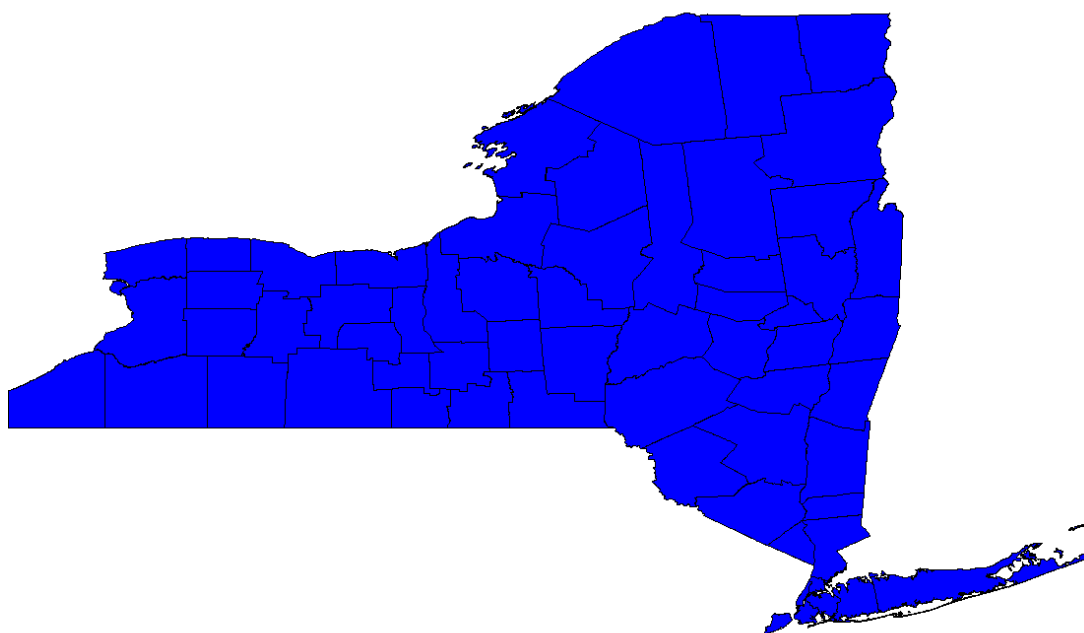


The Economic Impact of Franchised New Vehicle Dealers on the New York State Economy



Confidential 2016 Report
Compiled from 2015 Data
June 15, 2016

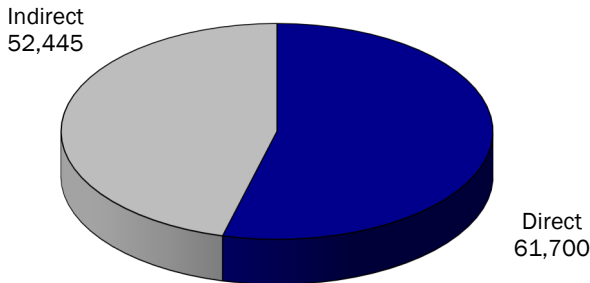
Study Sponsored by:
New York State
Automobile Dealers Association

INTRODUCTION

This report provides a summary of the significant impact that new franchised automobile dealers have on the New York State economy. It includes estimates of direct and indirect employment, personal income, and tax collections during 2015. Indirect impacts account for the residual contribution that occurs as a result of dealership operations (frequently referred to as the “multiplier effect”). This report was prepared by Auto Outlook, Inc., an independent automotive market analysis firm, and is sponsored by the New York State Automobile Dealers Association. Contact information is listed on the back cover.

EMPLOYMENT

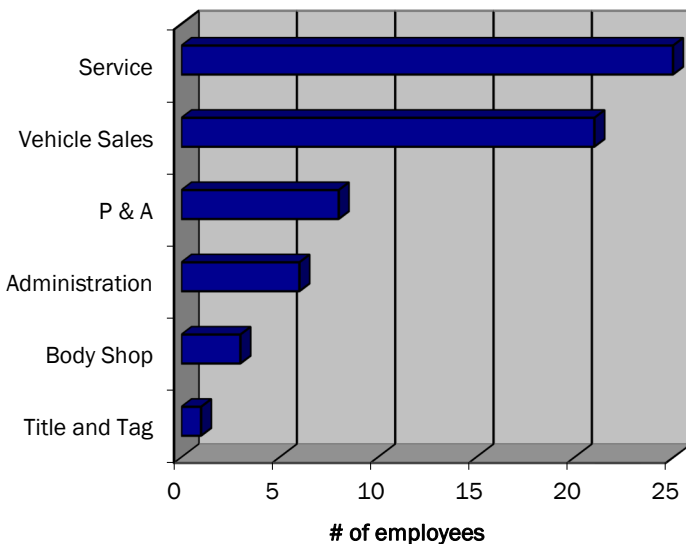
Employment Total for New Vehicle Retailing Industry (Direct: at dealerships; Indirect: elsewhere in economy)



