NADADATA

STATE-OF-THE-INDUSTRY REPORT **2013**

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NADA DATA

Overview

IN THE UNITED STATES, the year 2012 saw a further increase in vehicle sales raising the profitability of franchised dealerships as the economy continued its recovery from the recent recession. Real GDP grew at 2.8 percent in 2012, which was up from 2011's real GDP growth rate of 1.8 percent[1]. Though higher than records preceding the last recession, the unemployment rate was on a downward trend in 2012, starting at 8.3 percent in January and ending at 7.8 percent in December[2]. Notwithstanding regional variations, the U.S. overall saw housing starts continue an upward trend in 2012 from 2011[3]. Single-family home prices started to rise in March 2012, following a year when these prices had been trending downward[4]. Changes in personal consumption expenditures throughout 2012 stayed positive, as in 2011[5]. Interest rates were low and the accessibility to credit increased during the year contributing to an environment that fostered major purchases such as automobiles.

Activity in the U.S. automobile market continued to accelerate in 2012. New-light-vehicle sales were up 13.4 percent, as 14.4 million units were sold in 2012, compared with 12.7 million units in 2011[6]. Pent-up demand and incentives have been cited as major reasons for the increase in new light vehicle sales. New-medium-and heavy-duty-truck sales were up 13.0 percent in 2012, increasing to 345,876 units in 2012 from 306,189 units in 2011[7]. Used-vehicle sales were up 4.5 percent as 40.5 million units were sold in 2012 versus 38.8 million units in 2011[8]. The average price of regular gasoline increased by $0.097/gallon to $3.618/gallon in 2012 from the 2011 value of $3.521/gallon but this price increment did not have an adverse effect on the overall growth of sales in the U.S. automobile industry[9].

There was a net increase of 95 franchised dealerships in the U.S. bringing the total to 17,635 franchised dealerships for 2012[10]. At an average dealership, two employees[11] were added to the workforce and total dealership dollar sales[12] increased by 9.2 percent. In terms of profitability[13], the average dealership continued to experience margin compression in new-vehicle sales, as the gross percentage of the selling price of a new vehicle fell from 4.6 percent in 2011 to 4.2 percent in 2012. However, the new-vehicle department profitability as a percentage of gross profit increased to 30.4 percent from 28.8 percent in 2011 and the used-vehicle department profitability as a percentage of gross profit rose to 25.6 percent from 25.4 percent in 2011. The share of gross profit held by the service and parts department fell to 44.0 percent from 45.8 percent in 2011, but the share held by F&I and service contracts rose to 36.9 percent from 33.8 percent in 2011.

Note: *The NADA Industry Analysis Division prepares NADA DATA. Contact NADA Industry Analysis, 8400 Westpark Drive, McLean, VA 22102, USA, call 800.252.NADA, or e-mail industryrelations@nada.org.* ***Data in the text of each section of this report is associated with the data references of the figures presented in each section, unless otherwise stated.***

About this special section

On the following pages, you will find the results of NADA's yearlong analysis of the U.S. car and truck industry, with emphasis on the retail side of the business.

The key segments covered are:

[1] Data source: Moody's Analytics (secondary source), U.S. Bureau of Economic Analysis (U.S. Department of Commerce) (primary source).

[2] Data source: Moody's Analytics (secondary source), U.S. Bureau of Labor Statistics (U.S. Department of Labor) (primary source).

[3] Based on data: Moody's Analytics (secondary source), U.S. Census Bureau (primary source).

[4] Based on data: Moody's Analytics (secondary source), S&P/Case-Shiller Home Price Index from S&P Dow Jones Indices LLC (primary source).

[5] Based on data: Moody's Analytics (secondary source), U.S. Bureau of Economic Analysis (U.S. Department of Commerce) (primary source).

[6] Data source: WardsAuto.

[7] Data source: WardsAuto.

[8] Data source: WardsAuto.

[9] Data source: U.S. Energy Information Administration.

[10] Data source: NADA Membership Department.

[11] Data source: NADA Industry Analysis Division; NADA Membership Department; U.S. Bureau of Labor Statistics (U.S. Department of Labor).

[12] Data source: NADA Industry Analysis Division; U.S. Department of Commerce.

[13] Profitability data source: NADA Industry Analysis Division; NADA 20 Group.

NADA DATA

Average Dealership Profile

Sales for the nation's new-vehicle dealers reached 14.4 million units in 2012[1]. Total dealership revenue reached $676 billion, growing by 9.8 percent. Sales in the new-car department (up 12.8 percent) surpassed the 7.1 percent revenue growth for used cars. Net pretax profit was high, with the average store generating $843,697 in 2012.

TOTAL GROSS AND EXPENSE

Total dealership gross margins fell in 2012 to 13.7 percent of total dealership sales from 14.4 percent in 2011. Total expenses were up 4.0 percent, but declined as a percentage of sales to 11.5 percent from 12.1 percent in 2011. Advertising expenses increased on higher unit sales, but fell on a per-vehicle basis to $621. Floor-plan expenses were a negative $72 per new vehicle sold. Some major expenses for the average dealership in 2012:

Payroll..................................$2,924,824
Advertising..............................$405,907
Rent and equivalent.................$404,554

TOTAL DEALERSHIP PROFITS

In 2012, total dealership net profit before tax as a percent of sales was 2.2 percent, down slightly from 2.3 percent in 2011. Dollar profits gained 6.2 percent.

[1] Data source: WardsAuto

Average dealership profile

	2007	2008	2009	2010	2011	2012	% change 2011-2012
Total dealership sales	$33,379,501	$28,517,867	$26,645,303	$30,941,801	$35,128,692	$38,359,930	9.2%
Total dealership gross	$4,546,212	$4,077,497	$4,060,649	$4,498,949	$5,047,340	$5,266,535	4.3%
As % of total sales	13.6%	14.3%	15.2%	14.5%	14.4%	13.7%	
Total dealership expense	$4,038,084	$3,800,451	$3,658,560	$3,863,023	$4,252,805	$4,422,838	4.0%
As % of total sales	12.1%	13.3%	13.7%	12.5%	12.1%	11.5%	
Net profit before taxes	$508,127	$277,045	$402,090	$635,926	$794,536	$843,697	6.2%
As % of total sales	1.5%	1.0%	1.5%	2.1%	2.3%	2.2%	
(Net pretax profit in constant 1982 dollars)	$245,117	$128,679	$187,454	$291,575	$353,284	$367,464	4.0%
New-vehicle department sales	$19,545,287	$16,302,280	$13,937,579	$16,352,208	$19,114,448	$21,567,325	12.8%
As % of total sales	58.6%	57.2%	52.3%	52.8%	54.4%	56.2%	
Used-vehicle department sales	$9,821,093	$8,164,415	$8,537,426	$10,244,937	$11,369,595	$12,179,364	7.1%
As % of total sales	29.4%	28.6%	32.0%	33.1%	32.4%	31.8%	
Service and parts sales	$4,013,121	$4,051,172	$4,170,298	$4,344,656	$4,644,649	$4,613,241	-0.7%
As % of total sales	12.0%	14.2%	15.7%	14.0%	13.2%	12.0%	
New-vehicle average selling price	$28,797	$28,350	$28,966	$29,793	$30,659	$30,910	0.8%
Used-vehicle average selling price	$15,714	$15,200	$14,976	$16,474	$17,267	$17,547	1.6%
Average net worth (as of 12/31)	$2,306,742	$2,251,583	$2,235,369	$2,563,220	$2,838,652	$3,034,675	6.9%
Net profit as % of net worth	22.0%	12.4%	18.0%	24.8%	28.0%	27.8%	

Source: NADA Industry Analysis Division; NADA 20 Group; NADA Membership Department; U.S. Census Bureau; U.S. Bureau of Labor Statistics (U.S. Department of Labor)

NADA Optimism Index

The latest quarterly survey[1] put the NADA Dealer Optimism Index value at 161 for the end of 2012, down from the 175 posted at the end of 2011.

Regarding expectations for dealership profits, the latest survey revealed that the dealers who expected their profits to rise in the ensuing 12 months made up the largest category of respondents: 56.0 percent. Although down slightly from the March 2012 value of 58.3 percent for this category, this follows a trend set in 2010, when the category of dealers expecting profits to rise led the surveyed group.

[1]The latest quarterly survey data is for Q4 2012.

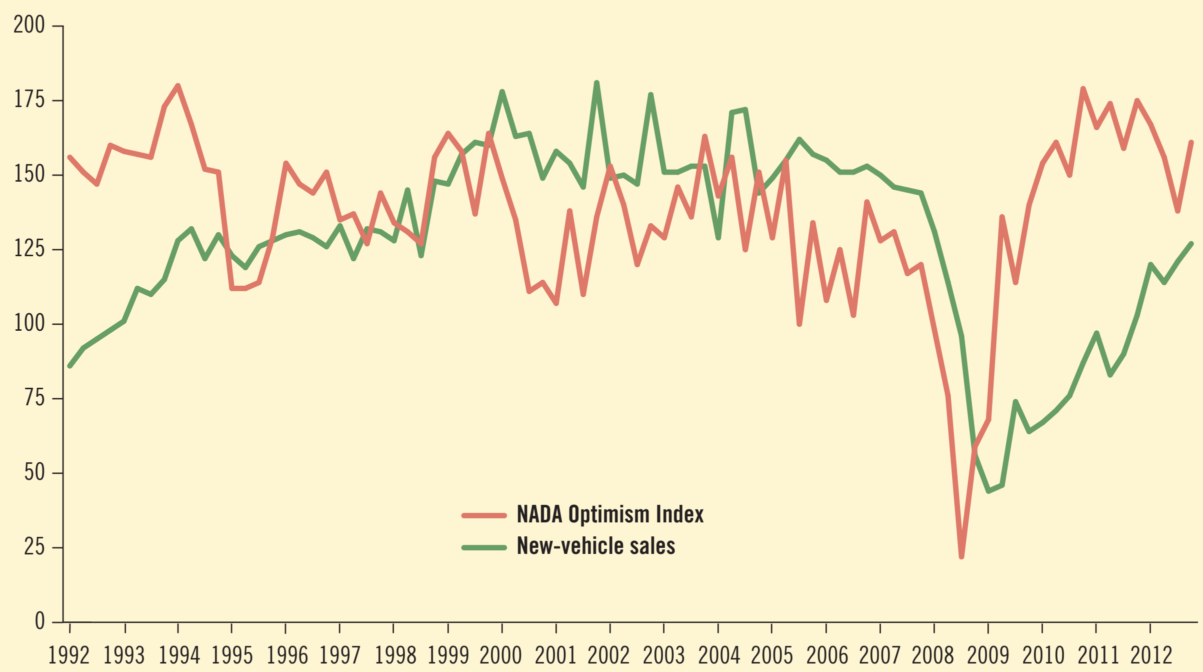
Expectations for dealership profits

Percent of dealers expecting profits to:

	Increase	No change	Decline	Index value
April 2000	49.0	39.9	11.1	149
April 2001	31.5	40.7	27.8	107
March 2002	53.2	36.7	10.1	153
March 2003	40.2	42.6	17.2	129
March 2004	47.1	40.9	12.0	143
March 2005	41.6	38.7	19.7	129
March 2006	32.9	41.1	26.0	108
March 2007	40.7	42.6	16.7	128
March 2008	28.0	44.2	27.8	98
March 2009	18.6	39.9	41.5	68
March 2010	54.0	35.7	10.3	154
March 2011	57.4	35.8	6.7	166
March 2012	58.3	33.5	8.2	167
December 2012	56.0	37.0	7.0	161

Source: NADA Industry Analysis Division

Optimism index vs. new-vehicle sales



Source: NADA Industry Analysis Division; WardsAuto

NADA DATA

New-Car Dealerships

By the end of 2012, there was a net increase of 95 franchised dealerships.

