

# Mitsubishi Motors

## **MISSION STATEMENT:**

We will win by growing our brand profitability through resourceful and inspired leadership, a results driven and spirited workforce, and strengthened customer and dealer relationships.

We are a spirited, diverse workforce. We are a culture that looks for, and rewards, hard work and dedication. We are winners. And we are looking for the right people to join us in our quest for excellence!

# PARENT COMPANY

## Mitsubishi Motors Corporation (MMC)

Mitsubishi Motors Corporation is a Japanese company with a strong German-American alliance partner in Daimler Chrysler and an international management team.

MMC, the multinational manufacturer and distributor, began as the motor vehicle division of Mitsubishi Heavy Industries, Ltd., with its first automobile in 1917. In 1970, MMC became an independent entity based in Tokyo, Japan.

MMC signed a letter of intent to enter into a strategic alliance with Daimler-Chrysler Corporation in 2000. Daimler-Chrysler owns 37% of MMC.

**Rolf Eckrodt**, President & Chief Executive Officer

**Keiichiro Hashimoto**, Executive Vice President and Chief Financial Officer

**Richard Emery**, National Marketing Manager

# Mitsubishi Motors North America (MMNA)

Mitsubishi Motors Corporation began selling its vehicles in the United States in the 1970s through Chrysler brand. In 1981, Mitsubishi Motors North America was established through MMC, and in 1988 they built their first vehicle.

MMNA manufactures, finances, distributes and markets Mitsubishi brand coupes, convertibles, sedans and sport utility vehicles through a network of nearly 700 dealers in the United States, Canada, Mexico and the Caribbean.

Car prices range from \$14,000 to \$32,000.

**Finnbar O'Neil**-Chief Executive Officer

**Greg O'Neill**-President and Chief Operating Officer, Sales Division

**Rich Gilligan**-President and Chief Operating Officer, Manufacturing Division

**Gail O'Brien**-Vice President, Corporate Communications and Public Affairs

# \*\*MMNA\*\*

MMNA is the fastest growing Japanese automaker in North America.

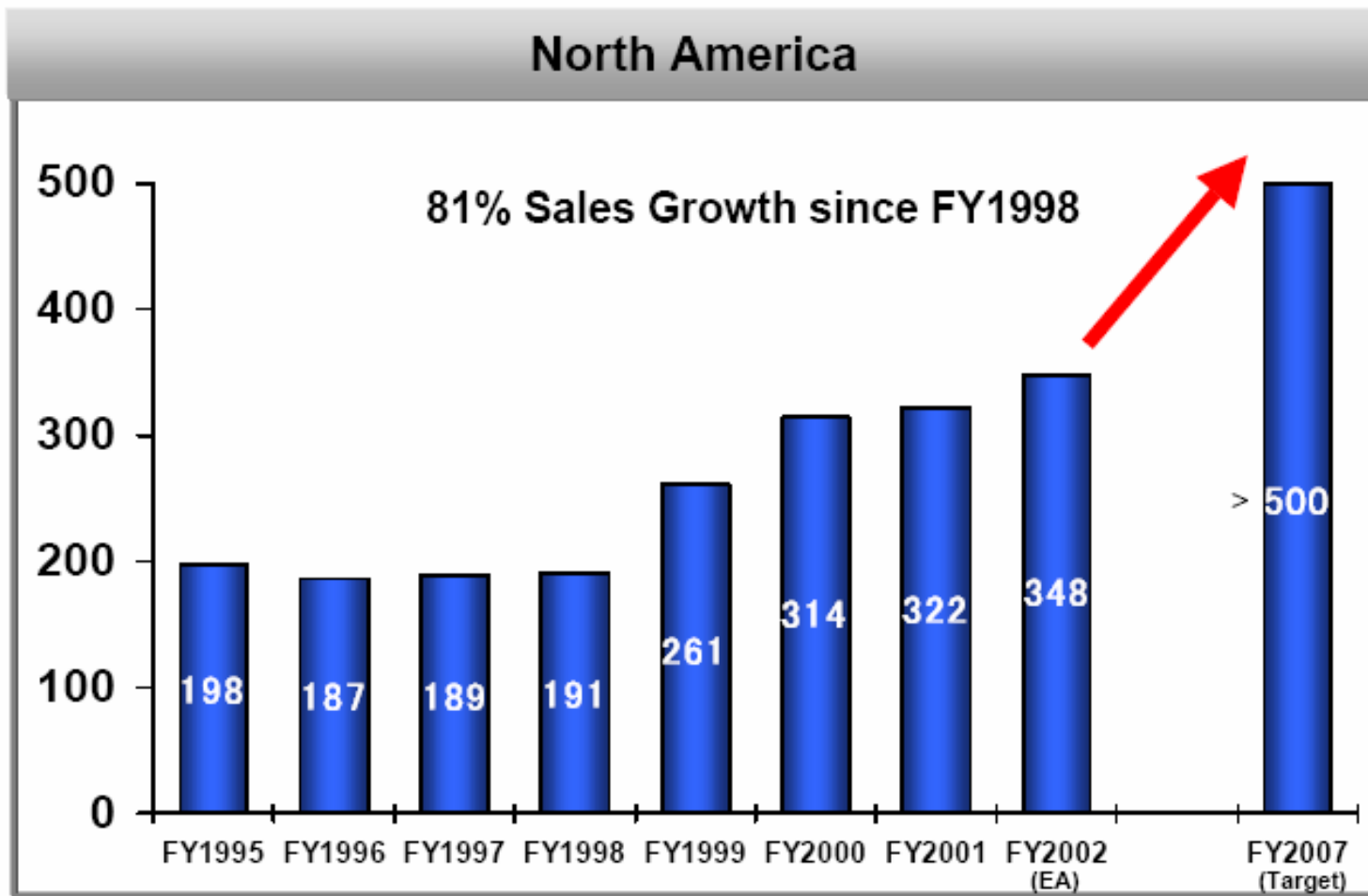
- WHY?**
- Standout brand.
  - All-new markets
  - Hot products.
  - Streamlined organization.
  - Dedicated employees.
  - Young and diverse audience.

