SAN DIEGO

dealer

SUMMER 2022

San Diego County Dealers Engage with Legislators at CNCDA Dealer Day

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OFFICIAL PUBLICATION OF THE NEW CAR DEALERS ASSOCIATION SAN DIEGO COUNTY

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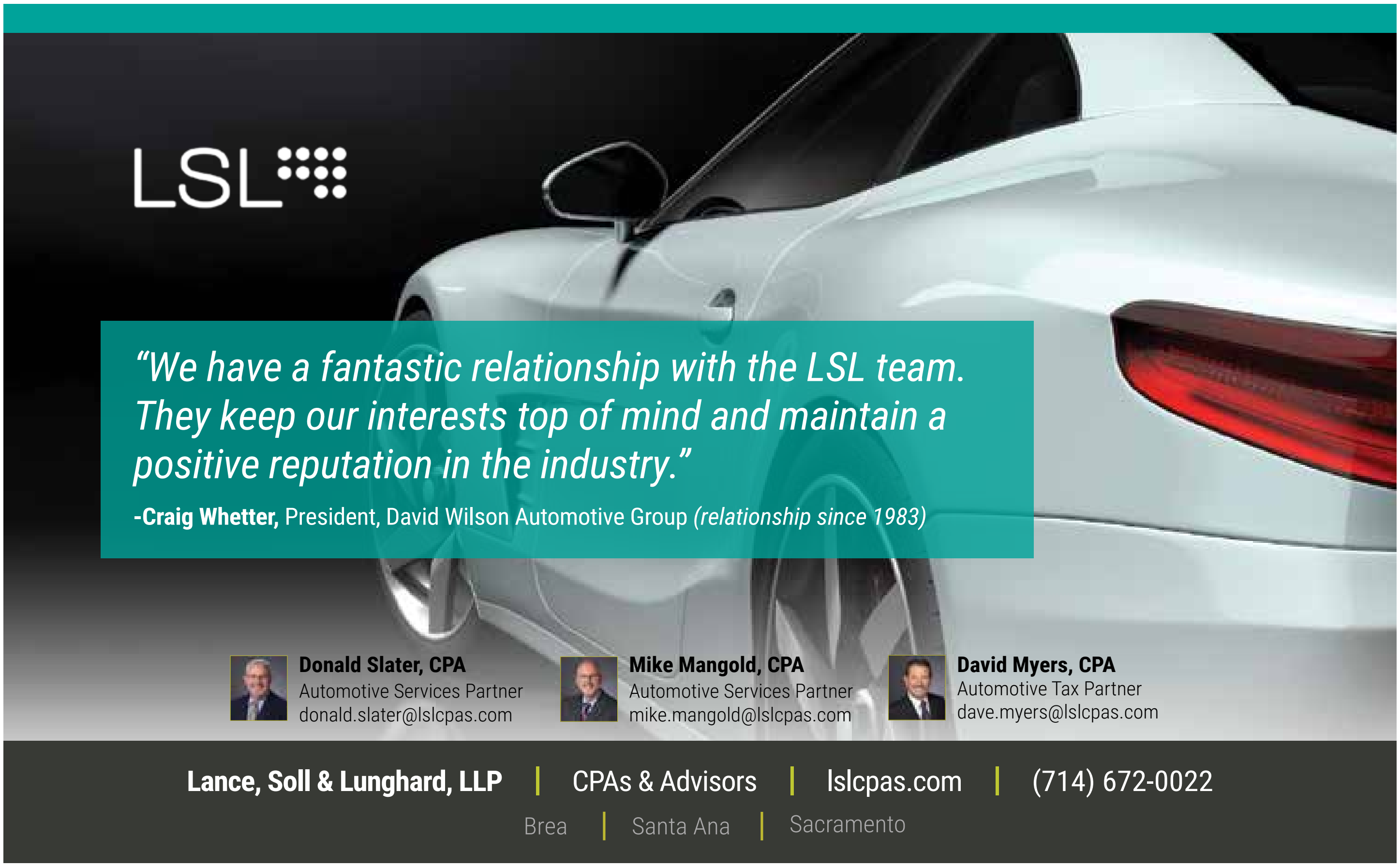
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CHAIRMAN'S LETTER
Vincent Castro

Dear Dealer Members,

To start, I'd like to thank those dealers who took time out of their busy schedules to make the trip to Sacramento for Dealer Day. Those dealers who attended spent the day meeting with various assembly members and senators to discuss many important issues that affect our industry, including SB 1249. This dealer-supported bill will modernize the Document Processing Charge and preserve critical consumer protections and conveniences.

If you were unable to attend Dealer Day, I strongly recommend you take time to meet with representatives from your district. It is imperative that we stay engaged with our local officials so they continue to understand the importance of your business to the region's economy and the important role your dealership plays in their district's short- and long-term economic health. To that end, we've included our 2022 Economic Impact Report in this issue, which is also available for download on the NCDA website.

I am excited to attend the NCDA Golf Tournament and Annual Meeting/Luncheon on Monday, June 13. This year, we decided to combine both events into one and shift to a morning/afternoon format. We'll also be at a new venue in Poway: the beautiful Maderas Golf Club. We haven't been able to gather together since 2019, and I look forward to spending the day with my fellow dealers, event sponsors and associate members.

Also, on the event front, we're presently working with each manufacturer to define their presence at the 2023 San Diego International Auto Show, which will take place December 30 through January 2. The auto show is a once-a-year opportunity for our brands to reach a 100% qualified audience who attend the show to make purchase decisions. Surveys tell us that the show creates a strong and lasting impression with consumers and that brands that are not present often drop from consideration.

It's also important to remind ourselves that the auto show is the primary revenue generator for the association as a whole and funds the many wonderful benefits we've come to enjoy and expect. As such, it is imperative that dealers fully support the show by ensuring that each and every brand sold by San Diego County dealers is represented.

VUE DMS
The Dealer's Cloud-Native DMS

Tommy Struchen and his team service about 450 vehicles a month. To move all these cars through the dealership efficiently, he needed to streamline communications between dealership employees as well as with customers.

With VUE, the Service team can communicate immediately with other employees within the DMS. Technicians can take notes and send them to their advisors, so there is no miscommunication about the repair orders. When advisors inspect vehicles, technicians can see what tickets are assigned to them and appropriately plan for it in real time.

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San Diego County Dealers
Engage with Legislators at CNCDA Dealer Day

From L to R: Greg Kaminsky, Chris George, Dean Mansfield, Paul Dyke, Senator Brian Jones and Scott Kiefner after a meeting in Senator Jones' office.

The annual CNCDA Dealer Day is one of the most anticipated and important events for NCDA members. By connecting dealers directly with key legislators in exclusive meetings and at social events, dealers have a unique opportunity to engage in the legislative process and influence policy decisions. In addition, all in attendance benefit from legislative panel discussions and keynote speakers, as well as networking with dealer colleagues and officials from across the state.

The NCDA had a strong showing of dealers attending Dealer Day this year to support one of the most important dealer bills in recent history, SB 1249, which modernizes the Document Processing Charge to preserve critical consumer protections and conveniences. Those in attendance from San Diego County included: NCDA Board Members Paul Dyke, Scott Keifner and Chris George, dealers Greg Kaminsky and Gary Fenelli, NCDA President Dean Mansfield, and NCDA Director of Marketing & Operations Scott Webb.

Organized by the California New Car Dealers Association, the day began with a Face the Dealers roundtable discussion where dealers heard from three candidates for the California State Legislature with strong dealer ties and experience. Dr. Jasmeet Bains (D), running for State Assembly to represent the Antelope Valley, worked at her father's dealerships in Kern County. Assemblyman Roger Niello (R), running for State Senate to represent the Sacramento area, owned and operated The Niello Company auto dealer group with his brothers David and Rick. Matt Gunderson (R), running for State Senate to represent South Orange County and Coastal San Diego County, owned three dealerships in Orange County, which he recently sold. Discussions involved their motivations for serving in public office, the origins of their political careers and their opinions about policy.

The Meeting of the Members' Issues Briefing and Luncheon followed, during which dealers heard from keynote speaker, Eleni Kounalakis, California's Lieutenant Governor. Also during the luncheon, CNCDA leadership helped prepare dealers for their afternoon legislative appointments. Several pieces of legislation were identified as priorities by the CNCDA, and Alisa Reinhardt, CNCDA's director of government affairs, explained why these bills are important to dealers.

Perhaps the most meaningful aspect of Dealer Day is the opportunity for dealers to meet directly with the legislators who represent them. These meetings provide important personal interaction between legislators and dealers that help build relationships and influence legislation. And after the formal meetings concluded, legislators and dealers met at a nearby restaurant to socialize over cocktails and dinner.

All in all, NCDA members were able to meet with several legislators and/or their senior staff members to discuss important legislation, in addition to sharing our Economic Impact Report to remind legislators how big an impact new car dealers have on San Diego County's economy each year.

California Legislative candidates Assemblyman Roger Niello (R), Dr. Jasmeet Bains (D) and Matt Gunderson (R) participated in the Face the Dealers roundtable discussion.

California Lieutenant Governor Eleni Kounalakis gave a keynote speech during the Meeting of the Members Issue Briefing and Luncheon.

Frank Toyota's Gary Fenelli met with Alessandra Magnasco of Senator Rosilicie Ochoa Bogh's office.

El Cajon Ford's Paul Dyke with Assemblymember Dr. Akilah Weber at the evening reception

Mossy Auto Group's Scott Kiefner with Assembymember Laurie Davies and Assemblyman Dr. Steven Choi

Chris George and Dean Mansfield with Senator Pat Bates

Pandemic Dealership Trends That Are Here to Stay

COVID-19 changed every aspect of our society, including the way dealerships operate and how consumers purchase vehicles. Now that states have reopened and businesses returned to relatively normal operations, some key trends that emerged during COVID will likely continue even after the coronavirus has subsided. Here is what you might expect to see in the post-pandemic world and how to position your dealership for success in the long run.

Online Car Shopping and Purchasing

According to Haig Partners, 30% of new car sales last year in the U.S. were conducted online, compared to 2% pre-pandemic. Millennial shoppers, in particular, want to buy or lease through their smartphones and just come to the dealership to close the deal. In fact, studies show that 40% of new car buyers visited only one dealership during their last vehicle purchase. To meet this demand, many dealers have produced a better car buying experience by creating a virtual sales manager role and investing in tools that streamline the online car buying process. It's also important for dealers to invest in secure virtual payment options to ensure that customers efficiently proceed through the purchase funnel and feel confident about the service your dealership provides.

Telecommuting and Remote Operations

The lockdowns forced some dealerships to temporarily close their doors at a time when consumers moved away from ridesharing to car ownership. Many dealers allowed their staff to work from home and continue helping customers through their buying journey to minimize disruption. Many dealers realized that sales staff can be more efficient in a remote environment by using their DMS to:

- Setup prospective deals and quickly offer different payment options on the fly
- Schedule appointments to test drive cars and have the vehicle delivered to their home
- Enable customers to complete most, or all, of their contracts and payments digitally

Mobile Service Drives

Even though the pandemic kept most people home for months at a time, vehicle maintenance and repair were essential services. Many dealers who began offering mobile service options, such as picking up and dropping off customer vehicles, continue to provide these options today. What was once considered a concierge luxury service is becoming more common and can give a dealer an edge over the competition.

Digital Marketing and Promotions

Consumers are more internet savvy than ever before, and COVID made digital advertising even more essential. Dealers ramped up efforts to identify websites and social channels where their customers were "hanging out" during the pandemic so that they could engage with them. Dealers need to leverage advanced social advertising capabilities to target specific audiences and get your dealership in front of people who may not know your brand or the special offers you are running.