In terms of categorization of franchised dealerships by annual sales volume, there was a decline in the number of dealerships selling 149 or fewer new light vehicles and between 150 and 399 new light vehicles at the beginning of 2013 compared with the previous year.

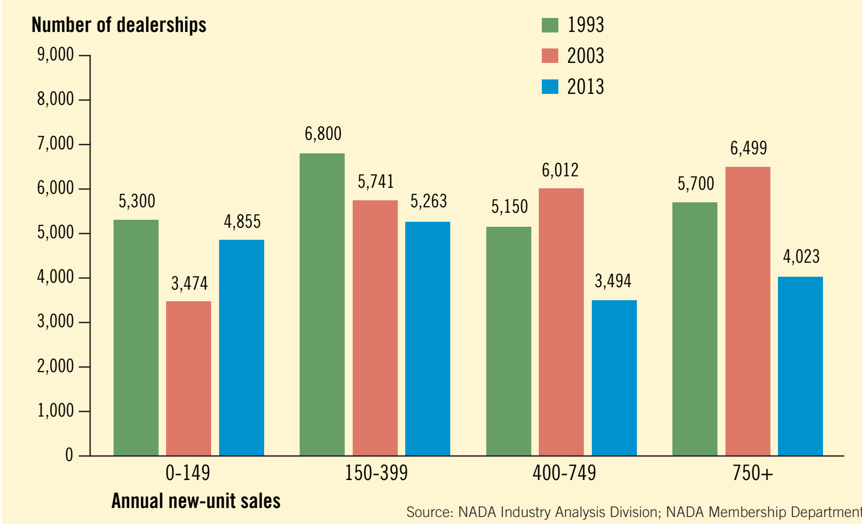
However there was a rise in the number of dealerships selling between 400 and 749 new light vehicles and more than 750 new light vehicles at the beginning of 2013, compared with the previous year.

The number of dealerships with sales of more than 750 new light vehicles per year rose to 4,023 at the beginning of 2013 from 3,907 at the beginning of 2012.

Although there was a net increase in franchised dealerships in 2012 in the U.S., the rise in the number of dealerships was not evenly spread across the country. The increase in the franchised dealerships for 2012 was most heavily focused in the western regions, while the eastern regions saw a reduction in the number of franchised dealerships for the most part; notably, the states in the Pacific region experienced the greatest increase (3.1 percent) in dealership count, while the states in the east north central region experienced the largest decline (0.6 percent).[1]

[1] U.S. regions as classified by U.S. Census Bureau

Number of dealerships, by volume of new-unit sales



Source: NADA Industry Analysis Division; NADA Membership Department

New-car dealerships

As of January 1	
1992	23,500
1993	22,950
1994	22,850
1995	22,800
1996	22,750
1997	22,700
1998	22,600
1999	22,400
2000	22,250
2001	22,150
2002	21,800
2003	21,725
2004	21,650
2005	21,640
2006	21,495
2007	21,200
2008	20,770
2009	20,010
2010	18,460
2011	17,700
2012	17,540
2013	17,635

Source: NADA Membership Department

New-car dealerships, by state[1]

As of January 1			
Alabama	300	Montana	111
Alaska	35	Nebraska	182
Arizona	246	Nevada	102
Arkansas	215	New Hampshire	141
California	1,364	New Jersey	465
Colorado	260	New Mexico	116
Connecticut	266	New York	877
Delaware	55	North Carolina	579
D.C.	1	North Dakota	91
Florida	853	Ohio	758
Georgia	518	Oklahoma	279
Hawaii	70	Oregon	238
Idaho	112	Pennsylvania	943
Illinois	759	Rhode Island	51
Indiana	428	South Carolina	259
Iowa	323	South Dakota	103
Kansas	228	Tennessee	345
Kentucky	261	Texas	1,201
Louisiana	292	Utah	143
Maine	125	Vermont	86
Maryland	303	Virginia	494
Massachusetts	404	Washington	330
Michigan	636	West Virginia	147
Minnesota	360	Wisconsin	510
Mississippi	193	Wyoming	65
Missouri	412	**Total U.S.**	**17,635**

Source: NADA Membership Department

[1] Including District of Columbia (D.C.).

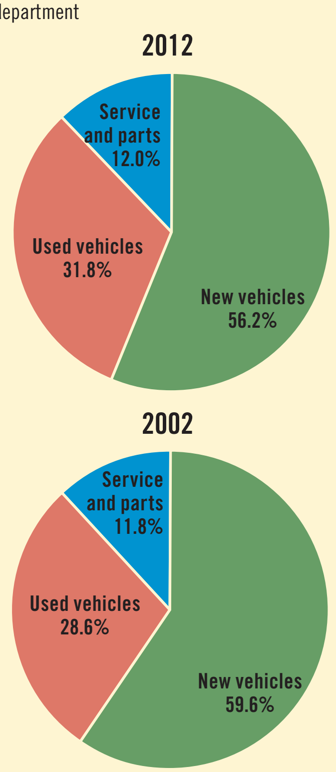
Total Dealership Sales Dollars

Total dollar sales at the nation's new-car dealerships increased by 9.2 percent in 2012, the third full year of post-recession growth.

New-car department sales improved in 2012, with a 12.8 percent increase in revenue, while used-car department sales improved in 2012, with a 7.1 percent increase in revenue, a 1.6 percent increase in transaction prices, and a 12.0 percent gross margin on retail used selling prices.

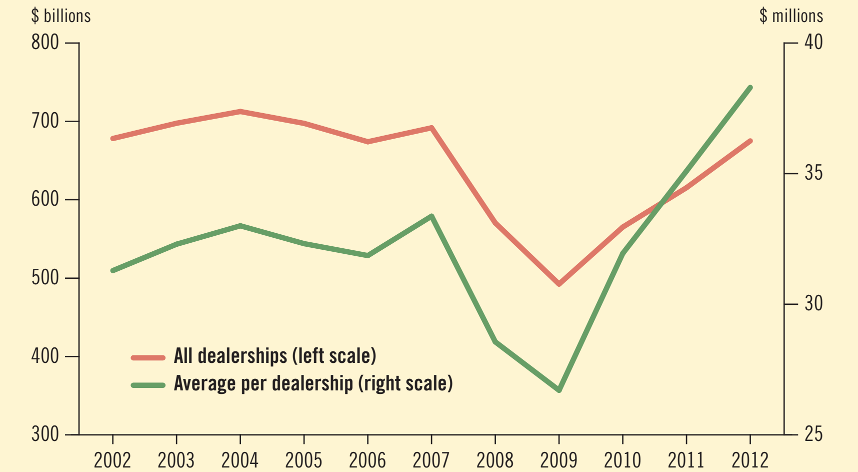
Share of total dealership sales dollars

By department



Source: NADA Industry Analysis Division, NADA 20 Group; NADA Membership Department; U.S. Census Bureau

Total sales of new-car dealerships



Sources: NADA Industry Analysis Division; NADA 20 Group; NADA Membership Department; U.S. Census Bureau

2012 total sales, by state

State	All dealerships (millions)	Average per dealership (thousands)	State	All dealerships (millions)	Average per dealership (thousands)
Alabama	$9,568	$31,893	Montana	$2,741	$24,692
Alaska	$1,312	$37,498	Nebraska	$5,010	$27,530
Arizona	$14,685	$59,696	Nevada	$4,888	$47,922
Arkansas	$6,044	$28,114	New Hampshire	$4,500	$31,917
California	$77,524	$56,836	New Jersey	$22,704	$48,827
Colorado	$12,437	$47,833	New Mexico	$3,615	$31,162
Connecticut	$8,788	$33,039	New York	$39,138	$44,627
Delaware	$2,349	$42,713	North Carolina	$19,930	$34,421
Florida	$47,024	$55,128	North Dakota	$2,886	$31,719
Georgia	$20,270	$39,131	Ohio	$24,794	$32,710
Hawaii	$1,816	$25,938	Oklahoma	$19,148	$68,633
Idaho	$2,822	$25,200	Oregon	$7,059	$29,661
Illinois	$27,304	$35,974	Pennsylvania	$27,283	$28,932
Indiana	$12,621	$29,489	Rhode Island	$1,918	$37,606
Iowa	$7,608	$23,555	South Carolina	$8,299	$32,041
Kansas	$5,695	$24,979	South Dakota	$2,666	$25,885
Kentucky	$7,163	$27,444	Tennessee	$13,802	$40,006
Louisiana	$9,469	$32,430	Texas	$63,331	$52,732
Maine	$3,046	$24,367	Utah	$5,953	$41,632
Maryland	$13,393	$44,200	Vermont	$1,638	$19,042
Massachusetts	$15,524	$38,426	Virginia	$18,165	$36,771
Michigan	$13,494	$21,218	Washington	$12,030	$36,454
Minnesota	$9,635	$26,763	West Virginia	$3,856	$26,233
Mississippi	$5,078	$26,309	Wisconsin	$11,958	$23,447
Missouri	$13,122	$31,848	Wyoming	$1,333	$20,514
			Total U.S.	**$676,439**	**$38,358**

Source: NADA Industry Analysis Division; U.S. Census Bureau; R.L. Polk & Co.

