

Automotive Industry Trend Analysis (Domestic)

Sales - Merchandising and Staffing Guidelines	2014	2015	2016	2017	2018	2019
New Vehicle						
New Vehicle Supply in days	98.7	100.3	95.0	108.4	109.0	96.0
Number of units older than 90 days			ß			
Units per salesperson (New) per month			12.0		11.0	12.0
Gross Cars - before F&I	\$ 1,037	\$ 1,305	\$ 1,094	\$ 827	\$ 939	\$ 581
Gross Trucks - before F&I	\$ 1,251	\$ 1,292	\$ 1,493	\$ 1,501	\$ 1,338	\$ 1,356
Sales Ratio: new to used	1.8:1	1.3:1	1.29:1	1.3:1	1.15:1	1.32:1
Departmental G/P as a % of Total Dealership G/P			18.5%		26.0%	30.2%
Gross Productivity						
New Vehicle						
Gross profit as a % of sales	6.7%	4.7%	4.6%	4.7%	4.7%	4.6%
Net profit as a % of sales	1.9%	1.3%	1.9%	0.7%	1.4%	1.0%
F&I penetration Rate%						
Finance contract (exc retail lease)	72.5%	82.3%	ß			
Finance contract (inc retail lease)	77.0%	80.8%	73.6%	76.3%	80.4%	76.4%
Insurance	30.9%	35.9%	ß			
Extended Service	49.4%	45.0%	42.2%	52.8%	46.1%	42.2%
Finance Gross per financed veh.	\$ 699	\$ 792	ß			
Insurance Gross per insured veh	\$ 503	\$ 573	ß			
Finance & Insurance Gross per financed veh.			\$ 969	\$ 644	\$ 869	\$ 736
Ext Service Gross per contract	\$ 833	\$ 842	\$ 847	\$ 860	\$ 901	\$ 1,259
All New Other Income per new vehicle sold			\$ 334		\$ 1,092	\$ 1,256
Expense Control Structure Guidelines						
New Vehicle						
Total expense as a % of vehicle G/P	78.3%	101.7%	90.6%	94.5%	89.3%	84.7%
Compensation as a % of veh GP						
Salesperson	23.6%	29.6%	20.3%	21.5%	21.1%	24.6%
Supervision	16.4%	16.4%	14.1%	24.0%	12.9%	15.9%
F&I comp as % of F&I income	18.2%	18.5%	18.0%	22.3%	20.3%	21.9%
Personnel Exp as a % of G/P	48.2%	48.6%	38.8%	43.3%	41.1%	41.8%
Gross Advertising as a % of Veh G/P	24.8%	26.0%	19.7%		29.2%	28.3%
Gross Advertising Reimbursement as a % of veh. G/P			-10.4%		25.2%	11.1%
Net Advertising per retail unit sold	\$ 339	\$ 386	\$ 235		\$ 389	\$ 365
Gross Floor plan int as a % of Veh G/P	8.2%	0.2%	7.9%	7.7%	26.5%	36.0%
Gross Floor plan int. reimbursement as a % of veh. G/P			-14.60%		13.90%	13.70%
Policy Exp as a % of veh. G/P			2.00%		2.30%	t

Performance Measures						
Key Indicator Ratios						
Current Ratio	1.33	1.14	1.40	1.21	1.30	1.50
Debt to Equity Ratio	3.67	4.24	4.10	5.53	5.40	2.70

t - Too few data points to arrive at a meaningful average

ß - Category discontinued

Sales - Merchandising & Staffing Guidelines	2014	2015	2016	2017	2018	2019
Used Vehicle						
Used Vehicle supply (in days)	57.1	54.0	60.0	57.0	54.0	61.0
Number of units older than 90 days			ß			
Units per salesperson (N&U) per month	10.6	14.8	12.0	13.0	12.0	12.0
Gross Cars - Before F&I	\$ 1,329	\$ 1,355	\$ 1,614	\$ 1,407	\$ 1,486	\$ 1,589
Gross Trucks - before F&I	\$ 1,722	\$ 1,658	\$ 2,082	\$ 1,808	\$ 1,678	\$ 1,648
Departmental G/P as a % of Total Dealership G/P			21.50%		18.70%	13.70%
Gross Productivity						
Used Vehicle						
Gross profit as a % of sales	9.9%	9.0%	9.2%	8.7%	8.4%	8.3%
Net profit as a % of sales	4.0%	4.1%	3.3%	3.2%	3.8%	1.9%
F&I Penetration Rate %						
Finance Income (excl retail lease)	64.6%	64.5%	63.9%	61.7%	64.7%	63.3%
Insurance	30.3%	30.4%	ß			
Extended Service	47.0%	49.4%	45.5%	46.7%	47.5%	45.1%
Finance Gross per financed vehicle	\$ 695	\$ 710	\$ 846		\$ 887	\$ 770
Insurance Gross per insured vehicle	\$ 469	\$ 519	\$ 935	\$ 982		
Finance & Insurance Gross per financed veh.						
Ext Service Gross per contract	\$ 658	\$ 737	\$ 351		\$ 843	\$ 944
All New Other Income per new vehicle sold					1059	t
Expense Control Structure Guidelines						
Used Vehicle						
Total Expense as a % of Total G/P	86.4%	83.3%	83.40%	97.00%	86.80%	63.80%
Compensation as a % of veh GP						
Salesperson	24.9%	24.4%	21.8%	29.1%	23.5%	28.6%
Supervision	16.5%	17.2%	14.8%	20.0%	13.2%	20.2%
F&I comp as % of F&I income	22.6%	20.4%	20.7%	24.3%	19.7%	22.6%
Personel Exp as a % of G/P	35.4%	33.3%	33.6%	41.1%	35.8%	44.3%
Gross Advertising as a % of Veh G/P	10.7%	9.8%	10.0%	8.6%	8.6%	10.3%
Gross Advertising Reimbursement as a % of veh. G/P			t		t	t
Net Advertising per retail unit sold	\$ 290	\$ 157	\$ 219	\$ 210	\$ 198	\$ 188
Gross Floor plan int as a % of Veh G/P	1.2%	1.4%	1.40%	1.60%	4.00%	t
Gross Floor plan int. reimbursement as a % of veh. G/P			t		t	t
Policy Expense as a % of veh. G/P			2.60%		2.30%	1.90%
Reconditioning - Cars	\$ 658	\$ 693	\$ 799	\$ 784	\$ 742	\$ 801