Cyberattacks

As more dealer operations and transactions moved online during the pandemic, cybercriminals often targeted automotive dealerships due to the high volume of sensitive data. With the rise in remote work and more car buyers on the market, this threat will continue. According to Blum Shapiro, dealerships that invest in cloud technology are well positioned due to higher security protocols. A cloud-native DMS, for example, can help protect your data through immediate security patches and updates. It can also backup your records in the cloud, so you don't lose critical information in the event of a hack.

Many of these changes that were accelerated during the coronavirus pandemic were long overdue to improve the customer experience. And despite the emergence of online used car marketplaces, such as Vroom and Carvana, dealers proved our industry's ability to adapt and succeed under unprecedented circumstances. The goal now is to stay ahead of competitors for the long haul by implementing an agile workforce, robust processes and modern cloud solutions that enable you to maximize productivity, customer satisfaction and profitability.

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Translates into real Cost Savings!

AWARD-WINNING SUPPORT

- Answers support calls 24/7
- Chats and shares screens during business hours
- Regularly checks in with your dealership
- Works with you to minimize errors and penalties
- Analyzes and corrects DMS Fees
- Audits each deal for accuracy and compliance
- Scans deals for easy access in DMVdesk
- Sends audited bundles to DMV
- Mails plates, registration and stickers directly to your customers
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Expanded Enforcement Authority & Subpoena Powers for Cal/OSHA

By Sam Celly, BChE MChE JD CSP

Senate Bill 606 makes amendments to California Labor Code that became effective Jan. 1, 2022, giving Cal/OSHA expanded powers and increased penalties. The bill creates two new categories of violations; "enterprise-wide" and "egregious." The bill also authorizes Cal/OSHA to issue a subpoena should an employer fail to provide Cal/OSHA with information related to an investigation. Citations for enterprise-wide violations have the same penalties as willful or repeat violations, with a maximum penalty of up to $136,532 per violation. Below, we discuss these categories and subpoena powers with their potential impact on California employers.

ENTERPRISE-WIDE VIOLATIONS (SECTION 6317 of California Labor Code)

The bill creates a rebuttable presumption of an enterprise-wide violation when Cal/OSHA finds either of the two conditions below:

- The employer has a written policy or procedure that violates any Cal/OSHA rule, order, or regulation as stated in the California Labor Code.
- Cal/OSHA has evidence of a pattern or practice of the same violation or violations committed by the employer at multiple worksites.

When Cal/OSHA enforcement recognizes that an employer has multiple worksites that may have common policies and procedures, an enterprise-wide citation and abatement orders can be issued. The employer will then have to prove that the other worksites have different policies, procedures, and written programs and hence the violation cannot be enterprise-wide. The penalties for enterprise-wide violations are the same as the current penalties for repeat violations with a maximum of $136,532 per violation. This can be problematic for employers with multiple worksites in California that share a common safety program such as Illness & Injury Prevention Plan (IIPP) or COVID-19 Prevention Plan (CPP).

EGREGIOUS VIOLATION (SECTION 6317.8 of California Labor Code)

Cal/OSHA finds an employer has committed an "egregious violation" if one or more of the following are true:

- The employer, intentionally, through conscious, voluntary action or inaction, made no reasonable effort to eliminate the known violation.
- The violations resulted in worker fatalities, a worksite catastrophe, or a large number of injuries or illnesses. For purposes of this paragraph, "catastrophe" means inpatient hospitalization, regardless of duration, of three or more employees resulting from an injury, illness, or exposure caused by a workplace hazard or condition.
- The violations resulted in persistently high rates of worker injuries or illnesses.
- The employer has an extensive history of prior violations.
- The employer has intentionally disregarded their health and safety responsibilities.
- The employer's conduct, taken as a whole, amounts to clear bad faith in the performance of their duties.
- The employer has committed a large number of violations so as to undermine significantly the effectiveness of any safety and health program that may be in place.

SB 606 requires Cal/OSHA to treat each employee exposed to an egregious violation as a separate violation and issue fines and penalties commensurate with such violations. The employer can be subject to a significant multiplier in penalties when many violations are found to have impacted multiple employees. Cal/OSHA has issued multiple penalties under COVID-19 Emergency Temporary Standards when the employer failed to implement policies such as separation, sanitizing or face mask protocols.

SUBPOENA POWERS (SECTION 6317.9 of California Labor Code)

The bill provides Cal/OSHA with subpoena powers for information related to an investigation. Cal/OSHA has already had a formal document request process during investigations. (https://www.dir.ca.gov/DOSHPol/Document_Request1AY_072308.pdf). The bill adds that Cal/OSHA can issue a subpoena if the employer or related entity fails to promptly provide the requested information within a reasonable period of time. We have observed that DOSH Legal has, in the past, issued "Requests for Discovery" following an employer appeal of serious citations. The subpoena power adds a layer to the discovery tools available to Cal/OSHA. The term 'reasonable time' is not defined in the bill making it subject to the discretion of the Cal/OSHA District Manager conducting the investigation.

The new law also allows Cal/OSHA to seek injunctive relief from the Superior Court restraining the use of an equipment or process at a specific worksite if the Division has grounds to issue a citation without any bond requirements. This is another addition to the enforcement powers of Cal/OSHA. In the past, injunctive relief was only available when the "… machine, device or apparatus or equipment constitutes a serious menace to the lives or safety …"

Summary: Employers with multiple locations must have their written safety programs and policies reviewed and vetted by professionals and ensure compliance across sites as risks and penalties can be significant. Subpoena power and other discovery tools may lead Cal/OSHA to add citations and related penalties. Special attention should be given to programs including, but not limited to, CPP's, IIPP's, Hazard Communication Program, and Personal Protective Equipment Program. Where applicable, making safety programs location-specific may also help. Last, but not least, employers should treat Cal/OSHA citations with urgency and caution. Employers have 15 days to file an appeal. If a timely appeal is not filed, the citations and penalties cannot be contested. In high-stakes cases, competent counsel should be retained to handle investigations, file appeals for citations, if any, and provide a professional defense.

Source: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB606

US Supreme Court & Workers' Comp Reimbursement for Medical Marijuana:

Employees injured at work have sought relief from pain by smoking marijuana. In certain instances, the treating physician has provided the injured employee access to medical marijuana and requested the Workers' Comp carrier to pick up the tab. The Supreme Court of several states have held that the reimbursement by the insurance carrier violates the Federal Controlled Substances Act (CSA) of 1971.

Thirty-seven states currently allow the medical use of marijuana. However, the rules for medical reimbursement for marijuana by Workers' Comp carriers are all over the place. Some states have mandatory reimbursement laws, some strictly prohibit reimbursement, and some are silent on the matter. Arizona, California, and Nevada are amongst fourteen states that do not forbid medical marijuana reimbursement, but they have said that it is not required for workers' comp insurers. Looking at this varied landscape and the appeals from states' Supreme Courts that have ruled against reimbursement, the U.S. Supreme Court has decided to step in. It has asked the U.S. Solicitor General to submit an amicus brief on whether workers reimbursed for the cost of medical marijuana to treat on-the-job injuries are preempted by the CSA. The Supreme Court may grant certiorari and hear the cases. Hopefully, this will provide clear guidance to the states on the issue of reimbursement for marijuana use as a treatment for on-the-job injuries.

On April 1, 2022, the U.S. House of Representatives passed legislation to legalize marijuana and eliminate the longstanding criminal penalties for anyone who distributes or possesses it. We note that Senate clearance in the past has been negative. Hence, it is unlikely that this will become law.

DISCLAIMER: The contents of this newsletter are for informational purposes only and are not to be considered as legal advice. Employers must consult their lawyer for legal matters and EPA/OSHA consultants for matters related to Environmental, Health & Safety. The article was authored by Sam Celly of Celly Services, Inc. who has been helping automobile dealers in Arizona, California, Hawaii, Idaho, Nevada, New Mexico, New York, Texas, and Virginia comply with EPA and OSHA regulations for over 34 years. Sam is a Certified Safety Professional (No. 16515) certified by the National Board of Certified Safety Professionals. Sam received his BE (1984) and MS (1986) in Chemical Engineering, followed by a J.D. from Southwestern University School of Law (1997). Our newsletters can be accessed at www.epaoshablog.com. Your comments/ questions are always welcome. Please send them to sam@cellyservices.com.

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2022
ECONOMIC
IMPACT
REPORT
THE CONTRIBUTIONS OF SAN DIEGO COUNTY
FRANCHISED NEW CAR DEALERS
NCDA
NEW CAR
DEALERS ASSOCIATION
SAN DIEGO COUNTY

REGIONAL ECONOMIC GENERATOR

Despite inventory-related setbacks, San Diego County's Franchised New Car Dealers continued to be a substantial regional economic generator in 2021, actually showing improvements in nearly every category over 2020. Sales of new and used vehicles rebounded from last year's decline, and combined with revenue increases from service and parts sales, total dealership sales reached $13.9 billion. The extraordinary economic impact of San Diego County's franchised new car dealers is spread throughout the region. There are dealerships in every major municipality, including: Carlsbad, Chula Vista, El Cajon, Encinitas, Escondido, La Jolla, La Mesa, Lemon Grove, National City, Oceanside, Pacific Beach, Poway, San Diego and Vista. San Diego County dealers employed nearly 13,000 full and part time employees in 2021 with a payroll exceeding $1 billion for the first time. Additionally, dealers made purchases from other California businesses totaling more than $242 million.

2021 SAN DIEGO COUNTY DEALERSHIP SALES: $13.9 BILLION

New Vehicle Sales:	**$7,840,630,476**
Used Vehicle Sales:	**$3,650,652,684**
Parts & Accessories:	**$939,414,294**
Service Department:	**$681,382,170**
Finance & Insurance:	**$533,132,460**
Other Departments:	**$248,802,372**

Emerging from the Coronavirus and yet challenged by inventory shortages, franchised new car dealers increased overall dealership sales, exceeding pre-pandemic levels. Dealers continued to draw consumers to dealerships to purchase a widening range of new and redesigned models as they replaced existing vehicles. New vehicle sales increased by $1.5 billion in 2021 vs. 2020 (including fleet sales). Sales of pre-owned vehicles were up by over $900 million last year as well.

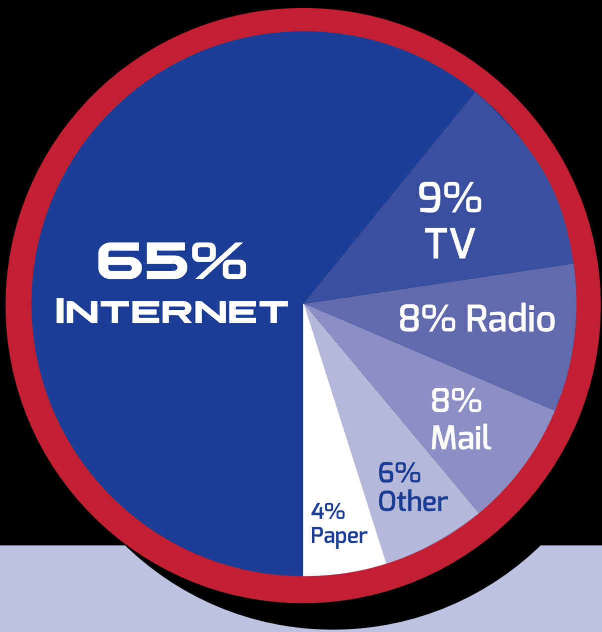
CHARITABLE CONTRIBUTIONS: $3.5 MILLION

For decades San Diego County's franchised new car dealers have financially supported a wide range of local organizations with annual donations. In 2021, dealers contributed a record $3.5 million to benefit the San Diego County community. Additionally, individual dealerships support youth sports teams and civic organization throughout the county, and several dealers serve on boards of directors for local and regional charities, schools and other non-profit organizations.

