



# Media Information

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## SUBARU OF AMERICA ANNOUNCES 50th ANNIVERSARY CELEBRATION YEAR

Cherry Hill, N.J., Feb 15, 2017 - Subaru today announced its year of 50th celebrations, leading up to its 50th anniversary on February 15, 2018. In keeping with a company known for supporting good causes, the automaker is marking its 50th anniversary with a special donation of "50 cars for 50 years" to benefit a national charity to be announced at a later date.

Throughout the year, Subaru will also host a number of celebratory events, culminating in a series of special edition model vehicles that will debut in early 2018. Further details on all programs will be announced in due course.

Images displaying 50 years of Subaru products and advertising are available for download at [media.subaru.com](http://media.subaru.com).

### Company History

The company was founded on February 15, 1968 by two American businessmen: Malcolm Bricklin and Harvey Lamm. In 1965 Malcolm Bricklin was selling franchises for motor scooters that included the Fuji Rabbit and the tiny Subaru 360. Bricklin then formed Subaru of America, Inc. (SOA) in order to sell Subaru franchises with Harvey Lamm, who at that time, was working in his family's furniture store in Philadelphia. From 1967 to 1990, Lamm served as chairman of the board, chief executive officer, president and chief operating officer of Subaru of America, Inc.

The very first Subaru 'office' was in fact a small rental unit in Balboa Park, California, which Lamm set-up in 1967. The following year, Subaru of America was officially established in Bala Cynwyd, Pennsylvania before moving to larger quarters in Pennsauken, New Jersey in 1970. The headquarters moved to its current Cherry Hill, New Jersey location in October 1986. SOA is currently developing a new headquarters complex in Camden, New Jersey, which is expected to open in early 2018.

In the early years, Bricklin and Lamm's business model was to sell distributor franchises to investors across the country, resulting in a total of 13 distributors nationwide. In subsequent years, SOA bought out most of the original distributors, with the exceptions of Subaru of New England (SNE) and Subaru Distribution Corp. (SDC) which covers NY and parts of NJ.

On August 31, 1990, Fuji Heavy Industries (FHI) acquired Subaru of America through a \$6 per share cash offer. FHI had already purchased just under half of SOA stock from prior investments.

### Meaning of the Subaru Name

Fuji Heavy Industries (to be renamed Subaru Corporation in April 2017) traces its roots to the Nakajima Aircraft Company, a leading Japanese aircraft manufacturer. By 1950, Nakajima was known as Fuji Heavy Industries and FHI was incorporated on July 15, 1953 when five Japanese companies, known as Fuji Kogyo, Fuji Jidosha Kogyo, Omiya Fuji Kogyo, Utsunomiya Sharyo and Tokyo Fuji Sangyo, joined together. The Subaru name means "unite" in Japanese. The company logo is the six stars recognized by the Japanese in the star constellation Pleiades (Subaru in Japanese).

### **1968-1988**

The first Subaru - the 360 - reached the United States in May, 1968. Priced at \$1,290, it was \$300 cheaper than the similar-looking Volkswagen Beetle and was 1,000 pounds lighter. This made it exempt from federal safety standards, and the car was required to meet only the less-stringent standards of individual states. In contrast to the company's modern reputation for safety, Consumer Reports rated the 360 as "unacceptable", which quickly affected sales.

A larger model was needed, and in 1970, Subaru developed the FF-1. The front-drive FF-1 was handy for driving in snow and gave Subaru a new market position as the first Japanese manufacturer to feature front-wheel drive, as well as the first Subaru vehicle to have the horizontally-opposed "boxer" engine. The FF-1 was replaced by the larger, more powerful Leone series in 1973, which was marketed simply as either a DL or GL model regardless of body style, in order to focus on establishing the Subaru name. In 1975, the company introduced its first station wagon with all-wheel drive – the DL/GL. It is a major automotive milestone, as the first mass production popular priced 4WD passenger car. It spawned a revolution in the mass adoption of 4WD and AWD cars and crossovers.

