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Free EMV terminals offered to dealers by CATA Approved Partner

Green Payment Solutions, a CATA Approved Member Partner for the credit card processing needs of association members, is offering free EMV terminals to CATA member dealers who sign up with the company by Jan. 29.

Industry regulations effective Oct. 1, 2015, mandate that retailers use EMV regulated terminals that can read the chip-embedded security in newer credit and debit cards, to avoid liability for fraudulent transactions.

The CATA and Green Payment Solutions have partnered to develop a credit card processing program that has saved CATA dealers hundreds of thousands of dollars since its inception less than two years ago. In addition to the savings, the program offers a unique level of transparency, making a complex process much easier to understand. With new laws and regulations that can leave you vulnerable to lawsuits if not compliant with EMV terminals, there is no better time than now to contact us.

Green Payment Solutions has provided top quality credit card processing services to local and national merchants for more than 12 years and is recognized with A+ status by the Better Business Bureau. The company's CATA Exclusive Pricing (C.E.P.) Program includes the following benefits and services:

- Exclusive pricing for CATA dealers backed by a Low Rate Guarantee
- Interchange-plus, or pass through, pricing structure for full transparency
- Multiple value-enhancing fee waivers
- No early termination fee or setup fees
- New EMV equipment
- Next-day funding
- Prioritized customer service and technical support for CATA member dealers
- Complete data security

For a no-obligation rate review of your merchant account, contact Darren Dayton from Green Payment So-

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CATA selects Hireology as a Recommended Consultant

The aim of the CATA Recommended Consultants program is to identify and recommend organizations that have a proven track record of helping dealers in areas of the business that can be particularly challenging to navigate and manage.

In recognizing these organizations, the CATA believes that all dealer members can benefit from the expertise and services the selected organizations provide. CATA Recommended Consultants are independent organizations not tied to the sales process of any individual product or service and have agreed to offer special pricing to CATA member dealers. Please see this overview of the association's newest Recommended Consultant, Hireology:

Hireology is the only recruiting and hiring platform focused solely on helping franchised auto dealers improve their teams. They help hundreds of dealers and their management teams to navigate the entire recruiting and hiring process using technology coupled with people support.

Hireology helps dealerships create custom career sites, source applicants, screen, interview, verify and select the best person for the job. The only competitive advantages in this changing landscape are the people working in the store. Hireology can help dealers to ensure that their people are a source of competitive differentiation in this market. Hireology's value:

- Reduce turnover

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IRS extends deadlines for Affordable Care Act reporting

The Internal Revenue Service on Dec. 28 extended reporting deadlines for four forms related to the Affordable Care Act, for applicable large employers — generally those with 50 or more full-time employees and equivalents.

The deadline for providing to employees Form 1095-C, Employer-Provided Health Insurance Offer and Coverage, has been extended from Feb. 1 to March 31, 2016. The deadline for health care providers to file the corresponding Form 1095-B also has been expanded to March 31.

Employers also must transmit to the IRS copies of the Form 1095-Cs that they provided to their employees via Form 1094-C, Transmittal of Employer-Provided Health Insurance Offer and Coverage Information. The time for filing Form 1094-C is extended from Feb. 29 to May 31, 2016 for non-electronic filers and from March 31 to June 30, 2016 for electronic filers. An identical extension was granted to health plan providers to transmit their Form 1095-Bs to the IRS via Form 1094-B.

Employers and other coverage providers who fail to meet these extended due dates are subject to the penalties under Code Sec. 6722 or 6721 for failure to timely furnish and file. In view of the extensions provided, the provisions regarding automatic and permissive extensions of time for filing information returns and permissive extensions for furnishing statements will not apply to the extended due dates.

However, the IRS will consider the extent to which an employer or other coverage provider files and furnishes the statements when determining whether to abate penalties for reasonable cause. It also will consider whether reasonable efforts have been made to prepare for reporting the required information and the extent to which the employer or other coverage provider is taking steps to ensure it is able to comply with these requirements for 2016.

Transportation bill spares dealers from rules facing car rental firms

The five-year, $305 billion transportation bill passed by the U.S. Congress in December includes legislation to ensure that dealers are not regulated the same as large, multi-national rental car companies. The bill was nicknamed the Fixing America's Surface Transportation Act, or FAST Act.

