Valuing Automobile Dealerships Overview

The valuation issues associated with automobile dealerships, in many respects, mirror those of most corporations. However, the automobile dealership industry also possesses several unique characteristics requiring specialized knowledge by the valuation professional. With terminology that distinguishes this industry from others, an abundance of performance and forecasted data, and a strong reliance on the national and local economies, valuing automobile dealerships requires a thorough examination of the dealership by a valuator knowledgeable in the industry.

What are the Major Reasons for Valuation?

While automobile dealerships can be valued for almost any reason, my 20+ years of experience with the industry has revealed the following purposes for valuation:

1) Dealer Succession

Because the automobile dealer is the franchise owner, the various manufacturers (General Motors ["GM"], Ford, Chrysler, Toyota, Nissan, Mercedes, etc.) impose stringent requirements regarding succession ownership. Valuation of the dealership for estate and gifting purposes is very common, and it provides unique issues to the valuation professional.

2) Merger and Acquisition

Most dealerships (and franchises) are transacted directly between existing dealers. Accordingly, valuations are utilized for due diligence purposes to help ensure that a fair price is derived for the entity.

3) Sale of Dealership or Franchise

As mentioned previously, most transactions involving dealerships and franchises occur between existing dealers and are negotiated directly with one another. This is an extremely competitive industry requiring continuous attention to management of resources. Accordingly, the selling dealer is well advised to obtain an accurate determination of worth before placing the dealership or franchise in line for sale.

4) Divorce

Individual state laws impact how most dealerships are valued in divorce situations, but the valuation professional is frequently called upon to educate the court on the unique ownership and operational issues confronting the dealership owner.

5) Litigation

Areas of litigation vary widely. Most litigation matters requiring the utilization of a valuation professional involve shareholder disputes. Accordingly, fair value and fair market value opinions are utilized to resolve these matters of dissent.

In addition, valuations are also utilized in disputes with manufacturers, usually in the form of lost profits computations.

6) Income Tax Elections

As mentioned earlier, the valuation professional is often utilized by the seller or purchaser in establishing value prior to a dealership transaction. In addition, the valuation professional is often called upon to establish values for purposes of asset allocation in the transaction.

Understanding the Industry

Fortunately for the practitioner, the automobile industry is one of the largest industries in the world, and a tremendous amount of information is available.

While a detailed description of the automobile dealership is not practical in this article, the major publications and resources are listed in the Appendix to this article. However, a brief overview of the unique attributes of an automobile dealership is useful.
Multiple Businesses in One

Possibly, one of the most misunderstood and least appreciated aspects of the automobile dealership is the complexity of the business. While most companies involve one or two line(s) of business(es), the automobile dealership is composed of at least five businesses in one company. The typical dealership is divided into several departments, but in the case of the automobile dealership, these departments include very separate and distinct management requirements.

Closest in similarity are the New Vehicle Department and the Used Vehicle Department, although the methods for acquiring and merchandising these two types of vehicles varies dramatically. In recent years, margins on new vehicles have significantly decreased, and the contribution to the gross profit of the dealership has increasingly declined. Used vehicles, on the other hand, have in recent years increased in gross profit.

The Parts Department includes both retail and wholesale activities, and it can represent a sizable investment of resources by the dealership. Proper coordination of this department with the Service Department can have a large effect on dealership profitability. As "front end" (vehicle sales) gross profits have declined in recent years, the "back end" (parts and service) operations have become increasingly more important.

The Finance and Insurance ("F & I") Department of the dealership is the operation requiring the least overhead and producing the largest gross profit, yet curiously is often the area of the dealership receiving the least attention. Directly impacted by demographics and the product lines of the dealership, the F & I income can be very significant.

In addition to the five departments prevalent in almost every dealership, many dealerships will also have a Body Shop Department. While this department is often linked with the Service Department, the Body Shop Department is also reliant on its own unique factors. The relationship with the various insurance companies is critical to the success of this department, and a major investment in equipment is also required.

