DealerTrack 4Q loss shrinks as costs fall

The Associated Press

DealerTrack, which makes software for auto dealers, said its net loss shrank in the fourth quarter on lower costs.

But the company's results, reported late Tuesday, missed Wall Street expectations. Shares on Wednesday fell 12 cents to $14.07 in midday trading.

"While revenues were below our expectations for the quarter, primarily due to the strength of captive lenders not on our network, we are pleased with our ability to contain costs to achieve solid results," Chairman and CEO Mark O'Neil said in a statement.

And the company said it expects to meet Wall Street predictions for the year.

DealerTrack Holdings Inc. said it lost $681,000, or 2 cents per share, in the three months ended Dec. 31. That's compared with a loss of $1.1 million, or 3 cents per share, in the same quarter last year.

Excluding one-time items, the company posted a profit of 12 cents per share. Sales fell to $53.2 million from $54.7 million.

Analysts surveyed by Thomson Reuters predicted, on average, a profit of 14 cents per share on $57.7 million in sales.

For the full year, the company swung to a loss of $4.3 million, or 11 cents per share, from a profit of $1.7 million, or 4 cents per share. Excluding items, the company made 49 cents per share in 2009.

Sales fell to $225.6 million from $242.7 million.

Analysts saw 50 cents per share on $243.7 million in sales.

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