New light-vehicle sales increased in 2011 to 12.7 million units from the previous year’s 11.55 million units. Sales should improve by about 10 percent in 2012. Typical dealerships saw sales increases in all departments for the year, led by new-vehicle sales, and costs moderated in relation to new-vehicle sales volume. Real GDP grew moderately, by 1.7 percent, in 2011. Unemployment was 8.5 percent at the end of 2011, dropping to 8.2 percent in March 2012. Consumer confidence generally trended upward in 2011 and early 2012.

In many states, residential housing price depreciation and financing difficulties continue, even as availability of financing for new-vehicle purchases has improved. The tragic Japan tsunami and flooding in Thailand contributed to a shortage of new light vehicles from overseas. Overall, many brands saw a lack of new cars developed, after strong selling rates in the first quarter of 2012. New-vehicle sales are soft in states with falling residential real estate values. The cost of borrowing for cars and homes remained moderate for 2011 and early 2012, as the Federal Reserve maintained very low short-term interest rates.

In 2011, vehicle sales continued to increase, driven by the need to replace a record-aged group of vehicles in service. Less-generous incentives, such as cash rebates, value pricing and subvented rate financing, were a feature of the market during the first quarter of 2012. Cars sold by subvented leases were increased by manufacturers worried about the supply of used vehicles for certified pre-owned programs. Used-car values continued to rise, according to NADA Guides, helping trade-in values for new-car customers. New light-duty sales of 12.7 million units in 2011 were 10.2 percent higher than in 2010. Rising gasoline prices pushed the mix of new-vehicle sales toward a greater percentage of cars in late 2011 and early 2012. New-vehicle sales should rise by more than 10 percent during 2012, as vehicle supply increases.

Total dealership dollar sales in 2011 exceeded $609 billion, up modestly from 2010. Typical dealers added three employees in 2011, pushing total employment to 934,000, as few dealerships closed on a net basis. With many of these expenditures made locally, dealerships provided vital support to the economic well-being of their communities. Franchised dealers were also major payers and generators of federal, state and local tax revenue, as well as major contributors of both time and money to local and regional charities.

Note: The NADA Industry Analysis Division (Paul Taylor, chief economist) prepares NADA Data. Contact NADA Industry Analysis, 8400 Westpark Drive, McLean, VA 22102, call 800.252.NADA, or e-mail industryrelations@nada.org.
Sales for the nation’s new-vehicle dealers reached 12.72 million units in 2011. Modest economic expansion and higher energy prices resulted in modest sales growth for the nation’s new-car and -truck dealers. Total dealership revenue topped $609 billion, growing by 10.2 percent in 2011. Sales in the new-car department (up 15.6 percent) surpassed the 9.8 percent revenue growth in used cars. Net pretax profit posted strong gains, with the typical store generating $785,855 in 2011.

**TOTAL GROSS AND EXPENSE**
Total dealership gross margins moderated slightly in 2011 to 14.4 percent of total dealership sales from 14.5 percent in 2010. With economic recovery continuing at a slow pace, the 2011 operating profit increased to 1.2 percent of sales from 1.0 percent. Total expenses reflected ongoing growth in the overall U.S. economy, up 8.9 percent, but declined as a percentage of sales to 12.1 percent from 12.5 percent in 2010. Advertising expenses increased on higher unit sales, but fell on a per-vehicle basis to $628. Floor-plan expenses were a negative $48 per new vehicle sold, reflecting floor-plan assistance and low interest rates. Some major expenses for the average dealership in 2011:
- Payroll: $2,610,000
- Advertising: $363,168
- Rent and equivalent: $403,990

**TOTAL DEALERSHIP PROFITS**
In 2011, total dealership net profit before tax as a percent of sales was 2.3 percent, up from 2.1 percent in 2010. Dollar profits gained 24 percent. New-vehicle department operating profit increased at the typical dealership. Used vehicles contributed one-quarter of operating profit in 2011, down from one-third of operating profit in 2010, as higher used-car values relative to new-car costs reduced consumer interest.

### Average dealership profile

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>% change 2011-2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total dealership sales</td>
<td>$31,855,768</td>
<td>$33,379,501</td>
<td>$28,517,867</td>
<td>$26,645,303</td>
<td>$30,941,801</td>
<td>$34,744,897</td>
<td>12.3%</td>
</tr>
<tr>
<td>Total dealership gross</td>
<td>$4,338,448</td>
<td>$4,546,212</td>
<td>$4,077,497</td>
<td>$4,060,649</td>
<td>$4,498,949</td>
<td>$4,992,196</td>
<td>11.0%</td>
</tr>
<tr>
<td>As % of total sales</td>
<td>13.6%</td>
<td>13.6%</td>
<td>14.3%</td>
<td>15.2%</td>
<td>14.5%</td>
<td>14.4%</td>
<td></td>
</tr>
<tr>
<td>Total dealership expense</td>
<td>$3,848,964</td>
<td>$4,038,084</td>
<td>$3,800,451</td>
<td>$3,658,560</td>
<td>$3,863,023</td>
<td>$4,206,341</td>
<td>8.9%</td>
</tr>
<tr>
<td>As % of total sales</td>
<td>12.1%</td>
<td>12.1%</td>
<td>13.3%</td>
<td>13.7%</td>
<td>12.5%</td>
<td>12.1%</td>
<td></td>
</tr>
<tr>
<td>Net profit before taxes</td>
<td>$489,484</td>
<td>$508,127</td>
<td>$277,045</td>
<td>$402,090</td>
<td>$635,926</td>
<td>$785,855</td>
<td>23.6%</td>
</tr>
<tr>
<td>As % of total sales</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.0%</td>
<td>1.5%</td>
<td>2.1%</td>
<td>2.3%</td>
<td></td>
</tr>
<tr>
<td>(Net pretax profit in</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>constant 1982 dollars)</td>
<td>$242,799</td>
<td>$245,117</td>
<td>$128,679</td>
<td>$187,454</td>
<td>$291,575</td>
<td>$349,424</td>
<td>19.8%</td>
</tr>
<tr>
<td>New-vehicle department</td>
<td>$18,795,482</td>
<td>$19,545,287</td>
<td>$16,302,280</td>
<td>$13,937,579</td>
<td>$16,352,208</td>
<td>$18,905,615</td>
<td>15.6%</td>
</tr>
<tr>
<td>As % of total sales</td>
<td>59.0%</td>
<td>58.6%</td>
<td>57.2%</td>
<td>52.3%</td>
<td>52.8%</td>
<td>54.4%</td>
<td></td>
</tr>
<tr>
<td>Used-vehicle department</td>
<td>$9,265,366</td>
<td>$9,821,093</td>
<td>$8,164,415</td>
<td>$8,537,426</td>
<td>$10,244,937</td>
<td>$11,245,377</td>
<td>9.8%</td>
</tr>
<tr>
<td>As % of total sales</td>
<td>29.1%</td>
<td>29.4%</td>
<td>28.6%</td>
<td>32.0%</td>
<td>33.1%</td>
<td>32.4%</td>
<td></td>
</tr>
<tr>
<td>Service and parts sales</td>
<td>$3,794,920</td>
<td>$4,013,121</td>
<td>$4,051,172</td>
<td>$4,170,298</td>
<td>$4,344,656</td>
<td>$4,593,905</td>
<td>5.7%</td>
</tr>
<tr>
<td>As % of total sales</td>
<td>11.9%</td>
<td>12.0%</td>
<td>14.2%</td>
<td>15.7%</td>
<td>14.0%</td>
<td>13.2%</td>
<td></td>
</tr>
<tr>
<td>New-vehicle average selling price</td>
<td>$28,451</td>
<td>$28,797</td>
<td>$28,350</td>
<td>$28,966</td>
<td>$29,793</td>
<td>$30,659</td>
<td>2.9%</td>
</tr>
<tr>
<td>Used-vehicle average selling price</td>
<td>$15,518</td>
<td>$15,714</td>
<td>$15,200</td>
<td>$14,976</td>
<td>$16,474</td>
<td>$17,267</td>
<td>4.8%</td>
</tr>
<tr>
<td>Average net worth (as of 12/31)</td>
<td>$2,160,181</td>
<td>$2,306,742</td>
<td>$2,251,583</td>
<td>$2,235,369</td>
<td>$2,563,220</td>
<td>$2,807,638</td>
<td>9.5%</td>
</tr>
<tr>
<td>Net profit as % of net worth</td>
<td>22.7%</td>
<td>22.0%</td>
<td>12.4%</td>
<td>18.0%</td>
<td>24.8%</td>
<td>28.0%</td>
<td></td>
</tr>
</tbody>
</table>

Source: NADA Industry Analysis Division
Our spring survey put the NADA Dealer Optimism Index at 167, slightly above the 166 seen in spring 2011. For the end of 2011, the index was 174, not far off the 179 posted at the end of 2010.

Low inflation, historically low interest rates and modest growth continue to support light-vehicle sales. Recently, growth in Europe and China slowed as the United States grew modestly.

In 2011, relatively stable new-vehicle incentive policies helped return the NADA index to its traditional role as a leading indicator of U.S. new-vehicle sales improvements, similar to the index performance in recovery from the 1980-82 and 1990-92 U.S. recessions. That upward trend, combined with improved U.S. consumer confidence measures, portend continued improvement in U.S. new light-vehicle sales and profits in 2012.

### Expectations for dealership profits

<table>
<thead>
<tr>
<th>Percent of dealers expecting profits to:</th>
<th>Value index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase</td>
<td>No change</td>
</tr>
<tr>
<td>April 1999</td>
<td>56.5</td>
</tr>
<tr>
<td>April 2000</td>
<td>49.0</td>
</tr>
<tr>
<td>April 2001</td>
<td>31.5</td>
</tr>
<tr>
<td>March 2002</td>
<td>53.2</td>
</tr>
<tr>
<td>March 2003</td>
<td>40.2</td>
</tr>
<tr>
<td>March 2004</td>
<td>47.1</td>
</tr>
<tr>
<td>March 2005</td>
<td>41.6</td>
</tr>
<tr>
<td>March 2006</td>
<td>32.9</td>
</tr>
<tr>
<td>March 2007</td>
<td>40.7</td>
</tr>
<tr>
<td>March 2008</td>
<td>28.0</td>
</tr>
<tr>
<td>March 2009</td>
<td>18.6</td>
</tr>
<tr>
<td>March 2010</td>
<td>54.0</td>
</tr>
<tr>
<td>March 2011</td>
<td>57.4</td>
</tr>
<tr>
<td>March 2012</td>
<td>58.3</td>
</tr>
</tbody>
</table>

Source: NADA Industry Analysis Division

### Optimism index vs. new-vehicle sales

Source: NADA Industry Analysis Division
Consolidation in the number of franchised dealerships has slowed after the large net losses of 1,550 in 2009, 760 in 2010, and 160 in 2011. In the first quarter of 2012, the market gained dealerships on a net basis. Dealership groups shopped for acquisitions during 2011, and manufacturers restored some dealerships and inaugurated others as new brands opened for U.S. business.

