

April 2016

Dear Clients and Friends:

To see what drives much of our economy, watch the late evening news on any channel and count the car commercials. If you had to guess, how many would you expect to see in an hour? I would have thought maybe seven or eight.

But after noticing some of those commercials run back-to-back, I rewound one hour of Channel 6 news the other night and counted twenty-four of them. Chevy, Nissan, Jeep, Honda, Subaru, Cadillac, Mercedes, Toyota, GMC, Acura, Hyundai, Ford, Lexus, BMW, Lincoln, and Dodge all advertised new models, with some ads running more than once.

Auto manufacturers are spending more than \$30 billion a year on advertising. Their slick commercials can convince consumers to buy something they don't actually need. Even if we resist that temptation, these ads keep dripping on us, over and over, so when we do need to make a purchase, we'll think of that brand first.

The automotive industry has made a big comeback. Between automakers, suppliers and dealers, this sector of our economy employs over seven million Americans. Combine the federal and state tax revenue from the auto industry, and we're talking about \$206 billion, more than the entire gross domestic product of 142 countries around the globe.

Cars really do help "drive the American economy." And how are we doing? According to the Bureau of Labor Statistics, the number of employed people in the U.S. is growing three times as fast as the number of working-age adults. That statistic proves people are returning to the workplace.

I get a kick out of the Lincoln commercials with Matthew McConaughey. He's so cool, wearing perfectly tailored suits and that knowing smile. You'd think his daily life revolves around parties, high-stakes poker and telling his dogs in the back seat where they're going for dinner. Hey, maybe I'll give one of those Lincolns a test drive.

Regards,



Charles M. Shackelford