

Supplement to

Automotive News

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2008

MARKET DATA DEALER DATA

J.D. POWER AND ASSOCIATES STUDIES

DEALERSHIP CENSUS DATA

FINANCIAL DATA

WHOLESALE USED-VEHICLE DATA

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2008

MARKET DATA DEALER DATA

Welcome to the third installment in a new series of data supplements from *Automotive News*. This supplement includes data of special interest to auto dealers. Among the highlights:

FINANCIAL DATA

- Last year, the average U.S. dealership's net pretax profit amounted to 1.5 percent of total sales, the National Automobile Dealers Association reports (Page 6). That rate tied with 2006 for the worst performance since 1997, when profitability averaged 1.4 percent, NADA says.

As has been the case every year since 2003, the typical dealership's retail gross profits last year were higher on used vehicles (an average of \$1,778) than on new vehicles (\$1,442), according to NADA.

Used-vehicle and service and parts sales contributed 41.4 percent of the average dealership's sales in 2007, compared with 41.0 percent the previous year, NADA says.

- The length of new-vehicle loans declined slightly last year, the Federal Reserve Board reports. The average new-vehicle loan in 2007 was for 62.0 months, down from 63.0 months the previous year. The average length of a used-vehicle loan rose to 60.7 months last year from 59.4 months in 2006.

U.S. WHOLESALE USED-VEHICLE DATA

- Used vehicles sold last year for an average wholesale price of \$9,939, ADESA Analytical Services reports. Auctions sold nearly 7.1 million used cars and trucks in 2007.

U.S. VEHICLE POPULATION DATA

- The median age of cars on the road rose to 9.2 years last year, the same as in 2006 and up from 8.1 years in 1997, says R.L. Polk & Co. The median age of light trucks was 7.1 years, tying with 1998 for the highest in the past decade.

J.D. POWER AND ASSOCIATES STUDIES

- Jaguar finished atop J.D. Power and Associates' 2007 Customer Service Index Study (Page 5). The study measures owners' satisfaction with dealership service departments.

- Lexus was the leading brand in Power's 2007 Sales Satisfaction Index study. The study measures responses of new-vehicle buyers to their dealership purchase experiences.

AUTOMOTIVE NEWS DEALERSHIP CENSUS DATA

- The Detroit 3 shed 621 U.S. dealerships in 2007 through their retail consolidation efforts, according to *Automotive News'* annual dealership census (Page 4). General Motors, Ford Motor Co. and Chrysler LLC operated 14,199 dealerships on Jan. 1, 2008.

The number of dealerships that sell import brands exclusively rose by 336 last year, to 6,463. In all, there were 21,461 new-vehicle dealerships at the start of this year, down 300 from the beginning of 2007.

- Again in 2007, the Toyota, Lexus and Honda brands had the highest new-vehicle sales per U.S. franchise. All gained sales last year. By contrast, eight of the Detroit 3's 13 domestic brands sold fewer vehicles per franchise last year than in 2006.

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J.D. Power and Associates Studies

2007 top 3 vehicles in initial quality (per segment, from J.D. Power and Associates Initial Quality Study)

CAR SEGMENT

Subcompact car	Large premium car
Kia Rio	Audi A8 (tie)
Honda Fit	Mercedes-Benz S class (tie)
Hyundai Accent	Lexus LS 460
Compact car	Premium sporty car
Honda Civic	Mercedes-Benz SL class
Toyota Corolla	Porsche 911
Hyundai Elantra	Lexus SC 430
Compact sporty car	Mid-sized sporty car
Mazda MX-5 Miata	Ford Mustang
Scion tC	Toyota Solara
Subaru Impreza	Chevrolet Monte Carlo
Compact premium sporty car	Mid-sized car
Porsche Boxster	Mercury Milan
Mercedes-Benz CLK class	Honda Accord
Mercedes-Benz SLK class	Ford Fusion (tie)
Entry premium car	Mitsubishi Galant (tie)
Lincoln MKZ	Large car
Acura TSX	Pontiac Grand Prix
Cadillac CTS	Toyota Avalon
Mid-sized premium car	Ford Five Hundred (tie)
Mercedes-Benz E class	Mercury Montego (tie)
Lexus GS 350/GS 430/GS 450h	
Infiniti M (tie) / Volvo S80 (tie)	