As new brands enter the U.S. market, the net dealership count may increase in future years of strong economic growth. In the most recent recession, real estate and banking problems have persisted despite historically low interest rates, but new-car sales increased during the 2010-2011 period and are headed upward for 2012. For first-quarter 2012, the net dealership count is up by 66 dealerships. And interest rates remain low for new-car loans, boosting sales.

The recession caused some dealerships to drop into a lower sales category. The number of dealerships with sales of more than 750 new light vehicles per year fell to 3,907 at the beginning of 2012; in comparison, 6,518 stores sold at that rate in 2002, a high-volume sales year. All sales categories are likely to grow in upcoming years of economic growth as brands new to the U.S. market will add dealerships. New brands and new dealerships are a sign of even more vigorous competition ahead in the U.S. vehicle marketplace.

**New-car dealerships**

<table>
<thead>
<tr>
<th>As of January 1, 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991</td>
</tr>
<tr>
<td>1992</td>
</tr>
<tr>
<td>1993</td>
</tr>
<tr>
<td>1994</td>
</tr>
<tr>
<td>1995</td>
</tr>
<tr>
<td>1996</td>
</tr>
<tr>
<td>1997</td>
</tr>
<tr>
<td>1998</td>
</tr>
<tr>
<td>1999</td>
</tr>
<tr>
<td>2000</td>
</tr>
<tr>
<td>2001</td>
</tr>
<tr>
<td>2002</td>
</tr>
<tr>
<td>2003</td>
</tr>
<tr>
<td>2004</td>
</tr>
<tr>
<td>2005</td>
</tr>
<tr>
<td>2006</td>
</tr>
<tr>
<td>2007</td>
</tr>
<tr>
<td>2008</td>
</tr>
<tr>
<td>2009</td>
</tr>
<tr>
<td>2010</td>
</tr>
<tr>
<td>2011</td>
</tr>
<tr>
<td>2012</td>
</tr>
</tbody>
</table>

Source: NADA Industry Analysis Division

**New-car dealerships, by state**

<table>
<thead>
<tr>
<th>As of January 1, 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
</tr>
<tr>
<td>Alaska</td>
</tr>
<tr>
<td>Arizona</td>
</tr>
<tr>
<td>Arkansas</td>
</tr>
<tr>
<td>California</td>
</tr>
<tr>
<td>Colorado</td>
</tr>
<tr>
<td>Connecticut</td>
</tr>
<tr>
<td>Delaware</td>
</tr>
<tr>
<td>D.C.</td>
</tr>
<tr>
<td>Florida</td>
</tr>
<tr>
<td>Georgia</td>
</tr>
<tr>
<td>Hawaii</td>
</tr>
<tr>
<td>Idaho</td>
</tr>
<tr>
<td>Illinois</td>
</tr>
<tr>
<td>Indiana</td>
</tr>
<tr>
<td>Iowa</td>
</tr>
<tr>
<td>Kansas</td>
</tr>
<tr>
<td>Kentucky</td>
</tr>
<tr>
<td>Louisiana</td>
</tr>
<tr>
<td>Maine</td>
</tr>
<tr>
<td>Maryland</td>
</tr>
<tr>
<td>Massachusetts</td>
</tr>
<tr>
<td>Michigan</td>
</tr>
<tr>
<td>Minnesota</td>
</tr>
<tr>
<td>Mississippi</td>
</tr>
<tr>
<td>Missouri</td>
</tr>
</tbody>
</table>

Source: NADA Industry Analysis Division

<table>
<thead>
<tr>
<th>Total U.S.</th>
<th>17,540</th>
</tr>
</thead>
<tbody>
<tr>
<td>Montana</td>
<td>115</td>
</tr>
<tr>
<td>Nebraska</td>
<td>181</td>
</tr>
<tr>
<td>Nevada</td>
<td>99</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>140</td>
</tr>
<tr>
<td>New Jersey</td>
<td>463</td>
</tr>
<tr>
<td>New Mexico</td>
<td>114</td>
</tr>
<tr>
<td>New York</td>
<td>886</td>
</tr>
<tr>
<td>North Carolina</td>
<td>587</td>
</tr>
<tr>
<td>North Dakota</td>
<td>87</td>
</tr>
<tr>
<td>Ohio</td>
<td>756</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>277</td>
</tr>
<tr>
<td>Oregon</td>
<td>236</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>943</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>50</td>
</tr>
<tr>
<td>South Carolina</td>
<td>258</td>
</tr>
<tr>
<td>South Dakota</td>
<td>99</td>
</tr>
<tr>
<td>Tennessee</td>
<td>349</td>
</tr>
<tr>
<td>Texas</td>
<td>1,178</td>
</tr>
<tr>
<td>Utah</td>
<td>141</td>
</tr>
<tr>
<td>Vermont</td>
<td>86</td>
</tr>
<tr>
<td>Virginia</td>
<td>489</td>
</tr>
<tr>
<td>Washington</td>
<td>334</td>
</tr>
<tr>
<td>West Virginia</td>
<td>143</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>514</td>
</tr>
<tr>
<td>Wyoming</td>
<td>65</td>
</tr>
</tbody>
</table>

**Number of dealerships, by volume of new-unit sales**

<table>
<thead>
<tr>
<th>Annual new-unit sales</th>
<th>0-149</th>
<th>150-399</th>
<th>400-749</th>
<th>750+</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992</td>
<td>5,875</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2002</td>
<td>4,933</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>3,418</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: NADA Industry Analysis Division
Total dollar sales at the nation’s new-car dealerships increased by more than 12 percent in 2011, the second full year of post-recession growth. Used-car department sales also improved in 2011, with a nearly 10 percent increase in revenue, 5 percent increase in transaction prices and a 12.5 percent gross margin on retail used selling prices. Higher used-car prices increased the trade-in equity for new-car customers. Only four states had average dealership sales lower than $20 million; 25 had sales exceeding $30 million.

### 2011 total sales, by state

<table>
<thead>
<tr>
<th>State</th>
<th>All dealerships (millions)</th>
<th>Average per dealership (millions)</th>
<th>State</th>
<th>All dealerships (millions)</th>
<th>Average per dealership (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>$8,924</td>
<td>$30,046</td>
<td>Montana</td>
<td>$2,272</td>
<td>$19,759</td>
</tr>
<tr>
<td>Alaska</td>
<td>$1,249</td>
<td>$39,042</td>
<td>Nebraska</td>
<td>$4,655</td>
<td>$25,720</td>
</tr>
<tr>
<td>Arizona</td>
<td>$12,753</td>
<td>$54,268</td>
<td>Nevada</td>
<td>$4,094</td>
<td>$40,853</td>
</tr>
<tr>
<td>Arkansas</td>
<td>$5,360</td>
<td>$24,589</td>
<td>New Hampshire</td>
<td>$4,097</td>
<td>$29,268</td>
</tr>
<tr>
<td>California</td>
<td>$63,510</td>
<td>$48,269</td>
<td>New Jersey</td>
<td>$21,929</td>
<td>$47,362</td>
</tr>
<tr>
<td>Colorado</td>
<td>$10,605</td>
<td>$40,789</td>
<td>New Mexico</td>
<td>$3,101</td>
<td>$27,200</td>
</tr>
<tr>
<td>Connecticut</td>
<td>$8,488</td>
<td>$32,276</td>
<td>New York</td>
<td>$36,743</td>
<td>$41,471</td>
</tr>
<tr>
<td>Delaware</td>
<td>$2,337</td>
<td>$44,087</td>
<td>North Carolina</td>
<td>$17,733</td>
<td>$30,209</td>
</tr>
<tr>
<td>Florida</td>
<td>$42,092</td>
<td>$49,990</td>
<td>North Dakota</td>
<td>$2,666</td>
<td>$30,642</td>
</tr>
<tr>
<td>Georgia</td>
<td>$19,090</td>
<td>$37,432</td>
<td>Ohio</td>
<td>$24,104</td>
<td>$31,883</td>
</tr>
<tr>
<td>Hawaii</td>
<td>$1,664</td>
<td>$25,211</td>
<td>Oklahoma</td>
<td>$18,211</td>
<td>$65,744</td>
</tr>
<tr>
<td>Idaho</td>
<td>$2,452</td>
<td>$22,499</td>
<td>Oregon</td>
<td>$5,981</td>
<td>$25,342</td>
</tr>
<tr>
<td>Illinois</td>
<td>$25,894</td>
<td>$33,673</td>
<td>Pennsylvania</td>
<td>$26,322</td>
<td>$27,913</td>
</tr>
<tr>
<td>Indiana</td>
<td>$11,843</td>
<td>$27,606</td>
<td>Rhode Island</td>
<td>$1,831</td>
<td>$36,612</td>
</tr>
<tr>
<td>Iowa</td>
<td>$7,184</td>
<td>$22,521</td>
<td>South Carolina</td>
<td>$7,499</td>
<td>$29,067</td>
</tr>
<tr>
<td>Kansas</td>
<td>$5,380</td>
<td>$23,289</td>
<td>South Dakota</td>
<td>$2,425</td>
<td>$24,490</td>
</tr>
<tr>
<td>Kentucky</td>
<td>$6,626</td>
<td>$25,484</td>
<td>Tennessee</td>
<td>$12,430</td>
<td>$35,617</td>
</tr>
<tr>
<td>Louisiana</td>
<td>$8,530</td>
<td>$29,212</td>
<td>Texas</td>
<td>$52,090</td>
<td>$44,219</td>
</tr>
<tr>
<td>Maine</td>
<td>$2,806</td>
<td>$21,924</td>
<td>Utah</td>
<td>$5,270</td>
<td>$37,375</td>
</tr>
<tr>
<td>Maryland</td>
<td>$12,489</td>
<td>$41,493</td>
<td>Vermont</td>
<td>$1,560</td>
<td>$18,140</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>$14,774</td>
<td>$35,948</td>
<td>Virginia</td>
<td>$16,473</td>
<td>$34,518</td>
</tr>
<tr>
<td>Michigan</td>
<td>$12,783</td>
<td>$19,880</td>
<td>Washington</td>
<td>$10,398</td>
<td>$31,132</td>
</tr>
<tr>
<td>Minnesota</td>
<td>$7,869</td>
<td>$21,619</td>
<td>West Virginia</td>
<td>$3,677</td>
<td>$25,715</td>
</tr>
<tr>
<td>Mississippi</td>
<td>$4,389</td>
<td>$22,391</td>
<td>Wisconsin</td>
<td>$10,905</td>
<td>$21,216</td>
</tr>
<tr>
<td>Missouri</td>
<td>$12,147</td>
<td>$29,341</td>
<td>Wyoming</td>
<td>$1,293</td>
<td>$19,892</td>
</tr>
</tbody>
</table>

**Total U.S.:** $609,356 $34,743

Source: NADA Industry Analysis Division
## Relationship of new-car dealerships to total retail trade in 2011, by state (estimated)

