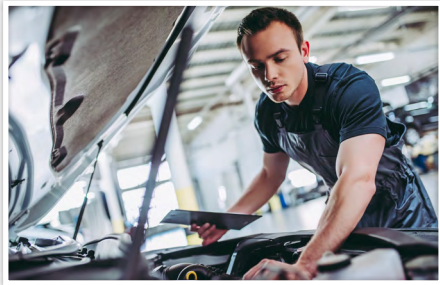




Greater New York
Automobile Dealers
Association

Dealers Driving the Economy

2023 Impact Study of Metro New York's Local New Car Dealers



RESULTS OF THIS STUDY WERE COMPILED USING 2022 DATA FROM METRO NEW YORK AUTO RETAILERS

Dealers Driving the Economy

2023 Impact Study of Metro New York's Local New Car Dealers

\$62.2 B

TOTAL ECONOMIC ACTIVITY BY FRANCHISED NEW CAR DEALERS IN METRO NEW YORK

JOBS:

65,100*

FRANCHISED NEW CAR DEALERSHIPS:

445

NYS GENERATED TAXES:

\$2.6 B

\$6.4 B

PAID IN EMPLOYEE EARNINGS

The Greater New York Automobile Dealers Association includes the following boroughs and counties:

- Bronx
- Brooklyn
- Manhattan
- Queens
- Staten Island
- Nassau
- Suffolk
- Rockland
- Westchester
- Dutchess
- Putnam
- Orange

*Franchised New Car Dealerships in Metro New York employed a total of 36,100 individuals in 2022. An additional 29,000 individuals were employed as a result of the indirect impact of dealership operations.

GNYADA President's Message

The Greater New York Automobile Dealers Association's members are a powerful economic influence and contribute significantly to the creation of high paying jobs throughout the metropolitan area. There are 445 local franchised new car and truck dealerships in our area with strong, well-established ties to their communities, that are vital to the people who live and work there.

Franchised new car dealers do more than sell and service vehicles. They create jobs, provide opportunities for higher salaries, professional growth, and invest in the communities they serve. The ripple effect caused by these small businesses also positively impacts many other business and localities in various other sectors including media, construction, banking, etc.

Together, metro area dealers produced \$61.6 billion in economic activity and supported more than 65,100 jobs with a total payroll of \$6.4 billion. They collected and paid \$2.65 billion in state and local taxes and made \$19.4 million in charitable contributions in 2022 alone.

New York State has set an ambitious goal to move to all electric vehicles by 2035, and local dealerships are the solution for keeping that commitment. Metro New York's franchised new car dealers have invested

more than \$10.2 million into installing EV charging stations at their dealerships and anticipate that they will need to spend at least \$254 million by 2025 to keep up with demand. Dealers are also preparing their workforce for this new technology by training and recruiting men and women to meet the changes coming.

This report underscores the significant contributions made by local new car dealers in terms of job creation, tax revenue generation, and philanthropic initiatives. What's even more noteworthy is that beneath the statistics presented in this report lie tangible benefits and increased opportunities that directly impact the daily lives of dealership staff, the residents of New York, and the communities where they operate.



MARK SCHIENBERG

Greater New York Automobile
Dealers Association

Industry Overview

The chart below illustrates the 2022 dealership totals in comparison to 2021 and 2019, pre-pandemic.

	2022	2021	2019	% change	
				2022 vs 2021	2022 vs 2019
Total sales dollars	\$46.6 B	\$48.2 B	\$40.6 B	-3.3%	14.8%
Total Expenses dollars	\$5.6 B	\$5.3 B	\$4.7 B	5.7%	119.1%
Jobs generated*	65,100	65,500	72,200	-0.6%	-9.8%
Employee earnings*	\$6.4 B	\$5.6 B	\$4.6 B	14.3%	39.1%
Taxes (State sales, payroll, and real estate)	\$2.6 B	\$2.7 B	\$2.2 B	-3.7%	18.2%
Charitable Contributions	\$19.4 M	\$19.1 M	\$20.0 M	1.6%	-3.0%
New vehicle retail sales	452,000	579,000	583,000	-21.9%	-22.5%
Used vehicle retail sales	415,840	456,320	427,100	-8.9%	-2.6%
Advertising Expenses	\$411 M	\$429 M	\$493 M	-4.2%	-16.6%

12.2% of retail jobs in metro New York are at New Car Dealerships



Average employee salary exceeded \$108,000.