TRUCK SEGMENT

Mid-sized pickup	Large MAV
Toyota Tacoma	Toyota Sequoia
Honda Ridgeline	Chevrolet Suburban
Dodge Dakota	GMC Yukon
Large pickup	Mid-sized premium MAV
Chevrolet Silverado (heavy duty)	Lexus RX 350/RX 400h
Ford F-150 (light duty)	Lincoln MKX
GMC Sierra (light duty)	Lexus GX 470
Compact MAV	Large premium MAV
Honda CR-V	Lincoln Mark LT
Nissan Xterra	Lincoln Navigator
Hyundai Tucson	Hummer H2
Mid-sized MAV	Van
Toyota 4Runner	Chevrolet Express
Toyota Highlander	Kia Sedona
Mercury Mountaineer	Ford E series

Note: MAV = multi-activity vehicle. There must be at least four models with sufficient sample in any given award category for an award to be issued. Only two full-sized van models have a sufficient sample, thus no award issued. Data reflect problems per 100 vehicles. Owners and lessees are surveyed regarding problems experienced after 90 days of ownership. Performance is summarized using a problems-per-100-vehicles designation.

The Initial Quality Study is a model-level study. It measures 135 attributes across nine categories, including ride/handling/braking, engine and transmission, and a broad range of quality problems and symptoms reported by vehicle owners.

The 2007 study is based on responses from more than 97,000 purchasers and lessees of new 2007 model cars and trucks, who were surveyed after 90 days of ownership. Vehicle segments are defined by J.D. Power and Associates.

Source: J.D. Power and Associates 2007 Initial Quality StudySM

2007 Customer Service Index Brand performance for cars and light trucks

Brand	2007 score	2007 rank	2006 score	2006 rank	Change '07 vs '06
Jaguar	925	1	908	4	17
Buick	918	2	911	2	7
Lexus	913	3	912	1	1
Cadillac	913	3	909	3	4
Mercury	912	5	905	6	7
Saturn	908	6	904	7	4
Mini	902	7	890	9	12
Lincoln	901	8	906	5	-5
Pontiac	900	9	903	8	-3
Infiniti	899	10	887	13	12
GMC	897	11	879	20	18
Audi	894	12	890	9	4
Acura	894	12	889	12	5
BMW Division	893	14	884	16	9
Porsche	892	15	887	13	5
Hummer	890	16	882	18	-
Volvo	889	17	890	9	-1
Chevrolet	888	18	887	13	1
Honda Division	887	19	883	17	4
Saab	883	20	880	19	3
Industry Average	876		873		

Note: Finishing at or below industry average in alphabetical order are: Chrysler Division, Dodge, Ford division, Hyundai division, Isuzu, Jeep, Kia, Land Rover, Mazda, Mercedes-Benz, Mitsubishi, Nissan Division, Scion, Subaru, Suzuki, Toyota Division and Volkswagen division. The Customer Service Index Study measures customer satisfaction of vehicle owners who visited the dealer service department for maintenance during the first three years of ownership. It is based on six measures: service initiation, service adviser, in-dealership experience, service delivery, service quality and user-friendly service. The 2007 study is based on responses from 84,495 owners and lessees of 2004-2006 model vehicles.

Source: J.D. Power and Associates 2007 Customer Service Index StudySM

2007 Sales Satisfaction Index Brand performance for cars and light trucks

Brand	2007 score	2007 rank	2006 score	2006 rank	Change '07 vs '06
Lexus	897	1	887	5	10
Hummer	895	2	874	11	21
Jaguar	893	3	912	1	-19
Lincoln	892	4	889	3	3
Mercedes-Benz	888	5	876	10	12
Buick	887	6	884	7	3
Cadillac	885	7	891	2	-6
Saturn	880	8	887	5	-7
Porsche	879	9	889	3	-10
Mercury	878	10	881	9	-3
Land Rover	873	11	872	14	1
BMW	872	12	873	12	-1
Pontiac	870	13	852	21	18
Volvo	866	14	883	8	-17
GMC	866	14	861	17	5
Saab	866	14	854	19	12
Acura	862	17	854	19	8
Chevrolet	861	18	862	16	-1
Audi	861	18	849	22	12
Ford	859	20	855	18	4
Infiniti	856	21	868	15	-12
Mini	852	22	873	12	-21
Industry Average	852		847		

Note: Finishing at or below industry average in alphabetical order are: Chrysler Division, Dodge, Hyundai division, Honda, Jeep, Kia, Mazda, Mitsubishi, Nissan, Scion, Subaru, Suzuki, Toyota Division and Volkswagen division. The Sales Satisfaction Index Study focuses on the new-vehicle purchase experience. The 2007 study is based on responses from 38,654 new-vehicle buyers who purchased their vehicles in May 2007. The 2006 study is based on responses from 42,218 buyers who purchased their vehicles in May 2006.