The 1973 Oil Crisis helped the makers of small cars, and Subaru was no exception. However, Subaru then suffered from Yen/Dollar exchange rate changes which forced FHI to raise prices with a resultant sales drop. With supply now exceeding demand, the company suffered severe losses.

In 1978, the company debuted the BRAT (**Bi**-drive **R**ecreational **All**-terrain **T**ransporter) to meet the demand for small pick-up trucks in the US. A notable owner of a BRAT was President Ronald Reagan.

In 1981, the company was an inadvertent beneficiary of a MITI trade agreement between Japan and the US whereby Japan voluntarily agreed to limit the number of cars sent to the United States. With supply restricted, Subaru added features and raised the average price of its cars from \$6,000 to \$8,000. At this time SOA became highly profitable; however, it was an unsustainable position for the company.

### **1989 - Manufacturing in the US.**

In 1989, Subaru, together with Isuzu opened a factory in Lafayette, Indiana called Subaru-Isuzu Automotive, Inc., or SIA. The plant initially produced the Subaru Legacy and Isuzu Rodeo. In 2001, FHI purchased the Isuzu holding for \$1 and renamed the factory as Subaru of Indiana Automotive, Inc. From 2007 until 2016, SIA also produced the Toyota Camry under license.

In 2003, SIA became the first automotive assembly plant to be designated a Backyard Wildlife Habitat by the National Wildlife Federation. In 2004, SIA became the first automotive manufacturing facility in the U.S. to reach zero-landfill status.

The plant is currently operating at its highest-ever capacity and is expected to produce close to 400,000 Subaru vehicles in 2017, including the Legacy and Outback models and the all-new 2017 Impreza, the first time Impreza has been built in the US. A new 3-row SUV model is also expected to be produced at the plant beginning in 2018.

### **1989-1994**

In the late 1980s and early 1990s, Subaru signaled an evolution to its positioning with the introduction of sporty coupe models; the XT in 1986 and the SVX in 1992. The Legacy model, a clear move upscale for the brand, was introduced in 1989.

However, the widening of the brand also caused Subaru to lose its focus on its core American buyers. By 1993, the

company was showing record financial losses, high inventory (300-day supply), six consecutive years of declining sales, ineffective advertising, and a confusing brand image.

### **1995-2005**

In 1995, in response to the growing trend for SUVs, SOA launched the Outback – the “World's First Sport Utility Wagon.” Supported by a marketing campaign using Crocodile Dundee actor, Paul Hogan, the Outback model helped Subaru sales in the US recover.

General Motors took a 20 percent share in FHI from 1999-2005. In 2004, GM's subsidiary Saab sold a version of Fuji's Subaru Impreza - the 9-2x - built by FHI in Japan. In 2005, Toyota Motor Corp. (TMC) paid approximately \$300 million to GM for 68 million shares, equal to an 8.7 percent stake in Fuji. In 2007, TMC paid \$311 million to raise its stake in Subaru parent Fuji Heavy Industries to 16.5 percent. This partnership led to Toyota production by FHI and the development of the BRZ/FRS/86 sports car which debuted in 2012.

The introduction of the WRX to the US in 2001 revived attention in the brand. In 2002, looking to further expand its offerings, the company developed the Baja model, an open bed pick-up, based on the Legacy.

Subaru launched the Tribeca mid-size crossover in 2005, initially as the B9 Tribeca and the model was named after the Tribeca neighborhood of New York City. Produced at SIA in Indiana, Tribeca was developed as a joint-project with GM, with the partner model to be sold as a Saab - however the Saab model was not released. Featuring polarizing design, the model was quickly found to be too small for the US and while the 2008 models received a facelift and a larger 3.6-liter flat-six engine, the model never achieved its planned-for sales and was dropped in 2014 with the announcement of a new, larger 3-row model in the works.

