

# NADA DATA 2020

ANNUAL FINANCIAL PROFILE OF AMERICA'S FRANCHISED NEW-CAR DEALERSHIPS



NATIONAL  
AUTOMOBILE  
DEALERS  
ASSOCIATION



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The *NADA Data* financial profile of new-car dealerships is now published twice a year—as a full annual review at year end and as a midyear update.

This midyear 2020 review features the many major milestones achieved by the retail auto industry during the first half of 2020, including such highlights as:

- The nation’s 16,646 franchised light-vehicle dealers sold 6.4 million light-duty vehicles.
- Total light-vehicle dealership sales topped \$437 billion.
- Dealerships wrote more than 125 million repair orders, with service and parts sales totaling more than \$51 billion.

Like nearly all businesses in the U.S., franchised dealerships were affected by stay-at-home orders and lockdowns brought on by COVID-19. Dealership employment had been stable for several years at 1.1 million employees, but by the end of April 2020, it had fallen to 888,200. Many dealerships furloughed or laid off workers due to drastic reductions in demand for vehicles, as well as restrictions in several states that limited how dealerships could operate. Congress moved quickly to pass the Paycheck Protection Program (PPP), which provided small business with loans to cover payroll expenses and prevent layoffs. The PPP Flexibility Act mandated that at least 60% of all PPP loan proceeds must be used on payroll expenses. However, given their operational makeup, franchised dealers easily crossed the 60% threshold for payroll expenses, and many were able to devote 100% of their PPP loans to payroll. As a result, the PPP loans were very popular with franchised dealerships, and more than 95% of them obtained a loan to preserve dealership jobs. By the end of June, franchised dealership employment had recovered to 1.02 million employees. We expect that employment will continue to recover, though probably not return to pre-pandemic levels for some time.

According to The National Bureau of Economic Research, the U.S. economy entered a recession in February 2020, ending the longest period of economic expansion on record. And dealerships have been affected differently compared to what happened during the Great Recession of December 2007 to June 2009. Back then, auto plants continued to operate while consumer demand for new vehicles fell, leaving dealers with an oversupply of inventory. During this pandemic-induced recession, auto plants were closed, dealerships in many states were able to continue selling cars during the peak of the lockdowns, and consumer demand steadily recovered in the subsequent months. While it took automakers a few months to resume manufacturing operations and dealers experienced inventory shortages, the recovery in retail demand has been much faster this time. We expect strong retail sales, although below pre-COVID forecasts, for the rest of the year.

During the COVID lockdowns, many dealerships quickly pivoted to selling vehicles and offering service exclusively online. This crisis likely accelerated the trend of online vehicle purchases, which we expect to become a more and more popular with consumers. Overall, we are optimistic about the recovery of franchised dealerships and expect dealerships to successfully adapt to any recent changes in the business model.

To improve the breadth of information provided in *NADA Data*, we offer a section focusing on the new- and used-vehicle consumer, with in-depth data from Experian. These stats include average monthly payment, average loan term, leasing and more.

Note: NADA Data was first published in 1979, and some of the methodology and data sources have naturally changed along the way. Therefore, previous reports may not be directly comparable with the current version.

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## Franchised Dealership Workforce

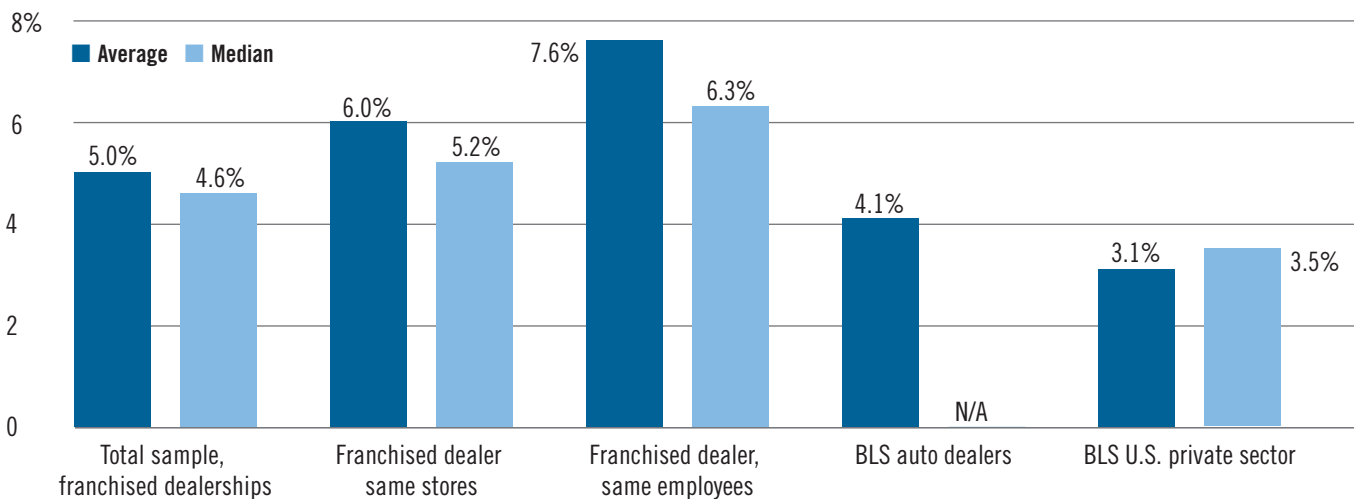
### Average Weekly Earnings

Data resource	2015	2016	2017	2018	2019	Growth 2018-2019
Total sample, franchised dealerships	\$1,341	\$1,342	\$1,383	\$1,400	\$1,470	▲ 5.0%
Franchised dealer, same stores	\$1,347	\$1,360	\$1,387	\$1,409	\$1,494	▲ 6.0%
Franchised dealer, same employees	\$1,374	\$1,412	\$1,432	\$1,450	\$1,560	▲ 7.6%
BLS franchised dealerships	\$1,094	\$1,099	\$1,113	\$1,113	\$1,180	▲ 4.1%
BLS U.S. private sector	\$871	\$893	\$905	\$934	\$963	▲ 3.1%

### Median Weekly Earnings

Data resource	2015	2016	2017	2018	2019	Growth 2018-2019
Total sample, franchised dealerships	\$1,026	\$1,035	\$1,061	\$1,092	\$1,142	▲ 4.6%
Franchised dealer, same stores	\$1,027	\$1,054	\$1,070	\$1,103	\$1,160	▲ 5.2%
Franchised dealer, same employees	\$1,052	\$1,083	\$1,108	\$1,147	\$1,219	▲ 6.3%
BLS franchised dealerships*	N/A	N/A	N/A	N/A	N/A	N/A
BLS U.S. private sector	\$825	\$832	\$860	\$886	\$917	▲ 3.5%

### Earnings Growth, 2018-2019



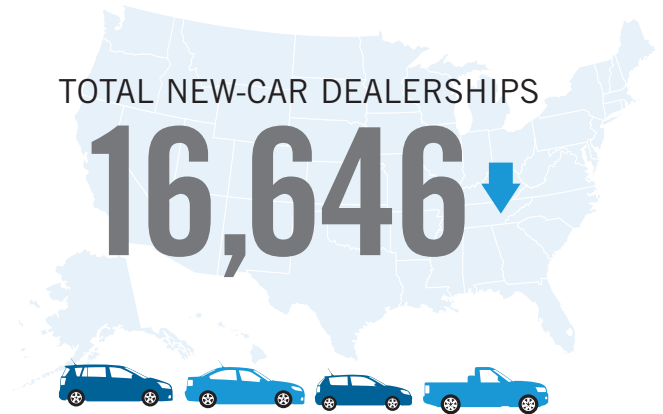
Source: Bureau of Labor Statistics, NADA

