

Franchise Dealer Numbers on the Rise

Urban Science released statistics and insights last week from its 2012 Automotive Franchise Activity Report showing a slight uptick in the number of dealerships in the U.S. for the second straight year.

The report also projects the dealership network will remain stable for a third straight year. As of Jan. 1, 2013, there were 17,851 dealerships (rooftops) a 0.5 percent increase from 17,767 on Jan. 1, 2012.

"In the past, a 2 percent dealership annual decline was considered normal," said John Frith, vice president, retail channel solutions, Urban Science.

"But barring unexpected economic changes, network growth of 0.1 to 0.2 percent will become the new benchmark for the next few years."

The dealership count has a large impact on the profitability of individual dealers because of its relationship to throughput, the average number of sales per dealership.

Based on 2012 vehicle sales of 14.5 million, Urban Science's analysis showed a 13 percent throughput increase, with an average of 812 vehicles sold per dealership, compared to 719 in 2011.

Urban Science estimates that if 2013 vehicle sales reach 15 million, as projected by LMC Automotive, average sales per dealer will shatter the current all-time high and increase to 839.

The consulting firm expects "normal" throughput levels to settle around 830.

Data shows that at the state level, the most significant dealership increases occurred in:

- Texas, 25 dealerships;
- California, 24 dealerships;
- Florida, 11 dealerships.

As of Jan. 1, 2013, there were a total of 31,608 franchises (brands a dealership sells). This figure represents about an 8 percent increase, up from 29,380 on Jan. 1, 2012.

This 8 percent net increase is due largely to the addition of 2,277 RAM franchises. But those numbers were slightly offset by the closures of 187 Saab franchises.

"If sales stabilize around 15 million, we expect the overall dealership count to remain relatively flat," said Frith.

"While there are fewer dealer-

ships today than a decade ago, they are larger and should be able to easily manage the increased sales and throughput."

Frith added, "We have a good balance of sales and stores, allowing for fewer incentives and increased dealership profitability – key reasons why it's critical to maintain a right-sized network."

Urban Science maintains a list of current new vehicle dealership and franchise information for all car and light truck brands in the United States.

The list is compiled on a monthly basis and the census is considered the most reliable source of dealership statistics.

The data comes from a variety of sources, including feeds from automotive manufacturers as well as telephone and field verification.

Urban Science has been collecting this information since 1990 and compiles a yearly analysis that is presented every February for the previous year in its annual Automotive Franchise Activity Report.

Urban Science, founded in 1977, is a global retail consulting firm that takes a scientific approach to help companies identify where they should allocate resources in order to increase their market share and profitability in the most effective and efficient manner.

With headquarters in Detroit, Urban Science serves its global clientele from offices all over the world, including the United States, Spain, UK, Germany, Italy, France, Australia, China, Mexico, Russia and Japan.

For more information on Urban Science, please visit the Website www.urbanscience.com.

JIM DOUGLAS

AUTO SALES

Serving Metro Detroit customers since 1975

Top \$\$\$ paid for your vehicle

Great selection of vehicles for sale!

Come To You -or- Shuttle Available

248-332-8326

ED RINKE CHEVROLET BUICK GMC



YOUR CHOICE \$69*
24 MO. SIGN AND DRIVE LEASES*/10K PER YEAR

GM Select Card Members
Top Off Up To \$3,000*



2013 CRUZE LS
No GMS Required
\$15,411*



2013 MALIBU LS
No GMS Required
\$20,286*



2013 EQUINOX LS
No GMS Required
\$21,813*



2013 TRAVERSE LS
No GMS Required
\$26,995*



2013 SILVERADO 1LT 4WD
\$23,856*



2013 VOLT
36 MO. LEASE
No GMS Required
\$34,254*
0% for 72 mo.



Ray Stemple
rstemple@edrinke.com



Nicole Dodge
nhuminski@edrinke.com



Jim Pfeiffer
jpfeiffer@edrinke.com



Find Us on FACEBOOK

See us for your GM employee purchases.

1-877-451-7707
26125 Van Dyke at 10 1/2 Mile Rd.

Visit our website: edrinke.com

SHOWROOM HOURS:

Mon. & Thurs. 8:30am-9:00pm; Tues., Wed., & Fri. 8:30am-6:00pm

* All prices and payments include GM rebates. Pictures may not represent actual vehicle. All leases 10K per year. Cruze, Malibu, Silverado, Traverse & Equinox are all 24 month leases. Volt is 36 month lease. Must qualify for lease conquest on all vehicles except Volt. Must qualify for GMS on Silverado. Due at signing on all leases - 1st payment, title, tax, plates & Acq. fee. No security deposit required on all vehicles with approved S.A. Tier credit approval. Cruze \$1351 down, Malibu \$2827 down, Traverse \$3114 down, Silverado \$2456 down, Equinox \$3066 down, Volt \$7755 down. Expires 02/28/13.



