



2022 Automotive Industry Guidelines

Sales - Merchandising and Staffing Guidelines				Sales - Merchandising & Staffing Guidelines			
	Domestic Dealer	Import Dealer	Highline Dealer		Domestic Dealer	Import Dealer	Highline Dealer
New Vehicle				Used Vehicle			
New Vehicle Supply (in days)	58	6	25	Used Vehicle supply (in days)	50	55	50
Units per salesperson (New)	7	7	8	Units per salesperson (Used)	14	13	11
Gross Cars - before F&I	\$ 2,961	\$ 3,330	\$ 3,385	Gross Cars - Before F&I	\$ 2,391	\$ 2,394	\$ 3,221
Gross Trucks - before F&I	\$ 4,716	\$ 4,625	‡	Gross Trucks - before F&I	\$ 2,836	\$ 2,880	\$ 4,225
Sales Ratio: new to every 1 used	1.1	1.3	1.0	Departmental G/P as a % of Total Dealership G/P	13.1%	18.0%	14.6%
Departmental G/P as a % of Total Dealership G/P	35.6%	38.1%	29.8%				
Gross Productivity				Gross Productivity			
New Vehicle				Used Vehicle			
Gross profit as a % of sales	7.7%	10.6%	6.6%	Gross profit as a % of sales	6.5%	9.0%	7.6%
Net profit as a % of sales	3.2%	7.0%	3.6%	Net profit as a % of sales	2.8%	4.0%	2.7%
F&I penetration Rate%				F&I Penetration Rate %			
Finance contract (inc retail lease)	71.7%	78.6%	65.5%	Finance contracts (includes retail lease)	69.1%	68.9%	65.0%
Extended Service	77.8%	54.3%	48.6%	Extended Service	62.5%	52.3%	43.9%
Finance & Insurance Gross per financed veh.	\$ 1,553	\$ 632	\$ 1,311	Finance & Insurance Gross per financed vehicle	\$ 1,555	\$ 906	\$ 1,039
Ext. Service Gross per contract	\$ 1,431	\$ 2,327	\$ 2,588	Ext Service Gross per contract	\$ 2,369	\$ 3,079	\$ 1,914
All New Other Income per new vehicle sold	\$ 2,155	\$ 961	\$ 2,196	All Used Other Income per used vehicle sold	‡	‡	‡
Expense Control Structure Guidelines				Expense Control Structure Guidelines			
New Vehicle				Used Vehicle			
Total expense as a % of vehicle G/P	97.9%	81.5%	125.2%	Total Expense as a % of Total G/P	63.7%	67.6%	69.7%
Compensation as a % of veh GP				Compensation as a % of veh GP			
Salesperson	25.5%	23.7%	26.1%	Salesperson	28.6%	30.8%	45.6%
Supervision	18.2%	18.2%	28.1%	Supervision	23.5%	20.3%	22.2%
F&I comp as % of F&I income	14.0%	19.3%	21.4%	F&I comp as % of F&I income	11.4%	13.3%	16.7%
Personnel Exp. as a % of G/P	49.3%	56.4%	42.9%	Personel Exp as a % of G/P	40.2%	40.3%	40.8%
Gross Advertising Exp as a % of veh. G/P	14.6%	6.5%	13.5%	Gross Advertising as a % of Veh G/P	18.4%	12.5%	8.9%
Gross Advertising Reimbursement as a % of veh. G/P	10.4%	0.4%	6.1%	Gross Advertising Reimbursement as a % of veh. G/P	‡	‡	‡
Net Advertising per retail unit sold	\$ 636	\$ 268	\$ 519	Net Advertising per retail unit sold	\$ 337	\$ 324	\$ 261
Gross Floor plan int. as a % of G/P	7.2%	0.7%	4.3%	Gross Floor plan int as a % of Veh G/P	5.3%	1.1%	3.2%
Gross Floor plan int. reimbursement as a % of veh. G/P	11.8%	-3.0%	-19.8%	Gross Floor plan int. reimbursement as a % of veh. G/P	‡	‡	‡
Policy Exp as a % of veh. G/P	0.5%	0.4%	0.2%	Policy Exp as a % of veh. G/P	0.5%	3.4%	1.6%
				Reconditioning - Cars & Trucks	\$ 999	\$ 877	\$ 1,329
Performance Measures				Performance Measures			
Key Indicator Ratios				Key Indicator Ratios			
Current Ratio	1.6	2.6	2.5	Return on Equity (ROE)	57.8%	76.8%	56.3%
Debt to Equity Ratio	2.3	1.0	1.2	Return on Assets (ROA)	17.8%	33.2%	24.4%