Larger dealerships may have separate departments (or separate companies) for Lease and Rental sales, and they may also have a Buy-Here, Pay-Here lot targeting lower value used vehicle sales.

The complexity of managing these varied functions requires a skilled handling of personnel, physical facilities, inventory control, and money management.

Relationships with the manufacturer and key vendors are also very important to the success of the dealership.

Dealership Accounting

Unlike most industries, the automobile dealership industry is fairly standardized in its accounting. As part of the franchise agreement, the dealer agrees to utilize and report to the manufacturer under that manufacturer's standard accounting system. In providing such, the manufacturer can more accurately measure performance in comparing a particular dealership with its peers. Each dealership is provided with a Standardized Accounting Manual which describes how each type of dealership transaction is to be reported. Therefore, with very few exceptions, most dealerships within a particular manufacturing family (GM, Ford, etc.) will have substantially identical reporting of financial information. Understandably, this comparability provides a significant tool to the valuation professional.

While automobile dealership accounting substantially follows generally accepted accounting principles ("GAAP"), it does possess several unique features of which the valuation professional should be aware. A few of the more prominent, unique accounting features are:

1. LIFO Inventory Method

An often employed method of inventory valuation in the automobile industry is the last-in, first-out ("LIFO") method. LIFO is adopted to reflect the matching of revenue and expense, and it can result in substantial
income tax savings for the dealership. Due to the significant investment in inventories by the dealership, this method (depending on the number of years it has been utilized) can reflect a dramatic reduction in the net assets of the entity.

The reporting of the LIFO Reserve (a value often exceeding $1 million) is usually found in one of two places on the dealership’s balance sheet. One method of presentation reports the reserve as a contra-asset account reducing the inventory (which can include one or all of the following: new vehicles, used vehicles, parts) in the Current Assets section.

Another method of presentation is to record the entire reserve in the Equity Section of the balance sheet. This method is often utilized by the dealer preferring to show the dealership assets not reduced by the reserve, in order to not appear out of trust with the financial institutions financing the vehicles.

2. Liability for Chargebacks

Chargebacks consist of amounts charged by the finance and insurance vendors back to the dealership for contracts terminating prior to maturity. The dealership earns commissions from the vendors on these contracts at the time of sale, and it is charged for any loss of income to the vendor when the customer prematurely ends the contract.

Depending on the level of paper (outstanding finance and insurance contracts) associated with the dealership, the outstanding contingent liability could be significant. For example, if a dealership has $20 million of outstanding paper and has a historical chargeback rate of 1.5%, a contingent liability of $300,000 could be associated with the value of the entity.

3. Recording of Parts Prices

Financial reporting of an entity’s assets is generally reflected by the historical purchase price of these assets. As assets are sold, they are removed from inventory at those historical prices. However, due to the tremendous number (generally several thousand) of parts in a dealership’s inventory, the ability to properly match this historical prices with the physical inventory on hand is virtually impossible.

Accordingly, the dealership will generally update its parts pricing computer tape with the most recent pricing on a periodic (usually quarterly or semi-annually) basis. Therefore, the physical inventory on hand is valued at the most recent prices.

As a result, a dealership which possesses a large amount of old or obsolete parts could have inventory that is reflected on the financial records at amounts exceeding their fair market value. As a result, when dealerships are transacted, it is not uncommon to see a reduction in value of 15-50% in the reported book value of the parts inventory.

4. Departmental Reporting

As mentioned previously, most manufacturers provide for departmental detail in the standardized accounting model. Therefore, the valuation professional can assess the performance of the dealership as a whole, as well as departmentally. A dealership’s performance by department, when viewed in relation to economic and demographic conditions, can provide the valuation professional with significant information in determining the entity’s value.

5. Dealer Reserve Accounts

Related to the finance and insurance function of the dealership, most financial institutions will require the dealership to maintain reserves to offset potential charge backs. These reserves are generally reductions of dealership commissions and are often not reflected on the financial records of the company.