<table>
<thead>
<tr>
<th>State</th>
<th>Number of dealers as % of total retail establishments in the state</th>
<th>Dealer sales as % of total retail sales in the state</th>
<th>Dealer payroll as % of total retail payroll in the state</th>
<th>Dealer employees as % of total retail employment in the state</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>1.6%</td>
<td>14.7%</td>
<td>11.2%</td>
<td>5.9%</td>
</tr>
<tr>
<td>Alaska</td>
<td>1.4%</td>
<td>10.4%</td>
<td>9.8%</td>
<td>6.4%</td>
</tr>
<tr>
<td>Arizona</td>
<td>1.5%</td>
<td>16.3%</td>
<td>11.4%</td>
<td>6.6%</td>
</tr>
<tr>
<td>Arkansas</td>
<td>2.3%</td>
<td>14.2%</td>
<td>12.0%</td>
<td>6.1%</td>
</tr>
<tr>
<td>California</td>
<td>2.0%</td>
<td>15.5%</td>
<td>10.7%</td>
<td>6.3%</td>
</tr>
<tr>
<td>Colorado</td>
<td>1.4%</td>
<td>15.8%</td>
<td>12.1%</td>
<td>6.3%</td>
</tr>
<tr>
<td>Connecticut</td>
<td>2.3%</td>
<td>15.3%</td>
<td>12.8%</td>
<td>7.1%</td>
</tr>
<tr>
<td>Delaware</td>
<td>1.8%</td>
<td>14.0%</td>
<td>14.7%</td>
<td>7.6%</td>
</tr>
<tr>
<td>Florida</td>
<td>1.7%</td>
<td>16.5%</td>
<td>12.2%</td>
<td>6.6%</td>
</tr>
<tr>
<td>Georgia</td>
<td>1.6%</td>
<td>15.0%</td>
<td>11.8%</td>
<td>6.2%</td>
</tr>
<tr>
<td>Hawaii</td>
<td>1.3%</td>
<td>12.3%</td>
<td>12.2%</td>
<td>5.6%</td>
</tr>
<tr>
<td>Idaho</td>
<td>1.9%</td>
<td>14.2%</td>
<td>10.6%</td>
<td>6.1%</td>
</tr>
<tr>
<td>Illinois</td>
<td>2.5%</td>
<td>13.6%</td>
<td>12.4%</td>
<td>6.6%</td>
</tr>
<tr>
<td>Indiana</td>
<td>2.2%</td>
<td>13.5%</td>
<td>11.7%</td>
<td>6.4%</td>
</tr>
<tr>
<td>Iowa</td>
<td>2.8%</td>
<td>13.3%</td>
<td>12.7%</td>
<td>6.5%</td>
</tr>
<tr>
<td>Kansas</td>
<td>2.4%</td>
<td>13.6%</td>
<td>12.7%</td>
<td>6.6%</td>
</tr>
<tr>
<td>Kentucky</td>
<td>2.0%</td>
<td>11.8%</td>
<td>10.8%</td>
<td>5.6%</td>
</tr>
<tr>
<td>Louisiana</td>
<td>1.9%</td>
<td>15.7%</td>
<td>12.7%</td>
<td>6.6%</td>
</tr>
<tr>
<td>Maine</td>
<td>1.9%</td>
<td>11.3%</td>
<td>11.3%</td>
<td>6.1%</td>
</tr>
<tr>
<td>Maryland</td>
<td>1.9%</td>
<td>15.6%</td>
<td>14.0%</td>
<td>7.6%</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>1.9%</td>
<td>14.1%</td>
<td>12.5%</td>
<td>6.0%</td>
</tr>
<tr>
<td>Michigan</td>
<td>2.3%</td>
<td>12.3%</td>
<td>13.9%</td>
<td>6.9%</td>
</tr>
<tr>
<td>Minnesota</td>
<td>1.8%</td>
<td>11.8%</td>
<td>11.0%</td>
<td>6.0%</td>
</tr>
<tr>
<td>Mississippi</td>
<td>1.7%</td>
<td>12.7%</td>
<td>9.8%</td>
<td>5.0%</td>
</tr>
<tr>
<td>Missouri</td>
<td>2.1%</td>
<td>13.8%</td>
<td>12.4%</td>
<td>6.4%</td>
</tr>
<tr>
<td>Montana</td>
<td>2.5%</td>
<td>12.7%</td>
<td>11.2%</td>
<td>6.4%</td>
</tr>
<tr>
<td>Nebraska</td>
<td>2.7%</td>
<td>13.2%</td>
<td>12.8%</td>
<td>6.5%</td>
</tr>
<tr>
<td>Nevada</td>
<td>1.3%</td>
<td>15.4%</td>
<td>10.3%</td>
<td>5.3%</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>2.5%</td>
<td>13.9%</td>
<td>13.0%</td>
<td>6.5%</td>
</tr>
<tr>
<td>New Jersey</td>
<td>1.9%</td>
<td>16.1%</td>
<td>13.1%</td>
<td>6.5%</td>
</tr>
<tr>
<td>New Mexico</td>
<td>2.3%</td>
<td>14.5%</td>
<td>11.5%</td>
<td>6.6%</td>
</tr>
<tr>
<td>New York</td>
<td>1.5%</td>
<td>12.7%</td>
<td>9.4%</td>
<td>5.0%</td>
</tr>
<tr>
<td>North Carolina</td>
<td>2.1%</td>
<td>15.1%</td>
<td>12.1%</td>
<td>6.4%</td>
</tr>
<tr>
<td>North Dakota</td>
<td>2.5%</td>
<td>14.0%</td>
<td>14.0%</td>
<td>7.4%</td>
</tr>
<tr>
<td>Ohio</td>
<td>2.2%</td>
<td>14.2%</td>
<td>12.2%</td>
<td>6.7%</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>2.6%</td>
<td>16.7%</td>
<td>13.7%</td>
<td>7.1%</td>
</tr>
<tr>
<td>Oregon</td>
<td>1.8%</td>
<td>12.8%</td>
<td>10.2%</td>
<td>5.9%</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>2.3%</td>
<td>13.9%</td>
<td>13.1%</td>
<td>7.0%</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>1.7%</td>
<td>13.9%</td>
<td>11.3%</td>
<td>5.8%</td>
</tr>
<tr>
<td>South Carolina</td>
<td>1.8%</td>
<td>13.5%</td>
<td>10.6%</td>
<td>5.7%</td>
</tr>
<tr>
<td>South Dakota</td>
<td>2.7%</td>
<td>14.3%</td>
<td>14.5%</td>
<td>7.0%</td>
</tr>
<tr>
<td>Tennessee</td>
<td>2.2%</td>
<td>13.8%</td>
<td>10.7%</td>
<td>5.9%</td>
</tr>
<tr>
<td>Texas</td>
<td>2.0%</td>
<td>16.5%</td>
<td>13.3%</td>
<td>6.8%</td>
</tr>
<tr>
<td>Utah</td>
<td>1.9%</td>
<td>13.9%</td>
<td>9.4%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Vermont</td>
<td>2.6%</td>
<td>14.0%</td>
<td>12.3%</td>
<td>7.0%</td>
</tr>
<tr>
<td>Virginia</td>
<td>1.9%</td>
<td>14.5%</td>
<td>13.7%</td>
<td>7.0%</td>
</tr>
<tr>
<td>Washington</td>
<td>1.9%</td>
<td>12.1%</td>
<td>10.1%</td>
<td>6.2%</td>
</tr>
<tr>
<td>West Virginia</td>
<td>2.3%</td>
<td>13.5%</td>
<td>11.7%</td>
<td>6.5%</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>2.8%</td>
<td>13.2%</td>
<td>12.2%</td>
<td>7.0%</td>
</tr>
<tr>
<td>Wyoming</td>
<td>2.6%</td>
<td>12.8%</td>
<td>12.5%</td>
<td>7.0%</td>
</tr>
<tr>
<td><strong>Total U.S.</strong></td>
<td><strong>2.0%</strong></td>
<td><strong>14.5%</strong></td>
<td><strong>11.7%</strong></td>
<td><strong>6.4%</strong></td>
</tr>
</tbody>
</table>

Source: NADA Industry Analysis Division
New-vehicle sales—12.7 million units in 2011—remained far lower than the average 16 million-plus units in the 2000-2007 era. On a seasonally adjusted annual rate (SAAR) basis, sales volume was at or above 14 million units during the first four months of 2012, helped by warm weather. Production shortages for some brands of sedans posed a concern as spring selling was under way. In early 2012, total automaker inventory of cars was just 45 days of supply, below the desired 60 days. Aided by a 67 days’ supply of light trucks, all light vehicles were at 55 days’ supply during early April 2012, and some brands of light vehicles from Japan fell well below 40 days’ supply.

In 2011, the average selling price of a new vehicle, including accessories and options (next page, upper right), rose by 2.9 percent from 2010.

New-vehicle sales by manufacturer (bottom of the next page) show GM, Ford and Chrysler market shares rising in 2011. Of the three major Japanese brands—Toyota, Honda and Nissan—2011 market share rose only for Nissan and fell for the other two. Hyundai and Kia market shares increased despite limited factory capacity for their popular new sedans in 2011 and early 2012. Infiniti, Mitsubishi, BMW, Mercedes and Volkswagen managed market share increases in a year of overall tight sedan supply.

