



## **Small Business Research Board Auto / Vehicle Dealer Industry Study: General Economy, Taxes, Health Care Costs Greatest Concerns of Automobile, Vehicle Dealers**

*Report indicates fewer than 30% of auto and other vehicle dealers are considering expansion during the next 12 to 24 months. Owners to concentrate on adding locations and improving staff training and upgrading systems says report issued in conjunction with International Profit Associates.*

Northfield, IL, July 20, 2007 --(PR.com)-- The general state of the economy, taxes and health care costs were the three leading concerns of automobile and other vehicle dealers during the second quarter of 2007 according to the latest Small Business Research Board (SBRB) study released here today.

Owners of automobile and other vehicle dealerships responding to the nationwide poll co-sponsored by International Profit Associates (IPA) said interest rates and energy and fuel costs also were among the top five concerns.

IPA, with more than 1,800 professionals, is the largest privately-held provider of management consulting services to small and medium-size businesses in North America. IPA is based in Buffalo Grove, IL.

The quarterly SBRB poll of business owners and managers also measured their interest in expanding their operations over the next 12 to 24 months. Only 29% of the respondents said they intend to expand during this period. Of those respondents, 33% said they will add locations. Another 21% said they would expand at current locations and an equal number said they would provide more services.

The business owners said improving staff training would be key to productivity improvements over the next 12 to 24 months. Improvements to existing automation and the addition of more automation and technology ranked second and third.

“Owners of auto and vehicle dealerships are approaching the next 12 to 24 months with great caution,” said Gregg M. Steinberg, President of IPA. “Even though that the majority are not planning to expand, they are planning to make investments in improving their existing operations. These investments are dedicated to upgrading automation and technology as well as improving staff training.”

The SBRB study of automobile and other vehicle dealers study also indicated that 40% of the respondents believe the economy will improve during the next 12 months and that 59% believe their revenues will increase during the same period. The survey results showed that 24% will add employees with 52% maintaining current staff levels.

This is the first study of the automobile and other vehicle dealers completed by the SBRB. The SBRB intends to continue with quarterly automobile and other vehicle dealer industry studies as it does for other industries such as manufacturing, construction and contracting and food processing.

The Small Business Research Board ascertains and reports the opinions of small business owners and



managers on a wide variety of topics related to their own businesses as well as national and international issues that may impact their operations. The SBRB conducts these studies for the benefit of small business owners and managers. The SBRB also provides opportunities for third parties to gain real time insight into the attitudes of small businesses nationwide through the independently conducted research.

The latest information about the Small Business Research Board can be found at [www.ipasbrb.com](http://www.ipasbrb.com).

International Profit Associates, Inc. (IPA) is the largest privately-held provider of management consulting services to small and medium-size businesses in North America. IPA and its more than 1,800 professionals offer a wide range of proven and innovative methodologies to help businesses grow and prosper regardless of the economic cycle. IPA either provides directly or through its affiliated companies a comprehensive array of business advisory services, tax and estate planning services or merger, acquisition and other financial advisory services in the United States and Canada. More information about IPA can be found at [www.ipa-iba.com](http://www.ipa-iba.com).

#### SBRB COMPARISONS:

All US Small Businesses vs. Automotive / Vehicle Dealers  
Second Quarter 2007

Leading Business Issues  
All US

1. Taxes
2. Economic conditions
3. Energy/fuel costs
4. Other
5. Health care costs

Leading Business Issues  
Automotive / Vehicle Dealers

1. Economic conditions
2. Taxes
3. Healthcare costs
4. Interest rates
5. Energy / fuel costs

SBRB Automobile / Vehicle Dealer Industry Q2 2007 Opinions, Forecast

>> Outlook for the general economy is for the next twelve months

40% Better

20% Worse

40% No Change



>>>Revenue expectations for the next twelve months

- 31% Increase of 10% or more
- 28% Increase of less than 10%
- 33% Will be about the same
- 6% Decrease of less than 10%
- 2% Decrease of 10% or more

>>>Expectations for hiring new employees during next twelve months

- 24% Increase hiring
- 13% Decrease workforce
- 52% Remain the same
- 11% Unsure

>>>Plan to expand your business during next 12 to 24 months

- 29% Yes
- 71% No

>>>If planning expansion, will

1. Add locations
2. Expand at existing locations (tied 2)  
Add more services (tied 2)
4. Add new products (tied 4)  
Enhance customer service capabilities (tied 4)

>>> Can best improve productivity by:

1. Improved staff training
2. Improvements to existing automation
3. Adding more automation or technology
4. Adding more staff
5. Implementing or enhancing employee incentive programs

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For more information about this poll, results of previous studies or other matters related to the SBRB, please contact Raymond D. Minkus, (847) 441-4192.



**Contact Information:**

Small Business Research Board

Raymond Minkus

(847) 441-4192

rdm@minkuspr.com

www.ipasbrb.com

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