

## **Kelley Blue Book and AutoTrader.com say Superstorm Sandy's Impact on the National Automotive Market will be Modest at Best**

**Analysis and data from two of the Internet's largest automotive research and shopping sites support premise that national impact may be overstated**

ATLANTA, Nov. 14, 2012 [/PRNewswire/](#) -- The impact of Superstorm Sandy on the national new and used car markets may be more modest than what's currently being reported, according to data and analysis from experts at both [AutoTrader.com](#) and Kelley Blue Book ([KBB.com](#)).

Current estimates state between 200,000 and 300,000 new and used vehicles were destroyed as a result of the storm; however, that only represents 0.1 percent of the more than 240 million registered vehicles on the road.

"There's absolutely no question that Superstorm Sandy has had a devastating impact on those who live in the Northeast," said Chip Perry, president and CEO, AutoTrader Group. "I've personally visited the area and spoken with many of our field sales representatives and customers, and it's clear that this event changed many of their lives."

Perry continued, "But when you look at the impact on the automotive industry, the fact is, the number of vehicles lost is too small of a fraction to significantly move the national market."

Data and analysis from the [November Kelley Blue Book Market Report](#) supports this position. Since the storm hit so late in the year, [KBB.com](#) analysts believe increased demand on the East Coast will only mute the market's typical decline through this time period. Instead of a 1 to 2 percent decline, [KBB.com](#) experts now believe values will remain flat nationally. From a used car pricing perspective, [KBB.com](#) Senior Market Analyst Alec Gutierrez anticipates only modest market increases, \$200 to \$300 at most, isolated mainly in the Northeast region.

"When Hurricane Katrina hit, Kelley Blue Book® Values increased more than 2 to 3 percent in the affected area from the time the storm hit until year-end," Gutierrez said. "This year, we believe that while we may see some price appreciation on the East Coast, from a national perspective, values will remain relatively flat."

Shopping activity on [AutoTrader.com](#) in the areas impacted by Sandy dipped several percentage points between October 27 and November 6, (during and immediately following the storm), but rebounded by Nov. 8 to mirror the level of shopping activity in non-impacted areas. On November 10, shopping activity began to increase very slightly nationally and in the impacted areas, however, [AutoTrader.com](#) analysts believe it's still too early to assess if this is indicative of a more sustained trend or if the rise can be directly attributed to Superstorm Sandy.

Both [KBB.com](#) and [AutoTrader.com](#) analysts agree that the impact of Superstorm Sandy is just now starting to be felt in the market and it will take months before the total effects will be fully comprehended.

"It's going to take time for impacted consumers to get back in the market," Gutierrez said. "Some may have been able to get a replacement vehicle immediately, but many others could be waiting for their insurance check or

unfortunately have to focus on repairing damage to their home. We're going to be keeping a close eye on this in the months ahead."

#### **About AutoTrader.com**

Created in 1997, Atlanta-based AutoTrader.com is the Internet's ultimate automotive marketplace. As a leading resource for car shoppers and sellers, AutoTrader.com aggregates millions of new, used and certified pre-owned cars from thousands of dealers and private sellers and provides expert articles and reviews. AutoTrader.com, which also operates the AutoTraderClassics.com auto marketing brand, is wholly owned by AutoTrader Group. Additionally, AutoTrader Group owns Kelley Blue Book (kbb.com) as well as three other companies that provide a full suite of software tools that help dealers and manufacturers manage their inventory and advertising online: vAuto, HomeNet Automotive and VinSolutions. AutoTrader Group is a majority-owned subsidiary of Cox Enterprises. Providence Equity Partners is a 25 percent owner of the company and Kleiner Perkins Caufield & Byers is also an investor. For more information, please visit [www.autotrader.com](http://www.autotrader.com).

#### **About Kelley Blue Book ([www.kbb.com](http://www.kbb.com))**

Founded in 1926, Kelley Blue Book, The Trusted Resource®, is the only vehicle valuation and information source trusted and relied upon by both consumers and the industry. Each week the company provides the most market-reflective values in the industry on its top-rated website [www.kbb.com](http://www.kbb.com), including its famous Blue Book® Trade-In and Suggested Retail Values and Fair Purchase Price, which reports what others are paying for new cars this week. The company also provides vehicle pricing and values through various products and services available to car dealers, auto manufacturers, finance and insurance companies as well as governmental agencies. KBB.com provides consumer pricing and information on cars for sale, minivans, pickup trucks, sedan, hybrids, electric cars, and SUVs. Kelley Blue Book's KBB.com ranked highest in its category for brand equity and was named Online Auto Shopping Brand of the Year by the 2012 Harris Poll EquiTrend® study. Kelley Blue Book Co. Inc. is a wholly owned subsidiary of AutoTrader Group.

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For further information: Nicole Carriere, +1-404-568-7822, +1-770-547-7950 (m), [nicole.carriere@autotrader.com](mailto:nicole.carriere@autotrader.com); Joanna Pinkham, +1-949-268-3079, [jpinkham@kbb.com](mailto:jpinkham@kbb.com)

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