### New-vehicle inventories and days’ supply

<table>
<thead>
<tr>
<th>Inventory (in millions)</th>
<th>Days’ supply</th>
</tr>
</thead>
<tbody>
<tr>
<td>Days' supply</td>
<td></td>
</tr>
<tr>
<td>Domestic</td>
<td></td>
</tr>
<tr>
<td>Import</td>
<td></td>
</tr>
</tbody>
</table>

Source: NADA Industry Analysis Division

### New-vehicle sales, by month

<table>
<thead>
<tr>
<th>Month</th>
<th>2011 Actual</th>
<th>2011 SAAR* (in millions)</th>
<th>2010 Actual</th>
<th>2010 SAAR* (in millions)</th>
<th>% change 2010 to 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>816,831</td>
<td>12.6</td>
<td>696,546</td>
<td>10.7</td>
<td>17.3%</td>
</tr>
<tr>
<td>February</td>
<td>989,883</td>
<td>13.4</td>
<td>778,433</td>
<td>10.5</td>
<td>27.2%</td>
</tr>
<tr>
<td>March</td>
<td>1,242,276</td>
<td>13.1</td>
<td>1,063,605</td>
<td>11.7</td>
<td>16.8%</td>
</tr>
<tr>
<td>April</td>
<td>1,154,216</td>
<td>13.1</td>
<td>980,399</td>
<td>11.3</td>
<td>17.7%</td>
</tr>
<tr>
<td>May</td>
<td>1,058,262</td>
<td>11.8</td>
<td>1,100,729</td>
<td>11.6</td>
<td>-3.9%</td>
</tr>
<tr>
<td>June</td>
<td>1,048,943</td>
<td>11.5</td>
<td>981,263</td>
<td>11.1</td>
<td>6.9%</td>
</tr>
<tr>
<td>July</td>
<td>1,066,475</td>
<td>12.2</td>
<td>1,046,980</td>
<td>11.5</td>
<td>0.9%</td>
</tr>
<tr>
<td>August</td>
<td>1,069,005</td>
<td>12.1</td>
<td>994,298</td>
<td>11.5</td>
<td>7.5%</td>
</tr>
<tr>
<td>September</td>
<td>1,050,336</td>
<td>13.1</td>
<td>955,919</td>
<td>11.8</td>
<td>9.9%</td>
</tr>
<tr>
<td>October</td>
<td>1,017,933</td>
<td>13.2</td>
<td>946,586</td>
<td>12.1</td>
<td>7.5%</td>
</tr>
<tr>
<td>November</td>
<td>991,257</td>
<td>13.6</td>
<td>869,654</td>
<td>12.2</td>
<td>14.0%</td>
</tr>
<tr>
<td>December</td>
<td>1,238,755</td>
<td>13.5</td>
<td>1,140,106</td>
<td>12.4</td>
<td>8.7%</td>
</tr>
<tr>
<td>Full Year</td>
<td>12,734,172</td>
<td>12.7</td>
<td>11,554,518</td>
<td>11.6</td>
<td>10.2%</td>
</tr>
</tbody>
</table>

*Seasonally adjusted annual rate

Source: NADA Industry Analysis Division
Total new light-vehicle sales rose by 10.2 percent in 2011, and by a more moderate 10 percent during the fourth quarter.

### New light-duty vehicle sales, by year

<table>
<thead>
<tr>
<th>Year</th>
<th>New cars</th>
<th>Light-duty trucks</th>
<th>Total light-duty vehicles</th>
<th>Light-duty trucks as % of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>8,422,600</td>
<td>8,699,300</td>
<td>17,121,900</td>
<td>50.8%</td>
</tr>
<tr>
<td>2002</td>
<td>8,103,200</td>
<td>8,714,300</td>
<td>16,817,500</td>
<td>51.8%</td>
</tr>
<tr>
<td>2003</td>
<td>7,609,800</td>
<td>9,024,900</td>
<td>16,634,700</td>
<td>54.3%</td>
</tr>
<tr>
<td>2004</td>
<td>7,505,900</td>
<td>9,360,600</td>
<td>16,866,500</td>
<td>55.5%</td>
</tr>
<tr>
<td>2005</td>
<td>7,666,700</td>
<td>9,278,300</td>
<td>16,945,000</td>
<td>54.8%</td>
</tr>
<tr>
<td>2006</td>
<td>7,780,800</td>
<td>8,721,000</td>
<td>16,502,700</td>
<td>52.8%</td>
</tr>
<tr>
<td>2007</td>
<td>7,618,400</td>
<td>8,470,900</td>
<td>16,089,300</td>
<td>52.6%</td>
</tr>
<tr>
<td>2008</td>
<td>6,813,550</td>
<td>6,381,050</td>
<td>13,194,600</td>
<td>48.4%</td>
</tr>
<tr>
<td>2009</td>
<td>5,456,300</td>
<td>4,945,400</td>
<td>10,401,700</td>
<td>47.5%</td>
</tr>
<tr>
<td>2010</td>
<td>5,635,400</td>
<td>5,919,100</td>
<td>11,554,500</td>
<td>51.2%</td>
</tr>
<tr>
<td>2011</td>
<td>6,089,300</td>
<td>6,644,900</td>
<td>12,734,200</td>
<td>52.2%</td>
</tr>
<tr>
<td><strong>Average 2001-11</strong></td>
<td><strong>7,154,723</strong></td>
<td><strong>7,832,705</strong></td>
<td><strong>14,987,509</strong></td>
<td><strong>52.0%</strong></td>
</tr>
</tbody>
</table>

Source: NADA Industry Analysis Division

### Number of new vehicles sold and selling price

<table>
<thead>
<tr>
<th>Year</th>
<th>New vehicles sold per dealership</th>
<th>Average retail selling price</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>785</td>
<td>25,800</td>
</tr>
<tr>
<td>2002</td>
<td>774</td>
<td>26,150</td>
</tr>
<tr>
<td>2003</td>
<td>769</td>
<td>27,550</td>
</tr>
<tr>
<td>2004</td>
<td>779</td>
<td>28,050</td>
</tr>
<tr>
<td>2005</td>
<td>788</td>
<td>28,400</td>
</tr>
<tr>
<td>2006</td>
<td>778</td>
<td>28,450</td>
</tr>
<tr>
<td>2007</td>
<td>777</td>
<td>28,800</td>
</tr>
<tr>
<td>2008</td>
<td>669</td>
<td>28,350</td>
</tr>
<tr>
<td>2009</td>
<td>563</td>
<td>28,966</td>
</tr>
<tr>
<td>2010</td>
<td>653</td>
<td>29,793</td>
</tr>
<tr>
<td>2011</td>
<td>726</td>
<td>30,659</td>
</tr>
</tbody>
</table>

Source: NADA Industry Analysis Division

### New-vehicle sales and market share, by manufacturer

<table>
<thead>
<tr>
<th>Year</th>
<th>Chrysler</th>
<th>Ford</th>
<th>General Motors</th>
<th>Toyota</th>
<th>Honda</th>
<th>Nissan</th>
<th>Volkswagen</th>
<th>Other imports</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>2,273,200</td>
<td>3,915,500</td>
<td>4,852,500</td>
<td>1,741,300</td>
<td>1,207,600</td>
<td>703,700</td>
<td>438,900</td>
<td>1,989,200</td>
<td>17,121,900</td>
</tr>
<tr>
<td>2002</td>
<td>2,205,450</td>
<td>3,576,250</td>
<td>4,815,150</td>
<td>1,756,150</td>
<td>1,247,850</td>
<td>739,850</td>
<td>423,850</td>
<td>2,052,950</td>
<td>16,817,500</td>
</tr>
<tr>
<td>2003</td>
<td>2,127,450</td>
<td>3,437,700</td>
<td>4,716,050</td>
<td>1,866,300</td>
<td>1,349,850</td>
<td>794,800</td>
<td>389,100</td>
<td>1,953,450</td>
<td>16,343,700</td>
</tr>
<tr>
<td>2004</td>
<td>2,106,000</td>
<td>3,271,100</td>
<td>4,657,400</td>
<td>2,060,050</td>
<td>1,394,400</td>
<td>855,000</td>
<td>315,400</td>
<td>2,088,500</td>
<td>16,866,500</td>
</tr>
<tr>
<td>2005</td>
<td>2,304,900</td>
<td>3,106,900</td>
<td>4,456,800</td>
<td>2,260,300</td>
<td>1,462,500</td>
<td>1,076,900</td>
<td>307,250</td>
<td>1,969,450</td>
<td>16,945,000</td>
</tr>
<tr>
<td>2006</td>
<td>2,142,500</td>
<td>2,848,100</td>
<td>4,067,600</td>
<td>2,542,500</td>
<td>1,509,400</td>
<td>1,019,500</td>
<td>325,300</td>
<td>2,047,900</td>
<td>16,502,700</td>
</tr>
<tr>
<td>2007</td>
<td>2,076,100</td>
<td>2,502,000</td>
<td>3,824,500</td>
<td>2,620,800</td>
<td>1,551,500</td>
<td>1,068,500</td>
<td>324,050</td>
<td>2,121,750</td>
<td>16,093,300</td>
</tr>
<tr>
<td>2008</td>
<td>1,447,750</td>
<td>1,942,050</td>
<td>2,955,900</td>
<td>2,217,700</td>
<td>1,428,800</td>
<td>951,450</td>
<td>310,900</td>
<td>1,940,050</td>
<td>13,194,600</td>
</tr>
<tr>
<td>2009</td>
<td>927,200</td>
<td>1,656,100</td>
<td>2,072,200</td>
<td>1,770,200</td>
<td>1,150,800</td>
<td>770,100</td>
<td>296,200</td>
<td>1,758,900</td>
<td>10,401,700</td>
</tr>
<tr>
<td>2010</td>
<td>1,079,700</td>
<td>1,905,400</td>
<td>2,211,300</td>
<td>1,763,600</td>
<td>1,230,500</td>
<td>908,600</td>
<td>358,500</td>
<td>2,096,500</td>
<td>11,554,100</td>
</tr>
<tr>
<td>2011</td>
<td>1,361,600</td>
<td>2,110,800</td>
<td>2,503,800</td>
<td>1,644,700</td>
<td>1,147,300</td>
<td>1,042,500</td>
<td>442,000</td>
<td>2,481,500</td>
<td>12,734,200</td>
</tr>
<tr>
<td><strong>Average 2001-2011</strong></td>
<td><strong>1,831,986</strong></td>
<td><strong>2,751,991</strong></td>
<td><strong>3,739,836</strong></td>
<td><strong>2,022,145</strong></td>
<td><strong>1,334,595</strong></td>
<td><strong>902,809</strong></td>
<td><strong>359,100</strong></td>
<td><strong>2,045,468</strong></td>
<td><strong>14,987,473</strong></td>
</tr>
<tr>
<td>2001-2011</td>
<td>12.22%</td>
<td>18.36%</td>
<td>24.95%</td>
<td>13.49%</td>
<td>8.90%</td>
<td>6.02%</td>
<td>2.40%</td>
<td>13.65%</td>
<td></td>
</tr>
</tbody>
</table>

Source: NADA Industry Analysis Division
Economic recovery and stronger new-vehicle sales in 2011 helped the gross margin on the sale of new cars and trucks increase to 4.57 percent in 2011 from 4.49 percent in 2010. Rising fuel prices during much of 2011 left dealers with too few mid-size and smaller cars in the new and used inventories. Increased profits from finance, insurance and service contracts were welcome.

Aftermarket income rose in 2011 because of increasing F&I and service contract dollars. Better ability to obtain customer financing helped. The F&I penetration rate rose to 77 percent for new cars. A greater emphasis on customer understanding and satisfaction in F&I yielded better business performance in 2011.

Improvement in new-vehicle sales, aided by a stronger economy, boosted new-vehicle service contract penetration rates by 0.7 percent and used-car service contract penetration rates by nearly 3 percent.

**Aftermarket income**

![Graph showing Aftermarket income](image-url)

**Service contract penetration rates**

![Graph showing Service contract penetration rates](image-url)
New-vehicle dealers sold more than 15.6 million used cars last year. Of these, 8.7 million were retailed and 6.9 million wholesaled. The average 2011 used retail selling price was $17,267, up 4.8 percent from $16,474 in 2010.