EMPLOYMENT & PAYROLL: $1.1 BILLION

Franchised new car dealers serve as one of the region's largest sources of employment in San Diego County. In addition, 98% of new car dealers provide access to health care benefits for their employees and their families. Most important, the jobs created at the county's franchised new car dealerships remain in San Diego County, and provide substantial economic benefits for the region as a whole. Dealers employed nearly 13,000 full-time and part-time employees in San Diego County, and employee payrolls reached a record $1.1 billion, an increase of $128 million over last year. Correspondingly, worker's compensation premiums paid by dealers topped $15 million.

- **Full-time employees:** **12,348**
- **Part-time employees:** **630**
- **Payroll:** **$1,077,628,482**
- **Worker's Compensation Premiums Paid:** **$14,447,160**



DEALERSHIP ADVERTISING: $120 MILLION

Another significant financial contribution to the region's economy by franchised new car dealers is advertising. Last year dealers spent more than $120 million to advertise their dealerships, which is an increase of $7 million as compared to 2020. Internet advertising led all categories as a percentage of advertising expenditures for the ninth consecutive year.

TAXES & FEES PAID BY DEALERSHIPS: $1.2 BILLION

Annually, San Diego County's franchised new car dealerships collect and pay hundreds of millions of dollars in taxes and fees, with 2021 reaching $1.2 billion for the first time. These include federal and state payroll taxes, real estate taxes, state sales tax, and numerous state and local.

State Sales Tax:	**$793,638,468**
Federal Payroll Taxes:	**$276,502,590**
State Payroll Taxes:	**$66,568,698**
Real Estate Taxes:	**$28,129,374**
Other Taxes/Fees:	**$5,386,878**
Total:	**$1,170,226,008**

FRANCHISED NEW CAR DEALERS
AN ECONOMIC ENGINE FOR SAN DIEGO COUNTY

Even during a pandemic and facing unprecedented inventory challenges, San Diego County's franchised new car dealers play a major role in driving the region's economy by providing employment, health care benefits and sales tax revenue. The following data showcases the measurable economic impact and financial contributions in 2021 by San Diego County's franchised new car dealers.

DEALERSHIP SALES

Total Dealership Sales:	**$13,894,014,456**
New Vehicle Sales:	$7,840,630,476
Used Vehicle Sales:	$3,650,652,684
Parts & Accessories:	$939,414,294
Service Department:	$681,382,170
Finance & Insurance:	$533,132,460
Other Departments:	$248,802,372

DEALERSHIP EMPLOYMENT

Full-time & part time employees:	12,978
Payroll:	$1,077,628,482
Worker's compensation premiums:	$14,447,160

DEALERSHIP PURCHASING

Purchases from CA businesses:	$242,523,792
Local Advertising:	$120,026,088

DEALERSHIP TAXES & FEES

Total Dealership Taxes:	**$1.2 Billion**
Stat eSales Tax:	$793,638,468
Federal Payroll Taxes:	$276,502,590
State Payroll Taxes:	$66,568,698
Real Estate Taxes:	$28,129,374
OtherTaxes/Fees:	$5,386,878

ELECTRIC VEHICLES

San Diego's franchised new car dealers are all-in on EVs, having spent $1.7 million on EV charging infrastructure in 2021. This investment is expected to increase to $6.5 million in 2022, as EV sales increase from 3.4% to a projected 8.9% of new vehicle sales in San Diego County.

The New Car Dealers Association® San Diego County (NCDA) prepared the 2020 Economic Impact Report which highlights the significant financial and employment contributions generated by San Diego County's franchised new car dealers to the region's economy. Auto Outlook, Inc., an independent automotive analysis firm, collects the data presented in this report.

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The Ins & Outs of Dealership Communication

Communication within your dealership can make a world of difference for your customers, your employees, and your staff. Even if you believe your dealership is great at communicating inside and out, improvement is always possible.

Working toward more effective communication can mean:

- **Increased Revenue –** Do your service technicians spend a lot of time walking back and forth to the parts back counter to discuss and retrieve parts needed for a vehicle? Are you service advisors waiting for customer authorization on services? How long do customers need to wait at the dealership to get updates on their vehicles and pay? This time adds up to fewer cars serviced, fewer cars sold, and money left on the table.

- **Happier Employees –** Businesses that present more transparency and communication improve employee morale. This means more engaged team members. In fact, according to the McKinsey Global Institute, effective communication can improve productivity in any workplace by up to 25%. Happier employees also mean reduced turnover.

- **A Fulfilling Customer Experience –** Put yourself in the shoes of a customer for a moment. Which sounds better: spending the day in a dealership waiting room, or going about their day with the trust that they know their car is in good hands? People are known to take better care of their cars over their own health. Your customers want to take their vehicles somewhere where they will be frequently updated on services.

- **Transparency in Your Dealership –** If you communicate better and more frequently with your employees they are more likely to communicate better with you. This means problems are solved quicker, your staff is more relaxed, and your customers come back.

If one or more of these would be beneficial at your dealership, now is the time to start.

Barriers to Effective Internal Communication

If communication is lacking throughout the dealership, there might be a physical or psychological barrier causing it. The cause may be deeply rooted or something easily fixable.

Do any of these sound familiar?

A Lack of Transparency

There could be any number of reasons why staff members might not be in sync. Often it's because nobody understands the goal. For example, if you expect your dealership to service 1,200 vehicles a month, does everybody in your service department focus on that? If so, are they aware of how they are performing? Not being transparent about information like expectations or even the vision of the business can get in the way of meeting goals.

Clearly defined goals set the right expectations. There should be a process or tool to help maintain an easy flow of internal communication.

> Between all of the benefits, barriers, and tips discussed, there is one overarching theme: effective internal communication is important for a successful dealership, and it starts with you as the manager. It offers many benefits and prevents a lot of potential problems.

Unclear Direction from Managers

An easy mistake a manager can make is to point out an issue without involving employees in finding a solution.

Let's say a service manager received complaints from customers about paint scratches on serviced vehicles. Relaying this to the service staff without a prevention plan going forward may not help. Reminding employees to be careful with vehicles is reasonable, but what if the vehicles were damaged prior to arriving at the dealership? Your team may suggest implementing a more consistent check-in inspection of the vehicle's condition upon arrival. This inspection could actually lead to higher service revenue in repairs to these damages along with more trust from the customer.

Employees Can't Ask Questions

Do you remember the old saying, "There are no stupid questions?" Is that what your employees actually believe? Fostering an environment where your team feels comfortable speaking up will strengthen your dealership. Creating a habit where experienced employees are encouraged to mentor others will improve their morale and allow new employees to get up to speed more quickly.

Not Recognizing and Celebrating Good Work

Staffing issues can mean that teams are stretched more thinly than before. With everyone so busy, it is easy to forget to show appreciation. The perception of being unappreciated can lower morale and lead to burnout. When employees feel recognized and seen by managers, they feel more open to voicing their ideas. Satisfied employees are far more likely to provide superior customer service and productivity.

Stressful Training

The more difficulty new employees have with their training, the less likely they will be comfortable asking questions or communicating well with others. According to a 2016 study by the National Auto Dealers Association, 28% of dealership terminations occur within an employee's first 90 days. Starting a new job often demands learning a lot of information. Investing in effective training programs can pay dividends in quicker new hire productivity while reducing turnover.

How to Improve Dealership Communication

There are several ways a dealership can implement to increase and improve communication between departments. These tips can break down many of the barriers listed earlier that prevent good communication within the dealership.

Start with Yourself

You are in charge. This means you influence a lot of what happens at your dealership for better and for worse. Create a culture of good communication. Set up ways to promote transparency in your dealership. Spend more time with your staff to create a comfort level for employees to ask questions, understand expectations, and feel more recognized. This should result in better goal attainment, a happier workforce, and more satisfied customers.

Communicate Digitally

It is hard to beat a face-to-face conversation, but that is not always possible or efficient. Digital communication is better than none at all. There are paid and even free options available for sending messages between departments. It may even be functionality that is already available. Using an internal chat tool can provide quick answers to keep your business running at its peak.

Create One Source of Truth for Information

A dealership typically invests in many different types of software, with different and sometimes redundant sources of information. Between your DMS, your CRM, and other tools in use at dealerships today, it can be confusing and inconsistent. A best practice is to choose one system to be the source of truth that all employees rely on. This will make transparency easier, and provide the foundation to communicate across departments.

Between all of the benefits, barriers, and tips discussed, there is one overarching theme: effective internal communication is important for a successful dealership, and it starts with you as the manager. It offers many benefits and prevents a lot of potential problems. Overall, it can improve productivity, boost profitability, and create a positive employee and customer experience.

If you are unsure where to start, take a look at your dealer management system. See what features are available that may make following the tips provided easier. As a DMS provider ourselves, we strive to make important processes like internal communication easier for you with dashboards, chat features, and collaboration tools.

We hope you found this content useful.

Auto Buying Preferences

The auto industry is starting to undergo a massive switchover from ICE autos to EV autos, and there's no shortage of people to tell you EVs are going to have a big impact on the industry. What's less clear is how that implementation will occur. Many people expect direct retail from manufacturers to expand, but fewer people ask what customers want and like.

Escalent is an analytics advisory company that focuses on business disruptions and transformations. The company conducted a survey, May 5-June 16, 2021, of 1,248 new-vehicle buyers from a global database. Those who responded were selected based on age (18-80), gender and location, and the survey's demographics were weighted to reflect actual vehicle sales based on the vehicle segment. The survey was done on an opt-in basis as part of a panel.

What were the results? It wasn't the slam-dunk for direct retail you might have expected. The majority of those surveyed (57%) prefer traditional car buying. Only 20% prefer direct retail. If you think the older segment skewed that result, think again: 94% of those less than 30 were satisfied with dealerships. Overall, 87% were satisfied.

What about a hybrid buying experience?

Again, the preference was for being in-person at the dealership for at least part of the transaction:

- 75% for purchases
- 60% for financing
- 85% for taking delivery versus home delivery
- 79% for repairs and services versus having a technician come to a customer's home

The obvious takeaway is that most people, including younger customers, want to conduct business at the dealership. In particular, 63% want to take EVs for a drive before buying them. Test drives got a higher approval rating than any other source of information. However, they are less interested in getting information from a dealership salesperson; 31% said a salesperson would be a primary information source.

The 2021 Global Automotive Consumer Study, conducted by Deloitte, confirmed these survey results. Approximately 71% of customers want to buy their autos in person, and 64% are uncomfortable buying 100% online. When asked why they preferred going to the dealership, 75% said they wanted to see their vehicle before buying it, and 64% thought a test drive was necessary. Only 38% wanted to negotiate in person and face-to-face.

That doesn't mean they wanted to spend a lot of time there. They didn't want to be at the dealership for more than an hour. That's probably why car buyers also preferred doing online research and paperwork, including the financing portion. They wanted transparency and time while evaluating decisions such as buying extended warranties.

