OC's Auto Dealers Adapt and Win

Sales Up 15% To \$4.9B; SUVs Lead

■ By KARI HAMANAKA

The SUV segment's sales strength isn't a new story, but it certainly hasn't gotten old for dealers.

The segment continues to be a bright spot in an operating environment that's seeing plenty of retail headwinds: the inventory crunch due to the parts shortage and supply chain constraints, plus the continued impact of digital and direct-to-consumer models changing how dealers do business.

Still, if any industry is going to find the bright side, it would be those in sales with dealers adapting as best they can to obstacles, while still continuing to come out strong as buzz builds around an incoming raft of new

electric vehicle models expected to hit the market in the coming years.

To that end, the **Orange County Automobile Dealers Association** reported a 25.6% jump in new car and vehicle registrations in July and August to 28,211, with light trucks continuing to gain share. The segment rose 3.7 percentage points to 65.9% for the same reporting period

Notably, it was the luxury compact SUV segment in August that saw the biggest increase in market share locally, moving up 3.9% as midsize cars fell the most at 1.3%, according to OCADA.

The biggest mover was Fountain Valley-



Genesis' SUV momentum continued with the reveal in September of its first dedicated EV, the GV60

based **Genesis Motor America Inc.**, notching the highest surge in new vehicle registrations to 193 for the July/August period. That reflects a 154% increase.

The luxury badge, the sister brand to

Hyundai and Kia, capitalized on consumers' appetite in the SUV segment once its GV80 and GV70 SUV models were introduced last November and this summer, respectively.

That trend has continued through September for Genesis with the two vehicle models leading the automaker's sales volume.

In fact, former Genesis CEO Mark Del Rosso told the Business Journal earlier this summer before his leave from the company that, regardless of whether the SUV demand was coming from the general market all the way to the super luxury market, the appetite was sustainable over a longer term.

Big Movers

Other big brand movers in OC included **Maserati**, which doubled registrations to 44, **Volvo** up 81.7% and **Tesla** rising 57.8%.

"It's a challenging time in the automotive and dealership world right now having to deal with the supply constraints," OCADA Executive Director **John Sackrison** said.

"It's an exciting time from the standpoint of the new vehicles, the electrification, the new technologies that are upon us. The desire to have a personal vehicle has accelerated during COVID. There was a lot of talk five years ago that personal vehicle ownership was diminishing and everyone's doing ridesharing. I think that's in the rearview now. Our vehicles provided us with a lot during the pandemic because we probably didn't want to be riding around with people who weren't in our household. It's what got us to the grocery store."

(For more thoughts from Sackrison, see page 3.)

Multi-Door Strategy

Among the 30 largest local dealers, sales climbed 14.8% to \$4.9 billion, according to this week's Business Journal list. The ranking measures sales for the 12 months through June 30 with a year-over-year comparison.

Outside of sales growth, another industry trend that's not stopping: the growth of dealership groups.

It didn't take long for **Garth Blumenthal**, the former general manager of **Fletcher Jones Mercedes-Benz** in Newport Beach, to make good on that. The auto vet in 2019 purchased the remaining 49% of **Mercedes-Benz of Temecula** that he didn't already own to become sole owner of the dealership.

Fast forward to this year he bought in March Volvo Cars Mission Viejo and Audi Mission Viejo, forming the Unstoppable Auto Group. The group added Polestar to its fold in June.

The goal now is for the Unstoppable portfolio to own more than 25 luxury dealerships by 2025.

There's also the **Newport Beach Automotive Group** that's focused on the highend automotive segment. The group earlier this year bought a 3.5-acre parcel for a 1,500-square-foot Bugatti showroom that began construction in February. Showrooms in the **Irvine Auto Center** by Newport Beach Automotive also include construction on **McLaren Newport Beach** and **Koenigsegg Newport Beach**, both set for completion in the first quarter of next year.