*Figures cited in this report refer to direct and indirect economic impacts. Direct economic benefits include employment and compensation that occur at automobile dealerships. Indirect benefits include employment and compensation that occur elsewhere in the economy, but are attributable to dealership operations. For example, dealership employees spend a portion of their salaries on goods and services in the area, which results in additional "indirect" benefits that occur in other economic sectors. Indirect economic benefits were estimated utilizing the RIMS II (Regional Industrial Multiplier System, version 2 developed by the U.S. Department of Commerce, Bureau of Economic Analysis).

\$6.4 B

paid in employee earnings

Employee earnings

increased by an estimated **14.4%**

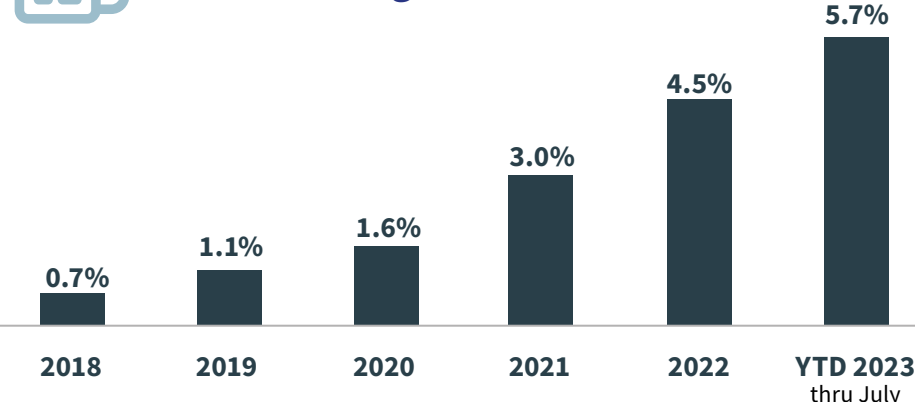
from 2021 to 2022.

New York Franchised New Car Dealers are All-In on EVs

Dealerships will spend \$253.6 million by 2025 to cover the costs of selling and servicing electric vehicles.



BEV Share of Metro New York New Retail Light Vehicle Market



Data sourced from Experian Automotive.

Battery electric vehicles accounted for **5.7%** of industry new vehicle registrations in the first seven months of 2023.

Current average number of EV chargers installed at metro area franchised dealerships:

4.5

Estimated average number of EV chargers installed at franchised dealerships by 2025:

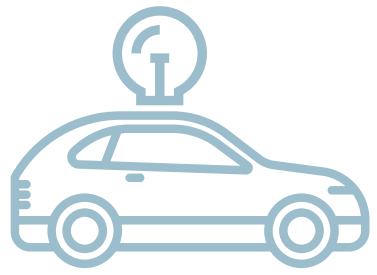
7.3

Total EV investments by dealers to sell and service EVs by 2025:

\$253.6 M

Anticipated Dealership EV Investment (2023 thru 2025)

Category	Average Dealership	Industry Total
Capital improvements	\$250,000	\$111,250,000
Existing facility investments	\$220,000	\$97,900,000
Special equipment	\$70,000	\$31,150,000
Sales/Service training	\$30,000	\$13,350,000
TOTAL	\$570,000	\$253,650,000



Payroll

6.4B paid in Employee earnings.



In 2022, the average dealership in metro New York paid **9.68 million** in salaries.

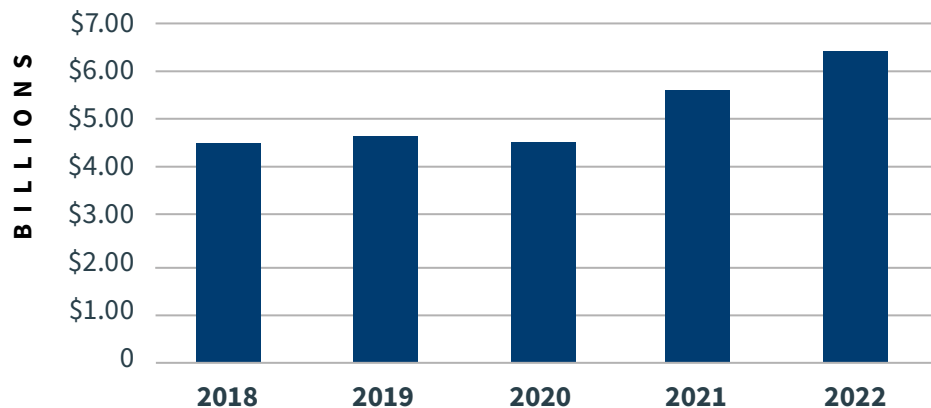
Compensating both direct and indirect employees, the new vehicle retailing industry paid out nearly **\$6.4 B.**