While these amounts are generally not material in nature, they are a result of individually negotiated arrangements between the dealer and the financial institutions.

In addition to financial institution reserves, dealerships will often establish reserves to offset
future losses. Examples of these include reserves for losses on used vehicles and demonstration units.

Industry Statistics

As noted previously, the automobile industry is one of the largest industries worldwide. Industry data is both voluminous and accessible, and the valuation professional is able to obtain accurate, contemporaneous information from a variety of services. A number of these resources are recorded in the Appendix to this article.

The dealership also has a large amount of industry statistics provided directly to it by the manufacturer.

Dealership performance data, usually expressed in relation to other dealerships within the zone, is attainable by the valuation professional from the dealer. In addition, the dealer may be a member of a dealer "Twenty Group", a facilitated organization of dealerships (usually similar in franchises and size) designed to share operational information and ideas. Furthermore, the following industry statistical information is available in the Automotive News 1997 Market Data Book, related to:
1) United States Sales History and Forecast
2) U. S. Car Sales History
3) U. S. Truck Sales History
4) 1996 Top 15 Makes by Region in U.S.
5) Financial Data - Average Dealership Profile
6) 1996 J. D. Power and Associates Surveys
7) Dealer Census Data Publicly Held Dealer Groups

Industry Terminology

The automobile industry, similar to other industries, possesses its own unique terminology. In determining the valuation of the dealership, the valuation professional will often be confronted with this terminology. The following is a brief listing of several terms that are often encountered in the automobile dealership environment:

- Back end - another name for fixed operations (parts, service, and body shop) of the dealership.
- Blue sky - another name for the goodwill of the dealership.
- Chargebacks - the unearned portion of finance income which is repaid to the financial institution when customers prematurely pay their loans.
- CSI - Customer Satisfaction Index, a measurement of polled data obtained by the manufacturer to evaluate the customer service performance of the dealership.
- Demo - a vehicle typically driven by sales personnel of the dealership which is always available for demonstration purposes to dealership customers.
- F & I - finance and insurance.
- Factory - another name for the franchisor (example, Ford, Toyota, etc.).
- Fixed operations - another name for the non vehicle sales operations (parts, service, and body shop) of the dealership.
- Floor plan - financial institution financing of vehicle inventory, with each floor plan note secured by a vehicle.
- Front end - another name for the vehicle sales (new and used) operations of the dealership.
- Holdback - an amount held by the manufacturer, that is later remitted to the dealership, that is in addition to a new vehicle's purchase price.
- Rebates - inventory-related compensation received from the manufacturer.
- SSI - Service Satisfaction Index
- Water - a term used to indicate inventory (usually parts and used vehicles) cost carried on the financial statements in excess of true value.
- DOC - Daily Operating Control Report - an internally produced summary report, prepared for management, which details daily and month to-date sales, gross profit, and expense information by department.
- Dueling - a practice of maintaining more than one new vehicle franchise at one common physical facility (example, Toyota and Mazda).
Key Risk Areas

In every engagement, the valuation professional is confronted with the need to assess the key risk areas impacting the subject company. Automobile dealerships provide several unique risk areas distinct from the normal business valuation subject. Among those risk areas unique to automobile dealerships are the following:

1. Environmental Issues

In recent years, environmental issues have become more important. By the nature of the operations in most automobile dealerships, the contingent liabilities can be, and often are, significant. Underground tanks, underground lifts, chemical contamination, and leakage are but a few of the issues impacting the dealership.

In dealership transactions involving real estate, Phase I and Phase II (if warranted) environmental impact studies are usually conducted. Costs to replace tanks and lifts, along with related business interruption, can be significant.

2. Franchise Agreement Terms

The automobile industry is a franchise industry, and the terms and conditions of the franchise agreements can greatly impact value. Most agreements contain highly restrictive language involving transferability of the franchise, with factory approval being required in most instances. Accordingly, transferability of the franchise is severely restricted.

