

Area dealers say

Car sales slump, but truck sales worse

By Mike Eliasohn
News reports and the state of the economy to the contrary, area dealers report car sales aren't that bad.

Aime Ouvry of Ouvry Chevrolet-Olds didn't get into specifics, but commented: "I can't complain about car sales. They're as good as can be expected at this period of time."

LOAN RATES
Until recently, the interest rate on car loans under the state law was 12.8 percent.

of a car, he offered as an example, a car loan at the 16.5 percent interest rate breaks down to only \$8 a month more over the four-year payback period than at the old rate.



EMPTY SPACES -- Car dealers are cutting down on the number of vehicles they keep in stock in order to reduce the interest they must pay.

The dealers are still here, however, which is more than many of their now ex-brethren can say.

The most optimistic of the dealers contacted was John Bukoski of Bukoski Chevrolet-Pontiac in Ubyly.

Bukoski said he had 50 cars "sold" in February and March, but then was unable to arrange financing for those who were going to buy them.

DEALER INTEREST
When dealers obtain cars from manufacturers, they pay for them in the form of loans and the interest they now pay on the loans, in the words of Ouvry, "is definitely a killer."

The combination of low sales and high interest rates dealers must pay for the cars they get from the manufacturers has forced many out of business, either because of bankruptcy or to avoid going bankrupt.

Those contacted at Rabideau Motors, the Cass City Chrysler-Plymouth dealer, declined comment.

Geiger said he was able to arrange bank loans for those with good credit ratings but lost some sales to those with marginal ratings who couldn't get loans.

On April 1, 1979, according to Geiger, the dealership was paying 12.75 percent. One year later, the rate was 20.75 percent.

Automotive News reported that 258 dealers nationwide went out of business in the first three months of this year.

The dealers agreed that about 50 percent of customers who normally buy pickups don't need them for business reasons.

Geiger said it hasn't helped sales any. "I don't know what car dealer thought it would."

On a big car, Bukoski said, interest payments can run \$140-150 a month, and when the car sits on the lot 6-8 months, the impact on the dealer's financial status is obvious.

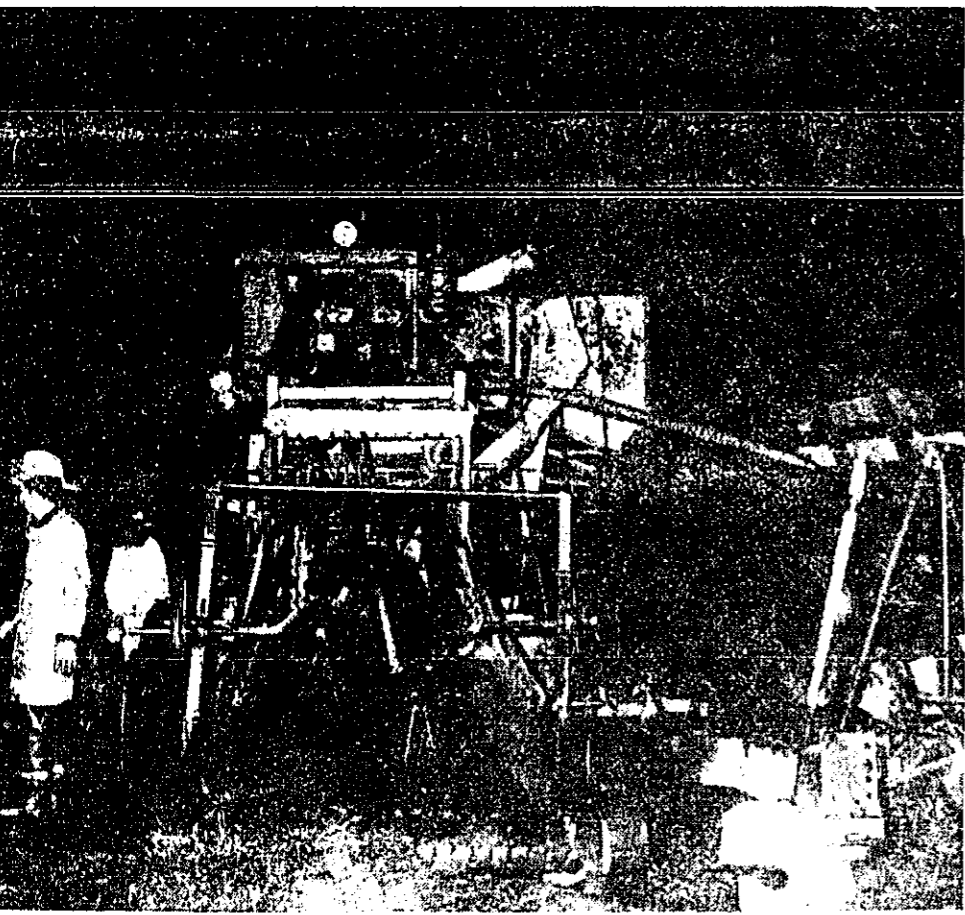
Duncan charged in stolen truck and parts operation

Warrants were issued last Thursday charging ex-local speedway operator David Duncan with a total of 10 counts involving possession of stolen property.

of stolen property over \$100 (the engine), misrepresenting the identity of a mechanical device and possession of stolen property over \$100.

John Latimer of the National Auto Theft Bureau and John McAllen of the vehicle theft investigation unit of the Michigan State Police.

A hearing was scheduled March 28 on the suit, however, at that time Judge Allen E. Keyes granted the motion of the Duncans' attorney that he disqualify himself as he had signed one of the search warrants.



FARM FIRE -- The various farm equipment and other items destroyed Sunday night were valued at \$25,000. The shed, valued at \$7,000, and most of the equipment belonged to William Zink.

Building, equipment fire loss \$32,000

Loss was estimated at \$32,000 in a fire that destroyed a storage building and its contents Sunday night.

Owner of the building on Robinson Road, east of Hoadley Road in Evergreen township, was William Zink.

Fire Department brought a tanker. Woods Fire: Elmwood township-Gagetown firemen spent three hours Sunday fighting a tough-to-extinguish woods fire at Hurds Corner and Cass City Roads.

Novesta seeks levy for roads

A majority of the Novesta Township Board Monday evening voted to put a 1 1/2 mill proposal on the Aug. 5 primary ballot to finance road construction.



HANGING TOGETHER -- As part of their study of the 50 states, students in Sally Goodall's fifth grade class at Cass City Intermediate School created this mobile.