2003 brought the introduction of the Mitsubishi Endeavor. MMNA's growth included **four** all-new or completely redesigned products in 2003, with two more in the following two years.

Sales have grown **81%** over the past 4 years. MMNA sold 345,111 new vehicles in the United States in 2002-Its BEST YEAR EVER for the 4th consecutive time!

(1,000 Units )

## Fastest Growing Japanese Brand in U.S.



North America

# MMNA's Current Line-Up Includes:



## Montero

Nicknamed by Mitsubishi as “the limo on steroids.” A rare full-sized SUV, that seats seven and has a disappearing third-row seat. It also possess legendary off-road capability and seeks rugged adventure.

\*Prices for both range from \$22,000 to \$37,000.



## Montero Sport

A sexier version of the Montero. With its all 4-Wheel Drive, V6 engine and roomy interior, the Montero Sport can handle the whole utilitarian part of the SUV equation. Its sleek, stylish appearance makes it clearly stand out from the rest.

# Outlander



Has the ride comfort and engineering precision of a sedan with the versatility and sense of adventure of an SUV. It seats five people comfortably and adds a variety of standard features.

\*Prices for the Outlander range from \$18,000 to \$22,000.



It's called Charisma because of its blue ambient lighting, satin-metal finish interior, and standard 17" alloy wheels. It was first introduced in the Mitsubishi lineup in 2003.

Source: <http://www.mitsucars.com/endeavor/index.html>

endeavor

\*The price of the Endeavor ranges from \$26,000 to over \$33,000.



