

# Press Release

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## **AUTO TEAM AMERICA RELEASE STRATEGIC VISION OF DEALERSHIPS IN 2025**

LAS VEGAS, NV, FEBRUARY 2, 2012: In a research paper to be released tomorrow, Auto Team America puts forth a strategic vision of dealership operations in the year 2025.

"This is an unprecedented look at the major trends that will impact dealership operations in the future," said project leader Scott Gorden. "As we witnessed tremendous shifts in the past three years, dealerships need to start formulating their game plan now to take advantage of tomorrow. This research project will aid dealerships in that process."

The paper details that as a result of shifts in consumer demands, desires and habits regarding new vehicle shopping and purchasing the following will occur by 2025:

- The average dealership will triple throughput and sell 175 new units a month.
- Smaller staffing requirements will result from the use of technology to be more efficient.
- The F&I department will face the greatest transformation from technology and regulatory changes.
- The top 80-100 mega-dealer groups will own a significant portion of the dealership points in major metro-areas.
- Variable gross margins will be compressed and compensated by direct dealer payments from the manufacturers.
- Shrinking gross profit margins will be offset by a lower cost structure.

- Service and parts will change their business but profits will remain relatively consistent.
- Factory influence over the day to day operations of the dealership will be expanded.
- Smaller footprint stores in prime retail areas, with remote storage and/or satellite repair centers.
- Technology advances will drive significant changes to the dealership operating model.

### **About Auto Team America**

Auto Team America is a network of eleven CPA firms that serve over 2,000 auto dealerships nationwide. Our goal is to help dealerships become more efficient and profitable. Like a "Twenty Group", Auto Team America meets regularly to share dealership specific information and solutions to most effectively meet the needs of automotive dealers. This allows our member firms to deliver proven, industry-specific expertise in auditing, estate and tax planning, profitability analysis and cost containment.

Auto Team America also includes several associate members, auto industry solution providers who we have worked with over the years whose assistance has benefited our clients and our member firms. The combined resources of the Auto Team America members allow more in-depth and specialized training for our personnel and solutions for our clients.

Auto Team America hosts an annual CEO/CFO Forum the Friday afternoon prior to each year's NADA convention, and offers auto dealers the opportunity to hear industry leaders present on relevant issues.

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