

German new-car sales dip on debt

German new-car sales fell the most in almost 2 1/2 years last month as renewed skepticism over the handling of the sovereign-debt crisis in Europe discouraged consumers from making large purchases. Registrations in March dropped 17% from a year earlier to 281,184 autos, the German Federal Motor Vehicle Office, or KBA, said Wednesday in a statement. The drop was the biggest since October 2010, a spokeswoman for the Flensburg, Germany-based KBA said in an e-mail. First-quarter sales fell 13% to 673,957 vehicles. German unemployment rose while business confidence and an index in consumers' willingness to buy fell in March as a botched bank bailout in Cyprus increased concerns the euro region's recovery will falter. The economy of the 17 countries using the euro has contracted for five consecutive quarters, and Germany's gross domestic product shrank in the final three months of 2012. "Worries in the debt-ridden southern European countries are spreading to the German market," said Christian Ludwig, a Dusseldorf, Germany-based analyst with Bankhaus Lampe. "The cold weather in March with ice and snow and the Easter holidays were one-time effects that didn't help." Easter took place in March this year, versus April in 2012.

Bankrupt electric car battery maker settles
The bankrupt electric car battery maker formerly called A123 Systems, now renamed B456 Systems, reached a settlement in which Fisker Automotive reduced its claims by 89% to \$15 million. The accord with the bankruptcy's unsecured-creditors' committee will substantially cut Fisker's \$140 million in claims stemming from a rejection of its supply agreement and alleged breach of warranty obligations, according to court documents filed Tuesday in Wilmington, Del. The agreement will benefit all unsecured creditors, the committee's lawyers said. "This reduction will have a substantial positive effect on the value of other unsecured claims," lawyers for the committee said in a court filing. The committee "analyzed the Fisker proofs of claim, and the committee believes that the settlement embodied in the stipulation represents a compromise that is the best possible outcome" for B456's estate. Fisker's breach-of-warranty claim will be reduced from \$48.7 million to a \$15-million unsecured claim and its \$91.2-million claim for damages from the rejection of its supply agreement will be disallowed, according to court documents.

Chrysler buys 531-acre Florida testing center
Chrysler has bought a 531-acre testing center east of Naples, Fla., where it plans to expand its vehicle testing, especially in winter. The site — just north of I-75 between Naples and the Big Cypress National Preserve in the Everglades — has more than six miles of test track, including a 2.1-mile straightaway and a 1.1-mile ride and handling loop. Chrysler bought the land from Harley-Davidson, which will continue to use parts of the testing center on a leased basis.

AutoNation sees 7% gain in new-vehicle sales
Driven by a strong recovery in the housing market and big gains in pickups, AutoNation, the country's largest dealership group, reported a 7% gain in new-vehicle sales in March. For the month, AutoNation's sales

totaled 27,199 units, up from 25,489 a year ago. That increase was helped by sales from the six Texas dealerships AutoNation acquired in December. On a same-store basis, AutoNation's sales rose 4%, just ahead of the industry sales pace. Total U.S. new-vehicle sales rose 3% in March. "We had another excellent month for March," AutoNation CEO Mike Jackson said Wednesday on CNBC. He highlighted "good recovery in our housing states of Florida and California." The retailer's sales rose 11% in California and 8% in Florida. Pickup sales rose 9%, AutoNation's biggest increase in any vehicle segment, Jackson said. BMW has 13% U.S. sales increase in March. BMW reported a 13% U.S. sales increase in March, cutting into the luxury-auto lead of Mercedes-Benz as both brands set records for the month. Sales for the BMW brand rose 27,078, helped by gains for the X3 and X5 sport-utility vehicles, the Munich, Germany-based company said Tuesday in a statement. Mercedes posted a 6.5% advance from a year earlier to 24,646. The March results trimmed Mercedes's 2013 lead to 4,285 cars and SUVs as the two German automakers vie for the annual sales crown BMW has held for the past two years. BMW won last year with a December surge, based on reported sales. Measured by vehicle registrations, Mercedes topped BMW, according to researcher R.L. Polk. UAW's assets fall, spending on lobbying climbs. The UAW's total assets fell for the sixth straight year in 2012 while spending on political activities and lobbying nearly quadrupled from the previous year, the union's annual financial filing with the U.S. Labor Department shows. In 2012, the union reported assets of just more than \$1 billion, down 4% from the previous year, according to the filing dated March 29. Liabilities were roughly \$7.7 million. The value of the UAW's investment holdings fell 8.3%, or nearly \$65 million, to about \$718 million. Under its president, Bob King, who was elected in 2010, the union is trying to build membership at auto plants in the southern U.S. and expand into other areas including gaming, health care and higher education. Less than half of the UAW's nearly 383,000 members work in the auto industry. Nissan expects China sales to rebound. Nissan, the Japanese automaker that sells the most cars in China, expects sales in the world's largest automobile market to rebound within three months, as demand for Japanese-branded vehicles recovers. "We've seen growth in retail year on year in March and year to date," Andy Palmer, executive vice president of the Yokohama, Japan-based carmaker told Bloomberg Television's John Dawson in an interview Wednesday. "When we are seeing retail growing, we can be pretty sure that within three months we will see wholesale coming back to a position better than the previous year." Nissan sales in China, its largest market, fell 17% to 110,000 units last month and declined 5.3% in 2012, as anti-Japan sentiment related to a territorial dispute deterred consumers from buying cars made by automakers including Toyota. Nissan is more affected than other Japanese automakers by a slump in China because it has the largest proportion of sales there among its peers, selling about one in four of its cars in the country. freep.com