



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. 6 at 12 p.m. CST

“How to Plan & Conduct a Strategic Planning Process” A six-step process that insures results stop “fighting fires” and start focusing on growing your business. Create solid growth goals and the actionable plan to make it happen.

SEE **WEBINARS**, PAGE 2

Chicago Auto Show revs engines for its 106th edition, Feb. 8-17

The Chicago Auto Show, the world’s third largest auto show and the largest on a continuous floor, opens Feb. 8 for a 10-day run in the North and South halls of McCormick Place. Showgoers will have to cross 1.3 million square feet of display space to touch it all.

Not that every day isn’t a special day down at the Chicago Auto Show, but show



organizers again will add structure to the 10-day run of the show, which will feature
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National dealer groups promote compliance with fair credit laws

The federal Consumer Financial Protection Bureau last March issued “guidance” to indirect auto lenders alleging that the industry has engaged in unintentional, statistical discrimination against protected minority classes.

In Jan. 25 remarks at the National Automobile Dealers Association Convention & Expo in New Orleans, outgoing association Chairman David Westcott said: “Our message is simple: the

CFPB’s effort to coerce the industry into adopting flat fees will harm the car-buying public. Rest assured that the NADA will continue to lead the charge and defend in-dealership financing.”

Now comes the NADA Fair Credit Compliance Policy & Program, one that dealers may wish to consider to satisfy fair credit laws. The NADA publication also is

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The connected car era has arrived **Webinars**

In a smartphone-centric world, automakers aren't just selling cars anymore; they're playing an integral role in shaping the "connected world" future. Cars themselves are becoming mobile hotspots that link the vehicle to the home and to the outside world. In-car connectivity applications now allow a vehicle to interact with other aspects of an owner's life.

Many of today's cars have features that go beyond hands-free calling. Some can read text messages aloud and access owners' social media accounts. And car connectivity is becoming a two-way street, as vehicles now also are able to send pertinent information back to their owners via their smartphones.

Recognizing this growing trend, the Chicago Automobile Trade Association — producer of the Chicago Auto Show — has partnered with Connected World magazine to present the Connected World Conference at the 2014 Chicago Auto Show.

An established exposition for the past three years, the Connected World Conference has successfully coupled connected technology providers, app developers and industry experts. Bringing this conference to the Chicago Auto Show adds a pub-

lic element that hasn't been tapped in previous technology conferences.

The Connected World Conference examines the convergence of the automobile with today's new communications and infotainment technologies. The Connected World Conference will be in a 20,000 square-foot pavilion on the show floor.

The Connected World Conference will showcase technologies, products and services developed to enhance the in-car experience. App developers, device makers, software companies, and product and car manufacturers will provide 10 days of programming during the show. The Connected Car of the Year award winners will be announced Feb. 6 during the show's Media Preview.

The Connected World Conference will feature multiple exhibits that provide a tour of the technologies coalescing around the connected car. These exhibits include connected energy, connected healthcare/fitness, and a special start-up zone for innovators seeking funding.

Advanced programming includes presentations on connecting the car to the house, to physicians, to other vehicles, and to our health and fitness.

Show to ignite conversation with #FuelCAS

To fuel conversation surrounding the hottest vehicles, the latest automotive trends, interactive exhibits, special events and celebrity appearances, the Chicago Auto Show will engage its fans to participate in the first #FuelCAS Social Media Scavenger Hunt.

Follow it!

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You can hope that 2014 will produce the growth that you seek. But by now, everyone should know that hope is not strategy! Many, if not most, dealership managers spend most of their time reacting to the "urgent" and the "unexpected" instead of allocating time and energy to the addressing of "business-building" tasks.

Strategic Planning (not just budgeting and forecasting) makes us more effective by forcing us to look ahead ... creating a specific set of actions ... assigned to specific managers ... with a much higher opportunity for success.