Performance Measures						
Key Indicator Ratios						
Return on Equity (ROE)	52.7%	41.3%	38.6%	47.4%	25.4%	32.2%
Return on Assets (ROA)	10.5%	10.3%	9.8%	7.8%	6.7%	7.6%

Automotive Industry Trend Analysis (Domestic)

Sales - Merchandising and Staffing	2014	2015	2016	2017	2018	2019
Service Dept.						
Flat Hrs/RO	1.3	1.3	1.3	1.4	1.3	1.3
Technician efficiency	87.6%	99.4%	ß			
RO's/Day/Svc Advisor - Cust Pay, Warr, Int	12.7	12.4	15.3	13.5	11.5	15.0
Technicians per Service Advisor	3.4	3.8	3.6	3.5	3.6	3.7
Labor Gross per Tech (per month)	\$ 9,993	\$ 10,345	\$ 8,745	\$ 9,976	\$ 10,410	\$ 10,186
Labor Gross per Advisor (per month)	\$ 32,057	\$ 37,114	\$ 31,021	\$ 35,354	\$ 37,651	\$ 38,319
Departmental G/P as a % of Total Dealership G/P			23.2%		23.3%	23.1%
Gross Productivity						
Service Dept.						
G/P as a % of sales						
Customer Pay	71.7%	71.1%	70.8%	71.2%	71.8%	72.3%
Warranty	72.1%	72.5%	71.8%	73.7%	73.4%	72.3%
Internal	71.7%	69.8%	70.4%	72.6%	73.2%	68.6%
Sublet Repairs	6.8%	6.6%	11.2%	10.2%	10.8%	7.4%
Total Department	65.4%	64.0%	65.6%	66.2%	66.0%	64.5%
Net Profit as a % of Sales	19.7%	19.1%	19.3%	20.4%	20.1%	13.6%
Expense Control Structure Guidelines						
Service Dept.						
Total expense as a % of Total GP	70.3%	70.0%	84.5%	90.4%	77.2%	86.8%
Personnel Exp as a % of G/P	41.6%	35.6%	43.5%	40.1%	41.0%	45.5%
Adv & Training as a % of G/P*		6.7%	7.5%	6.0%	7.2%	6.2%
Advertising as a % of G/P **	5.7%		ß			
Training as a % of G/P**	2.2%		ß			
Tools, Supp, Freight as a % of G/P	2.1%	2.8%	3.2%	2.3%	0.3%	0.6%
Policy Exp as a % of G/P			2.80%		3.80%	3.40%

* = Info combined prior to 2014 data ** = Info separated in 2014

Fixed Expenses - Percent of Total Gross	2014	2015	2016	2017	2018	2019
Office Staff to Total Dealership	1:10	1:12	1:10	1:10	1:10.1	1:10.1
Total Expenses as a % of Total Gross	86.1%	87.9%	84.5%	89.2%	90.4%	85.1%
Payroll Taxes as a % of Total Gross	4.4%	4.4%	4.3%	4.1%	4.4%	4.6%
Owners Compensation as a % of Sales	1.0%	0.6%	0.7%	0.3%	0.4%	0.5%
Rent Factor						
Percent of Total Gross	8.3%	10.2%	8.4%	8.5%	7.6%	8.1%
Gross Per Employee (total deal)	\$ 9,993	\$ 8,925	\$ 9,749	\$ 8,625	\$ 8,991	\$ 9,055