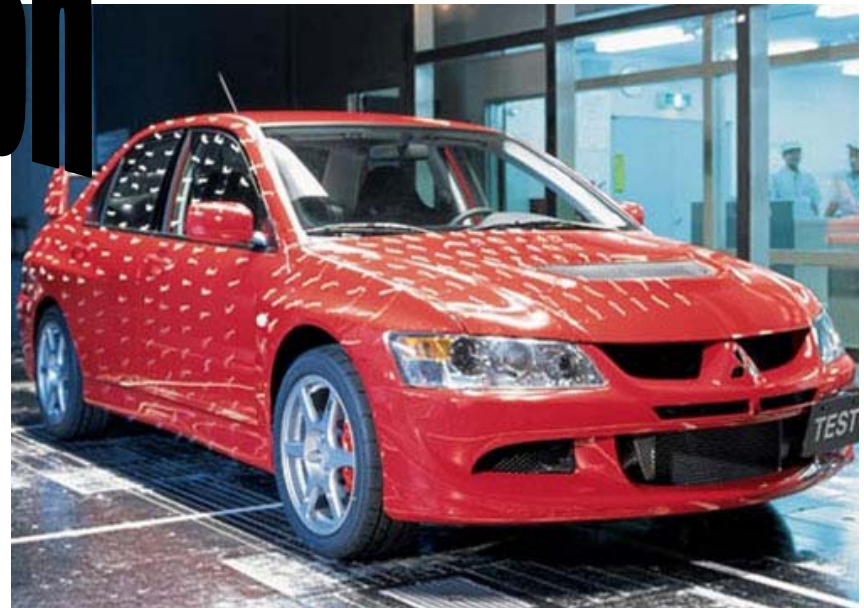
# Lancer

Known for its roominess, reliability, standard power windows and power locks. Available in the classic ES, the stylish LS, the O•Z Rally, or the new Lancer Ralliart. Need more room? How about the Lancer Sportback LS or the performance Lancer Sportback Ralliart.

# Lancer Evolution

With its video game image, this vehicle clearly distinguishes itself from the competition. It has all turbocharged 271 horsepower and is the 2003 World Rally Championship winner, driven by David Higgins.

\*Prices for both range from approximately \$13,000 to \$29,000.



# Eclipse



The Eclipse is a well-known sports coupe derived from a geo-mechanical design philosophy. Its roomy interior and 4-cylinder engine keeps its competitors working hard to imitate its image.

# Eclipse Spyder

The Eclipse Spyder is a modern drop-top best seller. It gives you the interior comfort you would expect from a sports sedan with the sun-filled driving pleasure of a convertible.

\*Prices for both range from \$18,000 to \$30,000.

Source:  
<http://www.mitsubishicars.com/MMSA/jsp/index.jsp>



# Diamante



Mitsubishi's most powerful and luxurious sedan. Its features include a one-touch power sunroof, automatic climate control and 16-inch alloy wheels. This beauty definitely stands out from its competition!

\*Prices for the 3 versions range from \$26,000 to \$27,500.

# Galant

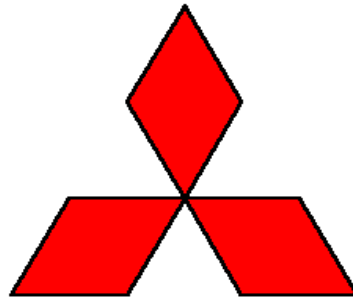
2004 has brought a new, redesigned model of the Galant. The bold model includes new luxury features, such as leather seats, heated front seats and a 270-watt Mitsubishi/Infinity CD audio system, with 8 speakers.

\*Prices for the Galant range from \$18,000 to \$26,000.



When first stepping on the scene, Mitsubishi's brand strategy included the importance of distinguishing its brand and making it stand out from all the rest.

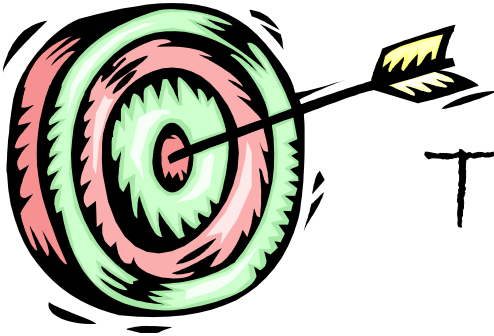
# MITSUBISHI POSITIONING



**MITSUBISHI MOTORS**

**MOTTO:** “Spirited Products for Spirited People”

- Reflects Mitsubishi's design and performance character.
- Differentiates Mitsubishi from other Japanese manufacturers.



# Target Audience

Mitsubishi aims its brand toward a diverse audience that is “young at heart.” They emphasize the importance of making their cars in the image of their distinct customers.

Most of their customers are under the age of 35.