Relationship of new-car dealerships to total retail trade in 2012, by state (estimated)

	Number of dealers as % of total retail establishments in the state	Dealer sales as % of total retail sales in the state	Dealer payroll as % of total retail payroll in the state	Dealer employees as % of total retail employment in the state
Alabama	1.7%	15.1%	12.1%	6.1%
Alaska	1.3%	10.6%	9.8%	6.3%
Arizona	1.5%	16.7%	12.0%	6.8%
Arkansas	2.2%	14.6%	12.6%	6.1%
California	1.9%	15.9%	11.2%	6.3%
Colorado	1.5%	16.2%	12.6%	6.4%
Connecticut	2.3%	15.6%	13.4%	7.2%
Delaware	1.8%	14.3%	15.5%	7.7%
Florida	1.7%	16.9%	12.5%	6.5%
Georgia	1.7%	15.4%	12.6%	6.3%
Hawaii	1.3%	12.6%	10.6%	5.4%
Idaho	2.0%	14.6%	10.5%	5.9%
Illinois	2.5%	14.0%	12.9%	6.8%
Indiana	2.1%	13.8%	12.5%	6.5%
Iowa	2.7%	13.6%	13.2%	6.7%
Kansas	2.4%	13.9%	13.2%	6.7%
Kentucky	2.0%	12.1%	11.4%	5.8%
Louisiana	1.9%	16.0%	13.4%	6.7%
Maine	2.0%	11.6%	11.7%	6.1%
Maryland	1.9%	15.9%	14.5%	7.6%
Massachusetts	1.8%	14.4%	13.0%	6.1%
Michigan	2.3%	12.6%	14.4%	7.0%
Minnesota	1.8%	12.1%	11.8%	6.2%
Mississippi	1.7%	13.0%	10.5%	5.1%
Missouri	2.1%	14.1%	13.2%	6.6%
Montana	2.5%	13.0%	11.8%	6.5%
Nebraska	2.7%	13.5%	13.8%	6.7%
Nevada	1.2%	15.7%	10.8%	5.4%
New Hampshire	2.6%	14.2%	13.0%	6.6%
New Jersey	1.9%	16.5%	13.5%	6.7%
New Mexico	2.2%	14.9%	12.5%	6.8%
New York	1.5%	13.0%	9.7%	5.1%
North Carolina	2.2%	15.4%	12.8%	6.5%
North Dakota	2.7%	14.3%	14.4%	7.6%
Ohio	2.2%	14.5%	13.0%	6.8%
Oklahoma	2.5%	17.1%	14.4%	7.2%
Oregon	1.8%	13.1%	10.5%	5.9%
Pennsylvania	2.3%	14.2%	13.6%	7.1%
Rhode Island	1.8%	14.2%	11.3%	6.1%
South Carolina	1.9%	13.9%	11.0%	5.7%
South Dakota	2.7%	14.7%	15.0%	7.3%
Tennessee	2.2%	14.1%	11.6%	6.1%
Texas	1.9%	16.9%	14.0%	6.8%
Utah	1.9%	14.2%	10.0%	5.6%
Vermont	2.7%	14.3%	13.0%	7.1%
Virginia	1.9%	14.8%	14.3%	7.2%
Washington	1.9%	12.3%	10.3%	6.2%
West Virginia	2.2%	13.9%	12.5%	6.7%
Wisconsin	2.8%	13.5%	12.8%	7.2%
Wyoming	2.6%	13.1%	13.7%	7.2%
Total U.S.	**2.0%**	**14.9%**	**12.3%**	**6.3%**

Source: NADA Industry Analysis Division; U.S. Bureau of Labor Statistics (U.S. Department of Labor); U.S. Census Bureau

NADA DATA

The New-Vehicle Department

Sales of new light vehicles—14.4 million units in 2012—remained lower than the average 16 million–plus units in the 2000–2007 era.

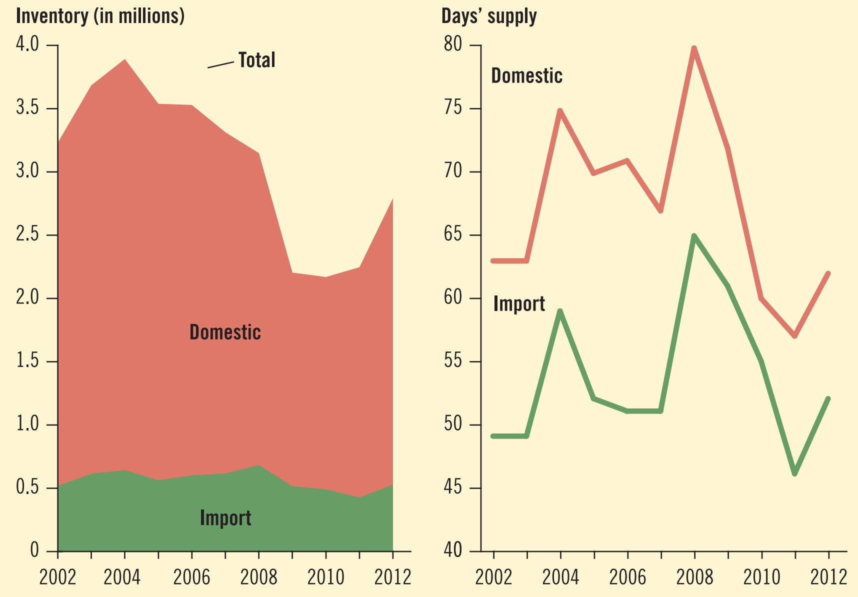
New-car sales were up 18.9 percent from 2011 and made up 50.2 percent of total new-light-vehicle sales. New-light-truck sales were up 8.3 percent from 2011 and made up 49.8 percent of total new-light-vehicle sales. Overall, 2012 new-light-vehicle sales were up 13.4 percent from the previous year.

On a seasonally adjusted annual rate (SAAR) basis, light-vehicle sales volume was above 14 million units for most of 2012 and was at or above 15 million units for three months during the year. Domestic inventory rose from 57 to 62 days' supply, while import inventory rose from 46 to 52 days' supply.

In 2012, the average selling price of a new light vehicle, including accessories and options (next page, upper right), rose by 0.8 percent from 2011.

New-light-vehicle sales by manufacturer (bottom of the next page) show that among the Detroit Three, only Chrysler's market share rose in 2012. Among the three major Japanese brands, Toyota and Honda saw market share rise in 2012 while Nissan saw it fall.

New-vehicle inventories and days' supply



Source: WardsAuto

Source: WardsAuto

New-vehicle sales, by month

	2012 Actual	2012 SAAR[1] (in millions)	2011 Actual	2011 SAAR[1] (in millions)	% change 2011 to 2012
January	910,190	14.1	816,831	12.6	11.4%
February	1,145,822	15.0	989,883	13.4	15.8%
March	1,400,131	14.3	1,242,276	13.1	12.7%
April	1,181,224	14.4	1,154,216	13.1	2.3%
May	1,330,101	13.7	1,058,262	11.8	25.7%
June	1,281,266	14.1	1,048,943	11.5	22.1%
July	1,149,594	14.3	1,056,475	12.2	8.8%
August	1,280,184	14.5	1,069,005	12.1	19.8%
September	1,183,823	14.9	1,050,336	13.1	12.7%
October	1,087,330	14.2	1,017,933	13.2	6.8%
November	1,139,405	15.5	991,257	13.6	14.9%
December	1,350,990	15.3	1,238,755	13.5	9.1%
Full Year	**14,440,060**	**14.4**	**12,734,172**	**12.7**	**13.4%**

Source: WardsAuto

[1]Seasonally adjusted annual rate

Total new light-vehicle sales rose by 13.4 percent in 2012, and by a more moderate 10.2 percent during the fourth quarter.

New light-duty vehicle sales, by year

Year	New cars	Light-duty trucks	Total light-duty vehicles	Light-duty trucks as % of total
2002	8,103,200	8,714,300	16,817,500	51.8%
2003	7,609,800	9,024,900	16,634,700	54.3%
2004	7,505,900	9,360,600	16,866,500	55.5%
2005	7,666,700	9,278,300	16,945,000	54.8%
2006	7,780,800	8,721,000	16,502,700	52.8%
2007	7,618,400	8,470,900	16,089,300	52.6%
2008	6,813,550	6,381,050	13,194,600	48.4%
2009	5,456,300	4,945,400	10,401,700	47.5%
2010	5,635,400	5,919,100	11,554,500	51.2%
2011	6,089,300	6,644,900	12,734,200	52.2%
2012	7,241,900	7,198,160	14,440,060	49.8%
Average 2002-12	**7,047,386**	**7,696,237**	**14,743,705**	**51.9%**

Source: WardsAuto

Number of new vehicles sold and selling price

Year	New vehicles sold per dealership	Average retail selling price
2002	774	$26,150
2003	769	$27,550
2004	779	$28,050
2005	788	$28,400
2006	778	$28,450
2007	775	$28,800
2008	659	$28,350
2009	563	$28,966
2010	653	$29,793
2011	726	$30,659
2012	819	$30,910

Source: NADA Industry Analysis Division; NADA 20 Group; WardsAuto

New-vehicle sales and market share, by manufacturer

Year	Chrysler	Ford	General Motors	Toyota	Honda	Nissan	Volkswagen	Other imports	Total
2002	2,205,450	3,576,250	4,815,150	1,756,150	1,247,850	739,850	423,850	2,052,950	16,817,500
	13.11%	21.27%	28.63%	10.44%	7.42%	4.40%	2.52%	12.21%	
2003	2,127,450	3,437,700	4,716,050	1,866,300	1,349,850	794,800	389,100	1,953,450	16,634,700
	12.79%	20.67%	28.35%	11.22%	8.11%	4.78%	2.34%	11.74%	
2004	2,206,000	3,271,100	4,657,400	2,060,050	1,394,400	855,000	334,050	2,088,500	16,866,500
	13.08%	19.39%	27.61%	12.21%	8.27%	5.07%	1.98%	12.38%	
2005	2,304,900	3,106,900	4,456,800	2,260,300	1,462,500	1,076,900	307,250	1,969,450	16,945,000
	13.60%	18.34%	26.30%	13.34%	8.63%	6.36%	1.81%	11.62%	
2006	2,142,500	2,848,100	4,067,600	2,542,500	1,509,400	1,019,500	325,300	2,047,900	16,502,700
	12.98%	17.26%	24.65%	15.41%	9.15%	6.18%	1.97%	12.41%	
2007	2,076,100	2,502,000	3,824,550	2,620,800	1,551,550	1,068,500	324,050	2,121,750	16,089,300
	12.90%	15.55%	23.77%	16.29%	9.64%	6.64%	2.01%	13.19%	
2008	1,447,750	1,942,050	2,955,900	2,217,700	1,428,800	951,450	310,900	1,940,050	13,194,600
	10.97%	14.72%	22.40%	16.81%	10.83%	7.21%	2.36%	14.70%	
2009	927,200	1,656,100	2,072,200	1,770,200	1,150,800	770,100	296,200	1,758,900	10,401,700
	8.91%	15.92%	19.92%	17.02%	11.06%	7.40%	2.85%	16.91%	
2010	1,079,700	1,905,400	2,211,300	1,763,600	1,230,500	908,600	358,500	2,096,500	11,554,100
	9.34%	16.49%	19.14%	15.26%	10.65%	7.86%	3.10%	18.15%	
2011	1,361,600	2,110,800	2,503,800	1,644,700	1,147,300	1,042,500	442,000	2,481,500	12,734,200
	10.69%	16.58%	19.66%	12.92%	9.01%	8.19%	3.47%	19.49%	
2012	1,641,480	2,205,547	2,595,717	2,082,504	1,422,785	1,141,656	438,133	2,912,238	14,440,060
	11.37%	15.27%	17.98%	14.42%	9.85%	7.91%	3.03%	20.17%	
Average 2002–2012	**1,774,557**	**2,596,541**	**3,534,224**	**2,053,164**	**1,354,158**	**942,623**	**359,030**	**2,129,381**	**14,743,669**
	12.04%	**17.61%**	**23.97%**	**13.93%**	**9.18%**	**6.39%**	**2.44%**	**14.44%**	

Source: WardsAuto

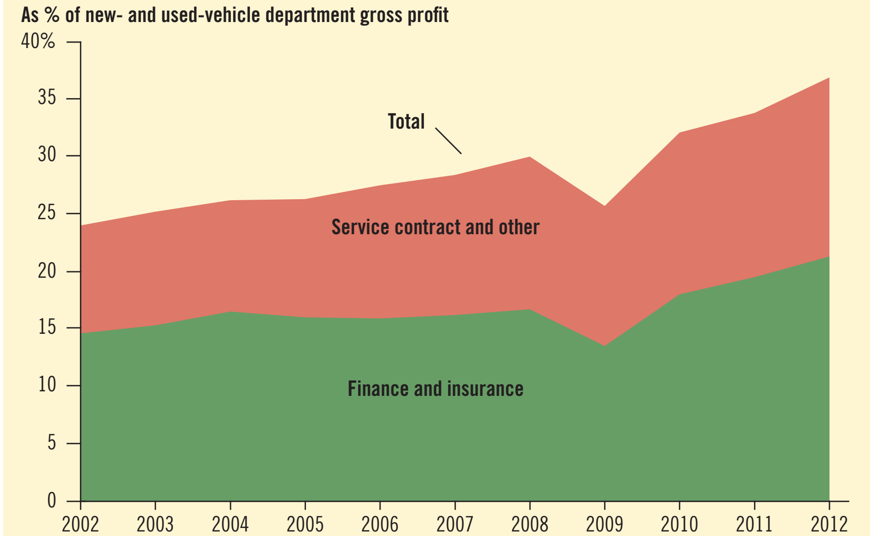
F&I, Service Contracts

THE GROSS MARGIN on the sale of new cars and trucks fell to 4.2 percent in 2012 from 4.6 percent in 2011.

