

NADA DATA 2018

ANNUAL FINANCIAL PROFILE OF AMERICA'S FRANCHISED NEW-CAR DEALERSHIPS



NADA DATA

New Light-Vehicle Dealerships

Average Light-Vehicle Dealership Profile

	2016	2017	2018
Total sales	\$59,590,891	\$59,672,779	\$61,230,794
Total gross ¹	\$6,771,320	\$6,795,692	\$6,881,072
As % of total sales	11.4%	11.4%	11.2%
Total expense	\$6,495,666	\$6,706,134	\$6,894,430
As % of total sales	10.9%	11.2%	11.3%
As % of total gross	95.9%	98.7%	100.2%
Total operating profit	\$275,662	\$91,774	(\$13,338)
As % of total sales	0.5%	0.2%	0.0%
As % of total gross	4.1%	1.4%	-0.2%
Net profit before tax	\$1,466,799	\$1,394,756	\$1,358,240
As % of total sales	2.5%	2.3%	2.2%
As % of total gross	21.7%	20.5%	19.7%
New-vehicle department ²			
New-vehicle department total sales	\$34,546,139	\$34,393,462	\$35,286,471
New-vehicle department sales as % of total sales	58.0%	57.6%	57.6%
New-vehicle department gross as % of total gross	27.8%	26.6%	25.6%
New-vehicle selling price (retail) ³	\$34,449	\$34,670	\$35,608
Gross as % of selling price	6.0%	5.7%	5.5%
Retail gross profit per new vehicle retailed	\$2,066	\$1,959	\$1,944
Retail net profit per new vehicle retailed	(\$217)	(\$421)	(\$570)
Average number of new vehicles retailed	928	922	902
F&I income as % of new-vehicle department sales	2.8%	2.9%	2.9%
F&I penetration (new)	90.4%	90.3%	89.6%

¹ Gross profit includes cost of goods sold, but not SG&A or advertising.

² Includes F&I sales unless otherwise noted.

³ Excludes F&I sales.

New Light-Vehicle Dealerships *(continued)*

Average Light-Vehicle Dealership Profile *(continued)*

	2016	2017	2018
Used-vehicle department²			
Used-vehicle department sales	\$18,109,934	\$18,106,032	\$18,956,542
Used-vehicle department sales as % of total sales	30.4%	30.3%	31.0%
Used-vehicle department gross as % of total gross	24.9%	24.4%	24.8%
Used-vehicle selling price (retail) ³	\$19,886	\$20,009	\$20,586
Gross as % of selling price	12.1%	11.7%	11.4%
Retail gross profit per used vehicle retailed	\$2,415	\$2,337	\$2,354
Retail net profit per used vehicle retailed	\$65	(\$2)	\$6
Average number of used vehicles retailed	703	706	720
F&I income as % of used-vehicle sales	3.7%	3.7%	3.8%
F&I penetration (used)	74.4%	73.2%	73.2%
Used- to new-unit vehicle ratio (retail only)	75.7%	76.6%	79.8%
Service, parts and body shop department			
Service, parts and body shop sales	\$6,972,698	\$7,194,457	\$7,325,823
Service, parts and body shop sales as % of total sales	11.7%	12.1%	12.0%
Service, parts and body shop gross as % of total gross	47.3%	49.0%	49.6%
Warranty as % of total service, parts and body shop sales	18.2%	18.7%	18.0%
Advertising expense ⁴	\$587,787	\$579,425	\$562,575
As % of total gross	8.7%	8.5%	8.2%
Per new vehicle retailed	\$633	\$629	\$624
Rent and equivalent	\$724,207	\$750,908	\$787,996
As % of total gross	10.7%	11.0%	11.5%
Per new vehicle retailed	\$780	\$815	\$874

² Includes F&I sales unless otherwise noted.

³ Excludes F&I sales.

⁴ Advertising expense includes advertising and sales promotion less advertising rebates. Some advertising data is reported in one account, which includes sales promotion and is already less advertising rebates.

