

AutoTeam America

2009 Automotive Industry Standard Guidelines

<u>New Vehicle</u>	Domestic Dealer	Import Dealer	Highline Dealer
Sales - Merchandising and Staffing Guidelines			
New Vehicle Supply in days	114	70	58
No new units older than (in days)	268	199	195
Units per salesperson (New) per month	7.9	12.2	8.9
Gross Cars - before F&I	\$ 1,338	\$ 1,416	\$ 2,507
Gross Trucks - before F&I	\$ 1,715	\$ 1,640	\$ 3,072
Sales Ratio: new to used	1.2:1	2.3:1	2.3:1
Gross Productivity			
Gross profit as a % of sales	6.0%	6.5%	6.2%
Net profit as a % of sales	-0.4%	1.1%	0.8%
F&I penetration Rate%			
Finance contract (exc retail lease)	62.2%	54.7%	56.4%
Finance contract (inc retail lease)	68.6%	69.4%	70.5%
Insurance	19.7%	17.7%	8.3%
Extended Service	41.1%	40.5%	29.9%
Finance Gross per financed veh.	\$ 665	\$ 648	\$ 708
Insurance Gross per insured veh	\$ 681	\$ 427	\$ 318
Ext Service Gross per contract	\$ 1,034	\$ 887	\$ 801
Expense Control Structure Guidelines			
Total expense as a % of vehicle G/P	128.0%	98.4%	84.9%
Compensation as a % of veh GP			
Salesperson	21.5%	20.4%	21.7%
Supervision	15.3%	15.3%	11.7%
F&I comp as % of F&I income	25.0%	26.3%	20.5%
Personnel Exp as a % of G/P	39.2%	43.8%	38.1%
Advertising as a % of Veh G/P	15.3%	16.6%	12.7%
Advertising per retail unit sold	\$ 267	\$ 256	\$ 315
Floor plan int as a % of Veh G/P	20.8%	7.3%	7.3%

<u>Used Vehicle</u>	Domestic Dealer	Import Dealer	Highline Dealer
Sales - Merchandising & Staffing Guidelines			
Used Vehicle supply (in days)	56	39	51
No Units older than (in days)	137	89	96
Units per salesperson (N&U) (per month)	9.6	11.1	7.7
Gross Cars - Before F&I	\$ 1,741	\$ 1,747	\$ 2,117
Gross Trucks - before F&I	\$ 2,155	\$ 1,415	\$ 2,023
Gross Productivity			
Gross profit as a % of sales	12.4%	10.5%	7.8%
Net profit as a % of sales	3.6%	-0.1%	0.0%
F&I Penetration Rate %			
Finance Income (excl retail lease)	53.4%	51.7%	54.8%
Insurance	17.7%	19.5%	11.0%
Extended Service	37.5%	47.3%	30.4%
Finance Gross per financed vehicle	\$ 482	\$ 708	\$ 579
Insurance Gross per insured vehicle	\$ 415	\$ 367	\$ 386
Ext Service Gross per contract	\$ 832	\$ 918	\$ 850
Expense Control Structure Guidelines			
Total Expense as a % of Total G/P	87.9%	96.2%	90.2%
Compensation as a % of veh GP			
Salesperson	24.1%	19.6%	25.8%
Supervision	12.1%	15.8%	13.5%
F&I comp as % of F&I income	14.6%	19.3%	21.1%
Personel Exp as a % of G/P	33.5%	45.8%	44.6%
Advertising as a % of Veh G/P	11.9%	11.2%	11.5%
Advertising per retail unit sold	\$ 243	\$ 222	\$ 295
Floor plan int as a % of Veh G/P	3.7%	3.3%	3.6%
Reconditioning - Cars	\$ 698	\$ 833	\$ 891
Reconditioning - Trucks	\$ 657	\$ 749	\$ 888

