ranking of repair costs was derived from analysis of 161,350 repairs made on model year 1996 to 2012 vehicles from Jan. 1, 2012 through Dec. 31, 2012 by CarMD’s nationwide network of Automotive Service Excellence (ASE)-certified technicians. All 51 U.S. states/districts, including the District of Columbia, are represented in this Index. The repairs are related to a vehicle’s check engine system, which is standard on all vehicles manufactured since 1996. The on-board diagnostic (OBD2) system monitors approximately 80% of systems on these vehicles, triggering the check engine light when a problem related to emissions output or drivability occurs. The CarMD Vehicle Health Index database and average repair cost findings do not include problems that are outside the scope of a vehicle’s OBD2 computer monitoring such as tires, and mechanical parts like belts and hoses.

About CarMD

The mission of Irvine, Calif.-based CarMD.com Corporation is to empower consumers and the vehicle market by providing the tools and information needed to make better-educated decisions about vehicle health and maintenance. An ISO 9001:2008-certified company, CarMD’s premiere product is the CarMD® Vehicle Health System™, which enables drivers to identify and diagnose check engine repairs, safety issues and problems that negatively impact a car’s fuel economy. The company has built the largest, most current database of diagnostic trouble codes, expert fixes and repair costs, which it uses to compile its CarMD® Vehicle Health Index™, a leading automotive repair resource from which this ranking is derived. For more information, visit www.CarMD.com.

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(Attached is a complete ranking of U.S. states/districts in order of most to least expensive car repair costs in 2012. Detailed state data is available upon request via email: KristinB@CarMD.com)

State-by-State Ranking of Average "Check Engine" Light Car Repair Costs – 2012

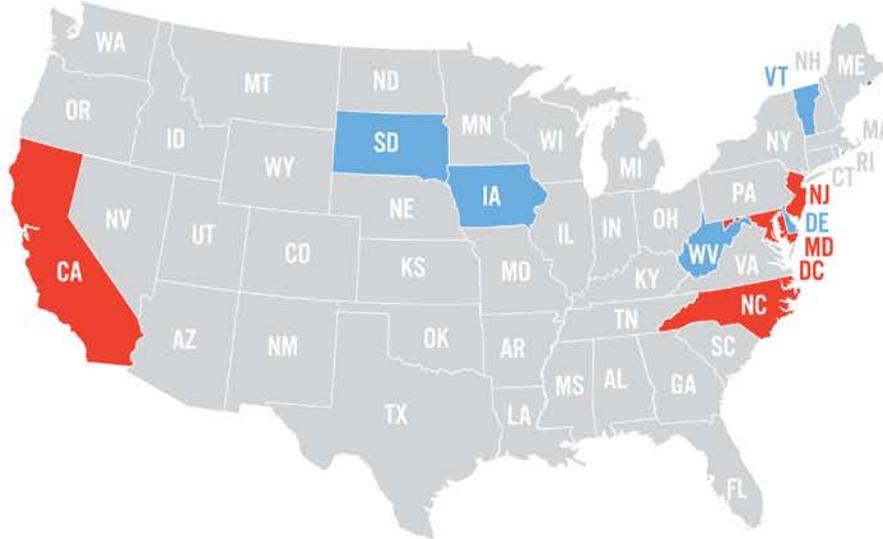
(Source: CarMD.com Corp., CarMD® Vehicle Health Index™)

