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Screaming Yellow: Mike Koss, of Exotic Euro Cars, with a \$400,000 Lamborghini Aventador.

## Drag Race

Rival Lamborghini dealers open on Ventura Boulevard

By **MARK R. MADLER** Staff Reporter

The Lamborghini Aventador just about defines the term exotic.

The Italian made supercar has 12 cylinders, produces nearly 700 horsepower and can reach 60 miles per hour in under three seconds.

Oh, and it has a price tag topping \$400,000. Which raises a simple question: Why are they being sold by not one, but two dealers just blocks apart in Woodland Hills?

The **Auto Gallery** recently opened its

Lamborghini store on Ventura Boulevard, just down the street from **Exotic Euro Cars**, a seller of pre-owned Lamborghinis, Ferraris and Porsches that opened four months ago in a former furniture store.

**Lonnie Decker**, chief marketing office for Auto Gallery and general manager of the Lamborghini dealership, said the close proximity to another dealer is not a concern. He noted that Los Angeles, with its temperate climate, is a magnet for luxury car dealerships, and this area has its share.

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Truly Grand: May 30 opening of Auto Gallery drew partygoers.



Gull Winged: Lamborghini models parked at Auto Gallery.

## Exotics: Can Two Dealers Thrive in West Valley?

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Auto Gallery has other dealerships in Woodland Hills and Calabasas that sell Audis, Ferraris and Maseratis. And an **O'Gara Coach Co. LLC** dealership that opened last year in Thousand Oaks sells Bentleys and Rolls Royces. O'Gara's headquarters is in Beverly Hills.

"You can drive all year round and get the benefits of it," Decker said.

The Auto Gallery spent \$800,000 on its Lamborghini building at 21326 Ventura Blvd., which replaced leased space at the Westfield Topanga mall in Canoga Park for the past several years.

The mall storefront, which doubled as a fashion boutique and put Lamborghini in close proximity to other luxury brand retailers such as **Tiffany & Co.** and **Louis Vuitton**, was not conducive to selling cars because of the location. But having a standalone dealership for selling new and pre-owned exotics on one of the city's most traveled streets creates opportunities for growing the Lamborghini brand, Decker said.

It also helps to create a cluster of like-minded business going after the customers with a sense of style and deep pockets.

In February, **Mike Koss**, with the financial backing of a private investor, opened Exotic Euro Cars. Koss sells pre-owned high-end vehicles ranging from the standard Mercedes Benzes and BMWs costing less than \$90,000, to the more expensive 2009 Rolls Royce

Phantom Coupe at \$310,000. And the 2012 Lamborghini Aventador Coupe at \$419,000.

Koss has worked in the automotive industry for 30 years and at one time was a salesman for the Auto Gallery. While the Auto Gallery also sells pre-owned luxury vehicles just as Exotic Euro Cars does, Koss does not consider his former employer competition.

That the dealerships are close to each other – Exotic Euro Car is at 22223 Ventura Boulevard – is good for both businesses in that each brings potential buyers to the neighborhood.

"We are spending money to bring people to this area, both of us," he said.

### Luxury cluster

But even with Southern California as the largest market for luxury cars, their sales numbers fall significantly behind those of the Big Three domestic carmakers and of Japanese imports.

The California New Car Dealers Association doesn't even track sales of Ferraris, Porsches, Lamborghinis and the other exotic brands. Of the luxury brands the association does track, the Mercedes E-Class had the highest sales in the first quarter with 3,100 new registrations.

However, in Los Angeles, the E Series or the BMW 5 Series is so common that for drivers to stand out with their car of choice they have to move up a level, said **Jessica Caldwell**, a senior analyst with **Edmunds.com**, a Santa Monica-based online automotive information service.

"People buy luxury for the image," Caldwell said.

The handcrafted Aventador – named for a bull that fought in Spain – is built from carbon fiber and aluminum, which gives it a lightweight chassis. The interior comes with a leather steering wheel, an instrument panel controlled by an on-board computer, and is customizable down to the stitching on the seats.

Decker would not provide Lamborghini sales numbers for the Auto Gallery, but given the cost of the Aventador and Gallardo, it is no surprise overall sales are low. Last year, the automaker shipped 2,083 of its vehicles with most coming to the U.S.

Automobili Lamborghini S.p.A., based in Sant'Agata Bolognese, is owned by Audi AG, a subsidiary of German carmaker **Volkswagen AG**. There are two other Lamborghini dealers in Southern California, one in Beverly Hills and the other in Newport Beach. A dealership in Calabasas closed in 2008 after about one year in business.

Meanwhile, Exotic Euro Cars has sold 45 vehicles since opening its doors, some even going to overseas customers. Five of those were Rolls Royces with price tags between \$150,000 and \$460,000, Koss said.

He noted that in the luxury market, pre-owned vehicles don't mean the same thing as it would with a Ford or Chevy. Koss buys these vehicles from individual owners whose use of them was limited or from other dealers who have no need for them.

One Lamborghini sold by Exotic Euro

Cars had a measly 1,500 miles while a Rolls Royce in the current inventory has 700 miles on the odometer.

"They are low mileage cars because they are not driven very often or they are in somebody's collection," Koss said.

### Grand opening

An eye-catching car is just part of what Lamborghini offers its customers.

Another reason Auto Gallery wanted its new dealership was to give clients a place where they could hang out, socialize and network with other Lamborghini owners, Decker said.

"The car is the key that unlocks everything else," he said.

The dealership also features an in-store service department. "Servicing these things is a commitment," he notes.

That lifestyle was on full display May 30 at the grand opening of the dealership, which was attended by several hundred people, including some celebrities, who moved around the showroom decorated with the fancy and expensive sports cars.

**Joe Molina**, who owns several luxury cars and operates **JMPR Inc.**, a Woodland Hills public relations firm with luxury auto clients, attended the opening.

He said the most striking thing was the presence of **Stephan Winkelmann**, chief executive of Automobili Lamborghini.

"That is an acknowledgement the image of the Valley is on an international stage," Molina said.