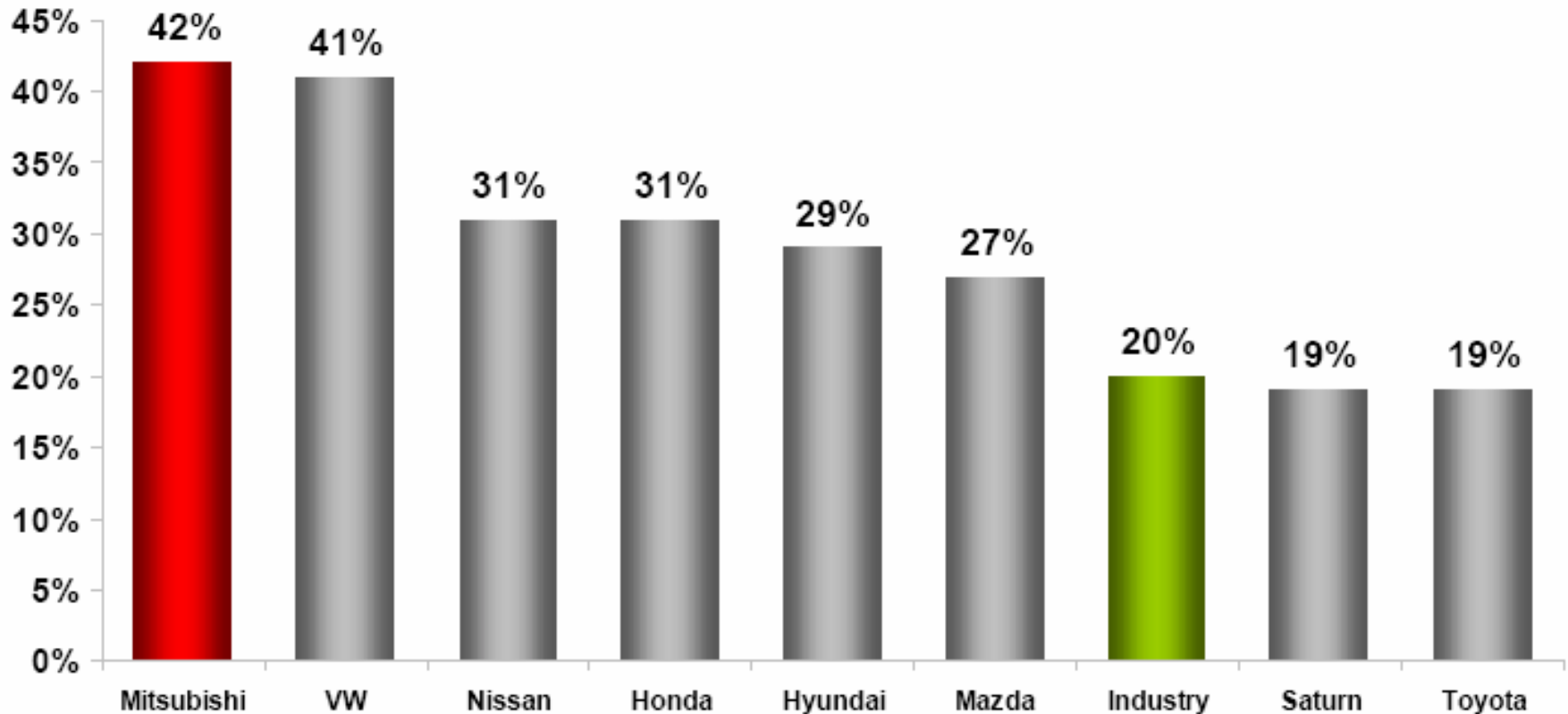
*“Mitsubishi Motors has the most diverse customer base of any manufacturer in the world. Our hip, edgy marketing seeks to engage ‘spirited cars for spirited people,’ and our advertising reflects our diverse customer base. We market to a spirited mindset, not a specific age or demographic, yet our appeal is strong across racial, ethnic and gender lines.”*

-Mitsubishi Motors North America

# Customers Under 35



## Mitsubishi Leads in Youth % Under 35



Source: Strategic Vision 2002 Q1 NVES Study  
[www.mitsubishi-motors.co.jp/docs4/ir/e/other/info/int\\_america.pdf](http://www.mitsubishi-motors.co.jp/docs4/ir/e/other/info/int_america.pdf)

North America



# Diversity

“We believe diversity is essential to a quality supplier base. Men and women, people of color and different cultures and backgrounds working together are necessary to achieve our ultimate goal – world class quality.”

