

HOW'S BUICK DOING?

How is Buick doing in today's marketplace?

While we were in North Carolina last year for the Buick National Meet, a copy of the newspaper USA Today caught my eye with the heading:

'Buick Tries to Buff Away Its Image as an Inefficient Carmaker'. What Happened to Buick?

The article went on to say that the answer was complex, involving changes in the line up, an image overhaul, shifts in selling philosophy and a growing global focus on China, where more than three-quarters of Buicks are sold. But for whatever reasons, Buick's US sales continue to lag behind the overall new vehicle market.

GM is trying through what it hopes will be growing sales of better and better cars and trucks to banish its image as a bloated, inefficient automaker still alive only because of billions of dollars in taxpayer welfare in its government run 2009 bankruptcy reorganisation.

Chevrolet might be GM's signature mainstream and Cadillac its global prestige icon but Buick - sitting between those bookends and lacking the image of either - could be the truest test of GM's will to survive and thrive.

When Buick had its centenary in 2003, a bunch of us from Western Australia went across to Flint where we visited a plant at Hamtramck in Michigan where the V6 engine was built. I remember thinking at the time that the overall atmosphere was of a tired, poorly run, slow and inefficient workforce with people smoking on the assembly lines, drifting across to the Coke machine and chatting.

By comparison a visit to the Toyota plant in Kentucky, the impression was of a highly efficient plant, albeit a lot automated, but there was a buzz of competency in the air.

The newspaper article quotes Buick's Vice President in charge of Marketing, Tony DiSalle as saying:

"We're back to a four-vehicle portfolio: LaCrosse, Regal, Verano and the Enclave crossover".

Mike Bowsher of Carl Black Automotive in Atlanta says his sales have jumped 45% at his dealerships in Atlanta, Roswell, Georgia and Nashville. If there's still an image of Buick as a dowdy, older people brand, it's not among younger buyers. He says "People under 30, its OK. The stigma is in the middle age group. I'm selling 20-year olds Buicks right and left."

DiSalle comments on the Buick Encore which is an important new smaller vehicle, classed as subcompact and says “ I wouldn’t suggest that Buick is about smaller cars”.

Yet its most important new models are downsized especially by Buick’s big car standards. Encore is based on a subcompact car, the Verano is Buick’s take on the Chevy Cruze compact and the Regal is midsize.

LaCrosse is the only traditional Buick . Sales of the full size sedan are up. The version of LaCrosse with eAssist mild hybrid system is popular in import loving California.

LaCrosse’s biggest rivals seem to be other Buicks. Shoppers who considered LaCrosse seriously looked at Regal or Verano. Toyota’s Camry and Avalon - often referred to as “Japanese Buicks” were considered by LaCross shoppers only 14% of the time.

Bowsher comments: “Never mind Toyotas, Buick is challenging Audis and BMWs.” He says the trick isn’t so much as attracting customers but providing the service and treatment they expect. After we get them sold, we need to step up the level of treatment.”

For China and Europe its good news and less good news.

Buick has the challenge of not only meeting the expectation of a new type of buyer in the US but also pleasing customers in other countries, especially China, where more than three out of four Buicks were sold last year.

The two markets don’t share all models. For instance China gets what’s called a Park Avenue that’s based on a GM Australia Holden design. Nothing like that is sold in the US.

In China Buicks are often chauffeur driven so back seats are lavish and fronts are for the hired help. Buick has to monitor that carefully for US market cars such as LaCrosse, mainly designed in China.

Soft patch aside, Buick points out that it is outselling premium brand rivals such as Acura, Audi, Lincoln, Infiniti. When the little Encor arrives late this year “we’ll have a terrific product portfolio and a game changer” DiSalle says.

Buick is marketed almost entirely in just three countries and China dominates by far.

Sales	2010	2011
China	550,010	645,537
US	155,389	177,633
Canada	11,269	11.652