3. Franchise Alignment

During the past decade, and especially in the last two years, the issues of franchise alignment in accordance with the manufacturers' directives have increased in importance. GM’s Project 2000 and similar initiatives by virtually every manufacturer, have impacted dealerships and the vehicle lines they own. In an attempt to strengthen the dealer distribution network, the manufacturers have recommended desirable alignments of product lines (e.g., Buick, Pontiac, and GMC trucks aligned together, as well as Chevrolet with Oldsmobile or Cadillac).

The factories are currently in a process of realignment of these franchises, and many franchises are changing hands. Often, the manufacturer is leading this realignment (GM has channeling teams throughout the country devoted to this task) and is occasionally subsidizing this process by offering varying levels of financial assistance.

4. Viability of Location

Another factory initiative, also designed to strengthen the dealer distribution network, involves the viability of the dealership location. As area demographics change, the manufacturer is looking to have their dealerships located in the most desirable areas for sales of their products.

In valuing a dealership, the viability of the dealership in a particular location can dramatically impact value. A dealership with a location no longer deemed by the factory as being viable would provide several obstacles to both a potential seller or purchaser, ultimately impacting the dealership’s value.

5. Factory Relationship

As indicated previously, the relationship with the factory is extremely important. In addition to the alignment, location, and ownership issues mentioned above, the factory relationship can also greatly impact the dealership’s ability to be profitable. An example of this is the CSI and SSI programs of several manufacturers. In many instances, the performance of the dealership in CSI and SSI directly impacts their ability to obtain inventory. Vehicle allocations are often tied to CSI and SSI performance, as well as to historical sales performance ("turn and earn" inventory programs relate performance to inventory provided by the factory).

A dealership is also at the whim of the factory, and its decisions regarding various programs. For example, the factory’s rebate programs and financing terms can greatly influence a dealership’s performance and profitability.
6. Litigation Issues
In recent years, the automobile dealer has become an increasingly larger target for litigation. Dealerships are being faced with larger incidents of class action law suits as well as ever increasing damage claims resulting from their customers. A thorough evaluation of historical litigation claims, as well as contemporaneous pending and threatened litigation, is essential.

7. Economic Issues
Because of its high reliance on consumer spending, the automobile industry is very much at risk with respect to economic trends. On a national level, the industry has reacted significantly to such historic events as rising or declining interest rates, the Gulf War, etc. Locally, the closing or opening of a major plant, a strike, or a similar economic event could greatly impact a dealership's performance.

8. Regulatory Issues
Periodically, certain regulatory issues can impact the value of a dealership. For example, the imposition of the luxury tax and the proposed 1995 tariff against Japan significantly impacted the value of many dealerships.

Understanding How Dealerships are Purchased and Sold

Which Assets are Purchased/Sold Directly?
In most dealership transactions, the assets negotiated directly between the purchaser and seller are the following:
1) Vehicles
2) Parts
3) Fixed Assets
4) Blue Sky

How Are These Assets Purchased/Sold?
New vehicles are generally purchased at their FIFO cost from the manufacturer, with adjustments for holdback and advertising charges, and are taken subject to the related floor plan (or an appropriate substitution). Adjustments to new vehicles are also made for demo units.

Used vehicles are subject to full negotiation between the parties and are often not purchased at all, leaving the seller with the responsibility of selling the used vehicles to customers or to wholesalers. Any related financing is also paid off as the vehicles are sold.

Parts are valued, oftentimes by taking a physical inventory at the time of sale, and it is usually paid equally by both parties (since it is in each of their best interests). However, the price paid for the parts is often negotiated and can range somewhere between a price of all parts at their current prices (as would be recorded on the dealership’s financial statements) to a price equivalent to only those parts that are returnable to the manufacturer (generally non-obsolete parts boxed in their original containers and packaging).

Fixed assets are usually the last tangible assets to be negotiated, and their ultimate price is negotiated extensively by the parties. The fixed assets have usually been depreciated by accelerated depreciation methods and oftentimes contain fully depreciated items, such as parts bins, furniture, and office equipment. Accordingly, the seller almost always believes that the fixed assets are worth more than the book value, while the purchaser looks at the assets as used and worth less than their book value.