Source: J.D. Power and Associates 2007 Sales Satisfaction Index StudySM

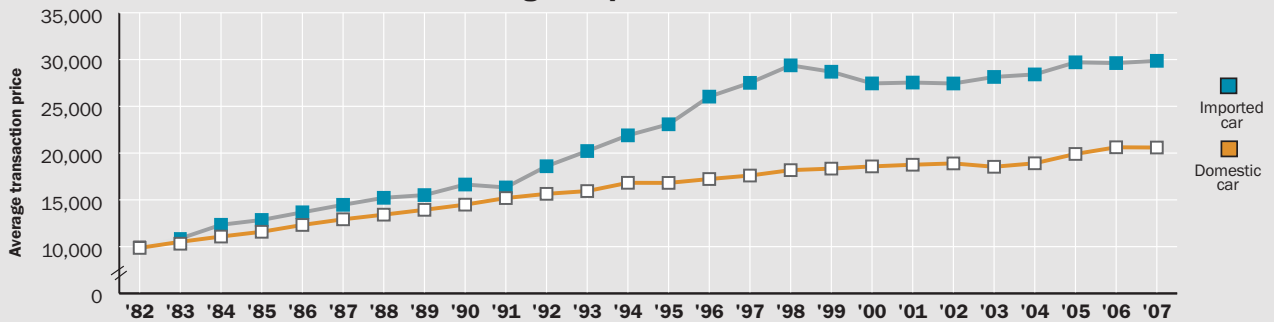
Financial data

NADA average dealership profile

	2007	2006	2005	2004	2003
Total Dealership Sales	\$33,379,501	\$31,855,768	\$32,318,461	\$33,009,335	\$32,296,859
Total Dealership Gross Profit	\$4,546,212	\$4,338,448	\$4,307,479	\$4,363,870	\$4,315,654
As a percent of Total Sales	13.6%	13.6%	13.3%	13.2%	13.4%
Total Dealership Expense	\$4,038,084	\$3,848,964	\$3,776,446	\$3,804,184	\$3,751,511
As a percent of Total Sales	12.1%	12.1%	11.7%	11.5%	11.6%
Net Profit Before Taxes	\$508,127	\$489,484	\$531,033	\$559,686	\$564,143
As a percent of Total Sales	1.5%	1.5%	1.6%	1.7%	1.7%
New-Vehicle Department Sales	\$19,545,287	\$18,795,482	\$19,469,000	\$20,116,264	\$19,359,130
As a percent of Total Sales	58.6%	59.0%	60.2%	60.9%	59.9%
Used-Vehicle Department Sales	\$9,821,093	\$9,265,366	\$9,067,128	\$9,090,534	\$9,142,647
As a percent of Total Sales	29.4%	29.1%	28.1%	27.5%	28.3%
Service and Parts Sales	\$4,013,121	\$3,794,920	\$3,782,334	\$3,802,537	\$3,795,081
As a percent of Total Sales	12.0%	11.9%	11.7%	11.5%	11.8%
Advertising Expense	\$378,346	\$364,664	\$360,225	\$383,876	\$394,042
As a percent of Total Sales	1.1%	1.1%	1.1%	1.2%	1.2%
Per New Vehicle Retailed	\$610	\$590	\$571	\$575	\$585
Rent and Equivalent	\$361,731	\$332,927	\$18,084	\$320,658	\$339,968
As a percent of Total Sales	1.1%	1.0%	1.0%	1.0%	1.1%
Per New Vehicle Retailed	\$583	\$539	\$504	\$481	\$505
New-Vehicle Average Retail Selling Price	\$28,797	\$28,451	\$28,381	\$28,060	\$27,565
Gross Profit as a percent of Selling Price	5.0%	5.2%	5.1%	5.2%	5.4%
Retail Gross Profit	\$1,442	\$1,482	\$1,449	\$1,445	\$1,488
Used-Vehicle Average Retail Selling price	\$15,714	\$15,518	\$14,923	\$14,247	\$13,473
Gross Profit as a percent of Selling Price	11.3%	11.4%	11.6%	11.2%	11.5%
Retail Gross Profit	\$1,778	\$1,776	\$1,727	\$1,597	\$1,553
Average Net Worth	\$2,306,742	\$2,160,181	\$2,258,753	\$2,301,417	\$2,243,589
Net Profit as percent of Net Worth	22.0%	22.7%	23.5%	24.3%	25.1%

Note: Data are compiled from a weighted average of the financial information from approximately 2,300 franchised dealers across the U.S. and dealer retail sales information from the U.S. Census Bureau. As weighted, the data more closely reflect the mix of dealership sizes and make distributions of the entire population of U.S. dealerships. The data are not adjusted for seasonal trends.
Source: NADA Industry Analysis Division