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<u>Service Department</u>	Domestic Dealer	Import Dealer	Highline Dealer
Sales - Merchandising and Staffing			
Flat Hrs/RO	1.6	1.4	1.7
Technician efficiency	93.8%	97.0%	107%
RO's/Day/Svc Advisor - Cust Pay, Warr, Int	18	23	22
Technicians per Service Advisor	4.37	4.1	3.9
Labor Gross per Tech (per month)	\$ 9,683	\$ 12,075	\$ 17,377
Labor Gross per Advisor (per month)	\$ 35,783	\$ 44,761	\$ 60,389
Gross Productivity			
G/P as a % of sales			
Customer Pay	71.1%	73.5%	78.0%
Warranty	72.3%	76.2%	78.6%
Internal	70.1%	72.9%	75.4%
Sublet Repairs	10.9%	14.3%	17.1%
Total Department	67.2%	69.9%	73.3%
Net Profit as a % of Sales	10.0%	12.6%	26.9%
Expense Control Structure Guidelines			
Total expense as a % of Total GP			
	94.9%	80.6%	73.4%
Personnel Exp as a % of G/P	50.9%	41.5%	36.8%
Adv & Training as a % of G/P	4.2%	4.9%	2.7%
Tools, Supp, Freight as a % of G/P	1.5%	1.3%	0.6%
<u>Body Shop</u>	Domestic Dealer	Import Dealer	Highline Dealer
Sales - Merchandising and Staffing Guidelines			
Labor Gross per Tech (per month)	\$ 7,841	\$ 11,357	N/A
Dept Gross per Employee (inc Techs) (per month)	\$ 5,601	\$ 6,951	N/A
Gross Productivity - Body Shop			
G/P as a % of Sales			
Customer Pay	61.2%	65.0%	N/A
Warranty	76.8%	73.6%	N/A
Internal	65.2%	61.1%	N/A
Sublet Repairs	12.8%	17.5%	N/A
P&A Customer RO	35.0%	N/A	N/A
Paint & Materials	48.0%	45.6%	N/A
Total Department	53.5%	50.3%	N/A
Net Profit as a % of Sales	18.3%	19.7%	N/A
Expense Control Structure Guidelines			
Total Exp as % of Total GP			
	92.9%	73.5%	N/A
Personnel Exp as a % of G/P	48.6%	34.7%	N/A

<u>Parts Department</u>	Domestic Dealer	Import Dealer	Highline Dealer
Sales - Merchandising and Staffing Guidelines			
Level of Service	85.7%	80.0%	87.3%
Stock Order Performance	79.6%	91.2%	88.6%
Parts \$ sold per Labor \$ sold			
Cust Repair	\$ 0.89	\$ 0.72	\$ 0.68
Warranty	\$ 1.20	\$ 1.62	\$ 1.48
Internal	\$ 0.84	\$ 0.89	\$ 1.10
Dept Gross per Employee (per month)	\$ 17,370	\$ 22,291	\$ 24,215
Gross Productivity			
G/P as a % of Sales			
Customer Pay	37.7%	40.1%	34.3%
Warranty	31.4%	32.0%	32.3%
Internal	27.9%	30.2%	30.4%
Counter Retail	35.7%	36.8%	38.4%
Wholesale	20.9%	21.9%	24.9%
Customer Pay - Body Shop	33.5%	37.4%	20.3%
Warranty - Body Shop	32.8%	36.0%	N/A
Total Dept GP%	32.4%	32.6%	32.0%
Net profit as a % of Sales	7.0%	8.8%	12.6%
Expense Control Structure Guidelines			
Total Exp as % of Total G/P			
	61.4%	75.7%	64.5%
Personnel Exp as a % of G/P	35.5%	37.0%	35.3%
Advertising & Training as a % of G/P	1.5%	4.5%	1.9%
Tools, Supp, Freight as a % of G/P	1.3%	1.8%	1.8%
<u>Fixed Expenses - Percent of Total Gross</u>	Domestic Dealer	Import Dealer	Highline Dealer
Rent Factor			
Percent of Total Gross	6.7%	6.5%	7.4%
Absorption %	91.6%	80.4%	90.1%
Net Earnings			
% of Total Sales	2.5%	2.2%	3.3%
% of Total Gross	18.0%	17.1%	24.5%
Personnel Expense as a % of Gross profit	41.2%	44.6%	42.1%
Office Compensation as a % of Total Gross	4.3%	4.5%	4.6%
Office Staff to Total Dealership	1:9	1:10	1:7
Total Expenses as a % of Total Gross	87.5%	90.8%	87.9%
Payroll Taxes as a % of Total Gross	4.4%	4.5%	4.3%
Owners Compensation as a % of Sales	1.1%	1.1%	1.5%

N/A - Information not available; not enough data points submitted to obtain a meaningful mean or median value