† - Too few data points to arrive at a meaningful average

ß - Category discontinued

Sales - Merchandising and Staffing Guidelines	2014	2015	2016	2017	2018	2019
Parts Dept.						
Level of Service			ß			
Stock Order Performance			ß			
Parts \$ sold per Labor \$ sold						
Cust Repair	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 0.9	\$ 0.8
Warranty	\$ 1.3	\$ 1.1	\$ 1.2	\$ 1.1	\$ 1.2	\$ 1.2
Internal	\$ 1.0	\$ 1.0	\$ 1.0	\$ 0.9	\$ 1.0	\$ 1.2
Dept Gross per Employee (per month)	\$ 15,474	\$ 15,513	\$ 17,219	\$ 15,276	\$ 21,533	\$ 21,285
Departmental G/P as a % of Total Dealership G/P			15.60%		17.70%	18.10%
Gross Productivity						
Parts Dept.						
G/P as a % of Sales						
Customer Pay	38.4%	38.0%	36.9%	40.2%	38.2%	38.4%
Warranty	32.9%	33.7%	33.3%	32.1%	36.4%	36.5%
Internal	26.6%	27.1%	30.3%	28.1%	30.1%	29.1%
Counter Retail	34.3%	34.4%	33.8%	32.5%	30.7%	32.7%
Wholesale	16.1%	18.0%	18.7%	18.6%	17.1%	17.9%
Customer Pay - Body Shop	33.2%	22.0%	†	†	†	†
Warranty - Body Shop	N/A	N/A	†	†	†	†
Total Dept GP%	32.3%	32.9%	33.0%	31.8%	33.4%	34.8%
Net profit as a % of Sales	15.9%	13.4%	13.4%	12.8%	13.5%	17.0%
Expense Control Structure Guidelines						
Parts Dept.						
Total Exp as % of Total G/P	56.7%	56.2%	61.4%	56.6%	45.4%	47.0%
Personnel Exp as a % of G/P	33.6%	33.4%	32.2%	34.5%	28.7%	27.6%
Advertising & Training as a % of G/P*		4.9%	ß			
Advertising as a % of G/P **	4.3%		5.0%	3.7%	3.2%	2.8%
Training as a % of G/P**	0.8%		ß			
Tools, Supp, Freight as a % of G/P	1.5%	1.1%	1.3%	1.6%	0.8%	1.1%
Policy as a % of G/P			1.2%		0.5%	0.3%

* = Info combined prior to 2014 data ** = Info separated in 2014

Fixed Expenses - Percent of Total Gross	2014	2015	2016	2017	2018	2019
Absorption %	84.4%	78.9%	71.8%	77.5%	76.1%	70.4%
Net Earnings						
% of Total Sales	3.1%	3.8%	2.9%	2.5%	2.5%	2.1%
% of Total Gross	29.7%	29.9%	26.0%	24.6%	25.7%	21.4%
Personnel Expense as a % of Gross profit	38.1%	38.1%	41.1%	49.4%	47.3%	41.5%
Office Compensation as a % of Total Gross		4.6%	4.6%	3.8%	4.1%	3.8%
All Other Income Per Retail Unit Sold Less LIFO & Gains on Fixed	\$ 835	\$ 701	\$ 528	\$ 514	\$ 706	\$ 730
Retail Units Sold / Administrative			\$ 215	\$ 206	\$ 219	\$ 235

Automotive Industry Trend Analysis (Import)

Sales - Merchandising and Staffing Guidelines	2013	2014	2015	2016	2017	2018	2019
New Vehicle							
New Vehicle Supply in days	65.3	58.5	52.4	59.0	56.3	64.5	72.7
Number of units older than 90 days	22.5			ß			
Units per salesperson (New) per month	10.7			9.8	10.4	11.6	10.7
Gross Cars - before F&I	\$ 1,332	\$ 1,173	\$ 1,039	\$ 1,002	\$ 936	\$ 846	\$ 879
Gross Trucks - before F&I	\$ 1,596	\$ 1,553	\$ 1,507	\$ 1,562	\$ 1,482	\$ 1,303	\$ 1,193
Sales Ratio: new to used	2:1	2:1	1.5:1	1.31:1	1.7:1	1.65:1	1.62:1
Departmental G/P as of % of Total Dealership G/P				25.0%		27.5%	29.1%
Gross Productivity							
New Vehicle							
Gross profit as a % of sales	6.9%	7.1%	6.3%	5.9%	5.1%	4.5%	4.2%
Net profit as a % of sales	1.8%	1.2%	2.1%	1.7%	1.1%	0.1%	-0.2%
F&I penetration Rate%							
Finance contract (exc retail lease)	76.5%	69.2%	64.1%	ß			
Finance contract (inc retail lease)	72.8%	78.3%	72.9%	76.4%	76.1%	77.6%	82.0%
Insurance	36.1%	35.2%	28.5%	ß			
Extended Service	54.1%	37.7%	37.7%	34.6%	38.4%	36.6%	42.5%
Finance Gross per financed veh.	\$ 546	\$ 644	\$ 651	ß			
Insurance Gross per insured veh	\$ 232	\$ 513	\$ 456	ß			
Finance & Insurance Gross per financed veh.				\$ 851		\$ 721	\$ 757
Ext Service Gross per contract	\$ 726	\$ 659	\$ 640	\$ 757	\$ 873	\$ 820	\$ 993
All New Other Income per new vehicle sold				\$ 1,100		\$ 723	\$ 1,158
Expense Control Structure Guidelines							
New Vehicle							
Total expense as a % of vehicle G/P	92.7%	92.0%	101.1%	104.9%	100.7%	94.1%	174.7%
Compensation as a % of veh GP							
Salesperson	20.8%	19.3%	21.2%	21.2%	27.5%	25.2%	30.7%
Supervision	16.7%	16.7%	15.6%	15.2%	19.4%	14.1%	24.0%
F&I comp as % of F&I income	28.4%	21.6%	21.4%	21.6%	20.2%	17.7%	18.4%
Personnel Exp as a % of G/P	51.4%	42.4%	48.2%	44.8%	46.5%	44.6%	62.8%
Gross Advertising as a % of Veh G/P	14.6%	16.1%	15.2%	14.0%		20.5%	30.8%
Gross Advertising Reimbursement as a % of veh. G/P				t		t	t
Net Advertising per retail unit sold	\$ 280	\$ 315	\$ 345	\$ 289		\$ 340	\$ 360
Gross Floor plan int as a % of Veh G/P	-6.0%	-2.0%	-2.9%	-2.4%	-3.8%	7.0%	14.0%
Gross Floor plan int. reimbursement as a % of veh. G/P				-7.30%		t	31.4%
Policy Exp as a % of veh. G/P				1.70%		1.20%	1.80%