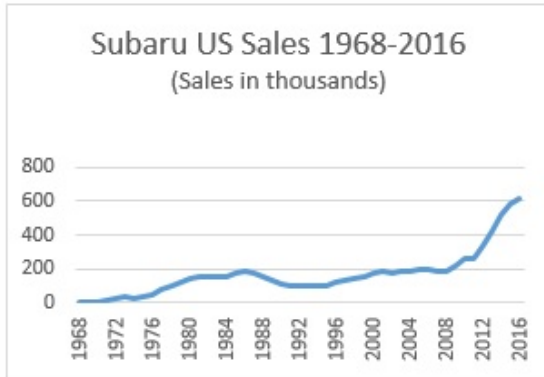
By 2005, Subaru sales were stagnant and the company, now led by Thomas J. Doll, decided that a change was needed.

### **2006-2017**

In late 2006, a new creative agency, Minneapolis-based Carmichael Lynch was hired and a new set of emotionally charged advertisements followed. Instead of buying a Super Bowl slot, the company sponsored Animal Planet's Puppy Bowl.

From 2007, the company readjusted pricing in order to protect residual values, and Subaru vehicles grew in size to better reflect US tastes. New models; Crosstrek and BRZ were added to the line-up. Focusing advertising on safety, reliability, versatility and performance, Subaru sales in the 10 years from 2007-2017 have risen consecutively from below 200,000 to over 600,000 vehicles per year, and the company's continued sales growth is currently the longest in the industry. Subaru now outsells many established brands as the eighth best-selling brand in America. A new 3-row SUV model from the company has been announced for early 2018.

## Subaru Sales Figures



Subaru US Sales Figures 1968-2016

1968	0.332
1969	2.407
1970	5.590
1971	14.162
1972	24.056
1973	37.793
1974	22.980
1975	41.587
1976	48.928
1977	80.826
1978	103.274
1979	127.871
1980	142.968
1981	152.062
1982	150.335
1983	156.84
1984	157.385
1985	178.175
1986	183.242
1987	177.757
1988	155.956

1989	136.112
1990	108.950
1991	105.416
1992	104.940
1993	104.178
1994	99.381
1995	99.768
1996	120.748
1997	133.783
1998	147.833
1999	156.806
2000	172.218
2001	185.944
2002	180.016
2003	186.819
2004	187.402
2005	196.002
2006	200.703
2007	187.208
2008	187.699
2009	216.652

2010	263.820
2011	266.989
2012	336.441
2013	424.683
2014	513.693
2015	582.675
2016	615.132

## Subaru Marketing

Subaru, known today for its highly successful “Love” marketing campaign, has pathed a varied route in its advertising journey. Far removed from today’s successful “Love” positioning, one of the company’s first ads was, “*The Subaru is not a Japanese Beetle.*” Recognizing the need to set itself apart from other foreign carmakers, a second early ad called Subaru “*The economy car for Today’s Economy*” which was appropriate as other importers such as Volkswagen were raising prices. An iconic ad for the 360 was headlined “*Cheap and Ugly Does It*”

" and another early ad tagline proclaimed that Subaru vehicles were " *Inexpensive and Built to Stay That Way.*"

Through the 1970s, the public perceived Subaru cars as inexpensive to buy and cheap to own. While this was good for initial sales, the company soon needed a stronger, more compelling reason for a wider group of consumers to buy.

In 1975, Subaru introduced four-wheel drive and this allowed the company to strengthen its position as a 'snow' car and to capitalize on that, Subaru of America sponsored the US Ski Team and used ads showing a Subaru vehicle taking the team up a snow- and ice-covered mountain.

During the 1990s, celebrities such as Paul Hogan were employed to raise awareness of the brand (specifically the Outback in Hogan's case). During this period, awareness for the Outback model was strong, often eclipsing awareness for the Subaru brand. Over a short period of time, various taglines were used as the company searched for its identity, such as: "*What to Drive*", "*The Beauty of All-Wheel Drive*", "*Driven by What's Inside*", and "*Think, Feel, Drive*".

