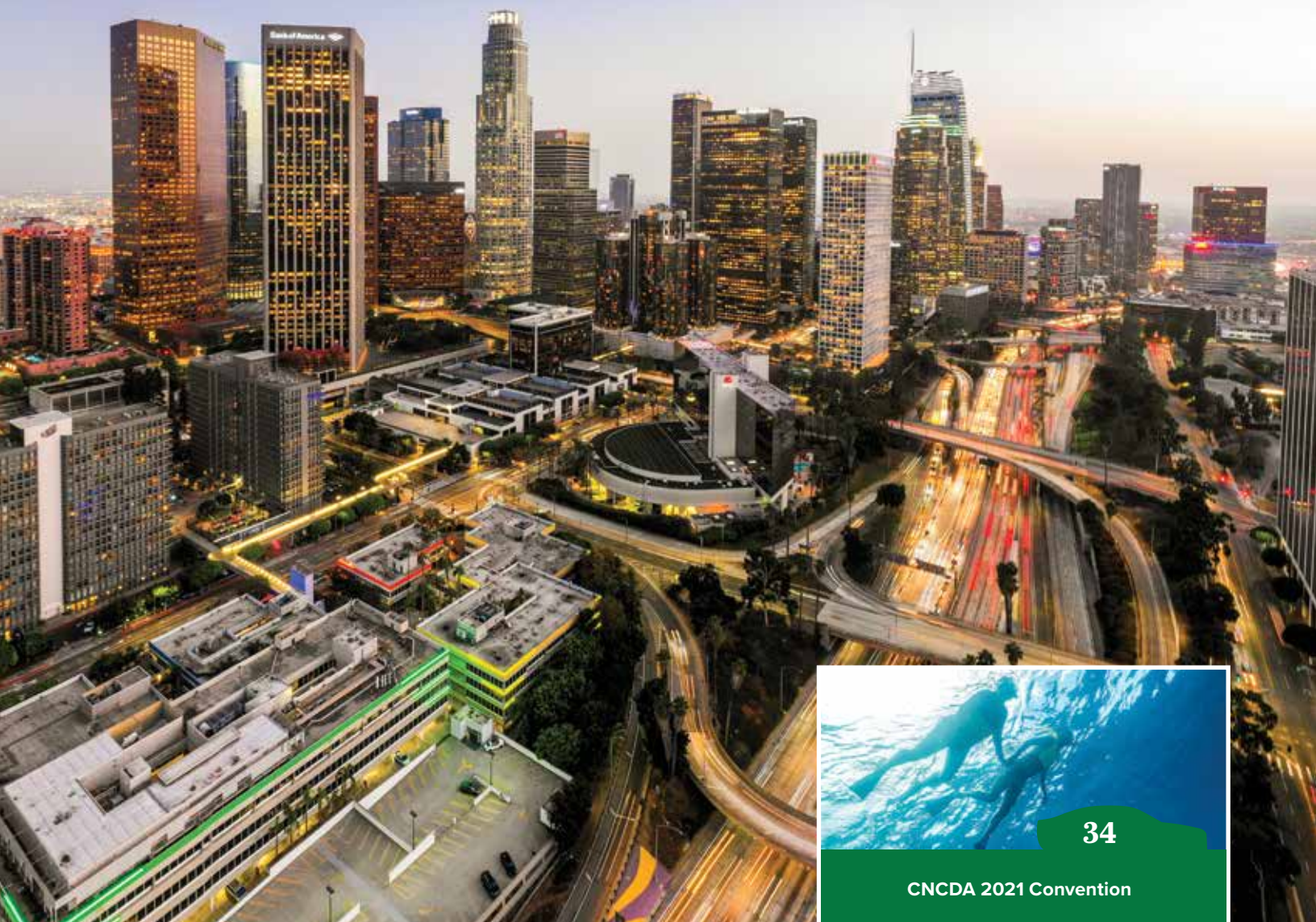


Official Publication of the California New Car Dealers Association

CALIFORNIA

NEW CAR DEALER QUARTERLY



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CNCDA 2021 Convention



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- 20** California Political Update: 2021 End-of-Session Legislative Recap
- 25** Know Your Rights at the California New Motor Vehicle Board

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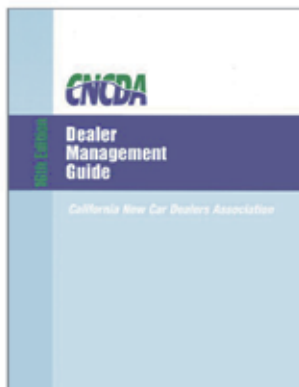
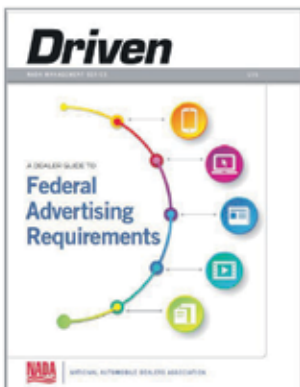
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- Buy/sell agreements
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- F&I training
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¹The firm has authored a number of compliance manuals, including: CNCDA Management Guide, CNCDA Franchise Law Manual 6th edition of CNCDA F&I Compliance Manual, NADA Dealer Guide on federal advertising requirements, and MLBB California Auto Dealer Advertising Law Manual.





President's Message: CNCDA's Fight for Wage and Hour Reform in California

BRIAN MAAS
President
California New Car Dealers Association

At CNCDA, our members empower us to serve as their voice in Sacramento and beyond. We wield that voice to effect change on those issues impacting California's new car dealers. As a leader in business advocacy, many times the issues impacting our members are widespread throughout the business community. One of those issues that proves to be a perpetually hot item is PAGA. For nearly two decades this legislative act has struck at the nerve of businesses from mom-and-pops to global corporations. Now, with the leadership of CNCDA, relief is on the horizon.

First, what is PAGA?

PAGA, or the Private Attorneys General Act, was passed by the California State Legislature in 2004 to give employees facing Labor Code violations the power to act as their own private attorney general, bringing a case against their employer to recover compensation. What this means is that an employee can represent not only themselves, but also all aggrieved employees, and do so with the authority of the state.

After its inception, PAGA became a tool for trial attorneys across California to take advantage of employers through expensive lawsuits for minor infractions, often



forcing defendants into settlement, rather than face potentially steeper penalties in court. Although technically not class action suits, PAGA penalties can still cost hundreds of thousands, if not millions, of dollars.

With a Labor Code of over 1,000 pages, lawyers take advantage of the most obscure violations to extort money from businesses, taking a large share of the payment themselves.

Why hasn't anyone fixed it?

The simple answer is that there have been a number of attempts, but so far, no success. The biggest roadblock preventing reform is the strength of the trial lawyers and the hesitancy of the legislature to fix a law that purports to benefit employees. Trial attorneys have continued to frame PAGA as a labor protection, and lawmakers are especially unwilling to take up issues that are perceived as going against labor groups. This despite the fact that studies have shown employees'

payouts handled by the Labor Workforce and Development Agency — as opposed to those brought by private attorneys — amount to nearly double the recovery for employees, while costing businesses less than half of what they would pay in court. So, even though PAGA reform would likely improve outcomes for businesses and employees, alike, interest groups have successfully likened any PAGA reform to an attack on workers' rights. Bills have been discussed, but unfortunately, California's single-party rule creates a massive barrier to a legislative fix.

What's CNCDA doing about it?

Right now, CNCDA is taking the lead to bring the issue directly to California's voters. On Dec. 8, the attorney general released the official title and summary for a proposed ballot measure to replace PAGA with a system that is more fair to employees and employers. But there are many hurdles on the path ahead. First, we must gather over 620,000 valid signatures to secure its spot on the ballot. Then, once the signatures

are certified, the campaign begins. This will not be an easy endeavor, and it will not be cheap. This initiative will depend on the backing of the entire business community and the support from our allies to get this across the finish line, and dealers must serve as leaders and examples for other businesses.

Over the past several years, CNCDA has worked to develop a strong coalition to push for a PAGA replacement that we believe can win at the ballot box. We have allied with CalChamber, the California Restaurant Association, and the Western Growers Association to lead this endeavor. We are working diligently to grow our coalition and secure additional financial backing, and the enthusiastic support of our members will be our greatest asset.

This month, CNCDA launched a campaign encouraging members to financially support this cause and make a donation to the CNCDA Issues PAC. Raising significant sums



Raising **significant sums** will not only help fuel the campaign effort, but it will also send a **powerful message** to the trial attorneys that CNCDA and its members take this issue seriously and will bring everything we can to effect **meaningful change**.



will not only help fuel the campaign effort, but it will also send a powerful message to the trial attorneys that CNCDA and its members take this issue seriously and will bring everything we can to effect meaningful change.

This will be a difficult road to victory, and we have an extremely tough battle ahead. But underdogs have

faced greater odds and come out on top, and we remain confident that we can do the same. Thank you tremendously for your dedication; we could not do what we do without the ongoing commitment of our dealers.

To make a donation or to learn more about our efforts, please visit cncda.org/paga. ◀

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**Cheryl Bedford, Chairperson
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TIME Dealer - Terry Gilmore

Terry Gilmore is a first-generation dealer who has been nominated as California's nominee for the 2022 TIME Dealer of the Year in partnership with Ally. CNCDA recently talked with Terry about his life, work and nomination.

Please tell us about growing up in St. Louis, Missouri.

I was born in 1947, a couple of years after World War II ended, and I was the oldest of three brothers. St. Louis was one of the largest cities in the U.S. at that time, but I do not think it is now. McDonnell Douglas and Anheuser Busch were the biggest employers.