New-car average expenditure, 1982 - 2007



Source: U.S. Department of Commerce, Bureau of Economic Analysis

	Average amount financed (in dollars)		Average annual finance rates		Average loan maturity (in months)	
	New-vehicle loans	Used-vehicle loans	New-vehicle loans	Used-vehicle loans	New-vehicle	Used-vehicle
2007	\$28,287	\$17,095	4.9	9.2	62.0	60.7
2006	26,620	16,671	5.0	9.6	63.0	59.4
2005	24,133	16,228	6.0	8.8	60.0	58.6
2004	24,888	15,136	4.9	8.8	60.7	57.9
2003	26,295	14,613	3.8	9.9	61.3	58.0
2002	24,747	14,532	4.5	11.2	57.1	57.6
2001	22,822	14,416	5.8	12.5	55.2	57.9
2000	20,923	14,058	6.9	13.5	55.2	57.3
1999	19,880	13,642	6.7	12.6	53.5	56.0
1998	19,083	12,691	6.4	12.9	52.9	54.4

Note: Includes cars and light trucks; 1998-2005 revised
Source: Board of Governors of the Federal Reserve System

	New-car average expenditure		
	Domestic	Imported	Combined
2007	20,595	29,862	23,482
2006	20,621	29,620	23,332
2005	19,907	29,702	22,701
2004	18,910	28,409	21,637
2003	18,536	28,139	21,169
2002	18,897	27,440	21,249
2001	18,755	27,539	20,945
2000	18,577	27,447	20,600
1999	18,339	28,695	20,381
1998	18,177	29,379	20,074

Note: 2004-2006 revised; light trucks not included
Source: U.S. Department of Commerce, Bureau of Economic Analysis

Note: Data for the "Average amount financed," "Average annual finance rates on loans" and "Average loan maturity" tables are compiled by the Board of Governors of the Federal Reserve System from the subsidiaries of the Detroit 3 and are volume weighted averages covering all loans of each type purchased during the year. Data is not seasonally adjusted. Data in the "New-car average expenditure" table from the U.S. Department of Commerce, Bureau of Economic Analysis is an estimate using average base price and adjustments for options, transportation charges, taxes, discounts and rebates for each model, weighted by that model's share of sales; not at an annual rate. Data are seasonally adjusted. Data are not available for light trucks.

Dealer data

U.S. average wholesale used-vehicle prices – 2007

Average used-vehicle prices per unit sold by month, 2007

	January	February	March	April	May	June	July	August	September	October	November	December	2007 average price
Cars													
Small & mid-range	7,848	7,969	8,213	8,098	8,262	8,150	7,887	7,891	7,805	7,537	7,565	7,606	7,928
Sporty	12,260	12,480	13,397	13,418	13,520	13,263	13,021	12,775	12,295	11,774	11,863	12,021	12,721
Traditional	10,803	10,497	10,700	10,492	10,552	10,454	10,066	10,929	11,633	11,249	11,006	11,130	10,811
Upscale	13,433	13,276	13,288	12,867	13,476	13,194	12,825	12,512	12,805	12,477	12,318	13,129	12,988
Average used-car price	8,818	8,902	9,223	9,078	9,283	9,159	8,878	8,876	8,831	8,546	8,567	8,665	8,924
Trucks													
Small pickups	7,353	7,466	7,736	7,746	7,706	7,753	7,524	7,568	7,526	7,457	7,175	7,198	7,538
Full-sized pickups	11,845	11,927	12,211	12,227	11,879	11,716	11,455	11,518	11,379	11,269	10,817	10,642	11,615
Minivans	8,470	8,742	8,875	8,535	8,274	8,003	7,735	7,593	7,728	7,980	8,020	7,940	8,204
Full-sized vans	8,264	8,103	8,087	7,932	8,216	7,745	7,478	8,273	8,918	8,903	8,657	7,765	8,224
Lower mid-range SUVs	10,772	10,988	11,023	10,945	10,817	10,466	10,228	10,108	10,540	10,582	10,432	10,520	10,623
Large SUVs	13,733	13,823	14,216	14,045	14,038	13,674	12,942	12,790	13,007	12,995	12,390	12,531	13,368
Other SUVs*	14,469	14,659	15,026	14,929	15,016	14,963	14,643	14,642	14,758	14,585	14,609	14,457	14,736
Average used light-truck price	11,021	11,180	11,383	11,285	11,191	10,996	10,723	10,719	10,876	10,865	10,675	10,652	10,979
AVG. LIGHT-VEHICLE PRICE	9,884	9,993	10,253	10,138	10,195	10,055	9,804	9,788	9,849	9,721	9,682	9,739	9,939