During this period, Subaru noted its following amongst lesbian car buyers and produced ground-breaking ads aimed at the lesbian market. The automaker also featured gay tennis star Martina Navratilova in its national advertising.

However, despite meaningful awareness for the Outback and Forester models, the brand was still lacking a firm identity with the public. In the mid 2000's, this identity was pinpointed by Subaru of America and current agency of record Carmichael Lynch through an insight into the love that Subaru owners have for their vehicles. At this time, Subaru vehicles were purchased by a core group of loyal owners who often expressed their strong affection and devotion to the brand. This insight evolved into the highly-acclaimed Love campaign, with its tagline, "Love. It's what makes Subaru, a Subaru".

The Love campaign emphasizes real-life situations and the emotional engagement of people with life, family, pets and their vehicle while underscoring the inherent safety, versatility and adventuresome nature of Subaru vehicles. This campaign strongly resonates with buyers and has been the recipient of many marketing awards and has formed into the 'true identity' of the Subaru brand and the long-lived positioning has represented the brand from 2008 to the present day.

From the idea of "Love", the company has also developed the [Subaru Love Promise](#) which echoes its commitment to communities and to its customers.

**Photo Gallery:** Subaru Historical Advertising (<http://media.subaru.com/image-gallery.do?method=view&imageGalleryId=199&mid=1>)

### **Subaru and Motorsport**

The Subaru brand has long been associated with motorsport and in particular rally, a motorsport that highlights the Subaru Symmetrical All-Wheel Drive system, used in most Subaru production models. A Subaru team from STI (Subaru Tecnica International), first competed in the World Rally Championship (WRC) in 1981. In 1990, Subaru ran a Legacy in WRC and from 1993 the smaller Impreza took over. Subaru won the WRC manufacturers' championship three times; in 1995, 1996, and 1997, and the drivers' championship three times; in 1995, 2001, and 2003.

In the US, with the introduction of WRX in 2001, Subaru created Subaru Rally Team USA to compete in US rally racing. The team is run by factory technical partner Vermont SportsCar. Subaru Rally Team USA primarily competes in stage rally events and the Red Bull Global Rallycross Championship. The team also competes occasionally in the Canadian Rally Championship, the X Games, hill climb events, and the World Rally Championship.

Well-known racing and action sports personalities have represented Subaru Rally Team USA such as Travis Pastrana, Bucky Lasek, Ken Block, plus legends Dave Mirra and Colin McRae in rally, rallycross, and the X Games.

For rally racing, the combination of Subaru technology and the skill of veteran drivers Travis Pastrana and David

Higgins has produced one of the most successful factory motorsports programs in the USA, where Subaru has won the Rally America Manufacturer's Championship title ten times in the last eleven seasons. Travis Pastrana lead the championship for Subaru from 2006-2009, while David Higgins has claimed six consecutive championship titles from 2011-2016. In 2014, David Higgins set a new record of 6:09.09 at the Subaru Mt. Washington Climb to the Clouds hill climb. SRTUSA and Higgins would go on to break another record in 2015, by winning every round of the 2015 Rally America National Championship with the 2015 WRX STI VT15r rally car, a record that had stood since 1987.

From 2013, SOA also developed the record-setting Isle of Man TT cars, driven by Mark Higgins brother of David, which set 4-wheel speed records on the famous TT Bike circuit.

For 2017, the factory team will compete in the new American Rally Association Championship with David Higgins and Travis Pastrana as lead drivers, and the Red Bull Global Rallycross Championship with Chris Atkinson and Patrik Sandell as lead drivers. Higgins and Pastrana will also compete in the 2017 Subaru Mt. Washington Climb to the Clouds hill climb.

### **Subaru Philanthropy**

Subaru of America has long been known as a company that supports good causes and partners with like-minded organizations. SOA created the Subaru of America Foundation in 1984 to support its local communities and since then, more than \$9 million has been awarded through grants, scholarships, and matching employee gifts. The programs are varied but primarily benefit the unemployed and underemployed in communities local to Subaru facilities.