Blue Sky is a term used in automobile dealerships, and it is another name for the dealership’s goodwill. This intangible asset generally consists of the value attributable to a combination of the dealership’s:
a) Earnings capacity
b) Reputation
c) Franchises

d) Location

e) Demographics

f) Other factors

To quantify this Blue Sky, the industry generally looks to the expected pre-tax, pre-LIFO earnings of the dealership. Obviously, the most recent performance of the dealership is given the greatest consideration, but oftentimes the average (usually weighted) of the past two or three years is used, with the ultimate goal being to determine the most reasonable level of earnings of the dealership.

Once the earning’s stream is identified, a multiple of these earnings is applied, and it is reflective of the other factors listed above. The multiple tends to fall between 1 and 3 times the earnings, with recent trends falling between 1.5 and 2 times earnings (higher for more profitable lines, more desirable locations, etc.).

Thus, a dealership’s assets are generally sold at their adjusted book value, plus Blue Sky represented by the equivalent of 1.5 - 2 times the pre-tax, pre-LIFO earnings.

What About Stock Purchases/Sales?

While stock purchases and sales are relatively rare, they occasionally occur. With the lowering of the capital gains tax, as well as the increase in acquisitions by public companies, it is fair to assume that more dealerships will be transacted through stock deals.

Two major factors influence the prices paid in a stock transaction: the LIFO reserve, and the built-in gains income taxes to be “inherited” by the purchaser. In arriving at the adjusted book value of the dealership, the LIFO reserve, in addition to any adjustments to reflect the fair market value of the underlying assets (for example, an adjustment to reflect the appraised value of real estate owned by the dealership), are added to the book value. Similarly, any downward adjustments (such as uncollectible receivables, “water” in the inventories, unrecorded reserves for chargebacks and litigation) are also made to decrease the book value.

Related income taxes associated with these increases and decreases to the book value are also given strong consideration. Depending on the intentions of the parties, particularly the purchaser, the negotiated adjustment for income taxes ranges between 0 - 40% of net adjustments.

The Blue Sky consideration in a stock transaction is often not incorporated into the stock price paid; but rather, it is negotiated separately through non-compete, consulting, or rental agreements. This is done primarily because of income tax reasons, since the purchaser desires to maximize the deductibility of the purchased assets, including goodwill.

Methods for Valuing Dealerships

Does the Purpose Matter?

Absolutely! Returning to some of the the major reasons for valuation listed earlier in the article:

1) Purchases and Sales

In situations involving the purchase and sale of a dealership, it is important to understand how dealerships are bought and sold. In an earlier section of this presentation, the elements of the traditional asset purchase were described. Generally, the dealership is sold for an amount equivalent to the adjusted net assets of the dealership, plus Blue Sky. Blue Sky is equivalent to a multiple (between 1 - 3 times) of pre-tax, pre-LIFO earnings.

Similarly, another asset method of valuing a dealership involves an excess earnings method. Similar to the net adjusted assets method, the excess earnings method values the goodwill (intangible assets) based on earnings in excess of an industry return on the net adjusted assets of the dealership. Since the dealership employs a significant investment in inventories and capital
assets, this method is a useful way to determine value. However, care should be given to the specific rates of return assigned to the tangible assets of the dealership, since different dealerships have different asset mixes.

An income approach in valuing a dealership poses a particularly difficult challenge because the earnings can vary so dramatically. As has been previously discussed, most dealerships have a value of at least their net adjusted book value. A strict capitalization of earnings or a discounting of future earnings/cash flows may not adequately reflect all of the elements of value in an automobile dealership. Accordingly, the development of a proper capitalization rate provides an additional challenge to the valuation professional.

As in valuing any business, the choice of an appropriate earnings stream, indicative of the dealership’s expected performance, is very important. Earnings of the smaller dealerships tend to approximate cash flows, and the challenge in this volatile industry is to arrive at a conclusion of representative earnings.

