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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:

Thursday, March 7 at 12 p.m. CST

“What’s New and Different in Fixed Operations Pay Plans!” Fast-paced changes in the service and parts business have pushed fixed ops directors to come up with new ideas on how to use pay plans to motivate.

Rob Campbell of the Mironov Group will lead a frank

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Auto Show draws crowds, raves

Consumers turned out en masse Feb. 9-18 for the 2013 Chicago Auto Show, and they left in good spirits for what is regarded as the launch of the local dealers’ spring selling season.

Enthusiastic and plentiful media coverage of the show, including two 60-minute television specials, contributed to an excitement for what awaited on the show floor: about 1,000 new vehicles, including a number of debuts — production and concepts.

“Our one-day shift in dates proved to be all that we hoped it would be and more,” said show General Manager Dave Sloan. “Returning First Look for Charity to Friday grew attendance over last year, and our Presidents Day attendance was more than double that of the Friday opening a year prior.”

A new way for the show to connect with consumers came in the form of a mobile app that offered an on-demand schedule of events, detailed show floor map, interactive videos, image galleries,



and a camera icon and filter to upload and share photos, among other functions.

Best of Show voting

For the eighth straight year, consumer voters proclaimed their favorites in five categories in the Chicago Auto Show’s “Best of Show” balloting.

In voting conducted over the 10-day public run of the nation’s biggest auto show, winners in the contest’s five categories were:

- Best All-New Production Vehicle: 2014 Chevrolet Corvette Stingray (36 percent of vote)
- Best Concept Vehicle: Chevrolet “Turbo” Camaro (27 percent of vote)
- Best Green Vehicle: Fisker Karma (24 percent of vote)

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Auto show

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- Best Exhibit: Jeep (27 percent of vote)
- Vehicle I'd most like to have in my driveway: 2014 Chevrolet Corvette Stingray

First-ever Family Day

The Chicago Auto Show hosted its inaugural Family Day on Presidents Day, the 2013 show's final day. While show organizers worked with manufacturers and exhibitors to coordinate family-friendly events throughout the 10-day public show, Family Day featured a robust lineup up of family fun.

"From years past, we know that Presidents Day at the Chicago Auto Show draws a crowd," said Dave Sloan, Chicago Auto Show general manager. "We're constantly looking to provide our manufacturers and exhibitors with the best value and, with the addition of Family Day, we hoped to provide even more opportunities to reach new buyers. Plus, Presidents Day was the perfect time to host Family Day, as most children have the day off from school."

Show officials teamed up with bimonthly local family resource guide, Oaklee's Family Guide, to host back-to-back events throughout the last day of the public show, including appearances by retired Chicago Bear and NFL Hall of Famer Dan Hampton and Dora the Explorer, children's story time, and musical performances.

Food drive nets 10 tons

Late weekday crowds benefited A Safe Haven by contributing more than 20,000 pounds of canned food. The CATA extends a \$6 discount off a regular adult admission to those who bring three cans of food Wednesday through Friday at the show.

\$20,350 disbursed in ACE awards

Effective salespeople in the displays netted more than \$20,000 under the show's Award for Customer Excellence program. Salespeople at all vehicle exhibits were evaluated each day by incognito judges who rated the salespeople using various criteria.

Judges considered (1) the salesperson's initial impact, such as attitude, personality and interest in the consumer; (2) courtesy, such as asking the prospect's name and referring the prospect to a convenient dealership; (3) the sales presentation itself; and (4) the overall impression made.

The prize, \$200 on weekends and \$150 weekdays, can be won by only one salesperson a day at each make's display that involves salespeople from area dealerships.

Continental Honda's Nick Hanna won the award five times over the course of the show; three-time winners included Gabriel Szvec of Sullivan Buick-GMC, Miguel Sanchez of Marquardt of Barrington, and Howard Meron of Bredemann Lexus in Glenview; and nine others won twice.

Congratulations to all the winners!

Webinars

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discussion of new approaches and plans for compensation of key service and parts employees. You will learn:

- New applications of the "flat rate" pay system for techs
- What pay plans top performing dealership used in fixed ops
- Why some pay plans work and others fail
- How to combat "cost of sales" cutting into your labor gross retention
- How much should service advisors earn
- Can pay plans turn advisors from order-takers into business builders
- Are parts advisors part of the fixed ops team or not?
- Where does CSI fit into pay plan design?

Thursday, March 14 at 12 p.m. CDT

"Social Media Policy Update: The Rules Have Changed Again!" Most existing social media policies need to be rewritten in light of recent rulings from the National Labor Relations Board. Pre-existing policies probably are illegal.

