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Curtain set to rise Feb. 14 on 107th annual Chicago Auto Show

With a buzz in the air to match the scale of the show, the nation's oldest and largest auto show opens its nine-day public run at McCormick Place Feb. 14. And even before then, the show floor will be bustling.

This year's edition of the Chicago Auto Show carries accreditation by the International Organization of Motor Vehicles, or OICA. With the OICA certification, an influx of international media is expected at the show's two-day media preview, Feb. 12-13.

Also prior to the show's public days is First Look for Charity, which stands as one of Chicago's greatest one-day fundraisers. The coming event is ex-

pected to raise \$2.5 million for the 18 benefiting organizations, and two attendees will win a 2015 Ford Explorer or a 2015 Ford Fusion.

During the show, watch for live and recorded specials on ABC 7 Chicago, Telemundo Chicago, WGN-TV, NBC 5 Chicago, CBS 2 Chicago, and Univision Chicago; plus ongoing television coverage most days. Several Chicago radio stations also will broadcast from the show floor.

The show's Media Preview kicks off Feb. 12 with the Midwest Automotive Media Association breakfast, where MAMA President Patrick Olsen will present the MAMA Family Vehicle of

the Year Award and introduce the keynote speaker, General Motors



North America President Alan Batey.

After morning news conferences, the Economic Club of Chicago will host a luncheon featuring José Muñoz, executive vice president, Nissan Motor Co., Ltd. and chairman, Nissan North America, Inc.

The second day of the Media Pre-
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AG acting against dealers who violate 'zero tolerance' categories of ad regs

Some area dealers have noted increased recent enforcement of the Illinois Motor Vehicle Advertising Regulations.

As reported last year, a series of changes to the BBB/CATA advertising review program was approved in 2014 by the Chicago Automobile Trade Association's board of directors, to combat concerns that some dealerships had been playing the system to commit repeated program infractions without penalty.

The changes reduce the time dealerships have to correct violations in their

ads, and tighten the standards under which a violating dealer is referred to the Illinois attorney general's office for discipline.

One result of the changes: The attorney general is acting against offending dealerships, including one case that almost certainly will result in a fine for violating one of five "zero tolerance" categories of the state's regulations on vehicle advertising.

Previously, when BBB reviewers spotted a dealer ad that was not compliant with the regulations, they would send notice to the offending dealer,

who was given five days to respond. If the dealer did not respond, the process was repeated, meaning a noncompliant ad could be circulated up to 10 days before the attorney general's office was notified.

Those timelines have been reduced to four days following the first notice and three days after the follow-up notice, or seven days total until the matter is referred to the AG.

In addition, dealers had been able to violate the same rule twice in a 12-month period without the attorney

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Auto show

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view, Feb. 13, is also regarded as the Social Media Preview. For the past few years, manufacturers, exhibitors and media outlets have taken advantage of the Social Media Preview to host media and marketing events geared directly toward the buying public – particularly those active in the social media space. Manufacturers and exhibitors can invite up to 300 of their followers, influencers and advocates to attend their program or event during the Social Media Preview.

Special Days

- Family Day, Feb. 16

The Chicago Auto Show will host family fun again on Presidents Day. Manufacturers will host programs tailored to families, including kid-oriented activities and safety events.

- Women's Day, Feb. 17

Women will be admitted for just \$6. Manufacturers will present special women-oriented programs on the purchase and lease of cars and maintenance. It's a day all about the ladies at the Chicago Auto Show!

- Hispanic Day, Feb. 20

During Hispanic Day, Chicago Auto Show exhibitors develop and host Hispanic celebration events.

- Annual Food Drive, Feb. 18-20

Attendees can exchange three cans of food for a voucher good for a half-price discount off a full price admission. All food will be donated to A Safe Haven.

- Special Guest & Celebrity Appearances, ongoing

Keep up to date on all the excitement happening at the Chicago Auto Show. Go to ChicagoAutoShow.com/events for a full schedule of events and appearances.

Come on down!

Hours of the 2015 Chicago Auto Show are 9 a.m.-10 p.m. Feb. 14-21 and 9 a.m.-8 p.m. Feb. 22. Navigation system users should use the following street address: 2301 S. Martin Luther King Dr., Chicago, IL 60616.

McCormick Place offers on-site parking at three main lots: A, B and C. Parking prices vary:

- Lot A: \$21 (or \$34 for overnight)
- Lot B: \$14 (with no in and out privileges)
- Lot C: \$21 (with no in and out privileges)

*After 6 p.m. during the Chicago Auto Show, parking rates drop to \$10 at all three lots. Parking fees can be paid by cash or credit card.

