



Upcoming DealersEdge webinars

Dealers are encouraged to take advantage of a partnership between The CATA and DealersEdge to provide high-quality training and informational webinars to dealers at a significantly discounted rate.

The rate for CATA members for the weekly presentations is \$149, or half what is charged to viewers who do not subscribe to DealersEdge. And to help introduce a new audience to them, DealersEdge will permit CATA members to view one of the next three webinars free. 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 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.

Upcoming webinars:

Thursday, Jan. 10 at 12 p.m. CST

“Parts eCommerce: How (and If) Your Dealership Can Profit by Selling Parts Online” It’s a lot more than just eBay! A detailed examination of the issues, suppliers, software solutions and more. Don’t let the competition

SEE **WEBINARS**, PAGE 2

Chicagoland Dealers Care crowns its Facebook contest winners

Nearly 40 percent of the more than 91,000 votes cast in the recent Chicagoland Dealers Care contest on Facebook went to the contest’s eventual winning dealership/nonprofit pairing: Joe Rizza Ford of Orland Park and Erin’s AAIM for Change.

Indeed, 88 percent of the votes were cast for the top

three finishers. The top charity wins a \$3,500 donation and production of a Chicagoland Dealers Care public service announcement that will appear on NBC 5 Chicago and the websites of the dealers’ charity program and the television station. Second prize garnered a \$2,500 do-

SEE **FACEBOOK**, PAGE 2

Help promote the show!

Materials coming for 2013, Chicago Auto Show

Materials will ship late this week to all members of the Chicago Automobile Trade Association in good standing, to help them get through the coming year and to help publicize the Chicago Auto Show, Feb. 9-18 at McCormick Place. It’s your show; please promote it.

Packages to be sent via United Parcel Service to dealer principals and company presidents include the following:

- 1 CATA-member 2013 window decal;
- 1 form to photocopy to order free supplies of odometer statements, used-car buyer’s guides, used-car limited warranty statements, and emission control equipment statements.

Also, to promote the 2013 Chicago Auto Show, the shipment includes:

SEE **KITS**, PAGE 2

Webinars

CONTINUED FROM PAGE 1

catch you flat-footed.

This webinar is a guide to available parts e-commerce choices and a framework to select solutions that best fit your store's parts operations. If you've tried selling parts and accessories online but gave up because it's too much work for too little profit, you need to re-think your decision.

The business has changed. Parts e-commerce is described in clear, easy-to-understand terms. Each approach to parts e-commerce is explained, vendors are identified, an action plan is summarized and systems integration considerations are covered.

Adoption and usage of parts e-commerce is climbing. Your competitors are cashing in. The OEMs are pushing it. Don't get left behind.

Thursday, Jan. 17 at 12 p.m. CST

“Sales Tax Audits in Dealerships: Large 6- & 7-Figure Judgments are Becoming More Common; Prepare Now!” Example: Mountain States dealer gets hit for more than \$600K due to a somewhat murky definition of “loaner vehicles” ... among a long list of common ‘gotcha’ violations.

Dealers all over the country are finding that their knowledge of sales and use taxes is not as complete as it needs to be. Many are now suffering from very large audit settlements. Individual state and local tax rates may differ, but our expert for this session — CPA Joe Roznai of Michael Silver & Co. — tells us that the laws from jurisdiction to jurisdiction are remarkably similar.

Attend this session and learn to ask the right questions! For this special presentation, Roznai will present current and timely information on how car dealers and their management teams can prepare now and protect themselves in the event of an audit and its nasty surprises.

FTC revises Spanish language Buyers Guide

The Federal Trade Commission's in December issued a final rule that makes technical corrections and revises the Spanish translation of the Buyers Guide.

The Used-Car Rule requires dealers to post a Buyers Guide in every used car offered for sale. The rule currently requires dealers to use Spanish-language versions of the Buyers Guide and to make related contract disclosures in Spanish when they conduct sales in Spanish.

The revised Spanish-language version takes effect Feb. 11, but dealers may use any remaining stocks of existing Spanish Buyers Guides. The new version is at www.ftc.gov/bcp/edu/resources/forms/s-buyers.pdf

Facebook

CONTINUED FROM PAGE 1

nation and third prize, a \$1,000 donation.

Other winners include Advantage Chevrolet of Bolingbrook/DuPage County Area

Project in second place, and third-place finisher Wickstrom Chevrolet/Project Flipmode.

The 4-year-old Chicagoland Dealers Care program supports area nonprofits that are favored by CATA dealerships. In the Facebook contest, a gallery of 19 dealers and the charities they support were featured, and visitors to the Facebook page were able to cast up to one vote daily during the month-long contest.

Erin's AAIM for Change, the contest winner, was founded in 1997 after Erin Olmstead, a senior at Sandburg High School in Orland Park, was killed by a drunken driver.

DuPage County Area Project (DuCAP) attempts to reduce or eliminate juvenile delinquency and organize neighborhoods to be proactive in alleviating the conditions that put youth at risk.

The third place finisher, Project Flipmode, helps individuals and families facing homelessness and other crises, and offers help and resources that will empower those individuals to change their lives.

Of the 91,284 votes cast, the top three finishers received 35,678, 24,482 and 20,134 of them, respectively.

