



Volume 119, No. 3

February 7, 2022

## Curtains ready to rise Feb. 12-21 at 2022 Chicago Auto Show

It's all systems go for the 114th edition of the Chicago Auto Show, Feb. 12-21 at McCormick Place. Automakers are eager to show their latest models after so many auto shows have been disrupted since 2020 by the coronavirus.

The Chicago Auto Show has been one of the few auto shows to be uninterrupted during the pandemic, although the 2021 show was moved to July.

"While there were many wonderful aspects of our 'special edition' summertime show last year, we're excited to return to February, as it's historically been an ideal time for consumers to get out and beat the winter doldrums by experiencing the industry's latest cars, trucks and SUVs," said 2022 Chicago Auto Show Chairman Bill Haggerty. "Plus, the show helps to drive consumer interest in new vehicles and it effectively



kicks off the dealers' spring selling season, solidifying that February is the right time for the show.

"That said, we learned a lot from the July 2021 event that we plan to implement in February. The show will also feature popular exhibits like Camp Jeep and Ram Truck Territory indoor test tracks and outdoor test drives on city streets."

Expect lots of motion on the show floor, with tracks for Jeep and for Ram in the Stellantis display; for the Toyota

Tundra; for Ford's Bronco on its Built Wild track; for Mustang and Lightning electric vehicles; and still another EV track with multiple brands sharing the track. Outdoors, Ford, Kia and Subaru will offer test drives over Chicago byways.

In addition, the show will feature a lineup of interactive activities within the various exhibits. Step into Subaru's National Parks display for a five senses immersive experience, and get a first glimpse of new EVs that will soon hit the market, such as the Subaru Solterra and the Toyota bz4X.

Consumers can get a good look at the show floor by watching three live TV specials. The programs will air at 7 p.m. Feb. 11 on WGN-TV; 6 p.m. Feb. 12 on ABC 7 Chicago (rebroadcast at 12 a.m. Feb. 13 and 4 p.m. Feb. 20); and

SEE **AUTO SHOW**, PAGE 4

## NADA seeks LIFO relief for dealerships

As reported in November 2021, letters were sent by 20 Senate Democrats and 91 Democratic and Republican members of the House of Representatives urging the U.S. Treasury Department to act expeditiously to provide relief to dealers on new-vehicle LIFO who will experience significant LIFO recapture as a result of unprecedented inven-

tory declines caused by actions related to the pandemic.

In letters responding to Congress, Treasury officials stated that (i) "Businesses that primarily source and produce inventory within the United States are not eligible for [Section 473] relief..."; and

(ii) "If relief is provided, busi-

SEE **LIFO**, PAGE 4

## Bulletin on hiatus

The CATA Bulletin will take a one-issue break on Feb. 21, in deference to the Chicago Auto Show.

The next edition is March 7.



## Fewer car owners bashing in-vehicle apps, but problems persist

In-vehicle apps are getting fewer criticisms than before.

Early versions often were clunky, leading many consumers to turn directly to their smartphones instead. Android Auto and Apple CarPlay gained traction from that.

But automakers' in-car app interfaces are getting better — and becoming more popular, according to a new consumer survey by J.D. Power.

The percentage of vehicle owners using automakers' built-in apps that appear on infotainment screens continues to increase.

Nearly 40% of the latest survey's respondents say they use an OEM-offered app at least half of the time they drive. Such apps can offer information ranging from real-time traffic conditions to best nearby gaso-

line prices to primo parking spots.

Usage rates are highest for domestic OEMs such as Ford and General Motors, with almost 50% of owners using app offerings half the time and 27% saying they use them each time they drive.

That's progress, but work remains. For example, apps were cited as the third-most problematic feature vehicle owners mentioned in the J.D. Power survey last year.

The main areas of dissatisfaction: connectivity issues and incorrect information.

"Owners are looking for accurate real-time information about their vehicle, which many apps are currently not providing," said Frank Hanley, J.D. Power's senior director-global automotive consulting.

App speeds are improving (speed is top-of-mind for most users), but "accu-

racy and stability are not, in many cases," he said. "The apps are also lacking many of the features that owners want, causing many owners to say that the app is providing no real value."

The app features most desired by owners include remote control, navigation assistance, service monitoring and status/diagnostic information.

No single app in the industry currently executes all those features well, J.D. Power reported.

Other issues: Car buyers say they struggle to set up some in-vehicle apps. And many people aren't aware of available app content. J.D. Power says dealers can help ease those pain points.

Surveyed owners who got dealership assistance with set-up and feature explanations are more likely to use the app and express greater satisfaction.

Many dealerships have become creative in familiarizing customers with the technology in their newly purchased vehicles, apps included.

Some dealers have hired tech-savvy local high school

students to offer customers tech tutorials as part of the vehicle delivery process.