Admission is \$12 for persons ages 13-61 years old; and \$6 for seniors ages 62 and older and for children 7-12 years old. Children 6 and younger are free when they accompany a paying adult (family members only).

Keep up on all the breaking news and details at www.ChicagoAutoShow.com.

#CAS15 social media toolkit

Dealers and their employees can join the Chicago Auto Show conversation via social media and create compelling content for their channels:

1) Download the #CAS15 Social Media Toolkit: http://www.cata.info/assets/1/7/CAS15_Social_Media_Toolkit_One_Pager.pdf

2) Register for the Social Media Preview (Feb. 13): <http://www.chicagoautoshow.com/social/cata-dealer-2015/>

3) Connect for free content syndication through SOCIALDEALER: <http://connect.socialdealer.com/cata>

- Get a first glimpse of the industry's hottest trends and cutting-edge technologies
- Generate rich content that can be repurposed year-long
- Connect with digital and social media influencers, and more

The Chicago Auto Show is engaging fans in several social media campaigns:

#Excuse4CAS (Jan. 2-30): Fans are asked to share their best #Excuse4CAS as to why they need a day off of work/school/being a stay-at-home mom to attend the 2015 Chicago Auto Show.

#CASLOVE (Jan. 30-Feb. 13): We're giving people the chance to surprise their loved ones with a date night to the Chicago Auto Show on Valentine's Day (opening day)! To further sweeten the deal, restaurant gift cards and overnight hotel stays will be provided to winners.

#CAS15 Challenge (Feb. 2-22): Leading up to the show, fans can tweet or post an image of the Chicago Auto Show logo or an ad for the chance to win tickets. During the show, fans will automatically be entered to win fabulous prizes throughout all 9 days by completing various #CAS15 "Challenges."

#FirstLook (Jan. 12-26): Fans submitted why they were most excited to get a #FirstLook of at the 2015 Chicago Auto Show to win a pair of tickets to the 2015 First Look for Charity black-tie event.

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The CATA Bulletin is distributed via blast email every other Friday except during the Chicago Auto Show, when it is not produced.

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.

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Editor, Director of Dealer Affairs

Advertising

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general's knowledge. Only upon the third such violation was the AG notified. A dealer theoretically could violate every rule twice a year without the AG becoming involved, giving dealers substantial opportunities to fail to correct themselves, and leading to unfair competition with respect to dealers who abide by the regulations.

Now, a dealer with any two rule violations, not just the same rule, within a 12-month period will be referred to the attorney general. Also, a third violation of any rule in a 24-month period may result in a referral.

Further, multiple franchises under one rooftop will be treated as the same dealer pursuant to the new program policies; the violations will be counted against the entire operation, not separate brands.

Important, while the BBB refers appropriate matters to the Attorney General, that office has complete and independent authority to handle all matters as it sees fit in light of enforcement priorities and resources.

Reviewers from the Better Business Bureau noted that several advertising rules have been violated repeatedly recently. Violations that occur in the following areas will be given zero tolerance, and the matters will be referred immediately to the attorney general:

Rule 475.310. This rule is being widely violated in two ways. First, disclosures, particularly on websites, contain amounts deducted from advertised prices over what the rule allows which is tax, title, license and a doc fee only. No other amounts, such as freight, destination, environmental, "dealer fees," and such are allowed in Illinois. Second, advertised prices are not available to all consumers primarily due to the inclusion of limited rebates.

Rule 475.530. This rule allows dealers to advertise prices wherein rebates available to all consumers have been

deducted, resulting in a price lower than MSRP. General dealer discounts available to all consumers can lower the price even more.

The rule specifically prohibits dealers from advertising prices where limited rebates have been deducted. Limited rebates must be advertised separate from price. The terms of the limitation must be clearly and conspicuously disclosed so that consumers can readily understand what rebates apply to them.

Reviewers are seeing many advertisements where limited rebates are pulled out of prices. We also are seeing advertised prices that are not actually available to any consumer at all because the rebates are bundled. However, only one is available to the customer. Such a price is completely fictitious. This is an egregious practice and unfair to any dealer competing fairly.

Rule 475.540. Dealers continue to advertise that they will pay an amount equal to or over a book value for consumers' trade-ins. Some dealers purport to desire to merely purchase consumers' vehicles without selling them vehicles in an effort to skirt the rule. This claim has been rejected as a way to avoid a violation.

