## Auto center to prove boom to Scotts Valley

By HERON MARQUEZ ESTRADA Sentinel Staff Writer

SCOTTS VALLEY — Auto dealer Steve Bergstrom said Wednesday the move to new and better facilities in this city should increase annual sales by as much as \$40 million for the five dealerships he plans to relocate by next summer.

Bergstrom said the sales increase is expected to come from a near doubling of inventories to be provided by car manufacturers because of the new \$10 million, 164,000-square foot auto center he plans to erect.

The only manufacturer not expected to increase inventory deliveries is Mercedes-Benz, Bergstrom said, but that is because the Bergstrom Motor Co. is already selling an inordinant amount of the automobiles, an estimated 50 to 60 per month for average monthly sales of more than \$2 million.

This goes along with the estimated 90 Hondas, 75-100 Toyotas and 40 General Motors trucks he said the company is selling from its lots. Annual sales, he said, are currently estimated at \$60 million

He added that the recently ac-

quired Subaru dealership would also yield sales of about 50 automobiles per month.

"The demand (in the county) is so great that we still can't sell as many (cars) as people want to buy," he said. "I knew we had to move because we were getting too big."

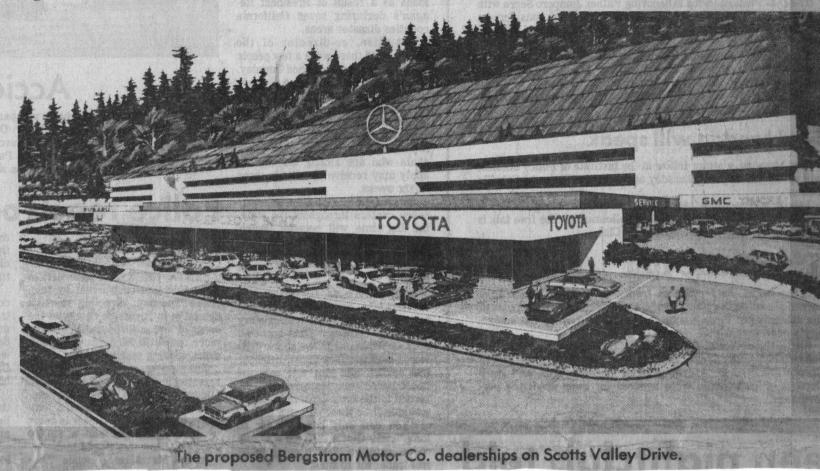
Bergstrom said the possibility of increased allocations, which he translates into increased sales, was one of the primary reasons for seeking the move because it would convince the manufacturers he had the proper facilities to handle the augmented inventories.

Each of the dealerships will have its own 5,000-square foot showroom to handle and display the estimated 150-200 additional cars Bergstrom said he expects to be receiving per month.

"I've been avoiding the issue, and they've been trying to talk to me for years about it," Bergstrom said of repeated suggestions by the manufacturers that he relocate.

The second impetus to the move, he said, was the fact he was able to sell to the Seaside Co. approximately three acres of land

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he owns near the beach. This provided him with enough ready cash to help finance the purchase of the 16-acre lot on Scotts Valley Drive and also helped reduce the debt he will incur.

Bergstrom also gave more detail of how he happened to acquire the property and how it was he will end up in Scotts Valley.

Indicative of his independent nature, Bergstrom said he never talked with Scotts Valley officials about his plans to move, even though he was going to be providing them with close to a million dollars in sales tax revenue alone, not to mention the more than \$50,000 a year in business fees he will be paying for his estimated 100 employees.

Bergstrom said he expects to appear before the Scotts Valley Planning Department on August 22 to receive the necessary permits to begin grading the land and construction of the new building.

According to Bergstrom it was a fortunate accident that he will be in relocating in this city. He still maintains that he intended to stay in Santa Cruz but was unable to find someone from whom to purchase the necessary land.

He said the move came together shortly after selling his land to the Seaside Co. and purchasing the Subaru dealership, along with some land in the new Auto Row development in Capitola.



Steve Bergstrom

Bergstrom said he received a call from a woman in Scotts Valley who had read about his purchase and consequent search for land. He said she invited him to tour her 16 acres of land, situated on an abandoned quarry, and offered to sell him the property.

Within 72 hours of the tour, Bergstrom said, the two had struck a deal and closed escrow. He declined to say what he had paid for the property.

Asked if he always did business in such a rapid and unplanned manner, Bergstrom only laughed and answered "yes."

"It really was unplanned," he said, "we do things very quickly. We sell cars the same way."