Aftermarket income rose in 2012 because of increasing F&I and service contract dollars.

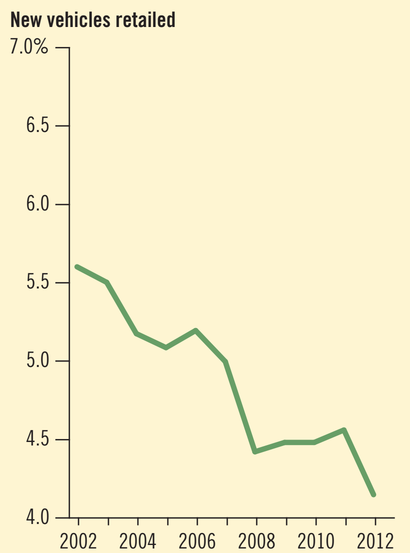
New-vehicle service contract penetration rates were increased by 2.7 percent while used-car service contract penetration rates remained relatively stable.

Aftermarket income



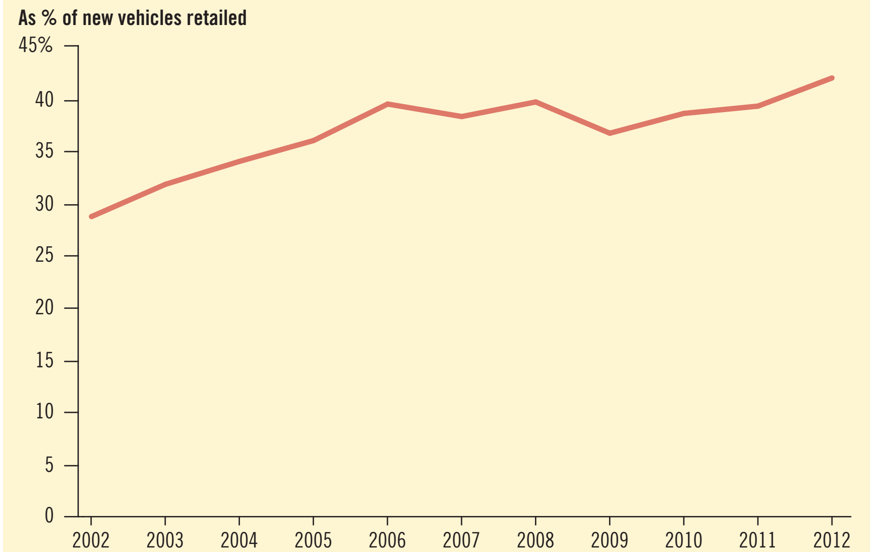
Source: NADA Industry Analysis Division; NADA 20 Group

Gross as percentage of selling price



Source: NADA Industry Analysis Division; NADA 20 Group

Service contract penetration rates



Source: NADA Industry Analysis Division; NADA 20 Group

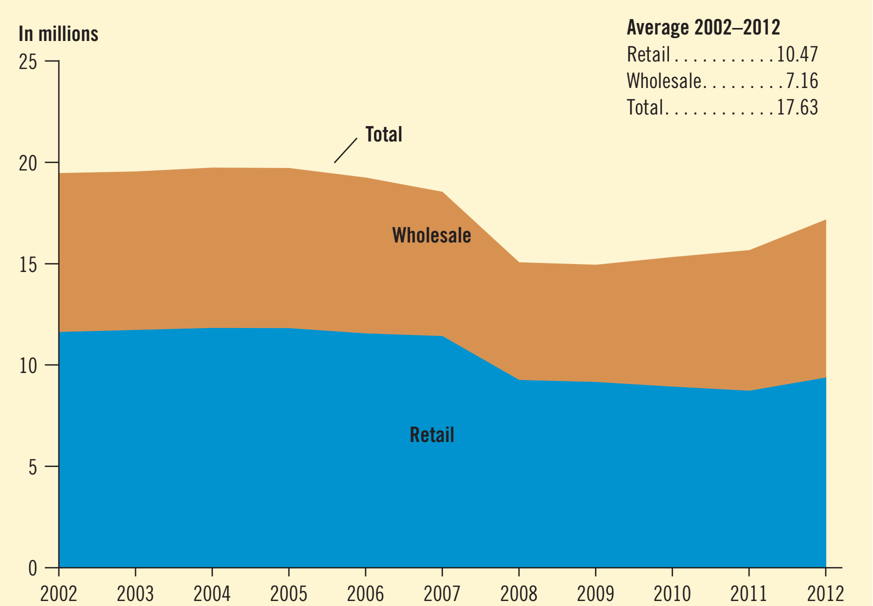
The Used-Vehicle Department

New-vehicle dealers sold more than 17.1 million used light vehicles last year; of these, 9.4 million were retailed and 7.8 million wholesaled.

The average 2012 used retail selling price was $17,547, up 1.6 percent from $17,267 in 2011.

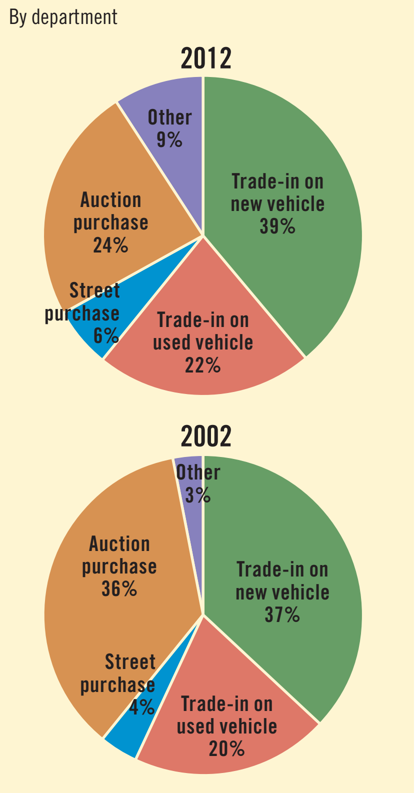
New-vehicle dealers acquired 61 percent of the used units they retailed from trade-ins, 24 percent from auctions, and the remaining 15 percent from street purchases or other sources.

Used-vehicle sales by new-car dealerships



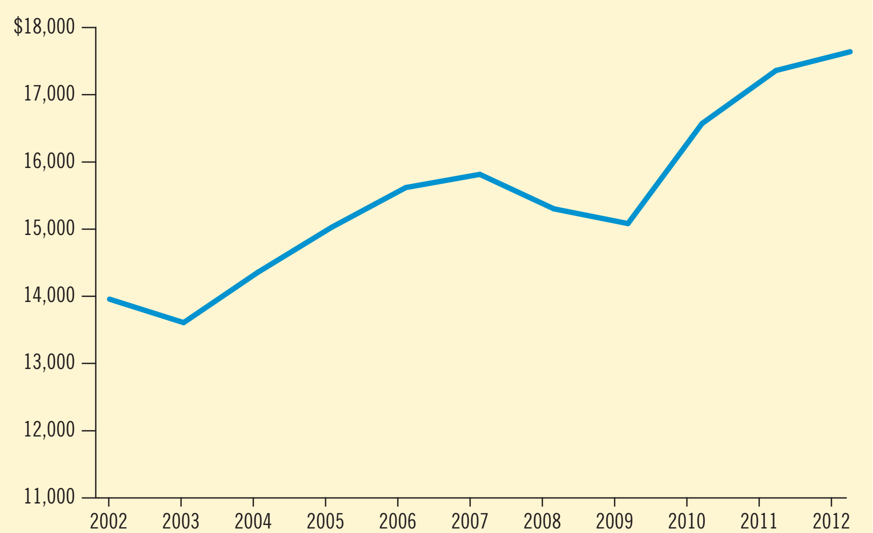
Source: NADA Industry Analysis Division; NADA 20 Group; WardsAuto

Sources of used vehicles retailed by dealerships



Source: NADA Industry Analysis Division

Average retail selling price of used vehicles retailed by new-car dealerships



Source: NADA Industry Analysis Division; NADA 20 Group; WardsAuto

Service, Parts, and Body Shop

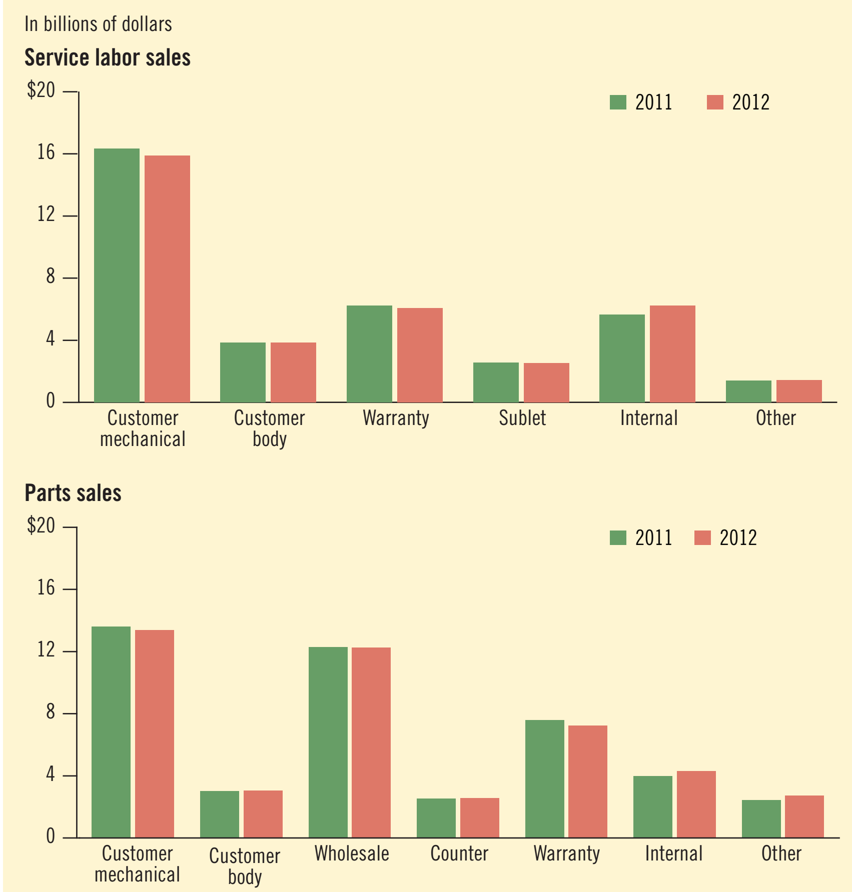
Total franchised dealership service, parts and body shop sales exceeded $80 billion in 2012 for the second consecutive year although the value is down 0.1 percent from the previous year. In 2012, the average dealer was down 0.7 percent in service, parts and body shop sales relative to 2011.