Total Employee Compensation Breakdown

2022 Estimates	Direct	Indirect	Total
Payroll	\$3,933,800,000	\$1,888,224,000	\$5,822,024,000
Fringe Benefits	\$371,575,000	\$178,356,000	\$549,931,000
Total	\$4,305,375,000	\$2,066,580,000	\$6,371,955,000

Employee Compensation - 2018 - 2022

40%
jump in
employee
compensation
since 2018

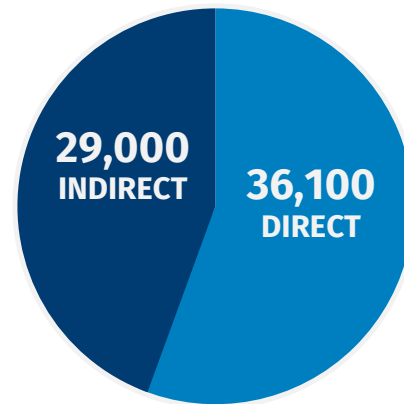


Employment

Local New Car Dealers remain the 4th largest employer in metro New York.

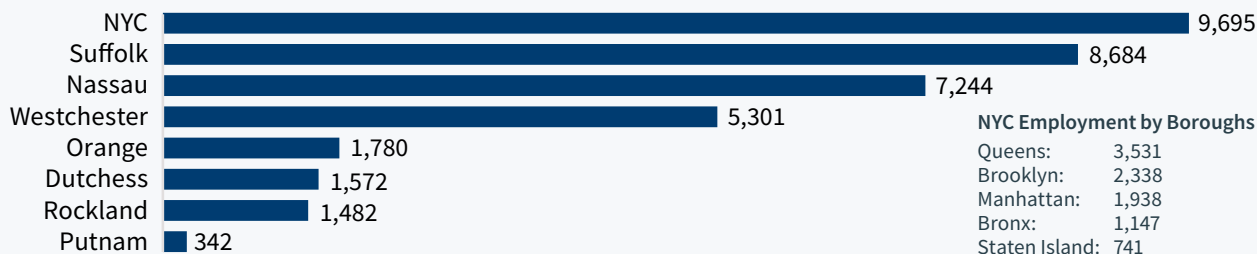
- In 2022, metro area new vehicle dealerships employed a total of **36,100** individuals
- An additional **29,000** individuals were employed as a result of the indirect impact of dealership operations
- Automobile dealership employment accounted for **12.2%** of total retail employment in the metro area
- New car dealers are the **4th largest retail employer** in the area just behind supermarkets, clothing stores, and pharmacies

65,100
Total Jobs

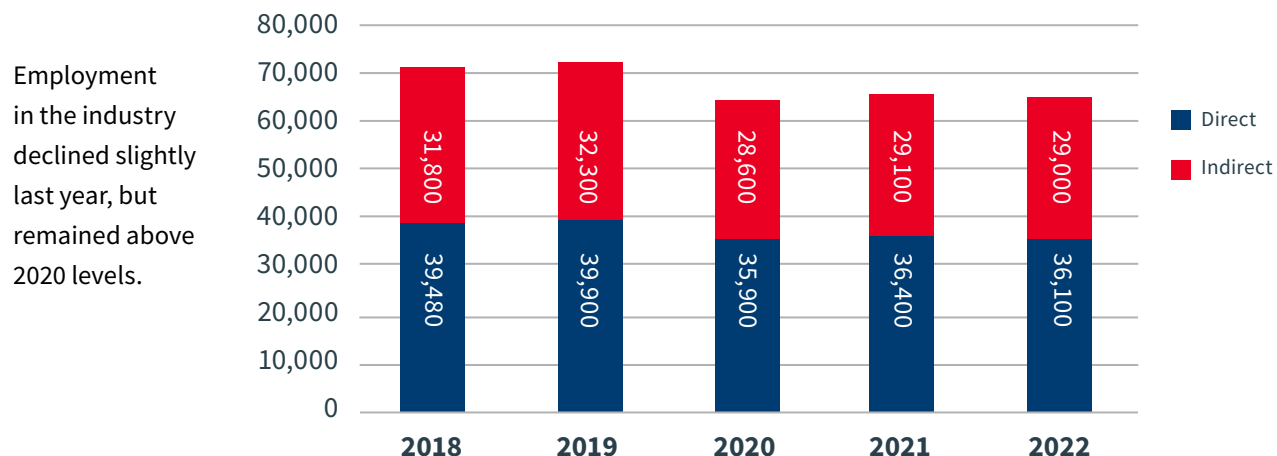


Employment resulting from Automobile Dealerships in the metro area.