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New Light-Vehicle Dealerships *(continued)*

Average Light-Vehicle Dealership Profile *(continued)*

	2016	2017	2018
Floor plan interest	(\$85,855)	(\$17,083)	\$55,164
As % of total sales	-1.3%	-0.3%	0.8%
Per new vehicle retailed	(\$92)	(\$19)	\$61
Selling, general and administrative expense	\$5,970,593	\$6,069,902	\$6,157,996
As % of total sales	10.0%	10.2%	10.1%
As % of total gross	88.2%	89.3%	89.5%

Source: NADA

NADA offers additional reports from the average dealership profile series on our website at nada.org/dealershipfinancialprofile.
Additional reports include a summary of the financials of the average domestic, import, luxury and mass-market dealership.

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New Light-Vehicle Dealerships *(continued)*

New Light-Vehicle Dealerships by State, 2018

Alabama	270	Nebraska	157
Alaska	27	Nevada	98
Arizona	248	New Hampshire	134
Arkansas	210	New Jersey	450
California	1,323	New Mexico	112
Colorado	247	New York	854
Connecticut	252	North Carolina	572
Delaware	53	North Dakota	77
Florida	870	Ohio	721
Georgia	488	Oklahoma	253
Hawaii	69	Oregon	221
Idaho	96	Pennsylvania	871
Illinois	710	Rhode Island	53
Indiana	401	South Carolina	250
Iowa	277	South Dakota	85
Kansas	215	Tennessee	333
Kentucky	236	Texas	1,189
Louisiana	276	Utah	140
Maine	112	Vermont	82
Maryland	299	Virginia	457
Massachusetts	393	Washington	308
Michigan	613	West Virginia	136
Minnesota	337	Wisconsin	470
Mississippi	176	Wyoming	49
Missouri	383		
Montana	100		
		Total U.S.	16,753

Source: NADA

1,323 CALIFORNIA
Highest number of
new light-vehicle dealerships

27 ALASKA
Lowest number of
new light-vehicle dealerships

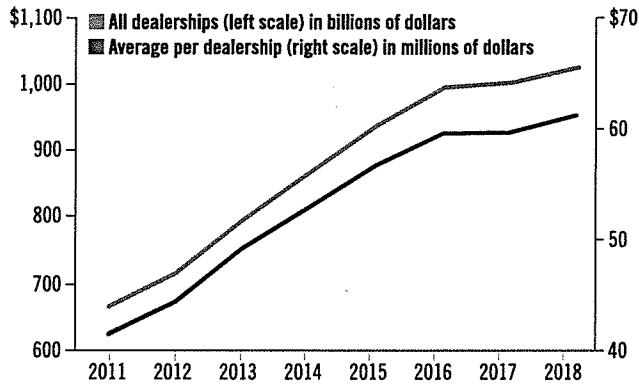
16,753↓
TOTAL NEW-CAR DEALERSHIPS



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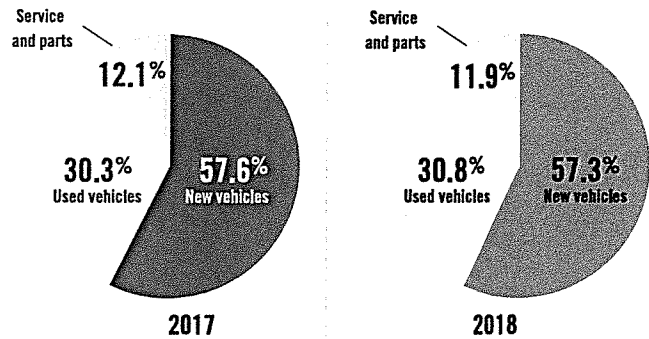
Dealership Financial Trends *(continued)*

