



Upcoming DealersEdge webinars

The Chicago Automobile Trade Association has established a partnership with DealersEdge to provide high-quality training and informational webinars that offer the content to CATA member dealers at a significantly discounted rate.

The rate for CATA members for the weekly presentations is \$149, half what is charged to users who do not subscribe to DealersEdge. Webinars premiere on a near-weekly basis.

Even for dealers who hold an annual membership with DealersEdge, the new relationship with the CATA represents a savings because DealersEdge offers its Webinars to its own members for \$198. Regular annual membership fees are \$397, and normal webinar fees are \$298 for non-DealersEdge members.

Once purchased, DealersEdge webinars and accompanying PDF files can be downloaded and viewed later—and repeatedly. No matter how many people watch at your location, each connection costs a CATA member just \$149. A telephone connection is not needed; and the fee includes both PowerPoint slides and audio.

To register for any of the DealersEdge webinars, go to www.cata.info. On the tan bar across the top of the screen, click on Education/Careers and follow the dropdown menu to CATA-DealersEdge webinars.

Coming topics:

Thursday, April 4 at 12 p.m. CDT

“Do-It-Yourselfer’s Guide to Reducing Online Marketing Expenses (and How to Do More with What You Do Spend)” Get a handle on the confusing array of Internet marketing vendors servicing your dealership. Stop wasted duplications and inefficiencies. Learn

SEE **WEBINARS**, PAGE 2

CATA placing dealerships for May 14 job fair for military vets

Applications are being accepted for the CATA’s new initiative to help military veterans return to the workplace and to connect qualified candidates with local dealers.

Operation Troop Train, which the CATA developed in conjunction with the Illinois Department of Employment Security, launches this spring. Interested candidates will undergo a CATA-provided automotive training curriculum. Immediately after the training, candidates will be able to participate in a job fair at the CATA office in

Oakbrook Terrace.

The IDES will select 40 candidates for the automotive training program, and the CATA will open the job fair to new-car dealers. The training portion for the returning servicemen and women will be all day May 13 and in the morning on May 14; the job fair follows in the afternoon on May 14.

Additionally, dealerships who hire a veteran through Operation Troop Train may be eligible for a tax credit.

SEE **TROOPS**, PAGE 4

Digital marketing is focus of DealerCon 2013, April 17-18

A great mix of speakers will deliver the latest online strategies and best practices used today by leading dealerships around the country at a two-day conference in Rosemont.

DealerCon 2013 & Expo, April 17-18 at the Donald E. Stephens Convention Cen-

ter, is organized by Automotive Internet Media, a leading automotive online marketing company. The CATA negotiated with AIM to secure discounted registration for CATA members.

“DealerCON 2013 is a great way for dealerships

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Webinars

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how to audit this expense sector and save!

Today's digital marketing world results in the average dealer having 20 to 50 different vendors supplying a sometimes confusing array of products and services. Duplication of effort and expense along with other inefficiencies result in huge over-spending.

In this webinar, Adam Gillrie will provide the tools you need to audit your existing online marketing vendors and discover who is performing and who is not based on real metrics. Armed with this knowledge you can prevent over-billing and make sense of this confusing array of vendors and invoices. You will learn:

- How to measure the number of "legitimate" leads your vendors generate
- Where to deploy your marketing dollars most effectively
- Which FREE referral sources produce the best leads
- Why those online "dashboards" don't always tell you the whole story.
- And more ...

Thursday, April 11 at 12 p.m. CDT

"New Trends in Automotive Sales Force Management: Recruitment, Compensation & Management Style" The impact of the massive Generation Y is already making itself evident in your showroom. Adjust to the demands and preferences of Gen Y to attract and keep the best of this generational cohort.

Those who rely on old "command & control" strategies in the showroom will more than likely find themselves in a constant battle to recruit, train, compensate and manage the sales force of today and certainly of tomorrow.

Gen "Y" is having an impact today and it will only grow more intense as this generational cohort (80 million strong) dominates our culture and especially our business and management practices. Visit with Steve Nickelsen as he examines the three main concerns of thinking auto dealers and sales managers. How to recruit, compensate and manage "Gen Y" sales staff. You will learn:

- Why "percentage of the gross" is not working as well as it used to
- How you can balance the needs of newer Gen Y sales staff with the very different needs and expectations of older (mostly Boomers) staff members
- Exactly what does motivate Gen Y and how this differs from showroom management
- Why this cohort does not respond to traditional "Help Wanted" ads, and some examples of what does work
- Why this generational cohort may pose the most significant challenge to car dealers in decades

Test drives to help fund autism group

Thirty-nine area dealerships are marking Autism Awareness Month in April by participating in a program to donate \$20 for each test drive their shoppers take during the month.