## New Light-Vehicle Dealerships

### New Light-Vehicle Dealerships by State, June YTD 2020

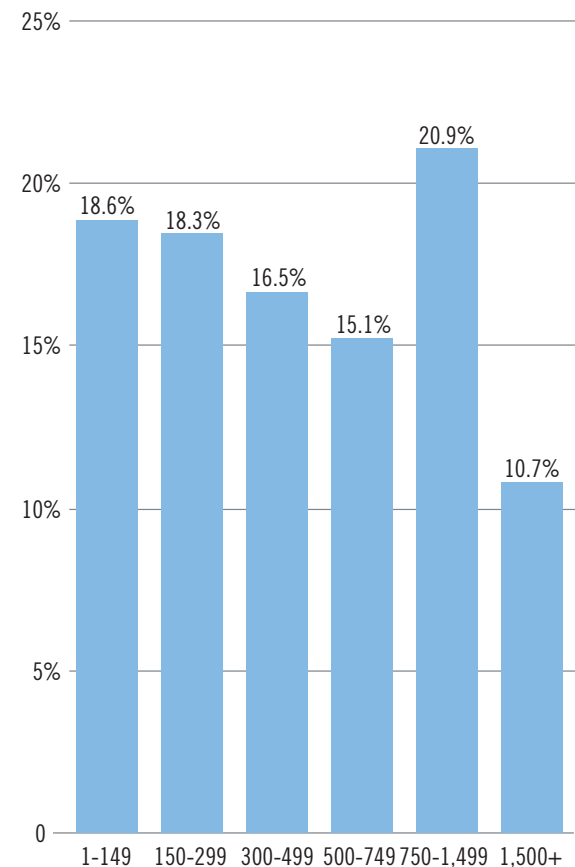
Alabama	271	Nebraska	156
Alaska	27	Nevada	99
Arizona	246	New Hampshire	132
Arkansas	209	New Jersey	448
California	1,289	New Mexico	113
Colorado	247	New York	848
Connecticut	249	North Carolina	559
Delaware	53	North Dakota	75
Florida	877	Ohio	718
Georgia	490	Oklahoma	252
Hawaii	67	Oregon	215
Idaho	97	Pennsylvania	869
Illinois	707	Rhode Island	54
Indiana	400	South Carolina	248
Iowa	273	South Dakota	85
Kansas	209	Tennessee	334
Kentucky	233	Texas	1,202
Louisiana	278	Utah	140
Maine	111	Vermont	79
Maryland	304	Virginia	453
Massachusetts	382	Washington	309
Michigan	614	West Virginia	131
Minnesota	335	Wisconsin	468
Mississippi	176	Wyoming	49
Missouri	372		
Montana	94		
		<b>Total U.S.</b>	<b>16,646</b>

Source: NADA



### Share of Dealerships by Volume of New-Unit Sales, June YTD 2020

Percent of dealerships



Source: NADA

## New Light-Vehicle Dealerships *(continued)*

### Share of Owners by Number of Stores Operated, June YTD

Number of stores	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
1-5	96.6%	96.2%	95.8%	95.5%	95.0%	94.8%	94.4%	94.3%	94.0%	93.8%	93.7%
6-10	2.4%	2.7%	2.9%	3.2%	3.4%	3.5%	3.8%	3.9%	4.1%	4.2%	4.2%
11-25	0.9%	0.9%	1.0%	1.1%	1.4%	1.5%	1.5%	1.5%	1.5%	1.6%	1.7%
26-50	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%	0.2%	0.3%	0.3%
Greater than 50	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%

Source: NADA

## Dealership Financial Trends

### Total Sales by State, June YTD 2020

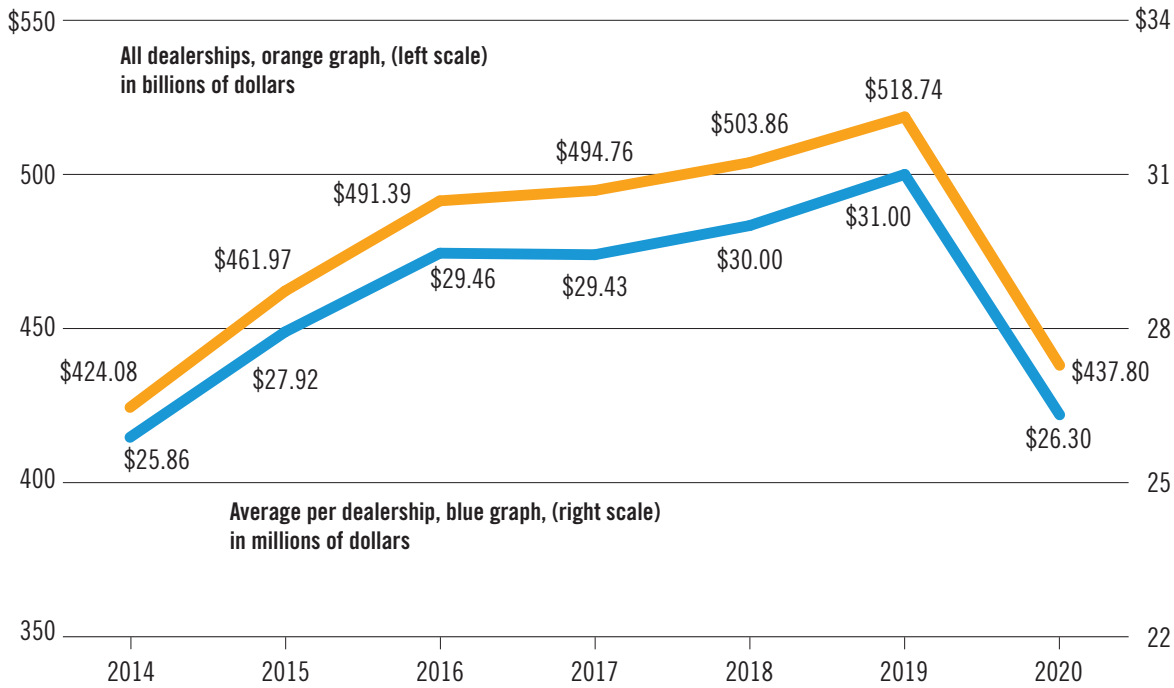
State	All dealerships (\$ millions)	Average per dealership (\$ thousands)
Alabama	\$5,838	\$21,541
Alaska	\$789	\$29,217
Arizona	\$10,189	\$41,421
Arkansas	\$3,994	\$19,112
California	\$48,631	\$37,728
Colorado	\$6,770	\$27,409
Connecticut	\$4,142	\$16,635
Delaware	\$1,318	\$24,877
Florida	\$37,553	\$42,820
Georgia	\$13,686	\$27,930
Hawaii	\$1,984	\$29,618
Idaho	\$1,847	\$19,042
Illinois	\$15,489	\$21,908
Indiana	\$7,153	\$17,883
Iowa	\$3,728	\$13,654
Kansas	\$2,742	\$13,118
Kentucky	\$4,149	\$17,808
Louisiana	\$6,371	\$22,916
Maine	\$1,867	\$16,820
Maryland	\$7,256	\$23,870
Massachusetts	\$8,399	\$21,986
Michigan	\$16,633	\$27,089
Minnesota	\$6,655	\$19,866
Mississippi	\$3,042	\$17,282
Missouri	\$8,418	\$22,630
Montana	\$1,403	\$14,928

State	All dealerships (\$ millions)	Average per dealership (\$ thousands)
Nebraska	\$2,571	\$16,481
Nevada	\$3,725	\$37,627
New Hampshire	\$2,788	\$21,122
New Jersey	\$13,901	\$31,030
New Mexico	\$2,290	\$20,267
New York	\$25,184	\$29,698
North Carolina	\$12,629	\$22,592
North Dakota	\$1,052	\$14,027
Ohio	\$16,555	\$23,057
Oklahoma	\$15,830	\$62,816
Oregon	\$4,263	\$19,830
Pennsylvania	\$15,894	\$18,290
Rhode Island	\$1,248	\$23,118
South Carolina	\$6,387	\$25,755
South Dakota	\$1,116	\$13,125
Tennessee	\$8,758	\$26,222
Texas	\$41,182	\$34,262
Utah	\$3,814	\$27,241
Vermont	\$1,061	\$13,425
Virginia	\$10,197	\$22,510
Washington	\$7,612	\$24,635
West Virginia	\$2,153	\$16,438
Wisconsin	\$6,815	\$14,561
Wyoming	\$723	\$14,750
<b>Total U.S.</b>	<b>\$437,796</b>	<b>\$26,300</b>