Total Sales of New-Vehicle Dealerships by Year



Source: NADA

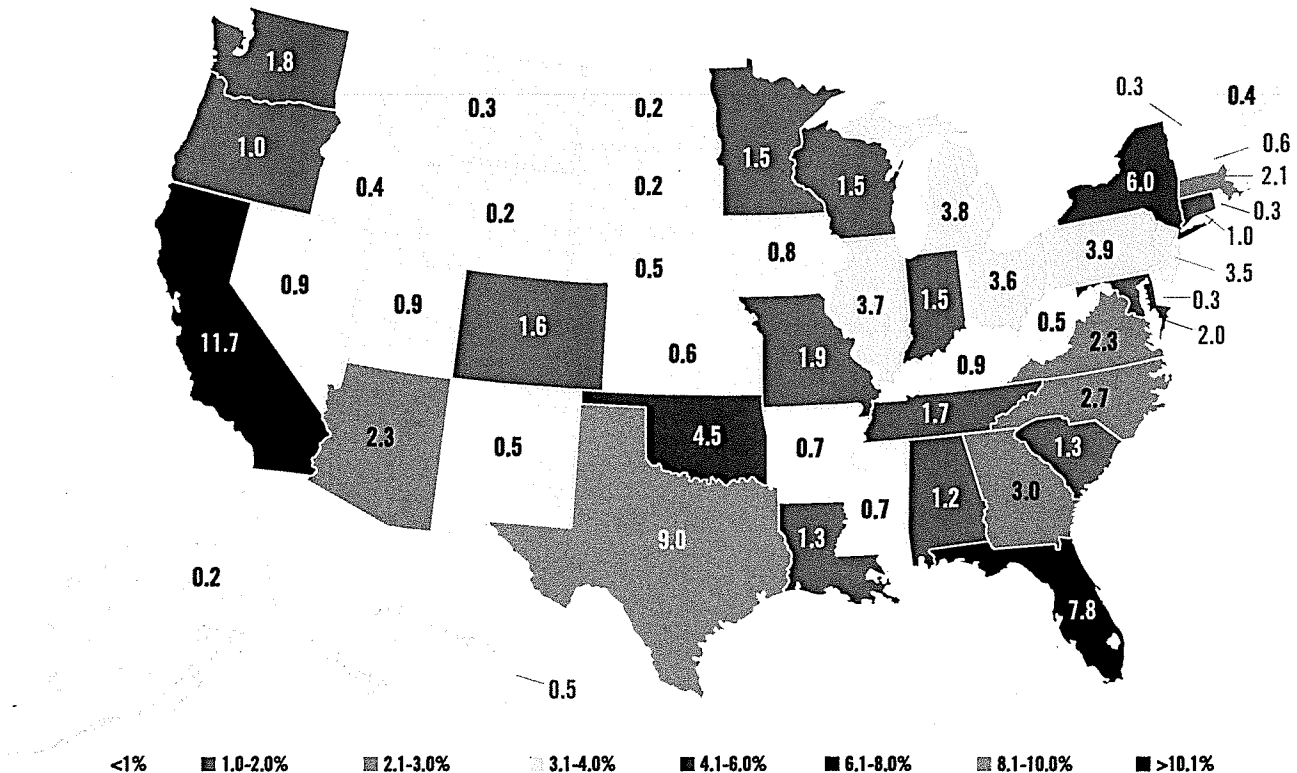
Share of Total Dealership Sales Dollars, 2017 vs. 2018



Source: NADA

New-Vehicle Registrations by State, 2018

In percent of total registrations



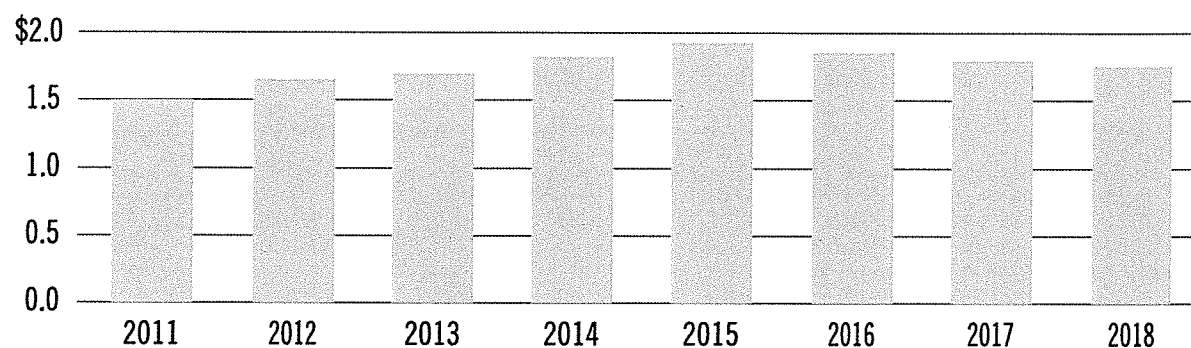
Source: IHS Markit

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Dealership Financial Trends *(continued)*

