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The Biz Beat

with Henry Unger

Veteran car dealer rides over rocky road

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Charles Oglesby has been through a lot in his 38 years selling cars, but nothing like the past two years.

As CEO of Duluth-based Asbury Automotive Group, the sixth largest car retailer in the country with 81 locations in 11 states, Oglesby saw:



Charles Oglesby

- The stock price plummeted to \$1.60 a share from a high of \$29.82. That prompted a warning letter about possibly getting delisted from the New York Stock Exchange.
- A credit crunch that squeezed his business — sales dropped to about \$3.5 billion last year, from \$5.5 billion two years before.
- A quarterly loss of \$2.5 million at the end of 2008.

But all that was just a prelude to a more intense crisis. Oglesby, 63, and his management team were sent scrambling by an auditor's letter saying there was "substantial doubt about its ability to continue as a going concern."

Still, given the "going-concern" letter, some have questioned Asbury's viability. Audit Integrity put it on a 2009 list of "companies with highest probability of bankruptcy." On the other hand, Wall Street analysts are predicting a 78 percent increase in earnings this year.

"Who can say if the worst is over," Oglesby said about car sales. "We must still fear the worst and hope for the best. But you can't run your business by hoping for the best."

I bet a lot of CEOs are thinking like that these days.

To read the entire article, visit <http://blogs.ajc.com/business-beat/2010/01/19/veteran-car-dealer-rides-over-rocky-road/>