

## **GM to boost Chevrolet sales in China with Cruze**

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**By Bloomberg**

General Motors Co will debut a redesigned Chevrolet Cruze sedan this month in Beijing, picking China for the model's global rollout as the carmaker seeks to boost sales of the brand in its biggest market.

The Cruze, Chevrolet's best-selling model in China last year, is one of the six new or refreshed models under the brand being brought to the nation this year by GM. The Detroit-based company is also showing 36 other vehicles at the Beijing auto show, starting April 20.

GM, which edged out Volkswagen AG in sales volume in China in the first three months of this year, is banking on 19 new or refreshed models to boost sales by 10% in 2014, Matthew Tsien, president of GM's China operations, said in February. Chevrolet sales in the nation failed to keep pace with the market last year, rising 4% as overall passenger-vehicle sales jumped 16%.

"This model is the most important one, for sure," said Yale Zhang, a Shanghai-based managing director at Autoforesight Shanghai Co. "In China, the compact segment is the most important."

Cruze sales in China increased 6.1% last year to 246,890 vehicles, edging out the Chevrolet Sail, a compact sedan. The current Cruze model is priced from 108,900 yuan (RM57,146).

That places it in the same price category as Ford Motor Co's Focus, Volkswagen's Laida, Toyota Motor Corp's Corolla and Kia Motor Corp's K3, according to data from autohome.com, China's most popular automobile information website.

### **Laida, Focus**

The Laida and Focus outsold the Cruze in the first quarter of this year, when the Laida was the nation's top seller while the Cruze ranked 10th, according to the state-backed China Association of Automobile Manufacturers.

With the new model, the Cruze could “easily” move up to become one of China’s five best-selling models, Zhang said.

China is Chevrolet’s second-largest market, with 652,077 vehicles sold in 2013, trailing the 1.95 million units delivered in the US.

The Cruze was GM’s top-selling car in the US last quarter, excluding trucks, according to data compiled by Bloomberg.

GM will use the Chevrolet brand to spearhead its expansion into China’s smaller cities and the nation’s western region, where rising incomes are creating a new class of consumers that are able to afford cars, former GM China chairman Tim Lee, who retired April 1, said in October.

The largest US automaker is also spending US\$11 billion (RM35.62 billion) in China through 2016 to boost products and manufacturing capacity.

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