

Newsletter - July 2022

## A Message from Jason Wilson, KADA President



Dear Kentucky dealers,

NADA just recently came out with their annual economic impact report by state. And I could not be more proud of how we fared. With 232 new car dealerships in the Commonwealth of Kentucky, we are boasting close to 28,000 jobs, \$11.7 billion in sales, \$70,000 in average annual earnings, and more. What our industry offers to the economy and

community of Kentucky goes without saying, but here is the evidence. Thank you for all that you do, for those you employ, and for what you mean to the communities around you. What an honor it is to be a part of it all. Let's continue to be leaders!

One important issue that I'd like to emphasize once again is the FTC amended Safeguards Rule. You have now received various communications regarding these changes from our "Winter is Coming" series, and I encourage you to read those carefully and follow those updates [here](#). This amended rule becomes effective December 9, 2022, and there are many new requirements, so it's important you stay in-the-know and utilize resources such as our vetted vendor partner, ComplyAuto, to assist you at your dealership.

The events we host at KADA are for your benefit and for yours alone. I encourage you to attend our Annual Golf Tournament on September 12th and to send your Next Gener's to our meeting on August 24th. Please see below in this newsletter for more details.

Next year's Convention will be June 19-22, 2023 at The Greenbrier in White Sulphur Springs, WV, and we will be celebrating KADA's 85th birthday. Trust me, you won't want to miss this!

Please continue to stay involved - your participation matters.

## KADA News

### Subscribe your staff to our newsletter!

Make sure your staff stays up-to-date and involved by having them subscribed to our newsletter. It's important that the key members of your dealership, like

General Managers, CFO's, Fixed Operations and Controllers, receive our communications.

Send an email to Team KADA at [atkadanews@kyada.com](mailto:atkadanews@kyada.com) with the names and emails of staff members you'd like to get subscribed.

## KADA Community Relief

We want you to know that we are following any developments in the recent flooding that has impacted eastern Kentucky. Please feel free to reach out if your organization has been affected.

We will continue to keep you updated with ways that you can provide or seek support as things develop.

Stay tuned.

## We've been featured! *Business View Magazine Article*

*Business View Magazine* recently reported on your very own Kentucky Automobile Dealers Association with insights from KADA President Jason Wilson.

"What a world of changes both personally and professionally we have seen in the past year! Despite the challenges faced by COVID-19, the automotive industry continued to grow with new car sales hitting just over 15 million this last year. Despite inventory challenges, sales are still estimated to rise in 2022 with Cox Automotive predicting an increase to around 16 million."

[Read full article here](#)

## Kentucky Horsepower Podcast

### Sitting down with Jim Fitzpatrick from CBT News



In case you missed it, we recently sat down with Jim Fitzpatrick of CBT News. Listen as we discuss how to nurture our industry, things we should be looking out for, breaking the current sales model, taking care of your customers, and much more.

As always, you can subscribe to the podcast on [Apple Music](#), [Spotify](#) or by

simply clicking the link below. If you prefer to watch the video while you listen, head on over to our [YouTube](#) channel.

And if you don't already, we encourage you to [follow and subscribe](#) to CBT News to learn about all of the things that are happening in our industry today.

Kentucky Horsepower  
Podcast

## KADA Events

### 2022 KADA Annual Golf Tournament

The Annual KADA Golf Tournament is teeing off again this September! The tournament will be on **Monday, September 12th** at the **Frankfort Country Club**.



Get your team together today! And if you can't make it yourself, send members of your staff! Player spots as well as sponsorship opportunities fill up quickly, **so register today!**

Schedule of events:

11:00 am: Registration and lunch

Noon: Shotgun start

5:00 pm: Reception and awards

**Single player:** \$150

**Foursome:** \$600

Click below to find sponsorship and registration information.

[Registration and Sponsorship Information](#)

2022 KADA Next Gen Meeting



We invite you to join us at our 2022 Next Gen Meeting on **Wednesday, August 24th** at the Louisville Slugger Museum. Aside from touring the museum and learning about the history of baseball bats in America, we'll be enjoying time to network and chat with our group of next generation auto dealers. Click the link below for registration and sponsorship details. We hope to see you there!

[Registration and Sponsorship Details](#)

## 2023 NADA Show Save the Date!

The NADA logo features the word "NADA" in large, bold, red letters. Below it are two wavy, grey lines. To the right of the logo, the text "NATIONAL AUTOMOBILE DEALERS ASSOCIATION" is written in a smaller, grey, sans-serif font. Below the logo, the text "JOIN US AT THE 2023 NADA SHOW" is in red, "January 26-29, 2023" is in white, and "Dallas, Texas." is in white. At the bottom, "With our very own Dan Renshaw as NADA Show Chair!" is written in a grey, sans-serif font.