THE LIST

AUTO DEALERS



JUDY ELMORE General Manager Elmore Toyota



ROBERTA HARDIN BECHTLOFF General Manager Hardin Honda



ERIC GROMBACHER
General Manager
Crevier BMW



DAVID JOHNSON General Manager Mazda of Orange



JUAN GUZMAN
General Manager
AutoNation Toyota Buena Park



GARY STONE
General Manager
Audi South Coast

THE LIST

AUTO DEALERS

RANKED BY SALES VOLUME

Rank Prev. Rank	Company •Address	Company logo		New cars sold for 12 months ended June 30, 2021 •yearly % change	Used cars sold for 12 months ended June 30, 2021 •yearly % change	Salesperson •Service personnel	s Make(s) sold	Principal financing source(s)	Owner(s)/Parent company •General manager •Phone/fax	
1 (1)	Fletcher Jones Motorcars (Mercedes- Benz) 3300 Jamboree Road Newport Beach 92660-8528 Website: fjmercedes.com Email: rhanki@fjmercedes.com	FLETCHER IONES MOTORCARS	\$661.4 ⁽¹⁾ NA	5,900 ⁽¹⁾ NA	3,800 ⁽¹⁾ NA	50 ⁽¹⁾ 250 ⁽¹⁾	Mercedes-Benz	Mercedes-Benz Financial Services	Fletcher Jones Jr. David Gonzalez (949) 718-3000/(949) 718-3100	
(2)	Crevier BMW 1500 Auto Mall Drive Santa Ana 92705-4737 Website: crevierbmw.com Email: ckoeller@penskeautomotive.com	CREVIER BMW	\$397.3 23%	3,369 26%	2,554 -18%	31 96	BMW	BMW Financial Services	Penske Automotive Group Eric Grombacher (657) 231-5000/(714) 835-0881	
3 (3)	Toyota of Orange 1400 N. Tustin Ave. Orange 92867-3995 Website: toyotaoforange.com	Toyolact Orange (S	\$338.9 26%	6,603 16%	2,555 26%	27 108	Toyota	Comerica Bank	David Wilson Allen Moznett (714) 639-6750/(714) 771-0363	
4 (4)	House of Imports 6862 Auto Center Drive Buena Park 90621-3691 Website: mbz.com Email: davissons@autonation.com	ilouse of Imports	\$313.1 21%	2,466 6%	2,419 15%	35 11	Mercedes-Benz	AutoNation	AutoNation David Kim (714) 562-1100/(714) 562-1212	6
5 (6)	Toyota of Huntington Beach 18881 Beach Blvd. Huntington Beach 92647-2007 Website: toyotaofhuntingtonbeach.com	Toyota of Huntingion E each	\$244 23%	3,921 14%	2,578 10%	38 59	Toyota	Comerica Bank	David Wilson Bucky O'Connell (714) 847-8555/(714) 847-3675	
6 (5)	Mercedes-Benz of Laguna Niguel 1 Star Drive Laguna Niguel 92677-4589 Website: mblaguna.com Email: pbolter@mblaguna.com	Mercedes-Benz of Lagona Nignet	\$214.2 ⁽¹⁾ NA	2,300 ⁽¹⁾ NA	1,200 ⁽¹⁾ NA	25 ⁽¹⁾ 120 ⁽¹⁾	Mercedes-Benz, Sprinter, AMG, smart	Mercedes-Benz Financial Service USA LLC	Penny Spellens Pat Bolter (949) 899-6281	