Source: NADA

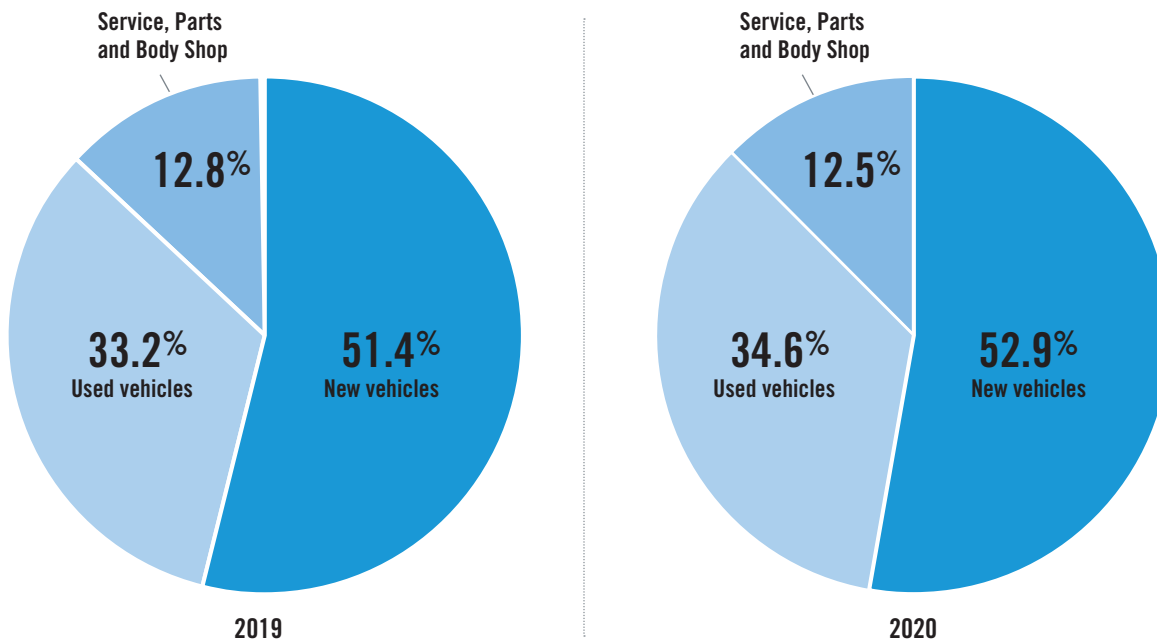
## Dealership Financial Trends *(continued)*

### Total Sales of New-Vehicle Dealerships by Year, June YTD



Source: NADA

### Share of Total Dealership Sales Dollars, 2019 vs. 2020 June YTD



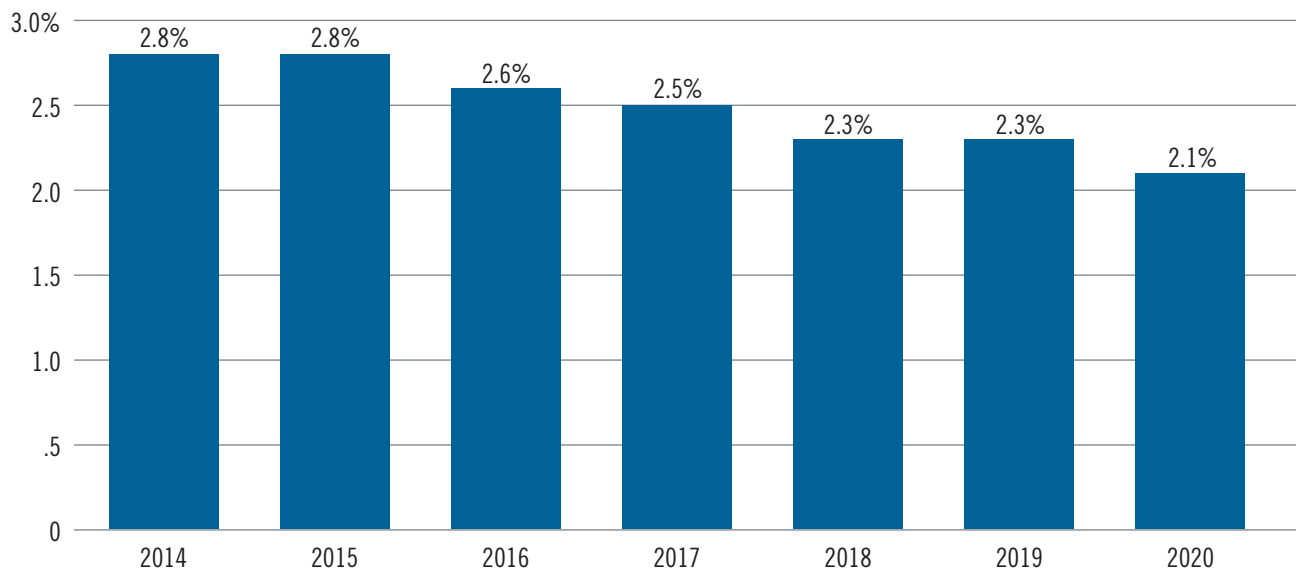
Source: NADA

## Dealership Financial Trends *(continued)*

### Total Net Profit Share of Sales by Year, June YTD

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Average dealership, in percent of sales

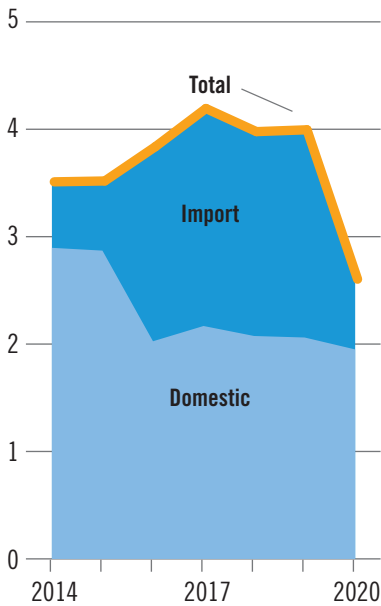


Source: NADA



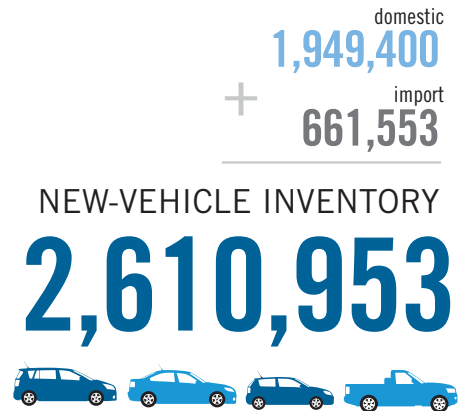
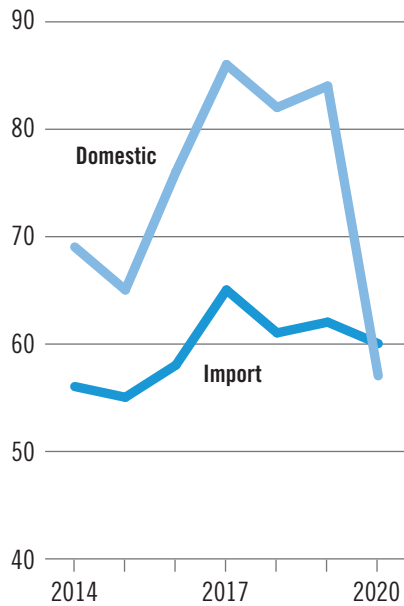
### New-Vehicle Inventories and Days' Supply by Year, June YTD

Inventory (in millions)



Source: Automotive News; Wards Intelligence

Days' supply



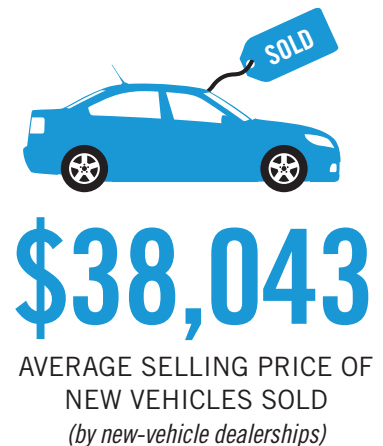
NEW-VEHICLE DAYS' SUPPLY

<b>57</b> domestic	<b>60</b> import
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### Number of New Vehicles Sold and Selling Price by Year, June YTD

Year	Average new vehicles sold	Average retail selling price
2014	495	\$32,362
2015	513	\$33,103
2016	515	\$34,221
2017	500	\$34,335
2018	511	\$35,249
2019	503	\$36,402
2020	386	\$38,043