But customer willingness to pay for apps remains low, according to the J.D. Power survey on the current level of app use.

While 90% of owners do not pay for their apps, there is an increase in the percentage of those willing (or say they are willing) to pay in the future.

Among app users, 28% say they would be willing to pay up to \$5 for an app, though 58% keep their wallets closed.

Of the 32 brands benchmarked in the study, among the top-performing mobile apps are Volvo Cars, MyHyundai, Genesis Intelligent Assistant and MySubaru.

"It's critical that manufacturers devote proper resources to developing apps that truly meet the needs of new owners," Hanley said. "New app offerings from Jeep and BMW, for example, show noticeable improvement by adding additional content and increase in speed."

But some others "have issues with speed, pairing and connectivity."

## Meet auto service/collision students at March 11 career fair

To address the aging technician workforce, the Hoffman Estates-based Collision Repair Education Foundation (CREF) has organized a "can't miss" career fair event, 9 a.m.-1 p.m. March 11, where dealership managers can meet hundreds of Chicagoland area high school & college auto service/mechanical and collision students from the greater Chicago area.

The World of Wheels/Auto Rama Student Day will be at the Donald E. Stephens Convention Center in Rosemont. The vast majority of students in attendance at the event will be specialists in mechanical/auto service. As students approach spring graduation, this is a chance for dealers to network with students who could be a dealership's future entry-level fixed ops workforce.

For more information and participation details, contact Tiffany Bulak from CREF at [tiffany.bulak@ed-foundation.org](mailto:tiffany.bulak@ed-foundation.org).

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 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/publication/bulletins](http://www.cata.info/publication/bulletins).

David E. Sloan  
Erik K. Higgins

President, Publisher  
Editor, Director of Dealer Affairs

## Smart headlights are finally on their way

By ERIC A. TAUB

NEW YORK TIMES

I am driving in the California hills high above Malibu, in a deep-blue electric Audi E-tron, and I turn onto a pitch-black winding road. Instinctively, I reach to turn on the high beams. But before I have a chance to do so, the low beams automatically rise and spread out like a hand fan, filling the entire roadway with light and projecting it far into the distance.

A few seconds later, the headlights of an approaching vehicle set my headlights in motion; the high beams angle down as the light continually shape-shifts, changing patterns to avoid illuminating the oncoming car.

I had just experienced adaptive driving beam, or A.D.B., headlights, one of the most important advances in vehicle lighting technology in decades. With A.D.B. lighting, a vehicle's headlights are essentially always on high beam, while cameras and software instruct them to constantly reshape the beam to avoid blinding oncoming drivers or shining in the rearview mirrors of those close ahead.

The bad news is that while widely used in Europe and Asia for over a decade, these smart headlights are illegal in the United States. On my demonstration drive, I was piloting a not-for-sale-here European model of the E-tron equipped with Audi's futuristic digital matrix headlighting system.

The good news is that after years of unsuccessful attempts to allow the technology, A.D.B. lights will soon be on American cars and trucks, thanks to a section in the recently passed Infrastructure Investment and Jobs Act that mandates their use.

According to the infrastructure act, adaptive beam headlights must be approved for U.S. use within two

years. And they will be allowed to meet the standard developed by the Society of Automotive Engineers, which is very similar to the systems already in use in Europe.

Lives and dollars are stake. Smart headlights are expected to pay off with substantial safety gains, according to a 2019 study from AAA. Widespread adoption would prevent thousands of crashes involving pedestrians and cyclists annually, the report said.

Using federal data from 2015, the study reported about 2,000 pedestrian deaths and 31,000 injuries in which alcohol was not a factor but dark or low-light conditions were. It pointed to about 14,000 such crashes involving cyclists. AAA expects that smart headlights would prevent at least 6% of these crashes, resulting in thousands of saved lives and over a billion dollars in reduced economic and societal expense.

The report also predicted 18,000 fewer crashes involving wildlife (it noted there were roughly 290,000 a year), saving a further \$500 million a year.

The A.D.B. systems ease nighttime driver strain, according to research conducted by Valeo, a major vehicle lighting technology supplier. The company's study found that driver stress levels, as measured by heart rate variability, declined by 36% when A.D.B. systems were used instead of standard low beams.

"Once you drive a vehicle with adaptive beams, you'll see how great it is," said Bill Gouse, director of federal program management for SAE International, a standards-setting organization. "With A.D.B., you'll no longer have to look off at a tree to save your vision because someone is coming toward you with their high beams on. This is our chance to stop lagging behind the standards used around the

world."

Zdravko Miric, technical manager for vehicle safety standards at BMW of America, echoed that sentiment. "We're really excited to offer A.D.B. lights in the U.S. market," he said. "It's definitely a welcome advance in lighting technology."