7	Newport Lexus 3901 MacArthur Blvd. Newport Beach 92660-3012 Website: newportlexus.com	© NEWPORT LEXUS	\$204.3 18%	2,355 9%	1,280 9%	18 60	Lexus	Comerica Bank	David Wilson/A.J. D'Amato Jr. Anthony R. D'Amato (949) 477-7088/(949) 477-7175	
8 (10)	David Wilson's Villa Ford 2550 N. Tustin Ave. Orange 92865-5666 Website: davidwilsonvillaford.com	Willaford God	\$198.1 36%	2,627 22%	1,635 47%	34 71	Ford	Comerica Bank	David Wilson Scott Wade (888) 248-5750	
9 (11)	AutoNation Toyota Irvine 9101 Research Drive Irvine 92618-4206 Website: autonationtoyotairvine.com Email: parky@autonation.com	AutoNation Toyota	\$180.2 30%	2,960 21%	2,077 14%	38 13	Toyota, Scion	Toyota Motor Credit Corp.	AutoNation Mark Mehta (949) 585-6888/(949) 597-0249	
10	Newport Auto Center 445 E. Pacific Coast Highway Newport Beach 92660-6133 Website: newportautocenter.com	NEWPORT AUTO CENTER	\$176.4 19%	781 20%	504 13%	13 6	Bentley, Porsche	AutoNation	AutoNation Tim Tauber (949) 673-0900/(949) 675-0634	
11 (8)	Honda World Westminster 13600 Beach Blvd. Westminster 92683-3202 Website: ochondaworld.com Email: cbruno@ochondaworld.com	Honda World WESTMINSTER	\$146.2 -13%	3,357 -19%	1,192 -17%	25 48	Honda	Comerica Bank, Honda Financial Services	William Piercey Chris Bruno (714) 890-8900/(714) 895-7274	
12 (NR)	Tustin Lexus 45 Auto Center Drive Tustin 92782-8402 Webeite tustinlayur com	QUEALES TUSTINLERUS	\$146.1 22%	1,817 25%	813 2%	16 46	Lexus	Comerica Bank	David Wilson/DWWTL Inc. Anthony R. D'Amato (714) 544-4800/(714) 544-4937	
13 (14)	Website: tustinlexus.com Audi South Coast 1425 Auto Mall Drive Santa Ana 92705-4733 Website: audisouthcoast.com Email: ckoeller@penskeautomotive.com	Audi South Coast	\$140.8 28%	1,427 26%	863 38%	13 37	Audi	VCI	Penske Automotive Group Gary Stone (657) 231-5500/(714) 835-0881	6
14 (15)	South Coast Toyota 1966 Harbor Blvd. Costa Mesa 92627-2670 Website: southcoasttoyota.com	South Coast Toyota	\$123.6 18%	2,222 10%	1,056 12%	23 51	Toyota	Comerica Bank	David Wilson Chad Roberts (949) 722-2000/(949) 764-4121	9
15 (12)	Tuttle-Click Ford Lincoln 43 Auto Center Drive Irvine 92618-2802 Website: tuttleclickford.com	TUTTLE-CLICK FORD LINCOLN	\$121.8 6%	1,110 -4%	412 -4%	20 30	Ford, Lincoln	Chase Bank	Tuttle-Click Automotive Group Johnson King (949) 472-5200	
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Sales volume is total dealer revenue and includes cars sold, parts, service and body shop. **Abbreviations:** NA: not applicable; NR: not ranked