My biological father was a World War II veteran. He died of a heart attack when he was 41. I was 12. My mother remarried, and we moved to the suburbs. My stepdad was a World War II veteran also. We lived a simple life. My mom's mom lived with us, both of my parents worked, and our activities were on the weekend. It was a fun time to grow up.

What impact did your service in the U.S. Army have on your life?

I was 19 when I was drafted, 20 when I went to Vietnam, and 21 when I came home. I didn't realize it at the time, but at some point in my career, I realized the Army was by far the greatest team I had ever been a part of. My military experience helped me realize the importance of every employee on the team. We often do not recognize the importance of all the players to the team, but if everyone does their job right, the team succeeds. That is what the Army taught me during those quick two years.

Going to Vietnam was very tough. Sometimes I think about why things happen or do not happen. For me, the hardest part was at the mail call. Being 12,000 miles

away from home and with a letter being the only way to communicate, it was disappointing when my name wasn't called for mail. I learned to save letters so I could reread them when I didn't have a new one. The little things make you the happiest, not the big things.

You wanted to be a professional bowler at one point.

Please tell us about that.

Bowling was a big indoor sport during the winter in St. Louis, and my stepdad and my mom were both bowlers. We had a bowling center in our subdivision owned by the five greatest bowlers of all time. I was around bowling icons. I got a job picking up bottles, and they would pay me three free games an hour, which allowed me to bowl all day if I wanted. I thought bowling was what I wanted as a career. I worked at that bowling center until I went to Vietnam.

Even though I was a good amateur bowler, I wasn't good enough to compete professionally. Bowling taught me the importance of practice and that if you want to do something well, you must be 100% committed. Knowing this has helped me succeed.

You moved from St. Louis, Missouri, to Scottsdale, Arizona, and began to sell automobiles. Why did you fall in love with Scottsdale?

We had seasonal weather in St. Louis: snow, rain and 100% humidity. In 1975, I took a vacation to the Camelback Ranch, and I fell in love with Scottsdale's weather.

When I moved in 1977, my stepdad had just retired from Standard Oil, and we drove out to Scottsdale. There were less than 500,000 people then. Although bowling had been my life, I knew I wouldn't be able to afford to live there through bowling. I searched the want ads and was



hired to sell cars at Scottsdale Dodge. One career was ending, and another one was beginning.

Why did you and Cindy decide to move to Ventura, California?

Before moving to Ventura, I met Bob Gregory, the general manager at Courtesy Chevrolet. While working at different dealerships, we competed to see who could sell more cars. Mr. Fitzgerald (the owner of Courtesy) helped Bob buy Paradise Chevrolet in Ventura. When my family took a vacation in Ventura at a beach house, I looked Bob up, and he said, “You should come over here and come to work for me.” I was hired as his used car manager. My first day was July 1, 1983. Over the next 30 years, we became best friends and partners, and with Bob’s help, Cindy and I could buy Paradise Temecula. Bob passed away in 2018 and is survived by his wife Nancy, who also to this day is a great friend and Katelyn’s godmother.

Bob Gregory was a tremendous mentor for you. Please tell us about him.

Bob grew up on a farm in Alabama and had little Alabama quirks. He was an incredible man in so many ways. He was from the generation that believed a handshake was more important than words on a piece of paper and always to keep my word.

Bob was old school: work hard, believe in yourself, believe in people. All the years I was here, and he was in Ventura, I would be out doing community work, and he never said, “I think you need to stick around and work a little more.” He realized the value of being part of something bigger than yourself.

Your wife, Cindy, has worked with you at the dealership from the beginning. Please tell us more about Cindy.

Cindy is from Michigan. She moved to Scottsdale after graduating from Eastern Michigan State. She wanted to work in parks and recreation, but couldn’t find a

position in that field, so she answered an ad to sell cars at Scottsdale Dodge, too, which is where we met. We have always enjoyed working together. We were married in April 1980 and will celebrate our 42nd wedding anniversary in April 2022.

We built the dealership in 1991 and opened for business in 1992. Cindy was our first general sales manager. Katelyn was born in 1993. We came home to have lunch with Katelyn every day. When Katelyn was three years old going on four, we were driving back to work after lunch one day, and Cindy said, “Did you hear Katelyn laugh? She sounds just like our nanny.” At that moment, Cindy said, “Today is my last day. It’s time I start spending time with her.” And that’s what she did.

Your daughter Katelyn was the dealership’s top salesperson. She is a successful finance manager and will take over the business when you retire. Please tell us about Katelyn.

Katelyn graduated with an English degree from San Diego State and earned a master’s degree in English. One of her best assets when selling cars was her ability to communicate with people of all educational levels. Katelyn also speaks Spanish, which is an asset.

Katelyn has excelled in everything in the organization so far. As she moves up, she will have to find that balance between career and family, especially now that she is a new mom. We all know that is a pretty tough thing to master.

Are there any other people who have had a significant impact on your life that you would like to tell us about?

Yes, there was. In recent years, many of my closest friends have passed away. A funeral service is always a time of great reflection. Most times, that is when we realize the impact that their friendship has had on your life and success.

CONTINUED ON PAGE 16



Ally donates \$1,000 from each nominee to a 501(c)(3) charity you select. The charitable donations for finalists are \$5,000, and the winner's donation is \$10,000. You already support many charities. Which charity did you select for this honor? Why?

The Boys & Girls Club has been my passion for 30 years. We now have four clubs, and I helped build all of them. The Boys & Girls Club Southwest County will be the beneficiary.

Why should CNCDA dealers join the association? How does membership benefit its members?

It has been more apparent these past two years going through the pandemic. I suspect the association has grown in the last two years because dealers have needed help to ensure they comply with state and federal law during the pandemic.

The law is constantly being changed or modified. Dealers rely on the association to guide them on the legal and legislative issues surrounding vaccinations and other issues such as wage and hour lawsuits, to name a few.

What is the biggest issue facing California dealerships in the next 3-5 years?

Wage and hour lawsuits are my biggest concern. The law is complicated for the employee and employer.

The electrification mandate that manufacturers are requiring is also of concern. The cost to do the modifications to sell electric vehicles is extremely expensive. Some dealers will be forced to opt out of selling electric cars due to the expense of this mandate.

The association has protected the interests of the dealers for so long, and it will continue to play an important part in resolving problems like these.

Tell us about "See the need, do the deed." Where is that from? How has it shaped your life and your dealership's culture?

We opened in February 1992, and in June 1992, the Border Patrol was chasing a Suburban through Temecula, and several people in front of a high school were killed. The dealership had been open only three months. One of our employees, Denny Mighell, asked how we could help. We didn't have a lot of resources at the time, so we got a group of business owners together and did what we could to fill the needs of the families affected.

After that terrible incident, it showed me that "If we see the need, we need to do the deed." That attitude has been part of who we are ever since. We never do the wrong thing for the wrong reason. Even now, we have 25 managers and 205 employees, and "see the need, do the deed" is part of the culture of every employee who works here.

You find a way to solve problems when you get committed, good people together. We have applied that to our business. Since that time, we have come together when a crisis occurs in our community.

What are three pieces of advice you would give someone if you were mentoring them?

1. Find that balance between life and career. I don't know why previous generations thought we couldn't have both, but times have changed. Success depends on having both, and not having them causes you to fail.
2. Just sit down and figure out what to do when you have a problem. If you fail, you can learn from that. I have failed as many times as I have succeeded.

3. You have to be a good team player to be a good boss. The team is everything, and your most important asset is the people who work with you. But if a portion of your team does not do their job, it becomes tougher for everyone else.

What is your favorite car?

My favorite cars are the old muscle cars, especially the SS396 Nova.

What are you currently driving?

Due to the lack of new car inventory at this time, I am driving a certified 2020 Cadillac Escalade from our used car department.

Please tell us about your family.

I am fortunate to have a great family. My oldest daughter, Tina, lives in Highland, Illinois. She has two children. CJ works at a bank, and Samantha is a sophomore at Southern Illinois University Edwardsville. Katelyn has a five-month-old son, Sawyer. Cindy and I have two golden retrievers, Belle and Charlie, rounding out our family.

What do you like to do for fun?

Until Katelyn had Sawyer, I would have told you golf. I also have a plane, and I like to take trips. Now that we have Sawyer, I am learning to be



the best babysitter. I have been having fun by spending my early mornings at Katelyn's house while she works out.

Do you have any last words?

You never know where life is going to take you. I grew up with bowlers, and bowling was my whole life. Who would have ever thought someone that wanted to be a bowler would have success in life in the car business? ◀

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Walnut Creek Ford
Walnut Creek, California

- ▶ We are very pleased with the work performed by Bellavia Blatt. We received the maximum parts and labor rate possible and the fees were very reasonable (substantially less than Armatus).

DARREN ANDERSON

Lehmer's Concord Buick GMC
Concord, California

- ▶ Once again Bellavia Blatt has gone above and beyond to help us increase our Warranty gross profit. "We are so happy that we chose Bellavia Blatt to submit for our California AB179 increase. Gary did an amazing job and got us approved in less than a day with a huge increase in our rate!" Thanks again for all the help!

MATT CLANCY

Team Nissan
Parts & Service Director
Oxnard, California



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California Political Update

2021 End-of-Session Legislative Recap

By Alisa Reinhardt, Director of Government Affairs

COVID-19 vaccines were the clear focus of the legislature, business community, and countless other advocacy groups during the final few weeks of this year's legislative session, which ended at midnight Friday, Sept. 10.