New-Vehicle Department Gross Profit by Year

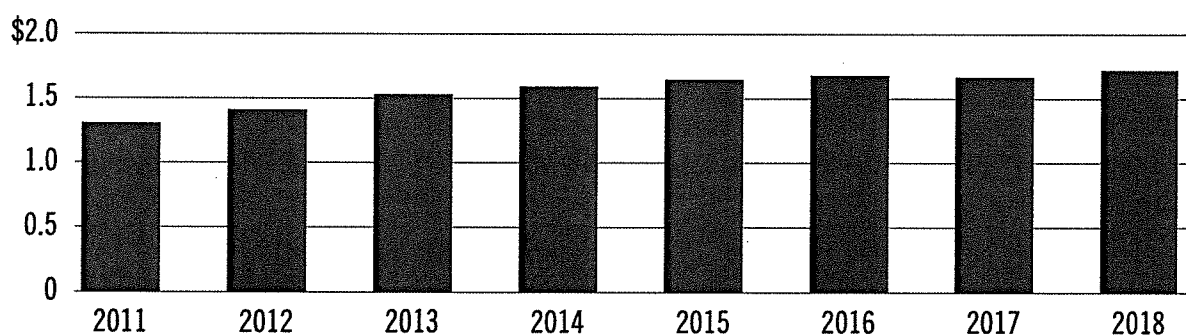
Average dealership, in millions of dollars, including F&I



Source: NADA

Used-Vehicle Department Gross Profit by Year

Average dealership, in millions of dollars, including F&I

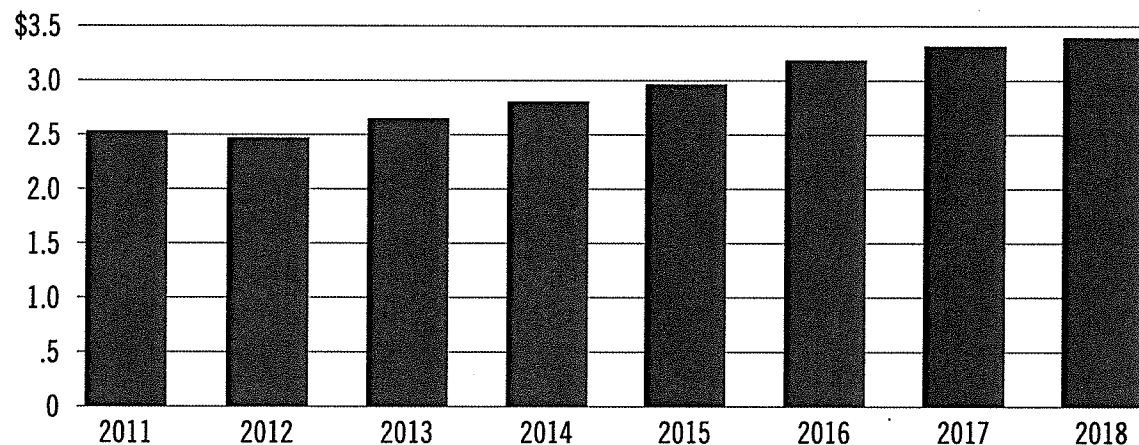


Source: NADA

Dealership Financial Trends *(continued)*

Service and Parts Department Gross Profit by Year

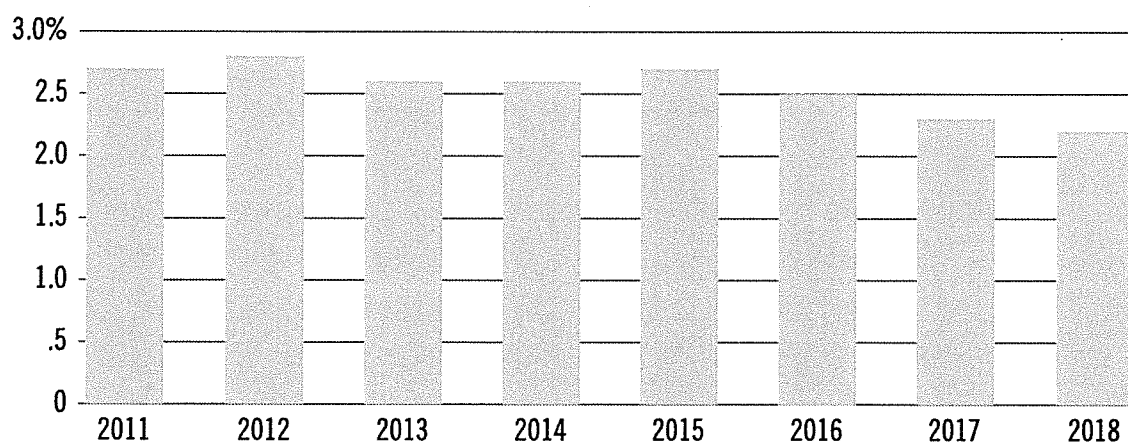
Average dealership, in millions of dollars