The number of beam patterns offered by A.D.B. systems differs, based on each carmaker's technology. General Motors autos in China equipped with A.D.B. can create 34 beam patterns, while digital systems from Audi and Mercedes-Benz use millions of micromirrors to create a virtually infinite number of shapes.

Audi's digital matrix headlights, currently available (but deactivated) on the U.S. version of its E-tron, can also create a bright light "carpet" on a highway, illuminating the lane ahead, widening to show the way when the car is changing lanes, then shrinking back once the lane change is complete.

This light carpet "helps drivers to anticipate bends and stay in their lane," said Stephan Berlitz, Audi's head of lighting development. "By visualizing the position of the vehicle in the lane, the lighting function is particularly helpful where the road narrows."

One added attraction that does work in the U.S. version: the ability to project one of five animations when locking and unlocking the vehicle. Radar detects whether there's a wall in front of the vehicle and directs the image to it or to the ground, resolving distortion and height when needed.

The changeover to A.D.B.-capable headlamps could be swift for some drivers who own Audi, BMW or Mercedes models with deactivated units. Once the A.D.B. standard is approved, it's possible that a simple software upgrade will activate them.

## CATA member-discounted auto show tickets on sale

Tickets and coupons that admit the holder to the 2022 Chicago Auto Show free or at a reduced price can be ordered by CATA members using the order form posted at [www.CATA.info](http://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 tickets and Weekday Discount coupons. The former, which costs CATA members \$7 each for a minimum 100 tickets, admits the holder to the auto show free, without a box-office wait. The coupon costs members \$100 for 100 and admits the holder for \$10 during the week.

Regular admission is \$15.



## LIFO

CONTINUED FROM PAGE 1

nesses with global supply chains would need to demonstrate ... that the decrease in closing inventory ... is directly and primarily attributable to the foreign disruption in the supply chain.”

In response, the National Automobile Dealers Association in late January sent a letter to Treasury stating that

(i) The first condition imposed by Treasury is not present in either the statute (section 473 of the Internal Revenue Code) or its legislative history and therefore should not preclude relief to otherwise eligible dealer taxpayers, and

(ii) The second condition has been met by a very strong letter that the Alliance of Automotive Innovators sent to Treasury on Jan. 21 at the NADA’s

request.

The Alliance letter certified and provided supporting data demonstrating that

a) “auto dealers have been unable to acquire a sufficient number of new vehicles from manufacturers to replenish their depleted inventories”; and

b) “[t]his decreased inventory production is primarily a result of the foreign supply chain disruptions caused by actions related to the COVID pandemic, especially with respect to semiconductor shortages.”

The NADA letter also cited a fact sheet released by the White House on Jan. 21 that supports the Alliance’s certification by explaining that pandemic-related disruptions to foreign semiconductor factories have resulted in the

reduced production of automobiles.

The NADA letter stated that the information provided by the Alliance — as supported by the White House fact sheet — satisfies Treasury’s second condition for relief, and that Treasury therefore should move forward with the issuance of a Federal Register notice authorizing LIFO relief for affected dealers. The NADA further stated that it is prepared to assist Treasury and the IRS with the subsequent development of election and calculation procedures that dealers would need to claim the relief.

The NADA expressed appreciation for the Alliance’s efforts to quickly generate and deliver a compelling letter supporting its franchised dealers on this issue. The dealer association will continue to report on related developments.

## Auto Show

CONTINUED FROM PAGE 1

6:30 p.m. Feb. 15 on CBS 2 Chicago.

Also new this year, show organizers will honor first responders and military personnel by hosting a First Responders and Military Appreciation Day on Tuesday, Feb. 15. On that day, all first responders and military can visit a special location at the event to show their badge or military ID for free entry. Any guests that accompany

first responders or military personnel will be receive a discounted admission for \$10, valid that day only.

“The Chicago Auto Show has a longstanding tradition of providing people a fun, indoor activity within an otherwise quiet, cold month,” said Dave Sloan, Chicago Auto Show General Manager. “We’re thrilled to offer 10 days of entertainment to fans who look forward to this event each year.”

Based on guidance from

Chicago health officials, the following protocols will be in effect:

1. Masks are **REQUIRED** for all attendees age 2 and older, except when eating and drinking. Masks must cover the nose and mouth.

2. Proof of COVID-19 vaccination **WILL NOT** be required for admission. However, designated areas will be set up for the consumption of food and beverage, and proof of COVID-19 vaccination **WILL**

**BE** required for entry into those areas. Because of this requirement, outside food and beverages are not permitted into the 2022 Chicago Auto Show.

All bags are subject to search. Patrons will be randomly selected for security screening.

Admission is \$15 for adults, and \$10 for seniors aged 62 and older and children ages 4-12. Children 3 and younger are free when they accompany a paying adult family member.