The business community was especially concerned about AB 455, a proposal by Assembly Members Buffy Wicks (D-Oakland), Evan Low (D-Campbell), and Akilah Weber (D-La Mesa) that would have been the nation's strictest statewide vaccine requirement yet. The bill required residents to show proof of COVID-19 vaccination to enter indoor public places, including most businesses. It also would have compelled workplace vaccine mandates. Business groups fought against the proposal, and it was ultimately shelved for this year, although Assembly Member Wicks said she will continue working on the language and plans to introduce it again next year. For now, various counties statewide are choosing to create their own vaccine requirements in advance of any impending statewide mandate that may occur.

What became known as the vaccine "compromise proposal" took the form of AB 1102 by Assembly Member Evan Low, which would have confirmed that employers are free to mandate vaccines for employees if they chose and would have provided liability protection for such a mandate. It also would have confirmed that an employer is not required to verify an employee's proof of vaccination is valid so long as it reasonably appears to be genuine and relates to the employee. The bill, unlike AB 455, would not have required employers to ensure all employees were vaccinated.

Labor interests pushed back on AB 1102 and withheld support unless the bill's author would agree to include 40 hours of additional paid leave for employees for the following circumstances: getting the COVID-19 vaccine, recovering from symptoms related to the vaccine, caring for a sick child too young to get the vaccine, and testing positive for COVID-19 (this last piece would have been reserved for vaccinated employees). Labor interests also wanted 40 additional hours of unpaid leave to be

provided to vaccinated employees who continue to test positive for COVID-19 after exhausting paid leave. This bill was controversial, and due to the legislature's 72-hour rule (where a bill has to be in print for 72 hours before it can be voted upon), a compromise could not be reached in time for the measure to be officially introduced. A version of AB 1102 will likely be introduced in 2022.

CNCDA's sponsored bill, SB 361 (Tom Umberg, D-Orange County), was also held this year due to unreasonable amendment requests from consumer attorneys and the state Attorney General's Office. SB 361 would have removed federal and state law ambiguity by explicitly allowing dealers to get electronic customer signatures. Although the bill passed out of the Senate Judiciary Committee on a 10-1 vote and passed the Senate unanimously, it was held in the ultra-consumer-friendly Assembly Judiciary Committee.

We were successful in killing three of our top Oppose priorities this year:

1. **AB 1211** by Assembly Member Al Muratsuchi (D-Torrance). This bill would have created a separate licensing scheme under the law so that a company called Canoo could have offered their small electric buses to consumers in a subscription-like manner, with a proposed regulatory scheme that raised serious consumer protection and franchise law concerns.
2. **SB 346** by Senator Bob Wieckowski (D-Fremont). This bill would have required dealers to "prominently inform" vehicle purchasers about the operation of any OEM-installed in-vehicle cameras during the vehicle purchase process, which would have added additional, onerous, and unnecessary paperwork to the vehicle purchase process.
3. **SB 373** by Senator Dave Min (D-Irvine). This bill would have prohibited a debt collector from attempting to collect a consumer debt if the consumer provided documentation to the debt collector that the debt, or any portion of the debt, was the result of economic

abuse. (While the bill aimed to protect vulnerable populations from being taken advantage of, the only evidence needed to show economic abuse under the bill was slight.)

We know we will see SB 346 again, and we will likely see Canoo introduce another bill as well.

This year, many other bills we engaged in were outlined during our New Laws seminars.

Issues covered included changes to the following:

- COVID-19
- Fees & taxes
- Employment laws
- Privacy
- Consumer protection
- Commercial & hazardous waste
- Autonomous & electric vehicles
- Retail theft
- Repossession rules
- Career technical education
- Truck issues
- 2022 legislative preview

Political Musical Chairs

Many political pundits believe Governor Newsom was cautious at the end of this year's legislative session due to the recall election. However, after beating the recall 62% to 38% percent with 12.9 million votes cast, Governor Newsom is in a strong political position heading into the 2022 legislative session. In the meantime, the California Republican Party is spending time on strategic planning and figuring out how to increase the number of Republican statewide elected officials. Some



The end result of **redistricting** is likely to have a sizable effect on **California politics** as district lines are redrawn, and district makeups change.



legislators are terming out in 2022, including the following:

- SD 4 - Jim Nielsen (R)
- SD 6 - Richard Pan (D)
- SD 10 - Bob Wieckowski (D)
- SD 18 - Bob Hertzberg (D)
- SD 36 - Pat Bates (R)
- SD 40 - Ben Hueso (D)

In southern California, all eyes will be on the Los Angeles Mayoral race. Congressional Representative Karen Bass announced her plans to run for mayor instead of seeking reelection to her congressional seat. Other major declared candidates for the mayoral seat include Joe Buscaino, Kevin de León, and Mike Feuer (all current or former politicians at the city and state level).

For Karen Bass' Congressional seat, Culver City Vice Mayor Daniel Wayne Lee filed FEC paperwork to run – he finished a distant second (by 55 points) behind Sydney Kamlager in the SD 30 special election earlier this year.

In Assembly District 17, Assembly Member David Chiu was recently appointed to fill the vacant San Francisco City Attorney position, creating a vacancy in the assembly that will cause a special election to fill his seat. The primary is likely to occur in Dec. 2021, with a runoff (if no candidate receives 50% plus one) in Feb.

Redistricting Update

Redistricting is the once-per-decade process where political boundaries for elective offices are updated and redrawn after completion of the U.S. Census. Based on information from the U.S. Census, the Citizens Redistricting Commission redraws the boundaries of California's Congressional, State Senate, State Assembly, and State Board of Equalization districts.

Those with a political eye will be waiting with bated breath for the end of this process, with final maps scheduled to be approved Dec. 27, 2021. The end result of redistricting is likely to have a sizable effect on California politics as district lines are redrawn, and district makeups change. We may see some districts change their Democrat v. Republican breakdown, including some blue and red districts that may change or at least become purple.

2022 Legislative Session

The last day for Governor Newsom to sign or veto bills was Oct. 10, and the legislature will not reconvene until Jan. 3, 2022. Fall and winter recess is an excellent time to reflect, regroup, and plan our priorities for the next year's legislative session. We did just that with our CNCDA Legislative Committee this fall during the Los Angeles International Auto Show. ◀

You can always contact CNCDA Director of Government Affairs Alisa Reinhardt at 916-441-2599 or areinhardt@cncda.org if you have any questions or would like to discuss any of CNCDA's policy priorities in more detail.

Electric Vehicle Charging Infrastructure Plays a Significant Role in Boosting the Demand for Electric Vehicles

During the first quarter of 2021, the number of EV sales in the U.S. was greater than 300,000. More specifically, EV sales outperformed the overall market and increased 81% when compared against Q1 2020. The following table shows the exact numbers:

Category	Q1 2020	Q1 2021	Increase
EVs	68,247	98,832	44.82%
HEVs/PHEVs	99,719	204,921	105.50%
Total EVs, HEVs and PHEVs	167,966	303,753	80.84%
Total Market	3,509,299	3,907,738	11.35%
Percent Electrified	4.79%	7.77%	62.40%

The largest growth was for hybrids and plug-in hybrids. The reason is obvious. Although an increasing number of people are buying EV technology to help counter high gas prices and reduce their carbon footprint, they don't want to risk running out of fuel when traveling, even if traveling only consists of a short commute. Federal tax credits on some popular models has been phased out, though, and that has caused a corresponding decline in sales. The pandemic also caused a decline, but it wasn't as big as many people feared when the economy first shut down in March 2020.

What is currently selling best? Consider EVs first. The main players are Tesla, Chevrolet and Ford. Tesla has the two top spots for 2021 (Model Y is No. 1 and Model S is No. 2), but No. 3 is the Chevrolet Bolt. Chevrolet sold almost 10,000 of them during the first quarter. No. 4, an all-new version of the Ford Mustang Mach-E, first went on sale in December 2020 and did better in Q1 2021 than Tesla's Model S and Model X combined. Tesla had some additional bad news. The Model 3 was No. 1 in 2020, but year-over-year sales fell more than 50%.



It's clear that the automobile industry is moving toward full or **partial EVs** and away from gas-powered vehicles.



What about hybrid sales (HEVs and PHEVs)? More than 60 different kinds are available in the U.S., but the main players are Toyota, Honda, Ford and Volvo.

Toyota is No. 1. It sold 124,449 hybrid vehicles in Q1 2021. The most popular one was the Toyota RAV4 Hybrid, which accounted for 32,263 of those sales. No. 2, at 26,044, was the Toyota Sienna minivan, which is now sold only as a hybrid. Almost one-fourth of all Toyotas being sold now are hybrids.

Honda is No. 2 after selling 22,000 hybrids in Q1 2021, and Ford is No. 3 after selling more than 18,000 hybrids. Of the vehicles they sold, 7,176 were F-Series pickups. Volvo is No. 4. It sold 2,800 hybrids in Q1 2021.

These numbers are small when compared against sales of traditional combustion engines, but a Pew Research Center survey found that even though only 7% of U.S. adults own an electric vehicle of some kind, 39% said they were very likely or somewhat likely to think seriously about buying one the next time they buy. Almost 1.8 million U.S. EVs were registered in 2020, but that is more than three times as many as were registered in 2016.

Who is most likely to buy an EV of some kind?

- People who live in big cities and have garages or access to charging stations. In 2015, there were less than 32,000 charging stations in the U.S. That number had tripled by May 2021, and the International Energy Agency expects the U.S. to have between 800,000 and 1.7 million by the end of 2029. The place with the most charging stations is Washington, D.C. (237 stations). No. 2 is Vermont and No. 3 is California. However, the national average is one outlet for 2,570 vehicles.

- Those who live in Europe or China. Between 2016 and 2020, the compound annual growth is 60% in Europe, 36% in China and 17% in the U.S.