Source: NADA



## New Light-Vehicle Department *(continued)*

### New Light-Duty Vehicle Sales by Year, June YTD

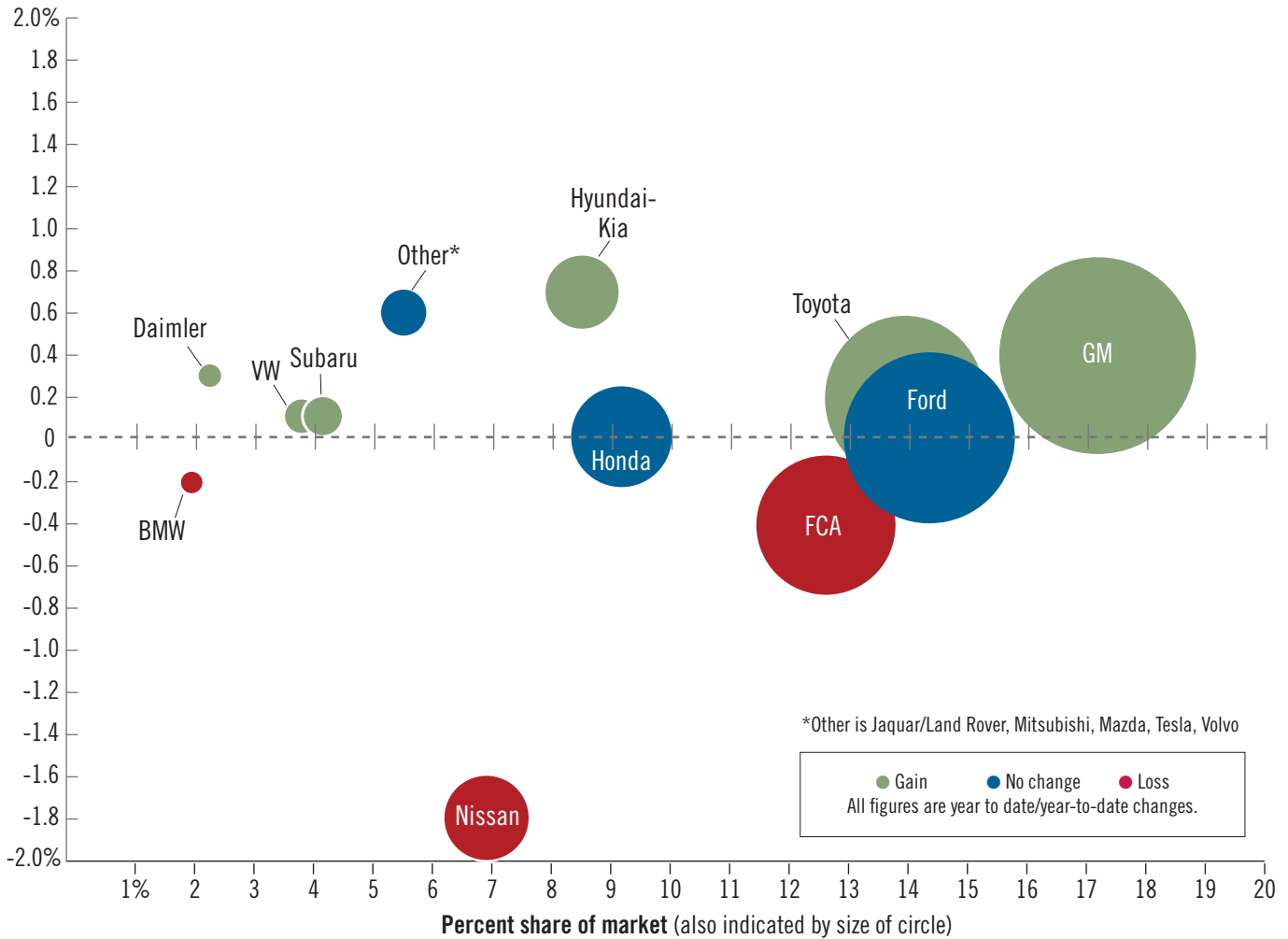
Year	New cars	Light-duty trucks	Total light-duty vehicles	Light-duty trucks as % of total
2010	2,824,863	2,776,074	5,600,937	49.6%
2011	3,155,613	3,154,798	6,310,411	50.0%
2012	3,742,368	3,506,525	7,248,893	48.4%
2013	3,899,781	3,898,802	7,798,583	50.0%
2014	3,896,078	4,227,311	8,123,389	52.0%
2015	3,840,833	4,645,480	8,486,313	54.7%
2016	3,531,924	5,061,876	8,593,600	58.9%
2017	3,105,855	5,295,860	8,401,715	63.0%
2018	2,747,165	5,827,103	8,574,268	68.0%
2019	2,502,253	5,910,663	8,412,916	70.3%
2020	1,589,042	4,839,992	6,429,034	75.3%

Source: Automotive News; Wards Intelligence

## New Light-Vehicle Department *(continued)*

### Market Share by Manufacturer, June YTD 2020

All figures are year to date/year-to-date changes.



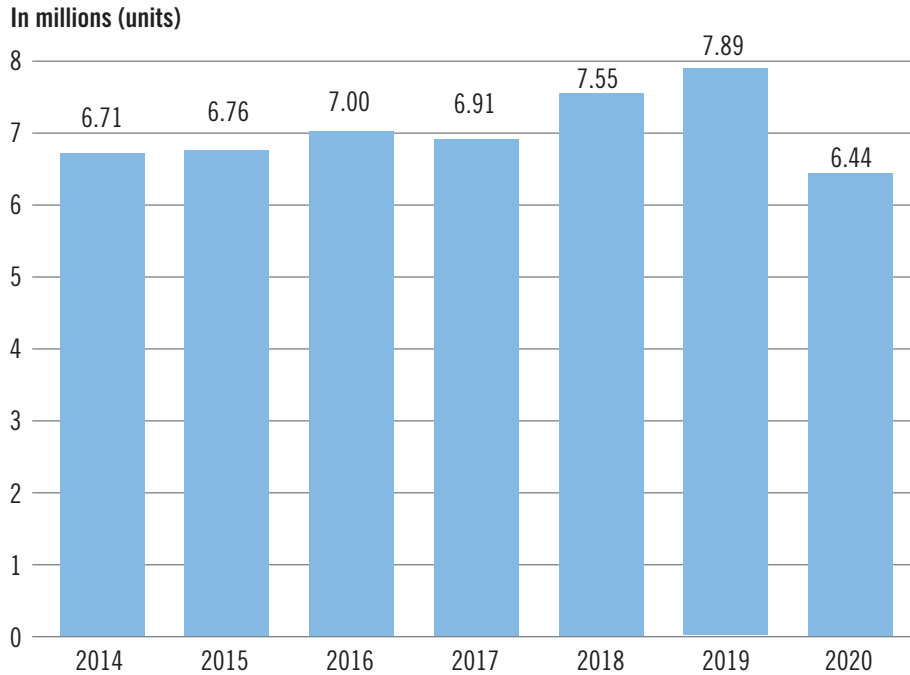
### New-Vehicle Sales and Market Share by Manufacturer, June YTD 2020

FCA	Ford	GM	Honda	Nissan	Toyota	Volkswagen	Other	Total
808,082	918,531	1,104,452	592,287	434,934	893,776	245,404	1,431,568	6,429,034
12.6%	14.3%	17.2%	9.2%	6.8%	13.9%	3.8%	22.3%	

Source: Wards Intelligence

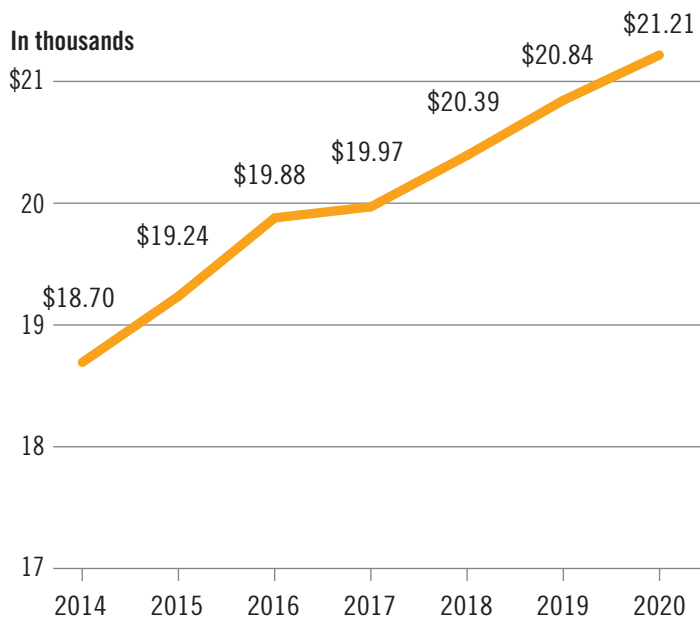
## Used-Vehicle Department

### Used-Vehicle Sales by New-Vehicle Dealerships, by Year, June YTD



Source: NADA

### Average Retail Selling Price of Used Vehicles Sold by New-Vehicle Dealerships, by Year, June YTD



Source: NADA



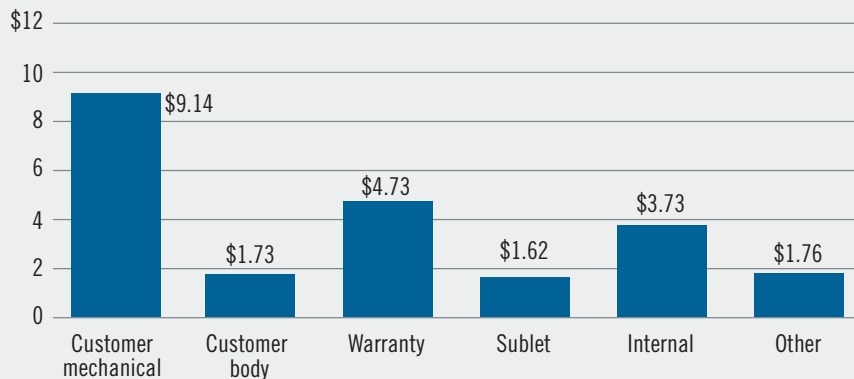
# \$21,206

AVERAGE RETAIL SELLING PRICE  
OF USED VEHICLES SOLD  
*(by new-vehicle dealerships)*