Source: NADA

Total Net Profit Share of Sales by Year

Average dealership, in percent of sales



Source: NADA

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New Light-Vehicle Department *(continued)*

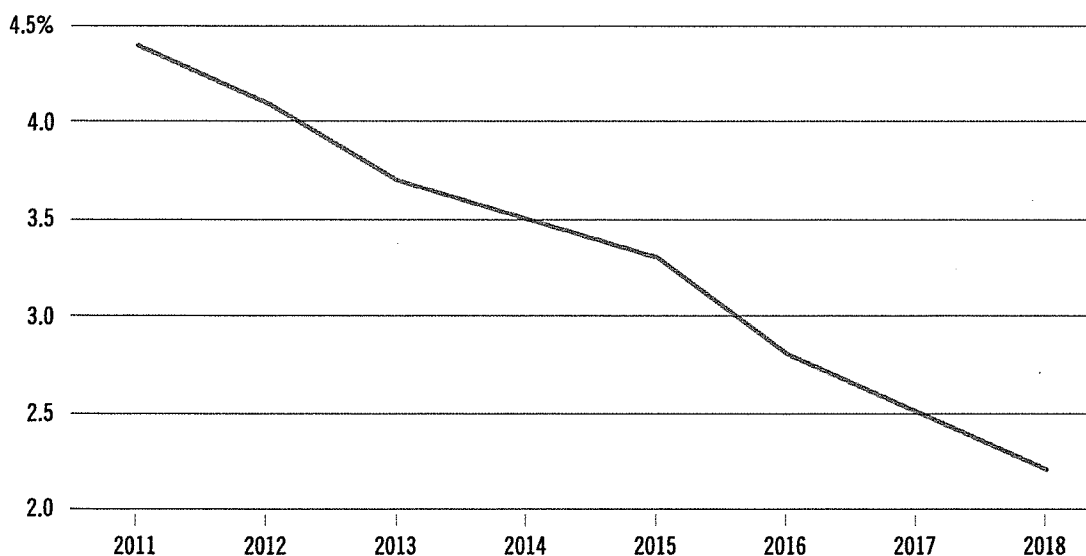
New Light-Duty Vehicle Sales by Year

Year	New cars	Light-duty trucks	Total light-duty vehicles	Light-duty trucks as % of total
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	7,242,800	7,199,000	14,441,800	49.8%
2013	7,582,500	7,942,300	15,524,800	51.2%
2014	7,688,900	8,748,100	16,437,000	53.2%
2015	7,525,023	9,861,024	17,386,047	56.7%
2016	6,873,158	10,591,862	17,465,020	60.6%
2017	6,079,584	11,055,149	17,134,733	64.5%
2018	5,304,347	11,910,816	17,215,163	69.2%