Historical performance is extremely important, but the days of the automotive industry being on a predictable, five-year economic cycle are long past. Historical performance, coupled with the many, varied economic, industry, and other factors mentioned in this presentation, determines the ultimate conclusion of the earnings stream upon which the valuation professional can base an opinion. In addition, this is an industry where forecasted earnings are oftentimes available, awaiting to the valuation analyst an ability to compute a value based on various discounted future income approaches.

Market methods, including guideline publicly traded companies and market data bases, provide some measure of comparability for the valuation professional. A discussion on publicly traded companies follows later in this presentation.

While market data is helpful, the availability of comparable sales is extremely limited. As previously mentioned, the majority of transactions of automobile dealerships occur between dealers, and very little public information is available. Accordingly, most information related to these sales is obtained from the dealers themselves, as well as brokers and professionals assisting them.

Limited information for transactions involving dealerships is available from market data bases, but the size of the transactions are generally small and vary widely in their terms and prices.

2) Divorce and Litigation

Applicable state laws generally define the standard of value, with most valuations using either fair value or fair market value. Asset based and market methods are generally utilized, and the major factor of contention between the parties then becomes the applicability of discounts. Once again, the courts generally determine which discounts are appropriate in the valuation process and whether the premise of value is either liquidation or going concern.

How Does the Emergence of Publicly Traded Companies Impact Value in Automobile Dealerships?

Without question, the emergence of publicly traded companies owning automobile dealerships is the single most significant development in the past few months. In the used vehicle market, CarMax and Auto Nation made early splashers in the industry, followed by United Auto Group and Cross-Continental Auto Retailers in the new vehicle market. Quickly behind them were Lithia Motors, followed by the most dominant current participant, Republic Industries.

Hardly a week goes by without news of a large dealer group being acquired by one of the publicly traded companies or news of a new publicly traded automobile dealer group being formed. The multiples of earnings paid for these acquisitions have been considerably higher than those traditionally transacted in the industry, and this has produced an impact on asking prices for most dealerships currently on the market. However, many of these dealerships are not being sold, and it is important to view the facts and circumstances
Currently in the industry to determine the reason.

The rush to go public has been fast and furious, with many groups vying for advantage in the stock market. The public’s infatuation with the initial offerings has been very high, particularly with the addition of Wayne Huizenga into the market. The acquisitions of dealer groups have been largely strategic ones, with the purchasers seeking to obtain certain geographic locations, market diversity, and franchise diversity. Predominately purchased are larger dealer groups and larger individual dealerships, with an emphasis on earnings and franchises.

For example, Republic has sought to purchase large groups and dealerships in its bid to challenge the franchise limitations currently imposed by both Toyota and Honda. As mentioned earlier, the acquisitions are strategic ones and are aimed at certain dealerships and dealer groups.

Do these acquisitions reflect the current market values of dealerships? In larger dealerships and dealership groups, they certainly should be considered in the ultimate determination of value. However, in most dealerships with annual sales under $75 million, the applicability of these publicly traded companies’ transactions have very limited use.

However, the excitement generated by these transactions has, most assuredly, raise[d] the expectation levels of most dealers offering their dealerships for sale. In addition to the publicly traded transactions, another factor influencing the sales prices of dealerships is the emerging participation by the factory in aligning franchises in desired locations. These “Additional” funds are resulting in higher asking prices from selling dealers, but limited increases have been in prices paid for dealerships.

While the economy is solid, skepticism in the industry is fairly high. The ultimate impact by the publicly traded companies is still undecided, especially in lieu of the recent trends in stock prices (declining prices in response to disappointing profits). Absurdly high prices are still being paid by these companies as they seek to increase their profitability by acquiring earnings.

Should the prices being paid by the publicly traded companies be considered? Most definitely! Should they be utilized? Only in very unique situations, and even then, with some adjustments.