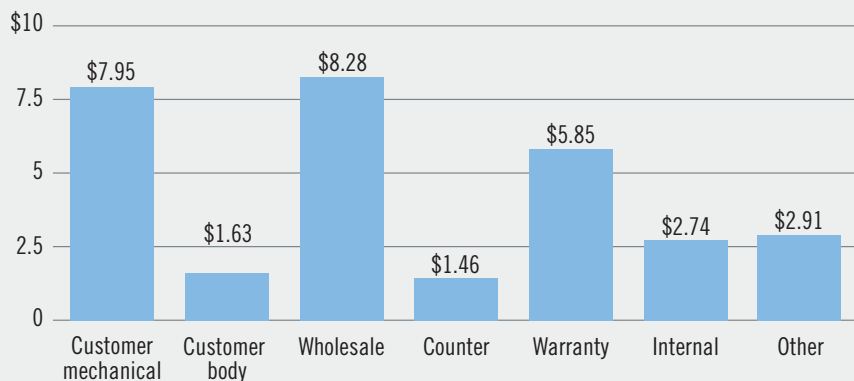
## Service and Parts Department

### Dealerships' Total Service and Parts Sales, June YTD 2020

#### Service labor sales (in billions of dollars)



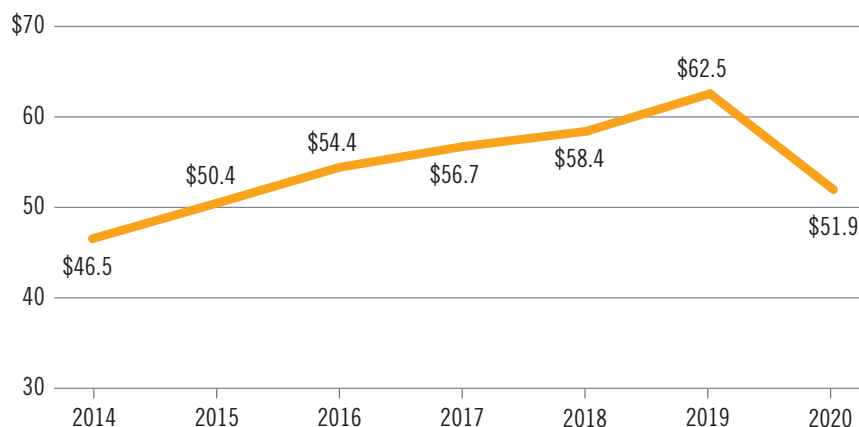
#### Parts sales (in billions of dollars)



Source: NADA

### Dealerships' Total Service and Parts Sales by Year, June YTD

#### In billions of dollars



Source: NADA

### Dealerships' Total Service and Parts Sales, June YTD 2020

(in billions of dollars)

#### Service labor sales

Customer mechanical	\$9.14
Customer body	\$1.73
Warranty	\$4.73
Sublet	\$1.62
Internal	\$3.73
Other	\$1.76

**Total service labor \$22.72**

#### Parts sales

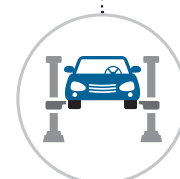
Customer mechanical	\$7.95
Customer body	\$1.63
Wholesale	\$8.28
Counter	\$1.46
Warranty	\$5.85
Internal	\$2.74
Other	\$2.91

**Total parts \$30.82**

Source: NADA

## \$51.94 billion

SERVICE AND PARTS SALES  
(for all new-vehicle dealerships)



## Service and Parts Department *(continued)*

### Profile of Dealerships' Service and Parts Operations, June YTD 2020

	Average dealership	All dealers
Total service and parts sales	\$3,120,013	\$51,935,733,254
Total number of repair orders written	7,545	125,589,435
Total service and parts sales per customer repair order	\$329	
Total service and parts sales per warranty repair order	\$385	
Number of technicians (including body)	15	251,037
Parts sales per service labor sale	\$1.60	
Total parts inventory	\$405,818	\$6,755,241,555
Average customer mechanical labor rate	\$131	