For decades, consumer pain points have included the following:

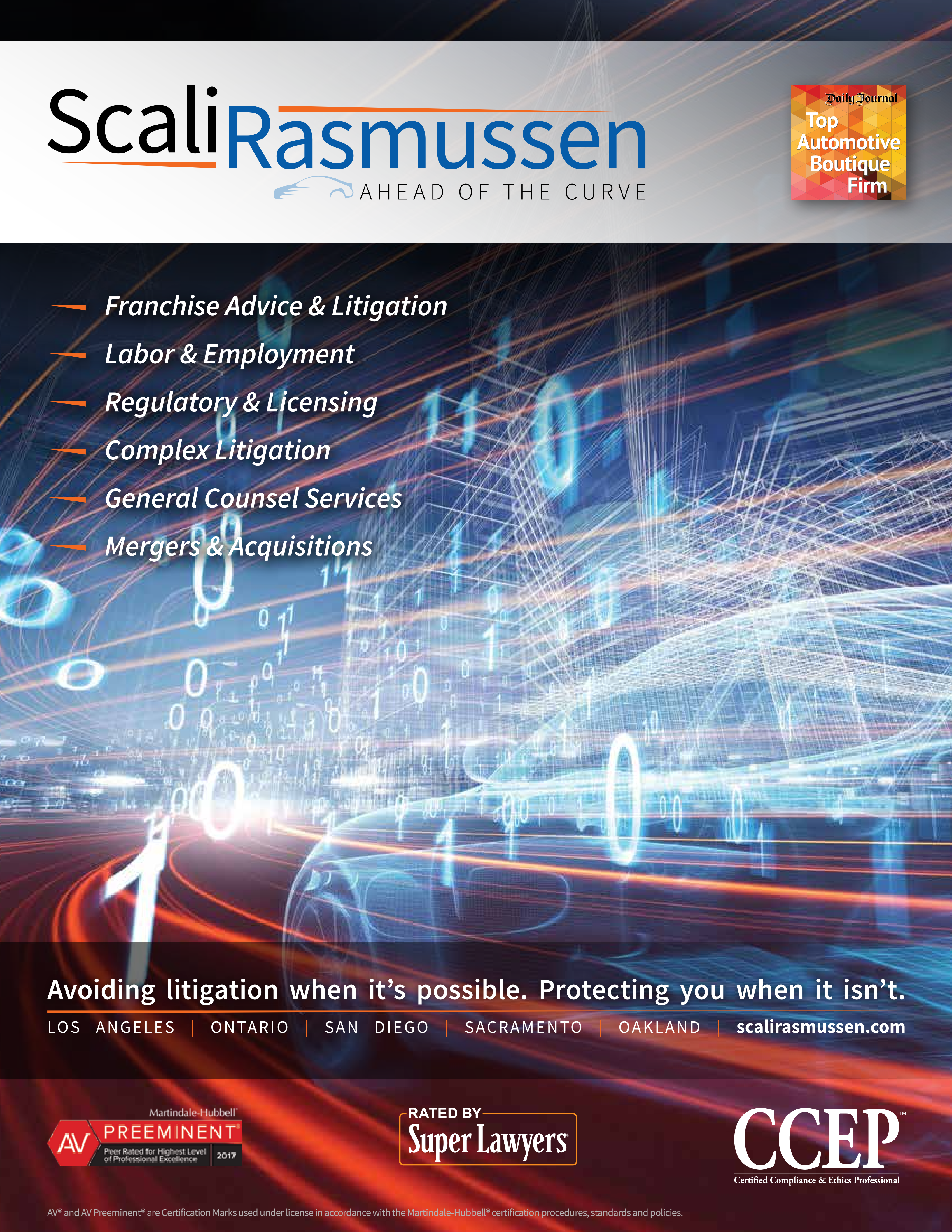
- Disliking long waits
- Evaluating financing options while under pressure
- Meeting too many people
- Having too much paperwork

Those pain points were a fact of life before the pandemic. Less than 2% of all vehicles were sold online. The pandemic changed that: 30% of U.S. new car sales in 2020 were sold online. But there's a difference between doing something because you have to and doing something you want to. People like going to dealerships. But they don't want to be there for hours.

Buying a vehicle by using a hybrid process gives customers convenience and speed. It also allows them to see their vehicle in person and test drive it before making a final decision.

As a dealer, the key to understanding these survey results is reducing the pain of buying a car and increasing the convenience. Seeing a car and taking it for a drive is not a pain point and can only be done in person. People are always going to want that part of the auto-buying experience. But there's a great deal that can be done to make other parts of the experience more pleasant than they've been in the past.

Dealerships aren't going away. However, changing business practices to include better selling methods won't go away, either. And that's a good thing.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Daily Journal Top Automotive Boutique Firm
Franchise Advice & Litigation
Labor & Employment
Regulatory & Licensing
Complex Litigation
General Counsel Services
Mergers & Acquisitions
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Weighing In on EVs and the Value of Dealerships

On Jan. 5, 2022, The Washington Post published an op-ed article by Liam Denning entitled "Car Dealership Laws Aren't Fit for the Electric Age." On Jan. 13, 2022, NADA's president and CEO, Mike Stanton, responded. The following sections contain a summary of the op-ed and Mike Stanton's response.

An Admittedly Biased Summary of Liam Denning's Article in The Washington Post

The op-ed begins with Liam Denning's view of the auto dealership world. It isn't pretty. He sees dealerships as no more than a revolving door for products. (Isn't that what any good retail store tries to be?) The pandemic and supply chain issues emptied lots, then kept them empty. He saw the dealerships' response to the pandemic as an opportunity to raise auto prices as volume fell. To support that claim, he said volume for 2020 was 7% less than for 2019, but that gross margin almost doubled, making their response to the pandemic nothing more than a chance to raise prices while volume fell. He then notes that dealers have a "growing challenge" as they move forward.

How accurate are his claims? They are misleading. Although he doesn't talk about auto manufacturers or other industries, they too had unexpectedly profitable years after the pandemic shutdown. And although net profit was up for U.S. dealers, net profit included net operating profit and incentives paid by automakers to dealers who exceed sales targets. Also, chip shortages meant manufacturers focused on building SUVs and trucks because they have higher margins than small cars. Higher net profit is to be expected for everyone under those circumstances.

The article then moves to an admiring analysis of EV manufacturers, with Rivian Automotive Inc. and Tesla Inc. mentioned by name. He says nothing about how direct sales affect EV profits, but he does say EV manufacturers are highly valued at the moment. He then talks about how the current system came to be. State laws passed decades ago were designed to prevent predatory behavior by big U.S. automakers and force them to use independent franchises for vehicle sales and service. After the history lesson, he claims that the current market is different from the 1950s market.

Why?

He says three U.S. brands no longer dominate the market. The current market, he claims, is too competitive to allow a repeat of the same issues that caused legislation to be written in the first place. Really? Tesla dwarfs all other EV manufacturers. And although Elon Musk has plans to fill the global market with Teslas, Denning ignores Musk's gigafactories in Berlin, Shanghai and Texas.

> America's car and truck dealers are all-in on EVs and raring to get going in promoting them.

Even though Denning names Rivian and Tesla as two important companies in the developing EV market, citing sky-high valuations, he is wrong there, too. The three largest EV manufacturers are Tesla, VW and General Motors … not Rivian. Rivian is riding on expectations, not accomplishments. But since newcomer Tesla is the EV manufacturer currently dominating the EV market, why would anyone conclude states should throw away hard-earned legislative protections? Remember, too, that Musk – who is admittedly brilliant – will never remind anyone of the late Fred Rogers.

Next, Denning says that high dealership margins come from selling vehicles and then taking care of them. He implies that EV sales departments meet several times with buyers while educating them about their potential purchases and that franchise dealers are all about the hard sell. Since EVs have fewer parts, though, he suggests service departments will be much less profitable in the future.

It's hard to know what to address first. Selling is selling, and doing it right means building a customer relationship. That's why the best dealers have always made a point of helping their communities prosper. There are even many dealerships where the customers and employees are multigenerational. Dealerships like that do not fit a "hi, bye" model, especially in small communities. Dealerships have to care about customers, or they don't last. And "less service" is not the same as "no service." Tesla, in particular, has skimped so far on building up the service side of the business. As sales volumes increase, that's going to be a problem.

Denning then turns his attention to Michigan, Florida and New York. Yes, the market is changing, which means the way autos are built and sold will also change. Yes, dealerships have invested a great deal of time and energy working with legislators. Yes, Rivian and Tesla valuations are high and are affecting the market.

None of that somehow makes dealers dishonest or irrelevant.

That's our summary of Liam Denning's article. Read on for Mike Stanton's excellent response, with which we fully agree.

How NADA's Mike Stanton Responded

Dear Editor:

Liam Denning's piece on car dealerships (Car Dealership Laws Aren't Fit for the Electric Age, Jan. 5) uses decades-old tropes to make the case for direct sales as the best path to EV adoption. But he misses the mark by failing to grasp what is actually involved when average Americans buy or lease a new vehicle.

The truth is, America's 16,500 dealerships and million-plus highly skilled product specialists and technicians are essential to achieving the government's goals for broad EV adoption. Here's why:

The next stage of EV adoption won't mean getting affluent buyers into $100k+ luxury or performance vehicles. It will mean getting average consumers into mass-market vehicles they depend on every day to get to work and manage family life. It will mean helping those customers figure out how to finance their vehicles and how to handle their trade-ins. It will mean educating them about the differences EVs present. And it will mean keeping these vehicles on the road when inevitable repairs and recalls happen – without long wait times.

Today's EVs are great vehicles – but they're not perfect. It's possible that EVs may need less service in the future, but in 2021 the data shows they require more service and repairs than ICE vehicles. Tesla's recent recall of some half million vehicles and GM's recent recall of some 100,000 Bolts suggest that EVs are not immune to safety issues that must be fixed.

Because local dealerships compete for customers on sales and service, the result is that pricing is competitive, and service is plentiful – from multiple same-brand dealers. It means you can always get a dealer on the phone, and you can always get a local appointment, with no waiting or frustrating 1-800 calls. With new complex new products like electric vehicles, personal service and education is needed more than ever.

EV buyers agree. In the largest and most comprehensive survey ever conducted of future EV buyers in the U.S., the analytics firm Escalent presented future EV buyers with a factory sales model and a franchise dealership model. Only 20% preferred the direct approach. Twenty-three percent were neutral. And a full 57% chose the current dealership model.

When 20,000 future EV buyers demand for dealerships be a big part of their EV purchase experience, it is clear that the franchise dealership model works just as well for EVs as it does for traditional vehicles.

America's car and truck dealers are all-in on EVs and raring to get going in promoting them. Our best environmental policy is to leverage the network of America's 16,500 dealerships to help America successfully make the transition to EVs.

Sincerely,
Mike Stanton
President and CEO
National Automobile Dealers Association

San Diego Auto Outlook

NEW CAR DEALERS ASSOCIATION SAN DIEGO COUNTY

Comprehensive information on the San Diego County new vehicle market

FORECAST

Pent Up Demand Will Give Market a Boost When Supplies Improve

The observations below provide a concise review of key trends in the San Diego County new vehicle market.

Sales remained below average in the First Quarter of this year.
New retail light vehicle registrations in the county declined 5.3% during the first three months of 2022 versus a year earlier. The drop-off was expected as sales continued to be held back by lean supplies.

Larger decline expected in 2Q.
Registrations could fall by 15%, or more, in the Second Quarter of this year as tight inventories will continue to be a factor. The market would have struggled to exceed year-earlier levels even if supplies were plentiful. Registrations during the Second Quarter of last year exceeded 40,000 units, the highest total since the Third Quarter of 2016.

New vehicle affordability has taken a turn for the worse.
About 18 months ago, strong affordability was a primary ingredient contributing to the relatively upbeat outlook. Income growth was solid, interest rates were near 0%, inflation was under control, and transaction prices were relatively stable. Just about all of that has changed. Lean supplies have pushed prices significantly upward and higher interest rates are boosting monthly payments. Higher wages have helped, but monthly vehicle loan and lease costs as a percent of disposable income have moved higher during the past several months.

Demand for new vehicles could soften over the coming months; but it's not likely to impact sales.
As mentioned above, affordability has weakened, gas prices have surged, and there's a war in Europe. In normal times, these simultaneous events would have pushed new vehicles sales sharply lower, but these are definitely not normal times. Vehicle production, not demand, will be the controlling factor that will dictate sales levels for at least the next year, and most analysts are predicting only a gradual improvement in production over the next several months.

Baseline forecast for county new light vehicle registrations in 2022: 139,500 units, about even with 2021.
2022 is likely to be the fourth straight year of registrations below 140,000 units. It's beginning to sound like a broken record, but since the onset of the pandemic, there has been a great deal of uncertainty related to the forecast. Vehicle supply constraints and the war in Europe have added to the risks. One thing we do know: significant pent up demand is accumulating which will provide a boost to sales in the coming years.