Dealership Employment by County



Direct and Indirect Employment

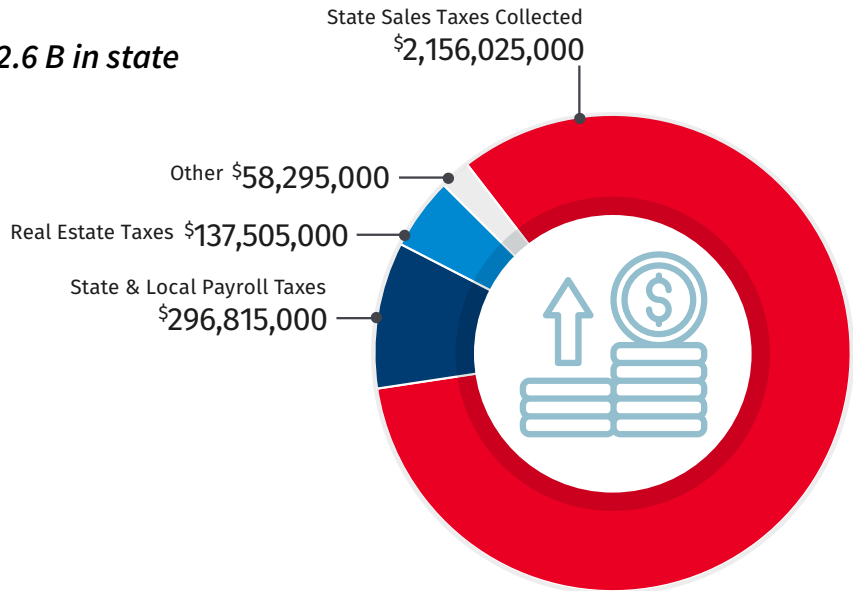


Employment in the industry declined slightly last year, but remained above 2020 levels.

Tax Revenue

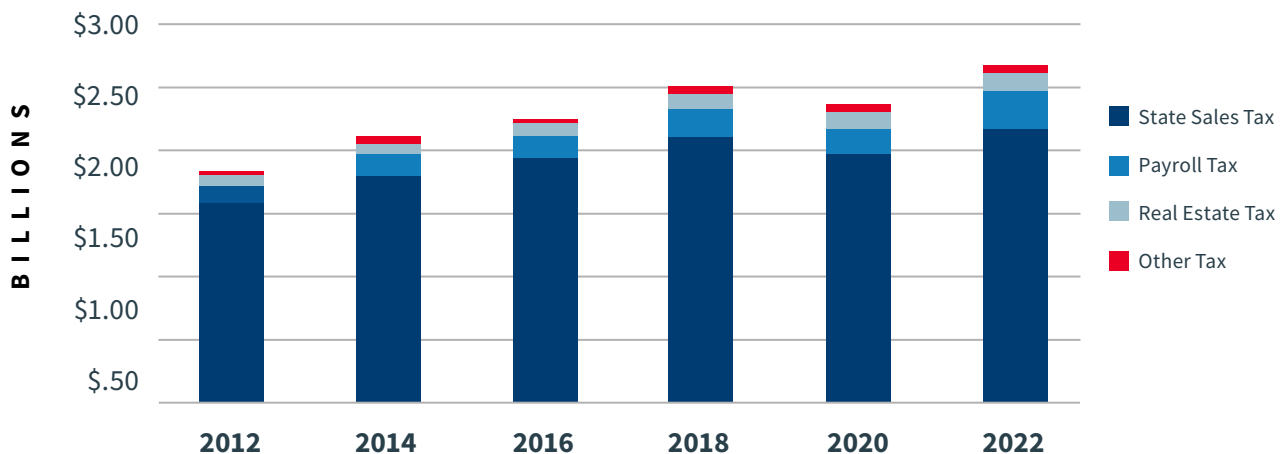
Local New Car Dealers paid \$2.6 B in state and local taxes.