Source: NADA



**\$3.74 million**

SERVICE AND PARTS SALES  
*(per new-vehicle dealership)*



**251,037**

TECHNICIANS  
*(including body shop)*



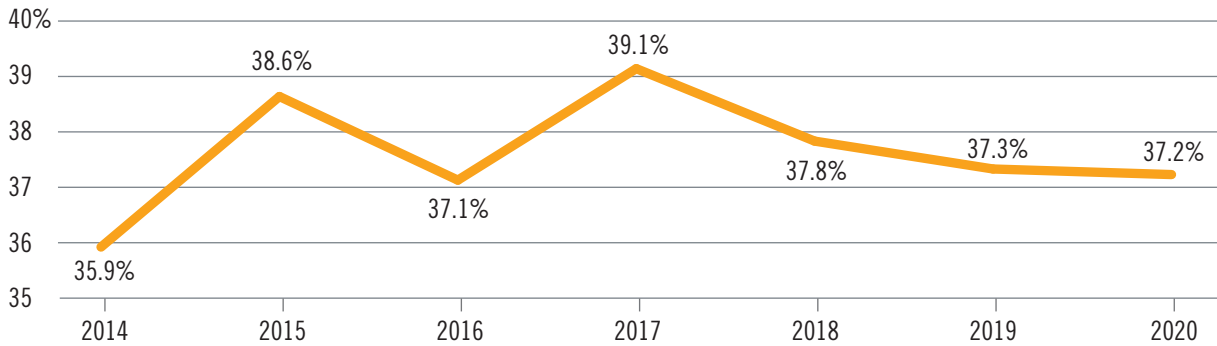
**126+ million**

REPAIR ORDERS WRITTEN

## Body Shop Department

### Dealerships Operating On-Site Body Shops by Year, June YTD

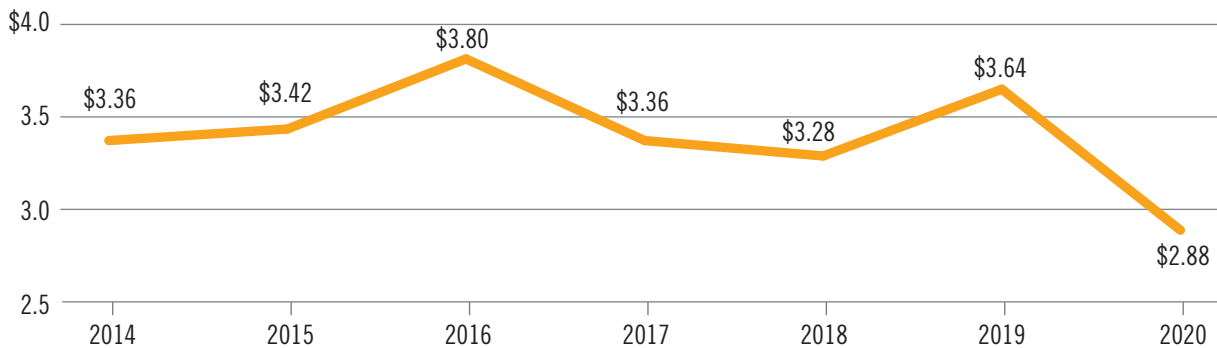
Percent of total dealership population



Source: NADA

### Total Dealership Body Shop Sales by Year, June YTD

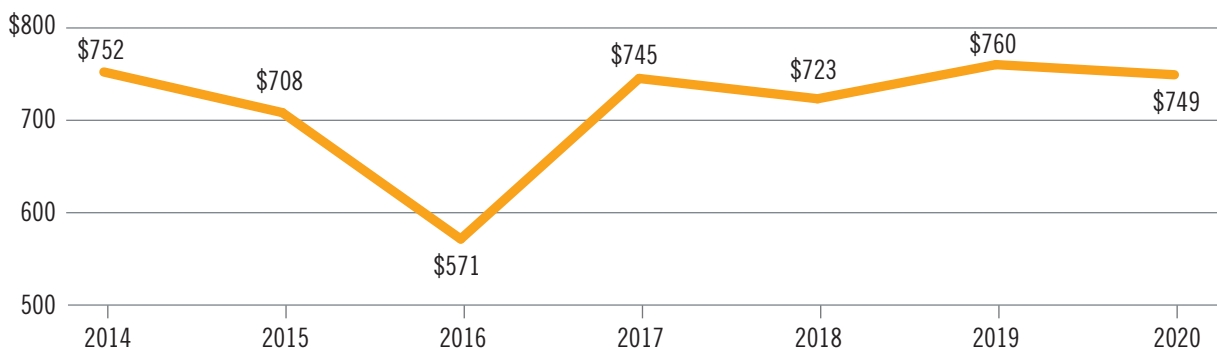
In billions of dollars



Source: NADA

### Body Shop Sales per Repair Order by Year, June YTD

In dollars

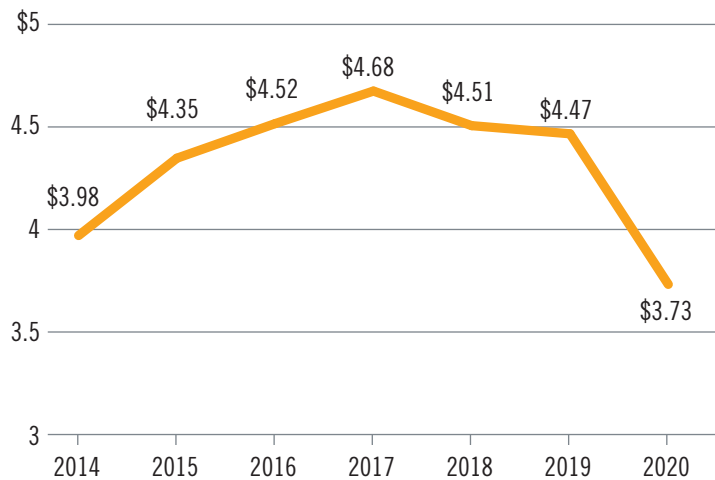


Source: NADA

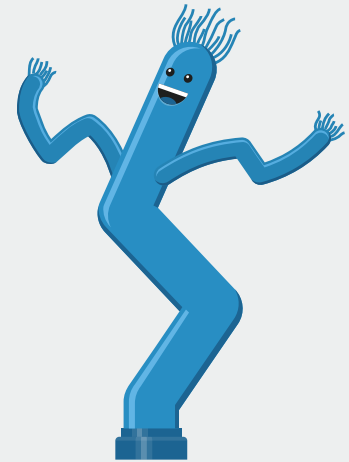
## Dealership Advertising

### Total Franchised Dealership Advertising Expenditures by Year, June YTD

In billions of dollars



Source: NADA

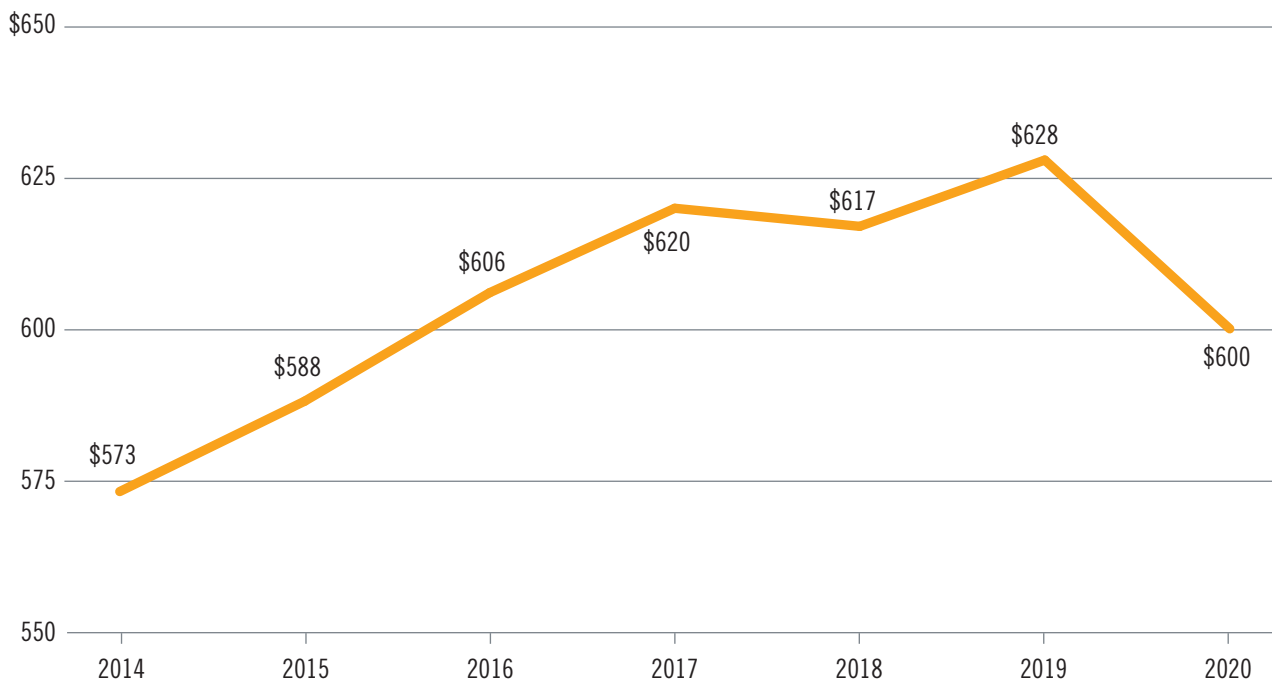


# \$3.73 billion

TOTAL DEALERSHIP  
ADVERTISING EXPENDITURES

### Average Dealership Advertising per New Unit Sold by Year, June YTD

In dollars



Source: NADA



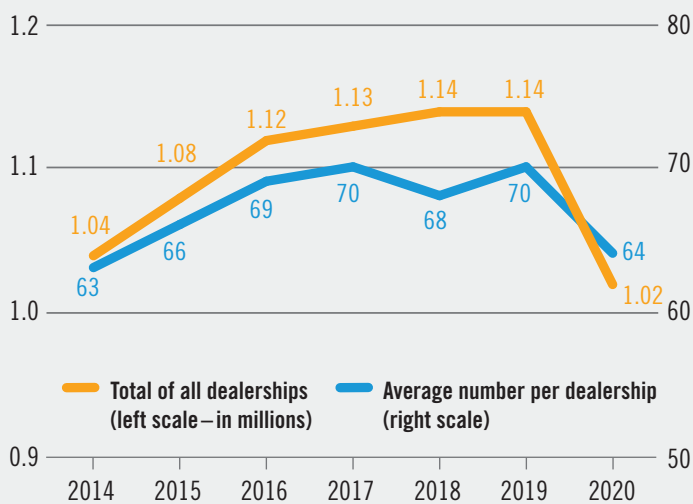
## Employment and Payroll

### Average Weekly Earnings of New Light-Vehicle Dealership Employees by State, Year-end 2019\*

Alabama	\$1,112	Indiana	\$1,049	Nebraska	\$1,054	South Carolina	\$1,094
Alaska	\$1,111	Iowa	\$1,055	Nevada	\$1,349	South Dakota	\$1,097
Arizona	\$1,200	Kansas	\$1,046	New Hampshire	\$1,286	Tennessee	\$1,161
Arkansas	\$1,079	Kentucky	\$1,071	New Jersey	\$1,345	Texas	\$1,294
California	\$1,317	Louisiana	\$1,087	New Mexico	\$1,070	Utah	\$1,104
Colorado	\$1,245	Maine	\$1,061	New York	\$1,254	Vermont	\$1,098
Connecticut	\$1,247	Maryland	\$1,196	North Carolina	\$1,115	Virginia	\$1,186
Delaware	\$1,129	Massachusetts	\$1,336	North Dakota	\$1,074	Washington	\$1,200
Florida	\$1,208	Michigan	\$1,164	Ohio	\$1,075	West Virginia	\$955
Georgia	\$1,203	Minnesota	\$1,084	Oklahoma	\$1,071	Wisconsin	\$963
Hawaii	\$1,234	Mississippi	\$1,023	Oregon	\$1,143	Wyoming	\$1,011
Idaho	\$1,050	Missouri	\$1,091	Pennsylvania	\$1,066		
Illinois	\$1,104	Montana	\$1,064	Rhode Island	\$1,116		
						<b>Total U.S.</b>	<b>\$1,180</b>