- Residents of states such as California, Washington, Oregon, Colorado, Arizona, Hawaii, Vermont and Massachusetts. In 2018, California had more EVs than any other state (12 per 1,000), with Hawaii in second place (6 per 1,000). Other states in 2018 that had between 1.0 and 1.9 registrations per 1,000 people were Nevada, Utah, Georgia, Maryland, New Hampshire, Connecticut, New Jersey, and the District of Columbia.

- Those who want to avoid the service shop. The engines are simpler, and so is the maintenance. This may eventually be a significant factor for dealers, who often benefit from their service departments, but not until more EVs are on the road. Even then, though, less service is not the same as no service.

- Car lovers who enjoy the combination of great driving performance and almost no emissions.

It's clear that the automobile industry is moving toward full or partial EVs and away from gas-powered vehicles. This is especially true because of the current emphasis on providing the necessary infrastructure so owners can rely on being able to charge their cars the same way they currently rely on being able to buy gas.

Now is the time to begin building the infrastructure that will support EVs. ◀



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Know Your Rights at the California New Motor Vehicle Board

By Anthony Bento, Director of Legal and Regulatory Affairs

At CNCDA, one of the most common calls we receive is from dealers frustrated about actions taken by their manufacturer. The topics of these calls vary significantly. Dealers often identify unfair OEM performance standards or describe how they are not reimbursed at their approved labor and parts rate for warranty work. Occasionally, calls involve even more aggressive actions, such as franchise terminations.

California's franchise laws provide dealers with a critical tool to push back against manufacturer abuse. Dealers can file various "protests" at the New Motor Vehicle Board alleging that a manufacturer's actions violate our state franchise law. The protest process can involve mediation and – if unsuccessful – a legal proceeding in front of an administrative law judge with expertise in dealer/manufacturer relations.

A significant benefit of the dealer protest right often involves "burden-shifting." As lawyers know, which party has the burden of proof is incredibly important. In many protests, California law states that the manufacturer has the burden of proof to defend its actions as lawful, even though the dealer filed the protest. This can provide a substantial advantage to dealers.

Even if you are reluctant to file a protest against your manufacturer, simply knowing your rights can empower you to negotiate more effectively. Outlined below are a few key dealer protest rights at the New Motor Vehicle Board.

Termination or non-renewal of a franchise. Perhaps the most important franchise right – Vehicle Code section 3060(a) – allows dealers to challenge the termination of a franchise. To successfully terminate a franchise, a manufacturer must show "good cause," an onerous burden to satisfy.

Franchise modification. Like a termination proceeding, Vehicle Code section 3060(b) requires a manufacturer to show that there is "good cause" to modify an existing franchise. This protest right can help push back against unfair changes to the franchise relationship imposed by manufacturers.

New or relocated dealership within a 10-mile radius. If a manufacturer seeks to add or move a dealership within 10 miles of an existing dealership, a dealer can file a protest pursuant to Vehicle Code section 3062.

Warranty reimbursement. Has a manufacturer disapproved or reduced the amount owed to your dealership for warranty or recall work? Or, has a manufacturer refused to approve your submitted parts or labor rates? If so, California law allows you to file a protest challenging such actions.

Manufacturer audits, chargebacks, and disapproval of incentive claims. If a manufacturer disapproves an incentive or charges back a warranty claim, dealers can file a protest.

Performance standards and incentive programs. Created by CNCDA's 2019 franchise bill (AB 179), this new protest right allows dealers to challenge unreasonable performance standards or incentive programs at the New Motor Vehicle Board. ◀

If looking for additional resources on this topic, visit CNCDA Comply on CNCDA's website (cncda.org). You will find the Franchise Law Manual and a webinar recording on California franchise law. Both are fantastic resources. Also, don't hesitate to call the legal hotline at 916-441-2599.

California Auto Outlook TM

Publication Sponsored By:



Comprehensive information on the California vehicle market

Volume 17, Number 4 Released September 2021

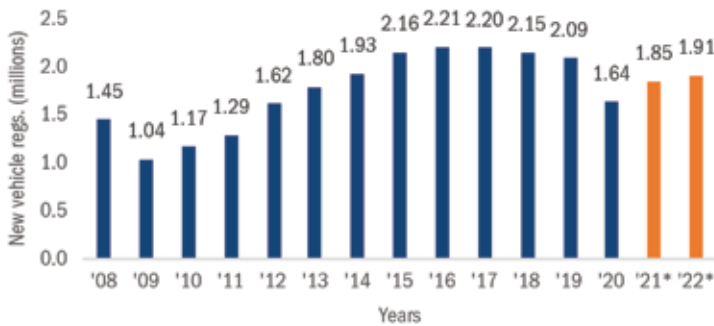
Tight Supplies Could Keep State New Vehicle Registrations Below 2 Million Units in 2022

Outlook For California New Vehicle Market

ANNUAL TRENDS



California Annual New Light Vehicle Registrations - 2008 thru 2022



Historical data source: AutoCount data from Experian. *2021 and 2022 forecasts by Auto Outlook.

□ California new vehicle registrations are predicted to reach 1.85 million units for all of 2021, a 12.9 percent increase versus 2020. Fourth Quarter registrations this year are expected to decline by approximately 17 percent versus 4Q '20.

□ The market is predicted to increase slightly in 2022, with registrations improving to 1.91 million units, up 3.2 percent from 2021.

□ Typically, forecasts for California new vehicle registrations are a function of key factors related to demand, such as employment, household income, consumer sentiment, and interest rates. For perhaps the next 15 months, however, sales levels will likely be linked to how many vehicles can be produced.

Pinpointing production volume is a complex puzzle impacted by several inter-related pieces: the chip shortage, COVID induced labor cutbacks, tight supplies of other key components, and transportation logistics.

Due to this elevated uncertainty, an alternative forecasting approach was used to derive the above forecasts. The methodology translates expected levels for the U.S. seasonally adjusted annual rate of sales (SAAR) into new vehicle registrations in the state.

□ Although analyst predictions for U.S. new vehicle sales vary, the consensus outlook for 4Q '21 SAAR is roughly 13 million units. Based on historical trends, a Fourth Quarter SAAR of 13 million units is equivalent to 365,000 new vehicle registrations in California, down 17 percent from 4Q '20.

□ Early predictions for SAAR in 2022 are in the vicinity of 15.4 million units, which is equivalent to 1.91 million new vehicle registrations in the state.

TWO YEAR PERSPECTIVE



California Total New Light Vehicle Registrations - YTD 2020 and 2021, thru Sep.

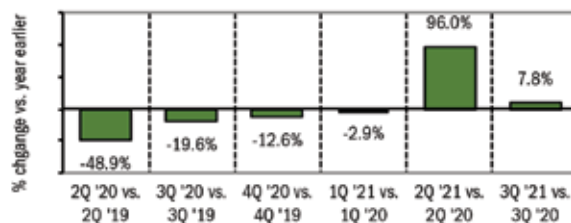
	California			U.S.		
	YTD '20	YTD '21	Change	YTD '20	YTD '21	Change
Registrations						
TOTAL	1,199,446	1,484,862	23.8%	10,393,042	11,772,441	13.3%
Car	435,366	509,554	17.0%	2,524,076	2,731,147	8.2%
Light Truck	764,080	975,308	27.6%	7,868,966	9,041,294	14.9%
Domestic	390,159	454,480	16.5%	4,711,747	4,739,135	0.6%
European	178,736	225,279	26.0%	996,783	1,224,672	22.9%
Japanese	543,445	682,790	25.6%	3,801,452	4,633,154	21.9%
Korean	87,106	122,313	40.4%	883,060	1,175,480	33.1%
Market Share						
Car	36.3	34.3	-2.0	24.3	23.2	-1.1
Light Truck	63.7	65.7	2.0	75.7	76.8	1.1
Domestic	32.5	30.6	-1.9	45.3	40.3	-5.0
European	14.9	15.2	0.3	9.6	10.4	0.8
Japanese	45.4	46.0	0.6	36.6	39.4	2.8
Korean	7.3	8.2	0.9	8.5	10.0	1.5

Source for CA registrations: AutoCount data from Experian. Source for U.S. data: Automotive News.

QUARTERLY RESULTS



California Quarterly New Light Vehicle Registrations
Percent Change vs. Year Earlier

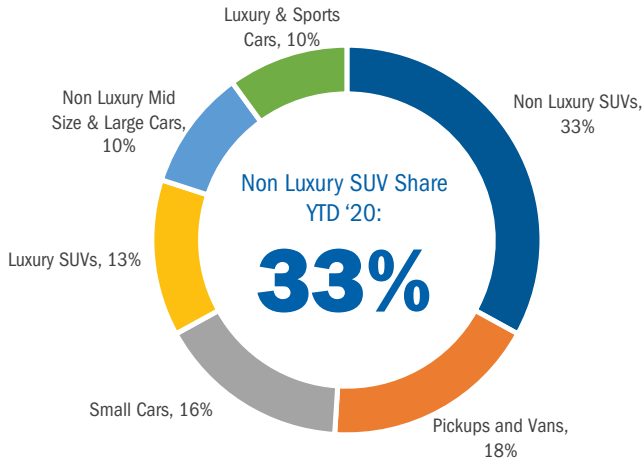


Data source: AutoCount data from Experian.