Source: WardsAuto

Gross Margin as Percentage of Selling Price by Year *(excluding F&I)*

New vehicles retailed

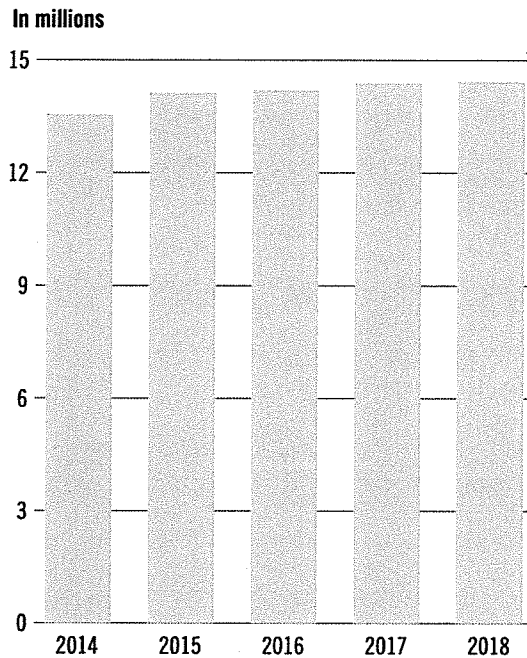


Source: NADA

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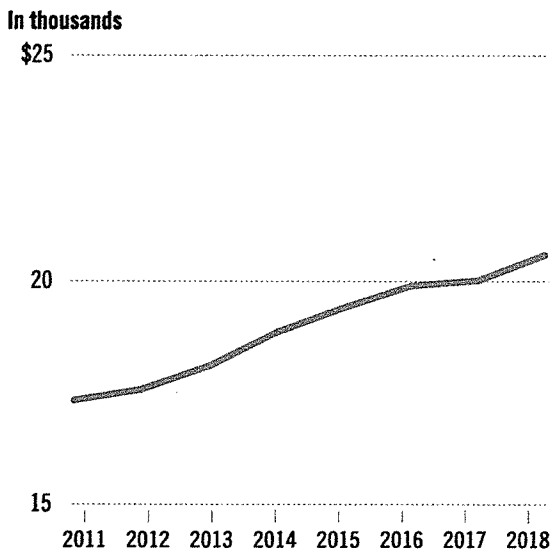
Used-Vehicle Department

Used-Vehicle Sales by New-Vehicle Dealerships, by Year



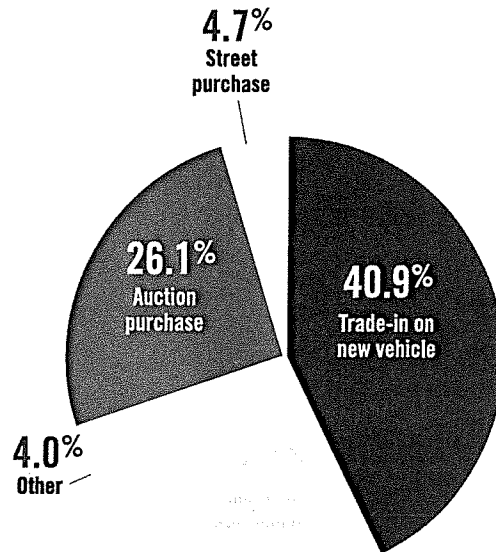
Source: NADA

Average Retail Selling Price of Used Vehicles Sold by New-Vehicle Dealerships, by Year

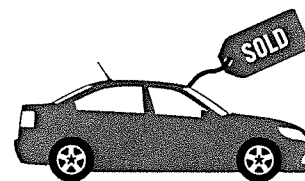


Source: NADA

Sources of Used Vehicles Retailed by New-Vehicle Dealerships, 2018



Source: NADA



\$20,586

AVERAGE RETAIL SELLING PRICE
OF USED VEHICLES SOLD
(by new-vehicle dealerships)

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Service and Parts Department *(continued)*

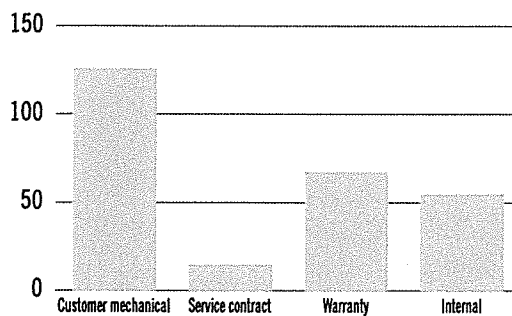
Profile of Dealerships' Service and Parts Operations, 2018

	Average dealership	All dealers
Total service and parts sales	\$6,953,403	\$116,490,354,151
Service and parts gross profit as % of service and parts sales	46.3%	
Total dealership net profit as % of service and parts sales	16.2%	
Total number of repair orders written	18,544	310,662,359
Total service and parts sales per customer repair order	\$298	
Total service and parts sales per warranty repair order	\$343	
Parts sales per service labor sale	\$1.58	
Number of technicians (including body shop)	16	264,665
Total parts inventory	\$405,392	\$6,791,536,010
Average customer mechanical labor rate	\$118	