New-vehicle dealers acquired 57 percent of the used units they retailed from trade-ins, 28 percent from auctions and the remaining 15 percent from street purchases or other sources. Auctions made the biggest inroads as a used-car source during strong economic growth—from less than 10 percent of inventory in the early 1980s to 35 percent in 2001 and then to 28 percent in 2011.
Total franchised dealership service, parts and body shop sales topped $80 billion in 2011, and sales by the typical dealer were up by 4.7 percent, as many consumers drove their vehicles longer. Dealerships faced stronger competition from independent service centers and quick-lube centers, but dealers continue to attract customers with competitive pricing and upgraded facilities. Last year’s service sales were powered by stronger light-vehicle sales but generally reduced recall activity. Service demand was driven by the needs of aging vehicles.

New-vehicle dealers have made a major investment in service and parts to increase sales and customer satisfaction. To boost customer convenience and make full use of their facilities, 88 percent of dealers offer evening service hours, weekend hours or both. The average dealership service department is open for business 56 hours per week.

In recent years, the general trend has been dealerships opting out of the body shop business. But the loss of dealerships from the industry actually increased the percentage of dealerships with on-site body shops to 37 percent from 33 percent in 2010. Total auto bodywork performed by all new-vehicle dealerships fell to $6.78 billion in 2011 from $6.85 billion in 2010.
Total franchised dealership service, parts and body shop sales topped $80 billion in 2011, and sales by the typical dealer were up by 4.7 percent.

### Dealerships’ total service and parts sales

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount (in billions of dollars)</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>$67.66</td>
<td>6.5%</td>
</tr>
<tr>
<td>2000</td>
<td>$73.83</td>
<td>9.1%</td>
</tr>
<tr>
<td>2001</td>
<td>$80.10</td>
<td>8.5%</td>
</tr>
<tr>
<td>2002</td>
<td>$83.11</td>
<td>3.8%</td>
</tr>
<tr>
<td>2003</td>
<td>$85.35</td>
<td>2.7%</td>
</tr>
<tr>
<td>2004</td>
<td>$85.48</td>
<td>0.2%</td>
</tr>
<tr>
<td>2005</td>
<td>$85.16</td>
<td>–0.4%</td>
</tr>
<tr>
<td>2006</td>
<td>$80.45</td>
<td>–5.5%</td>
</tr>
<tr>
<td>2007</td>
<td>$83.35</td>
<td>3.6%</td>
</tr>
<tr>
<td>2008</td>
<td>$81.84</td>
<td>–1.8%</td>
</tr>
<tr>
<td>2009</td>
<td>$76.21</td>
<td>–6.9%</td>
</tr>
<tr>
<td>2010</td>
<td>$77.63</td>
<td>1.9%</td>
</tr>
<tr>
<td>2011</td>
<td>$80.57</td>
<td>3.8%</td>
</tr>
</tbody>
</table>

Source: NADA Industry Analysis Division

### Dealerships’ service and parts sales

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service labor sales</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer mechanical</td>
<td>$15.59</td>
<td>$16.16</td>
<td>3.6%</td>
</tr>
<tr>
<td>Customer body</td>
<td>3.85</td>
<td>3.81</td>
<td>–1.1%</td>
</tr>
<tr>
<td>Warranty</td>
<td>6.29</td>
<td>6.17</td>
<td>–1.9%</td>
</tr>
<tr>
<td>Sublet</td>
<td>2.34</td>
<td>2.54</td>
<td>8.4%</td>
</tr>
<tr>
<td>Internal</td>
<td>5.10</td>
<td>5.60</td>
<td>9.7%</td>
</tr>
<tr>
<td>Other</td>
<td>1.37</td>
<td>1.40</td>
<td>1.7%</td>
</tr>
<tr>
<td>Total service labor</td>
<td>$34.55</td>
<td>$35.67</td>
<td>3.2%</td>
</tr>
</tbody>
</table>

### Service department hours of operation, 2011

- **Neither evening nor weekend hours**: 22%
- **Weekend hours**: 46%
- **Both evening and weekend hours**: 28%
- **Average hours open per week**: 56

### Total dealership body shop sales

*Source: NADA Industry Analysis Division*

### Dealerships operating on-site body shops

*Source: NADA Industry Analysis Division*
Franchised dealers are major employers as well as significant contributors to their communities’ economies, tax bases, and civic and charitable organizations. In the past seven years, total dealership employment plateaued at 1.1 million before falling below 1 million in 2009 as the recession commenced.

In 2011, the average dealership in operation employed 53 people; despite dealership closings driven by bankruptcies, economic recession and automaker demands, total dealership employment increased to an estimated 933,500 employees from 892,300 employees in 2010.

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 2011 was:

New- and used-vehicle salespeople.................................. 180,800
Technicians.......................................................... 252,400
Service and parts workers (other than technicians)........ 282,500
Supervisors, general office workers and others............. 217,800
Total .................................................................933,500

The average dealership in 2011 had an annual payroll of $2.6 million. The payroll for all dealerships was $45.8 billion. Dealerships provided, on average, 14.5 percent of total retail payroll in their states.

### Estimated number of employees in new-car dealerships

<table>
<thead>
<tr>
<th>Year</th>
<th>Total number of all dealerships</th>
<th>Average number per dealership</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>1,000,000</td>
<td>50</td>
</tr>
<tr>
<td>2002</td>
<td>950,000</td>
<td>45</td>
</tr>
<tr>
<td>2003</td>
<td>900,000</td>
<td>40</td>
</tr>
<tr>
<td>2004</td>
<td>850,000</td>
<td>35</td>
</tr>
<tr>
<td>2005</td>
<td>800,000</td>
<td>30</td>
</tr>
<tr>
<td>2006</td>
<td>750,000</td>
<td>25</td>
</tr>
<tr>
<td>2007</td>
<td>700,000</td>
<td>20</td>
</tr>
<tr>
<td>2008</td>
<td>650,000</td>
<td>15</td>
</tr>
<tr>
<td>2009</td>
<td>600,000</td>
<td>10</td>
</tr>
<tr>
<td>2010</td>
<td>550,000</td>
<td>5</td>
</tr>
<tr>
<td>2011</td>
<td>500,000</td>
<td>5</td>
</tr>
</tbody>
</table>

Source: NADA Industry Analysis Division

### Estimated number of new-car dealership employees in 2011, by state

<table>
<thead>
<tr>
<th>State</th>
<th>Total number all dealers</th>
<th>Average number per dealership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>14,048</td>
<td>47</td>
</tr>
<tr>
<td>Alaska</td>
<td>2,055</td>
<td>64</td>
</tr>
<tr>
<td>Arizona</td>
<td>20,503</td>
<td>87</td>
</tr>
<tr>
<td>Arkansas</td>
<td>7,842</td>
<td>36</td>
</tr>
<tr>
<td>California</td>
<td>95,187</td>
<td>73</td>
</tr>
<tr>
<td>Colorado</td>
<td>14,560</td>
<td>56</td>
</tr>
<tr>
<td>Connecticut</td>
<td>12,401</td>
<td>47</td>
</tr>
<tr>
<td>Delaware</td>
<td>4,072</td>
<td>77</td>
</tr>
<tr>
<td>Florida</td>
<td>61,270</td>
<td>73</td>
</tr>
<tr>
<td>Georgia</td>
<td>28,555</td>
<td>56</td>
</tr>
<tr>
<td>Hawaii</td>
<td>3,113</td>
<td>47</td>
</tr>
<tr>
<td>Idaho</td>
<td>4,621</td>
<td>42</td>
</tr>
<tr>
<td>Illinois</td>
<td>39,682</td>
<td>52</td>
</tr>
<tr>
<td>Indiana</td>
<td>19,653</td>
<td>46</td>
</tr>
<tr>
<td>Iowa</td>
<td>11,710</td>
<td>37</td>
</tr>
<tr>
<td>Kansas</td>
<td>9,011</td>
<td>39</td>
</tr>
<tr>
<td>Kentucky</td>
<td>11,328</td>
<td>44</td>
</tr>
<tr>
<td>Louisiana</td>
<td>14,081</td>
<td>48</td>
</tr>
<tr>
<td>Maine</td>
<td>4,541</td>
<td>35</td>
</tr>
<tr>
<td>Maryland</td>
<td>20,541</td>
<td>68</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>19,880</td>
<td>48</td>
</tr>
<tr>
<td>Michigan</td>
<td>28,285</td>
<td>44</td>
</tr>
<tr>
<td>Minnesota</td>
<td>15,660</td>
<td>43</td>
</tr>
<tr>
<td>Mississippi</td>
<td>7,176</td>
<td>37</td>
</tr>
<tr>
<td>Missouri</td>
<td>19,301</td>
<td>47</td>
</tr>
<tr>
<td>Montana</td>
<td>3,659</td>
<td>32</td>
</tr>
<tr>
<td>Nebraska</td>
<td>6,946</td>
<td>38</td>
</tr>
<tr>
<td>Nevada</td>
<td>6,827</td>
<td>69</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>5,828</td>
<td>42</td>
</tr>
<tr>
<td>New Jersey</td>
<td>26,771</td>
<td>48</td>
</tr>
<tr>
<td>New Mexico</td>
<td>5,746</td>
<td>50</td>
</tr>
<tr>
<td>New York</td>
<td>42,586</td>
<td>48</td>
</tr>
<tr>
<td>North Carolina</td>
<td>27,800</td>
<td>47</td>
</tr>
<tr>
<td>North Dakota</td>
<td>3,897</td>
<td>45</td>
</tr>
<tr>
<td>Ohio</td>
<td>38,775</td>
<td>51</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>16,054</td>
<td>58</td>
</tr>
<tr>
<td>Oregon</td>
<td>10,930</td>
<td>46</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>44,158</td>
<td>47</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>2,690</td>
<td>54</td>
</tr>
<tr>
<td>South Carolina</td>
<td>13,223</td>
<td>51</td>
</tr>
<tr>
<td>South Dakota</td>
<td>3,857</td>
<td>39</td>
</tr>
<tr>
<td>Tennessee</td>
<td>20,559</td>
<td>59</td>
</tr>
<tr>
<td>Texas</td>
<td>76,674</td>
<td>65</td>
</tr>
<tr>
<td>Utah</td>
<td>8,153</td>
<td>58</td>
</tr>
<tr>
<td>Vermont</td>
<td>2,621</td>
<td>30</td>
</tr>
<tr>
<td>Virginia</td>
<td>28,857</td>
<td>59</td>
</tr>
<tr>
<td>Washington</td>
<td>18,685</td>
<td>56</td>
</tr>
<tr>
<td>West Virginia</td>
<td>6,136</td>
<td>43</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>20,753</td>
<td>40</td>
</tr>
<tr>
<td>Wyoming</td>
<td>2,242</td>
<td>34</td>
</tr>
<tr>
<td>Total U.S.</td>
<td>933,500</td>
<td>53</td>
</tr>
</tbody>
</table>

Source: NADA Industry Analysis Division
### Annual payroll of new-car dealerships

![Chart showing annual payroll of new-car dealerships from 2001 to 2011. The chart includes data for different states, with total all dealerships on the left scale and average per dealership on the right scale.](chart.png)