SEGMENT MARKET SHARE TRENDS

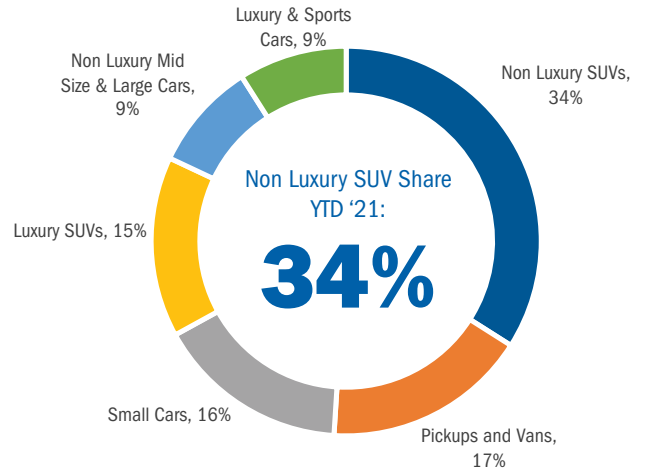
Small Car Market Share Holds Steady During 2021

Segment Market Shares in California
YTD 2020 thru September



Data Source: AutoCount data from Experian.

Segment Market Shares in California
YTD 2021 thru September



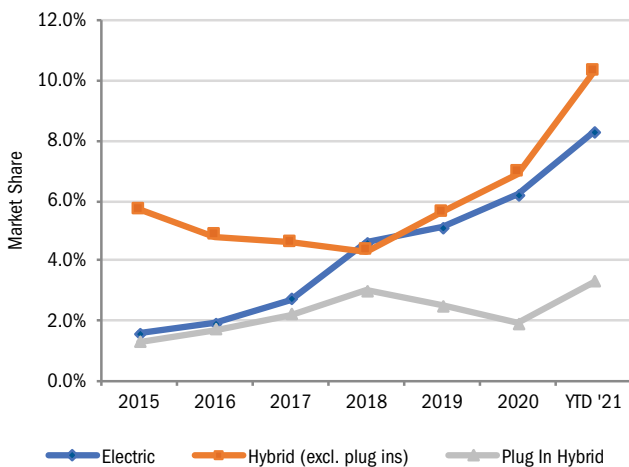
Data Source: AutoCount data from Experian.

The two graphs above show market shares for primary segments during the first nine months of 2020 and 2021.

HYBRID AND ELECTRIC VEHICLES

Estimated Electric Vehicle Market Share Increased to 8.3 Percent During First Nine Months of 2021

Estimated Hybrid and Electric Vehicle Market Share



Hybrid/electric vehicle market share
YTD '21 thru September:
21.9 percent

Estimated Hybrid and Electric New Vehicle Registrations and Market Share					
	2017	2018	2019	2020	YTD '21
Electric registrations	59388	99121	106752	101628	123244
Electric share	2.7%	4.6%	5.1%	6.2%	8.3%
Hybrid regs. (excl. plug ins)	101180	92658	117218	113103	152941
Hybrid share (excl. plug ins)	4.6%	4.3%	5.6%	6.9%	10.3%
Plug in hybrid regs.	48391	64644	52329	31144	49000
Plug in hybrid share	2.2%	3.0%	2.5%	1.9%	3.3%

The graph above shows estimated hybrid powertrain and electric vehicle market share in the state. Registrations by powertrain for vehicles equipped with multiple engine types were estimated by Auto Outlook. The estimates are based on model registrations compiled by Experian, and engine installation rates collected from other sources.

Toyota Camry Retains Top Spot in California New Vehicle Market; RAV4 is Best-Selling Light Truck

The table below shows the top five selling models during the first nine months of 2021 in 20 segments. In addition to unit registrations, it also shows each model's market share in its respective segment.



BEST SELLERS IN PRIMARY SEGMENTS

- Compact Car: Honda Civic
- Mid Size Car: Toyota Camry
- Near Luxury Car: Tesla Model 3
- Luxury Car: BMW 5-Series
- Full Size Pickup: Chevrolet Silverado
- Compact SUV: Toyota RAV4
- Mid Size SUV: Toyota Highlander
- Luxury Compact SUV: Tesla Model Y

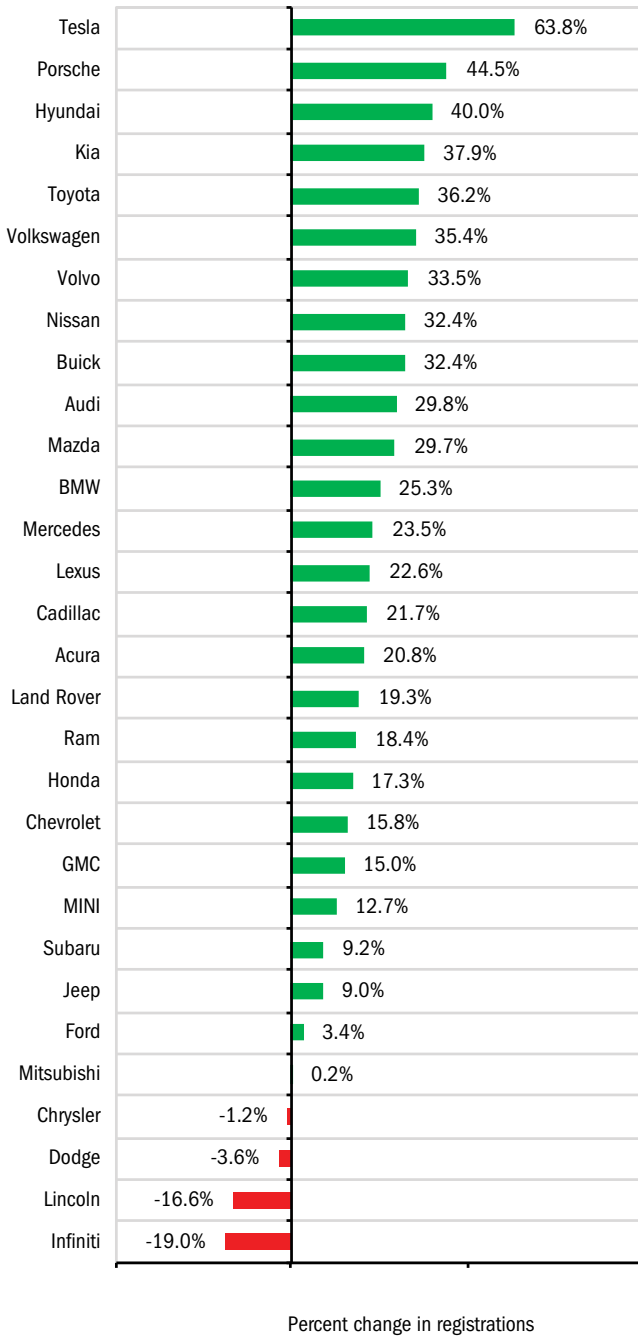
Top Selling Models in Each Segment - New Light Vehicle Registrations (YTD 2021 thru September)

Cars											
Subcompact			Compact			Sports/Pony Cars			Mid Size		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Chevrolet Bolt	9945	35.2	Honda Civic	50159	26.7	Ford Mustang	6244	35.3	Toyota Camry	51111	39.8
Nissan Versa	6973	24.7	Toyota Corolla	43832	23.3	Dodge Challenger	6005	34.0	Honda Accord	36028	28.1
Chevrolet Spark	3016	10.7	Toyota Prius	19943	10.6	Chevrolet Camaro	1787	10.1	Kia K5/Optima	10357	8.1
Honda Fit	1959	6.9	Nissan Sentra	15041	8.0	Mazda MX5	1634	9.2	Nissan Altima	9460	7.4
Kia Rio	1881	6.7	Kia Forte	12091	6.4	Toyota Supra	1201	6.8	Hyundai Sonata	8702	6.8
Large			Entry Luxury			Near Luxury			Luxury and High End Sports Cars		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Dodge Charger	8871	65.1	BMW 2-Series	2744	28.1	Tesla Model 3	34995	40.8	BMW 5-Series	5005	13.9
Toyota Avalon	1996	14.6	Mercedes A-Class	2061	21.1	BMW 3-Series	9417	11.0	Mercedes E-Class	4677	13.0
Chrysler 300	1545	11.3	Acura ILX	1849	19.0	Lexus ES	8221	9.6	Chevrolet Corvette	2683	7.5
Nissan Maxima	1152	8.5	Mercedes CLA-Class	1669	17.1	Mercedes C-Class	7927	9.2	Tesla Model S	2231	6.2
Chevrolet Impala	34	0.2	BMW i3	888	9.1	Lexus IS	4212	4.9	Mercedes S-Class	2223	6.2
Light Trucks											
Compact/Mid Size Pickup			Full Size Pickup			Mini Van			Large Van		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Toyota Tacoma	35122	54.4	Chevrolet Silverado	36494	28.5	Toyota Sienna	12800	44.9	Ford Transit Connect	12835	41.7
Ford Ranger	9487	14.7	Ford F-Series	35252	27.5	Honda Odyssey	7163	25.1	Ram Promaster	6080	19.8
Jeep Gladiator	5915	9.2	Ram Pickup	32619	25.4	Chrysler Pacifica	4508	15.8	Mercedes Sprinter	4318	14.0
Chevrolet Colorado	5555	8.6	GMC Sierra	15781	12.3	Chrysler Voyager	2477	8.7	Nissan NV	3930	12.8
Nissan Frontier	3993	6.2	Toyota Tundra	6704	5.2	Kia Carnival	1193	4.2	Chevrolet Express	2458	8.0
Subcompact SUV			Compact SUV			Mid Size SUV			Large SUV		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Subaru Crosstrek	14965	15.0	Toyota RAV4	48182	23.4	Toyota Highlander	23472	13.5	Chevrolet Tahoe	5920	27.0
Honda HR-V	13871	13.9	Honda CR-V	32841	15.9	Ford Explorer	15201	8.7	Ford Expedition	4286	19.6
Nissan Kicks	8661	8.7	Mazda CX5	18154	8.8	Subaru Outback	13350	7.7	GMC Yukon	2888	13.2
Hyundai Kona	7502	7.5	Jeep Wrangler	16921	8.2	Toyota 4Runner	11604	6.7	Chevrolet Suburban	2841	13.0
Toyota C-HR	6589	6.6	Subaru Forester	14094	6.8	Honda Pilot	11406	6.5	GMC Yukon XL	1723	7.9
Luxury Subcompact SUV			Luxury Compact SUV			Luxury Mid Size SUV			Luxury Large SUV		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Mercedes GLB-Class	4923	20.5	Tesla Model Y	42624	40.9	Lexus RX	13791	19.4	Cadillac Escalade	3723	21.4
Audi Q3	4852	20.2	Lexus NX	10341	9.9	Mercedes GLE-Class	10121	14.3	Mercedes GLS-Class	3167	18.2
Lexus UX	4056	16.9	Audi Q5	9397	9.0	BMW X5	7467	10.5	Land Rover Range Rover	2606	15.0
Mercedes GLA-Class	3273	13.6	BMW X3	8470	8.1	Acura MDX	4972	7.0	BMW X7	2387	13.7
BMW X1	2738	11.4	Mercedes GLC-Class	8413	8.1	Volvo XC90	4348	6.1	Mercedes G-Class	2009	11.5

