



Estimating Market Demand for Wisconsin Special Group Plate Sales

Prepared for
Division of Motor Vehicles

Prepared by
CTC & Associates LLC
WisDOT Research & Library Unit

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Transportation Literature Searches are prepared for WisDOT staff and investigators to identify completed research and other authoritative information in an area of interest. The citations below are representative, rather than exhaustive, of available English-language studies on the topic. Primary online resources for the literature searches are OCLC's [WorldCat](#) and [TLCat](#), U.S. DOT's [TRIS Online](#), the National Transportation Library ([NTL](#)), TRB's Research in Progress ([RiP](#)) database, and other academic, engineering and scientific databases as appropriate.

To request a literature search, contact the WisDOT Library at library@dot.state.wi.us or (608) 264-8142, or WisDOT Research at research@dot.state.wi.us or (608) 261-8198.

Topic/Problem Statement: Develop and Pilot Test a Model for Estimating Market Demand for Wisconsin Special Group Plate Sales: A Survey of Public Interest and Analysis of Past Purchase Data.

Keywords: group plates, special plates, personalized plates.

Summary

We found one relative citation, a report appearing in a 2002 edition of *Contemporary Economic Policy*.

Citations

Links to online copies of cited literature are provided when available. Contact the WisDOT Library to obtain hard copies of citations.

Title: The Demand for Vanity (Plates): Elasticities, Net Revenue Maximization, and Deadweight Loss

Author(s): E.D. Craft

Date: April 2002

Source/URL: *Contemporary Economic Policy*; Vol. 20, No. 2; April 1, 2002: 133-144(12). Article available for purchase through IngentaConnect at

http://www.ingentaconnect.com/search/article?title=estimat*+AND+demand+AND+special+AND+plates&title_type=tka&year_from=1997&year_to=2007&database=1&pageSize=20&index=1

Description: 11 pp.

Contents: States raise revenue and provide a service when offering to personalize license plates. To determine the revenue-maximizing price and the marginal deadweight loss per dollar of net revenue, one must estimate both the slope and shift factors of the demand for vanity license plates. Shift factors include the percentage of special background plates sales (price of a complement), the requirement of front and back license plates (preferences), the age distribution (population), and income. Each \$1 increase in the annual cost of owning a vanity plate reduces the final percentage of all plates personalized by 0.08%. At least ten states continue to charge a price exceeding the revenue-maximizing level. Many other states raise funds whose marginal social cost exceeds marginal net revenue by over 100%.