In 2012, service sales (including the body shop component) comprised 44.2 percent of the total service, parts and body shop sales ; service sales in 2012 were up 4.4 percent from 2011. Parts sales (including the body shop component) comprised 55.8 percent of the total service, parts and body shop sales; parts sales in 2012 barely increased from the value held in 2011.

Total body shop work performed by all new-vehicle dealerships remained relatively stable from 2011 to 2012 at $6.9 billion. The percentage of deal¬erships with on-site body shops fell to 34 percent in 2012 from 36 percent in 2011.

In 2012, 83.0 percent of dealerships had service departments that were operating during the evenings, the weekends or both; this marked a rise from 78.0 percent in 2011. A service department in the average dealership was open for 57 hours per week which was up from the previous year's figure of 56 hours per week.

Dealerships' total service and parts sales



Source: NADA Industry Analysis Division; NADA 20 Group; U.S. Census Bureau

Profile of dealerships' service and parts operations, 2012

	Average dealership	All dealers
Total service and parts sales	$4,613,241	$81.35 billion
Total gross profit as percent of service and parts sales	46.00%	
Total net profit as percent of service and parts sales	5.97%	
Total number of repair orders written	13,702	242 million
Total service and parts sales per customer repair order	$247	
Total service and parts sales per warranty repair order	$243	
Number of technicians (including body)	13	236,843
Number of service bays (excluding body)	18	308,965
Total parts inventory	$300,420	$5.30 billion
Average customer mechanical labor rate	$99	

Source: NADA Industry Analysis Division; NADA 20 Group; U.S. Census Bureau

Total franchised dealership service, parts and body shop sales exceeded $80 billion in 2012 for the second consecutive year.

Dealerships' total service and parts sales

In billions of dollars

	Amount	% change
2000	$73.83	9.1%
2001	$80.10	8.5%
2002	$83.11	3.8%
2003	$85.35	2.7%
2004	$85.48	0.2%
2005	$85.16	-0.4%
2006	$80.45	-5.5%
2007	$83.35	3.6%
2008	$81.84	-1.8%
2009	$76.21	-6.9%
2010	$77.63	1.9%
2011	$81.46	4.9%
2012	$81.35	-0.1%

Source: NADA Industry Analysis Division; NADA 20 Group; U.S. Census Bureau

Dealerships' service and parts sales

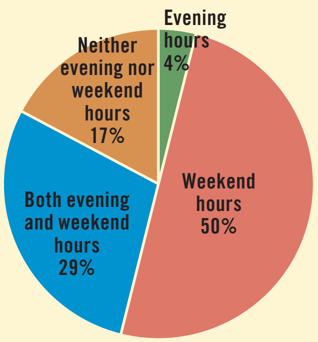
In billions of dollars

	2011	2012	% change
Service labor sales			
Customer mechanical	$16.34	$15.87	-2.9%
Customer body	3.85	3.86	0.1
Warranty	6.24	6.06	-2.8
Sublet	2.56	2.51	-2.0
Internal	5.66	6.22	9.9
Other	1.41	1.43	0.9
Total service labor	**$36.06**	**35.94**	**4.4%**
Parts sales			
Customer mechanical	$13.60	$13.36	-1.8%
Customer body	3.01	3.04	1.2
Wholesale	12.28	12.24	-0.3
Counter	2.52	2.55	0.9
Warranty	7.59	7.23	-4.8
Internal	3.97	4.28	7.9
Other	2.43	2.72	12.0
Total parts	**$45.40**	**$45.41**	**0.0%**
Total service and parts	**$81.46**	**$81.35**	**-0.1%**

Source: NADA Industry Analysis Division; NADA 20 Group; U.S. Census Bureau

Service department hours of operation, 2012

Percent of dealership service departments with:

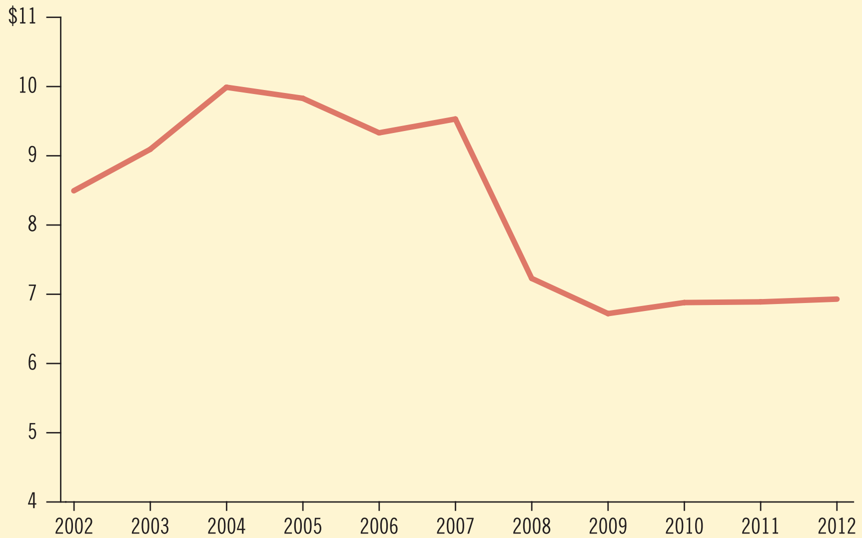


Average hours open per week: 57

Source: NADA Industry Analysis Division

Total dealership body shop sales

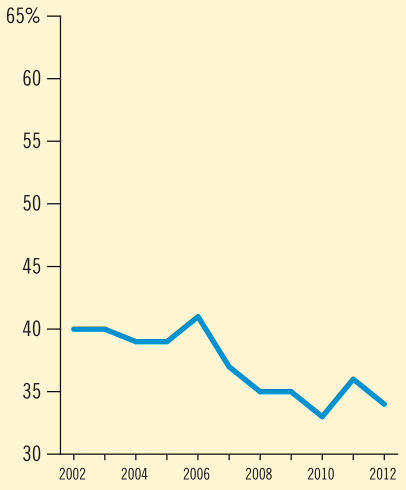
In billions of dollars



Source: NADA Industry Analysis Division; NADA 20 Group; U.S. Census Bureau

Dealerships operating on-site body shops

Percent of total dealership population



Source: NADA Industry Analysis Division

Employment and Payroll

In the past eight years, total dealership employment plateaued at 1.1 million before falling below 1 million in 2009 as the recession commenced.

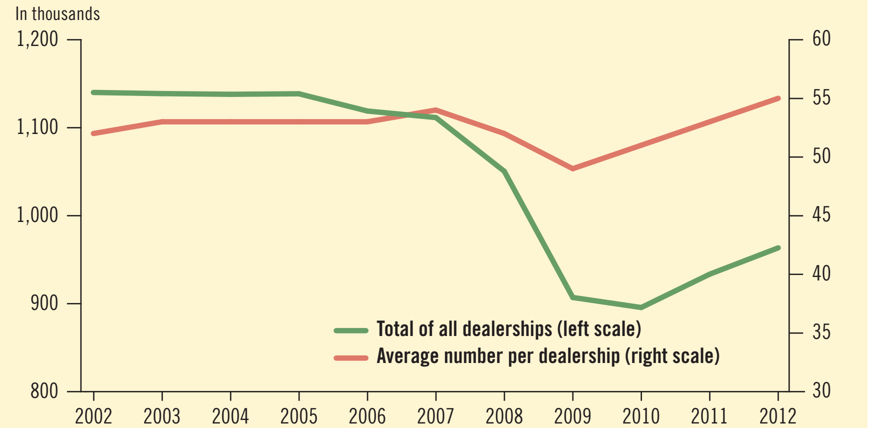
In 2012, the average dealership in operation employed 55 people; total dealership employment increased to an estimated 963,400 employees from 933,500 in 2011.

The number and type of employees vary significantly among dealerships depending on store characteristics such as size, location, makes handled, and distribution of sales among departments. The makeup of total dealership employment in 2012 was:

New- and used-vehicle salespeople........................ 195,800
Technicians..........................254,200
Service and parts workers (other than technicians)....290,200
Supervisors, general office workers, and others...........223,200
Total 963,400

The average dealership in 2012 had an annual payroll of $2.9 million. The total payroll for all dealerships combined was $51.6 billion. Dealerships provided, on average, 12.3 percent of total retail payroll in their respective states.

Estimated number of employees in new-car dealerships



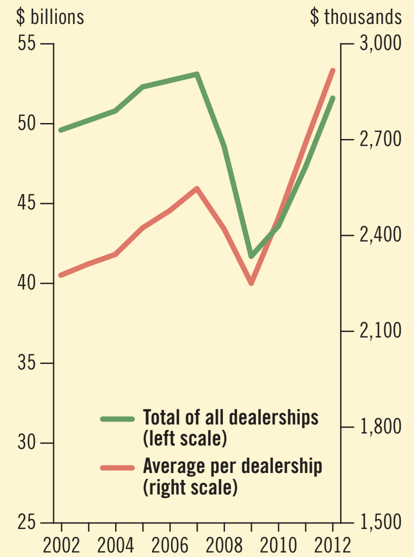
Source: NADA Industry Analysis Division; NADA Membership Department; U.S. Bureau of Labor Statistics (U.S. Department of Labor)

Estimated number of new-car dealership employees in 2012, by state

State	Total number all dealers	Average number per dealership
Alabama	13,701	46
Alaska	2,103	60
Arizona	21,525	88
Arkansas	8,242	38
California	106,914	78
Colorado	16,274	63
Connecticut	12,056	45
Delaware	3,711	67
Florida	63,576	75
Georgia	27,540	53
Hawaii	3,405	49
Idaho	4,766	43
Illinois	38,651	51
Indiana	19,435	45
Iowa	11,268	35
Kansas	8,998	39
Kentucky	11,401	44
Louisiana	14,811	51
Maine	4,745	38
Maryland	20,581	68
Massachusetts	19,670	49
Michigan	29,249	46
Minnesota	19,000	53
Mississippi	7,401	38
Missouri	19,329	47
Montana	3,989	36
Nebraska	6,846	38
Nevada	7,691	75
New Hampshire	6,069	43
New Jersey	26,727	57
New Mexico	6,418	55
New York	42,920	49
North Carolina	29,412	51
North Dakota	3,539	39
Ohio	36,040	48
Oklahoma	16,080	58
Oregon	11,763	49
Pennsylvania	42,055	45
Rhode Island	2,675	52
South Carolina	13,212	51
South Dakota	3,743	36
Tennessee	20,076	58
Texas	87,667	73
Utah	8,188	57
Vermont	2,569	30
Virginia	28,364	57
Washington	20,145	61
West Virginia	5,715	39
Wisconsin	21,089	41
Wyoming	2,059	32
Total U.S.	**963,400**	**55**

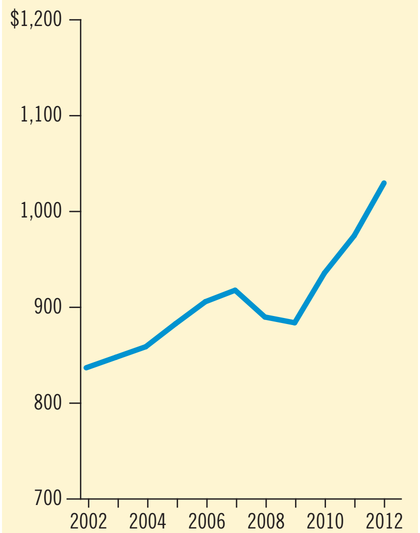
Source: NADA Industry Analysis Division; NADA Membership Department; U.S. Bureau of Labor Statistics (U.S. Department of Labor); R.L. Polk & Co.