Market shares for Tesla, BMW, Hyundai, Nissan, and Kia moved higher in early 2022.
Typically, improving brand market share is a function of new product, effective marketing, incentives, and dealership sales performance. But in 2022, practically none of that matters. Brands that have benefitted from even a mild improvement in vehicle availability have had a boost in market share, while those with dwindling stocks lost share.

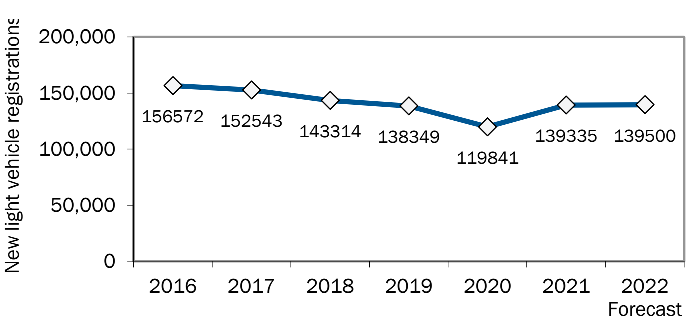
Forecast for San Diego County New Retail Light Vehicle Registrations in 2022

Baseline scenario: 139,500
up 0.1% vs. '21

Alternative upside: 146,900
up 5.4% vs. '21

Alternative downside: 132,400
down 5.0% vs. '21

Annual Trend in San Diego County Market



The graph above shows annual new retail light vehicle registrations from 2016 thru 2021 and Auto Outlook's projection for 2022.
Historical Data Source: AutoCount data from Experian.

Market Summary

	YTD '21 March	YTD '22 March	% Chg. '21 to '22	Mkt. Share YTD '22
TOTAL	34,510	32,682	-5.3%	
Car	10,033	9,572	-4.6%	29.3%
Light Truck	24,477	23,110	-5.6%	70.7%
Domestic	10,356	10,162	-1.9%	31.1%
European	5,420	5,106	-5.8%	15.6%
Japanese	15,939	14,303	-10.3%	43.8%
Korean	2,795	3,111	11.3%	9.5%

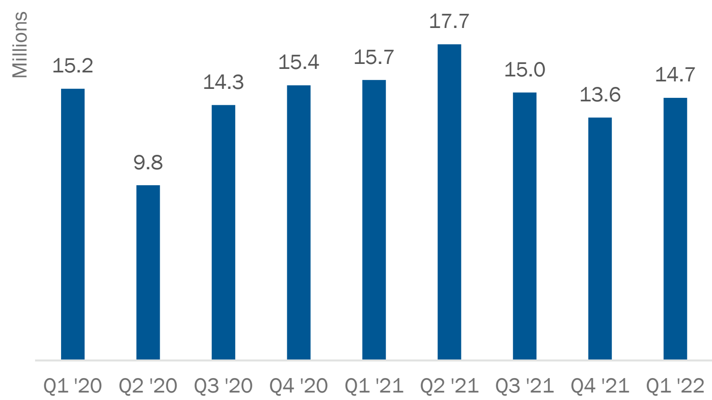
Domestics consist of vehicles sold by GM, Ford, Stellantis (excluding Alfa Romeo and FIAT), and Tesla.
Data Source: AutoCount data from Experian.

San Diego County New Vehicle Market Dashboard

MARKET PERFORMANCE DURING PAST TWO YEARS

San Diego County Quarterly Registrations

Seasonally Adjusted Annual Rate, Converted to Equivalent U.S. New Vehicle Market SAAR (millions of units)



Data Source: AutoCount data from Experian. SAAR estimates: Auto Outlook.

The graph on the left provides an easily recognizable way to gauge the strength of the county market. It shows quarterly registrations based on a seasonally adjusted annual rate. These figures are then indexed to SAAR sales figures for the U.S. new vehicle market. So just like in the national market, when the quarterly SAAR is above 17 million units, the county market is strong, 15 million is about average, and below 13 million is weak. Quarterly registrations in the county reached a U.S. equivalent level of 17.7 million units in the Second Quarter of 2021 and fell to below 15.1 million in the following three quarters

COUNTY MARKET VS. U.S.

% Change In New Retail Market YTD '22 thru March vs. YTD '21	San Diego County	U.S.
	DOWN 5.3%	**DOWN 14.9%**

Source for county registrations: AutoCount data from Experian. U.S. figures estimated by Auto Outlook.

New retail light vehicle registrations in the county declined by 5.3% during the first three months of this year versus year earlier, better than the 14.9% drop in the Nation. Much of the strength in the county market was due to Tesla. Excluding Tesla, the County market fell 9.6% in the First Quarter.

At Auto Outlook, we strive to provide sound and accurate analyses and forecasts based upon the data available to us. However, our forecasts are derived from third-party data and contain a number of assumptions made by Auto Outlook and its management, including, without limitation, the accuracy of the data compiled. As a result, Auto Outlook can make no representation or warranty with respect to the accuracy or completeness of the data we provide or the forecasts or projections that we make based upon such data. Auto Outlook expressly disclaims any such warranties, and undue reliance should not be placed on any such data, forecasts, projections, or predictions. Auto Outlook undertakes no obligation to update or revise any predictions or forecasts, whether as a result of any new data, the occurrence of future events, or otherwise.

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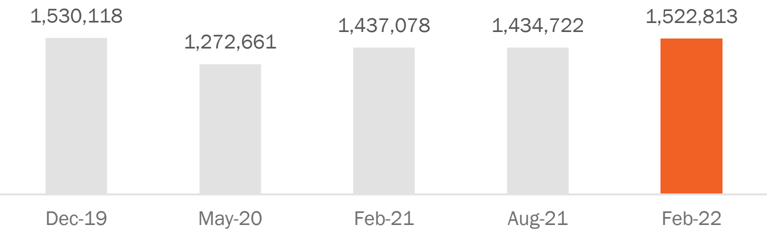
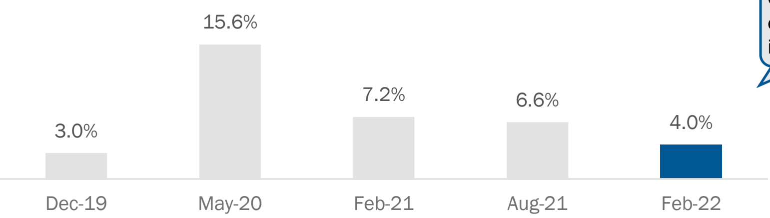
San Diego County New Vehicle Market Dashboard

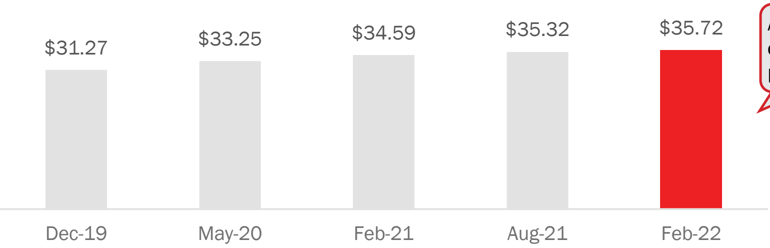
SNAPSHOT OF SAN DIEGO COUNTY ECONOMY



Change in total employment from Dec. ‘19 to Feb. ‘22: down 7,305, a 0.4% drop.



County unemployment rate was one percentage points higher in Feb. ‘22 vs. Dec. ‘19.

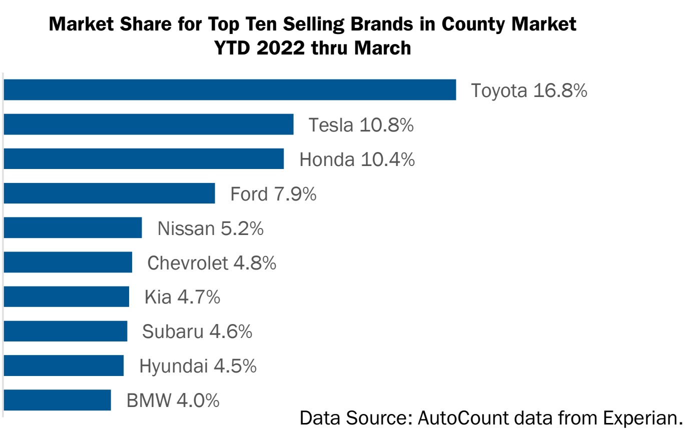


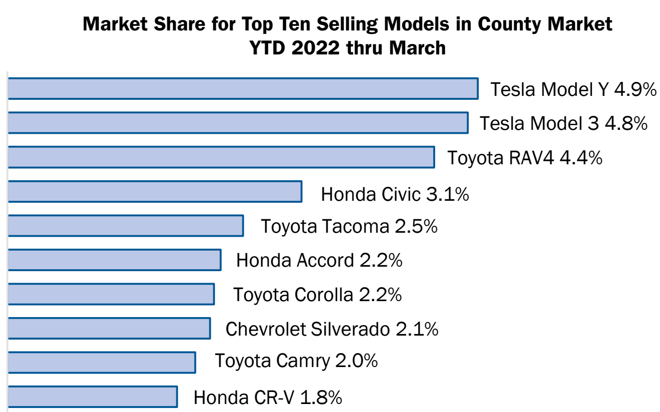
Average hourly earnings increased by $4.45 during the past two years.

As discussed on page one, surging inflation, rising gas prices, and declining consumer sentiment are headwinds for economic growth, but as shown on the three graphs to the left, the San Diego County economy has largely recovered from the downturn caused by the pandemic. Total employment is down just slightly from December of 2019 (before the onset of the pandemic) to February of this year. The unemployment rate was just 4.0%, and wages have increased.

Source: U.S. Department of Labor

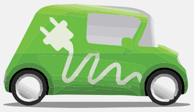
TOP TEN RANKINGS IN COUNTY MARKET



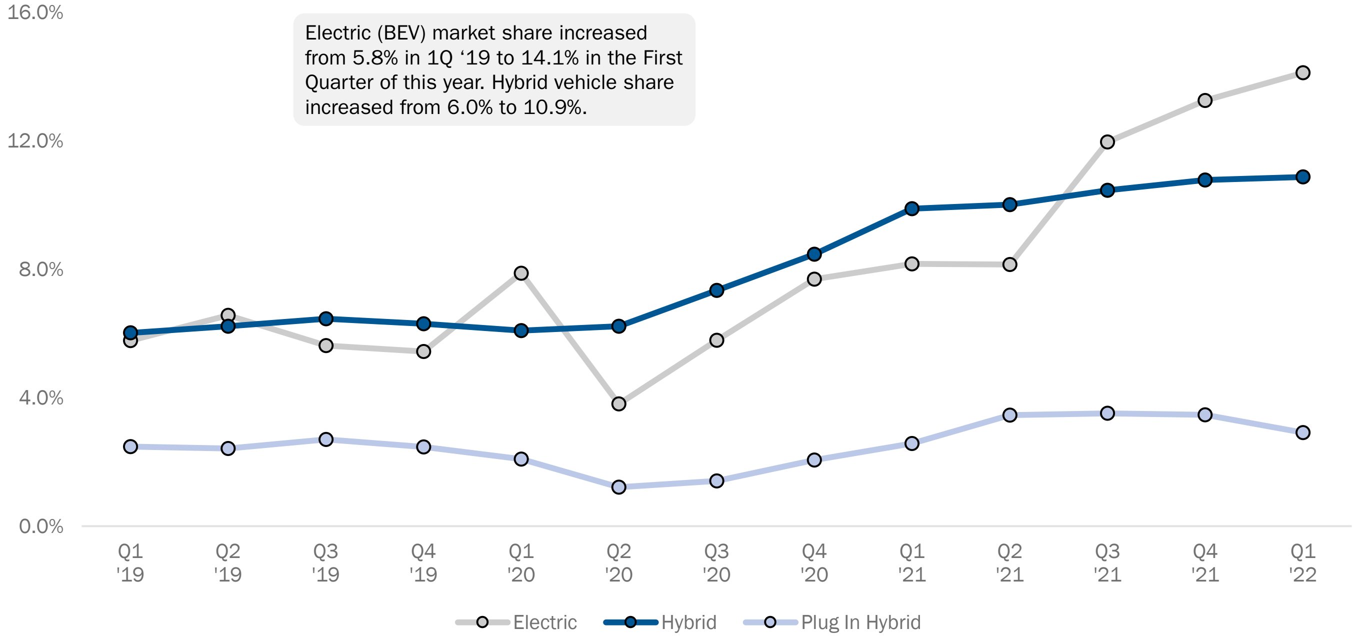


Data Source: AutoCount data from Experian.