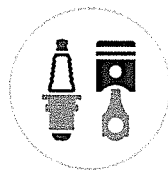
Source: NADA

RO Counts for All Dealerships, 2018

Repair orders (in millions)



Source: NADA



\$6.95 million
SERVICE AND
PARTS SALES
(per new-vehicle dealership)



264,665
TECHNICIANS
(including body shop)



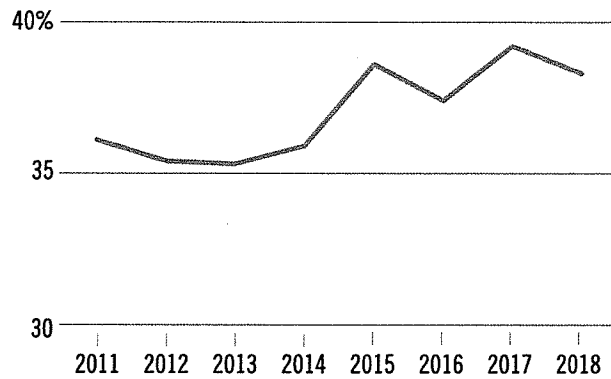
311 million
REPAIR ORDERS
WRITTEN

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Body Shop Department

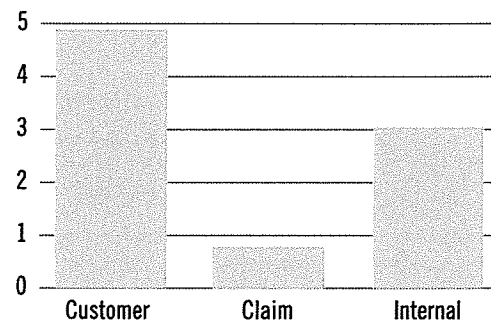
Dealerships Operating On-Site Body Shops by Year

Percent of total dealership population



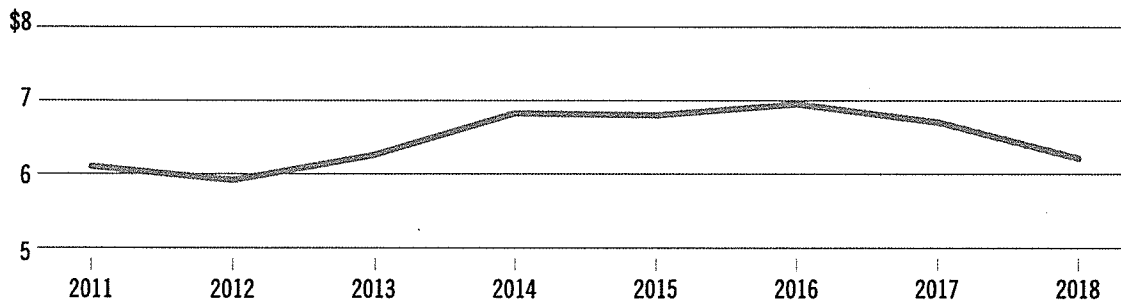
Body Shop Repair Order Counts for All Dealerships, 2018

Service orders (in millions)



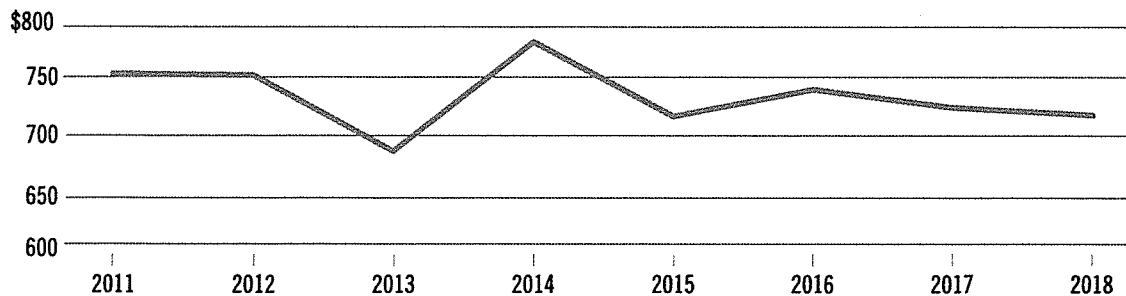
Total Dealership Body Shop Sales by Year