Performance Measures							
Key Indicator Ratios							
Current Ratio	1.19	1.48	1.38	1.40	1.31	1.50	1.40
Debt to Equity Ratio	2.70	2.76	2.05	2.90	3.36	2.80	3.50

t - Too few data points to arrive at a meaningful average

ß - Category discontinued

Sales - Merchandising & Staffing Guidelines	2013	2014	2015	2016	2017	2018	2019
Used Vehicle							
Used Vehicle supply (in days)	75.3	48.4	46.6	43.0	57.0	61.0	57.0
Number of units older than 90 days	15.7			ß			
Units per salesperson (N&U) per month	11.7	15.2	14.3	20.0	13.0	11.0	12.0
Gross Cars - Before F&I	\$ 1,647	\$ 1,547	\$ 1,655	\$ 1,858	\$ 1,856	\$ 2,129	\$ 1,828
Gross Trucks - before F&I	\$ 1,572	t	t	\$ 1,386	\$ 1,756	\$ 2,017	t
Departmental G/P as a % of Total Dealership G/P				20.20%		22.90%	16.30%
Gross Productivity							
Used Vehicle							
Gross profit as a % of sales	12.3%	10.8%	10.1%	10.8%	9.1%	10.0%	9.4%
Net profit as a % of sales	2.7%	2.5%	2.2%	2.2%	2.7%	3.2%	2.1%
F&I Penetration Rate %							
Finance Income (excl retail lease)	56.9%	64.4%	64.1%	64.2%	64.2%	67.3%	69.4%
Insurance	33.2%	30.4%	33.6%	ß			
Extended Service	46.3%	40.0%	44.5%	43.9%	42.2%	51.2%	44.9%
Finance Gross per financed vehicle	\$ 568	\$ 592	\$ 646	ß			
Insurance Gross per insured vehicle	\$ 295	\$ 441	\$ 399	ß			
Finance & Insurance Gross per financed veh.				\$ 751		\$ 858	\$ 909
Ext Service Gross per contract	\$ 962	\$ 699	\$ 830	\$ 794	\$ 968	\$ 1,053	\$ 1,265
All New Other Income per new vehicle sold				240		713	t
Expense Control Structure Guidelines							
Used Vehicle							
Total Expense as a % of Total G/P	87.7%	97.5%	87.6%	90.40%	91.10%	84.10%	77.40%
Compensation as a % of veh GP							
Salesperson	20.1%	19.8%	21.6%	20.6%	28.4%	21.0%	27.6%
Supervision	15.9%	14.5%	14.0%	13.3%	16.4%	11.6%	15.2%
F&I comp as % of F&I income	15.8%	23.6%	17.2%	18.1%	19.9%	19.7%	19.4%
Personel Exp as a % of G/P	42.0%	39.3%	32.2%	40.3%	46.2%	38.9%	42.7%
Gross Advertising as a % of Veh G/P	9.6%	11.3%	10.6%	10.1%	13.7%	10.6%	14.0%
Gross Advertising Reimbursement as a % of veh. G/P				t		t	t
Net Advertising per retail unit sold	\$ 183	\$ 211	\$ 270	\$ 239	\$ 242	\$ 282	\$ 324
Gross Floor plan int as a % of Veh G/P	1.8%	1.9%	1.4%	0.90%	1.20%	2.30%	1.80%
Gross Floor plan int. reimbursement as a % of veh. G/P				t		t	t
Policy Exp as a % of veh. G/P				1.30%		1.20%	2.20%
Reconditioning - Cars & Trucks	\$ 794	\$ 857	\$ 967	\$ 877	1,265	\$ 1,114	\$ 1,114