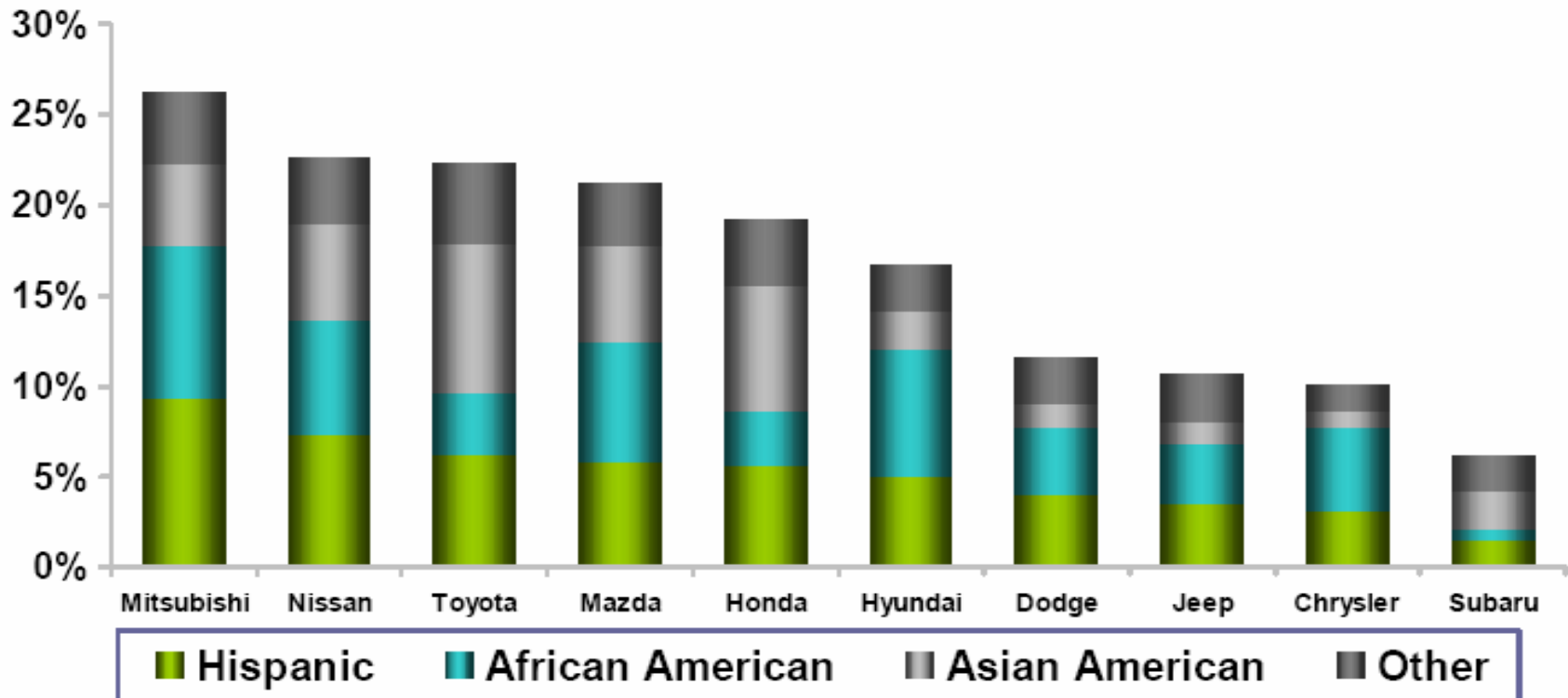
-Mitsubishi Motors North America

Mitsubishi's diversity plan includes:

- A national executive Diversity Leadership Council
- Training in diversity throughout the organization.
- A partnership with the United Negro College Fund to provide a \$2000 scholarship for African-American students.
- A partnership with members of Congress to honor 26 outstanding women as “Unsung Heroines.”

# Customers' Diversity

**Mitsubishi Customers are More Ethnically Diverse**



SOURCE: 2001 Strategic Vision; \*Census Data  
[www.Mitsubishi-motors.co.jp/docs4/ir/e/other/info/int\\_america.pdf](http://www.Mitsubishi-motors.co.jp/docs4/ir/e/other/info/int_america.pdf)

# Competition



Mitsubishi faces competition from numerous other Japanese automakers present in the United States and around the world, such as Mazda, Nissan and Toyota.

United States' carmakers fight Japanese competition by teaming up with Japanese carmakers. Mitsubishi faces major competition from these United States/Japanese collaborations: Ford Motor Co.'s purchase of a stake in Mazda and General Motors' joint venture with Toyota. These American carmakers carry strong brand loyalty, and will mix well with the fresh, new modernizing styles of the Japanese.

# Marketing Strategies



## **Event Marketing**

Mitsubishi spent \$25 million to co-promote Universal's "2 Fast 2 Furious", which features several Mitsubishi vehicles. The film stars Paul Walker and Tyrese Gibson appeared in TV commercials for Mitsubishi.