In billions of dollars



Body Shop Sales per Repair Order, by Year

In dollars

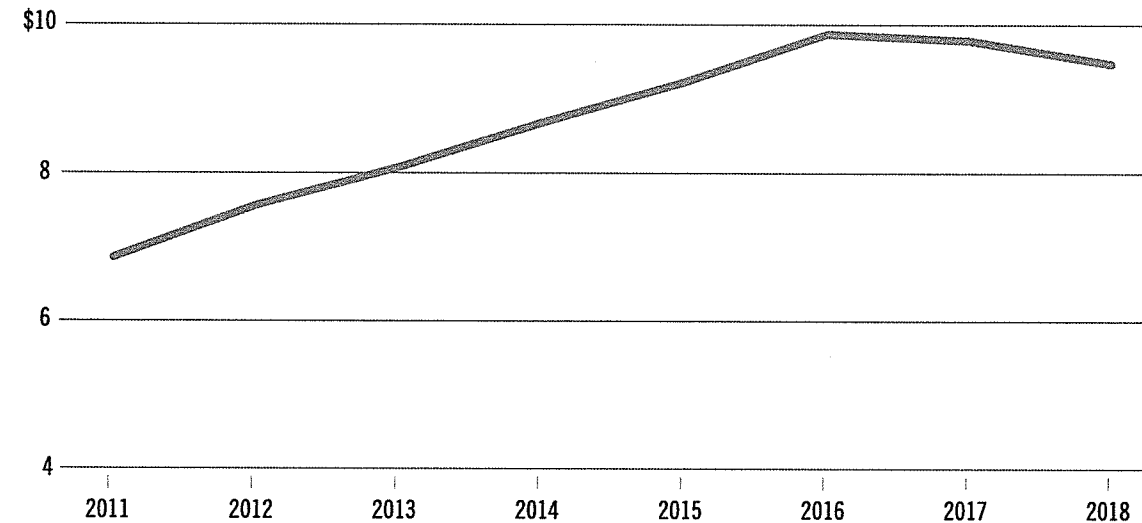


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Dealership Advertising

Total Dealership Advertising Expenditures by Year

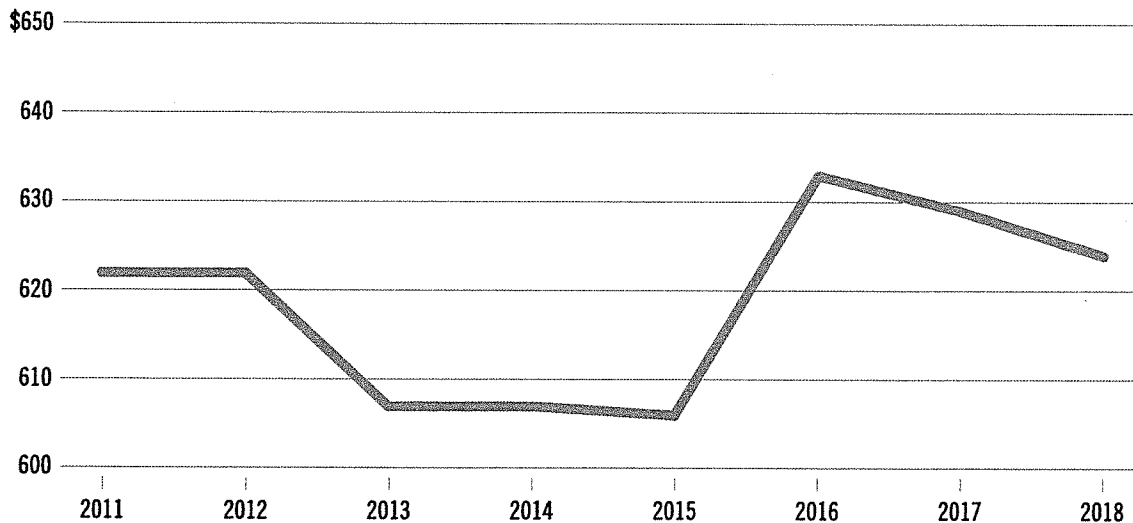
In billions of dollars



Source: NADA

Average Dealership Advertising per New Unit Sold, by Year

In dollars



Source: NADA