

Appraiser Blog

# Stellantis and GM Lead Minority-Owned Dealership Expansion



By Tony Rached

## [Stellantis and GM Lead Minority-Owned Dealership Expansion](#)

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The year 2022 witnessed a remarkable surge in the U.S. automotive sector as 110 minority-owned dealerships were added, signifying an unprecedented trend in over a decade where the tally saw a triple-digit rise for two consecutive years.



### [Stellantis and GM Lead Minority-Owned Dealership Expansion \(PDF\)](#)

At the forefront of this progress stands Stellantis, having expanded its roster by 32 minority-owned establishments, followed closely by General Motors with an increase of 26, as reported by the National Association of Minority Automobile Dealers.

The data from this association unveils a remarkable upswing in minority-owned dealerships, soaring by 110 last year, amassing a total of 1,476. This figure represents a just-shy-of-9 percent presence among the 16,773 franchised dealerships within the U.S., as revealed by the National Automobile Dealers Association's 2022 NADA Data

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report. Remarkably, 2022 marked the second consecutive year that automakers successfully introduced over 100 minority-owned establishments, following the prior year's leap of 109.

The automotive industry hadn't witnessed such a robust surge of more than 100 minority dealerships within a single year since 2012.

Dominating the ranks, GM concluded 2022 with an impressive count of 329 minority-owned dealerships. Stellantis solidified its position in second place, boasting 243 establishments, while Ford held its ground with 213. Toyota Motor North America made its mark with 120, closely trailed by Nissan at 113.

Recognizing the instrumental role played by the National Association of Minority Automobile Dealers, the Chrysler Minority Dealer Association, and the Rainbow PUSH Coalition, the head of U.S. network development at Stellantis expressed sincere gratitude for their unwavering support in the company's mission to bolster the presence of minority dealers. The commitment to this crucial initiative remains resolute, with a continuous focus on expanding the pool of potential candidates and fostering greater diversity within the network.

## An Upward Trend in Diversity

Last year's minority-owned U.S. dealerships surged to 1,476, marking a noteworthy leap of 110 from the preceding year.

List of Minority-Owned Dealerships by Manufacturer in the US		
Manufacturer	Total at end of 2022	Change from 2021
GM	329	26
Stellantis	243	32
Ford/Lincoln	213	19
Toyota/Lexus	120	3

List of Minority-Owned Dealerships by Manufacturer in the US		
Manufacturer	Total at end of 2022	Change from 2021
Nissan/Infiniti	113	17
Honda/Acura	89	8
Hyundai/Genesis	88	-8
Kia	67	5
VW/Audi	63	-1
Mazda	33	3
Jaguar Land Rover	33*	N/A
Subaru	31	3
BMW/Mini	25	0
Mercedes-Benz	22	3
Mitsubishi	7*	N/A

## Continued Leadership Stability

Damon Lester, vice chair of NAMAD, attributes the surge in minority-owned dealerships to the steady leadership exhibited by automakers in recent years. He underscores that several companies have exercised their right of first refusal in certain instances to ensure that opportunities for dealership ownership are extended to minority candidates.

The recovery of minority dealership numbers from the slump of the 2008-09 recession continues. After peaking at 1,805 in 2005, the count plummeted to 875 by 2011, as per NAMAD data.

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Lester affirms that continuity in leadership, with consistent presidents and CEOs, has positively impacted this trend. He commends Stellantis for its proactive pursuit of ownership opportunities for minorities. He highlights the automaker's concerted dealer development endeavors and the initiatives led by its diversity and inclusion chief, Lottie Holland, for fostering a companywide focus on this matter.

Speaking on behalf of NAMAD, Mitchell lauds Stellantis' unwavering dedication to creating avenues for minorities in the automotive retail realm. He emphasizes that the company's pioneering role is a testament to its earnest efforts in fostering ethnic diversity. Mitchell underscores the significance of placing dealers who resonate with the communities they serve, aligning with the customers' preferences and reflecting a commitment to inclusivity.

### **Sustaining Progress**

While progress is evident, Mitchell acknowledges that access to capital remains a major hurdle for aspiring minority dealers. Additionally, the cost of franchise opportunities is on the rise. Therefore, the current focus is on ensuring that Stellantis sustains the momentum it has gained.

Over time, as minority dealers retire, they may end up selling their establishments to non-minorities, potentially impacting the overall figures in the long run. Despite this, the count of minority dealerships remains resilient as attrition slows down.

Mitchell emphasizes the importance of maintaining existing franchises while striving for growth. He states, "Because if we don't, it's going to be like running on a treadmill if we're getting more but we're losing more out the back door."

Tia Hardman, GM's director of dealer diversity relations, shared the company's sense of accomplishment regarding the milestones achieved through the Minority Dealer Development Program. Her statement emphasized GM's unwavering commitment to cultivating a dealer network that is both performance-oriented and customer-centric. The objective is to attract exceptionally qualified minority dealer candidates, ensuring that the company's retailers mirror the diverse communities and customer base they serve.