Dealership Contribution to Statewide Employment

Total employment resulting from auto dealerships	114,145
Total employment in the state	9,166,246
Dealership % of statewide total	1.2%

Average Number of Dealership Employees by Department



PRIMARY CONCLUSIONS

- During 2015, franchised new vehicle dealerships in the State generated a total of over 114,000 jobs.
- New York State residents earned more than \$5.6 billion as a result of automotive dealership operations.
- Average dealership payroll was \$4.05 million.
- Dealerships collected or paid a total of more than \$3.54 billion in state and local taxes.
- Automobile dealerships spent a total of over \$575 million on advertising during 2015.
- Franchised new vehicle dealerships had total sales of more than \$52.7 billion in 2015, 20% of total retail sales in the state.
- Average dealership sales were \$54.7 million.
- Collectively, automobile dealers contributed over \$23.6 million to charitable causes.

PAYROLL

Employee Compensation

Total payroll (including fringe benefits) for AVERAGE dealership in New York State	\$4,050,000
<i>Times</i>	
Total number of franchised new vehicle dealerships in New York State	964
<i>Equals</i>	
TOTAL EMPLOYEE COMPENSATION AT DEALERSHIPS	\$3,904,200,000
<i>Plus</i>	
Additional indirect employee compensation resulting from dealership operations	\$1,756,890,000
<i>Equals</i>	
TOTAL EMPLOYEE COMPENSATION TO NEW YORK STATE RESIDENTS DUE TO FRANCHISED DEALERSHIP INDUSTRY	\$5,661,090,000

NOTES

The average automobile dealership in New York State had payroll expense of \$4,050,000. Total payroll for the new vehicle retailing industry was over \$3.9 billion, with the grand total (including indirect impact) exceeding \$5.6 billion.

DEALERSHIP QUICK FACTS

Dealership Financial Summary

- Average number of employees: 64
- Average dealership sales: \$54,700,000
- Average dealership contributions to charitable causes: \$24,500
- Average dealership advertising expenses: \$597,000
- Number of vehicles serviced by average dealership: 18,550

Dealership Vehicle Sales Summary

- Average dealership retail new vehicle sales: 985 units
- Average dealership retail used vehicle sales: 710 units

NOTES

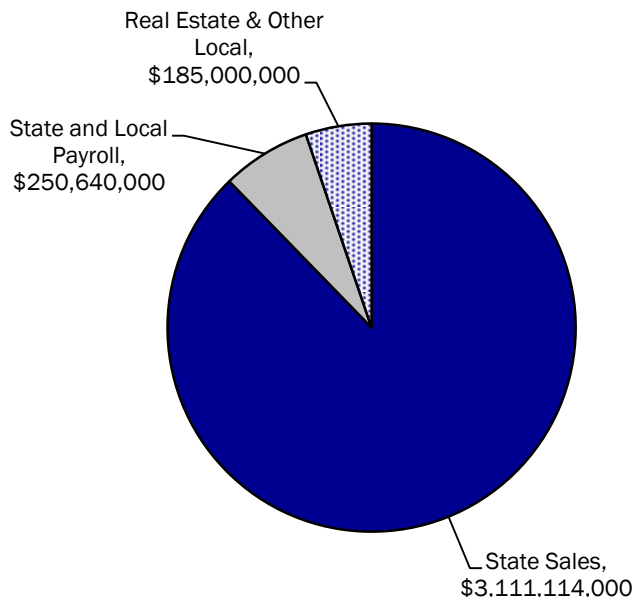
Automobile dealerships in New York State employed a total of 61,700 individuals, with an additional 52,445 jobs resulting from indirect economic impacts. The average dealership employed 64 people.

NOTES

Shown above is a summary of average dealership financial statistics and vehicle sales results during 2015.