Note: To the best of our knowledge, this information is accurate as of press time. While every effort is made to ensure the accuracy and thoroughness of the list, omissions and typographical errors sometimes occur. Unless otherwise noted, the information on this list was provided by the companies themselves. List may not be reprinted without permission of the editor. Photos show the general

manager listed.



THE LIST AUTO DEALERS

▶ From page 30

RANKED BY SALES VOLUME

Rank Prev. Rank	Company •Address	Company logo		New cars sold for 12 months ended June 30, 2021 •yearly % change	Used cars sold for 12 months ended June 30, 2021 •yearly % change	Salespersons •Service personnel	Make(s) sold	Principal financing source(s)	Owner(s)/Parent company •General manager •Phone/fax	
16 (19)	Tuttle-Click Chrysler Jeep Dodge Ram Irvine 40 Auto Center Drive Irvine 92618-2802 Website: tuttleclickchrysler.com	Tunte-Clik Chysles Jeeg. Dodge Ren Frvins	\$121.5 42%	1,763 33%	318 1%	22 23	Dodge, Chrysler, Jeep, Ram	Chase Bank	Tuttle-Click Automotive Group Ahmad Soleman (888) 557-5715	
17 (16)	Elmore Toyota 15300 Beach Blvd. Westminster 92683-6296 Website: elmoretoyota.com Email: shannon@elmoretoyota.com	ELMORE TOYOTA ORANGE COUNTY	\$115.3 14%	1,728 -3%	1,448 30%	23 42	Toyota	Toyota Financial Services	Judy Elmore Judy Elmore (714) 894-3322/(714) 379-6412	
18 (20)	AutoNation Toyota Buena Park 6400 Beach Blvd. Buena Park 90621-2813 Website: autonationtoyotabuenapark.com Email: shind@autonation.com	AutoNation Toyota	\$107.5 33%	1,743 39%	1,244 -8%	24 8	Toyota	AutoNation	AutoNation Juan Guzman (714) 522-6144/(714) 224-5270	
19 (18)	Santa Margarita Ford 30031 Santa Margarita Parkway Rancho Santa Margarita 92688-3601 Website: santamargaritaford.com Email: sales@santamargaritaford.com	Santa Marcanta	\$106 13%	1,396 5%	677 -10%	17 34	Ford	Comerica Bank	Santa Margarita Auto Group James Graham (949) 459-6800	
20 (17)	Freeway Honda 1505 Auto Mall Drive Santa Ana 92705-4738 Website: freewayhonda.com	Freeway Honda	\$102.8 5%	2,191 -11%	1,018 5%	20 44	Honda	Comerica Bank	David Wilson Derrick Van Nieulande (714) 547-3555/(714) 667-5160	9
21 (24)	Santa Margarita Toyota 22722 Avenida Empresa Rancho Santa Margarita 92688-2150 Website: smtoyota.com Email: ebarcelo@smtoyota.com	Santa Margarita TOYOTA	\$94.9 57%	918 -17%	348 -46%	21 44	Toyota	Comerica Bank	Santa Margarita Auto Group Ephraim Barcelo ⁽²⁾ (949) 766-2000	
22	AutoNation Ford Tustin 2 Auto Center Drive Tustin 92782-8401 Website: autonationfordtustin.com	AutoNation Ford	\$87 35%	911 27%	1,134 37%	20 5	Ford	AutoNation	AutoNation Scott Clement (714) 832-3300	
23	Hardin Honda 1381 S. Auto Center Drive Anaheim 92806-5612 Website: hardinhonda.com Email: rhardin@hardin.com	Hardin Honda	\$84.9 -24%	2,154 -33%	857 -28%	11 47	Honda	Honda Financial Services	Dennis Hardin/Hardin Automotive Roberta Hardin Bechtloff (714) 533-6200	
(23)	AutoNation Honda Costa Mesa 2888 Harbor Blvd. Costa Mesa 92626-3911 Email: wesseim@autonation.com	AutoNation Honda	\$75.3 21%	1,419 -2%	1,118 54%	19 4	Honda	AutoNation	AutoNation Brian Walker (714) 436-5050	
25 (21)	Weir Canyon Honda 8323 E. La Palma Ave. Anaheim 92808-2511 Website: weircanyonhonda.com	Weir Canyon Honda	\$74.8 10%	1,482 -4%	903 6%	19 29	Honda	Comerica Bank	David Wilson Michael Russell (714) 777-3300/(714) 777-2924	
26 (NR)	Mazda of Orange 1350 W. Katella Ave. Orange 92867-3524 Website: mazdaoforange.com	Mazdaol Grange	\$66 64%	1,368 66%	651 20%	16 18	Mazda	Comerica Bank	David Wilson David Johnson (888) 850-0266/(714) 516-9550	
27	Subaru Orange Coast 1350 Auto Mall Drive Santa Ana 92705-4753 Website: subaruorangecoast.com Email: ckoeller@penskeautomotive.com	SUBARU ONLHGE COAT	\$60.1 5%	1,249 -4%	308 26%	9 32	Subaru	Subaru Auto Finance	Penske Automotive Group Jim Parsons (657) 231-5400/(714) 835-0881	
28 (26)	Tuttle-Click Tustin Inc. 40 Auto Center Drive Tustin 92782-8401 Website: tuttleclickstustincjd.com	fest Dodge Ren	\$59.7 5%	743 -17%	252 15%	17 21	Chrysler, Jeep, Dodge, Ram	Chase Bank	Tuttle-Click Automotive Group Al Dimont (888) 313-3903	
29 (25)	AutoNation Infiniti Tustin 33 Auto Center Drive Tustin 92782-8402 Website: autonationinfinititustin.net Email: gilevskij@autonation.com	AutoNation INFINITE	\$54.3 -6%	453 -40%	888 32%	13 3	Infiniti	AutoNation	AutoNation Zayn Abdelkader (714) 832-6111	
30 (28)	Hardin Buick GMC 1321 S. Auto Center Drive Anaheim 92806-5612 Website: hardinbuickgmc.com	AUTOMOTIVE GROUP	\$53 ⁽¹⁾ NA	620 ⁽¹⁾ NA	630 ⁽¹⁾ NA	10 ⁽¹⁾ 20 ⁽¹⁾	Buick, GMC	GM Financial	Hardin Auto Group Jared Hardin (714) 594-7911	