Source: NADA Industry Analysis Division

### Average weekly earnings of dealership employees

![Chart showing average weekly earnings of dealership employees in 2011, by state.](chart.png)

Source: NADA Industry Analysis Division

### 2011 annual payroll of new-car dealerships, by state

<table>
<thead>
<tr>
<th>State</th>
<th>Total all dealerships ($ billions)</th>
<th>Average per dealership ($ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>$0.63</td>
<td>$2.13</td>
</tr>
<tr>
<td>Alaska</td>
<td>$0.10</td>
<td>$3.17</td>
</tr>
<tr>
<td>Arizona</td>
<td>$1.02</td>
<td>$4.34</td>
</tr>
<tr>
<td>Arkansas</td>
<td>$0.35</td>
<td>$1.61</td>
</tr>
<tr>
<td>California</td>
<td>$5.07</td>
<td>$3.88</td>
</tr>
<tr>
<td>Colorado</td>
<td>$0.75</td>
<td>$2.90</td>
</tr>
<tr>
<td>Connecticut</td>
<td>$0.70</td>
<td>$2.66</td>
</tr>
<tr>
<td>Delaware</td>
<td>$0.20</td>
<td>$3.75</td>
</tr>
<tr>
<td>Florida</td>
<td>$3.02</td>
<td>$3.58</td>
</tr>
<tr>
<td>Georgia</td>
<td>$1.39</td>
<td>$2.73</td>
</tr>
<tr>
<td>Hawaii</td>
<td>$0.17</td>
<td>$2.54</td>
</tr>
<tr>
<td>Idaho</td>
<td>$0.20</td>
<td>$1.85</td>
</tr>
<tr>
<td>Illinois</td>
<td>$1.95</td>
<td>$2.54</td>
</tr>
<tr>
<td>Indiana</td>
<td>$0.84</td>
<td>$1.95</td>
</tr>
<tr>
<td>Iowa</td>
<td>$0.51</td>
<td>$1.60</td>
</tr>
<tr>
<td>Kansas</td>
<td>$0.41</td>
<td>$1.76</td>
</tr>
<tr>
<td>Kentucky</td>
<td>$0.50</td>
<td>$1.92</td>
</tr>
<tr>
<td>Louisiana</td>
<td>$0.66</td>
<td>$2.26</td>
</tr>
<tr>
<td>Maine</td>
<td>$0.20</td>
<td>$1.58</td>
</tr>
<tr>
<td>Maryland</td>
<td>$1.04</td>
<td>$3.46</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>$1.14</td>
<td>$2.77</td>
</tr>
<tr>
<td>Michigan</td>
<td>$1.42</td>
<td>$2.20</td>
</tr>
<tr>
<td>Minnesota</td>
<td>$0.70</td>
<td>$1.92</td>
</tr>
<tr>
<td>Mississippi</td>
<td>$0.31</td>
<td>$1.57</td>
</tr>
<tr>
<td>Missouri</td>
<td>$0.90</td>
<td>$2.18</td>
</tr>
<tr>
<td>Montana</td>
<td>$0.15</td>
<td>$1.30</td>
</tr>
<tr>
<td>Nebraska</td>
<td>$0.31</td>
<td>$1.69</td>
</tr>
<tr>
<td>Nevada</td>
<td>$0.38</td>
<td>$3.79</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>$0.31</td>
<td>$2.20</td>
</tr>
<tr>
<td>New Jersey</td>
<td>$1.61</td>
<td>$3.48</td>
</tr>
<tr>
<td>New Mexico</td>
<td>$0.26</td>
<td>$2.24</td>
</tr>
<tr>
<td>New York</td>
<td>$2.35</td>
<td>$2.66</td>
</tr>
<tr>
<td>North Carolina</td>
<td>$1.26</td>
<td>$2.15</td>
</tr>
<tr>
<td>North Dakota</td>
<td>$0.17</td>
<td>$1.97</td>
</tr>
<tr>
<td>Ohio</td>
<td>$1.69</td>
<td>$2.23</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>$0.74</td>
<td>$2.69</td>
</tr>
<tr>
<td>Oregon</td>
<td>$0.49</td>
<td>$2.10</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>$2.01</td>
<td>$2.13</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>$0.13</td>
<td>$2.67</td>
</tr>
<tr>
<td>South Carolina</td>
<td>$0.59</td>
<td>$2.28</td>
</tr>
<tr>
<td>South Dakota</td>
<td>$0.17</td>
<td>$1.74</td>
</tr>
<tr>
<td>Tennessee</td>
<td>$0.97</td>
<td>$2.78</td>
</tr>
<tr>
<td>Texas</td>
<td>$4.05</td>
<td>$3.44</td>
</tr>
<tr>
<td>Utah</td>
<td>$0.37</td>
<td>$2.65</td>
</tr>
<tr>
<td>Vermont</td>
<td>$0.12</td>
<td>$1.39</td>
</tr>
<tr>
<td>Virginia</td>
<td>$1.41</td>
<td>$2.89</td>
</tr>
<tr>
<td>Washington</td>
<td>$0.92</td>
<td>$2.76</td>
</tr>
<tr>
<td>West Virginia</td>
<td>$0.24</td>
<td>$1.67</td>
</tr>
<tr>
<td>Wisconsin</td>
<td>$0.81</td>
<td>$1.58</td>
</tr>
<tr>
<td>Wyoming</td>
<td>$0.10</td>
<td>$1.57</td>
</tr>
<tr>
<td><strong>Total U.S.</strong></td>
<td><strong>$45.79</strong></td>
<td><strong>$2.61</strong></td>
</tr>
</tbody>
</table>

Source: NADA Industry Analysis Division

### Average weekly earnings of new-car dealership employees in 2011, by state

<table>
<thead>
<tr>
<th>State</th>
<th>Average weekly earnings ($ thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>$870</td>
</tr>
<tr>
<td>Alaska</td>
<td>$953</td>
</tr>
<tr>
<td>Arizona</td>
<td>$962</td>
</tr>
<tr>
<td>Arkansas</td>
<td>$863</td>
</tr>
<tr>
<td>California</td>
<td>$1,029</td>
</tr>
<tr>
<td>Colorado</td>
<td>$999</td>
</tr>
<tr>
<td>Connecticut</td>
<td>$1,088</td>
</tr>
<tr>
<td>Delaware</td>
<td>$943</td>
</tr>
<tr>
<td>Florida</td>
<td>$951</td>
</tr>
<tr>
<td>Georgia</td>
<td>$943</td>
</tr>
<tr>
<td>Hawaii</td>
<td>$1,039</td>
</tr>
<tr>
<td>Idaho</td>
<td>$841</td>
</tr>
<tr>
<td>Illinois</td>
<td>$950</td>
</tr>
<tr>
<td>Indiana</td>
<td>$821</td>
</tr>
<tr>
<td>Iowa</td>
<td>$841</td>
</tr>
<tr>
<td>Kansas</td>
<td>$874</td>
</tr>
<tr>
<td>Kentucky</td>
<td>$849</td>
</tr>
<tr>
<td>Louisiana</td>
<td>$906</td>
</tr>
<tr>
<td>Maine</td>
<td>$859</td>
</tr>
<tr>
<td>Maryland</td>
<td>$980</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>$1,105</td>
</tr>
<tr>
<td>Michigan</td>
<td>$968</td>
</tr>
<tr>
<td>Minnesota</td>
<td>$860</td>
</tr>
<tr>
<td>Mississippi</td>
<td>$827</td>
</tr>
<tr>
<td>Missouri</td>
<td>$903</td>
</tr>
</tbody>
</table>

Source: NADA Industry Analysis Division
At the end of 2011, 240.6 million light vehicles and 249 million total vehicles were in operation. The total light-vehicle fleet had increased, on average, by 4 percent per year, 1996-2006. Vehicles on the road fell in 2009 through 2010 and grew a slight 0.4 percent in 2011. The 2011 median age for cars was 11.1 years and for light trucks, 10.4 years, yielding an average of 10.8 years.

Net scrappage—the difference between sales and the growth of the light-vehicle population—produced a gain of 939,850 units added to an estimated 11.5 million in 2011, yielding an increase of nearly a million vehicles on the road in 2011. Combined with stronger new-car sales and continued economic growth, this boosted the average age of cars and trucks in use, increasing new-vehicle sales in 2011 and beyond.

### Vehicles in operation—scrappage, by year

<table>
<thead>
<tr>
<th>Year</th>
<th>Total vehicles in use</th>
<th>New vehicle registrations</th>
<th>Scrapage</th>
<th>Scrapage as % of registrations</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>216,682,936</td>
<td>17,505,343</td>
<td>14,121,720</td>
<td>80.7%</td>
</tr>
<tr>
<td>2002</td>
<td>221,027,121</td>
<td>17,639,934</td>
<td>13,295,749</td>
<td>75.4%</td>
</tr>
<tr>
<td>2003</td>
<td>225,882,103</td>
<td>16,939,662</td>
<td>12,084,680</td>
<td>71.3%</td>
</tr>
<tr>
<td>2004</td>
<td>232,167,136</td>
<td>17,419,471</td>
<td>11,134,438</td>
<td>63.9%</td>
</tr>
<tr>
<td>2005</td>
<td>239,384,168</td>
<td>17,287,680</td>
<td>10,070,648</td>
<td>58.3%</td>
</tr>
<tr>
<td>2006</td>
<td>244,642,610</td>
<td>17,332,357</td>
<td>12,073,915</td>
<td>69.7%</td>
</tr>
<tr>
<td>2007</td>
<td>248,700,997</td>
<td>16,765,603</td>
<td>12,707,216</td>
<td>75.8%</td>
</tr>
<tr>
<td>2008</td>
<td>249,812,723</td>
<td>15,127,946</td>
<td>14,016,220</td>
<td>69.7%</td>
</tr>
<tr>
<td>2009</td>
<td>248,972,046</td>
<td>9,589,747</td>
<td>10,430,420</td>
<td>108.8%</td>
</tr>
<tr>
<td>2010*</td>
<td>248,315,351</td>
<td>10,570,877</td>
<td>10,628,811</td>
<td>100.5%</td>
</tr>
<tr>
<td>2011*</td>
<td>248,931,633</td>
<td>12,698,406</td>
<td>11,998,124</td>
<td>94.5%</td>
</tr>
</tbody>
</table>

