

Drive Time

JournalNow.com

June 13, 2007

Circulation: TBA

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Wednesday, June 13, 2007

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The former California Fresh Buffet at 1370 Peters Creek Parkway near Arby's restaurant will soon have a new use.

DriveTime, a national used-car sales and financing company that focuses on people with credit problems, plans to renovate the building and open a dealership on the 2-acre site.

The company, which is based in Phoenix, Ariz., will lease the property from The Center for Purposeful Living.

The center is a nonprofit, all-volunteer service and education organization and an arm of Human Service Alliance on Old Greensboro Road at U.S. 158.

The restaurant, which was a service-learning lab for the center, closed in April.

Margaret Perkins, a board member of center, said that it will continue offering California Fresh Catering from its campus on Old Greensboro Road.

DriveTime started with two dealerships in Tucson, Ariz., in 1992 under the name Ugly Duckling. Today, the company has 101 dealerships in 10 states. It went public in 1996 and became a private company in March 2002, the same year that it changed its name to DriveTime.

The company has been in North Carolina for about a year. It started in Charlotte and expanded to six dealerships in the state, including one in Greensboro.



(Journal Graphic by Richard Boyd II)



DriveTime plans to open a dealership in High Point in August and its Peters Creek Parkway location in September.

John Ehlinger, a spokesman for DriveTime, said that company officials are pleased with the success of its stores and the reception they have had in communities in North Carolina.

The company is in an expansion mode and expects to have 110 to 115 dealerships in the country by the end of the year. The company plans to add 15 dealerships a year for the next few years.

"We basically sell and finance quality used cars to people with less than perfect credit," Ehlinger said. "So our focus is folks who don't have credit or have credit that isn't pristine."

He said that the company tries to offer customers more options in terms of financing, including different interest rates and down payments.

DriveTime's main competition is what it calls buy-here, pay-here dealerships.

"The industry tends to be pretty fragmented," Ehlinger said. "There are a lot of players but not a lot of consolidated players."

He said that such national dealerships as AutoNation Inc. and CarMax Inc. sell a lot of cars but they don't focus on DriveTime's niche.

"We believe that our services are really complementary to and not competitive with those kinds of dealerships," Ehlinger said. "We're just focusing on different customer segments."

DriveTime dealerships typically have 15 to 20 employees.

The company likes to renovate existing buildings and has operated in different kinds of former retail outlets from restaurants like California Fresh Buffet to Fazoli's.

"We've become very creative in taking former restaurants and other types of facilities and turning them into a dealership," Ehlinger said.

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