



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549-0404

Mail Stop 3561

January 26, 2009

Mr. Jeffrey B. DeBoer  
Senior Vice President and Chief Financial Officer  
Lithia Motors, Inc.  
360 E. Jackson Street  
Medford, Oregon 97501

**RE: Lithia Motors, Inc.**  
**Form 10-K for the Fiscal Year Ended December 31, 2007**  
**Filed April 11, 2008**  
**File No. 1-4733**

Dear Mr. DeBoer:

We have completed our review of your Form 10-K and related filings and have no further comments at this time.

Sincerely,

Jennifer Thompson  
Branch Chief