Chrysler Canada Inc.

Chrysler Canada Inc. **QUALITY**

Chrysler Group LLC Spends Quality Time Improving 2013 Model Lineup

- Company has invested more than \$100 million (USD) in assembly plants to improve fit-and-finish quality of new vehicle launches
- Number of vehicle testing kilometres has doubled for Ram, Jeep $_{\otimes}$, Dodge, Chrysler and Fiat vehicles
- Chrysler Group increased quality staffing levels more than 40 per cent in past three years

Chrysler Group LLC continues to invest in quality improvements to improve the performance, competitiveness and reliability of the entire 2013 product lineup.

To build vehicles with world-class fit-and-finish, Chrysler Group started adding metrology centres to its assembly plants in 2010. So far, the company has invested more than \$100 million (USD) to implement these highly precise quality control tools to support new vehicle launches. Metrology centress employ high-tech dimensional control tools that allow engineers to quickly find sources of build variation and resolve any fit-and-finish issues, even when components appear perfect to the naked eye.

Chrysler Group also doubled the number of reliability testing kilometres each vehicle endures. For example, the all-new Dodge Dart test fleet completed more than 13.7 million kilometres at the proving grounds, in the labs and on public roads as it prepared for market launch. The expanded testing gives the quality and engineering teams more opportunities to find and fix any issues before the customer takes delivery. In the past three years, Chrysler Group also has increased the number people specifically dedicated to improving quality by more than 40 per cent.

"Quality means different things to different customers," explained Doug Betts, Senior Vice President – Quality, Chrysler Group. "We define and track our progress for six types of quality, so we can design and build vehicles that will appeal to a diverse customer base. Everyone demands a high quality vehicle, but that might not mean the same thing to an urban commuter in a Dodge Dart, a contractor hauling a trailer with a Ram 1500 or an off-road enthusiast heading off-the-beaten path in a Jeep® Wrangler."



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The six types of quality that Chrysler Group monitors for improvement follow:

Reliability

Reliability, also described as ordinary quality, is measured according to warranty claims. The establishment of 14 customer satisfaction teams (CST) has been a key factor in reducing the number of warranty claims by more than 60 per cent in the past three years. Each of the teams is responsible for identifying and correcting problems for a specific vehicle system (brakes, driveline, electronics, etc.). For example, the heating, ventilation and air conditioning (HVAC) team – made up of experts from engineering, manufacturing, supplier quality and service – is tasked with continually reducing warranty claims and improving HVAC system quality on all Chrysler Group vehicles.

Perceived

Also called appearance quality, Chrysler Group established a perceived quality team that measures and evaluates vehicle attributes such as fit-and-finish, ergonomics, the feel of interior materials and even the sound quality of movable parts like doors and storage bins. The goal is for customers to identify new Dodge, Ram, Chrysler, Jeep and Fiat vehicles as well-crafted and quality-built vehicles the first time they see or touch a vehicle at a dealership, auto show or neighbour's driveway.

Performance

Performance quality measures how well a vehicle performs and functions compared to its competition. To improve a vehicle's performance quality, engineers start with an all-new vehicle program, collecting and prioritizing customer desires. Then the team benchmarks more than 300 physical characteristics of best-in-class vehicles. Criteria such as acceleration, braking, handling, seat comfort, storage space, fuel economy and visibility are measured so that all-new vehicles are designed to compete with the best.

Dislike

Sometimes customers find certain vehicle features annoying or poorly designed even though the vehicle performs reliably. For instance, a customer may think the cup holders are too low or the cruise control is difficult to set. Chrysler Group uses this customer feedback to reduce "dislike" design issues. Another example is Chrysler Group's extensive consumer research to make sure the Uconnect radio, navigation and entertainment controls are intuitive and easy to use.



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Service

Service quality measures the customer's experience in the dealership, before and after the sale. Chrysler Group surveys customers after dealership visits to determine how likely they are to recommend the brand and product. If the vehicle was in for service, the company also asks customers about their level of satisfaction and monitors whether an issue was fixed properly on the first visit.

Regulatory

Recalls for safety or environmental compliance issues can take a toll on a manufacturer's reputation, in addition to customer inconvenience for extra service trips to a dealer. With strict quality control processes, Chrysler Group is committed to identifying potential issues as quickly as possible and providing safe, high-quality vehicles for its customers.

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