Common Normalization Adjustments

When valuing controlling interests in automobile dealerships, several normalization adjustments are generally applicable. Many of these mirror those adjustments prevalent in valuing most closely-held companies, and include the following:

1) Dealer and family member compensation - as with most closely-held companies, these can vary greatly from industry standards.
2) Rent - since many dealerships rent their facilities from the dealer (or related parties), the rent factor should be reviewed.
3) LIFO - this method of accounting is generally utilized for the income tax level derived, and it has a financial statement impact on both earnings and the balance sheet.
4) Adjustments for water in receivables and inventories.
5) Real estate and fixed asset values.
6) Dealer perks - a thorough inquiry is required to uncover many of these which can include demo units for family members, etc.; investment vehicles (vintage antiques), motor homes, boats, etc.; club memberships; and a host of personal expenses paid by the dealership.
7) Assets and liabilities not included on the books - dealer reserves, contingent liabilities (chargebacks, litigation), etc.

By utilizing the comparative industry data that is readily available, inquiries can be made about variations by the dealerships; and appropriate adjustments can be made.
SUMMARY

While many of the traditional approaches to valuing automobile dealerships apply, it is vital that the valuation professional fully understand the intricacies of the industry. An understanding of the industry under “normal” conditions is a difficult task; however, the current changes bombarding the automotive business make it especially challenging to accurately value a dealership. Daily events impact value, and the valuation professional is required to expand existing appraisal knowledge to encompass a vast amount of constantly changing information.

This article is based on a paper by James L. (Butch) Williams, CPA, CVA, CBA, “Valuing Automobile Dealerships” presented to the 16th Annual Advanced Business Valuation Conference held at the Sheraton Palace hotel San Francisco, California on October 23, 1997.

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Appendix A
Resources and References

GENERAL


Annual Statement Studies, Robert Morris Associates, 1600 Suite 2300, Philadelphia, PA 19103-7398

NACVA Wilshire 5000 Listing of Company Sales Prices, NACVA, 1245 East Brickyard Road, Suite 110, Salt Lake City, Utah 84106

Data for Market Comparison, The Institute of Business Appraisers, Inc., Post Office Box 1447, Boynton Beach, Florida 33425


Standard and Poor's Register of Corporations, Directors, and Executives, Standard and Poor's Corporation, 25 Broadway, New York, NY 10004

The Value Line Investment Survey, Arnold Bernhard and Company, 711 Third Avenue, New York, NY 10017

Standard and Poor's Corporate and Government Bond Yield Index, Standard and Poor's Corporation, 25 Broadway, New York, NY 10004


PERIODICALS

Automotive Executive, a monthly publication of NADA
Services Corporation, a wholly-owned subsidiary of NADA,
8400 Westpark Drive; McLean, Virginia 22102; (703) 821-7150.

Automotive News, a weekly publication of Crain Communications, Inc., 1400 Woodbridge; Detroit, Michigan 48207-5187; (800) 678-9595.

Black Book, a weekly publication of National Auto Research. Post Office Box 758; Gainesville, Florida 30503.

Car Dealer Insider, a weekly publication of United Communications Group, 11300 Rockville Pike - Suite 1100; Rockville, Maryland 20852-3030; (800) 925-4824 x247.
NADA Official Used Car Guide, a weekly guide published by NADA, 8400 Westpark Drive; McLean, Virginia 22102.


Ward's Dealer Business, a monthly publication of Ward Communications, a division of Intertec Publishing Corporation, 9800 Metcalf; Overland Park, Kansas 66212-2978; (800) 441-0294.

Periodicals (usually monthly or bi-monthly) from the applicable state automobile dealership associations.


PUBLICATIONS, MANUALS AND GUIDES


DeFilipps’ Dealer Tax Watch, a quarterly publication of Willard J. DeFilipps, CPA, P.C., 317 West Prospect Avenue; Mt. Prospect, Illinois 60056.

DeFilipps’ Lifo Lookout, a quarterly publication of Willard J. DeFilipps, CPA, P.C., 317 West Prospect Avenue; Mt. Prospect, Illinois 60056.