Automotive Industry Trend Analysis (Import)

Sales - Merchandising and Staffing	2013	2014	2015	2016	2017	2018	2019
Service Dept.							
Flat Hrs/RO	1.6	1.6	1.5	1.3	1.2	1.3	1.3
Technician efficiency	102.5%	99.9%	100.0%	ß			
RO's/Day/Svc Advisor - Cust Pay, Warr, Int	11.2	15.8	14.6	16.0	15.0	15.0	16.0
Technicians per Service Advisor	3.6	3.2	3.6	3.5	3.4	3.5	3.7
Labor Gross per Tech (per month)	\$ 11,169	\$ 14,467	\$ 14,689	\$ 11,668	\$ 11,920	\$ 12,684	\$ 12,920
Labor Gross per Advisor (per month)	\$ 36,102	\$ 39,589	\$ 40,326	\$ 37,703	\$ 37,154	\$ 42,458	\$ 44,839
Departmental G/P as a % of Total Dealership G/P				28.0%		30.5%	30.3%
Gross Productivity							
Service Dept.							
G/P as a % of sales							
Customer Pay	76.8%	75.9%	73.9%	75.6%	75.5%	75.8%	75.2%
Warranty	78.4%	80.5%	79.4%	77.3%	78.2%	78.8%	77.8%
Internal	74.1%	75.8%	69.8%	75.5%	71.1%	73.2%	74.2%
Sublet Repairs	13.3%	13.4%	14.8%	10.3%	10.9%	11.2%	15.7%
Total Department	71.3%	71.5%	69.6%	70.9%	68.3%	70.2%	69.6%
Net Profit as a % of Sales	17.2%	19.0%	17.5%	13.3%	14.4%	16.9%	20.2%
Expense Control Structure Guidelines							
Service Dept.							
Total expense as a % of Total GP	77.0%	71.7%	73.1%	81.5%	75.6%	81.3%	76.8%
Personnel Exp as a % of G/P	42.2%	37.7%	38.5%	37.9%	31.9%	40.6%	38.8%
Adv & Training as a % of G/P**	5.1%		3.6%	4.4%	5.4%	5.0%	5.3%
Advertising as a % of G/P **		2.8%		ß			
Training as a % of G/P**		2.1%		ß			
Tools, Supp, Freight as a % of G/P	0.0%	-0.4%	-0.2%	0.1%	-0.8%	-0.4%	0.0%
Policy Exp as a % of G/P				1.90%		1.80%	1.40%

* = Info combined prior to 2014 data ** = Info separated in 2014

Fixed Expenses - Percent of Total Gross	2013	2014	2015	2016	2017	2018	2019
Office Staff to Total Dealership	1:9.8	1:14	1:10	1:10	1:11	1:11	1:13.3
Total Expenses as a % of Total Gross	76.3%	85.7%	86.1%	86.5%	88.0%	90.6%	86.9%
Payroll Taxes as a % of Total Gross	4.3%	4.4%	4.2%	4.1%	4.4%	4.8%	4.2%
Owners Compensation as a % of Sales	0.5%	0.6%	0.4%	0.5%	0.2%	0.5%	32.0%
Rent Factor							
Percent of Total Gross	8.8%	8.0%	9.3%	9.3%	8.9%	8.5%	9.8%
Gross Per Employee (total deal)	\$ 8,749	\$ 8,787	\$ 8,906	\$ 8,606	\$ 8,987	\$ 8,962	

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Sales - Merchandising and Staffing Guidelines	2013	2014	2015	2016	2017	2018	2019
Parts Dept.							
Level of Service	90.2%			ß			
Stock Order Performance	91.0%			ß			
Parts \$ sold per Labor \$ sold							
Cust Repair	\$ 0.8	\$ 0.8	\$ 0.6	\$ 0.9	\$ 0.9	\$ 0.7	\$ 0.7
Warranty	\$ 1.2	\$ 1.4	\$ 1.3	\$ 1.5	\$ 1.6	\$ 1.3	\$ 1.2
Internal	\$ 1.0	\$ 0.8	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.7
Dept Gross per Employee (per month)	\$ 18,877	\$ 16,738	\$ 20,268	\$ 19,326	\$ 18,110	\$ 21,038	\$ 19,247
Departmental G/P as a % of Total Dealership G/P				15.80%		15.90%	18.10%
Gross Productivity							
Parts Dept.							
G/P as a % of Sales							
Customer Pay	40.0%	38.5%	38.9%	39.4%	39.8%	39.7%	39.1%
Warranty	32.0%	34.0%	37.4%	35.5%	34.3%	39.1%	37.3%
Internal	24.9%	30.1%	33.1%	31.2%	31.7%	33.6%	33.8%
Counter Retail	31.5%	32.8%	33.5%	33.2%	33.1%	32.2%	33.2%
Wholesale	18.4%	18.8%	18.6%	18.8%	18.3%	20.9%	22.0%
Customer Pay - Body Shop	34.8%	33.4%	t	t	t	t	t
Warranty - Body Shop	t	t	t	t	t	t	t
Total Dept GP%	31.7%	31.9%	33.3%	32.5%	32.1%	32.9%	34.8%
Net profit as a % of Sales	15.4%	12.3%	15.0%	11.2%	10.3%	12.2%	15.8%
Expense Control Structure Guidelines							
Parts Dept.							
Total Exp as % of Total G/P	61.4%	59.6%	55.0%	63.8%	38.7%	70.4%	59.2%
Personnel Exp as a % of G/P	31.8%	31.6%	29.4%	30.6%	33.2%	31.3%	29.4%
Advertising & Training as a % of G/P*	2.8%		1.9%	ß			
Advertising as a % of G/P **		2.0%		3.6%	3.8%	3.9%	4.2%
Training as a % of G/P**	2.8%	1.2%		ß			
Tools, Supp, Freight as a % of G/P	1.3%	1.4%	1.4%	1.1%	1.1%	1.0%	0.8%
Policy as a % of G/P				1.0%		0.2%	0.0%