State and local taxes paid.



In 2022, franchised new auto dealerships in metro New York paid more than **\$2,648,640,000** in state and local taxes—an average of **\$5,952,000** per dealership.

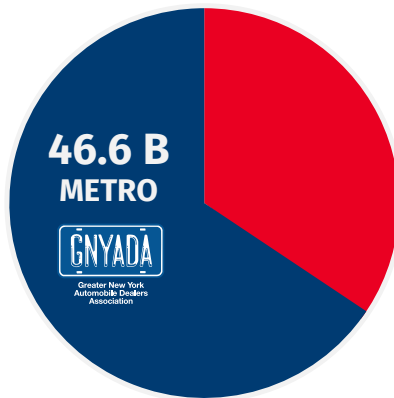
Taxes Collected and/or Paid by Franchised New Vehicle Dealerships



Sales

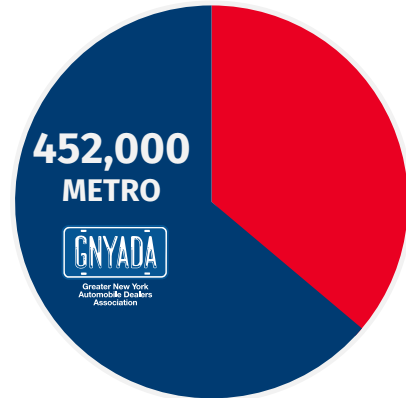
66% of total new vehicle sales in New York State occur in the metro area.

Total Vehicle Sales (NEW)



66% of total new vehicle sales occur in the metro area.

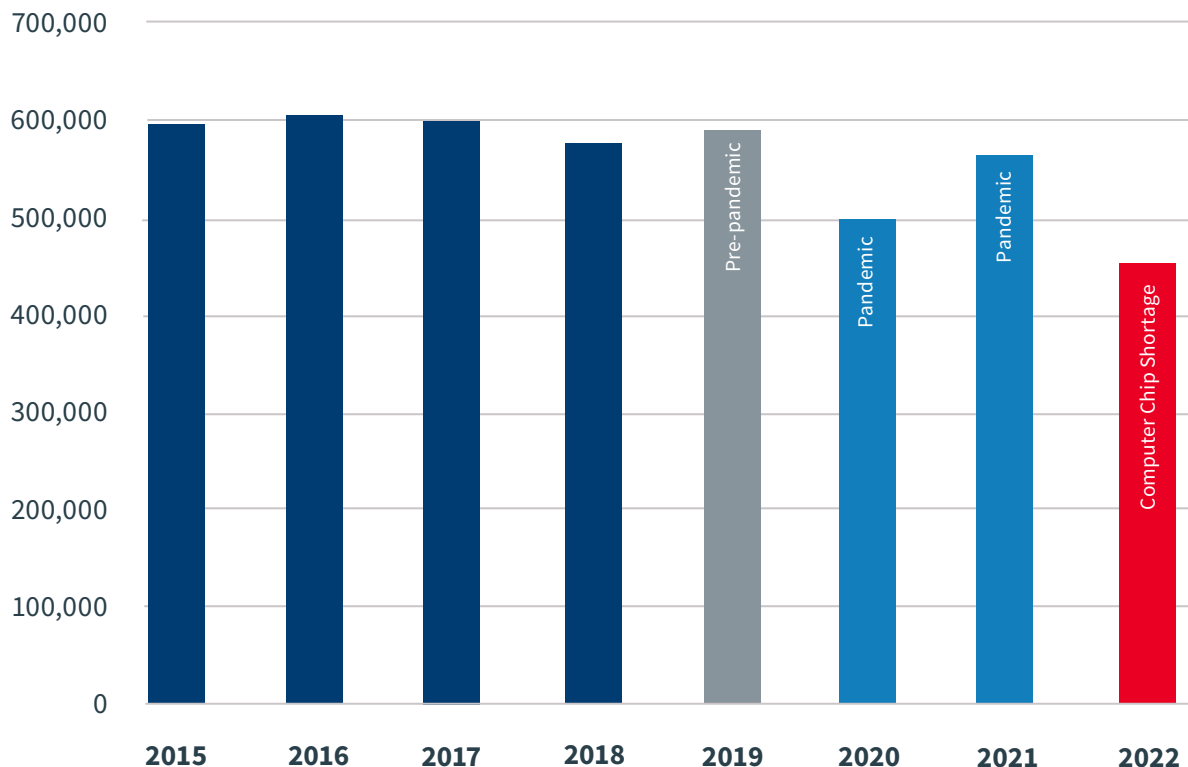
New Vehicle Registrations



64% of the total new vehicle registrations occur in the metro area.