The fundraising goal of the 3rd annual "Test Drives for Autism" is \$100,000, twice the goal of the inaugural event in 2011.

The proceeds will be donated to Turning Pointe Autism Foundation, a Naperville-based organization that provides education, recreation, career development and residential services to people with autism.

The test-drive initiative was started by the Dan Wolf Automotive Group as a way of supporting the foundation. Ten years ago, an estimated 1 in 10,000 children were diagnosed with autism. That estimate today is 1 in 88 children, including 1 in 54 boys in the U.S. who will be diagnosed with some form of autism.



Congratulations!

Cadillac's 2012 Dealer of the Year award counts 20 winners, including Bill Hartigan of **Heritage Cadillac** (Lombard), and Frank Laskaris of **Cadillac of Naperville**.

Tom Van Prooyen of **Schepel Buick-GMC** (Merrillville, Ind.) and Stephen "Woody" Woodring of **Woody Buick-GMC** (Elgin) are among 16 winners of the Buick 2012 Dealer of the Year award.

Audi Exchange (Highland Park), **Continental Audi of Naperville**, **Fletcher Jones Audi** (Chicago), and **Team Audi** (Merrillville, Ind.) were named to the 2012 Audi Magna Society.

The 2012 Chevrolet Dealer of the Year Award was bestowed to 50 dealers, including Mike Anderson of **Mike Anderson Chevrolet**, Merrillville, Ind.; and Curtis Pascarella of **Phillips Chevrolet**, Frankfort.

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Listings of items for sale are subject to the approval of the CATA. Candidates for employment must submit a full resume to the Editor.

Review past editions dating to 1998 or search by subject at www.cata.info.

David E. Sloan
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President, Publisher
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Car dealers fight back against CFPB auto financing rule

Consumer borrowing costs will rise if the Consumer Financial Protection Bureau presses banks to curtail auto loan markups determined by auto dealers, dealership advocates contend.

The warning followed the CFPB's bulletin in March that said banks are responsible for discrimination if their partner dealers mark up the interest rates on loans for minority borrowers or engage in other fair lending abuses. The agency is encouraging lenders to adopt a flat-fee model for dealer compensation.

But dealer industry representatives said doing so would hurt competition and ultimately boost car prices.

"The dealer-assisted financing model (indirect auto lending) has been enormously successful in both increasing access to, and reducing the cost of, credit for millions of Americans," the National Automobile Dealers Association and the National Association of Minority Automobile Dealers said in a joint statement released March 21.

"The CFPB's attempt to eliminate the dealer's ability to discount the APR that it offers to consumers will only weaken the consumer's ability to secure financing at the lowest possible cost," the statement added.

The CFPB said earlier March 21 that internal research showed a disparity in interest rate markups for minorities, particularly African Americans and Hispanics. The agency does not have authority to supervise auto dealerships directly, so it instead is cracking down by effectively forcing lenders to oversee how their partners mark up loans and whether they discriminate against certain borrowers.

"Such discrimination may not be consciously intended, but for consumers who are disadvantaged by these policies, the result is the same," CFPB Director Richard Cordray said at the National Community Reinvestment Coalition annual conference on March 22.

"We cannot afford to tolerate practices, intentional or not, that unlawfully price out or exclude whole segments of the population from the credit markets."

Cordray received a standing ovation at the NCRC conference and many other consumer advocates have praised the guidance.

"This is a bedrock principle throughout the banking industry across all products," said Richard Hunt, president and CEO of the Consumer Bankers Association, in a statement issued Thursday. "We look forward to working with the CFPB and all our regulators to ensure every consumer is protected."

Auto dealer advocates also supported the CFPB's anti-discrimination approach, but they questioned the research that prompted the agency to target markups.

The CFPB "is relying on a theory of discrimination that is based on a statistical analysis of past transactions - not intentional conduct — and the CFPB has not provided any information about how it is conducting its analysis," said the national auto dealers associations. "Without such basic information as how the CFPB is identifying different groups of consumers, how it is controlling for factors that can affect finance rates but are unrelated to the consumer's background, and what constitutes a finding of disparate impact, one can have little confidence that the CFPB is conducting its analysis in a statistically-reliable manner."

Industry representatives have said the research-gathering on consumer demographics between the auto dealers and lenders has cracks, often leaving regulators to depend more on inconsistent bank proxies.

"The available name and geography proxies are ineffective in identifying the race of the borrower," said Andrew Sandler, a partner with BuckleySandler, in a recent interview with American Banker, a daily trade newspaper.