* = Info combined prior to 2014 data ** = Info separated in 2014

Fixed Expenses - Percent of Total Gross	2013	2014	2015	2016	2017	2018	2019
Absorption %	84.4%	71.6%	84.4%	79.7%	81.0%	74.9%	84.7%
Net Earnings							
% of Total Sales	3.3%	3.2%	3.1%	3.1%	2.9%	2.7%	2.9%
% of Total Gross	24.7%	24.4%	24.0%	24.2%	22.4%	22.2%	19.6%
Personnel Expense as a % of Gross profit	42.9%	42.0%	42.9%	42.1%	40.2%	43.0%	40.1%
Office Compensation as a % of Total Gross	5.9%	0.0%	4.5%	4.5%	4.1%	4.4%	4.3%
All Other Income Per Retail Unit Sold Less LIFO & Gains on Fixed	\$ 675	\$ 735	\$ 857	\$ 738	\$ 723	\$ 792	
Retail Units Sold / Administrative			\$ 147	\$ 243	\$ 276	\$ 310	

Automotive Industry Trend Analysis (Highline)

Sales - Merchandising and Staffing Guidelines	2014	2015	2016	2017	2018	2019
New Vehicle						
New Vehicle Supply in days	58.1	81.4	65.5	65.1	73.6	71.2
Number of units older than 90 days			ß			
Units per salesperson (New) per month			16.0	9.4	10.9	11.0
Gross Cars - before F&I	\$ 2,278	\$ 2,192	\$ 2,044	\$ 1,924	\$ 2,174	\$ 1,772
Gross Trucks - before F&I	\$ 2,464	\$ 2,713	\$ 2,660	\$ 2,544	\$ 2,440	\$ 2,382
Sales Ratio: new to used	2.1:1	2.0:1	1.4:1	1.7:1	1.26:1	1.51:1
Departmental G/P as a % of Total Dealership G/P			20.5%		24.1%	26.5%
Gross Productivity						
New Vehicle						
Gross profit as a % of sales	6.0%	5.9%	5.9%	5.7%	4.0%	4.0%
Net profit as a % of sales	2.1%	2.6%	2.4%	2.5%	0.5%	0.8%
F&I penetration Rate%						
Finance contract (exc retail lease)	54.9%	51.2%	ß			
Finance contract (inc retail lease)	66.6%	67.1%	72.5%	70.6%	68.5%	73.7%
Insurance	9.8%	7.9%	ß			
Extended Service	21.8%	21.5%	23.6%	21.0%	27.9%	33.6%
Finance Gross per financed veh.	\$ 1,001	\$ 1,106	ß			
Insurance Gross per insured veh	\$ 363	\$ 265	ß			
Finance & Insurance Gross per financed veh.			\$ 959	\$ 1,180	\$ 655	
Ext Service Gross per contract	N/A	\$ 859	\$ 788	\$ 845	\$ 1,015	\$ 1,056
All New Other Income per new vehicle sold			\$ 692	\$ 1,110	\$ 1,800	
Expense Control Structure Guidelines						
New Vehicle						
Total expense as a % of vehicle G/P	78.8%	86.6%	91.3%	83.4%	95.2%	114.7%
Compensation as a % of veh GP						
Salesperson	16.9%	23.7%	21.4%	21.3%	24.1%	25.8%
Supervision	14.3%	15.8%	15.4%	15.3%	19.7%	18.6%
F&I comp as % of F&I income	25.2%	18.3%	18.8%	21.4%	27.4%	20.4%
Personnel Exp as a % of G/P	37.3%	33.0%	38.4%	38.7%	43.7%	41.2%
Gross Advertising as a % of Veh G/P	15.7%	17.6%	15.8%		12.5%	18.4%
Gross Advertising Reimbursement as a % of veh. G/P			¢			¢
Net Advertising per retail unit sold	\$ 402	\$ 439	\$ 257	\$ 463	\$ 350	
Gross Floor plan int as a % of Veh G/P	3.1%	6.2%	7.0%	10.0%	11.2%	8.8%
Gross Floor plan int. reimbursement as a % of veh. G/P			¢		¢	¢
Policy Exp as a % of veh. G/P			1.20%		1.00%	1.50%