Sales volume is total dealer revenue and includes cars sold, parts, service and body shop.

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(2) managing partner

Inventory Constraints Put the Squeeze on Automakers

Supply Chain Issues, Chip Shortage Woes

■ By KARI HAMANAKA

Cox Automotive Inc. economists employed a bit of humor in their recent third-quarter forecast presentation, dubbing Depeche Mode's "Just Can't Get Enough" as the best track to describe the current vehicle supply situation.

Funny. Although, automakers likely can't chuckle much as inventory—and the lack of it—continue to hamper sales in OC and across

The largest automakers headquartered here saw their sales slump in September, against the year-ago period.

Fountain Valley-based Hyundai Motor America Inc., OC's largest automaker by annual vehicle sales and headquartered here, reported a 2% decline to 53,800

vehicles sold last month. Randy Parker, senior vice president of national sales at Hyundai, applauded dealerships' work in navigating through the current chal-

"Hyundai dealerships continue to do an outstanding job of working with customers during this challeng-

ing inventory environment, resulting in market share gains for the brand," Parker said in a state-

Sister company Irvine-based Kia America also remained upbeat, despite the 4.7% decline in September sales from a year ago to 52,906 vehicles.



Hyundai's 2022 Kona electric vehicle

"Kia sales continued to break records and build upon the momentum seen since the start

of the year, despite the ongoing supply chain issues facing the industry," Vice President of Sales Operations Eric Watson said.

Normality on Hold

Automakers will need to practice stoicism with economists not forecasting a return to any semblance of normality until 2023.

That's the word from economists at Atlanta industry researcher Cox Automotive, who are revising their 2021 seasonally adjusted annual rate, an industry figure used to take into account the impact of seasonality on sales, forecast from 16.5 million to 15.5 million. The forecast for 2022 is 16.3 million.

While inventories will continue to improve, there will be "no return to 'normal' until 2023if ever," Cox posited in the company's recent presentation.

Local Activity

The group of automakers with local offices are still up in sales on a year-over-year basis when looking at the 12-month period ended June 30, according to this year's Business Jour-

Although, the figures are not necessarily a fair indication of performance given the year-ago period counts an unprecedented, pandemic year.

That said, OC's cluster of automotive manufacturers, which total eight, reported U.S. vehicle sales of 3.8 million for the June period, up 18.5% from the prior year.

Toyota Motor North America Inc., with an

office in Irvine and headquarters in Japan, sold the largest number of vehicles, 1.9 million, in

Fountain Valley luxury automotive company Genesis Motor America LLC saw the largest percentage gain, with sales up nearly 50% to 28,142. The increase accounts for newer additions to its lineup, such as the GV80 SUV and GV70 compact SUV, both of which led vehicle sales in September.

Despite the shortage of chips and other parts, segments such as midsize and compact sport utility vehicles have helped lift manufacturers'

Electrics also continue to gain ground nation-

Cox reported Tesla's Model X crossover saw sales up 168.2% in the third quarter, compared to a year ago.

Hyundai's Kona compact SUV also saw a jump in sales, up 83.9% in the same period.

Even in a rugged inventory environment, local manufacturers' OC headcounts have ballooned since the last time the Business Journal surveyed the companies here, with a 46.5% spike from a year ago to 3,468 OC workers in

The run up is led by Irvine electric vehicle startup Rivian Automotive LLC, with a workforce that surged 333.3% to 1,300 as of September as the company readied for the release of its R1T truck, which began deliveries last month, and the upcoming R1S SUV.