| Ranking | State | Labor Rate | Parts Cost | Average Car Repair Cost (Parts & Labor) | Avg. Repair Cost % ↑/↓ from 2011 | Change in Rank from 2011 |
|---------|----------------------|------------|------------|---|----------------------------------|--------------------------|
| 1 | New Jersey | \$136.71 | \$256.28 | \$392.99 | ↑12.27% | ↑ from no. 10 |
| 2 | District of Columbia | \$143.65 | \$247.97 | \$391.62 | ↑20.56% | ↑ from no. 32 |
| 3 | California | \$143.24 | \$247.13 | \$390.37 | ↑6.11% | No change |
| 4 | North Carolina | \$140.59 | \$249.32 | \$389.91 | ↑9.56% | ↑ from no. 8 |
| 5 | Maryland | \$136.99 | \$250.79 | \$387.78 | ↑11.55% | ↑ from no. 12 |
| 6 | Georgia | \$143.07 | \$242.22 | \$385.29 | ↑9.87% | ↑ from no. 9 |
| 7 | Connecticut | \$134.50 | \$260.60 | \$385.10 | ↑11.00% | ↑ from no. 14 |
| 8 | Colorado | \$150.75 | \$233.97 | \$384.72 | ↑7.15% | ↓ from no. 6 |
| 9 | Virginia | \$138.36 | \$243.82 | \$382.18 | ↑10.00% | ↑ from no. 13 |
| 10 | Oregon | \$146.72 | \$233.50 | \$380.22 | ↑9.84% | ↑ from no. 15 |
| 11 | Florida | \$138.80 | \$238.66 | \$377.46 | ↑15.45% | ↑ from no. 28 |
| 12 | Washington | \$141.09 | \$234.21 | \$375.30 | ↑7.47% | ↓ from no. 11 |
| 13 | Rhode Island | \$127.58 | \$243.72 | \$371.30 | ↑12.24% | ↑ from no. 25 |
| 14 | Utah | \$149.49 | \$221.13 | \$370.62 | ↓2.10% | ↓ from no. 2 |
| 15 | Hawaii | \$139.37 | \$230.96 | \$370.33 | ↑7.79% | ↑ from no. 16 |
| 16 | South Carolina | \$142.04 | \$225.56 | \$367.60 | ↑12.46% | ↑ from no. 29 |
| 17 | Kentucky | \$138.09 | \$228.73 | \$366.82 | ↑9.48% | ↑ from no. 20 |
| 18 | New York | \$132.49 | \$232.04 | \$364.53 | ↑7.72% | ↓ from no. 18 |
| 19 | Texas | \$139.64 | \$224.66 | \$364.30 | ↑9.15% | ↑ from no. 23 |
| 20 | Nevada | \$139.38 | \$224.87 | \$364.25 | ↑9.54% | ↑ from no. 24 |
| 21 | Pennsylvania | \$137.19 | \$226.41 | \$363.60 | ↑14.97% | ↑ from no. 36 |
| 22 | Arizona | \$142.26 | \$219.24 | \$361.50 | no change | ↓ from no. 5 |
| 23 | Arkansas | \$138.91 | \$222.41 | \$361.42 | ↑12.45% | ↑ from no. 35 |
| 24 | Montana | \$144.38 | \$215.44 | \$359.82 | ↓1.22% | ↓ from no. 4 |
| 25 | Massachusetts | \$124.58 | \$233.79 | \$358.37 | ↑11.13% | ↑ from no. 34 |
| 26 | Mississippi | \$138.95 | \$216.74 | \$355.69 | ↑8.53% | ↓ from no. 25 |
| 27 | Louisiana | \$140.05 | \$213.90 | \$353.95 | ↑15.40% | ↑ from no. 43 |
| 28 | Tennessee | \$139.50 | \$213.81 | \$353.31 | ↑3.87% | ↓ from no. 17 |
| 29 | Missouri | \$142.49 | \$210.22 | \$352.71 | ↑13.70% | ↑ from no. 40 |
| 30 | Kansas | \$136.96 | \$215.36 | \$352.32 | ↑13.12% | ↑ from no. 39 |
| 31 | Alabama | \$139.30 | \$212.72 | \$352.02 | ↑7.74% | ↓ from no. 30 |
| 32 | Idaho | \$143.38 | \$205.38 | \$348.76 | ↑4.08% | ↓ from no. 21 |
| 33 | Nebraska | \$137.64 | \$208.93 | \$346.57 | ↑6.20% | ↓ from no. 31 |
| 34 | Minnesota | \$138.45 | \$207.85 | \$346.30 | ↑7.04% | ↓ from no. 33 |
| 35 | New Mexico | \$145.04 | \$199.71 | \$344.75 | ↓3.87% | ↓ from no. 7 |
| 36 | North Dakota | \$139.62 | \$204.50 | \$344.12 | ↑11.29% | ↑ from no. 41 |
| 37 | Illinois | \$132.39 | \$210.73 | \$343.12 | ↑2.24% | ↓ from no. 19 |
| 38 | Alaska | \$142.41 | \$198.11 | \$340.52 | ↑3.49% | ↓ from no. 26 |
| 39 | Oklahoma | \$137.36 | \$200.52 | \$337.88 | ↑1.09% | ↓ from no. 22 |
| 40 | Indiana | \$134.10 | \$195.21 | \$329.31 | ↑15.97% | ↑ from no. 51 |
| 41 | Wisconsin | \$134.81 | \$193.93 | \$328.74 | ↑13.40% | ↑ from no. 49 |
| 42 | Ohio | \$128.18 | \$200.00 | \$328.18 | ↑8.99% | ↓ from no. 42 |
| 43 | Maine | \$133.28 | \$194.80 | \$328.08 | ↑13.30% | ↑ from no. 50 |
| 44 | New Hampshire | \$121.88 | \$206.12 | \$328.00 | ↑12.08% | ↑ from no. 47 |
| 45 | Wyoming | \$134.62 | \$189.69 | \$324.31 | ↓16.67% | ↓ from no. 1 |
| 46 | Michigan | \$134.14 | \$183.13 | \$317.27 | ↑8.07% | ↑ from no. 46 |
| 47 | Iowa | \$133.57 | \$181.20 | \$314.77 | ↑8.57% | ↑ from no. 48 |
| 48 | Delaware | \$130.39 | \$183.23 | \$313.62 | no change | ↓ from no. 37 |
| 49 | South Dakota | \$128.98 | \$182.90 | \$311.88 | ↑5.45% | ↓ from no. 45 |
| 50 | West Virginia | \$130.33 | \$180.16 | \$310.49 | ↓1.04% | ↓ from no. 38 |
| 51 | Vermont | \$115.90 | \$153.82 | \$269.72 | ↓10.75% | ↓ from no. 44 |

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CarMD® VEHICLE HEALTH INDEX™

STATE CAR REPAIR COSTS/TRENDS



NEW JERSEY drivers were hit hard last year leading the nation with the highest overall auto repair costs as well as highest parts costs.



VERMONT vehicle owners paid the least in the nation for both auto parts and labor when the pesky check engine light illuminated.

CALIFORNIA is the only western state left among the top five states with the most expensive repairs.

WYOMING vehicle owners are doing something right with repairs decreasing 16.67%.

WEST VIRGINIA second lowest in the nation for check engine-related car repair costs in 2012

DISTRICT OF COLUMBIA drivers didn't fare so well. Ranked number two, their repair costs increased 20.26% year over year from 2011 to 2012.

ARIZONA hybrid owners paid the most in the nation – \$4,409.94 on average – to replace a hybrid battery.

SOUTH DAKOTA drivers had the highest percentage (11%) of oxygen sensor repairs in 2012. Ignore a faulty O2 sensor and your gas mileage will take up to a 40% hit.



2011/2012 COMPARISON

COAST TO COAST In 2012, there was a dramatic coastal shift from West to East in the most expensive states for average car repairs.

