

RV Business Indicators

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Prepared by Recreation Vehicle Industry Association

RV Shipments and Sales Data

- **2010 shipments.** March 2010 shipments reached the best monthly total in nearly two years. Compared to 2009, improved shipments were reported in all vehicle categories — towable shipments gained 93.6%; motorhome shipments rose 128%. RV shipments are projected to total 215,900 in 2010, a gain of 30% from 2009 shipments, according to RV industry analyst and director of consumer surveys at the University of Michigan, Dr. Richard Curtin. Growth in shipments is expected throughout 2010 as dealers restock reduced inventories and the improving trend in RV sales continues. Economic hazards could slow the pace of recovery, including poor job and income growth, lingering credit constraints and low consumer confidence.
- **2009 shipments.** RV shipments in 2009 totaled 165,700, down 30.1% from 2008. Shipments reached their lowest point in the first quarter of 2009, but improved steadily during the last half of the year. Lower shipments in 2009 were caused by the longest and deepest U.S. recession since the 1930s, the tightest credit conditions in several decades, job losses, falling household wealth, slower growth in real incomes, and historically low consumer confidence.
- **The RV industry is seeing signs of improvement, and the recovery is expected to strengthen slowly as credit availability, job security and consumer confidence improve:**
 - **Primary demand for RVs remains robust,** as indicated by improving dealer sales due to price discounting and strong RV show attendance. Shows in Indiana, Florida, Michigan, Texas, Ohio, Colorado and Utah report strong attendance and sales in 2010. Dealer inventories have been reduced by retail sales, although low consumer confidence and America's struggling economy caused consumers to delay major purchase decisions. A delay in purchasing means future sales potential and renewed growth in shipments.
 - **Despite the economic downturn,** 15 new RV manufacturers began business operations in 2009. In response to shrinking dealer inventories and gradually improving sales, manufacturers and suppliers are rehiring laid off workers and returning to full production schedules.
 - **The credit worthiness of RV consumers remains at the top of all credit seekers.** The delinquency rate on RV loans was 0.95% from 1999-2007 vs. 2.0% for other consumer loans, according to the American Bankers Association Quarterly Delinquency Bulletin. Current limitations on RV credit are expected to gradually diminish over time since RV owners are, on average, excellent credit risks.
- **Shipments history.** Shipments in 2008 totaled 237,000 units, down 32.9% from 2007. After five consecutive years of record growth, RV shipments dropped 9.5 percent in 2007 as consumers postponed discretionary purchases due to the U.S. economic slowdown. Shipments totaled 353,400 — the fourth highest in the past quarter century. 390,500 RVs were shipped in 2006, the best annual total in the past 25 years. Total RV shipments in 2006 were 1.6 percent higher than 2005 — the fifth consecutive year shipments grew. RV

wholesale shipments totaled 384,400 units in 2005. In 2004 RV shipments topped 370,100. For a historical chart showing RV shipments by year, go to: [RVIA Historical Glance](#).

RV Travel Trends

- **RV ownership and travel is a great value.** The 2008 PKF Vacation Cost comparison study showed that a family of four can save 27-to-61% on vacation costs by traveling in an RV, after factoring in ownership costs and fuel. Even with higher fuel prices, more than 80% of RV owners say their RV vacations cost less than other forms of vacation.
- **Shorter trips close to home.** Research shows that RVers spend more time enjoying campgrounds and less on the road to save fuel. With more than 16,000 campgrounds nationwide, RVers also save by staying closer to home.
- **Fuel cost analysis.** Analysis of potential fuel cost increases shows that fuel prices would need to more than triple over current levels to make RVing more expensive for a family of four than other forms of travel. "While fuel costs are a component of the overall vacation cost, fluctuations in fuel prices aren't significant enough to affect a family's decision of whether or not to take RV trips over other types of vacations," said Kannan Sankaran, PKF's lead researcher for the study.
- **RV parks and campgrounds across the country report** that reservations in 2009 were 8% better than they were in 2008. RV rentals were up 12% in 2009, according to a survey by the Recreation Vehicle Rental Association. For 2010, Campgrounds of America is projecting a 15% increase in booking over last year's record-setting May-August period.

Other Factors Behind RV Industry Growth

- **IRS tax deduction.** For most RV buyers, interest on their loan is deductible as second home mortgage interest.
- **RV manufacturers are innovating to give consumers an array of product choices.** Manufacturers are producing lightweight towables and smaller, fuel-efficient motorhomes. Green technologies such as solar panels and energy-efficient components are appearing on an increasing number of RVs.
- **Lifestyle trends continue to spur demand for RVs.** RV owners overwhelmingly said in recent surveys that their RV makes it easier to take more frequent weekend getaways or mini-vacations that accommodate busy family schedules.
- **Go RVing ads build demand.** More than 2.5 million consumers visited GoRVing.com in 2009 — a 7% increase over 2008 — as the industry continued its aggressive advertising campaign. The ads were updated with a new theme line, "Go Affordably. Go RVing." Four new television spots begin airing in mid-February. Details: [GoRVing.com](#).

Indicators for Future Growth

- **Population and demographic trends** favor long-term RV market growth. Buyers aged 35-54 are the largest segment of RV owners, according to the 2005 University of Michigan study commissioned by RVIA. The demographic tidal wave of prime RV buyers remains strongly in the strongest RV ownership age groups. Every day, 11,000 Americans turn 50, according to U.S. Census figures.

- **Boomers nearing retirement.** RV sales will benefit as aging baby-boomers continue to enter the age range in which RV ownership is highest. According to Dr. Richard Curtin, director of surveys at the University of Michigan, by the end of the decade, the number of consumers aged 50 to 64 will total 57 million — 38 percent higher than in 2000. Today one-in-10 vehicle-owning households in that age group own at least one RV.
- **RVs are attractive to young buyers.** The fastest growing group of RV owners is young people 18-34. Products such as sports-utility RVs, as well as the Go RVing campaign, have helped attract younger buyers.
- **RV ownership** has reached record levels. Approximately 8.2 million American households now own an RV — a 16 percent increase since 2001 and a 64 percent gain since 1980.
- **In 2010 the RV industry celebrates** its 100th anniversary. A century ago, the popularization of the automobile, improving roads, and America's passion for exploration gave rise to mass-produced, manufactured recreation vehicles, and the RV industry was born. Through war and peace, booms and busts, fuel lines, fads and the cyber revolution, the RV lifestyle has endured.

WEBSITES: www.RVIA.org www.GoRVing.com

MORE INFORMATION:

Kevin Broom
Director of Media Relations
Recreation Vehicle Industry Association
703-620-6003, ext. 304
kbroom@rvia.org