

## by Mike Prero

The early cars were sold by automakers to customers directly, or through a variety of channels that included mail order, department stores, and traveling representatives. The first dealership in the United States was



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established in 1898 by William E. Metzger. Direct sales by an automaker to consumers are now limited by most states in the U.S. through franchise laws that require new cars be sold only by licensed and bonded, independently owned dealerships.

Car dealerships are typically franchised to sell and service vehicles by specific companies. They are often located on properties offering enough room to have buildings housing a showroom, mechanical service, and body repair facilities, as well as to provide storage for used and new vehicles. Many dealerships are located out of town or on the edge of town centers. An example of a traditional single proprietorship car dealership is Collier Motors in North Carolina. Many modern dealerships are now part of corporate-owned chains such as AutoNation with over 300 franchises. Dealership profits in the US mainly come from servicing, some from used cars, and little from new cars.

Most automotive manufacturers have shifted the focus of their franchised retailers to branding and technology. New or refurbished facilities are required to have a standard look for its dealerships and have product experts to liaise with customers. Audi has experimented with a hi-tech showroom that allows customers to configure and experience cars on 1:1 scale digital screens. In markets where it is permitted, Mercedes-Benz opened city centre brand stores.

Tesla has opened city centre galleries where prospective customers can view cars that can only be ordered online. These stores were inspired by the Apple Stores. Tesla's model was the first of its kind, and has given them unique advantages as a new car company. *[https://en.wikipedia.org/wiki/Car\_dealership]* 

Greg Lund, MD, had 17,827 Auto Dealers covers in his collection as of November 2005.