New York Metro Area New Retail Vehicle Registrations

As shown on the graph, combined new retail car and light truck registrations in the metro area improved from 2009 thru 2016. Registrations declined 15.4% in 2020 due to the pandemic, and fell 20.4% in 2022 as supply chain issues impacted vehicle production.



Data sourced from Experian Automotive.

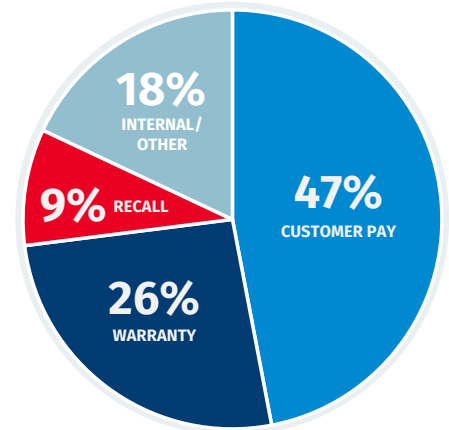
Service Departments

9 million vehicles serviced by Local New Car Dealers.

17,900

average number of vehicles serviced by dealerships during 2022

Breakdown of Dealership Repair Orders by Type of Service Provided



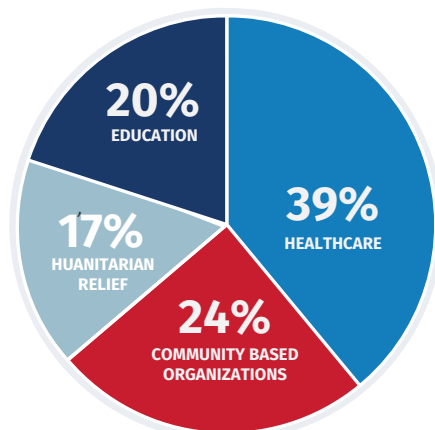
The average number of technicians employed at local dealerships stands at **13.5**, with the metro area’s total count reaching **6,008**. Dealerships have indicated that, on average, they need to recruit an additional 3 technicians, resulting in an industry-wide shortage of over 1,330 technicians.

Charitable Contributions

Local New Car Dealers made \$19.4 M in charitable contributions.

Local New Car Dealers do a lot more than sell and service vehicles, they play a vital role in giving back to their communities. From supporting schools and hospitals to partnering with foundations and other community-based organizations, these dealerships make significant charitable contributions.

Contributions by Category



\$180 M

in charitable contributions by franchised new car dealers over the past 10 years

Methodology

Dealership financial data (and other information cited in this report) was collected from a detailed survey sent to all new vehicle automotive retailers in the greater New York metro area. Economic impact is separated into two main categories: direct and indirect. Direct impact comprises economic activity at automotive dealerships themselves, such as dealership employment and compensation to employees. Indirect impact occurs away from the dealership and takes into account the extended contribution dealerships and their employees make to the area's economy.

Independent research

Auto Outlook, Inc. is a national automotive market analysis firm providing market research services to automotive dealers. Jeffrey Foltz, the President of Auto Outlook, Inc., holds an MS in Economics from the University of Delaware, and has conducted many research projects analyzing state and regional economies.



Greater New York
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About GNYADA

Since 1910, the Greater New York Automobile Dealers Association (GNYADA) has been a critical resource for franchised new car dealers throughout the metropolitan New York area. GNYADA's mission is to encourage and ensure excellence in business practices, ethics, standards and service amongst its members, to benefit both the consumer and the automobile retail industry overall. We strive to promote and support the passage of positive legislation, and to create a cooperative regulatory atmosphere at all levels of government.

The Association provides important and useful services for franchised new car dealers that include: assistance with employee healthcare and benefits, helping with regulatory compliance, keeping members up to speed on the latest laws that affect their business, training and education for all personnel, as well as other dealer advocacy efforts. GNYADA also produces the New York International Automobile Show, which injects an additional \$250 million into the area's economy each year.

HEADQUARTERS

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