

SUPPLEMENT TO

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# Automotive News

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# TOP 100

DEALERSHIP GROUPS RANKED BY  
USED-VEHICLE SALES

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Used cars and trucks are big business at franchised new-vehicle dealerships, providing 32 percent of the average dealership's revenues in 2012, says the National Automobile Dealers Association. In this supplement, *Automotive News* provides a snapshot of the top 100 dealership groups in the United States, as ranked by their retail sales of used vehicles.

# Used-vehicle sales, revenues rally in '12

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Combined retail sales of used vehicles by the biggest dealership groups in the country rose 9 percent last year, with revenues from those sales climbing 11 percent.

The top 100 dealership groups sold a total of 2,094,332 used vehicles in 2012, generating \$39.74 billion in revenues, data compiled by the Automotive News Data Center show.

This supplement focuses on the used-vehicle operations of the top 100 U.S. franchised dealership groups, as ranked by their unit retail sales of used cars and light trucks. The data is drawn from the same survey that *Automotive News* uses to produce its annual list of the top 125 U.S. dealership groups, ranked by new-vehicle unit retail sales.

These 100 groups accounted for 6 percent of the 34,841,918 used vehicles registered in 2012, as tracked by Experian Automotive, up a shade from 5.6 percent of the 34,584,880 registered in 2011. The Experian numbers exclude fleet registrations.

## CarMax leads the pack

As usual, CarMax Inc. was the largest seller of used vehicles in the United States. Its retail sales of used cars and trucks rose 3 percent to 408,080 units, and revenues from those sales rose 9 percent to \$7.8 billion in its fiscal year that ended Feb. 29, 2012.

But when the data deck is reshuffled, other dealership groups move to top positions.

For example, 52 groups registered higher percentage increases in retail used-vehicle revenues than CarMax, and 70 had higher

## Top used-auto gainers

These dealership groups led these categories in percentage growth in 2012.

CATEGORY	GROUP	2012 TOTAL	INCREASE
Retail used units	Victory Automotive Group	21,071	71%
Retail used dollars	Greenway Automotive	\$264.3 million	44%
Wholesale units	Carl Gregory Enterprises	3,659	171%
Wholesale dollars	Carl Gregory Enterprises	\$20 million	82%

percentage increases for retail used-unit sales.

Last year Germain Motor Co. of Columbus, Ohio, increased both used-unit sales and used-unit revenues by 15 percent. The 7,656 used vehicles it sold generated \$140.2 million in sales.

CEO Steve Germain says his group, and dealerships in general, sharpened their focus on used vehicles during the recession because they "needed to get every dollar out of every department."

He says his dealerships began retailing a lot of trade-ins that in the past they would have wholesaled, a practice that continues. He said the overall quality of vehicles built since the early 2000s is good and continues to improve. That has made older, high-mileage vehicles more reliable and easier to retail.

"In the past, we were afraid of the impact those cars would have on the customer experience," Germain says. "But today a 10-year-old car is not the risk it was back in the 1970s or '80s."

## Big push at Penske

Penske Automotive Group Inc. is not letting up on used-vehicle sales either, says Anthony Pordon, Penske's executive vice president of investor relations and corporate development.

Penske, of suburban Detroit, retailed 145,580 used units last year — 24,079 more than it retailed in 2011 and the largest unit-sales increase of the top 100 groups. Its used-vehicle retail revenues increased 16 percent to \$3.7 billion.

Penske has set a goal of retailing one used vehicle for each new vehicle it sells, up from one used for every two new that it tallied in 2006 and 2007. Some stores in the group already sell more used vehicles than new ones, but overall the group is shy of the goal.

In the first quarter of 2013 the group retailed 0.88 used vehicle for every new vehicle it retailed.

"We're full speed ahead on used," Pordon says. "We are taking in trades and taking back lease returns, so the combination of those two, for some stores, allows us to sell more used cars than new cars."

"You look at high-end luxury dealerships like Ferrari, Bentley — you only get a few new cars per year, so you have to make your money on selling a lot of used cars, too."

RLJ McLarty Landers Automotive, of Little Rock, Ark., increased used-vehicle unit sales 5 percent to 15,825 and raised its revenues 10 percent to \$276.2 million last year.

CEO Franklin McLarty, in an e-mail response, wrote that he believes the industry



**CEO Steve Germain says Germain Motor Co. is retailing more older, higher-mileage vehicles than in the past because of their improved quality.**

trend toward selling older high-mileage used vehicles will continue, but added that minimizing exposure in the wholesale market is important.

He adds: "Managing our stock levels and inventory aging is a key focus." **AN**









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