**NADA**  
NATIONAL  
AUTOMOBILE  
DEALERS  
ASSOCIATION

**JOIN US AT THE 2023 NADA SHOW**  
**January 26-29, 2023**  
**Dallas, Texas.**

With our very own Dan Renshaw as NADA Show Chair!

## 2023 KADA Convention Save the Date!

Join us as we celebrate the **85th birthday** of the Kentucky Auto Dealers Association at our 2023 Convention.

It will surely be an unforgettable event!



**When:** June 19-22, 2023

**Where:** The Greenbrier  
White Sulphur Springs, WV

Stay tuned for more information and registration details.



Your Support Drives  
Industry Forward

## Make your KADET Contribution Today



As we are in the midst of an election year, our KADET PAC fund is raising money right now to help elect dealer-friendly candidates.

**We need every member of KADA to contribute to our PAC, as well as their family members and dealership staff; to include Dealership Owners, General Managers, Dealer Operators, Parts and Service Directors, Finance and Insurance Managers, and Used/New Car Managers.** This election heavily impacts those dealership leaders and everyone who reports to them. Some dealers have already contributed to our PAC, but many have not. Please invest in the future of our industry by contributing today.

Melissa Peach  
KADET Treasurer

Below is a list of KADA's President, Senate, House and Patron Club members as of the distribution of this newsletter.

President's Club - \$2,000

Nancy Sparks  
Tim Sparks  
James Haynes

Senate Club - \$1,500

Lucinda Hughes

House Club - \$1,000

Mike Tewell  
Joe Cross  
Tim Kanaly  
Joe Cummins  
Josh Cummins  
Dwain Taylor  
Kim Huffman  
Mark Pogue  
Rob Marshall  
Carl Swope  
Shane Collins  
David Moore  
Dan Renshaw  
Ray Cottrell Jr.  
Thomas Gill  
Dan Glass  
Jeff Eickholz  
Jack Kain  
Gary Haupt  
Matt Brady  
Steve Pinkham  
David Jaggars  
Tammy Coats  
Bob Hook III  
Fred Tolsdorf  
David Daunhauer  
Ed Hyde  
Shea Barth  
Chris Mitchell  
Craig Simon  
Bruce Krone  
Bill Cole

NextGen President Club \$1,000

Phillip Gill  
Tyler Jaggars

John Zimmer  
Bob Hook Jr.  
Travis Flaherty  
Todd Justice

Patron Club - \$800

Vickie Fister  
Patti Powell

[Click here to donate today!](#)

## Welcome New Allied Members

### **America's Auto Auction**

Karol Kirby Ahmed  
(270) 781-2422  
[karol.kirby@americasautoauction.com](mailto:karol.kirby@americasautoauction.com)

### **The Carbon Offset Company**

Patricia Diaz  
(719) 623-1305  
[patricia@carbonoffsetco.org](mailto:patricia@carbonoffsetco.org)

**FORVIS**

Tony Taylor  
901 634-1993  
[tony.taylor@forvis.com](mailto:tony.taylor@forvis.com)

**Indiana Automotive Equipment**  
Scott Underwood  
(317) 326-5550  
[scott@iaequip.com](mailto:scott@iaequip.com)

**JM&A Group**  
Christina Marinos  
[christinamarinos@jmagroup.com](mailto:christinamarinos@jmagroup.com)

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## Driving Kentucky's Economy - NADA Report

# Driving Kentucky's Economy

## Annual Contribution of Kentucky's New-Car Dealers



Numbers reflect annual economic activity during 2021.



**232**  
**DEALERSHIPS**  
(new car)



**27,749**  
**TOTAL JOBS**  
(created by dealerships)  
Includes 12,652 direct jobs and  
15,096 indirect and induced jobs.