TAX REVENUE

State and Local Taxes Collected and/or Paid by Dealerships



Total Dealership State and Local Tax Revenue Generation **\$3,546,754,000**

Federal Tax Summary for All Dealerships

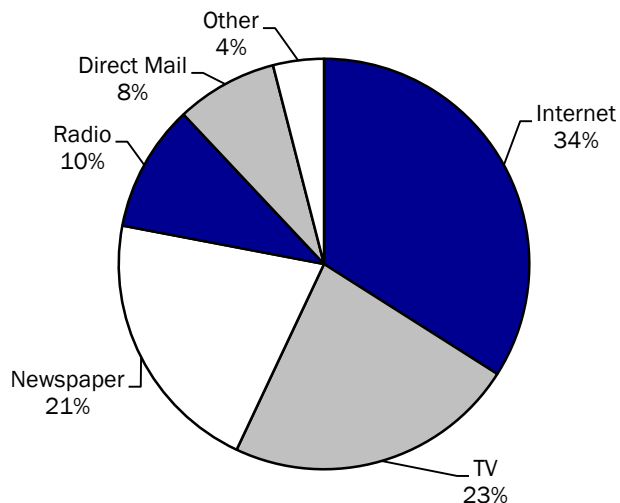
Federal Payroll Taxes	\$1,055,134,000
Federal Business Income Taxes	\$165,351,000
TOTAL	\$1,220,485,000

NOTES

Automobile dealerships collected or paid a total of more than \$3.54 billion in state and local taxes during 2015. State sales tax revenue exceeded \$3.1 billion. Federal tax revenue generated by dealerships exceeded \$1.2 billion.

ADVERTISING

Percentage of Dealership Advertising Expenses by Media

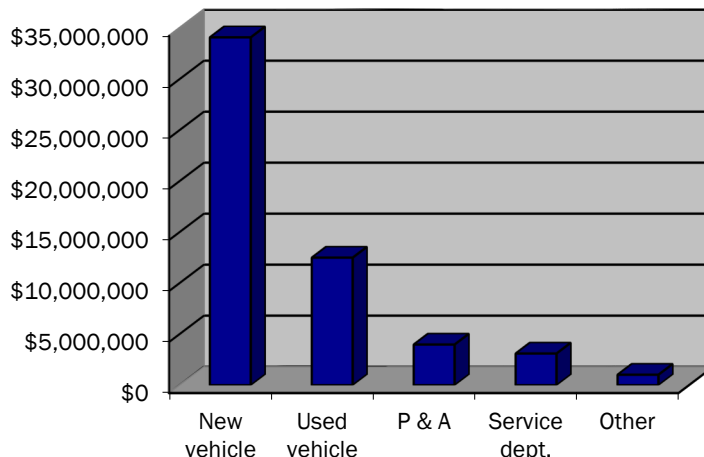


NOTES

Automobile dealerships spent a total of over \$575 million on advertising during 2015. (This total includes mandatory dealership contributions to manufacturer subsidized advertising programs.)

DEALERSHIP SALES

Average Dealership Sales by Department (\$'s)



Dealership Sales Summary

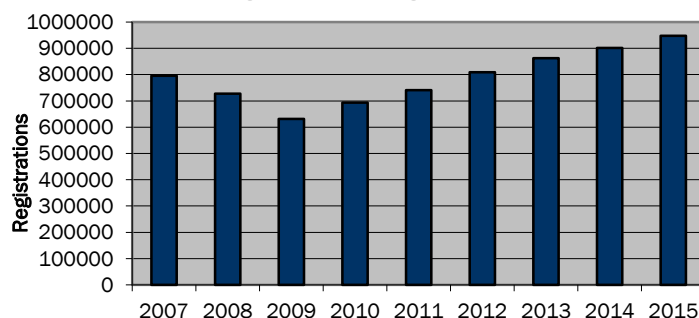
Average Dealership Sales	\$54,700,000
Total new vehicle dealership sales in New York State	\$52,730,800,000
Total retail sales in state	\$250,000,000,000
New vehicle dealer % of retail sales	20%

NOTES

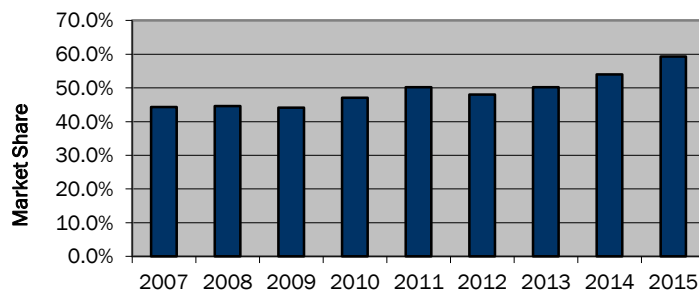
New franchised automobile dealers in New York State had total sales exceeding \$52.7 billion during 2015, 20% of total retail sales in the state. Average dealership sales were \$54.7 million, with the new vehicle department accounting for most of the total. Source for state retail sales: Retail Council of NY State.