During the end-of-year Share the Love event, for every new vehicle purchased or leased, Subaru donates \$250 to the customer's choice of pre-selected national or "hometown" local charities. Between 2008-2016, Subaru and its retailers donated nearly \$90 million to honorable causes through Share the Love events, including:

- Subaru has funded the rescue, transport, and adoption of nearly 30,000 animals across the country through the ASPCA.
- Subaru has helped Make-A-Wish grant more than 1,200 wishes.
- Subaru helped deliver nearly 1.44 million meals to America's seniors.
- Subaru has provided funding to the National Park Foundation for vital programs and projects in more than 100 national parks.

### **50 Years of Subaru Products**

#### **360**

Production:1968-69

Subaru 360 debuted in the U.S. in 1968 and was the first car imported by Subaru of America, Inc. The little car was immediately recognizable by its bug-eyed headlights and forward-opening doors. Powered by a 356 cc, 25 hp, two-stroke engine, this microcar reached 50 mph in 37.5 seconds and had a top speed of 69 mph. What the 360 lacked in performance, it made up for in affordability and efficiency with a price of \$1297 and a fuel economy of 66 miles per gallon.

#### **FF-1**

Production: 1970-72

The successor to the 360 was the FF-1, a front-wheel drive compact car that was better sized for the American driver. Available in two and four-door models, the FF-1 was the first Subaru to be powered by a horizontally-opposed (boxer) engine. The BOXER engine, a hallmark of Subaru engineering, provided a low center of gravity and better balance and

handling. With 61 hp and 65 lb-ft. of torque, the FF-1 had over twice the power as the 360.

### **DL/GL Wagon**

Production: 1973-90

The DL and GL were available in sedan, coupe and wagon body styles; however, it was the wagon that quickly gained in popularity because it introduced Americans to affordable and economical four-wheel drive. In 1975, "On-Demand" 4WD became available for the wagon allowing drivers to switch from front-wheel to four-wheel drive while on the go, by simply pulling a lever next to the shifter. This rugged, go-anywhere car had great appeal to people with active outdoor lifestyles. In response, Subaru of America forged an agreement with the U.S. Ski Team in 1975 to make the wagon their official car and this relationship continued until 1994.

### **BRAT**

Production: 1978-87

BRAT, which stands for **Bi-drive Recreational All-terrain Transporter**, was a rough and tumble vehicle that combined the comfort of a car with the capacity of a pickup truck. Marketed as a "Fun in the Sun" vehicle, the BRAT was equipped with the same "On-Demand" 4WD as the wagon, giving drivers the capability to explore the great outdoors from the wilderness to the beach. BRAT was also a favorite of President Ronald Reagan, who drove one on his ranch.

### **XT**

Production: 1985-1991

The XT coupe was a bold departure from traditional Subaru design. The wedge-shape and digital dash display made it one of the most futuristic looking cars on the market when it debuted in 1984. The XT had an incredibly low drag coefficient of just .29, which made it one of the most aerodynamic production cars in the world. The XT was known as the Alcyone in Japan - the name referring to the brightest star of the Pleiades star cluster.

### **Legacy**

Production: 1990-Present

The first generation Legacy ushered in a new era for Subaru with a competitive mid-sized family car with sleek styling, premium comfort and advanced standard features such as multi-point fuel injection, four-wheel disc brakes and four-wheel independent suspension. Legacy offered both Active and Continuous Full-Time 4WD and was powered by a standard 2.2-liter BOXER engine delivering 130 hp and 137 lb-ft. of torque, which outperformed many of the leading competitors in its segment.

### **SVX**

Production: 1992-1997

With Italian design and Japanese engineering, the SVX was the boldest Subaru model to date. The space-age performance coupe was designed by Giorgetto Giugiaro and powered by a 230 hp, 6-cylinder BOXER engine. The cockpit was surrounded by a unique window-within-a-window canopy that gave the driver unobstructed vision and virtually eliminated wind noise when the windows were down. The SVX was both a tribute to Subaru's aviation heritage and an exercise in progressive design.