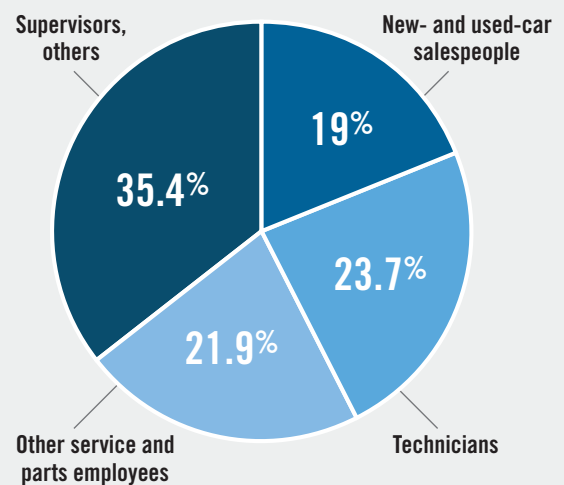
\*Payroll Information is from year-end 2019. Source: Bureau of Labor Statistics, NADA

### Estimated Number of Dealership Employees by Year, June YTD



Source: NADA

### Dealership Employment by Position, June YTD 2019



Source: NADA

## Employment and Payroll *(continued)*

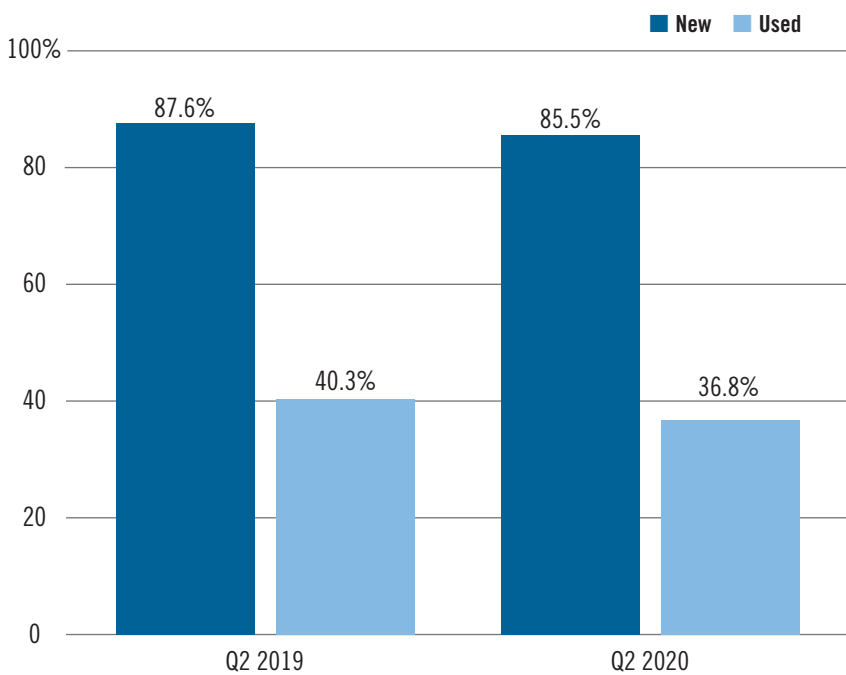
### Annual Payroll of New-Vehicle Dealerships by State, Year-end 2019\*

State	Total, all dealers (billions)	Average per dealership (millions)	State	Total, all dealers (billions)	Average per dealership (millions)	State	Total, all dealers (billions)	Average per dealership (millions)
Alabama	\$0.89	\$3.28	Louisiana	\$0.91	\$3.14	Ohio	\$2.49	\$3.26
Alaska	\$0.11	\$4.01	Maine	\$0.31	\$2.66	Oklahoma	\$0.78	\$2.96
Arizona	\$1.56	\$6.18	Maryland	\$1.49	\$4.70	Oregon	\$0.81	\$3.56
Arkansas	\$0.53	\$2.49	Massachusetts	\$1.68	\$4.18	Pennsylvania	\$2.79	\$3.03
California	\$8.14	\$6.08	Michigan	\$2.21	\$3.49	Rhode Island	\$0.21	\$3.67
Colorado	\$1.28	\$4.93	Minnesota	\$1.20	\$3.31	South Carolina	\$0.91	\$3.43
Connecticut	\$0.91	\$3.52	Mississippi	\$0.44	\$2.43	South Dakota	\$0.24	\$2.75
Delaware	\$0.25	\$4.59	Missouri	\$1.27	\$3.15	Tennessee	\$1.34	\$3.95
Florida	\$5.25	\$5.72	Montana	\$0.22	\$2.14	Texas	\$6.85	\$5.40
Georgia	\$2.08	\$3.98	Nebraska	\$0.42	\$2.60	Utah	\$0.64	\$4.27
Hawaii	\$0.28	\$4.01	Nevada	\$0.64	\$6.21	Vermont	\$0.18	\$2.15
Idaho	\$0.35	\$3.54	New Hampshire	\$0.47	\$3.32	Virginia	\$1.99	\$4.15
Illinois	\$2.58	\$3.49	New Jersey	\$2.31	\$4.91	Washington	\$1.43	\$4.44
Indiana	\$1.26	\$3.04	New Mexico	\$0.38	\$3.33	West Virginia	\$0.32	\$2.28
Iowa	\$0.71	\$2.45	New York	\$3.42	\$3.85	Wisconsin	\$1.23	\$2.48
Kansas	\$0.56	\$2.52	North Carolina	\$2.15	\$3.58	Wyoming	\$0.11	\$2.29
Kentucky	\$0.75	\$3.08	North Dakota	\$0.22	\$2.69	<b>Total U.S.</b>	<b>\$69.55</b>	<b>\$3.98</b>

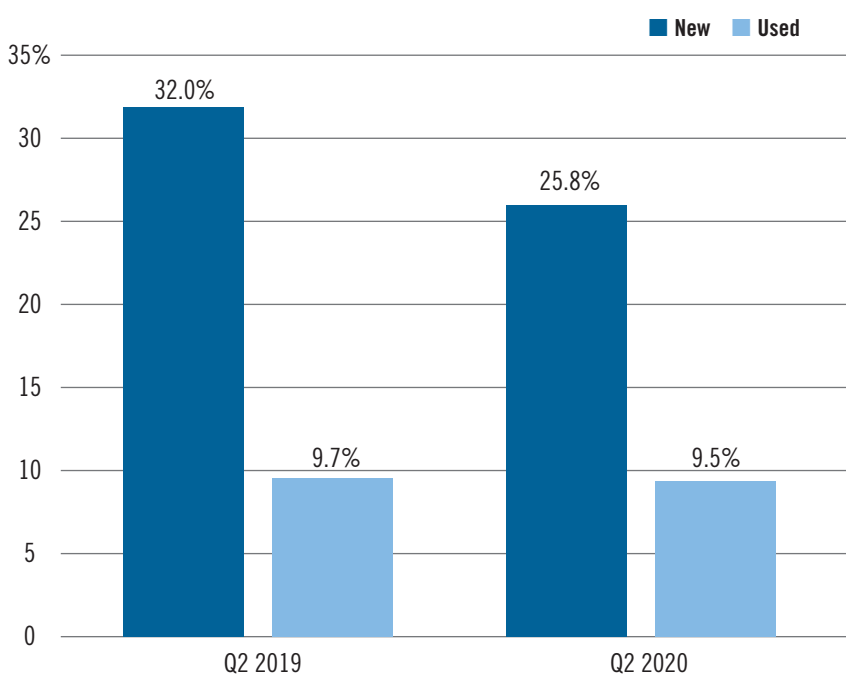
\*Payroll Information is from year-end 2019. Source: U.S. Bureau of Labor Statistics

## New- and Used-Vehicle Consumer

### Percentage of Vehicles Sold With Financing, 2019 vs. 2020, Q2



### Percentage of Vehicles Leased, 2019 vs. 2020, Q2

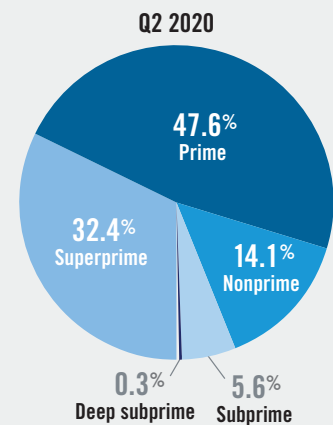
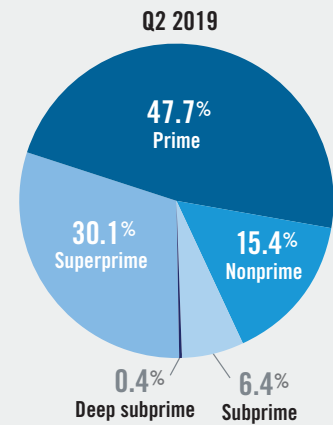


Source for all charts on this page: Experian Automotive. For more information, contact auto@experian.com.

