

ANALYSIS OF 2019 SUBARU PHILIPPINES SALES

The website *neverbuyasubaru.com* went live in October 2018. While the effect that this website had on Philippine Subaru sales in 2019 cannot be precisely determined, circumstantial evidence suggests that Philippine car buyers are now aware of the worthless warranties that are provided with Subaru vehicles and are avoiding the brand. Following is some of the evidence:

- 1) In February 2019, the Philippine distributor of Subaru cars in the Philippines announced its [expansion plans for the year](#), which was “to almost double its current network of 19 branches and dealerships”. So, how did they do? Well, they didn’t quite grow from 19 to 38, but rather they grew from [19 to 17 dealerships and branches](#). Although, 19 to 17 is not what you think of as “growth”, it actually is - it’s just negative growth, to be specific.
- 2) 2020 Subaru models were released in the Philippines at the end of 2019, so it is not unusual to see 2019 models being sold at a discount. What is VERY unusual is to have 2018 units still being sold. A quick call to some dealers of major car brands in the Philippines (performed December 2019) revealed that NONE still had any 2018 units still left in stock (obviously, we were almost in 2020). The lone exception was Subaru. And we are not talking about one or two models - they still had 2018 models of almost their entire line-up [on sale](#). Of course they also had a promotion for their [2019 models](#), although this [translation](#) may make more sense. As you can see, the discounts were very large to get them sold. But which specific model holds the honor of having the highest discount? The *turbocharged* Forester XT of course. It carries a hefty 350,000 Peso discount (17%). But seriously, even with that discount, what knowledgeable car buyer would buy a turbocharged Subaru that carries a bogus warranty.
- 3) Subaru sales in the Philippines are reported by the 2nd tier Association of Vehicle Importers and Distributors (AVID), as opposed to the 1st tier Chamber of Automotive Manufacturers of the Philippines (CAMPI). As CAMPI numbers are reported differently than AVID, Subaru sales can only be compared to other AVID brands. While not all sales reports are made available online, some are. Following are the 2019 sales reports that can be analyzed.
 - a) [This report](#) details sales for the period January – April 2018/2019. As you can see, while Total LCV (Light Commercial Vehicles, the segment for the Subaru Forester) **grew** by 5% for all brands, Subaru (identified as **MIPI**) went from 897 units sold in 2018 to 787 units in 2019 – a **decrease** of 12%
 - b) [This report](#) details June YTD. While the total for all brands **increased**, Subaru sales **decreased** 18% (Notice the decrease moved up from 12% in the first quarter. Ouch!) Hey, here’s a thought – maybe this is why they couldn’t double their dealer network.
 - c) [This report](#) details September and October 2019 sales. For all brands, sales **increased** about 5%. For Subaru, sales **decreased** 19%. And remember, October was the first month that Subaru launched the above referenced promo. OK, this not good. Not good at all!

So, what does this analysis prove? Absolutely nothing, as there is no way to determine if these sales numbers are a direct result of this website. However I did do a search to see if there were any other events that could be the cause. Except for the fact that two very poorly reviewed Scooby Do movies were released in 2019, there was nothing else. Maybe people heard that Scooby Doo sucked, and misheard it and thought Subaru sucked? Quite unlikely, so I think we must assume that potential purchasers of new cars found out about the useless warranties and purchased a different brand. Or maybe they don't want to buy a car knowing that the dealer will try and get them jailed if they complain. That shouldn't be a surprise to anyone, but I suspect Subaru never saw it coming (Note to Subaru: *Cost to fix a turbocharger - about \$1,000. Cost of lost sales due to worthless warranties - priceless!*).

This has to make you wonder. Was the bogus libel case filed against Mr. Cohen really because he was "malicious", or because people are not buying Subarus once they read the court documents on the this site? Was that why they demanded that this site be taken down?

I would also like to note that my intention has never been to adversely affect Subaru sales, and it is possible that this website did not have quite the negative effect on sales as it appears. Decreased sales are an inevitable consequence, not an intention, of this exposé. With a decent warranty and the appointment of executives that prioritize customer service over profits, you could do worse than buy a Subaru (like some of those Chinese brands I've heard horror stories about.) However, it is unfortunate for innocent parties such as employees and suppliers that this website appears to have had a significant negative effect. And when you have brands like Honda that so prioritize reliability that you don't even need a warranty, Subaru needs to shape up if they hope to succeed. If this results in positive changes at Subaru, then that is something that I would be very proud of. I truly hope that is the case. And maybe, just maybe, they can redesign their turbochargers for better reliability and a Subaru could one day reach a speed of 88 MPH. They could then make like a DeLorean and go back to 2016 and accept my VERY reasonable [mediation offer](#), and this whole thing would be nothing more than a bad dream.