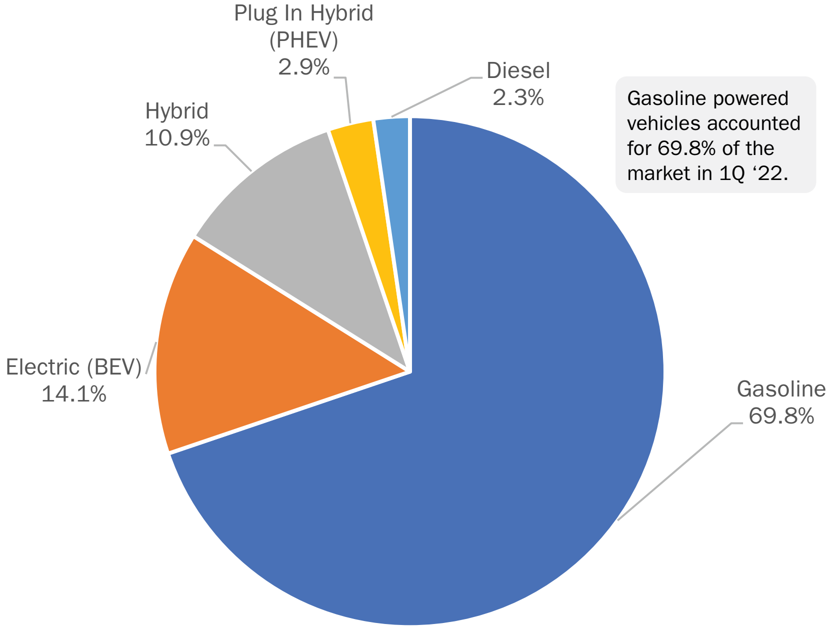
Vehicle Powertrain Dashboard



Estimated Quarterly Alternative Powertrain Market Share in County (includes hybrid and electric vehicles)



County Estimated Market Share by Powertrain Type YTD 2022 thru March



Top 10 Selling Brands in County for Hybrid, Electric (BEV), and Plug In Hybrid (PHEV) Vehicles - YTD '22 thru Mar.

Rank	Brand	Registrations
1	Tesla	3530
2	Toyota	1892
3	Honda	483
4	Hyundai	471
5	Ford	466
6	Kia	426
7	Lexus	312
8	Mercedes	293
9	Volvo	225
10	Audi	188

Registrations by powertrain for vehicles equipped with multiple engine types were estimated by Auto Outlook. The estimates are based on model registrations compiled by Experian Automotive, and engine installation rates collected from other sources.

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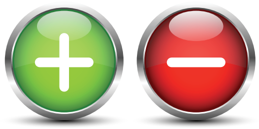
BRAND SCOREBOARD - PART ONE

Registrations Declined for Most Brands in First Quarter of 2022

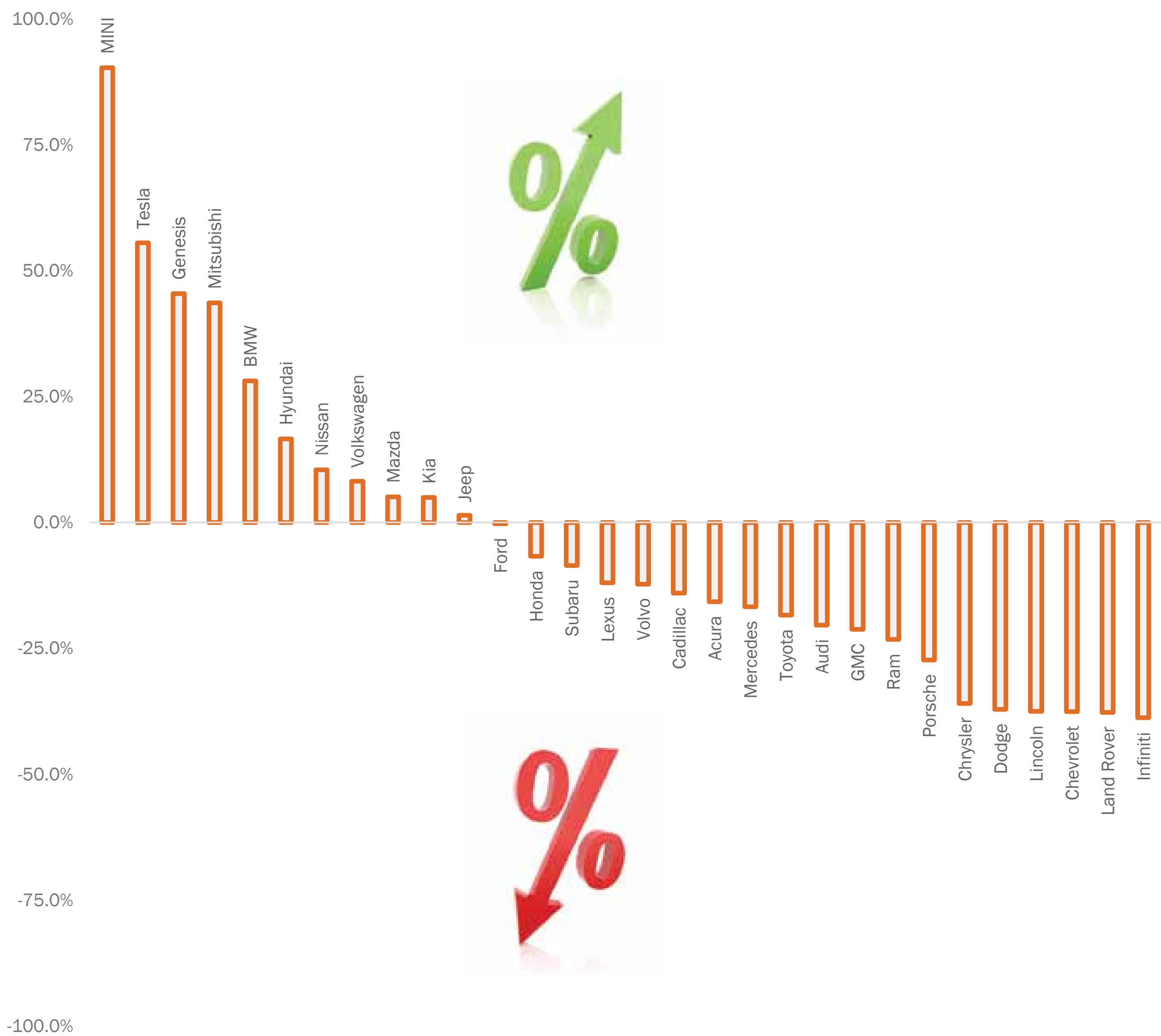
The graph below shows the change in new retail light vehicle (combined car and light truck) registrations during the first three months of this year versus a year earlier. Brand results this year were almost entirely a function of product availability, as opposed to the typical determinants of marketing and dealership sales performance.



Registrations increased for 12 brands:

MINI, Tesla, Genesis, Mitsubishi, BMW, Hyundai, Nissan, Volkswagen, Mazda, Kia, and Jeep.

Percent Change in County New Retail Light Vehicle Registrations (Top 25 brands)
YTD 2022 thru March vs. YTD 2021

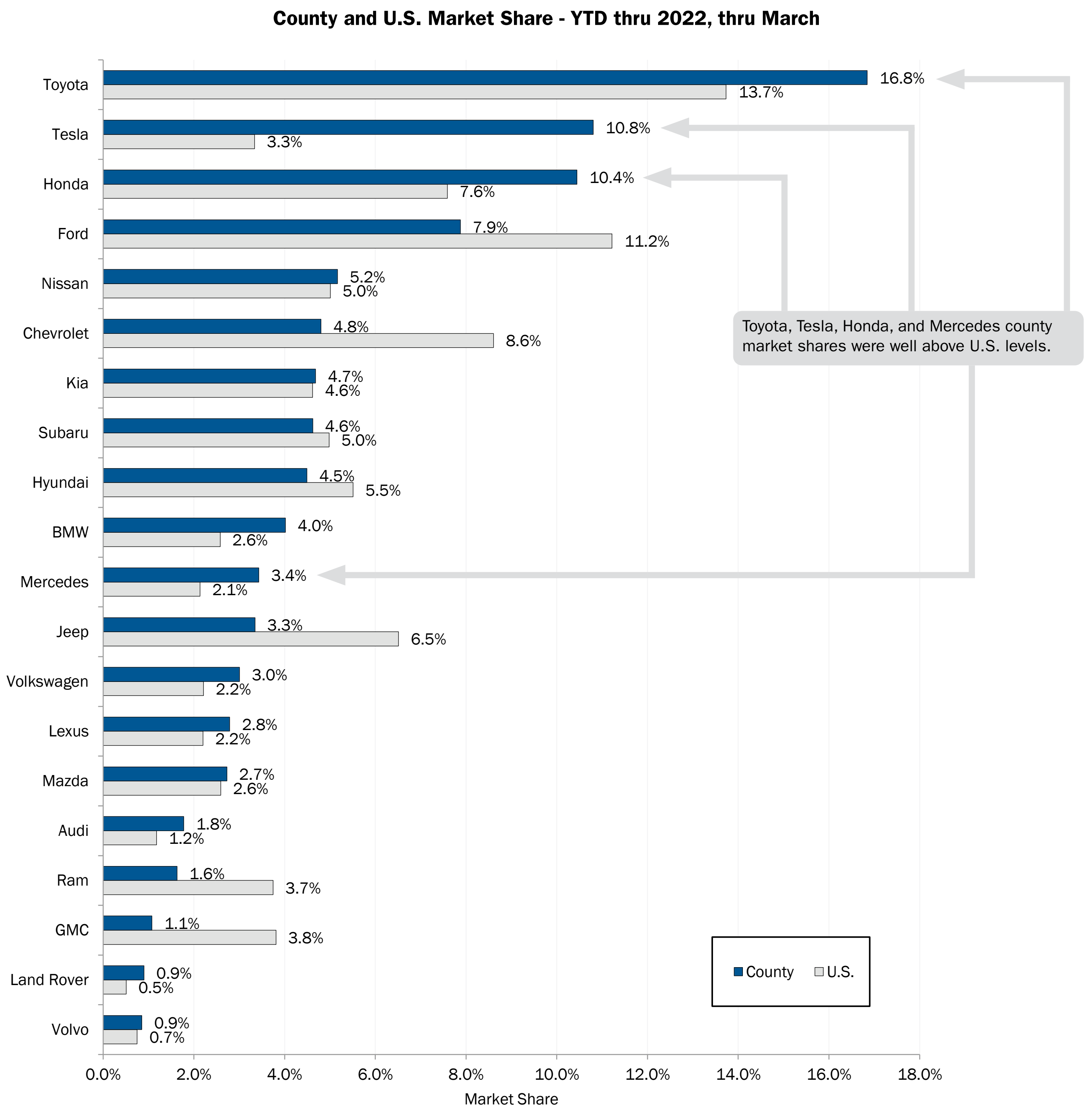


Source: AutoCount data from Experian.

BRAND SCOREBOARD - PART TWO

Toyota and Tesla County Shares are Well Above U.S.

The graph below provides a comparison of San Diego County and U.S. new retail market share during the first three months of 2022 for the top 20 selling brands in the county. Brands are positioned on the graph from top to bottom based on county market share. Toyota was the county leader, accounting for 16.8% of the market, well above its estimated 13.7% share in the Nation.



