



Weekly Car Dealers Newsletter

January 4, 2010

This information that follows is taken from sources including *The Carconnection*, *Autoweek*, and other industry sources.

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INTENSE DEMAND FOR GM'S ELECTRIC VEHICLE

General Motors has a smoking red-hot winner on its hands with the Chevy Volt. Already, 250,000 potential buyers have expressed interest in the first 10,000 Volts GM plans to build in the next year. Some dealers have so many customers beating on the doors they plan to add a premium on to the sticker price. It's the law of supply and demand at its finest. The government can and should step away now and let the market establish the sticker price. With demand outpacing supply by 25 to 1, that's likely to be a price point very satisfying to GM's profit prospects. *Source: [The Detroit News](#)*

FORD POISED TO REGAIN NO. 2 SALES RANKING

Ford Motor Co. is on track to recover its No. 2 sales ranking in the United States, supplanting Toyota Motor Corp. after achieving its biggest one-year gain in market share since the 1980s. Ford has increased its U.S. auto sales at nearly double the market's growth rate, boosting its share to 16.4 percent, from 15.3 percent last year and 14.2 percent in 2008, said George Pipas, the company's market analyst. "The last time Ford

gained one or more points of market share was in the '80s," Pipas said. *Source: [The Detroit News](#)*

CARMAKERS, ENGINE MAKERS CHALLENGE RULE ALLOWING 15% ETHANOL IN GAS

U.S. carmakers and engine manufacturers asked an appeals court to force the U.S. Environmental Protection Agency to reconsider its October decision allowing the sale of gasoline with 15 percent ethanol. Organizations including the Alliance of Automobile Manufacturers today asked the federal appeals court in Washington to review whether the EPA's "partial waiver" allowing so-called E-15 fuels violates the Clean Air Act. "We want to be sure that any new fuel will not increase air pollution, harm engines or endanger consumer safety," Michael J. Stanton, president of the Association of International Automobile Manufacturers, said in the statement. *Source: [Bloomberg](#)*

TD DEAL SEEN AS A BOON FOR U.S. AUTO MARKET

Toronto-Dominion Bank's purchase of Chrysler Financial will open a new avenue of financing for U.S. dealers and could help stoke the still-developing recovery in auto sales. TD Bank's \$6.3 billion purchase of Chrysler Financial will make the Canadian bank one of North America's largest auto lenders. It also signals a renewed competition to provide loans for vehicle purchases and leases and the floorplan financing that allow dealers to keep inventory on site. "I don't think it could be anything but good because it always helps us when there are more players in the game to go forward and do financing with us," said Chuck Eddy, who owns a Chrysler, Dodge and Jeep dealership in Youngstown, Ohio. *Source: [Reuters](#)*

HYUNDAI, VW TOP INSURANCE INDUSTRY SAFE CAR LIST

WASHINGTON -- The Insurance Institute for Highway Safety recognized 66 vehicles on Wednesday with its "top safety pick award" for the 2011 model year, the most-ever awarded by the Virginia-based group. The number was more than double the 27 vehicles selected last year. Hyundai Motor Corp. and its affiliate Kia Motors Corp., and Volkswagen AG and its Audi brand received the most awards with nine, followed by eight awards apiece by General Motors Co., Ford Motor Co. and Toyota Motor Corp. *Source: [The Associated Press](#)*

2011 Top Safety Picks:

<p>Large Cars</p> <p>Buick LaCrosse, Regal BMW 5-series Cadillac CTS sedan Ford Taurus Hyundai Genesis Infiniti M37/M56 Lincoln MKS Mercedes-Benz E-class sedan, coupe Toyota Avalon Volvo S80</p>	<p>Midsize Cars</p> <p>Audi A3, A4 Chevrolet Malibu Chrysler 200 Dodge Avenger Ford Fusion Hyundai Sonata Kia Optima Lincoln MKZ Mercedes-Benz C-class Subaru Legacy, Outback Volkswagen Jetta sedan, wagon Volvo C30</p>
<p>Small cars</p> <p>Chevrolet Cruze Honda Civic Kia Forte, Soul Mitsubishi Lancer Nissan Cube Scion tC, xB Subaru Impreza Toyota Corolla Volkswagen Golf, GTI</p>	<p>Midsize SUVs</p> <p>Audi Q5 Cadillac SRX Chevrolet Equinox Dodge Journey Ford Explorer, Flex GMC Terrain Hyundai Santa Fe Jeep Grand Cherokee Kia Sorento Lexus RX Lincoln MKT Mercedes-Benz GLK Subaru Tribeca Toyota Highlander, Venza Volvo XC60, XC90</p>
<p>Minicar</p> <p>Ford Fiesta</p>	<p>Minivan</p> <p>Toyota Sienna</p>

Large SUV	Small SUVs
Volkswagen Touareg	Honda Element Hyundai Tucson Jeep Patriot Kia Sportage Subaru Forester Volkswagen Tiguan

SUVS' COMEBACK MEANS BIGGER TAX BILLS FOR SOME

ST. LOUIS -- The personal property tax on Lisa Kamper's Saturn Outlook was \$443 this year, about \$65 more than she paid last year. The 2008 sport utility vehicle had increased in value — by nearly 13 percent. The market values of many used trucks and sport utility vehicles have risen, for the first time in memory. And that remarkable boost has forced assessors to decide whether to use the new published prices and assess more taxes on older cars, or, conversely, to ignore the long-established guidelines and hold such values flat. "On some vehicles, we're talking like 20 percent increases," said Jonathan Banks, who puts together the [National Automobile Dealers Association] Used Car Guide. *Source: [St. Louis Post-Dispatch](#)*

KEYS TO HOLIDAY CHEER: WHO BUYS A CAR FOR CHRISTMAS?

What do you do for Christmas if your wife's birthday happens to fall the day before? If you're David Savenok of Wheaton, (Ill.), you buy her a new car. Savenok's purchase was one of 15,136 made as a gift in December 2009, according to CNW Market Research, which tracks all things in the auto industry. Paul Taylor, chief economist for the National Automobile Dealers Association, said the trend of cars as gifts may reflect the stock market in particular more so than the economy in general. "The households that buy most luxury cars have a lot of stock ownership above and beyond retirement plans," he said, and therefore when stocks are up, these buyers have more disposable wealth. *Source: [Chicago Tribune](#)*