The automaker filed paperwork to go public in August, with the documents becoming public at the start of the month. See page 1 for more on Rivian's IPO. ■

THE LIST AUTOMAKERS



DIANA DAVIS General Manager, LA Region Toyota Motor North America Inc.



JOSÉ MUÑOZ CEO and President Hyundai Motor America



JEFF GUYTON CEO and President Mazda North American Operations



RJ SCARINGE CEO Rivian Automotive Inc.



CLAUDIA MARQUEZ COO Genesis Motor America LLC

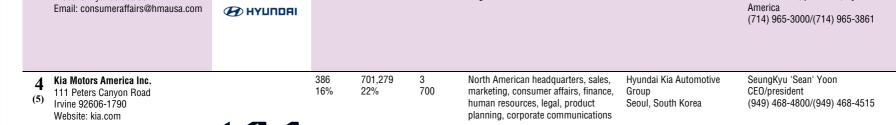


SEUNGKYU 'SEAN' YOON CEO and President Kia Motors America Inc.

THE **LIST AUTOMAKERS**

RANKED BY NUMBER OF OC EMPLOYEES

OC U.S. vehicle Operations in OC Top local official(s) Rank Company Parent company Prev. sales for 12 authorized Headquarters Rank •yearly % •Phone/fax dealers June 30, 2021 •U.S. change •yearly % change authorized Company logo dealers 1,300 Vehicle engineering and design, Rivian Automotive Inc. Rivian Automotive Inc. 0 RJ Scaringe 14600 Myford Road electronics, software, propulsion, 333% NA CEO battery systems, supply chain and (888) 748-4261 Irvine 92606-1005 logistics, IT, as well as teams building Website: rivian.com and operating customer-facing Email: customerservice@rivian.com 🔷 RIVIA N Mazda North American Operations 200 Spectrum Center Drive, Ste. 100 541 339,374 5 North American headquarters, research Mazda Motor Corp. Jeff Guyton 544 and development, design, and Western Hiroshima, Japan -1% 26% CEO/president (949) 727-1990/(949) 727-6813 Irvine 92618-5004 region operations Website: mazdausa.com Hyundai Motor America and Hyundai Hyundai Motor Company **Hyundai Motor America** 520 756,807 6 José Muñoz 10550 Talbert Ave. 10% 827 Motor North America headquarters, Seoul, South Korea global COO, Hyundai Motor Company/ Fountain Valley 92708-6031 Hyundai Motor America Western CEO, president, Hyundai Motor North





5 (4)	Karma Automotive LLC 9950 Jeronimo Road Irvine 92618-2014 Website: karmaautomotive.com Email: info@karmaautomotive.com	KARMA	350 ⁽¹⁾ NA	380 ⁽¹⁾ NA	1 26	Global headquarters, engineering, design, customization, retail, customer treatment	Wanxiang Group Corp. China	Lance Zhou CEO (714) 723-3474	
6	Toyota Motor North America Inc. 2 Banting Irvine 92618-3602		161 0%	1,932,351 15%	11 1,240	Toyota Los Angeles regional office (Irvine), Lexus Western regional office and training facilities (Irvine), Calty	Toyota Motor Corp. ⁽²⁾ Toyota, Aichi, Japan	Diana Davis general manager, LA region (949) 727-2700/(949) 727-2810	



Design Research studio (Newport Beach)

America/CEO, president, Hyundai Motor



7 (7)	Isuzu Commercial Truck of America Inc. 1400 S. Douglass Road, Ste. 100 Anaheim 92806-6904 Website: isuzucv.com
	Email: brian.tabel@icta-us.com

Website: hyundaiusa.com

160 26,350 301 3% 10%

28,142

50(1)

NA

North American headquarters

Isuzu Motors Ltd. Anaheim

Shaun Skinner president, America, Canada (714) 935-9418



Genesis Motor America LLC 8 10550 Talbert Ave. Fountain Valley 92708-6031 Website: genesis.com



North American headquarters, North 331 American design center

Hyundai Motor America Inc. Fountain Valley

Claudia Marquez C00 (714) 965-3000

