

Car and Automobile Manufacturing in Canada Industry Market Research Report Now Available from IBISWorld

Over the next five years, automakers will continue to benefit from steady new car sales; however, rising oil prices may ultimately subdue the true growth potential of the industry as more expensive gas prices generally discourage purchasing new cars. For these reasons, industry research firm IBISWorld has added a report on the Car and Automobile Manufacturing industry to its growing industry report collection.

Los Angeles, CA ([PRWEB](#)) March 01, 2013 -- The [Car and Automobile Manufacturing industry](#) in Canada has been on a bumpy road over the past five years. At the onset of economic turmoil in 2008, many of the larger automakers had already been enduring falling consumer demand for new vehicles. The problem was only exacerbated by the automotive crisis in the United States, the effects of which ultimately flowed through to Canadian automobile producers. "In 2008 and 2009, industry revenue plummeted 15.1% and 19.8%, respectively, as production at Canadian manufacturing plants was halted due to crippled consumer demand," says IBISWorld industry analyst Antonio Danova.

The pace of the [Car and Automobile Manufacturing industry](#) in Canada generally moves in lock-step with export demand from the United States. Overall, the United States has consistently accounted for over 98.0% of all Canadian automobile exports over the past five years, including a 98.4% share of exports in 2013. "As US demand for vehicles plummeted during the recession, Canadian production was hampered," adds Danova. "On the other hand, the recovery in the US automotive market in 2010 proved to be a boon for this industry." Consumers flocked back to the market to make new vehicle purchases that had been delayed during the downturn, resulting in a 24.4% jump in revenue for 2010. Since then, the industry has continued on its path toward growth. As a result, IBISWorld expects revenue to grow 2.6% per year on average to roughly \$20.6 billion over the five years to 2013, including a 2.0% increase in 2013.

The industry carries a moderate level of market share concentration. The industry landscape is dominated by several automakers that compete on a global level, including the major companies General Motors, Chrysler, Toyota and Honda. Overall, the level of industry concentration has remained relatively unchanged over the past five years, but the individual market share for each of the automakers has fluctuated significantly. While the US companies dealt with bankruptcies and suffered throughout their recession, Toyota capitalized on the opportunity to gain more market share. Nonetheless, some of Toyota's market share was cannibalized by the US Big Three in recent years in light of the production halt and parts shortage from the Great East Japan Earthquake. Over the next five years, IBISWorld expects market share concentration to remain relatively unchanged.

In the next five years, automakers will continue to benefit from steady new car sales. However, rising oil prices may ultimately subdue the true growth potential of the industry, as more expensive gas prices generally make consumers reticent to purchasing new cars. Still, a silver lining in high gas prices is that demand for hybrids and electric vehicles (EVs) is likely to rise. Higher production of these vehicles, which carry added technology and are sold at premiums, will lead to greater profitability within the industry, while simultaneously inflating revenue. As a result, industry revenue is expected to grow over the five years to 2018. For more information, visit IBISWorld's [Car and Automobile Manufacturing in Canada](#) industry report page.

Follow IBISWorld on Twitter: <https://twitter.com/#!/IBISWorld>

Friend IBISWorld on Facebook: <http://www.facebook.com/pages/IBISWorld/121347533189>

IBISWorld industry Report Key Topics

Companies in this industry manufacture cars and automobile chassis. These companies, referred to as automakers, typically produce cars, including electric cars, in assembly plants. The manufacture of light trucks (e.g. vans, pickups and SUVs), heavy trucks and motorcycles is excluded from this industry.

- Industry Performance
- Executive Summary
- Key External Drivers
- Current Performance
- Industry Outlook
- Industry Life Cycle
- Products & Markets
- Supply Chain
- Products & Services
- Major Markets
- Globalization & Trade
- Business Locations
- Competitive Landscape
- Market Share Concentration
- Key Success Factors
- Cost Structure Benchmarks
- Barriers to Entry
- Major Companies
- Operating Conditions
- Capital Intensity
- Key Statistics
- Industry Data
- Annual Change
- Key Ratios

About IBISWorld Inc.

Recognized as the nation's most trusted independent source of industry and market research, IBISWorld offers a comprehensive database of unique information and analysis on every US and Canadian industry. With an extensive online portfolio, valued for its depth and scope, the company equips clients with the insight necessary to make better business decisions. Headquartered in Los Angeles, IBISWorld serves a range of business, professional service and government organizations through more than 10 locations worldwide. For more information, visit www.ibisworld.com or call 1-800-330-3772.



Contact Information

Gavin Smith

IBISWorld

310-866-5042

Online Web 2.0 Version

You can read the online version of this press release [here](#).