U.S. Big Truck Sales Up In September

Dee-Ann Durbin, Tom Krisher, AP Auto Writers

DETROIT (AP) — Pickups and SUVs led U.S. auto sales in September, as falling gas prices, promotions and pent-up demand from contractors drove demand for large vehicles.

Trucks sales at General Motors, Chrysler and Ford grew in the double digits, outpacing cars and boosting overall sales. The growth built on a healthy performance in August, when new models, cheaper financing and pent-up demand lifted the industry after several disappointing months.

Analysts had expected U.S. vehicle sales to rise as more Japanese vehicles fill showrooms after months of earthquake-related shortages.

General Motor Co.'s sales rose 20 percent compared with last September, led by a 34-percent rise in full-size pickups and SUV sales. Chrysler Group LLC's overall sales rose 27 percent, including a 45-percent jump in Ram pickup sales.

At Ford, sales were up just 9 percent. But SUVs rose 35 percent and pickup climbed 15 percent.

September truck sales benefited from falling gas prices, a need to replace aging fleets, and promotions to clear out older models from showrooms.

Sales promotions were especially helpful, according to Jeff Schuster, executive director of global forecasting for J.D. Power and Associates. GM, for example, was offering zero-percent financing and $1,000 cash on the 2011 Chevrolet Silverado 1500 pickup. Sales of the Silverado, one of America's best-selling vehicles, rose 36 percent.

Small businesses also needed to buy new trucks.

"There remains an older fleet of commercial-use trucks with small and medium contractors, so some of those could be coming back into the market to take advantage of the current conditions," Schuster said.

But analysts worry the jump in sales will be short-lived because potential buyers of new car and trucks are worried about the economy longer term. Edmunds.com last week reduced its full-year sales forecast from 12.9 million vehicles to 12.6 million vehicles.

Don Johnson, GM's vice president of U.S. sales, said pent-up demand was fueling a lot of the industrywide sales jump, and he expects a slow and steady increase through the end of the year.

Based on showroom traffic and internal forecasts, Johnson said GM doesn't expect a double-dip recession, adding that consumer confidence rose in September. Retail sales and industrial production were also encouraging.

The Labor Day holiday likely gave sales a boost. So did Hurricane Irene, which pushed some sales from August into September.

Sales of the Chevrolet Cruze compact, while still strong at just over 18,000, fell below 20,000 last month for the first time since March. That's a sign that Honda and Toyota, which had been short of small cars due to parts shortages from the March earthquake and tsunami in Japan, have replenished dealer lots. The Cruze was the top-selling passenger car in the U.S. earlier this summer.

But Johnson blamed the Cruze sales dip on seasonal patterns and said he didn't think the resurgence of Honda and Toyota had any effect.

Other automakers reporting sales Monday included:

— Nissan Motor Co., with sales up almost 29 percent. The company's cars led the way with sales of the Altima midsize sedan, Sentra compact, Versa subcompact and Maxima large sedan up a combined 32 percent for the month.

Source URL (retrieved on *07/28/2014 - 6:36pm*):
http://www.impomag.com/news/2011/10/us-big-truck-sales-september?qt-digital_editions=0