### **Impreza**

1993-Present

Introduced in 1993, the Impreza was a big step forward for Subaru in the sub-compact car segment. The all-new model offered more horsepower and torque, greater interior room and a longer list of standard features than its leading competitors. Impreza was the second model in the Subaru line-up with advanced standard features such as multi-point

fuel injection and four-wheel independent suspension. The Impreza was powered by a standard 1.8-liter BOXER engine producing 110 hp and 110 lb-ft. of torque and offered Active and Continuous All-wheel Drive. The sporty 2.5 RS, the only generation Impreza ever offered as a coupe, set a precedent for development of the legendary WRX. The 2017 Impreza is the latest model from Subaru.

### **Outback**

1996-Present

The Outback is Subaru's flagship model known world-over as the "World's First Sports Utility Wagon." What started out as a trim level for the Legacy wagon became a cultural icon synonymous with outdoor adventure. Equipped with a 2.5-liter BOXER engine and symmetrical all-wheel drive and offering 7.5" of ground clearance, the Outback was capable of taking drivers places competitors could only dream. The first generation Outback is immediately recognizable by its two-tone paint, high ground clearance and a raised roof. The Outback won Motor Trend's SUV of the Year for 2010.

### **Forester**

1998-Present

Known for its large capacity with a small footprint, the Forester was added to the Subaru line-up in 1998. The Forester was an alternative for customers who wanted the same performance and versatility as the Outback, but in a smaller vehicle. The Forester came standard with many of the same features as its larger counterpart including a 2.5-liter BOXER engine, symmetrical all-wheel drive and 7.5" of ground clearance. The Forester was marketed with the advertising tagline "Sport Utility Tough, Car Easy." The Forester won Motor Trend's SUV of the Year in 2009 and 2014.

### **WRX**

2002-Present

The rally-inspired WRX debuted in 2001 powered by a mighty 2.0-liter, turbo-charged, intercooled BOXER engine with 227 hp and 217 lb-ft. of torque, establishing the performance sport sedan segment in the U.S. market. The WRX was designed, tested and proven in its rally form in the world's most brutal motorsport, the World Rally Championship. WRX stands for "World Rally eXperimental" and the car has lived up to its name with multiple titles in the WRC and U.S. rally competition. In 2004, Subaru introduced the WRX STI (Subaru Tecnica International) version of the WRX with a powerful 300 hp engine and signature trunk wing.

### **Baja**

2003-06

The Baja was introduced in 2003 as a new type of crossover that blended the versatility and ruggedness of a compact 4-door pickup truck with the driving dynamics, safety and comfort of a passenger car. The Baja was equipped with Subaru's 2.5-liter BOXER engine and symmetrical all-wheel drive as well as the added benefit of a limited-slip rear differential and a fully independent heavy-duty raised suspension. The multi-purpose vehicle had room for four passengers and a cargo bed for occasional sport and/or utility use. The key to the Baja's versatility was the Subaru-designed Switchback System that allowed the reconfiguration of the rear seating area, as well as the cargo bed, to meet a variety of needs. Based on the Legacy-Outback platform, the Baja was the first model designed in-house by Subaru of America.

**Photo Gallery:** 50 Years of Subaru Products (<http://media.subaru.com/image-gallery.do?method=view&imageGalleryId=198&mid=1>)

### **About Subaru of America, Inc.**

Subaru of America, Inc. is a wholly owned subsidiary of Fuji Heavy Industries Ltd. of Japan. Headquartered at a zero-



landfill office in Cherry Hill, N.J., the company markets and distributes Subaru vehicles, parts, and accessories through a network of more than 620 retailers across the United States. All Subaru products are manufactured in zero-landfill production plants, and Subaru of Indiana Automotive, Inc. is the only U.S. automobile production plant to be designated a backyard wildlife habitat by the National Wildlife Federation. For additional information, visit [media.subaru.com](https://media.subaru.com).