Data Source: AutoCount data from Experian.

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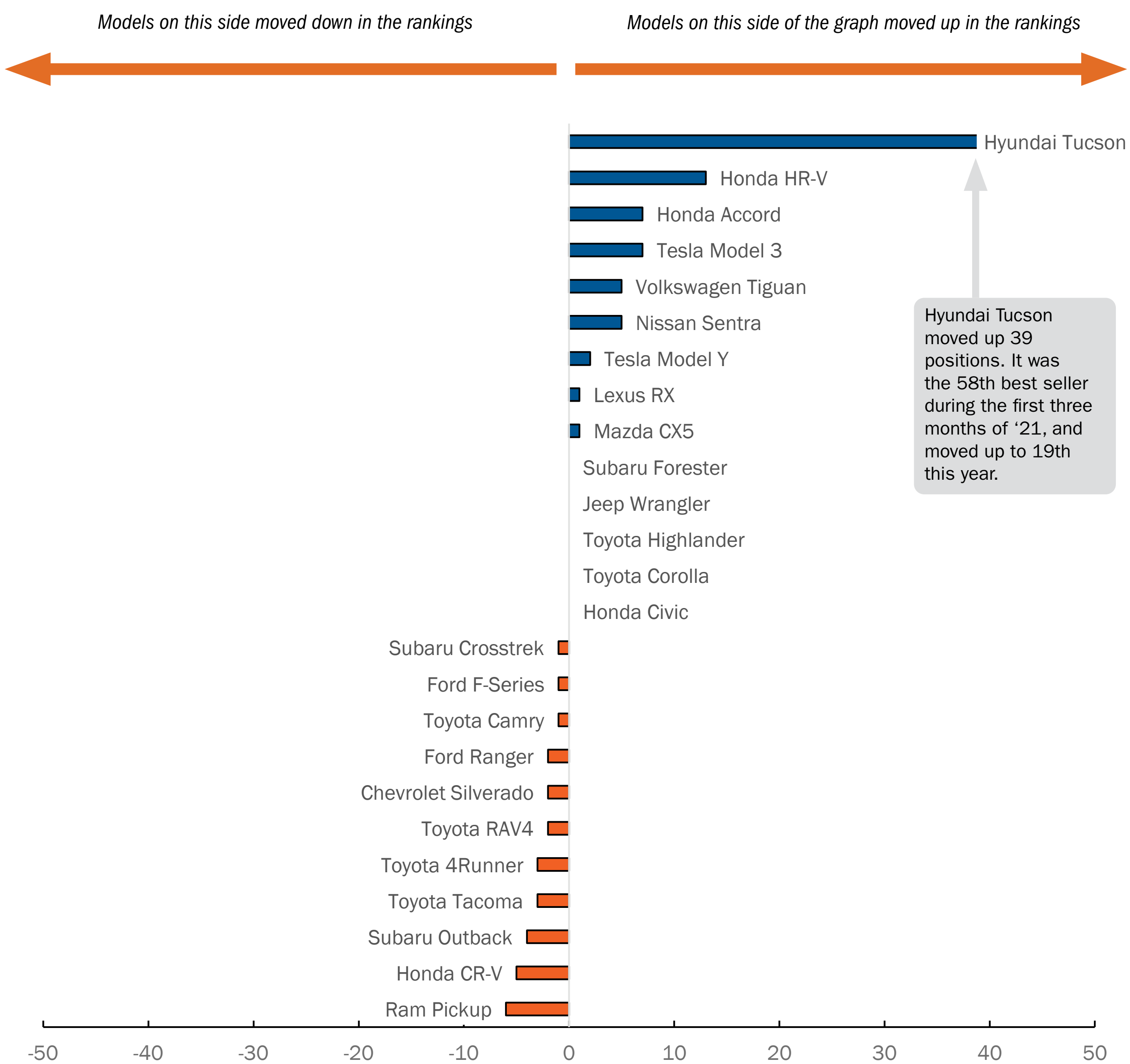
CHANGE IN MODEL RANKINGS

Hyundai Tucson Moves Up in Rankings

The graph below shows the change in rankings during the first three months of 2021 to the same period this year for the top 25 selling models in the San Diego County market. Models are positioned on the graph from top to bottom based on the change in rankings. The biggest gainer was the Hyundai Tucson. Other winners were Honda HR-V, Honda Accord, and Tesla Model 3. Supplies are limited for just about all models, but those moving up in the rankings most likely had some improvement in inventories during the First Quarter of this year.

Change in Rankings for Top 25 Selling Models - YTD '21 thru March to YTD '22



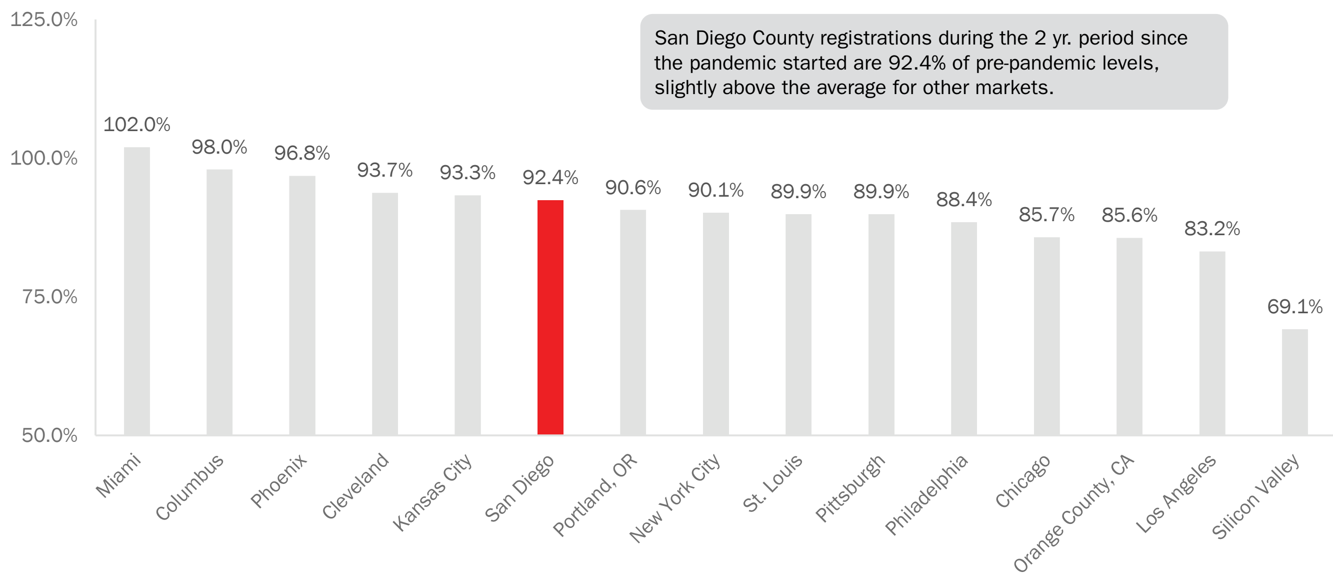
Change in rankings from YTD '21 to YTD '22

Comparison of Selected Metro Area Markets

COVID-19 Impact of COVID-19 Pandemic and Ensuing Vehicle Supply Issues on Area Markets

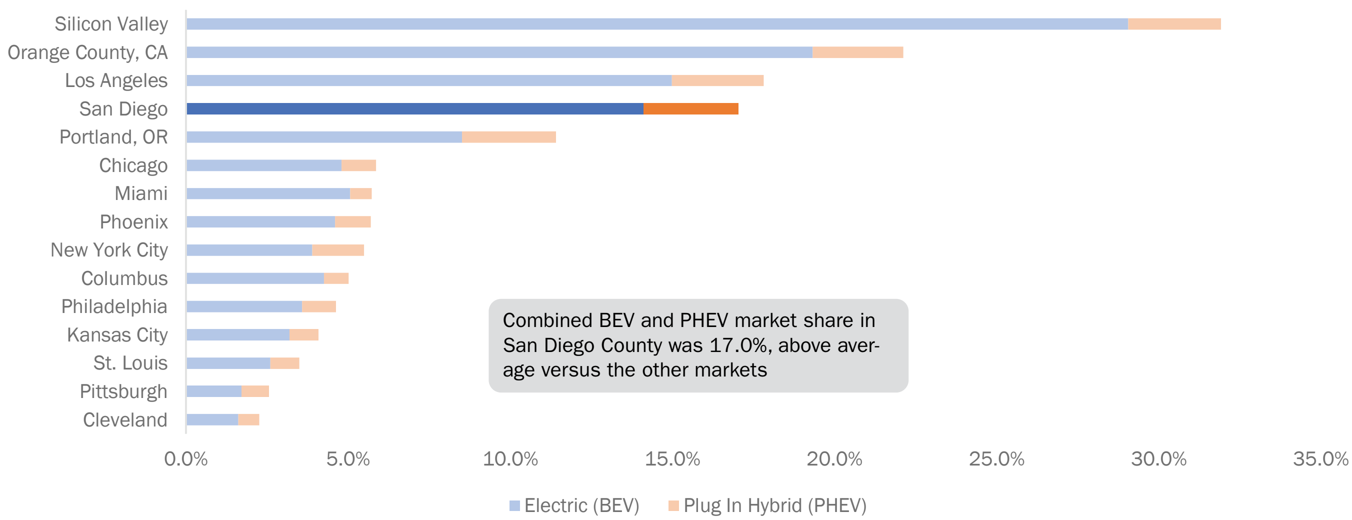
The graph below provides a comparison of how metro area new vehicle sales have been impacted by the pandemic and resulting vehicle inventory shortages. The percentages shown represent new vehicle registrations during the two year period since the pandemic started (2Q '20 thru 1Q '22) divided by registrations during the preceding two year period (2Q '18 thru 1Q '20). Areas on the left of the graph (Miami and Columbus) experienced a relatively mild impact, while those on the right (LA and Silicon Valley) lost more sales due to the pandemic.

New Vehicle Registrations During 2Q '20 thru 1Q '22 as a % of Registrations during 2Q '18 thru 1Q '20



Comparison of BEV and PHEV Market Share

Estimated Electric (BEV) and Plug in Hybrid (PHEV) Market Share During 1Q '22



	Clev.	Pitt.	St. L	KC	Phil.	Colum.	NYC	Phoenix	Miami	Chic.	Portland	SD	LA	OC, CA	Sil. Val.
Electric	1.6%	1.7%	2.6%	3.2%	3.6%	4.3%	3.9%	4.6%	5.1%	4.8%	8.5%	14.1%	15.0%	19.3%	29.1%
Plug In Hy.	0.6%	0.8%	0.9%	0.9%	1.1%	0.8%	1.6%	1.1%	0.7%	1.1%	2.9%	2.9%	2.8%	2.8%	2.9%

Note: registrations by powertrain for vehicles equipped with multiple engine types were estimated by Auto Outlook. The estimates are based on model registrations compiled by Experian, and engine installation rates collected from other sources. March '22 figures were estimated for some markets.