## Total light vehicles in operation in 2011, by state

<table>
<thead>
<tr>
<th>State</th>
<th>Passenger cars</th>
<th>Light Trucks GVV 1–3</th>
<th>Total vehicles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>2,049,578</td>
<td>1,225,766</td>
<td>4,175,344</td>
</tr>
<tr>
<td>Alaska</td>
<td>186,995</td>
<td>424,776</td>
<td>611,771</td>
</tr>
<tr>
<td>Arizona</td>
<td>1,987,803</td>
<td>1,892,609</td>
<td>3,880,412</td>
</tr>
<tr>
<td>Arkansas</td>
<td>1,015,614</td>
<td>1,239,794</td>
<td>2,255,408</td>
</tr>
<tr>
<td>California</td>
<td>16,086,894</td>
<td>14,407,616</td>
<td>30,044,510</td>
</tr>
<tr>
<td>Colorado</td>
<td>1,846,109</td>
<td>2,378,481</td>
<td>4,224,590</td>
</tr>
<tr>
<td>Connecticut</td>
<td>1,913,779</td>
<td>1,090,021</td>
<td>3,003,800</td>
</tr>
<tr>
<td>Delaware</td>
<td>423,079</td>
<td>333,103</td>
<td>756,182</td>
</tr>
<tr>
<td>D.C.</td>
<td>209,905</td>
<td>56,488</td>
<td>266,393</td>
</tr>
<tr>
<td>Florida</td>
<td>7,950,510</td>
<td>6,563,197</td>
<td>14,513,707</td>
</tr>
<tr>
<td>Georgia</td>
<td>3,540,677</td>
<td>3,850,876</td>
<td>7,391,553</td>
</tr>
<tr>
<td>Hawaii</td>
<td>508,277</td>
<td>546,150</td>
<td>1,054,427</td>
</tr>
<tr>
<td>Idaho</td>
<td>485,238</td>
<td>675,446</td>
<td>1,160,684</td>
</tr>
<tr>
<td>Illinois</td>
<td>6,230,455</td>
<td>4,783,268</td>
<td>11,013,723</td>
</tr>
<tr>
<td>Indiana</td>
<td>2,835,781</td>
<td>2,564,414</td>
<td>5,400,195</td>
</tr>
<tr>
<td>Iowa</td>
<td>1,428,109</td>
<td>1,292,479</td>
<td>2,720,588</td>
</tr>
<tr>
<td>Kansas</td>
<td>1,159,902</td>
<td>1,275,868</td>
<td>2,435,770</td>
</tr>
<tr>
<td>Kentucky</td>
<td>1,839,355</td>
<td>1,542,132</td>
<td>3,381,487</td>
</tr>
<tr>
<td>Louisiana</td>
<td>1,737,956</td>
<td>2,049,854</td>
<td>3,787,810</td>
</tr>
<tr>
<td>Maine</td>
<td>560,362</td>
<td>607,451</td>
<td>1,167,813</td>
</tr>
<tr>
<td>Maryland</td>
<td>2,508,983</td>
<td>1,910,907</td>
<td>4,419,890</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>3,148,809</td>
<td>2,262,735</td>
<td>5,411,544</td>
</tr>
<tr>
<td>Michigan</td>
<td>4,802,884</td>
<td>4,031,665</td>
<td>8,834,559</td>
</tr>
<tr>
<td>Minnesota</td>
<td>2,189,279</td>
<td>2,171,236</td>
<td>4,360,515</td>
</tr>
<tr>
<td>Mississippi</td>
<td>1,028,713</td>
<td>828,218</td>
<td>1,856,941</td>
</tr>
<tr>
<td>Missouri</td>
<td>2,514,492</td>
<td>2,459,364</td>
<td>4,973,856</td>
</tr>
</tbody>
</table>


## Total new-vehicle registrations in 2011, by state

<table>
<thead>
<tr>
<th>State</th>
<th>2011</th>
<th>2010</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>171,657</td>
<td>147,371</td>
<td>130,316</td>
<td>182,697</td>
</tr>
<tr>
<td>Alaska</td>
<td>29,137</td>
<td>28,910</td>
<td>23,135</td>
<td>30,890</td>
</tr>
<tr>
<td>Arizona</td>
<td>247,441</td>
<td>211,904</td>
<td>190,311</td>
<td>286,873</td>
</tr>
<tr>
<td>Arkansas</td>
<td>106,914</td>
<td>95,005</td>
<td>89,797</td>
<td>113,935</td>
</tr>
<tr>
<td>California</td>
<td>1,222,935</td>
<td>1,105,848</td>
<td>1,035,823</td>
<td>1,401,305</td>
</tr>
<tr>
<td>Colorado</td>
<td>189,215</td>
<td>177,017</td>
<td>155,825</td>
<td>215,712</td>
</tr>
<tr>
<td>Connecticut</td>
<td>149,091</td>
<td>137,849</td>
<td>126,601</td>
<td>157,375</td>
</tr>
<tr>
<td>Delaware</td>
<td>42,651</td>
<td>38,297</td>
<td>28,449</td>
<td>40,106</td>
</tr>
<tr>
<td>D.C.</td>
<td>14,757</td>
<td>16,486</td>
<td>19,692</td>
<td>16,148</td>
</tr>
<tr>
<td>Florida</td>
<td>879,792</td>
<td>810,462</td>
<td>701,488</td>
<td>950,695</td>
</tr>
<tr>
<td>Georgia</td>
<td>367,292</td>
<td>327,726</td>
<td>256,567</td>
<td>366,012</td>
</tr>
<tr>
<td>Hawaii</td>
<td>54,161</td>
<td>54,532</td>
<td>58,669</td>
<td>72,335</td>
</tr>
<tr>
<td>Idaho</td>
<td>36,442</td>
<td>32,183</td>
<td>31,005</td>
<td>43,399</td>
</tr>
<tr>
<td>Illinois</td>
<td>546,345</td>
<td>491,448</td>
<td>457,072</td>
<td>560,424</td>
</tr>
<tr>
<td>Indiana</td>
<td>203,275</td>
<td>177,344</td>
<td>174,871</td>
<td>226,921</td>
</tr>
<tr>
<td>Iowa</td>
<td>117,425</td>
<td>102,477</td>
<td>94,921</td>
<td>109,005</td>
</tr>
<tr>
<td>Kansas</td>
<td>94,387</td>
<td>86,808</td>
<td>84,456</td>
<td>100,982</td>
</tr>
<tr>
<td>Kentucky</td>
<td>123,969</td>
<td>112,212</td>
<td>105,370</td>
<td>124,430</td>
</tr>
<tr>
<td>Louisiana</td>
<td>184,072</td>
<td>165,082</td>
<td>160,623</td>
<td>217,459</td>
</tr>
<tr>
<td>Maine</td>
<td>46,674</td>
<td>45,952</td>
<td>45,253</td>
<td>51,019</td>
</tr>
<tr>
<td>Maryland</td>
<td>277,859</td>
<td>259,375</td>
<td>240,834</td>
<td>284,436</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>287,755</td>
<td>269,011</td>
<td>249,513</td>
<td>289,280</td>
</tr>
<tr>
<td>Michigan</td>
<td>447,489</td>
<td>429,382</td>
<td>415,951</td>
<td>570,907</td>
</tr>
<tr>
<td>Minnesota</td>
<td>185,104</td>
<td>179,473</td>
<td>152,559</td>
<td>220,239</td>
</tr>
<tr>
<td>Mississippi</td>
<td>86,535</td>
<td>72,014</td>
<td>67,895</td>
<td>93,700</td>
</tr>
<tr>
<td>Missouri</td>
<td>234,691</td>
<td>208,281</td>
<td>201,868</td>
<td>238,975</td>
</tr>
</tbody>
</table>

Source: R.L. Polk & Co.
New-vehicle franchised dealers spent nearly $6.37 billion on advertising in 2011, up from $5.88 billion in 2010. In 2011, average ad expense per new vehicle sold fell to $628, down 3.9 percent from 2010. In the past 10 years, dealer budgets for newspapers dropped by more than 30 percentage points even though many newspapers provide associated Internet advertising. In 2011, the typical dealership spent 24.8 percent of advertising dollars on Internet ads, up from 23.7 percent in 2010 and 4.6 percent in 2001. Television held share, but radio lost 0.4 percent of share in 2011 from 2010.

### Total dealership advertising expenditures

In billions of dollars

<table>
<thead>
<tr>
<th>Year</th>
<th>2001</th>
<th>2005</th>
<th>2007</th>
<th>2009</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10</td>
<td>$8.5</td>
<td>$7.7</td>
<td>$5.8</td>
<td>$6.4</td>
<td>$6.4</td>
</tr>
</tbody>
</table>

Source: NADA Industry Analysis Division

### Advertising expenditures, by medium

#### Percent of total

<table>
<thead>
<tr>
<th>Year</th>
<th>Internet</th>
<th>Direct mail</th>
<th>Radio</th>
<th>Television</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>4.8%</td>
<td>6.1%</td>
<td>13.6%</td>
<td>14.5%</td>
<td>8.1%</td>
</tr>
<tr>
<td>2011</td>
<td>20.8%</td>
<td>9.9%</td>
<td>15.9%</td>
<td>24.8%</td>
<td>9.3%</td>
</tr>
</tbody>
</table>

Source: NADA Industry Analysis Division

### Total dealership advertising

Per new unit sold

<table>
<thead>
<tr>
<th>Year</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>$700</td>
<td>$363,168</td>
<td>$373,548</td>
<td>$380,902</td>
<td>$363,292</td>
<td>$369,553</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: NADA Industry Analysis Division

### Estimated advertising expenses per dealership in 2011

<table>
<thead>
<tr>
<th>By media used</th>
<th>Average of all dealerships</th>
<th>1–149</th>
<th>150–399</th>
<th>400–749</th>
<th>750 or more</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newspapers</td>
<td>$72,599</td>
<td>$29,232</td>
<td>$38,622</td>
<td>$61,989</td>
<td>$102,932</td>
</tr>
<tr>
<td>Radio</td>
<td>$57,670</td>
<td>$21,051</td>
<td>$24,990</td>
<td>$52,133</td>
<td>$116,362</td>
</tr>
<tr>
<td>TV</td>
<td>$72,974</td>
<td>$7,572</td>
<td>$34,875</td>
<td>$81,747</td>
<td>$167,307</td>
</tr>
<tr>
<td>Direct mail</td>
<td>$36,042</td>
<td>$7,646</td>
<td>$17,171</td>
<td>$38,824</td>
<td>$75,586</td>
</tr>
<tr>
<td>Internet</td>
<td>$90,106</td>
<td>$23,430</td>
<td>$45,105</td>
<td>$96,826</td>
<td>$164,377</td>
</tr>
<tr>
<td>Other</td>
<td>$33,775</td>
<td>$8,618</td>
<td>$16,139</td>
<td>$31,774</td>
<td>$72,989</td>
</tr>
<tr>
<td>Total</td>
<td>$363,168</td>
<td>$97,548</td>
<td>$176,902</td>
<td>$363,292</td>
<td>$699,553</td>
</tr>
</tbody>
</table>

Total advertising as a % of total sales: 1.05% 1.07% 1.04% 1.00% 0.95%

Total advertising per new vehicle sold: $628 $788 $608 $505 $418

Source: NADA Industry Analysis Division
In 2011, average new-vehicle loan rates at finance companies increased to 4.73 percent from 4.26 percent, as captives eased financing incentives. New-vehicle bank rates fell to 5.75 percent in 2011 from 6.21 percent in 2010. Low rates continue to support stronger vehicle sales in 2012.