Annual payroll of new-car dealerships



Source: NADA Industry Analysis Division; NADA Membership Department; U.S. Bureau of Labor Statistics (U.S. Department of Labor); R.L. Polk & Co.

Average weekly earnings of dealership employees



Source: NADA Industry Analysis Division; NADA Membership Department; U.S. Bureau of Labor Statistics (U.S. Department of Labor); R.L. Polk & Co.

2012 annual payroll of new-car dealerships, by state

State	Total all dealerships ($ billions)	Average per dealership ($ millions)
Alabama	$0.68	$2.26
Alaska	$0.11	$3.25
Arizona	$1.14	$4.63
Arkansas	$0.40	$1.88
California	$6.16	$4.52
Colorado	$0.91	$3.50
Connecticut	$0.74	$2.76
Delaware	$0.20	$3.64
Florida	$3.40	$3.99
Georgia	$1.47	$2.83
Hawaii	$0.19	$2.77
Idaho	$0.22	$2.00
Illinois	$2.06	$2.72
Indiana	$0.90	$2.11
Iowa	$0.54	$1.67
Kansas	$0.44	$1.93
Kentucky	$0.55	$2.11
Louisiana	$0.75	$2.58
Maine	$0.23	$1.85
Maryland	$1.14	$3.76
Massachusetts	$1.24	$3.06
Michigan	$1.60	$2.52
Minnesota	$0.93	$2.57
Mississippi	$0.34	$1.78
Missouri	$0.99	$2.41
Montana	$0.18	$1.60
Nebraska	$0.33	$1.83
Nevada	$0.45	$4.38
New Hampshire	$0.35	$2.48
New Jersey	$1.75	$3.76
New Mexico	$0.31	$2.63
New York	$2.59	$2.96
North Carolina	$1.45	$2.51
North Dakota	$0.17	$1.90
Ohio	$1.72	$2.26
Oklahoma	$0.81	$2.92
Oregon	$0.57	$2.42
Pennsylvania	$2.12	$2.25
Rhode Island	$0.15	$2.86
South Carolina	$0.64	$2.48
South Dakota	$0.19	$1.80
Tennessee	$1.04	$3.02
Texas	$5.02	$4.18
Utah	$0.40	$2.80
Vermont	$0.13	$1.49
Virginia	$1.52	$3.09
Washington	$1.08	$3.27
West Virginia	$0.25	$1.69
Wisconsin	$0.91	$1.78
Wyoming	$0.10	$1.53
Total U.S.	**$51.58**	**$2.92**

Source: NADA Industry Analysis Division; NADA Membership Department; U.S. Bureau of Labor Statistics (U.S. Department of Labor); R.L. Polk & Co.

Average weekly earnings of new-car dealership employees in 2012, by state

Alabama	$952	Montana	$859
Alaska	$1,040	Nebraska	$937
Arizona	$1,019	Nevada	$1,118
Arkansas	$942	New Hampshire	$1,108
California	$1,108	New Jersey	$1,258
Colorado	$1,074	New Mexico	$915
Connecticut	$1,173	New York	$1,162
Delaware	$1,038	North Carolina	$950
Florida	$1,030	North Dakota	$938
Georgia	$1,024	Ohio	$915
Hawaii	$1,097	Oklahoma	$973
Idaho	$905	Oregon	$940
Illinois	$1,026	Pennsylvania	$969
Indiana	$893	Rhode Island	$1,048
Iowa	$919	South Carolina	$935
Kansas	$939	South Dakota	$954
Kentucky	$929	Tennessee	$1,000
Louisiana	$977	Texas	$1,102
Maine	$937	Utah	$940
Maryland	$1,065	Vermont	$957
Massachusetts	$1,210	Virginia	$1,034
Michigan	$1,055	Washington	$1,029
Minnesota	$938	West Virginia	$838
Mississippi	$893	Wisconsin	$828
Missouri	$988	Wyoming	$926
		Total U.S.	**$1,030**

Source: NADA Industry Analysis Division; NADA Membership Department; U.S. Bureau of Labor Statistics (U.S. Department of Labor); R.L. Polk & Co.

Vehicles in Operation and Scrappage

At the end of 2012, 251.5 million light vehicles were in operation. Light vehicles on the road grew by 1.0 percent in 2012. This is the greatest annual growth in light vehicles in operation since 2007.

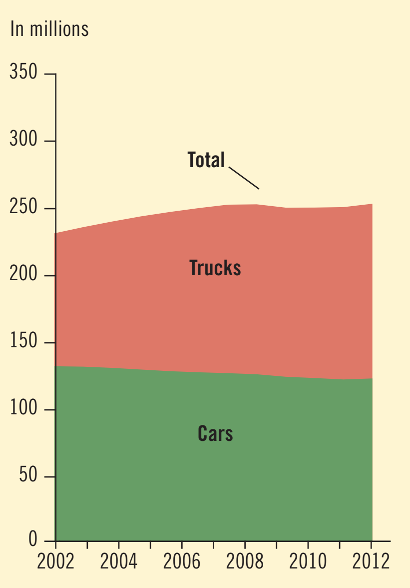
The 2012 average age for cars was 11.4 years and for light trucks, 11.3 years, yielding an average of 11.4 years for light vehicles.

Vehicles in operation—scrappage, by year

	Total vehicles in use	New vehicle registrations	Scrappage	Scrappage as % of registrations
2002	229,448,073	16,714,746	12,097,282	72.4%
2003	234,065,537	16,618,682	12,441,414	74.9%
2004	238,242,805	16,866,690	13,014,477	77.2%
2005	242,095,018	16,761,113	13,496,934	80.5%
2006	245,359,197	16,574,314	13,672,514	82.5%
2007	248,260,997	16,023,380	13,495,901	84.2%
2008	250,788,476	13,217,544	12,953,659	98.0%
2009	251,052,361	10,350,687	12,839,460	124.0%
2010	248,563,588	11,480,465	11,407,800	99.4%
2011	248,636,253	12,657,370	12,329,823	97.4%
2012	248,963,800	14,314,508	11,781,221	82.3%

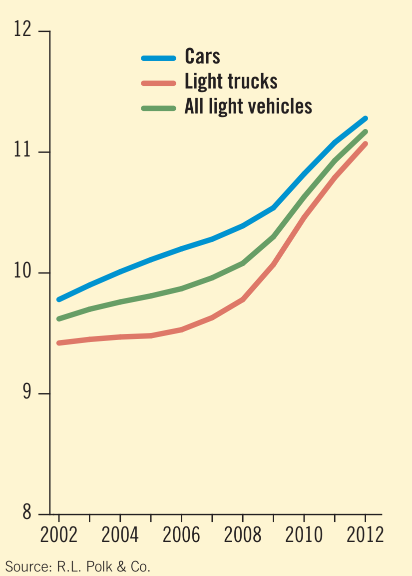
Source: R.L. Polk & Co.

Total vehicles in operation, by year



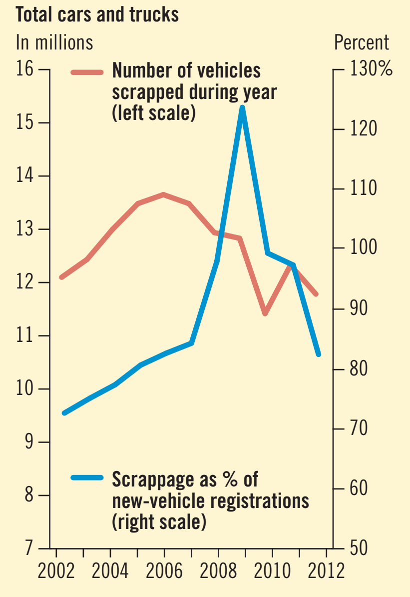
Source: R.L. Polk & Co.

Average age of passenger cars, trucks, and light trucks, by year



Source: R.L. Polk & Co.

Estimated vehicle scrappage



Source: R.L. Polk & Co.

Total light vehicles in operation in 2012, by state[1]

State	Passenger cars	Light Trucks GVW 1–3	Total vehicles
Alabama	2,130,037	2,517,509	4,647,546
Alaska	186,522	461,724	648,246
Arizona	2,411,321	2,824,673	5,235,994
Arkansas	968,986	1,524,043	2,493,029
California	14,458,838	13,354,393	27,813,231
Colorado	1,876,019	2,565,010	4,441,029
Connecticut	1,573,818	1,278,556	2,852,374
Delaware	377,259	367,562	744,821
D.C.	214,050	95,697	309,747
Florida	7,693,534	6,970,262	14,663,796
Georgia	3,847,574	4,325,682	8,173,256
Hawaii	465,502	570,101	1,035,603
Idaho	570,561	888,489	1,459,050
Illinois	5,076,437	4,802,130	9,878,567
Indiana	2,505,636	2,922,327	5,427,963
Iowa	1,351,474	1,686,986	3,038,460
Kansas	1,140,773	1,496,407	2,637,180
Kentucky	1,673,848	2,014,688	3,688,536
Louisiana	1,565,043	2,194,353	3,759,396
Maine	536,845	659,650	1,196,495
Maryland	2,449,120	2,115,355	4,564,475
Massachusetts	2,605,112	2,267,998	4,873,110
Michigan	3,729,964	4,173,222	7,903,186
Minnesota	2,224,695	2,473,682	4,698,377
Mississippi	1,140,887	1,441,506	2,582,393
Missouri	2,399,737	2,793,682	5,193,419
Montana	427,011	761,552	1,188,563
Nebraska	800,453	1,036,582	1,837,035
Nevada	959,439	1,070,643	2,030,082
New Hampshire	578,628	615,232	1,193,860
New Jersey	3,785,516	3,064,461	6,849,977
New Mexico	733,507	1,048,263	1,781,770
New York	6,159,068	5,487,449	11,646,517
North Carolina	3,843,650	4,205,124	8,048,774
North Dakota	241,712	410,908	652,620
Ohio	5,085,258	4,847,436	9,932,694
Oklahoma	1,771,065	2,271,414	4,042,479
Oregon	1,429,442	1,788,824	3,218,266
Pennsylvania	5,488,856	5,429,858	10,918,714
Rhode Island	468,698	342,802	811,500
South Carolina	1,994,846	2,218,043	4,212,889
South Dakota	350,596	539,070	889,666
Tennessee	2,443,778	3,031,220	5,474,998
Texas	8,221,054	11,378,509	19,599,563
Utah	1,133,844	1,310,541	2,444,385
Vermont	257,630	296,926	554,556
Virginia	3,544,084	3,557,794	7,101,878
Washington	2,842,522	3,168,356	6,010,878
West Virginia	622,286	918,633	1,540,919
Wisconsin	2,358,639	2,590,448	4,949,087
Wyoming	186,454	419,684	606,138
Total	**120,901,628**	**130,595,459**	**251,497,087**

Source: R.L. Polk & Co. as of January 1, 2013

[1]Including District of Columbia (D.C.)