Mitsubishi is also in negotiation with Miramax Films about the role of Black Beauty in their 2005 motion picture, "The Green Hornet." The deal was said to include \$35 million in marketing support to feature one of its vehicles.

## **Cause Marketing**

Mitsubishi became community partners in 2002 with key foundations and organizations:

Chili-Burton Snowboards Foundation-provide a diverse group of inner-city youth from Los Angeles, Chicago and Washington, D.C. with the opportunity to participate in a learn-to-snowboard program.

Tread-Lightly-a long-time supporter of environmental conservation and preservation.

America's Second Harvest-the nation's largest non-governmental domestic hunger relief organization. (partnered for 11 years)

Mothers Against Drunk Driving-to create Pasa Las Llaves (Pass the Keys), a provocative drunk driving prevention campaign focused on the Latino community.

Source: Advertising Age, "Mitsubishi closes in on 'Hornet' flick" 10/06/03

[www.mitsucars.com/MMSA/jsp/index.jsp](http://www.mitsucars.com/MMSA/jsp/index.jsp)

# Advertising Agency

**Interpublic Group of Companies** is a holding company for four agency/marketing communications groups: McCann-Erickson Worldwide, Lowe, FCB Group and Advanced Marketing Services. In 2002, their revenue exceeded \$6 billion.

Interpublic Group of Cos. – **David Bell**, chairman and Chief Executive Officer  
Headquarters: New York, NY

Interpublic bought New York-based Deutsch Inc. last November for \$265 million in stock.

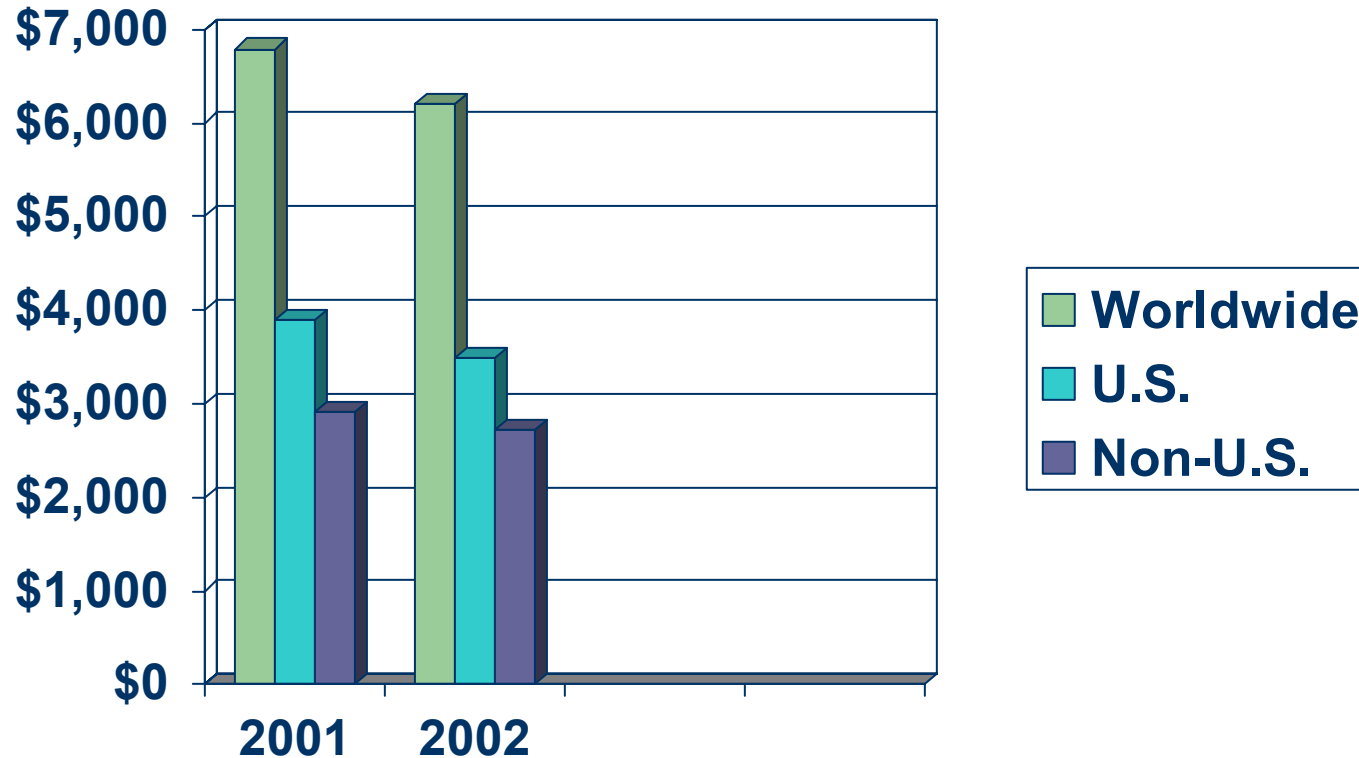
Deutsch Inc. is a full-service integrated marketing and communications company. Deutsch works with blue-chip clients including Mitsubishi Motors North America, DIRECTV, Coors, Revlon, Snapple, Novartis, Bank of America, MCI and Tommy Hilfiger. Deutsch offers clients an array of services including advertising, direct marketing (directDeutsch), Interactive (iDeutsch), design (designDeutsch) and public relations, promotions, and events (Deutsch PR Promo Plus). Deutsch has offices in New York, Los Angeles, Chicago, Miami and Toronto.