Note: Based on approximately half-million AuctionNet wholesale vehicle transactions per month.
Source: ADESA Analytical Services based on AuctionNet data and Automotive News market classifications

*Includes standard and premium sport wagons and small, upper mid-range and premium SUVs

U.S. wholesale used-vehicle volume – 2007

Average units sold by month, 2007

	January	February	March	April	May	June	July	August	September	October	November	December	2007 total
Total car	341,581	323,949	378,207	318,217	364,601	312,296	286,389	338,485	285,186	317,430	256,923	218,159	3,741,423
Total light truck	308,536	287,085	323,863	278,211	310,708	278,262	269,279	306,873	262,519	305,455	258,492	209,521	3,398,804
TOTAL	650,117	611,034	702,070	596,428	675,309	590,558	555,668	645,358	547,705	622,885	515,415	427,680	7,140,227

Based on unit volume reported to AuctionNet by participating auctions.

Source: ADESA Analytical Services based on AuctionNet data

U.S. vehicle population data

Median age of vehicles in operation in the U.S.

	Cars	Light trucks
2007	9.2	7.1
2006	9.2	6.8
2005	9.0	6.6
2004	8.9	6.4
2003	8.6	6.5
2002	8.4	6.6
2001	8.3	6.1
2000	8.3	6.7
1999	8.3	6.9
1998	8.3	7.1

Source: R.L. Polk & Co.

U.S. vehicles in use

Year	Total cars in use	Total light trucks in use	Total light vehicles in use	Total trucks in use*	Total vehicles in use†
2007	135,222,259	105,690,480	240,912,739	113,478,738	248,700,977
2006	135,046,706	102,038,183	237,084,889	109,595,904	244,642,610
2005	132,908,828	98,077,729	230,986,557	105,475,340	238,384,168
2004	132,469,269	92,512,925	224,982,194	99,697,867	232,167,136
2003	131,072,466	87,302,741	218,375,207	94,809,637	225,882,103
2002	129,906,797	83,633,212	213,540,009	91,120,324	221,027,121
2001	128,714,022	80,485,475	209,199,497	87,968,914	216,682,936
2000	127,720,809	77,558,387	205,279,196	85,578,504	213,299,313
1999	126,868,744	74,428,531	201,297,275	82,640,417	209,509,161
1998	125,965,709	70,985,660	196,951,369	79,076,930	205,042,639

*Includes light, medium and heavy trucks †Includes cars and light, medium and heavy trucks

Source: R.L. Polk & Co.

U.S. light-vehicle scrappage and growth

Year	Total new light-vehicle registrations	Total light vehicles scrapped	Total light-vehicle growth
2007	16,243,769	12,415,919	3,827,850
2006	16,770,410	11,672,078	5,098,332
2005	16,787,686	9,783,323	7,004,363
2004	16,992,573	10,385,586	6,606,987
2003	16,587,087	11,751,889	4,835,198
2002	17,284,620	12,944,108	4,340,512
2001	17,063,182	13,142,881	3,920,301
2000	17,548,578	13,566,657	3,981,921
1999	15,681,627	11,335,721	4,345,906
1998	15,210,398	11,350,114	3,860,284

Note: Includes cars and light trucks

Source: R.L. Polk & Co.

U.S. total vehicle scrappage and growth

Year	Total new-vehicle registrations	Total vehicles scrapped	Total vehicle growth
2007	16,765,603	12,707,216	4,058,387
2006	17,332,357	12,073,915	5,258,442
2005	17,287,680	10,070,648	7,217,032
2004	17,419,471	11,134,438	6,285,033
2003	16,939,662	12,084,680	4,854,982
2002	17,639,934	13,295,749	4,344,185
2001	17,505,343	14,121,720	3,383,623
2000	18,088,911	14,298,759	3,790,152
1999	16,130,124	11,663,602	4,466,522
1998	15,637,540	11,665,298	3,972,242

Note: Includes cars and light, medium and heavy trucks

Source: R.L. Polk & Co.

Note: R.L. Polk & Co.'s reporting period for car and truck scrappage is July 1 through June 30. Polk measures vehicle scrappage as a ratio, showing the difference between the number of vehicles taken out of service and the number of new vehicles put in service during the specific period. Vehicle population data on this page are copyrighted 2008 to R.L. Polk & Co. Reproduction in whole or in part is prohibited without written permission of R.L. Polk & Co., 248-728-7000, www.polk.com.