Rule 475.590. Free gifts, prizes and other incentives are being used extensively in connection with the sale of motor vehicles. Often items of significant value are being combined with offers of minor value. Dealers are assigning a money value to customer loyalty programs such as car washes. Whatever the value, dealers are prohibited from offering anything to consumers in connection with selling vehicles where the price is negotiated.

Consumer Fraud Act, section 2 (j) (1). This provision prohibits dealers from using coupons in the sale of a motor vehicle. BBB reviewers have seen coupons, or vouchers, used extensively in connection with specific trade-in amounts and offers of trade-in assistance.

Sedgwick deflects Q4 2014 jobless claims

One hundred thirty-four CATA dealer members reported a combined 556 unemployment claims during the fourth quarter of 2014 to Sedgwick Claims Management Services, Inc., which has been serving CATA dealers under various names since 1979. The company's efforts saved those dealers a total of \$954,584 in benefits by contesting the claims.

Sedgwick CMS monitors any unemployment claims against its clients and contests all unwarranted claims and charges. The company counts about 265 CATA dealers among its clients.

The number of claimants and affected dealers and benefit amounts were at their lowest numbers in years.

Claims that can be protested and subsequently denied help minimize an employer's unemployment tax rate. The rate can vary between .55 percent and 8.15 percent of each employee's first \$12,960 in earnings.

The 2015 average unemployment tax rate & new employer rate for Illinois employers is 3.75 percent, or about \$486 annually per employee (\$512 in 2014). The rate continues to inch down from 2007, as the Illinois economy continues to improve.

"The unemployment tax is really the only controllable tax, in that it's experience-driven," said Paul Schardt of Sedgwick. An ex-employee's claim affects the employer's tax rate for three years.

For new enrollees, client fees amount to \$2.60 per employee, per fiscal quarter. For the fee, Sedgwick monitors all unemployment claims; files any appeals; prepares employer witnesses for hearings, as necessary; represents the client at any hearings; verifies the benefit charge statements; and confirms the client's unemployment tax rate.

To discuss retaining the company, call Schardt at (773) 824-4325 or Bruce Kijewski at (773) 824-4322.

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 drop-down menu to CATA-DealersEdge webinars.

Coming topics:

Premiering Thursday, Feb. 5 at 12 p.m. CST

“Advanced Parts Storage Techniques: Get More Efficiency from Existing Space without Costly Equipment Solutions” Parts storage space is always at a premium. Learn techniques to get more parts into the existing parts warehouse.

If there is a dealership parts manager who thinks he is allocated enough space to store the inventory, we have not met that manager yet! This problem only grows in intensity as car and truck sales continue to expand.

David Summers joins us for a 60-minute workshop on how smart Parts Managers are utilizing some new concepts in parts warehousing that not only will allow you to store more parts in the existing space, but also provide efficiencies when it comes to dispensing those parts to

technicians and customers.

You will learn:

- How to reduce footsteps and improve parts counter productivity
- How to reorganize without heavy spending on new equipment
- 8 Advanced storage techniques used in dealerships today
- How to find 35 percent more storage from existing space
- How to get parts to the repair bay before the tech’s 1st test drive
- How adjusting days-of-supply can improve sales per square foot

Premiering Thursday, Feb. 12 at 12 p.m. CST

“Habits & Practices of the Exceptional Body Shop Manager” They are similar to traditional dealership Fixed Operations, but at the same time very different. Find out what makes the Best Body Shop Managers excel.

The popularity of a Body Shop profit center in a dealership setting has had its ups and downs. Once a widespread staple of a dealership operation, for a time dealers in large measure decided that they just could not make it work. Many abandoned their body shops in that era.

In more recent times, interest in a Body Shop profit center has been rekindled, partly due to advanced management science that helps. Those savvy enough to employ these new tactics can create huge collision repair profits.

The necessary ingredient is the right manager to make it all work — someone we would call the “Exceptional Body Shop Manager.”

Learn their Habits and Practices:

- How to create and execute an Effective Manager’s Work Plan
- How to motivate and coach body shop employees to maximum effect
- How they adhere to Performance Standards and Guides
- How to create effective Process and then Execute
- How to Measure & Manage Department assets
- How to set clear and attainable financial objectives

Newsletter on hiatus

The biweekly CATA Bulletin will take a one-edition break, in deference to the 2015 Chicago Auto Show. The next issue is March 2.



Wake up! ...



... to “Drive Chicago,” 8-9 a.m. Saturdays on WLS-AM 890.