Deutsch – **Donny Deutsch**, Chief Executive Officer  
Founded in New York City in 1969.

Deutsch LA – **Eric Hirshberg**, managing partner-executive creative director  
**Mike Sheldon**-managing partner-general manager

# Interpublic Group of Cos. Revenue

(\$ in millions)



Source: 2003 Advertising Age, "100 Leading National Advertisers,"

# \*\*Deutsch Inc.\*\*

Deutsch Los Angeles offices were launched in 1995 with \$330 billion in total agency billings. In 1998, Deutsch LA increased from 15 to 160 employees, with over 300 employees today.

Deutsch, LA has been Mitsubishi's advertising agency for nearly five years. In 1998, the agency won over the \$250 million account.

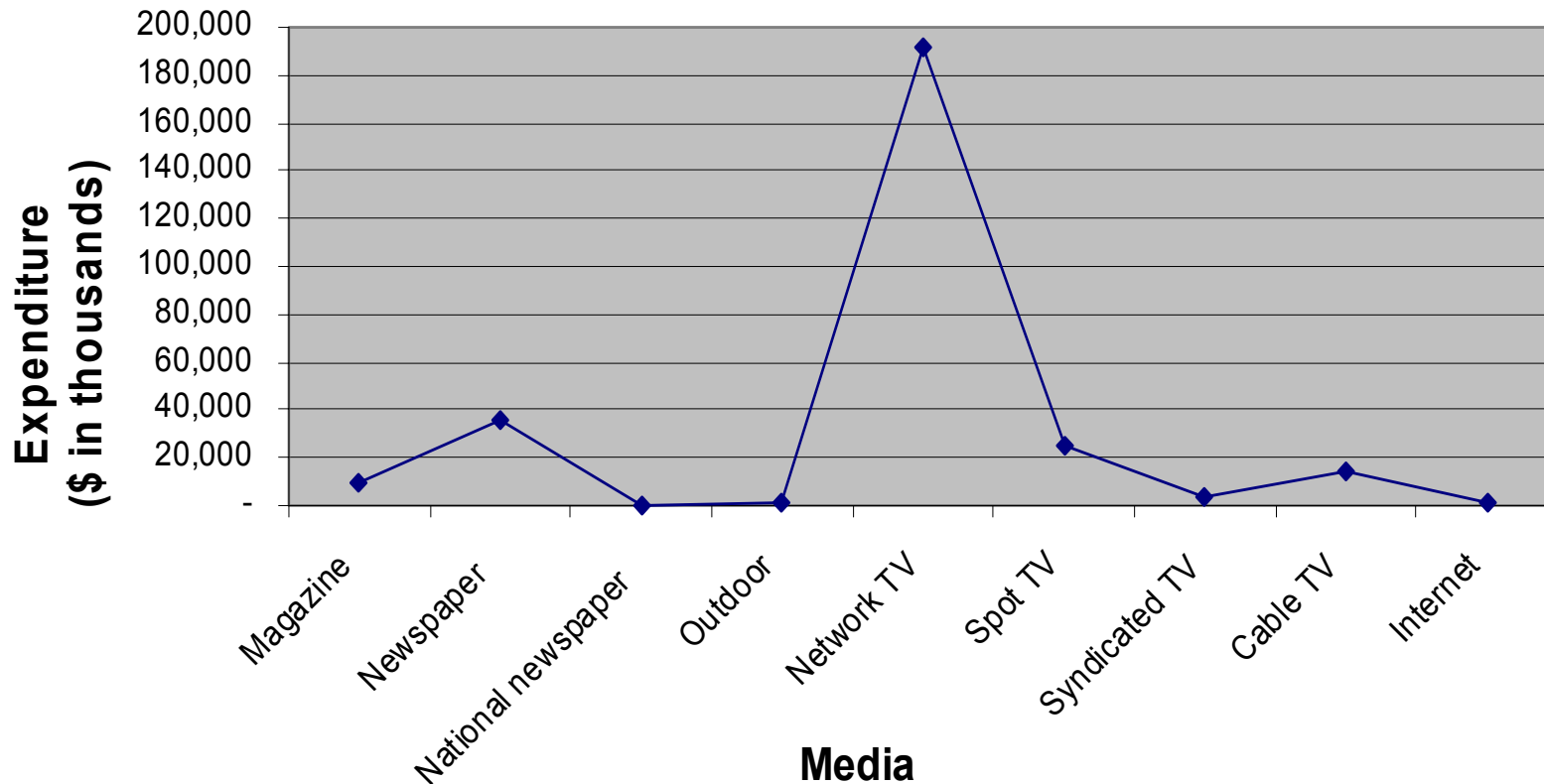
In 2002, Duetsch opened a new office in Miami for Burger King and in Toronto to service Mitsubishi Motor Sales of Canada. Mitsubishi started selling cars in Canada in September 2002 with approximately 50 dealers. Ad spending is expected to reach \$25 million by the end of this year and is expected to grow with sales.