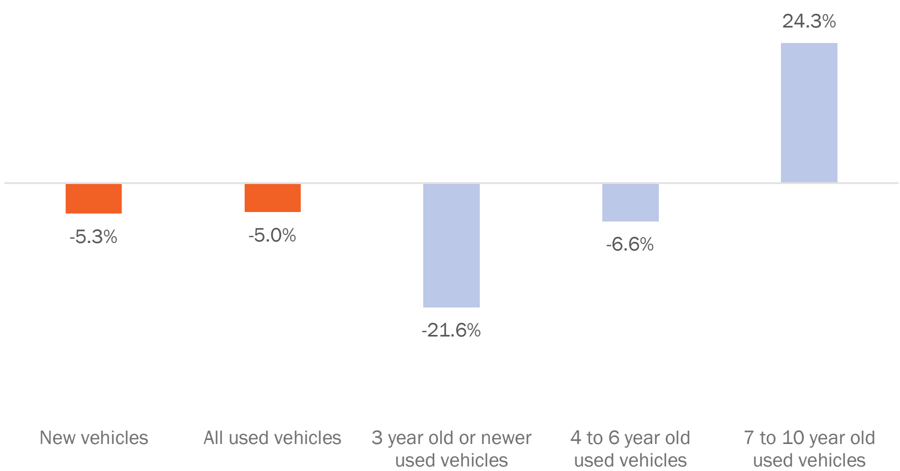
Continued on page 30

Continued from page 29

SAN DIEGO COUNTY USED VEHICLE MARKET

County Used Vehicle Market Declined 5% in First Quarter of 2021

Percent Change in New and Used Vehicle Registrations
YTD 2022 thru March vs. YTD 2021



Data Source: AutoCount data from Experian.

3 KEY TRENDS IN USED VEHICLE MARKET

01. Used vehicle registrations in San Diego County were off 5% in the First Quarter of this year, about even with the 5.3% drop in the new vehicle market.

02. Registrations of 7 to 10 year old vehicles increased 24.3% during the first three months of this year versus year earlier. The 4 to 6 year old market was off 6.6%. Tight supplies impacted registrations of 3 year old or newer vehicles, which fell 21.6%.

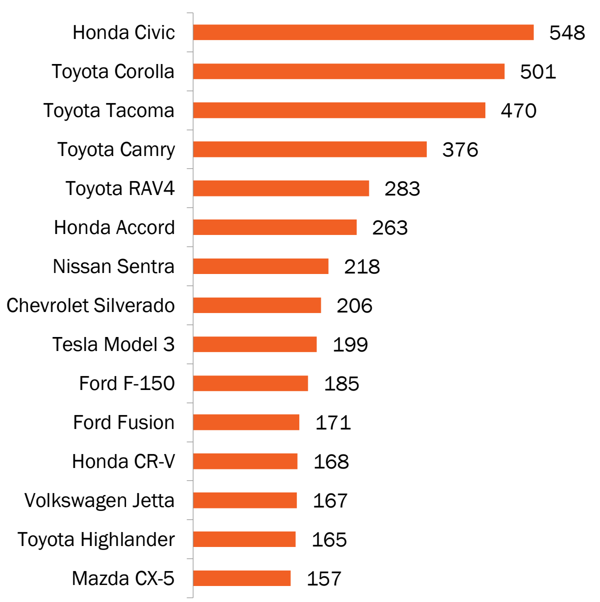
03. Restricted inventories and record-high prices will likely limit gains in used vehicle sales over the next 12 months. Used vehicle registrations for all of 2022 should be close to 2021 levels.

TOP SELLING MODELS IN USED VEHICLE MARKET

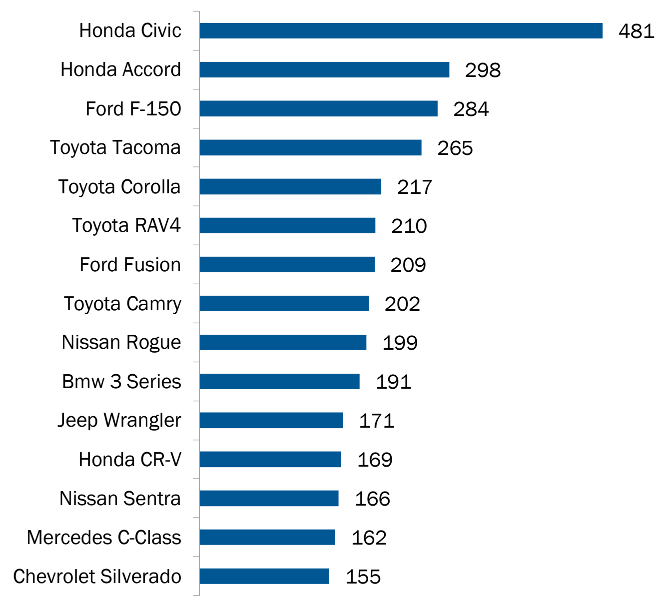
Honda Civic is Top Seller in County Used Vehicle Market

The two graphs below show the top 15 selling models in San Diego County for two age classifications: vehicles three years old or newer, and 4 to 6 year old vehicles. Honda Civic ranked first in each category.

Top 15 Selling Models for Vehicles 3 years Old or Newer
YTD 2022 thru March



Top 15 Selling Models for 4 to 6 Year Old Vehicles
YTD 2022 thru March



Brand Registrations Report San Diego County New Retail Car and Light Truck Registrations	First Quarter						Annual Totals					
	Registrations			Market Share (%)			Registrations			Market Share (%)		
	1Q '21	1Q '22	% change	1Q '21	1Q '22	Change	2020	2021	% change	2020	2021	Change
TOTAL	34,510	32,682	-5.3				119,841	139,335	16.3			
Cars	10,033	9,572	-4.6	29.1	29.3	0.2	39,426	42,313	7.3	32.9	30.4	-2.5
Light Trucks	24,477	23,110	-5.6	70.9	70.7	-0.2	80,415	97,022	20.7	67.1	69.6	2.5
Domestic Brands	10,356	10,162	-1.9	30.0	31.1	1.1	33,700	39,637	17.6	28.1	28.4	0.3
European Brands	5,420	5,106	-5.8	15.7	15.6	-0.1	17,915	21,788	21.6	14.9	15.6	0.7
Japanese Brands	15,939	14,303	-10.3	46.2	43.8	-2.4	57,933	64,166	10.8	48.3	46.1	-2.2
Korean Brands	2,795	3,111	11.3	8.1	9.5	1.4	10,293	13,744	33.5	8.6	9.9	1.3
Acura	279	235	-15.8	0.8	0.7	-0.1	1,206	1,367	13.3	1.0	1.0	0.0
Alfa Romeo	49	25	-49.0	0.1	0.1	0.0	203	172	-15.3	0.2	0.1	-0.1
Audi	730	581	-20.4	2.1	1.8	-0.3	2,202	2,594	17.8	1.8	1.9	0.1
BMW	1,025	1,313	28.1	3.0	4.0	1.0	3,558	4,738	33.2	3.0	3.4	0.4
Buick	69	29	-58.0	0.2	0.1	-0.1	300	270	-10.0	0.3	0.2	-0.1
Cadillac	171	147	-14.0	0.5	0.4	-0.1	439	555	26.4	0.4	0.4	0.0
Chevrolet	2,516	1,570	-37.6	7.3	4.8	-2.5	7,517	8,709	15.9	6.3	6.3	0.0
Chrysler	114	73	-36.0	0.3	0.2	-0.1	326	338	3.7	0.3	0.2	-0.1
Dodge	288	181	-37.2	0.8	0.6	-0.2	1,067	1,013	-5.1	0.9	0.7	-0.2
Ford	2,581	2,574	-0.3	7.5	7.9	0.4	9,465	9,471	0.1	7.9	6.8	-1.1
Genesis	77	112	45.5	0.2	0.3	0.1	157	415	164.3	0.1	0.3	0.2
GMC	447	352	-21.3	1.3	1.1	-0.2	1,399	1,521	8.7	1.2	1.1	-0.1
Honda	3,660	3,413	-6.7	10.6	10.4	-0.2	14,094	15,895	12.8	11.8	11.4	-0.4
Hyundai	1,259	1,468	16.6	3.6	4.5	0.9	4,706	6,558	39.4	3.9	4.7	0.8
Infiniti	152	93	-38.8	0.4	0.3	-0.1	732	494	-32.5	0.6	0.4	-0.2
Jaguar	62	41	-33.9	0.2	0.1	-0.1	261	211	-19.2	0.2	0.2	0.0
Jeep	1,079	1,094	1.4	3.1	3.3	0.2	4,262	4,608	8.1	3.6	3.3	-0.3
Kia	1,459	1,531	4.9	4.2	4.7	0.5	5,430	6,771	24.7	4.5	4.9	0.4
Land Rover	474	295	-37.8	1.4	0.9	-0.5	1,266	1,497	18.2	1.1	1.1	0.0
Lexus	1,036	912	-12.0	3.0	2.8	-0.2	3,715	4,043	8.8	3.1	2.9	-0.2
Lincoln	128	80	-37.5	0.4	0.2	-0.2	439	351	-20.0	0.4	0.3	-0.1
Maserati	18	30	66.7	0.1	0.1	0.0	95	132	38.9	0.1	0.1	0.0
Mazda	848	891	5.1	2.5	2.7	0.2	3,585	3,950	10.2	3.0	2.8	-0.2
Mercedes	1,348	1,122	-16.8	3.9	3.4	-0.5	4,211	4,690	11.4	3.5	3.4	-0.1
MINI	72	137	90.3	0.2	0.4	0.2	462	401	-13.2	0.4	0.3	-0.1
Mitsubishi	39	56	43.6	0.1	0.2	0.1	197	227	15.2	0.2	0.2	0.0
Nissan	1,529	1,689	10.5	4.4	5.2	0.8	5,591	6,463	15.6	4.7	4.6	-0.1
Other	75	53	-29.3	0.2	0.2	0.0	245	236	-3.7	0.2	0.2	0.0
Porsche	340	247	-27.4	1.0	0.8	-0.2	932	1,213	30.2	0.8	0.9	0.1
Ram	693	532	-23.2	2.0	1.6	-0.4	2,296	2,560	11.5	1.9	1.8	-0.1
Subaru	1,651	1,510	-8.5	4.8	4.6	-0.2	6,341	6,234	-1.7	5.3	4.5	-0.8
Tesla	2,270	3,530	55.5	6.6	10.8	4.2	6,190	10,240	65.4	5.2	7.3	2.1
Toyota	6,745	5,504	-18.4	19.5	16.8	-2.7	22,472	25,493	13.4	18.8	18.3	-0.5
Volkswagen	909	983	8.1	2.6	3.0	0.4	3,354	4,475	33.4	2.8	3.2	0.4
Volvo	318	279	-12.3	0.9	0.9	0.0	1,126	1,430	27.0	0.9	1.0	0.1
Source: AutoCount data from Experian.												

The table shows new retail light vehicle (car and light truck) registrations in the San Diego County market. Figures are shown for the 1st Quarters of ‘21 and ‘22, and annual totals for 2020 and 2021. The top ten ranked brands in each change category are shaded light yellow.

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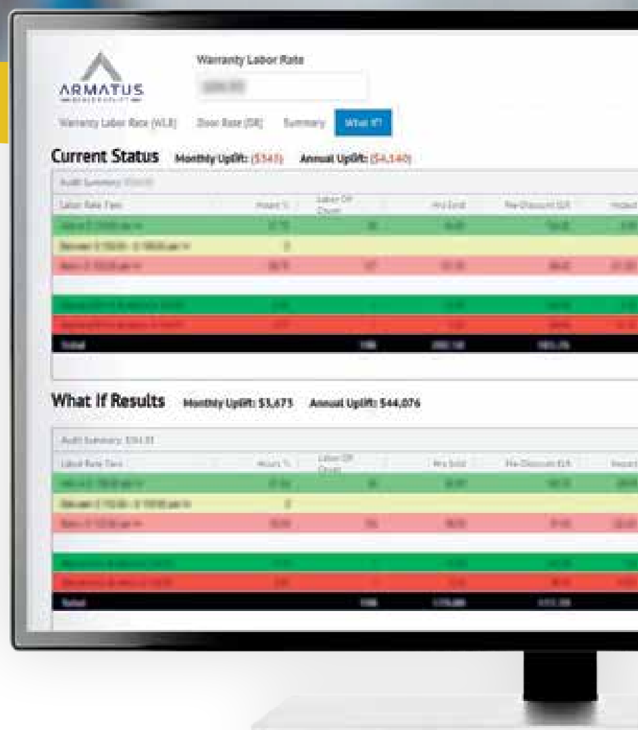

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