Total new-vehicle registrations in 2012, by state[1]

State	2012	2011	2010	2009
Alabama	188,539	171,657	147,371	130,316
Alaska	31,356	29,137	28,910	23,135
Arizona	291,890	247,441	211,904	190,311
Arkansas	123,503	106,914	95,005	89,729
California	1,529,238	1,222,935	1,105,848	1,035,823
Colorado	227,307	189,215	177,017	155,825
Connecticut	158,128	149,091	137,849	126,601
Delaware	43,929	42,651	38,297	28,449
D.C.	17,900	14,757	16,486	19,692
Florida	1,006,888	879,792	810,462	701,488
Georgia	399,515	367,292	327,726	265,567
Hawaii	60,543	54,161	54,532	58,669
Idaho	42,964	36,442	32,183	31,005
Illinois	590,162	546,345	491,448	457,072
Indiana	221,926	203,275	177,344	174,871
Iowa	127,396	117,425	102,477	94,921
Kansas	102,362	94,387	86,808	84,456
Kentucky	137,288	123,969	112,212	105,370
Louisiana	209,337	184,072	165,082	160,623
Maine	51,898	46,674	45,952	45,253
Maryland	305,228	277,859	259,375	240,834
Massachusetts	309,736	287,755	269,011	249,513
Michigan	483,926	447,489	429,382	415,951
Minnesota	232,160	185,104	179,473	152,559
Mississippi	102,565	86,535	72,014	67,895
Missouri	259,706	234,691	208,281	201,868
Montana	54,796	44,345	40,118	33,738
Nebraska	80,643	73,141	64,655	58,551
Nevada	112,209	90,632	80,846	75,559
New Hampshire	80,298	71,367	67,790	60,548
New Jersey	513,551	484,178	462,123	430,278
New Mexico	81,407	68,166	61,890	61,168
New York	868,459	795,878	751,087	684,528
North Carolina	373,885	324,732	302,354	261,759
North Dakota	39,517	35,627	27,819	22,866
Ohio	527,743	500,824	434,997	397,180
Oklahoma	718,900	667,400	651,851	358,127
Oregon	133,100	110,075	98,819	89,858
Pennsylvania	598,274	563,445	503,990	477,031
Rhode Island	44,446	41,412	38,724	37,144
South Carolina	175,888	155,156	134,991	120,104
South Dakota	37,156	32,983	26,952	24,499
Tennessee	266,568	234,351	192,114	159,102
Texas	1,275,909	1,024,434	913,883	858,973
Utah	107,013	92,469	77,973	72,703
Vermont	35,578	33,085	30,387	28,148
Virginia	378,916	343,704	302,727	280,333
Washington	228,180	192,524	173,748	166,976
West Virginia	83,036	77,296	65,498	57,512
Wisconsin	217,599	193,710	172,501	165,241
Wyoming	26,047	24,655	20,141	18,961
Total U.S.	**14,314,508**	**12,622,654**	**11,480,427**	**10,308,683**

Source: R.L. Polk & Co.

[1]Including District of Columbia (D.C.)

NADA DATA

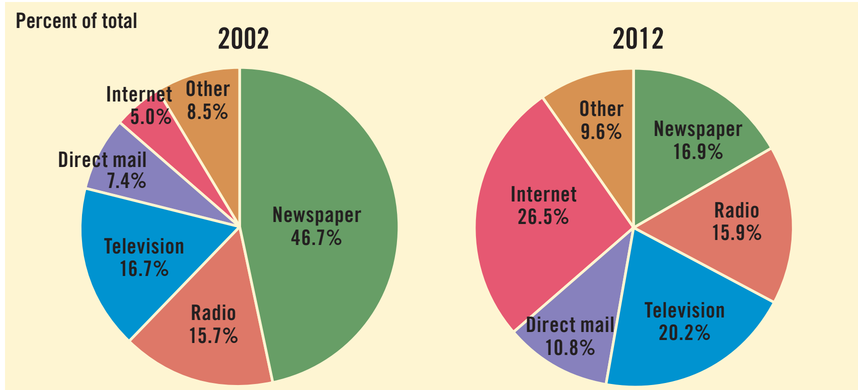
Advertising and the Dealership

New-vehicle dealers spent nearly $7.2 billion on advertising in 2012, up from $6.4 billion in 2011. In 2012, average ad expense per new vehicle sold fell to $621, down 1.1 percent from 2011.

In the past 10 years, dealer budgets for newspapers dropped by nearly 30 percentage points even though many newspapers provide associated Internet advertising.

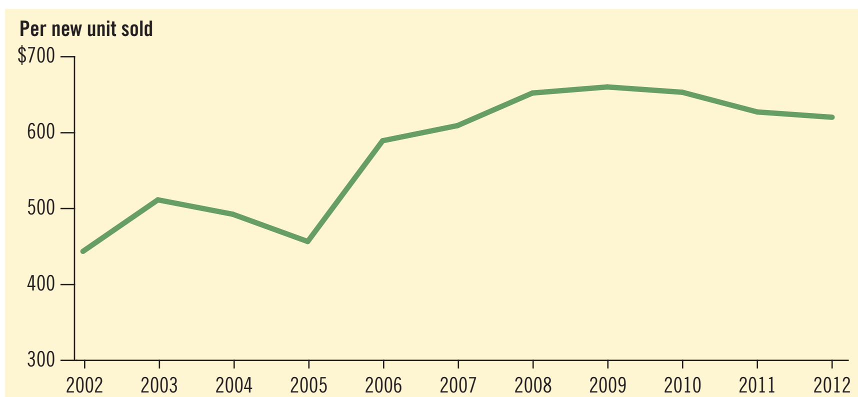
In 2012, the average dealership spent 26.5 percent of advertising dollars on Internet ads, up from 24.8 percent in 2011 and 5.0 percent in 2002. Radio held share from 2011 at 15.9 percent, while television increased slightly to 20.2 percent from 20.1 percent.

Advertising expenditures, by medium



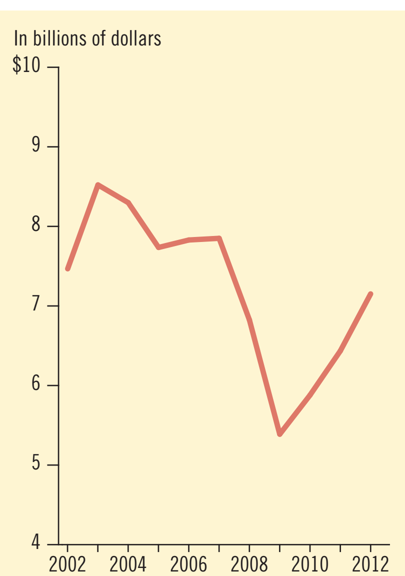
Source: NADA Industry Analysis Division

Total dealership advertising



Source: NADA Industry Analysis Division; NADA 20 Group

Total dealership advertising expenditures



Source: NADA Industry Analysis Division; NADA 20 Group; U.S. Census Bureau

Estimated advertising expenses per dealership in 2012

By number of new units sold

By media used	Average of all dealerships	1–149	150–399	400–749	750 or more
Newspapers	$68,749	$26,454	$34,229	$53,858	$89,560
Radio	$64,732	$16,544	$33,958	$49,402	$107,951
TV	$81,899	$10,966	$33,897	$76,355	$177,158
Direct mail	$43,955	$9,695	$21,916	$34,229	$82,609
Internet	$107,731	$22,286	$48,294	$113,356	$185,046
Other	$38,841	$12,218	$16,031	$36,961	$64,160
Total	**$405,907**	**$98,163**	**$188,326**	**$364,161**	**$706,484**
Total advertising as a % of total sales	1.06%	1.08%	1.07%	1.00%	0.95%
Total advertising per new vehicle sold	$621	$759	$616	$504	$414

Source: NADA Industry Analysis Division; NADA 20 Group

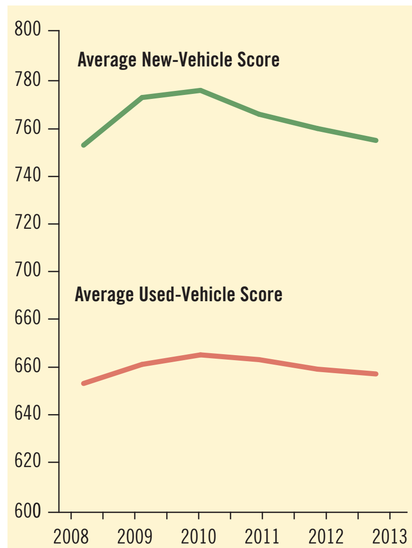
NADA DATA

Consumer Credit

Revolving and non-revolving consumer credit increased from 2011 to 2012 leading to a rise in consumer credit overall: revolving credit was up 0.7 percent in 2012 from the previous year while non-revolving credit was up 7.1 percent.

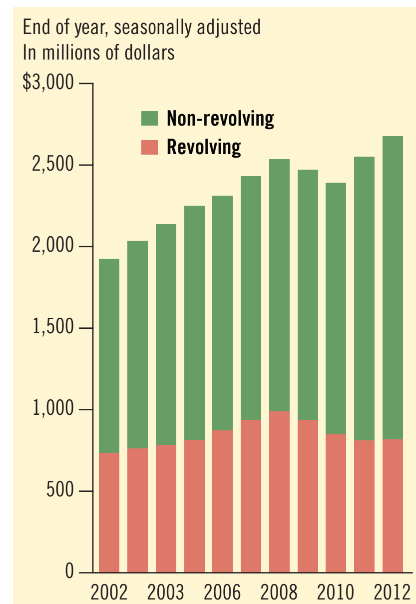
The average new-vehicle credit score for first-quarter 2013 was 755 — a decline from the 760 in first-quarter 2012; the average used-vehicle score for first-quarter 2013 was 657, which was down from 659 during the same period in 2012.

