



## Gasoline isn't only rising cost for drivers

By DAN CATERINICCHIA – 1 day ago

WASHINGTON (AP) — Does filling the gas tank leave your wallet empty and spirit sputtering? Get used to both because almost everything car-related is costing more.

From oil changes to parking lot fees, sticker shock will make this summer even stickier.

"Everything is more expensive," said Raj Amber, a partner at AAA Limousine in Alexandria, Va., bemoaning the recent oil change cost increase to \$30, up from \$25.

Amber's frustration is common among consumers facing \$4 a gallon for gasoline, \$45 a day for car rentals that cost \$31 last year, and bigger bills from mechanics, tire shops and parking garages. Cost-fighting tactics are somewhat schizophrenic: vigilant tune ups to stave off new car purchases or bare-minimum crucial fixes combined with a hope-for-the-best mentality.

Fuel remains the single biggest expense for car owners over the lifetime of a vehicle at about 30 percent of costs, followed closely by depreciation and insurance. But the prices for maintenance and repairs, which combined account for less than 10 percent of an automobile's costs, are creeping up.

Travel agency AAA estimates that the average cost of owning and operating a car in 2008 will be \$8,121, up from \$7,823 last year.

"Purchases I'm making for our cars now are all driven by a preventative mentality," said Tony Farrell, a freelance writer in Richmond, Va., who has a 2001 minivan and a 20-year-old Honda Civic he had considered selling. "A year ago, I would have let it run ragged. Now I want that car in good working order because I want it to last."

Mirwais Niaz, manager of a Midas franchise in Arlington, Va., said many customers are opting for the most basic repairs, trying to buy time and save for more expensive work.

For example, a recent Midas customer whose car needed extensive brake work told Niaz: "I don't care about the squeaking, just do something so the car stops." Another customer, whose car needed a transmission fluid flush asked if it could last another three months without the \$159 service since gas prices had sapped his funds.

Shell Oil subsidiary Jiffy Lube has seen its car count drop by roughly 2 percent in the last year as gas prices have surged and new vehicle technology gives drivers a better idea of when maintenance is needed, said Lisa Carlson, global director of marketing for Jiffy Lube International.

The dollar's decreased value, which makes imports more expensive, is an important factor driving up prices for oil, steel and other raw materials used in auto parts, said Harry Veryser, an economist at the University of Detroit Mercy and former chairman of an automotive parts supplier.

One spot of relief is auto insurance. Rates have remained steady or fallen in many states because insurers are losing less money on claims and face competitive and regulatory pressures to avoid rate increases, said Donald Light, senior analyst for Celent in San Francisco. If high gasoline prices prompt less driving, accidents — and insurance rates — should drop further, Light said.

In big cities, drivers are finding it more expensive to park. An annual survey by real estate services provider Collier's International found that daily parking rates rose in 2007 for the fourth straight year, a trend the company expects to continue in 2008.

But Benjamin Sann, founder of the Web site bestparking.com, which tracks rates in Boston, Manhattan, Philadelphia and Washington, said more companies have dropped prices recently as they struggle to attract and maintain business.

Indeed, some automobile-related businesses are trying to avoid passing their rising costs onto customers.

To retain his best limousine clients, Amber has not yet raised rental rates but has been forced to include a fuel surcharge of up to \$5 on some trips. Customers, he said, "are not happy."

Midas has stopped advertising prices for promotions among its 1,700 shops in the U.S. and Canada after a deal on brakes last year was too low in busy metropolitan areas and too high in more rural locations, said Bob Troyer, director of corporate affairs

at the company's Itasca, Ill., headquarters. Prices are set by individual owners based on their costs and local competition.

Despite motor oil costs rising 15 percent in recent months, Niaz has maintained his Midas location's prices to remain competitive and meet any local promotions. Visible from his front desk is an Exxon Mobil station where regular-grade gasoline was selling for nearly \$4 a gallon.

"I'm complaining myself," said Niaz, who recently spent \$62 to fill up his 4-cylinder Toyota Camry.

---

Hosted by 

Copyright © 2008 The Associated Press. All rights reserved.