Under the bill, only those dealers with an average of 35 or more rental vehicles in their fleets over a calendar year would be required to ground recalled rental vehicles until they are remedied.

In addition, the FAST Act contains other provisions of interest to dealers:

Open Recalls

This provision requires a dealer to notify a service customer of an open recall when the dealership is servicing a vehicle within the dealer's franchise and if the dealer is required to do so pursuant to its franchise agreement. Dealers who fail to comply are not not entitled to fair reimbursement for remedying the vehicle. Dealers are encouraged to verify open recall procedures with manufacturers.

Tire Registration

This provision requires a rulemaking to mandate that tire dealers, including auto dealers who sell tires, transmit customer information to the tire manufacturer and maintain records of tire purchasers. More details on this requirement will be detailed when rulemaking occurs.

Whistleblowers

This provision awards whistleblowers up to 30 percent of the collected monetary sanctions for reporting wrongdoing.

Hireology

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- Reduce time to hire
- Reduce legal liability around recruiting
- Consistent recruiting budget
- Improve dealerships career brand

Hireology has developed a strong reputation for serving CATA members and comes highly recommended by their current dealer customers. When dealers must make decisions in this category, the CATA board of directors encourages dealers to reach out to Hireology to learn more about how their offerings may help your dealership.

Contact Kevin Baumgart at (773) 220-6035 or kbaumgart@hireology.com.

Partner

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lutions at darrendayton@GreenPayllc.com or (888) 980-8779 or (818) 370-7618.

Learn more about the company at www.GreenPaymentSolutions.com. The CATA's Approved Member Partner program is outlined on the association's website, at www.cata.info.

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

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More URL domains on the horizon

Dealers and other automotive businesses soon will have three more domain extensions to choose from when crafting their Web presence: .cars, .car, and .auto.

The new extensions can potentially give dealerships a marketing advantage over what often are expensive or lengthy .com URLs.

Consider, for example, that Nissan.com actually is owned by a computer company. Now, Nissan Automotive has the opportunity to lock down Nissan.auto to replace some of the longer domains the company now uses.

Coveted .com domains are increasingly getting costly to obtain, with some two-letter .com domains selling for more than $1.5 million, and some three-letter domains fetching $50,000. On the other hand, all .cars, .car, and .auto domain names will be priced at the same flat rate of $3,000 MSRP per year, beginning Jan. 20.

In discussing the reasoning for the new domain extensions, Daniel Negari, chief executive of Cars Registry, explained that since the 1990s there have been only a handful of relevant domain options available — think .com, .org, .net — and many of the best domain names were taken early.

Negari said this left "many dealers, OEMs and vendors with their third- or fourth-choice URLs. Especially given the growth of mobile traffic, there has been an increasing demand for short and memorable domain names, and a continual lack of supply."

Negari said the new domains have the potential to help dealers capture more organic search engine traffic, as well.

"Almost every domain variation will be available to register, including city, state, and region domain names," Negari said. "For example, a dealer could display his pre-owned inventory on LosAngeles.cars, and then start to capture search engine traffic for competitive keywords like 'los angeles cars' and 'los angeles used cars'. The dealer could then run search engine marketing, TV, print, and radio campaigns and track the results on their new Web address."

This is the approach early adopter St. Louis Motorcars is taking. The Midwest dealership is preparing to rebrand from STLMotorcars.com to STL.cars.
The dealer principle, Graham Hill, said he used the money the business might have spent on a comparable .com domain on a new ad campaign to promote the store.

"Buying the .com version of STL would have cost hundreds of thousands of dollars and STL.cars works exactly the same way, but looks better in advertising," Hill said. "I got a better looking name for less money and used the savings over securing the .cars equivalent, to market my new website."

Mobile users

Few mobile users want to type a long, cumbersome URL on their smartphones, which is why shorter URLs are becoming more and more important as mobile Web usage grows, especially in terms of vehicle shopping.

Negari said there have been a number of studies done on the effectiveness of shorter URLs and the direct correlation between the number of characters in a URL and the popularity of the website. Not surprisingly, shorter URLs tend to be more popular.

"As digital ad spending in the auto industry continues to grow, along with the amount of mobile users, the demand for short, catchy domains is also increasing," said Negari. ".cars, .car, and .auto domain names allow for innovation and empower businesses to drive their brand and secure some of the Internet's most valuable real estate."

