

41 Million More Foreign Nameplates

"As domestic nameplates fell in number and share of vehicles in operation (VIO) between 2005 and 2015, foreign nameplate cars and light trucks were recording a much different performance. Foreign nameplates increased 18 million between 2005 and 2010, expanding their VIO share by one-fifth."

"The situation was even more dynamic from 2010 to 2015. The number of foreign nameplates on the road soared 23 million, generating all of the increase in the nation's light vehicle population during those five years. This trend continued through 2016. The dramatic surge in foreign nameplate VIO is having a significant impact on aftermarket product volume and mix."

Jim Lang

Slow Vehicle Growth

The light vehicle population across the U.S. increased at a modest 0.3% average annual pace between 2005 and 2010.

This slow growth reflected the dramatic impact of the 2008 Great Recession on new vehicle sales, which plunged nearly 40% from 2007 to 2010.

Domestic Vehicles Struggle

The number of domestic nameplate cars and light trucks on U.S. roads fell 20 million between 2005 and 2015, as domestic new vehicle sales plunged and domestic nameplates accounted for a disproportionate share of car and light truck annual scrappage.

2016 VIO Developments

Although analysis of the 2016 VIO will not be completed for another month, it is clear that domestic nameplate VIO fell again last year, particularly passenger cars.

Foreign Nameplate Explosion: 2005 to 2010

As domestic nameplates slowed in growth and then receded in number, the foreign nameplate population (imports and transplants) increased rapidly between 2005 and 2010.

As the domestic nameplate population faltered over this five-year span, foreign nameplates soared 18 million and pushed their VIO share to 36%, up from 30%.

More Dramatic VIO Changes: 2010 To 2015

The situation was even more dramatic from 2010 to 2015, as foreign nameplates in operation surged 23 million, climbing from 91 million cars and light trucks on U.S. roads to 114 million.

This foreign nameplate surge generated all growth of the light vehicle population across the country, as the domestic nameplate population fell 11 million.

10 Years of VIO Change

Differences in domestic and foreign nameplate vehicle growth between 2005 and 2015 were striking.

The population of domestic cars and light trucks plunged 20 million over these 10 years, falling from 70% of total vehicles in operation (VIO) to 56%.

Foreign Nameplate Surge

At the same time, the foreign nameplate light vehicle population surged. The number of foreign nameplate cars and light trucks increased 41 million between 2005 and 2015.

As a result, foreign nameplates climbed from 33% to 44% of the total VIO between 2005 and 2015, a one-third surge.

Aftermarket Implications of Shifting VIO

This unprecedented shift in foreign versus domestic nameplates in the U.S. has had dramatic consequences for aftermarket product volume mix.

Foreign nameplate aftermarket product use climbed at a 4.6% average annual pace between 2005 and 2015.

This was 23 times the rate of aftermarket product growth recorded by domestic nameplate cars and light trucks, which managed only a 0.2% annual gain.

Six Major Takeaways

- The foreign and domestic nameplate populations are moving in opposite directions, with the foreign nameplate VIO soaring and the number of domestic nameplates in U.S. in sharp decline.
- Foreign nameplate VIO soared 41 million between 2005 and 2015, generating all light vehicle population growth over this 10-year span.
- Domestic nameplate VIO plunged 20 million from 2005 to 2015, falling from 70% of total light vehicles in operation to just 56%.

- Foreign nameplates surged from 30% to 44% of total VIO between 2010 and 2015. Their population and VIO share continued this growth arc during 2016.
- The unprecedented shift in foreign versus domestic nameplates in the U.S. has had immediate consequences for the mix and volume of aftermarket products.
- Foreign nameplate aftermarket product use climbed at a 4.6% average annual pace between 2005 and 2015, compared to only a 0.2% average annual gain in domestic nameplate aftermarket product volume.