NEW VEHICLE MARKET REVIEW

New Retail Light Vehicle Registrations in New York



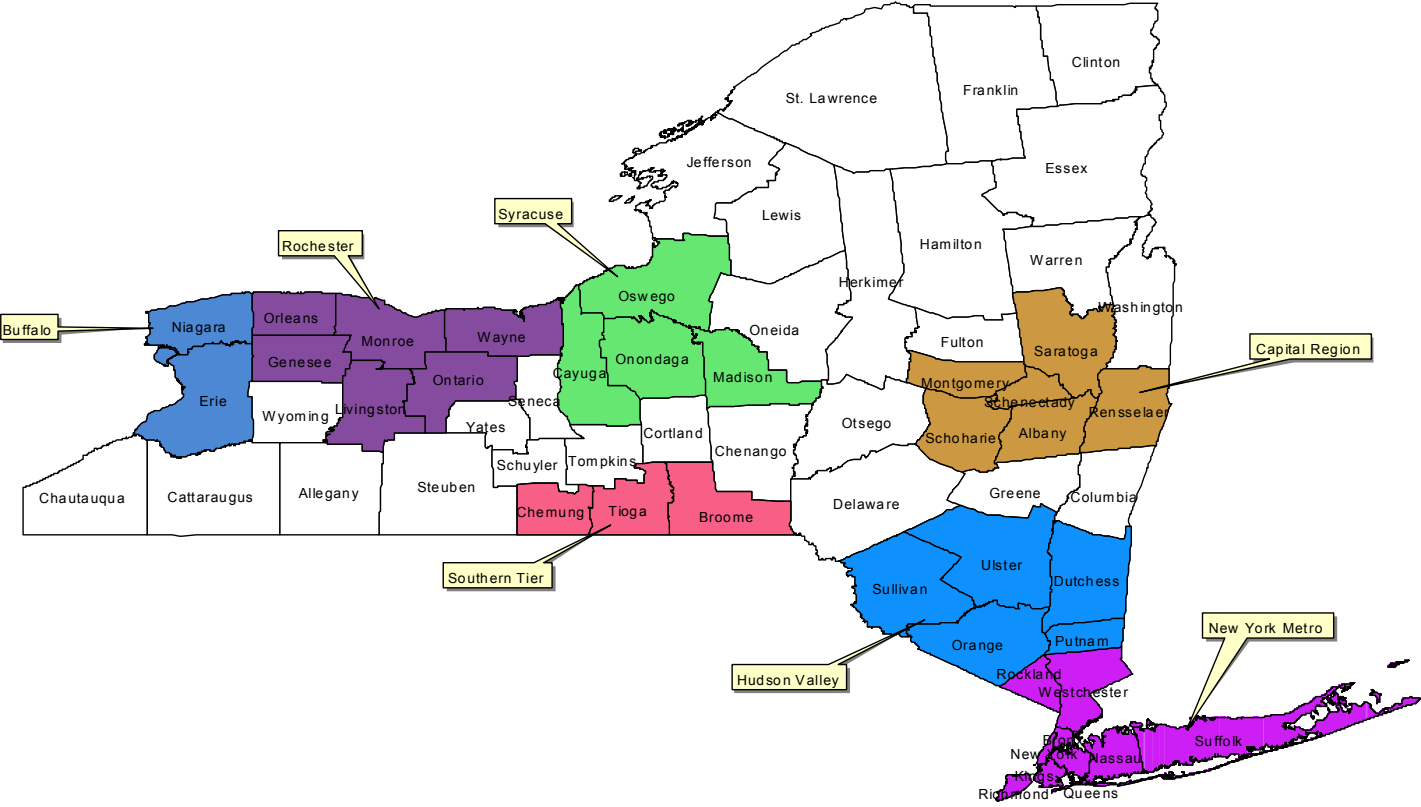
Light Truck Market Share in New York



NOTES

New retail registrations of cars and light trucks in New York declined to less than 630,000 in 2009 and increased to nearly 950,000 in 2015. Light truck market share increased from 48% in 2012 to 59.3% in 2015. Source: HIS Automotive.

Regional Markets in New York



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