**55**  
**EMPLOYEES**  
(average per  
dealership)



**\$11.7B**  
**TOTAL SALES**  
(all dealerships)



**\$893M**  
**PAYROLL**

<b>\$70,577</b> Average Annual Earnings	<b>\$283M</b> State and Federal Income Taxes Paid
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**1.0%**  
**REGISTRATIONS**

Kentucky's Share of Total U.S.  
New-Vehicle Registrations

**\$709M**  
**STATE SALES  
TAX PAID**

Source: Center for Automotive Research,  
NADA Industry Analysis, IHS Markit,  
Taxfoundation.org, U.S. Bureau of Labor  
Statistics, U.S. Census Bureau



### NATIONAL AUTOMOBILE DEALERS ASSOCIATION

NADA Industry Analysis | 8484 Westpark Drive, Suite 500, Tysons, VA 22102 | 800.557.6232 | [economics@mada.org](mailto:economics@mada.org)  
NADA Legislative Affairs | 412 First St. SE | Washington, DC 20003 | 202.547-5500 | [legislative@mada.org](mailto:legislative@mada.org)

## Cox Automotive Industry Update

FOR IMMEDIATE RELEASE

**Cox Automotive Forecast: July U.S. Auto Sales Drop as Recovery Headwinds Grow**

- U.S. new-vehicle sales in July are forecast to finish down year over year as supply remains low.
- Annual new-vehicle sales pace in July is forecast to finish near 13.2 million, up from last month's 13.0 million seasonally adjusted pace but 10% lower than last year's 14.7 million level.
- July sales volume is expected to fall to 1.12 million units, down 13% from one year ago and down 2% from last month.

**ATLANTA, July 27, 2022** – July U.S. auto sales are expected to show very little change from June's results as a lack of supply continues to batter the new-vehicle market. According to the Cox Automotive forecast released today, the seasonally adjusted rate (SAAR) of new-vehicle sales in July is expected to rise slightly to 13.2 million, up from last month's 13.0 million pace but fall well below last year's 14.7 million level.

The sales volume in July is forecast to finish near 1.12 million units, down 13% from last year's volume of 1.29 million and lower by 2% from June. With 26 selling days in July, the same as last month and one less than last year, the volume decline is mainly attributed to the continued lack of available product.

"As we move into the second half of 2022, there are plenty of headwinds pushing against a notable recovery in sales volumes," said Cox Automotive Senior Economist Charlie Chesbrough. "Rising interest rates and low consumer sentiment are keeping many potential buyers out of the market. At the same time, higher prices for both gasoline and vehicles are making affordability an even greater challenge. Tight supply, however, continues to be the biggest obstacle over the near term, and there is little evidence of supply returning to normal."

Most industry forecasters, including Cox Automotive, expect the chip shortage and other supply chain problems to improve throughout the second half of this year. Still, the pace of that recovery will be varied and volatile. Notes Chesbrough, "Industry observers are likely going to have to wait until the fall for any of these issues to show improvement."

**July 2022 Sales Forecast Highlights**

- In July, light new-vehicle sales are expected to fall 13.4% from July 2021 and fall 2.1% from last month.
- The SAAR in July 2022 is estimated to be 13.2 million, below last year's 14.7 million level but up from June's 13.0 million pace.
- Only one segment – Compact Car – is forecast to see a month-over-month sales increase.
- There are 26 selling days in July 2022, one less than July 2021 but the same as June 2022.

**July 2022 New-Vehicle Sales Forecast**

Segment	Sales Forecast <sup>1</sup>					Market Share		
	Jul-22	Jul-21	Jun-22	YOY%	MOM%	Jul-22	Jun-22	MOM
Mid-Size SUV/Crossover	190,000	229,632	193,259	-17.3%	-1.7%	17.0%	16.9%	0.1%
Compact SUV/Crossover	170,000	187,916	173,023	-9.5%	-1.7%	15.2%	15.1%	0.1%
Full-Size Pickup Truck	165,000	175,119	167,900	-5.8%	-1.7%	14.7%	14.7%	0.1%
Mid-Size Car	70,000	80,413	70,769	-12.9%	-1.1%	6.3%	6.2%	0.1%
Compact Car	65,000	108,884	63,627	-40.3%	2.2%	5.8%	5.6%	0.2%
<b>Grand Total<sup>2</sup></b>	<b>1,120,000</b>	<b>1,292,628</b>	<b>1,144,502</b>	<b>-13.4%</b>	<b>-2.1%</b>			

<sup>1</sup> Cox Automotive Industry Insights data

<sup>2</sup> Total includes segments not shown

## Preferred Partner Spotlight: Bellavia Blatt



With more than 33 years of experience in Dealership Law, Bellavia Blatt, PC is KADA's endorsed provider for retail warranty reimbursement services.

KADA preferred partners are an integral part of our organization. Please support those who support your association.

For more information or any questions, please reach out to Leonard Bellavia at [lbellavia@dealerlaw.com](mailto:lbellavia@dealerlaw.com).

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