Edrinke.com

ED RINKE • FAST • FRIENDLY • DISCOUNTS

GM SERVICE CENTER
MICHIGAN'S LARGEST
• SERVICE DEPT. • PARTS • BODY SHOP
866-452-1547
26125 Van Dyke @ 10 1/2 Mile
Center Line, MI 48015
SERVICE HOURS: Monday & Thursday 6:30am-9:00pm; Tuesday, Wednesday & Friday 6:30am-6:00pm • Shuttle at 6:30am - Pick-up Both Ways • All Day starting at 6:30am.

Quick Oil Change EXPRESS LANE
LUBE OIL FILTER \$23.95
Up to 5 qts.
Fluid Level,
Brake & Alignment Check Included.

We use Genuine GM Oil & Filter
No additional or hidden charges.
Out the door pricing.

Open Mondays & Thursdays until 8:30pm
Excludes synthetic, Diesel & Med. Duty Trucks.
Most GM cars & trucks. One coupon per customer. Must present coupon with order. Plus tax. Expires 2-28-13.

BODY SHOP
586-754-7000
ext 1231

INSURANCE WRECK AMENDED

TRANSPORTATION AVAILABLE
During Scheduled Repairs
FREE OIL CHANGE
With Each Major Repair

WE REPAIR ALL MAKES & MODELS

EXPERIENCE BUICK ((XM))
Special 24 Month Leases
2 Years of Onstar Directions & Connections
2 Years of SiriusXM Radio • 2 Years of Maintenance
We Will Beat Any Trade In Deal!

YOUR CHOICE \$69*
SIGN & DRIVE LEASES FOR

ENCORE
GM EMPLOYEE PRICE
\$24,283*



VERANO
GM EMPLOYEE PRICE
\$20,735*



SIERRA 1500 EXT CAB
GM EMPLOYEE PRICE
\$16,845*



REGAL
GM EMPLOYEE PRICE
\$22,450*



TERRAIN
GM EMPLOYEE PRICE
\$20,530*



LACROSSE
GM EMPLOYEE PRICE
\$23,625*



ACADIA
GM EMPLOYEE PRICE
\$25,965*

See us for your GM employee purchases.

1-866-452-1300
24231 Van Dyke at 9 1/2 Mile Rd.

Visit our website: edrinke.com

SHOWROOM HOURS:

Mon. & Thurs. 8:30am-9:00pm; Tues., Wed., & Fri. 8:30am-6:00pm



Dennis Thacker
dthacker@edrinke.com



Paul Makowski
pmakowski@edrinke.com

All prices & payments include GM rebates. Pictures may not represent actual vehicle. Prices subject to change per GM incentives. Prices and payments are inclusive of GM Employee Discount (Unless otherwise stated). Leases are 24 months, 10,000 miles per year w/ approved S Tier credit w/ \$999 due at signing, (unless otherwise noted). Prices & payments are plus tax, title, and plate fees. 0% financing in lieu of some factory rebates. Refundable security deposit required on certain vehicles – to be determined by lender. Must qualify for conquest with a 1999 or newer non GM lease. Verano lease is with \$4854 Down. Lacrosse lease is with \$7259 Down. Encore lease is with \$4257 Down. Regal lease is with \$6872 Down. Sierra lease is with \$2585 Down. Acadia lease is with \$5049 Down. Terrain lease is with \$5149 Down. Acadia lease is a 36 month lease. Sierra lease is a 24 month lease. Terrain, Regal, Lacrosse, Encore, and Verano leases are 39 month. All purchase prices are 2012 Models except Encore. Sierra purchase must qualify for Trade In rebate. **See salesperson for details. Expiration Date -2/28/13.

BRICK & BLOCK
New or Repair
• Chimneys • Porches
• Windows - cut in or fill in
• Tuckpointing
• Basements • Crawl spaces
• Custom Fireplace
586-651-2419

\$\$\$WANTED\$\$\$
Automobile Service
Manuals
Any Years,
Auto Memorabilia,
Auto Dealership Items
Ect..., Car Parts
from 1940 thru 1975.
Call
586-215-1737

HOT! HOT! HOT!
I.T. PROFESSIONALS NEEDED
Contract,
Contract to Hire
and Direct Placement
Sponsorship Available
Contact Mark Harrison
248-761-3851
MarkH@itworksintl.com