Average credit scores



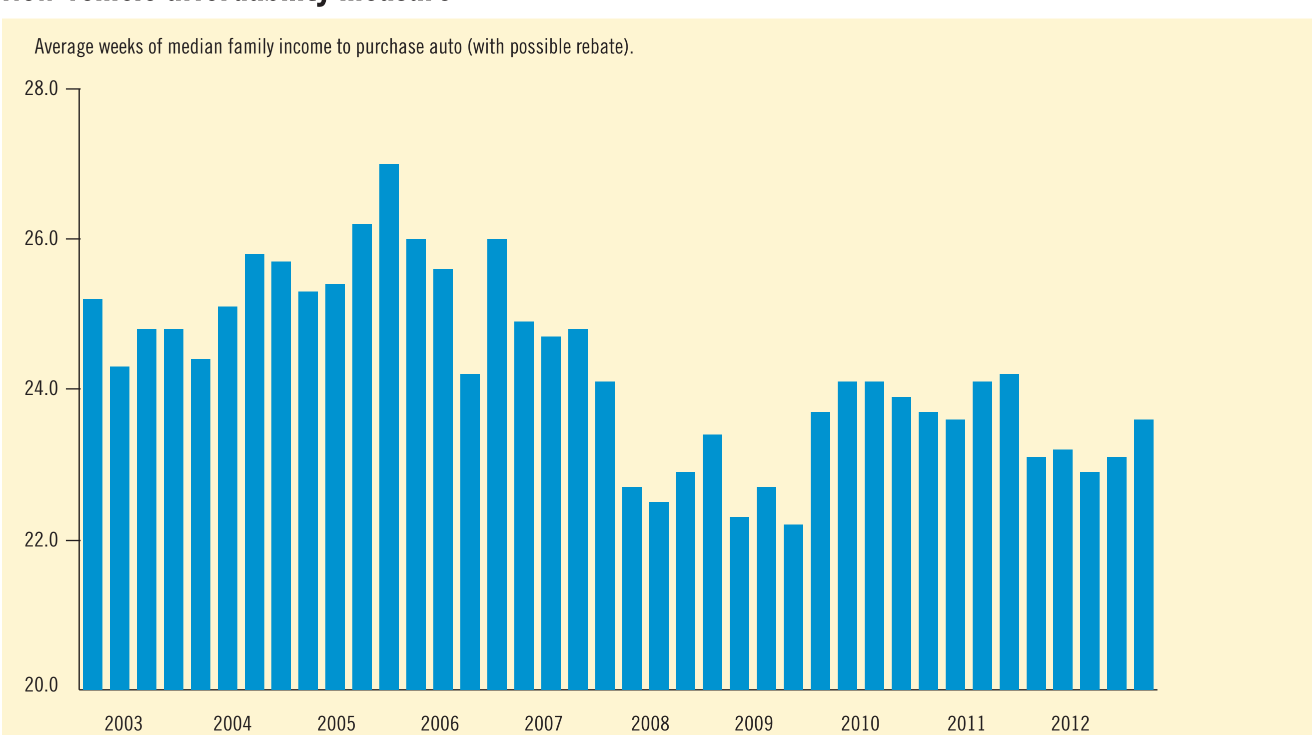
Source: Experian Automotive

Consumer credit outstanding



Source: Federal Reserve Bank

New-vehicle affordability measure



Source: Comerica Bank

NADA DATA

New-Truck Dealerships

Sales of medium- and heavy-duty trucks (Classes 4–8) rose to 345,876 units in 2012, a 13.0 percent gain from 306,189 units in 2011.

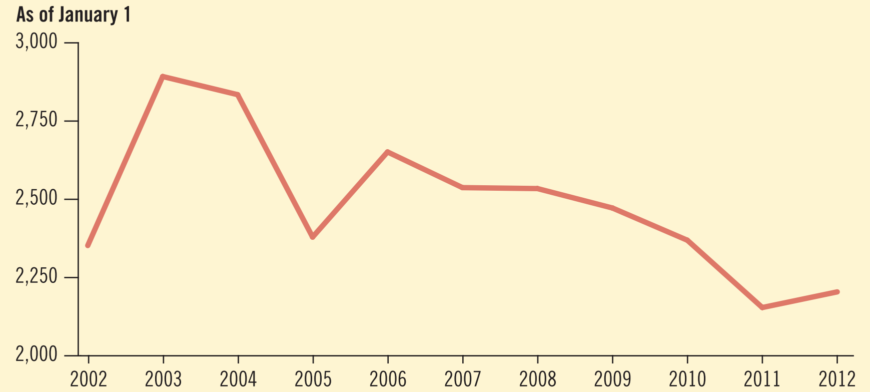
For all classes combined, the top two companies (Freightliner, followed directly by International) maintained their rankings from 2011, with Freightliner holding 28.3 percent of the market and International holding 19.8 percent.

Ford took the third spot, with 12.9 percent of the combined market in 2012, up from 12.4 percent in 2011. For a third consecutive year, Ford sold no Class 8 trucks.

Paccar brands captured fourth and fifth places, with Kenworth at 9.3 percent and Peterbilt at 9.2 percent of the combined market.

Volvo Truck and Mack were in sixth and seventh place, respectively, with 6.0 percent and 5.0 percent of the combined Classes 4-8 market.

Number of medium- and heavy-duty truck dealerships



Source: WardsAuto

U.S. retail sales and market share—calendar year 2012

Truck classes 4–8

Class	4	5	6	7	8	Total	Percent of market
Freightliner	0	1,083	13,394	19,313	63,975	97,765	28.3%
International	888	2,988	15,884	13,796	34,824	68,380	19.8%
Ford	400	35,728	3,998	4,492	0	44,618	12.9%
Kenworth	0	31	1,401	3,088	27,778	32,298	9.3%
Peterbilt	0	14	145	4,245	27,255	31,659	9.2%
Volvo Truck	0	0	0	0	20,921	20,921	6.0%
Mack	0	0	0	0	17,327	17,327	5.0%
Dodge/Ram	0	10,307	0	0	0	10,307	3.0%
Isuzu	6,582	3,626	0	0	0	10,208	3.0%
Hino	0	59	4,596	1,650	0	6,305	1.8%
Western Star	0	0	0	0	2,623	2,623	0.8%
Mitsubishi Fuso	1,561	879	6	3	0	2,449	0.7%
UD Trucks	0	183	554	267	0	1,004	0.3%
Other	0	0	0	0	12	12	0.0%
Total	**9,431**	**54,898**	**39,978**	**46,854**	**194,715**	**345,876**	**100.0%**

Source: WardsAuto

Truck categories

Trucks are classified by gross vehicle weight	
Class 1	0 – 6,000 lb.
Class 2	6,001 – 10,000 lb.
Class 3	10,001 – 14,000 lb.
Class 4	14,001 – 16,000 lb.
Class 5	16,001 – 19,500 lb.
Class 6	19,501 – 26,000 lb.
Class 7	26,001 – 33,000 lb.
Class 8	33,001 and over lb.

Source: WardsAuto

NADA DATA

Dealership Financial Trends

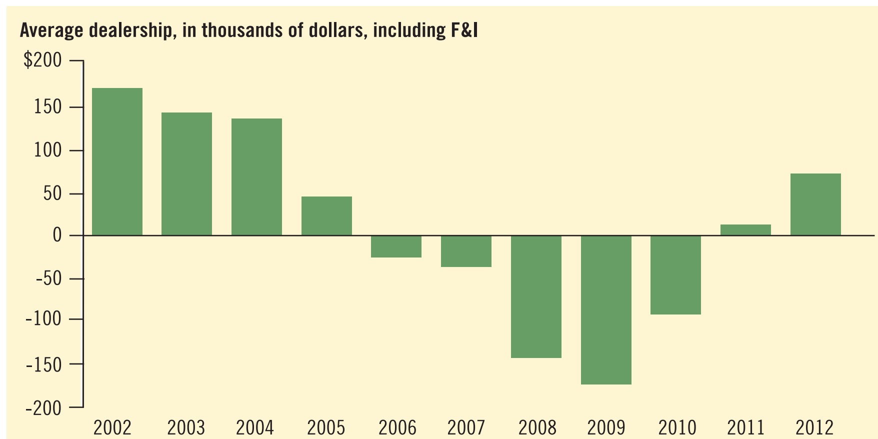
New-vehicle net profit at franchised dealerships was not only positive for the second consecutive year, net profit in this department also increased relative to the figures associated with 2011. At the average dealership, the per new-vehicle retail (PNVR) profit rose to $111 in 2012 from $23 in 2011.

Used-vehicle net profit was positive in 2012 although it was a decline from the previous year for the average dealership. The per used-vehicle retail (PUVR) profit fell to $194 in 2012 from $269 in the previous year.

At the average dealership, in 2012, the net profit generated by the service and parts department exceeded that of the new-vehicle department and the used-vehicle department. Although high in 2012, the service and parts department net profit was down 17.4 percent from 2011.

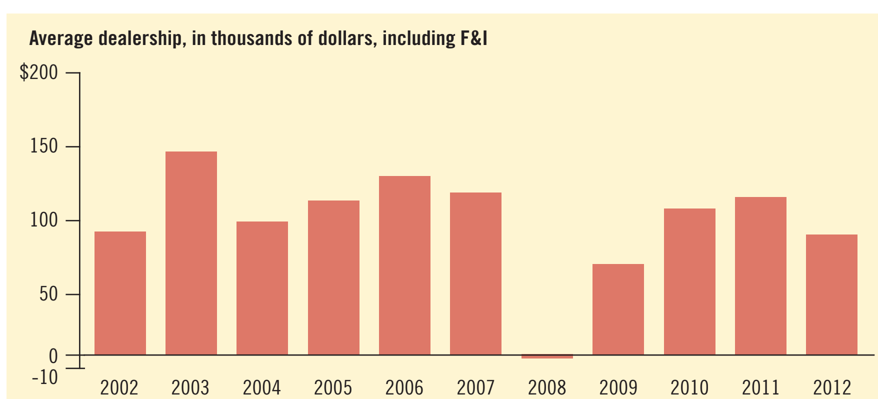
At the average dealership, dealership revenue grew by 9.2 percent and new-vehicle revenue increased by 12.8 percent in 2012.

New-vehicle department net profit



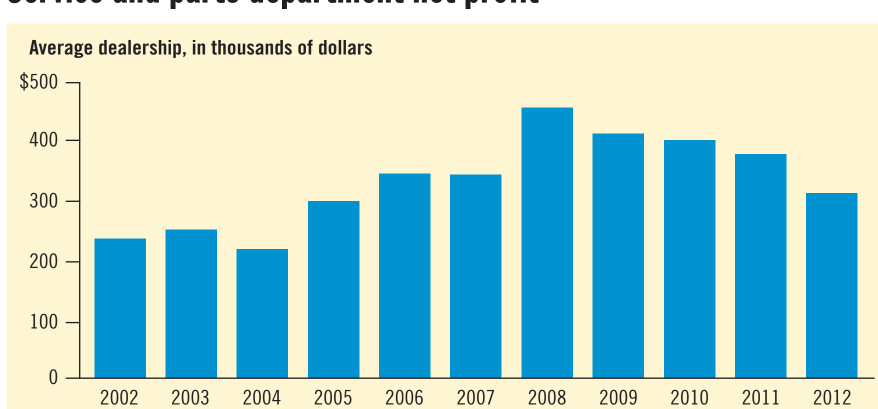
Source: NADA Industry Analysis Division; NADA 20 Group

Used-vehicle department net profit



Source: NADA Industry Analysis Division; NADA 20 Group

Service and parts department net profit



Source: NADA Industry Analysis Division; NADA 20 Group