Mitsubishi Motors North America is Deutsch's **BIGGEST** client and spends most of its ad dollars on TV.

Deutsch has been honored as one of the top advertising agencies over the last five years:

- \*Eastern Advertising Agency of the Year, Adweek, 1997
- \*National Advertising Agency of the Year, Adweek, 1998, 1999, 2001 and 2002
- \*National Advertising Agency of the Year, Advertising Age, 1998 and 2002
- \*Interactive Agency of the Year, Adweek, 2002

## Mitsubishi U.S Ad Spending (2002)



Source: 2003 Advertising Age, "100 Leading National Advertisers" (2002 data)

# Advertising Strategies:

Deutsch's strategic approach includes "emphasizing a vehicle's emotional appeal based on style and design." Although Mitsubishi states that it does not advertise to a specific demographic group, Deutsch have created their ad campaigns to appeal and build brand recognition among Generation Y, people aged 16-20. They have successfully completed this task over the past years by including aspects of pop culture, such as rising singers and bands.

This year, Mitsubishi spent an estimated \$60 million dollars advertising the 2003 Endeavor, its biggest ad-launch yet. This beats its previous record of \$50 million on its 1998 Galant. The campaign sought to reach its usual Generation Y audience, with a British band entitled "Overseer," while also attempting to appeal to families with their "SpongeBob Squarepants" tactic.

*"Most car ads talk about cars. Performance. Reliability. Safety. Or how many cup holders there are. But people don't buy a car solely on cup holders or safety. They simply use these features as rationale for buying the cars they want. People buy the cars that best reflect who they are. Everybody knows it, but few talk about it. We built a brand around it. We've established Mitsubishi as more than a car maker, it's become a club. A club for the young and the young at heart. Our campaigns showcase the cars and one thought, how you look and feel in a Mitsubishi is what differentiates the brand from other cars."*

-Deutsch Inc.

Sources: Ad Age, "Duetsch dominates" 1/13/2003; Ad Age, "Mitsubishi widens Endeavor ad focus" 07/14/03

# ACCOLADES

*edmunds.com*

January 2003

"...Endeavor offers buyers a solid all-around package that doesn't look like every other sport-ute already on the road."

*edmunds.com*

March 2003

"...Endeavor was designed to stand out among the current crop of otherwise featureless SUV's."

*Intellichoice, Inc. 2000, The Complete Car Cost Guide™*

February 2000

Eclipse-"A Best Overall Value of the Year" for the Base Sport Class

*Consumers Digest Buying Guide*

November/December 1999

"Best Buys in 2000 Cars"

*Wheel Drive & Sport Utility Magazine*

December 1999

"2000 Montero Sport - Small Changes Mean Big Improvements"