Blanket policies prohibiting public and online discussions of work, other employees and superiors need to be adjusted in light of recent National Labor Relations Board rulings and advisories. Join labor attorney Penny Phillips for a discussion of the new rules for social media policies and what car dealers need to do now to stay in compliance with the law. You will learn:

- What the new NLRB rulings mean for car dealers
- How social media policies have evolved in the last two years
- What's legal and what's not for using social media sites in making hiring decisions
- What are the dealership's rights?
- What changes in your social media policies are needed now?



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

David E. Sloan
Erik K. Higgins

President, Publisher
Editor, Director of Dealer Affairs

Welsh takes helm as new NADA president

BY MARK SCARPELLI

CHICAGO METRO NADA DIRECTOR

Peter K. Welch became president of the National Automobile Dealers Association on Feb. 1. His hire follows last July's resignation of Phil Brady, who accepted an executive position with Phillips 66.

Welsh, 59, had since 2003 been president and chief executive of the California New Car Dealers Association. Prior to joining the CNCDA in 1990 as its director of government and legal affairs, Peter was a partner with a Los Angeles law firm.

A native of Detroit, Mich., Peter holds a bachelor's degree from the University of Michigan, a master's degree from the University of Durham, England, and a juris doctor's degree from Loyola Marymount University of Law, Los Angeles.

Welsh and his wife Cheryl have three children.

"The NADA is a well-run organization. I look forward to following in the tradition of strong leadership at the NADA. I'm ready to roll up my sleeves and get started," Welch said. In connection with Welsh's appointment, the association also announced the promotion of the following individuals:

- Joseph L. Cowden, executive vice president, chief operating officer and CFO;
- Andrew D. Koblenz, executive vice president, Legal and Regulatory Affairs and general counsel; and
- David W. Regan, executive vice president, Legislative Affairs.

In other NADA news ...

• The NADA and the Environmental Protection Agency have partnered to help new-car dealers reduce their energy consumption through the **Energy Star program**. As part of this effort, dealerships are encouraged to complete a brief survey that will

give the agency a benchmark to better compare the energy usage of dealerships across the country and allow certification of those dealerships that perform well. The survey (www.nada.org/energystar) asks dealers to share their yearly utility bills, square footage — inside and out — and different types of equipment used at the dealership.

"The NADA's ultimate goal is to help dealers learn ways to save energy and reduce their costs," said Don Chalmers, chairman of the NADA's Government Relations Committee, and a Ford and Lincoln dealer in New Mexico. "Before we can begin the Energy Star certification process, we need to benchmark the energy usage of at least 500 dealerships."

To encourage participation, the NADA has launched a new program called Energy Ally. Businesses such as accounting, consulting and energy management firms which assist at least five dealerships in completing the survey will be awarded an NADA Energy Ally designation. These contractors can use the recognition to market their services to other dealerships.

The NADA has produced a video (www.nada.org/energystar) demonstrating the cost-saving benefits of implementing an energy-efficiency plan highlighting efforts at a dealership in Christiansburg, Va. The video also highlights the importance of dealers taking the survey and the ease of the data input.

• The **sales momentum** of new cars and light trucks established last year is likely to continue in 2013, predicts Paul Taylor, the NADA's chief economist. Taylor expects more than 15.4 million new vehicles will be purchased or leased in the U.S. this year, an increase of 1 million vehicles over 2012. Last year, 14.4 million new vehicles were sold.

"Pent-up demand, affordable auto loans and enticing new-vehicle designs add up to a solid sales year that will outperform the overall U.S. economy," Taylor said.

• **NADA University** has introduced an all-new Special Ops training program that allows dealership managers to hone skills for specific departments by attending individual weeks of the NADA-ATD Academy's program.

The training focuses on the following areas of dealership operations: Financial Management; Fixed Operations I – Parts; Fixed Operations II – Service; Variable Operations I – Used vehicles; Variable Ops II – New vehicles.

To learn more about dates and availability of Special Ops sessions, and to download the application, visit the Academy section at www.NADAuniversity.com or call (800) 557-6232.

In other news ...

The Federal Trade Commission has warned 11 used-car dealerships in Jonesboro, Ark., that their failure to properly display the "**Buyers Guide**" on used vehicles offered for sale violates the FTC's Used-Car Rule. FTC staff inspections in Jonesboro found that eight dealers failed to display Buyers Guides on almost all used cars offered for sale; three dealers reportedly failed to display the guides on "a significant number" of used cars. Ten dealers properly displayed the guides on all or nearly all of the used cars offered for sale. The FTC sent warning letters urging the 11 dealers to come into compliance by properly displaying the guides in a clear and conspicuous location on all used cars.