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



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Service Dept.				Parts Dept.			
Flat Hrs/RO	1.6	0.8	2.7	Parts \$ sold per \$1 Labor sold			
RO's/Day/Svc Advisor - Cust Pay, Warr, Int.	4	6	2.8	Cust. Repair	\$ 0.83	\$ 0.69	\$ 0.69
Technicians per Service Advisor	3.1	3.1	3.5	Warranty	\$ 1.20	\$ 0.69	\$ 1.14
Labor Gross per Tech	\$ 175,835	\$ 155,230	\$ 213,744	Internal	\$ 1.31	\$ 0.50	\$ 0.75
Labor Gross per Advisor	\$ 526,646	\$ 447,122	\$ 816,545	Dept Gross per Employee	\$ 276,573	\$ 307,833	\$ 390,439
Departmental G/P as a % of Total Dealership G/P	21.6%	19.4%	31.4%	Departmental G/P as a % of Total Dealership G/P	13.7%	9.3%	17.5%
Gross Productivity				Gross Productivity			
Service Dept.				Parts Dept.			
G/P as a % of sales				G/P as a % of Sales			
Customer Pay	75.0%	76.3%	78.4%	Customer Pay	40.2%	35.5%	39.5%
Warranty	74.2%	74.1%	78.1%	Warranty	40.2%	33.3%	37.5%
Internal	72.8%	71.5%	76.3%	Internal	29.4%	35.9%	35.0%
Sublet Repairs	6.7%	13.8%	14.0%	Counter Retail	32.7%	32.2%	31.7%
Total Department	68.7%	67.5%	74.3%	Wholesale	16.2%	19.9%	23.0%
Net Profit as a % of Sales	16.1%	11.7%	22.2%	Customer Pay - Body Shop	30.6%	41.0%	‡
				Warranty - Body Shop	‡	‡	‡
				Total Dept GP%	34.5%	32.0%	32.7%
				Net profit as a % of Sales	15.8%	10.2%	12.3%
Expense Control Structure Guidelines				Expense Control Structure Guidelines			
Service Dept.				Parts Dept.			
Total expense as a % of Total GP	71.1%	72.0%	69.0%	Total Exp as % of Total G/P	67.5%	44.0%	62.1%
Personnel Exp as a % of G/P	43.1%	42.4%	36.7%	Personnel Exp as a % of G/P	41.9%	38.9%	38.9%
Adv & Training as a % of G/P	4.2%	4.5%	1.9%	Advertising as a % of G/P	2.8%	5.8%	1.9%
Tools, Supp, Freight as a % of G/P	2.6%	0.9%	-1.3%	Tools, Supp, Freight as a % of G/P	5.8%	0.8%	1.4%
Policy Exp as a % of G/P	1.8%	1.2%	0.8%	Policy as a % of G/P	0.3%	0.5%	0.5%
Fixed Expenses - Percent of Total Gross				Fixed Expenses - Percent of Total Gross			
Rent Factor				Office Staff to Total Dealership	0.14	0.11	0.14
Percent of Total Gross	5.1%	6.6%	8.1%	Total Expenses as a % of Total Gross	71.2%	71.0%	76.6%
Absorption %	88.7%	90.0%	184.6%	Payroll Taxes as a % of Total Gross	3.5%	3.4%	3.7%
Net Earnings				Owners Compensation as a % of Sales	0.64%	2.02%	0.27%
% of Total Sales	4.5%	7.1%	5.9%	Gross Per Employee (total deal)	\$ 182,790	\$ 177,181	\$ 184,644
% of Total Gross	32.5%	41.0%	38.7%	All Other Income Per Retail Unit Sold less LIFO & Gains on Fixed	\$ 1,981	\$ 810	\$ 1,119
Personnel Expense as a % of Gross profit	38.8%	48.4%	41.0%	Retail Units Sold / Administrative	89	151	153
Office Compensation as a % of Total Gross	8.4%	8.6%	10.6%				

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