Premiering Thursday, Feb. 13 at 12 p.m. CST

"Parts Profitability: A New Look at Pricing Updated for Both Wholesale & Retail" Wholesale or retail, pricing is the most important "P" in the parts business. Time to put away old matrix formulas and take a new look at Parts Profitability through Pricing.

After his last very popular DealersEdge webinar covering retail parts pricing strategies, Chuck Hartlé heard from parts managers who wanted to know more about pricing for their wholesale customers. Here is an update look at both.

If you are struggling to make money in the wholesale parts business in the face of vicious price competition or if you're just interested in hearing some new ideas from one of the auto industries true experts, this workshop is for you.

Marketplace

The Autobarn Mazda Evanston, Continental Mazda of Naperville, Schaumburg Mazda, and CJ Wilson Mazda (Countryside) in 2013 were among the Top 10 certified pre-owned volume Mazda dealers in the Midwest region.

CATA Bulletin on hiatus

In deference to the 2014 Chicago Auto Show, this biweekly newsletter takes a one-edition break. The next issue is March 3.

The CATA Bulletin is produced by the
Chicago Automobile Trade Association
18W200 Butterfield Rd. Oakbrook Terrace, IL 60181-4810

The CATA Bulletin is distributed via blast e-mail 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.

David E. Sloan
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President, Publisher
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New-car dealers face both challenges and opportunities ahead

BY MARK SCARPELLI

CHICAGO METRO NADA DIRECTOR

New-car dealers and their nearly 1 million employees across the nation worked hard last year, and we began to see our industry regain momentum. As we closed out 2013 with 15.6 million new-car and light-truck sales, we can only hope to ACCELERATE from here.

While other industries struggled within the rebounding economy, ours soared. Auto sales have risen to their highest level since the recession. Last year's sales increased 8 percent from 2012, and favorable circumstances — available credit, a wide selection of new vehicles and pent-up demand — all helped to bring customers back into our showrooms.

Despite forecasts of new-vehicle sales to surpass more than 16 million units this year, the road back still has many obstacles ahead. The National Automobile Dealers Association is working hard every day to protect and promote our businesses.

We have a major concern with the Consumer Financial Protection Bureau because it appears to be very uninformed on how dealer-assisted financing actually benefits car shoppers. Democrats and Republicans in the House and Senate share this concern, which is why they have called

upon the CFPB to allow for greater public participation on this issue.

If the CFPB carefully considers the facts on the ground — as opposed to misinformation circulated by some agenda-driven consumer advocacy groups — it would have a greater appreciation for the fact that the dealer-assisted financing model has been enormously successful in increasing access and reducing the cost of credit for millions of Americans.

Unfortunately, the CFPB has not revealed sufficient information about its statistical methodology for measuring whether disparate impact is present in an indirect auto lender's portfolio to know how real or speculative its claims are. To this day, we still don't know, among other things, what factors the CFPB holds constant to isolate a customer's background as the sole reason for any pricing disparities that may exist among different groups of consumers.

The debate over the franchised dealer network also came to the forefront last year. I'm extremely proud to be a dealer and to help my customers get the vehicles they need and perform service work. The franchise system creates competition, and the primary beneficiary is the customer. That's why all 50 states have enacted some form of a dealer franchise law.

The franchise system is the gold standard that, without a doubt, makes the U.S. model the most competitive in the world. And that's because dealers take on what our customers shouldn't have to — from a complex system of titling and registration, to reams of regulatory paperwork. This is a message we will keep telling to whomever doubts it, and to whoever questions the importance of the franchise system.

We made some headway with our manufacturers last year, too. Last September, we received an invitation to meet with the 14-member board of directors from General Motors Co. in Detroit. It marked the first time the NADA met with an OEM board of directors. As dealers, we work hard every day to establish good relationships with our manufacturers. This meeting was a significant opportunity to open new dialogue and share ideas.

The good news is the economy is recovering and auto sales are helping to lead the way. Our industry and the nearly 1 million dedicated and resilient men and women working at new-car dealerships who helped us get to where we are today deserve a lot of credit.

It was an honor to serve my fellow Metro Chicago dealers this past year. Have a happy and successful 2014.