The CFPB's guidance did not address the aggregate proxy methodology that banks should use to test for discrimination at particular dealerships. But Kenneth Rojc, managing partner of the auto finance group at Nisen & Elliott LLC, says that will be next for the agency.

"The CFPB did announce they are looking at coming out with specific guidance on proxy methodology and the industry is eagerly awaiting that," he said, noting some banks have already begun implementing restrictions on dealerships.

Once clear methodology is released, Rojc said, "banks will be able to fashion and construct compliance management systems to achieve the goals the CFPB has established."

Regardless of the guidance, consumers still have the option of going to their lender directly or negotiating for a lower rate at the dealership.

But dealer advocates argue the dealer-assisted financing is more convenient and competitive. They pressed the CFPB to rethink the guidance and take a more traditional rulemaking approach by seeking public comment as well as input from other regulators like the Federal Reserve Board and Federal Trade Commission.

"The guidance issued by the CFPB today attempts to force auto finance sources into changing the way they compensate dealers without any indication that the Bureau has examined the effect this change could have on the cost of credit for consumers," the NADA and NAMAD stated. "This anti-competitive approach is not in the interests of consumers and should not be accomplished through guidance and enforcement actions that lack transparency, the opportunity for public comment, and the benefits of a data driven analysis into the effects they would have on consumers and the automobile financing marketplace."

DealerSafeGuardSolutionS named a CATA preferred provider

The CATA Member Benefits Committee selected the ACE platform of DealerSafeGuardSolutionS as the association's preferred vendor to help members enforce the behavior necessary to maintain a compliant environment.

As regulatory responsibilities and liabilities continue to evolve, CATA directors said it was necessary to find a company like DSGSS to help protect its members by providing consistent behavior enforcement and transparency to force compliance and reduce the risk of potential fines for noncompliance.

DSGSS is simple, affordable and effective.

The ACE platform provides a dealership with:

- A comprehensive compliance platform to enforce the necessary employee behavior throughout the organization.
- The glue to eliminate the frustrating gap between compliance awareness and compliance enforcement, eliminating policy evapora-

tion that typically exists shortly after training.

- The ability to establish and demonstrate consistent patterns and practices, as federally required.
 - Real time transparency into the discretionary decisions which potentially cost money.
 - Elimination of hard copy Dead Deal jackets and seven-year retention of all necessary paperwork.
 - Elimination of Contract in Transit issues as a result of lost or missing documents in a deal jacket.
 - Potential savings on the dealership's current Credit Report fees.
- DealerSafeGuardSolutionS has agreed to offer CATA member dealers a 10 percent reduction of the standard DSGSS pricing calculator and will offer a discount on installation and training for members who enroll by June 1.

DSGSS is scheduling appointments with CATA members. Contact Doug Fusco at doug@dsgss.com or (972) 740-8638 to schedule an appointment.

Troop Train

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The IDES even will assist dealerships with the filings for both state and federal tax credits.

Interested CATA dealers should contact Jennifer Morand, the CATA's senior public relations and social media manager, to secure a spot or obtain additional details. She can be reached at (630) 424-6084 and jmorand@drivechicago.com. Space is limited to 25 dealerships.

CATA golf outing June 10 at Cog Hill

Make plans to be part of the annual CATA golf outing, June 10 at Cog Hill Golf and Country Club in Lemont.

Details about playing and sponsoring an aspect of the outing will be announced in April.



DealerCon

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around the country to learn the latest strategies, techniques, and best practices that top operating dealers are using to improve many different areas of their business all at one conference," said Tony French, president of AIM.

"We selected and recruited some of the industry's best experts to present at DealerCON on topics we felt are relevant to dealers today – a

fantastic lineup."

The conference will provide real training with take-back-to-the-dealership deliverables on some of the hottest topics in the industry, including:

- Digital marketing
- Internet sales
- Search engine marketing and optimization
- Social media
- Sales & negotiation
- Telephone skills

Mitch Galub, president of Cars.com, will deliver the conference's keynote presentation on April 17. Galub's

vast industry insights will set the tone for a great mix of speakers that will deliver the latest strategies and best practices being used today by leading dealerships around the country.

"DealerCON was developed for dealer principals and their team members to participate in various training sessions and workshops, on a wide array of topics to learn new ways to improve operations throughout the dealership," French said. "This conference is geared for attendees to spend two days

learning what other great operating dealerships around the country are doing to sell and service more cars. And, equally important, to see if their dealership is doing the right things in today's competitive marketplace."

Registration for the two-day conference is \$399, but CATA dealer members can register at a \$100 discount, and allied members can gain access at a \$50 savings. On the registration page at www.dealercon.com, enter CATADealer or CATAMember, respectively.