

FRANCHISED NEW CAR DEALERS AN ECONOMIC ENGINE FOR SAN DIEGO COUNTY

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 2017 by San Diego County's franchised new car dealers.

Dealership Sales

TOTAL DEALERSHIP SALES:	\$12,084,149,000
New Vehicle Sales:	\$7,393,100,000
Used Vehicle Sales:	\$2,606,824,000
Parts & Accessories:	\$831,270,000
Service Department:	\$605,605,000
Finance & Insurance:	\$410,190,000
Other Departments:	\$237,160,000

Dealership Employment

Full-time & part time employees:	14,157
Payroll:	\$874,346,000
Worker's compensation premiums:	\$16,383,400

Dealership Purchasing

Purchases from CA businesses:	\$223,850,000
Local Advertising:	\$127,050,000

Dealership Taxes & Fees

State Sales Tax:	\$700,832,000
Federal Payroll Taxes:	\$240,427,000
State Payroll Taxes:	\$55,055,000
Real Estate Taxes:	\$28,556,000
Other Taxes/Fees:	\$5,094,100
Total:	\$1,029,964,100

The New Car Dealers Association® San Diego County (NCDA) prepared the 2018 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.

THE CONTRIBUTIONS OF SAN DIEGO COUNTY FRANCHISED NEW CAR DEALERS

2018

ECONOMIC IMPACT REPORT



NEW CAR
DEALERS ASSOCIATION
SAN DIEGO COUNTY

REGIONAL ECONOMIC GENERATOR

San Diego County's Franchised New Car Dealers continued to be a significant regional economic generator in 2017. Sales of new and used vehicles increased for the eighth consecutive year, and combined with revenue increases from service and parts sales, total dealership sales reached more than \$12 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 more than 14,000 full and part time employees in 2017 with a payroll approaching \$875 million. Additionally, dealers made purchase from other California businesses totalling \$223,850,000.

2017 SAN DIEGO COUNTY DEALERSHIP SALES: \$12 BILLION

New Vehicle Sales:	\$7,393,100,000
Used Vehicle Sales:	\$2,606,824,000
Parts & Accessories:	\$831,270,000
Service Department:	\$605,605,000
Finance & Insurance:	\$410,190,000
Other Departments:	\$237,160,000
TOTAL	\$12,084,149,000

Franchised new car dealers increased overall dealership sales for the eighth consecutive year. Consumers continued to be drawn to dealerships to purchase a widening range of new and redesigned models as they replaced existing vehicles. New vehicle sales increased by \$60 million in 2017 vs. 2016 (including fleet sales). Sales of pre-owned vehicles were up by \$140 million last year as well.

CHARITABLE CONTRIBUTIONS

For decades San Diego County's franchised new car dealers have financially supported a wide range of local organizations with annual donations. In 2017 alone, dealers contributed more than \$3 million to benefit the San Diego County community.

Thanks to dealer funding, each year a team of talented San Diego County automotive tech students are provided a unique opportunity to compete on a national stage against other students from all corners of the US during the National Automotive Technology Competition in New York City. New car dealers also provide financial support to local law enforcement and other first responders so that they continue to have critical resources to help keep our communities safe.

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.

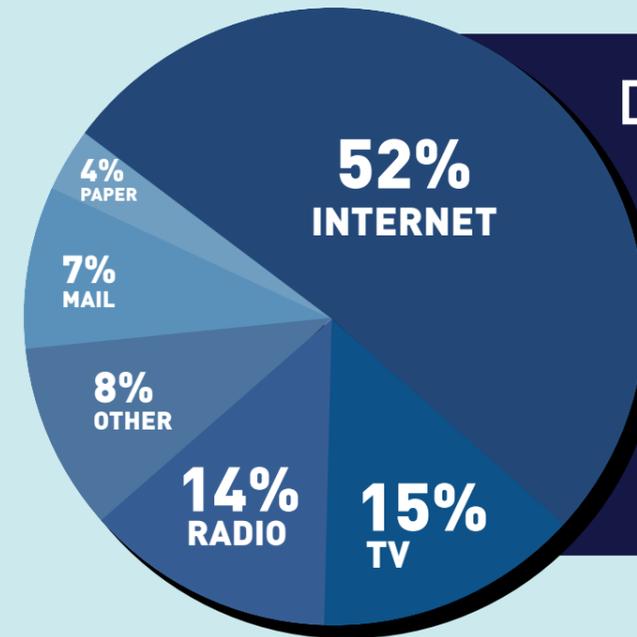


EMPLOYMENT & PAYROLL

San Diego County's franchised new car dealers serve as one of the region's largest sources of employment while providing access to health care benefits to 97 percent of 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 more than 14,000 full-time and part-time employees in San Diego County, and employee payrolls increased last year by more than \$30 million, along with a corresponding increase in worker's compensation premiums paid by dealers.

- **FULL-TIME EMPLOYEES:**
13,431
- **PART-TIME EMPLOYEES:**
726
- **PAYROLL:**
\$874,346,000
- **WORKER'S COMPENSATION PREMIUMS PAID:**
\$16,383,400



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 \$127 million to advertise their dealerships, which is an increase of more than \$7 million as compared to 2016. Internet advertising led all categories as a percentage of advertising expenditures for the sixth consecutive year.

TAXES & FEES PAID BY DEALERSHIPS

Annually, San Diego County's franchised new car dealerships collect and pay hundreds of millions of dollars in taxes and fees, with 2017 topping \$1 billion for the second consecutive year. These include federal and state payroll taxes, real estate taxes, state sales tax, and numerous state and local business taxes and fees.

State Sales Tax:	\$700,832,000
Federal Payroll Taxes:	\$240,427,000
State Payroll Taxes:	\$55,055,000
Real Estate Taxes:	\$28,556,000
Other Taxes/Fees:	\$5,094,100
TOTAL:	\$1,029,964,100