**Average maturity of new-car loans at finance companies**

<table>
<thead>
<tr>
<th>Year</th>
<th>Maturity (months)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>60.5</td>
</tr>
<tr>
<td>2005</td>
<td>60.0</td>
</tr>
<tr>
<td>2006</td>
<td>62.3</td>
</tr>
<tr>
<td>2007</td>
<td>61.0</td>
</tr>
<tr>
<td>2008</td>
<td>63.4</td>
</tr>
<tr>
<td>2009</td>
<td>62.0</td>
</tr>
<tr>
<td>2010</td>
<td>63.0</td>
</tr>
<tr>
<td>2011</td>
<td>62.3</td>
</tr>
</tbody>
</table>

Source: Federal Reserve Board

**Consumer credit outstanding**

<table>
<thead>
<tr>
<th>Year</th>
<th>End of year, seasonally adjusted in millions of dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>2,100</td>
</tr>
<tr>
<td>2003</td>
<td>1,950</td>
</tr>
<tr>
<td>2005</td>
<td>1,890</td>
</tr>
<tr>
<td>2007</td>
<td>1,840</td>
</tr>
<tr>
<td>2009</td>
<td>1,770</td>
</tr>
<tr>
<td>2011</td>
<td>1,700</td>
</tr>
</tbody>
</table>

Source: Federal Reserve Board

**New-vehicle affordability measure**

<table>
<thead>
<tr>
<th>Period</th>
<th>Avg. finance rate</th>
<th>Avg. length of loan</th>
<th>Avg. consumer expenditure*</th>
<th>Avg. weeks of median family income to buy car*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006Q1</td>
<td>6.99%</td>
<td>61.9 months</td>
<td>$24,649</td>
<td>26.0</td>
</tr>
<tr>
<td>2006Q2</td>
<td>5.63%</td>
<td>61.8 months</td>
<td>$24,673</td>
<td>25.6</td>
</tr>
<tr>
<td>2006Q3</td>
<td>3.03%</td>
<td>65.4 months</td>
<td>$24,833</td>
<td>24.2</td>
</tr>
<tr>
<td>2006Q4</td>
<td>5.23%</td>
<td>63.0 months</td>
<td>$25,559</td>
<td>26.0</td>
</tr>
<tr>
<td>2007Q1</td>
<td>4.98%</td>
<td>61.3 months</td>
<td>$25,106</td>
<td>24.9</td>
</tr>
<tr>
<td>2007Q2</td>
<td>5.08%</td>
<td>61.7 months</td>
<td>$25,133</td>
<td>24.7</td>
</tr>
<tr>
<td>2007Q3</td>
<td>4.85%</td>
<td>62.1 months</td>
<td>$25,665</td>
<td>24.8</td>
</tr>
<tr>
<td>2007Q4</td>
<td>4.55%</td>
<td>62.9 months</td>
<td>$25,239</td>
<td>24.1</td>
</tr>
<tr>
<td>2008Q1</td>
<td>4.85%</td>
<td>62.6 months</td>
<td>$23,112</td>
<td>22.7</td>
</tr>
<tr>
<td>2008Q2</td>
<td>5.28%</td>
<td>63.5 months</td>
<td>$22,801</td>
<td>22.5</td>
</tr>
<tr>
<td>2008Q3</td>
<td>4.87%</td>
<td>65.4 months</td>
<td>$23,410</td>
<td>22.9</td>
</tr>
<tr>
<td>2008Q4</td>
<td>7.09%</td>
<td>62.3 months</td>
<td>$22,855</td>
<td>23.4</td>
</tr>
<tr>
<td>2009Q1</td>
<td>4.71%</td>
<td>59.3 months</td>
<td>$22,910</td>
<td>22.3</td>
</tr>
<tr>
<td>2009Q2</td>
<td>3.45%</td>
<td>62.1 months</td>
<td>$23,611</td>
<td>22.7</td>
</tr>
<tr>
<td>2009Q3</td>
<td>3.66%</td>
<td>62.7 months</td>
<td>$22,821</td>
<td>22.2</td>
</tr>
<tr>
<td>2009Q4</td>
<td>3.47%</td>
<td>63.9 months</td>
<td>$24,079</td>
<td>23.7</td>
</tr>
<tr>
<td>2010Q1</td>
<td>4.31%</td>
<td>62.9 months</td>
<td>$24,590</td>
<td>24.1</td>
</tr>
<tr>
<td>2010Q2</td>
<td>4.09%</td>
<td>62.9 months</td>
<td>$24,792</td>
<td>24.1</td>
</tr>
<tr>
<td>2010Q3</td>
<td>4.08%</td>
<td>63.8 months</td>
<td>$24,599</td>
<td>23.9</td>
</tr>
<tr>
<td>2010Q4</td>
<td>4.57%</td>
<td>62.5 months</td>
<td>$24,120</td>
<td>23.7</td>
</tr>
<tr>
<td>2011Q1</td>
<td>4.73%</td>
<td>62.3 months</td>
<td>$24,464</td>
<td>23.6</td>
</tr>
<tr>
<td>2011Q2</td>
<td>4.31%</td>
<td>62.9 months</td>
<td>$25,439</td>
<td>24.1</td>
</tr>
<tr>
<td>2011Q3</td>
<td>3.60%</td>
<td>63.8 months</td>
<td>$26,062</td>
<td>24.2</td>
</tr>
<tr>
<td>2011Q4</td>
<td>3.40%</td>
<td>62.5 months</td>
<td>$25,104</td>
<td>23.1</td>
</tr>
<tr>
<td>2012Q1</td>
<td>3.35%</td>
<td>62.3 months</td>
<td>$25,405</td>
<td>23.2</td>
</tr>
</tbody>
</table>

*With possible rebate

Sources: Comerica Bank; Federal Reserve Board
Sales of medium- and heavy-duty trucks (Classes 4–8) rose to 306,189 units in 2011, a 40.6 percent gain from 217,702 units in 2010.

For all classes combined, the top two companies in market share exchanged places, with Freightliner moving ahead of International to command 26.9 percent of the total market, and International dropping to 23.5 percent for 2011. Ford held the third spot, with 12.4 percent of the combined market in 2011, down from 13.9 percent in 2010. For a second consecutive year, Ford sold no Class 8 trucks. Paccar brands captured fourth and fifth places, with Peterbilt at 9.1 percent and Kenworth at 8.5 percent of the combined market. Stablemates Volvo Truck and Mack took sixth and seventh place, respectively, with 6.8 percent and 4.2 percent of the combined Classes 4-8 market.

### Truck categories

<table>
<thead>
<tr>
<th>Class</th>
<th>Description</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>Total</th>
<th>Percent of market</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freightliner</td>
<td>1,319</td>
<td>224</td>
<td>13,757</td>
<td>14,928</td>
<td>52,276</td>
<td>82,504</td>
<td>26.9%</td>
<td></td>
</tr>
<tr>
<td>International</td>
<td>594</td>
<td>3,831</td>
<td>16,201</td>
<td>15,537</td>
<td>35,928</td>
<td>72,091</td>
<td>23.5%</td>
<td></td>
</tr>
<tr>
<td>Ford</td>
<td>1,784</td>
<td>27,310</td>
<td>5,176</td>
<td>3,705</td>
<td>0</td>
<td>37,975</td>
<td>12.4%</td>
<td></td>
</tr>
<tr>
<td>Peterbilt</td>
<td>0</td>
<td>32</td>
<td>168</td>
<td>3,705</td>
<td>0</td>
<td>24,583</td>
<td>9.1%</td>
<td></td>
</tr>
<tr>
<td>Kenworth</td>
<td>0</td>
<td>18</td>
<td>850</td>
<td>2,666</td>
<td>22,577</td>
<td>26,111</td>
<td>8.5%</td>
<td></td>
</tr>
<tr>
<td>Volvo Truck</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>20,955</td>
<td>20,955</td>
<td>12.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mack</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>12,928</td>
<td>2,090</td>
<td>4.2%</td>
<td></td>
</tr>
<tr>
<td>Isuzu</td>
<td>5,238</td>
<td>2,989</td>
<td>0</td>
<td>7</td>
<td>0</td>
<td>8,234</td>
<td>2.7%</td>
<td></td>
</tr>
<tr>
<td>Dodge/Ram</td>
<td>0</td>
<td>7,527</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>7,527</td>
<td>2.5%</td>
<td></td>
</tr>
<tr>
<td>Hino</td>
<td>1</td>
<td>14</td>
<td>3,962</td>
<td>1,111</td>
<td>0</td>
<td>5,078</td>
<td>1.7%</td>
<td></td>
</tr>
<tr>
<td>Mitsubishi Fuso</td>
<td>1,500</td>
<td>439</td>
<td>138</td>
<td>23</td>
<td>0</td>
<td>2,100</td>
<td>0.7%</td>
<td></td>
</tr>
<tr>
<td>Western Star</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2,090</td>
<td>2,090</td>
<td>0.7%</td>
<td></td>
</tr>
<tr>
<td>UD Trucks</td>
<td>13</td>
<td>92</td>
<td>428</td>
<td>286</td>
<td>0</td>
<td>819</td>
<td>0.3%</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>20</td>
<td>20</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>GMC</td>
<td>1</td>
<td>4</td>
<td>7</td>
<td>1</td>
<td>0</td>
<td>13</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>Chevrolet</td>
<td>9</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>10</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>Sterling</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>3</td>
<td>1</td>
<td>6</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>10,459</strong></td>
<td><strong>42,483</strong></td>
<td><strong>40,677</strong></td>
<td><strong>41,212</strong></td>
<td><strong>171,358</strong></td>
<td><strong>306,189</strong></td>
<td><strong>100.0%</strong></td>
<td></td>
</tr>
</tbody>
</table>

*Source: © 2011 Ward’s Communications*
As economic growth continued at a slow pace during 2011, new-vehicle net profit broke into the positive. Reduced floor-plan costs stemming from low interest rates, combined with higher new-vehicle sales, helped support new-vehicle profits in 2011.

Net used-car profits improved further in 2011. Dealerships dealt with a shortage of trade-ins caused by lower sales in the recession and recovery years, which increased used-car and used-truck prices. Financial institutions offered more attractive rates for used-car purchases because they recognized that used values would remain at higher levels for several years. Also, new- and used-vehicle loans are performing relatively well compared with other lending areas, particularly residential real estate. The result: many promotions of attractive financing rates and loan features, as well as attractive lease terms by financial institutions. High used-car prices provide more trade equity for new-vehicle customers.

Total service and parts profits remained strong in 2011, near the solid level of 2010, as some consumers drove their vehicles greater distances. For the typical dealer, dealership revenue grew by 12.3 percent and new-vehicle revenue increased by 15.6 percent in 2011. Dealers continue to compete with independent service outlets for the less-frequent periodic service and repairs required on newer, more sophisticated vehicles.