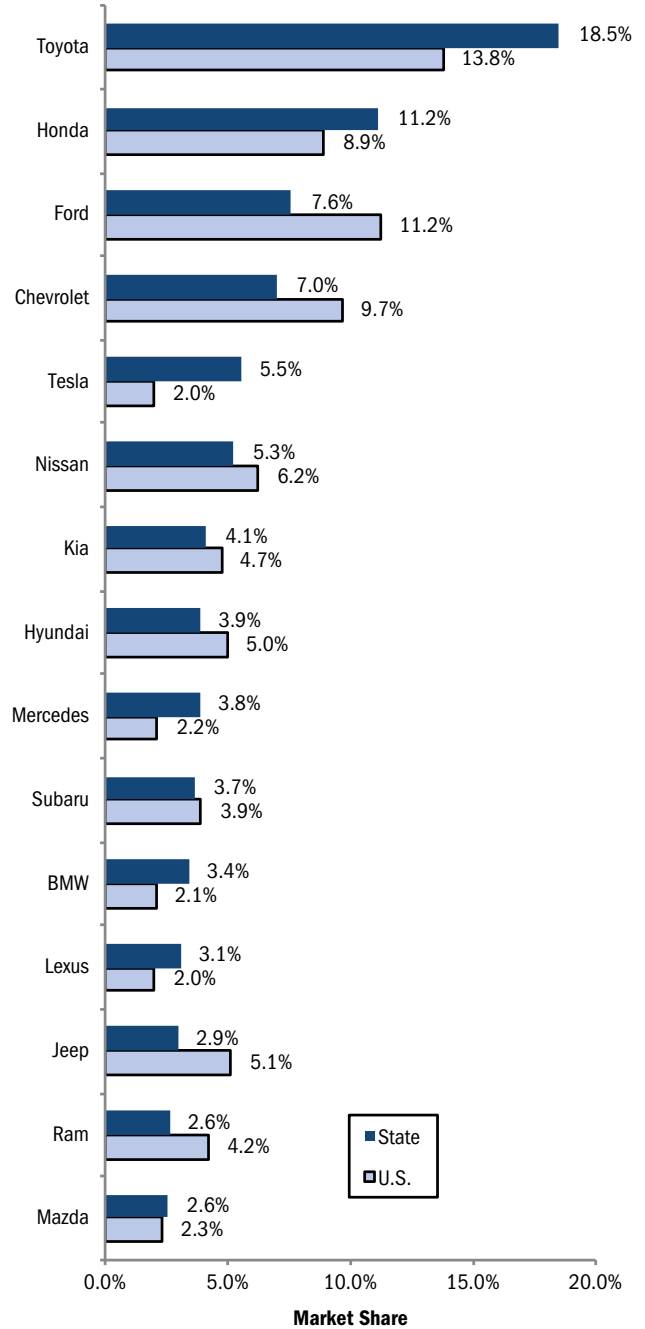
Data Source: AutoCount data from Experian. Figures for Prius include Prius Prime.

Most Brands Had Big Percentage Increases During First Three Quarters of 2021

Percent Change in Brand Registrations - YTD '21 thru Sep. vs. YTD '20
(Top 30 selling brands in state)



California and U.S. Market Share - YTD '21 thru September
(Top 15 selling brands in state)



Registrations increased by more than 30 percent for Tesla, Porsche, Hyundai, Kia, Toyota, Volkswagen, Volvo, Nissan, and Buick



Toyota, Honda, Ford, Chevrolet, and Tesla were market share leaders in California

Source for California new vehicle registrations: AutoCount data from Experian. Source for U.S. market share: Automotive News.

Detailed Results for All Brands in California Market

California New Car and Light Truck Registrations												
	Third Quarter						Year to date thru September					
	Registrations			Market Share (%)			Registrations			Market Share (%)		
	3Q '20	3Q '21	% change	3Q '20	3Q '21	Change	YTD '20	YTD '21	% change	YTD '20	YTD '21	Change
TOTAL	413,227	445,633	7.8				1,199,446	1,484,862	23.8			
Acura	4,358	5,036	15.6	1.1	1.1	0.0	11,973	14,459	20.8	1.0	1.0	0.0
Alfa Romeo	807	736	-8.8	0.2	0.2	0.0	2,590	2,499	-3.5	0.2	0.2	0.0
Audi	8,380	8,017	-4.3	2.0	1.8	-0.2	24,218	31,442	29.8	2.0	2.1	0.1
BMW	13,583	16,112	18.6	3.3	3.6	0.3	40,076	50,207	25.3	3.3	3.4	0.1
Buick	1,215	1,401	15.3	0.3	0.3	0.0	4,188	5,543	32.4	0.3	0.4	0.1
Cadillac	2,254	2,247	-0.3	0.5	0.5	0.0	7,008	8,528	21.7	0.6	0.6	0.0
Chevrolet	28,502	27,142	-4.8	6.9	6.1	-0.8	89,901	104,123	15.8	7.5	7.0	-0.5
Chrysler	2,266	1,223	-46.0	0.5	0.3	-0.2	8,650	8,543	-1.2	0.7	0.6	-0.1
Dodge	6,243	5,339	-14.5	1.5	1.2	-0.3	19,833	19,115	-3.6	1.7	1.3	-0.4
FIAT	104	26	-75.0	0.0	0.0	0.0	345	124	-64.1	0.0	0.0	0.0
Ford	35,451	27,362	-22.8	8.6	6.1	-2.5	109,397	113,066	3.4	9.1	7.6	-1.5
Genesis	609	1,661	172.7	0.1	0.4	0.3	1,739	3,738	115.0	0.1	0.3	0.2
GMC	7,348	7,948	8.2	1.8	1.8	0.0	23,776	27,339	15.0	2.0	1.8	-0.2
Honda	51,237	52,066	1.6	12.4	11.7	-0.7	141,206	165,633	17.3	11.8	11.2	-0.6
Hyundai	14,397	17,431	21.1	3.5	3.9	0.4	40,888	57,254	40.0	3.4	3.9	0.5
Infiniti	2,057	1,469	-28.6	0.5	0.3	-0.2	7,970	6,458	-19.0	0.7	0.4	-0.3
Jaguar	1,051	605	-42.4	0.3	0.1	-0.2	3,089	2,454	-20.6	0.3	0.2	-0.1
Jeep	14,434	14,223	-1.5	3.5	3.2	-0.3	40,098	43,710	9.0	3.3	2.9	-0.4
Kia	16,250	20,295	24.9	3.9	4.6	0.7	44,479	61,321	37.9	3.7	4.1	0.4
Land Rover	3,673	3,410	-7.2	0.9	0.8	-0.1	10,924	13,037	19.3	0.9	0.9	0.0
Lexus	13,685	14,610	6.8	3.3	3.3	0.0	36,964	45,308	22.6	3.1	3.1	0.0
Lincoln	1,480	771	-47.9	0.4	0.2	-0.2	4,527	3,774	-16.6	0.4	0.3	-0.1
Maserati	312	336	7.7	0.1	0.1	0.0	930	988	6.2	0.1	0.1	0.0
Mazda	10,956	11,846	8.1	2.7	2.7	0.0	29,443	38,187	29.7	2.5	2.6	0.1
Mercedes	17,419	16,519	-5.2	4.2	3.7	-0.5	46,232	57,074	23.5	3.9	3.8	-0.1
MINI	1,594	1,516	-4.9	0.4	0.3	-0.1	3,887	4,381	12.7	0.3	0.3	0.0
Mitsubishi	981	1,469	49.7	0.2	0.3	0.1	5,049	5,057	0.2	0.4	0.3	-0.1
Nissan	17,011	20,733	21.9	4.1	4.7	0.6	58,948	78,030	32.4	4.9	5.3	0.4
Other	713	828	16.1	0.2	0.2	0.0	2,336	2,655	13.7	0.2	0.2	0.0
Porsche	3,687	4,219	14.4	0.9	0.9	0.0	9,410	13,595	44.5	0.8	0.9	0.1
Ram	11,445	11,498	0.5	2.8	2.6	-0.2	32,675	38,696	18.4	2.7	2.6	-0.1
Subaru	18,315	16,485	-10.0	4.4	3.7	-0.7	49,879	54,465	9.2	4.2	3.7	-0.5
Tesla	17,017	32,165	89.0	4.1	7.2	3.1	50,100	82,040	63.8	4.2	5.5	1.3
Toyota	71,669	83,384	16.3	17.3	18.7	1.4	202,013	275,193	36.2	16.8	18.5	1.7
Volkswagen	9,127	11,262	23.4	2.2	2.5	0.3	25,958	35,152	35.4	2.2	2.4	0.2
Volvo	3,597	4,243	18.0	0.9	1.0	0.1	8,747	11,674	33.5	0.7	0.8	0.1

Source: AutoCount data from Experian.