There will be many more to come, but for inspiration, here are a few examples of the auto businesses who have already made the switch to one of the three new domains:

- Kain.auto (previously KainAutomotive.com)
- STL.cars (previously STLmotorcars.com)
- MarketPunch.auto (previously MarketPunch.com)
- Lucra.cars (previously LucraCars.com)

Following a trademark period, a public priority registration period will start on Jan. 12 to give anyone an opportunity to register any available domains.

Publicly traded firms zero in on dealerships

U.S. car dealerships changed hands at an accelerated pace in 2015, boosted by robust new-car demand, strong dealer profits and an increased focus on the business following Warren Buffett's 2014 purchase of a Phoenix-based chain.

A total of 456 dealerships had been acquired by mid-December, a 40 percent increase over 2014, according to The Banks Report, which tracks merger and acquisitions in car retailing. The gains came as industry analysts expected U.S. vehicle sales to reach 17.5 million in 2015 and expand again this year.

Total dealerships in the U.S. has increased modestly to about 18,000 since the financial crisis that saw Chrysler and General Motors file for bankruptcy protection in 2009, and steady volume gains have stirred new interest in the business.

About 10 percent of the 2015 acquisitions were generated by large publicly-traded dealer groups such as AutoNation. The Fort Lauderdale, Fla.-based retailer bought more than 30 dealerships expected to generate $1.7 billion in revenue. "We will continue to seek acquisitions to leverage our scale," said Mike Jackson, the company chief executive.

Still, there was plenty of opportunity for smaller players. The McLarty Automotive Group, in Little Rock, Ark., acquired 15 stores in 2015, bringing the group's total to 20. McLarty has snapped up stores from older retailers who hung on through economic crisis and are using the rebound to call it quits while valuations are high.

Group founder Mark McLarty said capital requirements continue to increase while profit margins haven't expanded fast enough. "I think you are only going to see more consolidations in the future," he said.

Member-discounted tickets to 2016 auto show on sale now

Tickets and vouchers that admit the holder to the 2016 Chicago Auto Show free or at a reduced price can be ordered by CATA members using the order form posted at www.CATA.info.

The passes promote goodwill with customers and even can help persuade a prospect to close a deal. Two kinds of passes are available, General Admission ticket and Weekday Discount voucher. The former, which costs CATA members $600 for 100 tickets, admits the holder to the auto show free, without a box-office wait. The Weekday Discount voucher costs members $100 for 100 and admits the holder for $7 during the week.

FTC explains views on 'native' and deceptively formatted ads

The Federal Trade Commission on Dec. 22 issued an enforcement policy statement explaining how established consumer protection principles apply to different advertising formats, including "native" ads that resemble surrounding non-advertising content.

In the Enforcement Policy Statement on Deceptively Formatted Advertisements, the Commission lays out the general principles the Commission considers in determining whether any particular ad format is deceptive and violates the FTC Act. The policy statement affirms the long-standing consumer protection principle that advertisements and promotional messages that promote the benefits and attributes of goods and services should be identifiable as advertising to consumers.

"The FTC's policy applies time-tested truth-in-advertising principles to modern media," said Jessica Rich, director of the Bureau of Consumer Protection. "People browsing the Web, using social media, or watching videos have a right to know if they're seeing editorial content or an ad."

The policy statement explains that an ad's format is deceptive if it materially misleads consumers about the ad's commercial nature, including through any implied or express representation that it comes from a party other than the sponsoring advertiser. If the source of advertising content is clear, consumers can make informed decisions about whether to interact with the advertising and the weight to give the information conveyed in the ad.

Also released Dec. 22 is "Native Advertising: A Guide for Business" to help companies understand, and comply with, the policy statement in the context of native advertising. The business guidance gives examples of when disclosures are necessary to prevent deception and FTC staff guidance on how to make clear and prominent disclosures within the format of native ads.

The policy statement and business guidance is, in part, the result of FTC staff's analysis of information collected at a workshop held in December 2013 entitled "Blurred Lines: Advertisements or Editorial?" and staff's monitoring of how native advertising is used and relevant consumer research over the past two years.

The Commission vote approving the Enforcement Policy Statement on Deceptively Formatted Advertisements was 4-0.

Learn more about how the FTC works to promote competition at www.ftc.gov or by calling (877) FTC-HELP [382-4357].