Performance Measures						
Key Indicator Ratios						
Current Ratio	1.40	1.35	1.40	1.32	1.50	1.50
Debt to Equity Ratio	2.17	2.09	3.10	2.87	3.00	2.70

¢ - Too few data points to arrive at a meaningful average

ß - Category discontinued

Sales - Merchandising & Staffing Guidelines	2014	2015	2016	2017	2018	2019
Used Vehicle						
Used Vehicle supply (in days)	50.6	56.6	56.0	58.6	54.1	62.7
Number of units older than 90 days			ß			
Units per salesperson (N&U) per month	12.1	24.4	28.1	11.0	11.6	11.3
Gross Cars - Before F&I	\$ 2,378	\$ 2,184	\$ 1,891	\$ 1,927	\$ 2,005	\$ 1,818
Gross Trucks - before F&I	¢	¢	¢	¢	\$ 2,631	\$ 2,090
Departmental G/P as a % of Total Dealership G/P			14.00%		14.50%	15.00%
Gross Productivity						
Used Vehicle						
Gross profit as a % of sales	8.5%	7.1%	7.6%	7.1%	6.1%	7.2%
Net profit as a % of sales	1.7%	1.6%	0.4%	0.3%	0.5%	0.0%
F&I Penetration Rate %						
Finance Income (excl retail lease)	61.9%	57.8%	64.8%	64.1%	55.5%	57.4%
Insurance	13.8%	12.9%	ß			
Extended Service	25.6%	23.5%	30.8%	28.7%	29.3%	28.8%
Finance Gross per financed vehicle	\$ 671	\$ 740	ß			
Insurance Gross per insured vehicle	\$ 529	\$ 431	ß			
Finance & Insurance Gross per financed veh.			\$ 860	\$ 903	\$ 825	
Ext Service Gross per contract	\$ 821	\$ 858	\$ 953	\$ 1,077	\$ 1,147	\$ 1,712
All New Other Income per new vehicle sold			434		¢	¢
Expense Control Structure Guidelines						
Used Vehicle						
Total Expense as a % of Total G/P	85.3%	83.0%	107.40%	103.00%	97.20%	100.10%
Compensation as a % of veh GP						
Salesperson	21.6%	22.7%	21.5%	27.3%	27.5%	27.2%
Supervision	13.8%	15.6%	14.1%	13.5%	19.7%	22.4%
F&I comp as % of F&I income	22.7%	15.1%	18.7%	18.8%	21.4%	19.0%
Personel Exp as a % of G/P	38.7%	33.8%	35.8%	44.3%	45.6%	46.5%
Gross Advertising as a % of Veh G/P	10.1%	10.4%	10.6%	12.4%	11.3%	10.6%
Gross Advertising Reimbursement as a % of veh. G/P			¢		¢	¢
Net Advertising per retail unit sold	\$ 264	\$ 208	\$ 264	\$ 188	\$ 193	\$ 194
Gross Floor plan int as a % of Veh G/P	0.7%	0.7%	1.10%	2.00%	4.20%	2.80%
Gross Floor plan int. reimbursement as a % of veh. G/P			¢		¢	¢
Policy Exp as a % of veh. G/P			1.10%		1.60%	3.50%
Reconditioning - Cars & Trucks	\$ 1,028	\$ 999	\$ 1,195	\$ 1,256	\$ 1,345	\$ 1,538

Automotive Industry Trend Analysis (Highline)

Sales - Merchandising and Staffing	2014	2015	2016	2017	2018	2019
Service Dept.						
Flat Hrs/RO	1.8	2.0	1.9	1.7	1.8	1.6
Technician efficiency	97.1%	91.3%	ß			
RO's/Day/Svc Advisor - Cust Pay, Warr, Int	15.2	15.2	15.5	14.9	12.2	14.1
Technicians per Service Advisor	4.3	4.0	3.5	3.6	3.2	3.6
Labor Gross per Tech (per month)	\$ 14,782	\$ 18,793	\$ 16,173	\$ 15,870	\$ 17,349	\$ 15,838
Labor Gross per Advisor (per month)	\$ 58,425	\$ 64,886	\$ 51,849	\$ 55,228	\$ 52,327	\$ 55,061
Departmental G/P as a % of Total Dealership G/P			36.8%		35.6%	39.5%
Gross Productivity						
Service Dept.						
G/P as a % of sales						
Customer Pay	78.6%	78.6%	78.4%	79.1%	76.8%	78.2%
Warranty	79.7%	79.3%	80.7%	80.6%	80.4%	79.9%
Internal	75.9%	75.9%	77.5%	76.7%	76.7%	75.3%
Sublet Repairs	15.3%	14.1%	14.0%	13.4%	14.7%	15.5%
Total Department	72.2%	71.7%	72.3%	72.5%	71.0%	71.9%
Net Profit as a % of Sales	20.2%	15.8%	22.2%	20.0%	13.7%	15.1%
Expense Control Structure Guidelines						
Service Dept.						
Total expense as a % of Total GP	76.0%	80.8%	83.6%	78.4%	83.3%	80.0%
Personnel Exp as a % of G/P	36.8%	38.3%	36.3%	32.3%	36.3%	36.4%
Adv & Training as a % of G/P*		4.2%	4.9%	4.2%	4.1%	3.0%
Advertising as a % of G/P **	3.4%		ß			
Training as a % of G/P**	1.8%		ß			
Tools, Supp, Freight as a % of G/P	-0.9%	-1.5%	1.1%	1.2%	-1.0%	-2.2%
Policy Exp as a % of G/P			2.70%		2.00%	1.20%