The table above shows new light vehicle (car and light truck) registrations in California. Figures are shown for the Third Quarters of 2020 and 2021, and year to date totals. Vehicle registrations are recorded based on when the vehicle title information is processed by the state, which typically occurs after the vehicle is sold. The top ten ranked brands in each category are shaded yellow

California Auto Outlook

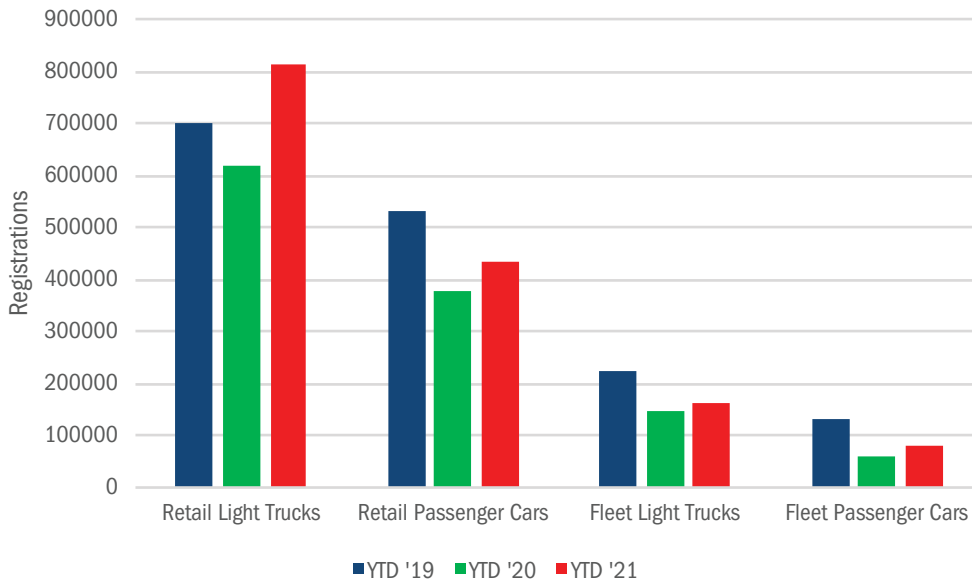
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New Retail Light Truck Registrations Have Increased 31.4% So Far This Year

California New Car and Light Truck Retail and Fleet Registrations - YTD '19, '20, & '21 thru Sept.



Data Source: AutoCount data from Experian.



PERCENT CHANGE:
YTD '21 thru Sept. vs. YTD '20

Retail cars: **UP 14.9%**

Retail light trucks: **UP 31.4%**

Fleet cars: **UP 11.9%**

Fleet light trucks: **UP 30.5%**

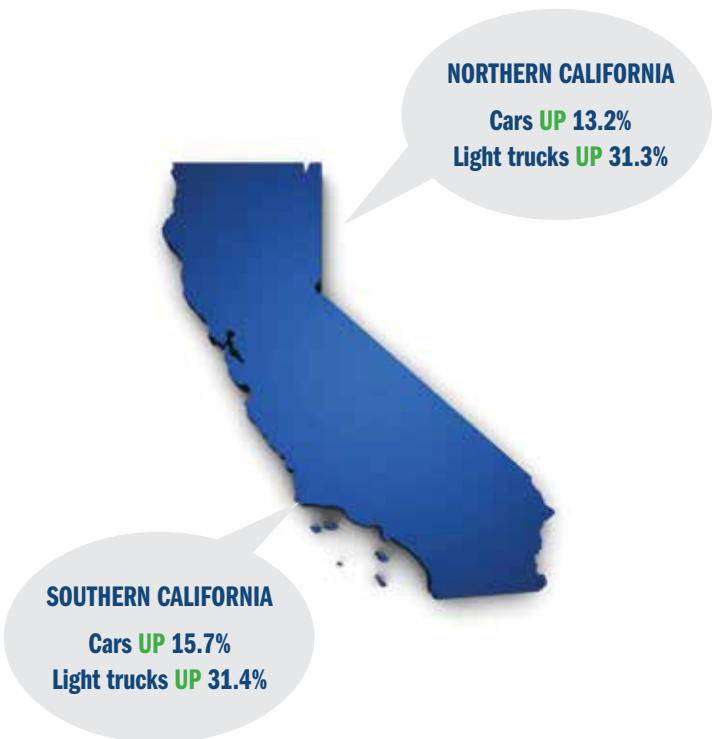
REGIONAL MARKETS IN CALIFORNIA

All Markets in State Post Big Increases

New Retail Light Vehicle Registrations (excluding fleets) YTD thru Sept.			
North and South California	YTD '20	YTD '21	% chg.
Statewide Total	994,308	1,244,271	25.1%
Cars	375,607	431,598	14.9%
Light Trucks	618,701	812,673	31.4%
Northern California	335,196	418,615	24.9%
Cars	119,064	134,803	13.2%
Light Trucks	216,132	283,812	31.3%
Southern California	659,112	825,656	25.3%
Cars	256,543	296,795	15.7%
Light Trucks	402,569	528,861	31.4%
Selected Regional Markets			
San Francisco Bay	178,266	216,907	21.7%
Cars	68,142	72,905	7.0%
Light Trucks	110,124	144,002	30.8%
LA and Orange Counties	380,908	468,282	22.9%
Cars	155,457	175,453	12.9%
Light Trucks	225,451	292,829	29.9%
San Diego County	87,088	110,369	26.7%
Cars	29,412	33,928	15.4%
Light Trucks	57,676	76,441	32.5%

Data Source: AutoCount data from Experian.

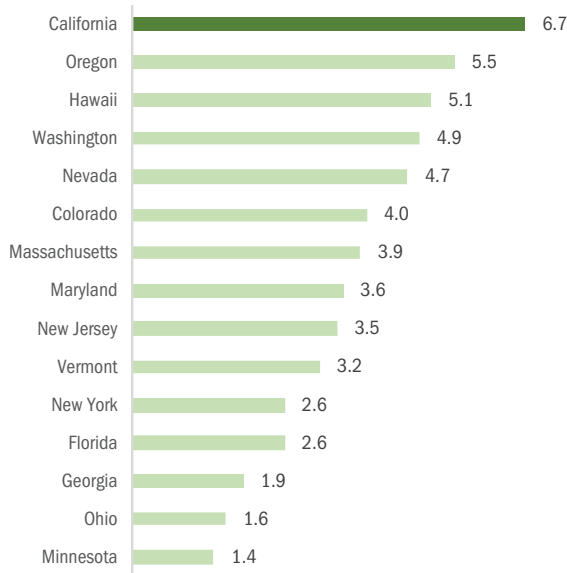
Percent Change in New Retail Registrations - YTD '21 vs. YTD '20



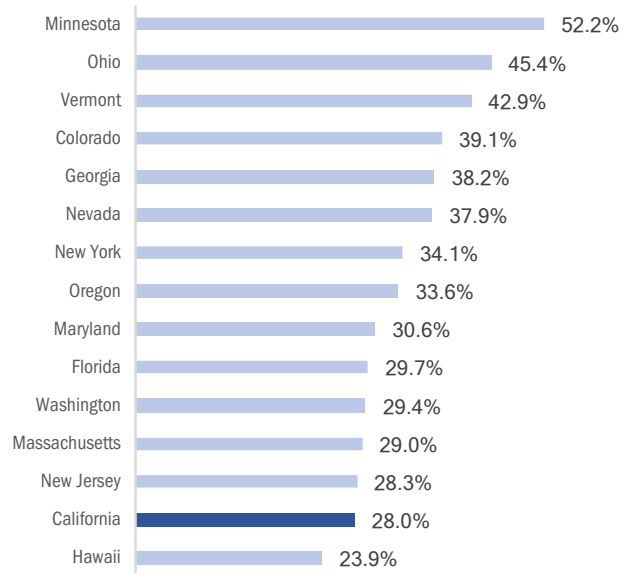
Comparison of Selected State Markets

The graphs and table below compare three primary indicators for selected state markets: change in electric and plug in hybrid vehicle market share between 2017 and this year, domestic brand market share, and the top five selling models during the first nine months of this year. California was ranked first out of the 15 markets for growth in electric/plug in hybrid market share, and 14th for domestic brand share.

Growth in Combined Electric/Plug In Hybrid Vehicle Market Share 2017 to 2021 (YTD thru Sept.)



Domestic Brand Share of New Retail Vehicle Market YTD 2021 thru September



Note: registrations by powertrain for vehicles equipped with multiple engine types were estimated by Auto Outlook. The estimates are based on model registrations compiled by Experian, and engine installation rates collected from other sources. Domestic brands consist of vehicles sold by GM, Ford, Stellantis (excluding Alfa and FIAT), and Tesla. Data Source: AutoCount data from Experian.