Auto show

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ture hundreds of cars, trucks, sports utility, concepts, and specialty vehicles on display. There will be plenty to catch the eye.

Women's Day

Women will be admitted Tuesday, Feb. 11 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.

Telemundo Hispanic Day

Chicago Auto Show exhibitors on Friday, Feb. 14 develop and host Hispanic-flavored events. For more information

about scheduled events, visit www.telemundochicago.com.

Family Day

The Chicago Auto Show will host family fun on Monday, Feb. 17 — Presidents Day and the show's final day. Again this year, Family Day is expected to be a great conclusion to the nation's premier auto show.

Food Drive

Show attendees Feb. 12-14 can exchange three cans of food for a voucher good for a half-price discount off a full-price adult admission.

Special Guests, Celebrity Appearances

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

AIADA installs Kull as 2014 chairman

The American International Automobile Dealers Association on Jan. 27 elevated Marlton, N.J., dealer Larry Kull to be its 2014 chairman, at the AIADA's 44th annual meeting and luncheon.

"I don't expect to eliminate government involvement in our stores or our industry, but I will work throughout this year to ensure that those making the laws and setting the regulations have some understanding of how our businesses are run," said Kull. "It must be our mission in Washington to educate them."

Kull and several family members operate a successful group of dealerships that include Honda, Hyundai, Kia, Toyota, Scion, Subaru, Buick, GMC, and Chevrolet franchises.

Kull has served on the AIADA's board of directors for several years, including recently as treasurer. In addition to his involvement with the AIADA, Kull also is a board and executive committee member of the New Jersey Coalition of Automotive Retailers. Kull and his dealerships support numerous local charities and initiatives, including the NADA Charitable Trust Ambassadors Program. Kull also serves on the board of the Cooper Medical School at Rowan University in Camden, N.J.

Also during its annual meeting, the AIADA recognized Orange County, Calif., auto dealer David Wilson with its 2014 David F. Mungenast Lifetime Achievement Award. The award is named after the late AIADA chairman who was known throughout the auto retail industry for his commitment to his community and the industry. Wilson operates Wilson Automotive Group, a group of 16 dealerships that has been recognized as one of the ten biggest dealership groups in the country.

Other AIADA 2014 officers include Jenell Ross, immediate past chairwoman (Centerville, Ohio); Brad Hoffman, chairman-elect (East Hartford, Conn.); and Greg Kaminsky, secretary/treasurer (El Cajon, Calif.)

Financing

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supported by the American International Automobile Dealers Association and the National Association of Minor-ity Automobile Dealers.

Treating customers in a fair and consistent manner and strictly abiding by all anti-discrimination laws is central to the mission and success of dealers. The NADA publication is designed to further that mission by providing dealers with an optional Fair Credit Compliance Program they can adopt which: (a) establishes a Fair Credit Policy for the dealership that sets forth an unambiguous commitment to fair credit compliance; and (b) creates a general framework for promoting compliance with fair credit laws.

The NADA Fair Credit Compliance Policy & Program is based on a compliance program that two dealers adopted in 2007 consent orders to resolve Department of Justice allegations of unintentional credit discrimination.

While neither the DOJ nor any other federal agency has stated that adopting this approach satisfies the requirements of federal law, it nevertheless provides a useful template for dealers to consider in developing their own approach to fair credit compliance.

This voluntary approach to fair credit compliance is designed to help dealers who adopt it to both promote their commitment to fair credit compliance and strengthen their ability to demonstrate that they have taken a consistent approach to the pricing of consumer credit.

Sedgwick deflects Q4 2013 jobless claims

One hundred forty CATA dealer members reported a combined 503 unemployment claims during the fourth quarter of 2013 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 \$450,213.00 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 8.55 percent of each employee's first \$12,960 in earnings.

The 2014 average unemployment tax rate & new employer rate for Illinois employers is 3.95 percent, or about \$512 annually per employee (\$535 in 2013). 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," Schardt said. 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.