### Credit Score Range

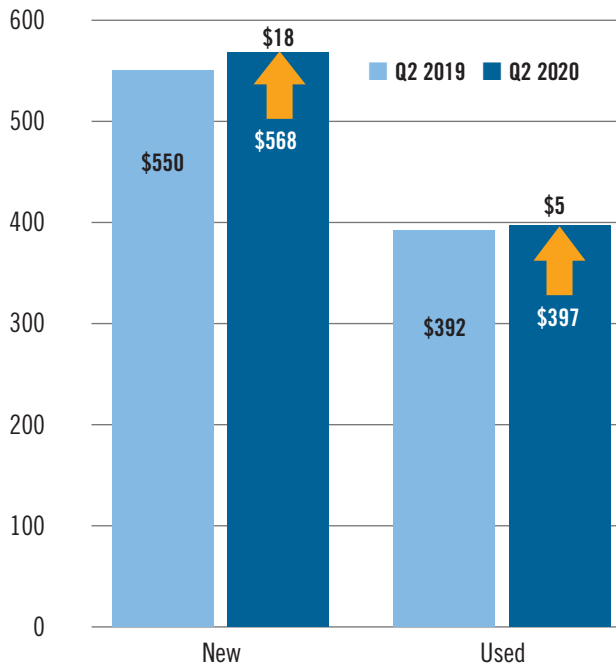
Category	Score range
Superprime	781-850
Prime	661-780
Nonprime	601-660
Subprime	501-600
Deep subprime	300-500

### New Vehicle Leasing by Risk Segment, Q2

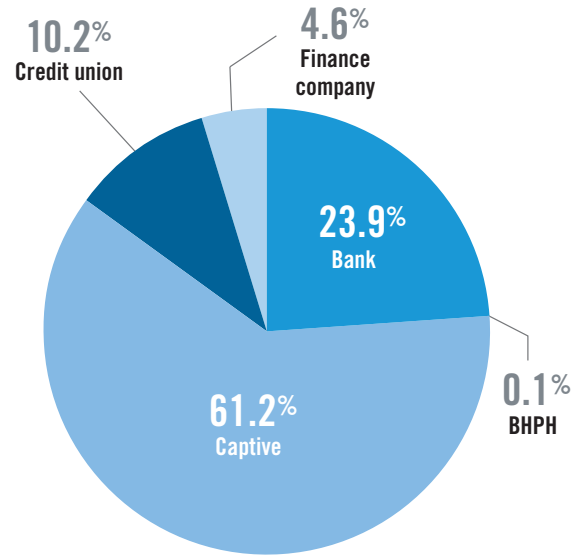


## New- and Used-Vehicle Consumer *(continued)*

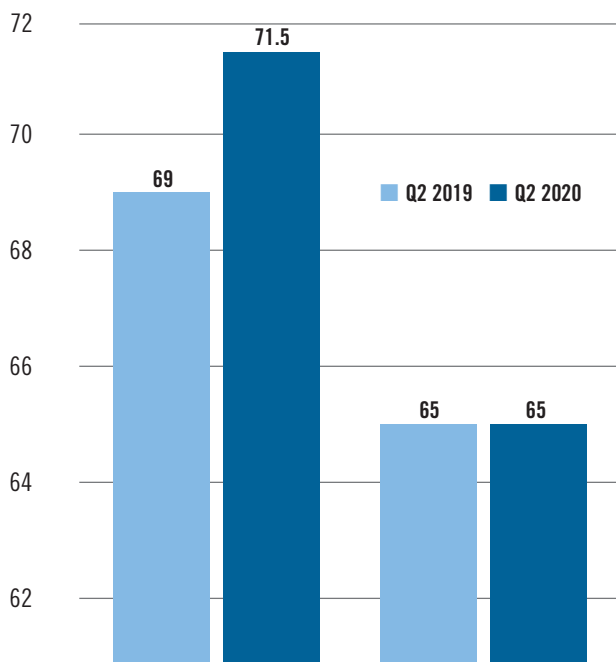
### Average Monthly Payment, 2019 vs. 2020, Q2



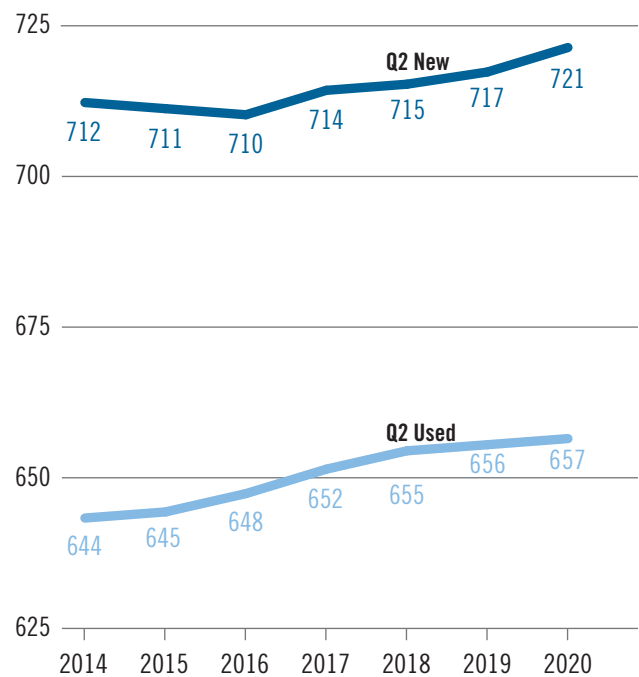
### New-Vehicle Market Share by Lender Type, Q2 2020



### Average Loan Term in Months, 2019 vs. 2020, Q2



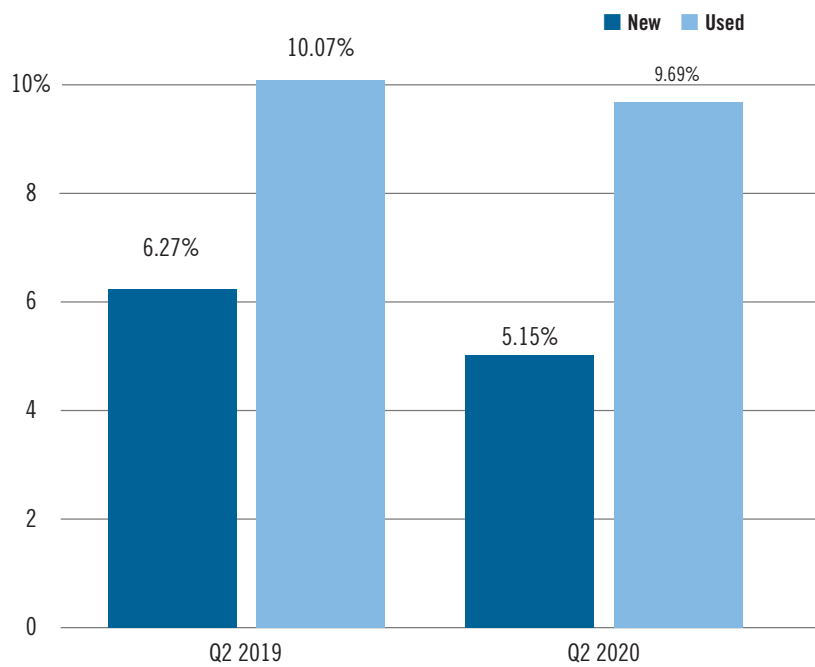
### Average Loan Credit Scores by Vehicle Type, Q2



Source for all charts on this page: Experian Automotive. For more information, contact auto@experian.com.

## New- and Used-Vehicle Consumer *(continued)*

**Average Interest Rate on Vehicle Financing, 2019 vs. 2020, Q2**



Source for all charts on this page: Experian Automotive. For more information, contact [auto@experian.com](mailto:auto@experian.com).