* = Info combined prior to 2014 data ** = Info separated in 2014

Fixed Expenses - Percent of Total Gross	2014	2015	2016	2017	2018	2019
Office Staff to Total Dealership	1:9	1:14	1:7	1:10	1:8	1:7.8
Total Expenses as a % of Total Gross	81.6%	88.3%	90.2%	91.8%	93.6%	92.4%
Payroll Taxes as a % of Total Gross	4.0%	4.1%	4.3%	4.5%	4.1%	4.3%
Owners Compensation as a % of Sales	0.8%	0.9%	0.6%	0.3%	0.3%	38.0%
Rent Factor						
Percent of Total Gross	10.3%	10.2%	11.2%	10.2%	11.5%	12.6%
Gross Per Employee (total deal)			\$ 10,531	\$ 9,232	\$ 9,970	\$ 10,142

t - Too few data points to arrive at a meaningful average

ß - Category discontinued

Sales - Merchandising and Staffing Guidelines	2014	2015	2016	2017	2018	2019
Parts Dept.						
Level of Service			ß			
Stock Order Performance			ß			
Parts \$ sold per Labor \$ sold						
Cust Repair	\$ 0.8	\$ 0.9	\$ 0.8	\$ 0.8	\$ 0.7	\$ 0.6
Warranty	\$ 1.4	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.4	\$ 1.3
Internal	\$ 0.8	\$ 0.7	\$ 0.6	\$ 0.7	\$ 0.7	\$ 0.8
Dept Gross per Employee (per month)	\$ 28,033	\$ 25,572	\$ 27,008	\$ 26,957	\$ 23,796	\$ 21,344
Departmental G/P as a % of Total Dealership G/P			20.00%		24.40%	22.00%
Gross Productivity						
Parts Dept.						
G/P as a % of Sales						
Customer Pay	42.4%	41.8%	42.8%	40.7%	39.3%	39.3%
Warranty	36.2%	34.6%	35.1%	37.3%	36.4%	37.4%
Internal	29.6%	29.9%	33.2%	29.8%	32.9%	32.6%
Counter Retail	36.4%	36.1%	36.7%	36.7%	33.7%	31.7%
Wholesale	24.4%	24.6%	23.4%	25.6%	23.7%	23.4%
Customer Pay - Body Shop	t	t	t	t	t	t
Warranty - Body Shop	t	t	t	t	t	t
Total Dept GP%	34.6%	33.7%	34.0%	34.6%	33.4%	34.1%
Net profit as a % of Sales	12.4%	11.4%	10.4%	11.4%	11.2%	10.5%
Expense Control Structure Guidelines						
Parts Dept.						
Total Exp as % of Total G/P	59.3%	65.2%	66.1%	66.3%	68.6%	68.9%
Personnel Exp as a % of G/P	33.0%	31.3%	36.3%	35.1%	33.8%	33.9%
Advertising & Training as a % of G/P*		2.8%	ß			
Advertising as a % of G/P **	1.7%		2.8%	3.4%	3.1%	2.1%
Training as a % of G/P**	0.5%		ß			
Tools, Supp, Freight as a % of G/P	1.5%	1.7%	1.3%	1.2%	0.7%	0.7%
Policy as a % of G/P			0.7%		0.8%	0.7%

* = Info combined prior to 2014 data ** = Info separated in 2014

Fixed Expenses - Percent of Total Gross	2014	2015	2016	2017	2018	2019
Absorption %	89.0%	88.1%	81.8%	81.5%	79.8%	77.7%
Net Earnings						
% of Total Sales	4.3%	3.5%	3.5%	3.7%	3.5%	3.5%
% of Total Gross	37.9%	32.9%	30.2%	29.8%	30.9%	27.9%
Personnel Expense as a % of Gross profit	39.4%	40.6%	40.6%	45.0%	44.3%	42.5%
Office Compensation as a % of Total Gross		4.2%	4.7%	3.9%	3.5%	3.6%
All Other Income Per Retail Unit Sold Less LIFO & Gains on Fixed	\$ 1,212	\$ 1,066	\$ 1,149	\$ 1,519	\$ 1,568	
Retail Units Sold / Administrative		\$ 140	\$ 134	\$ 144	\$ 135	