If you have issues you want the NADA to consider, please call me at my dealership, Raymond Chevrolet-Kia, at (847) 395-3900.

Parts trash could be 'gold' for local collision school programs via repair foundation

With vehicle manufacturers and dealers accustomed to throwing away millions of dollars' worth of parts each year, collision repair instructors and students, in turn, became accustomed to "dumpster diving" for parts for their collision programs. But since 2008, the parts can be donated and earn a tax deduction.

The Collision Repair Education Foundation is the automotive collision industry's 501c3 charitable organization, and it is based in Hoffman Estates. The foundation provides support to secondary and post-secondary collision school programs and instructors nationwide. The support has grown to more than \$10 million annually.

Scholarships and grants from the foundation enhance the education experience for collision students and better prepare them to understand new technology, leading to more successful careers in collision repair.

The items most requested by collision instructors are current model vehicle parts — bumpers, fenders, hoods, door skins — so students can practice proper collision repair techniques on



parts they most likely will see upon entering the industry. Reduced program budgets have made it harder to purchase the parts, forcing the programs to:

- practice on severely aged vehicles that the collision programs have had for 10 years or more;
- practice on an instructor's vehicle that might have been "dinged" in the school parking lot; and
- "dumpster dive" at the garbage bins of repair facilities and dealerships for discarded parts.

Instead, earn a tax credit by donating to the Collision Repair Education Foundation parts that are slightly damaged or unused and destined to be thrown away. The parts, in turn, will be donated to collision school programs. Contact Brandon Eckenrode, the foundation's development director, at (847) 463-5244 or brandon.eckenrode@ed-foundation.org, or see the foundation's website, www.collisioeducationfoundation.org.

New AIADA chairwoman says her focus is estate tax repeal and international trade

Second-generation Mercedes-Benz dealer Jenell Ross, 43, on Feb. 8 became the 2013 chairwoman of the American International Automobile Dealers Association.

Ross said the focus during her tenure will be on two of the AIADA's signature issues: international trade and the estate tax.

The new chairwoman, principal of the Bob Ross Auto Group in suburban Dayton, Ohio, knows well the latter of those topics from personal experience. She became her dealership group's vice president and dealer principal in 1997, at age 27, upon the death of her father,

for whom the company is named. She ran the Buick-GMC and Mercedes dealerships with her mother, Norma, until Norma Ross died in 2010. The following year, the group added a Fiat franchise.

Ross said she plans to use her tenure as AIADA chairwoman to advocate on behalf of estate tax repeal by "continuing to meet with members of Congress, as well as senators — anyone I can come into contact with who has a voice in Washington — and just explain the truly human standpoint of what the death tax can do to a business, a family."

First Look for Charity raises \$2.2 million

Eighteen area charities shared in more than \$2 million raised by the 2013 Chicago Auto Show's benevolent event, First Look for Charity, and two attendees left with the keys to new vehicles.

The black-tie benefit, which is held the evening before the auto show opens its 10-day public run, raised \$2,216,000, boosting its total to nearly \$37 million over 22 years.

"First Look for Charity is a great instrument for the area's new-car dealers to show the positive impact they have on their community," said Michael Ettleson, chairman of this year's auto show. "All the benefiting charities are involved locally, so the money that's raised in Chicago stays in Chicago."

As the name of the event implies, those who attend First Look for Charity are part of the premier viewing of each year's Chicago Auto Show. Tickets to the fundraiser are \$250 each, and purchasers can elect to have their proceeds equally benefit all participating charities, or any one charity for which they have an affinity. For the event, the auto show floor is replete with a variety of food and beverage stations.

A highlight of the evening was the drawing for the event's grand prizes, a 2013 Buick Encore and a 2013 Hyundai Santa Fe Sport. Julie Becker of Wadsworth won the former; Dacien Barry of Barrington Hills won the latter.

The proceeds of Becker's ticket purchase benefited The Cradle Foundation; Barry's purchase was designated to benefit the 100 Club of Chicago. A list of all 18 benefiting charities for 2013 is at www.firstlookforcharity.org.

The Santa Fe Sport was provided compliments of Hyundai Motor America and Chicagoland and Northwest Indiana Hyundai Dealers. The Encore was provided compliments of Buick and Chicagoland Buick-GMC Dealers.

American English and Million Dollar Quartet provided entertainment.