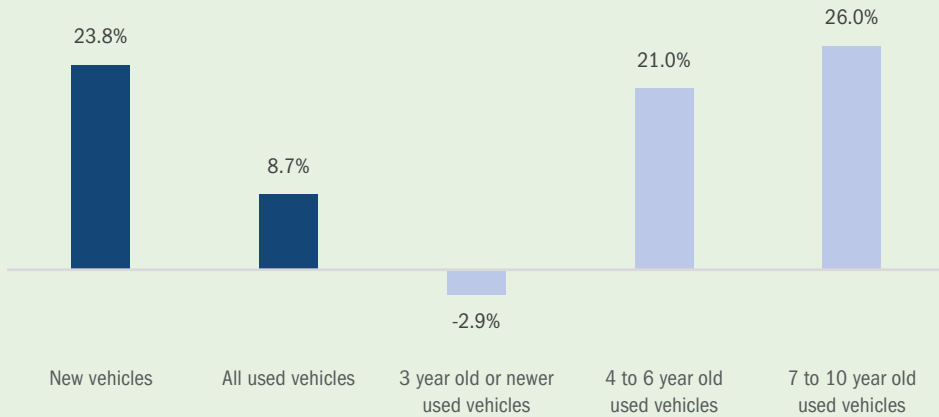
Top Five Selling Models in Selected State Markets - YTD 2021 thru September

California		Colorado		Florida		Georgia		Hawaii	
Model	Share	Model	Share	Model	Share	Model	Share	Model	Share
Toyota Camry	3.5	Ram Pickup	4.5	Toyota Corolla	3.5	Ford F-Series	4.4	Toyota Tacoma	7.5
Honda Civic	3.4	Ford F-Series	4.4	Toyota RAV4	3.1	Chevrolet Silverado	3.7	Toyota 4Runner	4.4
Toyota RAV4	3.3	Toyota RAV4	3.1	Toyota Camry	2.7	Toyota Camry	3.3	Toyota RAV4	3.8
Toyota Corolla	3.0	Toyota Tacoma	2.8	Ford F-Series	2.4	Ram Pickup	3.3	Toyota Corolla	3.2
Tesla Model Y	2.9	Chevrolet Silverado	2.7	Honda CR-V	2.4	Toyota RAV4	2.9	Honda CR-V	3.2
Maryland		Massachusetts		Minnesota		Nevada		New Jersey	
Model	Share	Model	Share	Model	Share	Model	Share	Model	Share
Toyota RAV4	3.7	Toyota RAV4	5.1	Chevrolet Silverado	5.5	Ram Pickup	4.7	Honda CR-V	3.2
Honda CR-V	3.6	Honda CR-V	4.2	Ram Pickup	5.4	Toyota RAV4	3.1	Honda Civic	2.6
Ford F-Series	2.9	Toyota Highlander	3.0	Ford F Series	4.6	Chevrolet Silverado	2.9	Toyota RAV4	2.3
Toyota Camry	2.5	Ford F-Series	2.4	Honda CR-V	3.6	Ford F-Series	2.8	Nissan Rogue	2.3
Toyota Highlander	2.5	Jeep Grand Cherokee	2.3	Toyota RAV4	2.9	Toyota Tacoma	2.7	Jeep Grand Cherokee	1.9
New York		Ohio		Oregon		Vermont		Washington	
Model	Share	Model	Share	Model	Share	Model	Share	Model	Share
Honda CR-V	3.4	Ram Pickup	4.3	Toyota RAV4	5.2	Ram Pickup	5.6	Toyota RAV4	4.6
Ram Pickup	2.9	Honda CR-V	3.8	Ram Pickup	4.7	Ford F-Series	5.6	Honda CR-V	4.0
Toyota RAV4	2.8	Chevrolet Silverado	3.5	Toyota Tacoma	4.2	Toyota RAV4	4.8	Ram Pickup	3.4
Jeep Grand Cherokee	2.7	Ford F-Series	3.5	Ford F-Series	3.9	Chevrolet Silverado	4.0	Toyota Tacoma	3.1
Nissan Rogue	2.6	Honda Civic	2.8	Honda CR-V	3.5	GMC Sierra	3.7	Ford F-Series	2.9

Data Source: AutoCount data from Experian. Figures for some states include retail transactions only.

California Used Vehicle Market is Up 8.7% So Far This Year; Registrations for Older Vehicles Up Sharply

Percent Change in New and Used Vehicle Registrations - YTD 2021 thru Sept. vs. YTD '20



THREE KEY TRENDS IN USED VEHICLE MARKET



01. Used vehicle registrations in California were up 8.7% during the first nine months of this year versus a year earlier, below the 23.8% increase in the new vehicle market.
02. Used vehicle sales should hold up considerably better than new vehicles for the remainder of the year.
03. Three year old or newer used vehicle registrations declined slightly during the first nine months of this, while registrations of older vehicles increased sharply

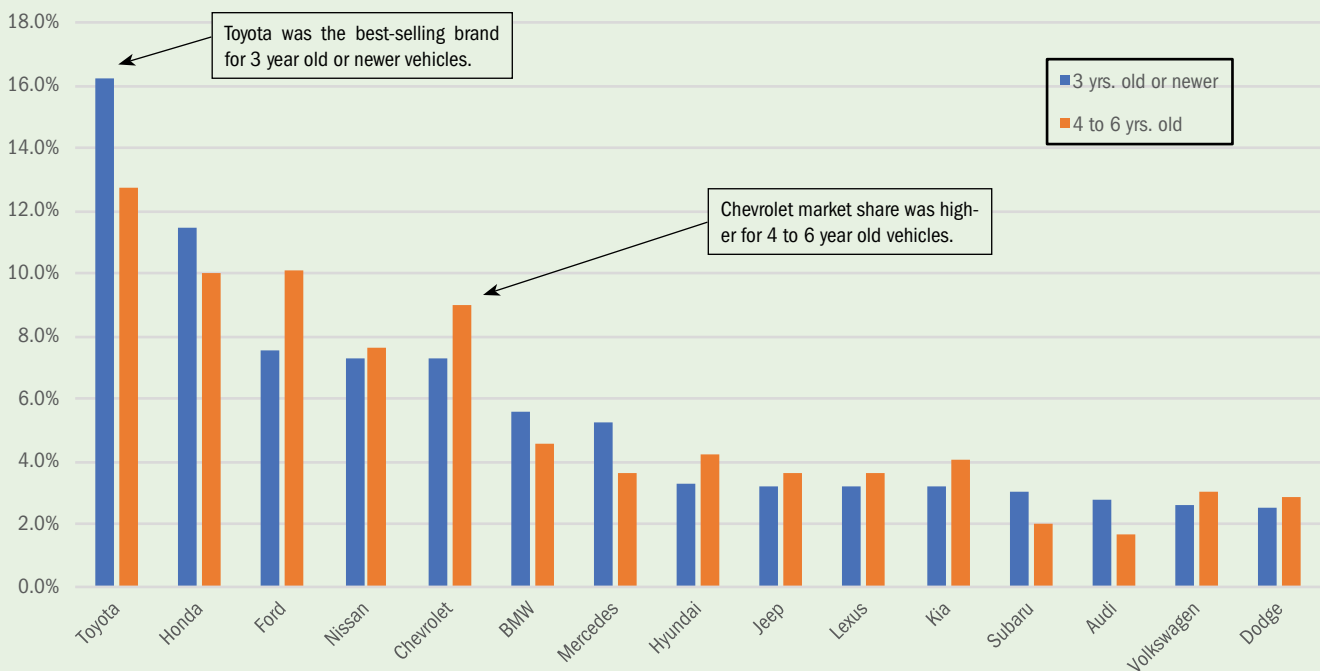
Data Source: AutoCount data from Experian.

USED VEHICLE BRAND MARKET SHARE

Toyota is Top Seller in California Used Vehicle Market

The graph below shows used light vehicle registrations by brand for two age categories: vehicles newer than three years old, and vehicles four to six years old. Brands are positioned from left to right based on market share for three year old or newer vehicles.

Brand Market Share for Top 15 Selling Brands, by Vehicle Age (YTD '21 thru September)

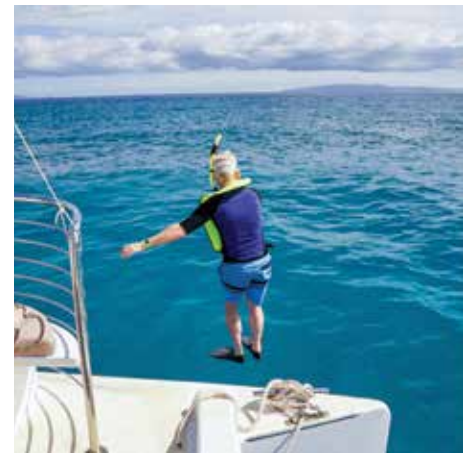


Data Source: AutoCount data from Experian.

CNCDA 2021 Convention

We had a wonderful time at the CNCDA's 2021 Annual Convention Oct. 3-6, 2021 at the Fairmont Kea Lani on Maui. The three main events were a brewery tour at Maui Brewing Co., golf at the Emerald Course at the Wailea Golf Club, and a catamaran snorkeling trip. We enjoyed meeting in person—everyone had a great time. A big thanks to our sponsors and their continued support. We hope to see you at our next event! To learn more, please visit cncda.org/events. ◀









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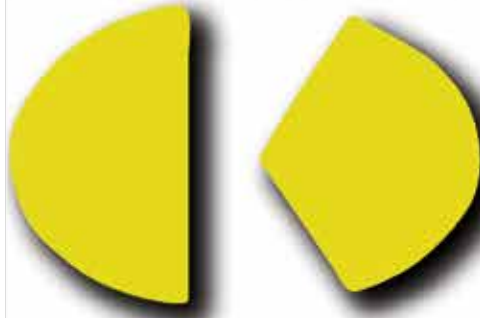
Home Charging Advisor

ElectricForAll.org identifies electric vehicle incentives and electric utility incentives for all California ZIP codes. **All dealerships are welcome to link for free to [ElectricForAll.org's](https://ElectricForAll.org) EV resources!**



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