Beyond the contest, Chicagoland Dealers Care donates up to \$1,500 to nonprofits that are supported by area dealers. Grant requests have come from a variety of causes: academic programs, cultural arts, performing arts, medical research, and even humanitarian needs.

Some initiatives have been developed into 15-second spots broadcast on NBC 5, and all are trumpeted on the CATA's weekly radio show, “Drive Chicago,” at 8 a.m. Saturdays on WLS 890 AM; and on the association's website, ChicagolandDealersCare.com.



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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
Erik K. Higgins

President, Publisher
Editor, Director of Dealer Affairs

Kits

CONTINUED FROM PAGE 1

- 4 Chicago Auto Show easel cards;
- 2 Chicago Auto Show posters;
- 1 First Look for Charity poster;
- 2 VIP tickets good for repeated admission throughout the auto show;
- 50 Employee Appreciation Day admission tickets, valid Feb. 11-15 and Feb. 18; and
- 200 discounted admission vouchers to offer to customers.

Don't forget to buy additional admission tickets to the auto show as well as any First Look for Charity tickets.

Any member who does not receive the UPS shipment by Jan. 18 should notify the CATA. The shipments are trackable, to help resolve problems.

Infiniti can't impose warranty parts surcharge on dealers, circuit court rules

Infiniti's practice of charging Illinois dealers a "Warranty Supplemental Cost Recovery" on each of its vehicles violates Section 6 of the Illinois Motor Vehicle Franchise Act, a Cook County circuit court judge ruled in December.

Judge Mary Mikva said the cost recovery mechanism developed in 2001, which allows dealers to seek reimbursement for warranty parts at retail rates, can be invoked only when a manufacturer and most of its dealers in the state have arrived at a side agreement on warranty parts. Infiniti has no such agreements with its Illinois dealers.

As defined in the state act, a manufacturer must have written agreements

with a majority of its Illinois franchisees for a uniform warranty reimbursement policy before it can surcharge those dealers who do not agree to the bargained rate, and thus recover its cost of complying with the retail rate provisions of the Illinois Motor Vehicle Franchise Act.

Dennis O'Keefe, the Chicago Automobile Trade Association's general counsel, said the ruling, although subject to appeal, validates the efforts in 2001 of the CATA and the Illinois Automobile Dealers Association to amend the state act.

The suit was brought forward by Fields Infiniti.

Call State Department before tax-exempt sales to diplomats

Eligible foreign missions and their members and dependents in the United States are privileged to make tax-exempt purchases or leases of official or personal vehicles, but not without a letter issued by the U.S. State Department's Office of Foreign Missions, the office instructed in a Dec. 27 letter to the CATA.

Diplomatic Tax Exemption Cards issued to all eligible foreign missions and their members and dependents **may not** be used for a tax-exempt transaction. Instead, prior to finalizing the transaction for a vehicle purchase or lease, the dealership must directly contact the OFM during normal business hours to request the issuance of a Motor Vehicle Exemption Letter.

The OFM's Chicago regional office can be reached at (312) 353-5762 or OFMCGCustomerService@state.gov.

When requesting a letter, the dealership must provide the following information:

1. The dealership's name, mailing address, and telephone and fax numbers;
2. The color, year, make and model of the vehicle that the mission or accredited mission member is planning to acquire; and
3. For **official** vehicles: the name of the foreign mission that is purchasing or leasing a vehicle; or
4. For **personal** vehicles: the name (as it appears on the person's "A series" or "G series" visa) of the accredited mission member or the dependent who is buying or leasing a

vehicle, the name of the foreign mission to which the individual is assigned, and the individual's State Department-issued personal identification number (PID). (Note that individuals also must present proof of their diplomatic or consular status to the dealership—i.e., valid passport which contains their current "A series" or "G series" visa, or Department-issued protocol identification card, or Department-issued driver's license, or Department-issued Diplomatic Tax Exemption Card.)

The OFM strives to transmit Motor Vehicle Tax-Exemption Letters to requesting dealerships either by electronic mail or facsimile within two hours of receiving a request. The uniquely-numbered letters serve as the OFM's formal notification of the referenced foreign mission or accredited mission members and their dependents' eligibility for an exemption of sales and use taxes imposed on vehicle sales and leases.

The letter instructs dealerships to send all original ownership documents directly to the OFM so that the vehicle can be properly registered and titled, and to treat the transaction as an out-of-state registration. The OFM will issue a registration card and federal license plates once proper documentation is received.

The OFM also will send a title to the indicated lien holder to protect the interest of the lender. Finally, the letter indicates that the dealership can issue a temporary state tag as long as proof of sufficient insurance is provided.

Franchised New-Car Dealers in the 8-county CATA area as of 1 January 2013

Car Line	Chicago only Ill.	Rest of Cook Cty. Ill.	Lake Cnty. Ill.	DuPage Cnty. Ill.	McHenry Cnty. Ill.	Kane Cnty. Ill.	Will Cnty. Ill.	Lake Cnty. Ind.	Porter Cnty. Ind.	Total [prior] 7/1/2012	Total [present] 1/1/2013
Acura	1	4	2	3	0	0	0	1	0	10	11
Aston Martin	0	0	1	1	0	0	0	0	0	1	2
Audi	1	3	1	2	0	0	0	1	0	8	8
Bentley	1	1	0	1	0	0	0	0	0	3	3
BMW	1	4	1	3	1	0	0	1	0	11	11
Bugatti	1	0	0	0	0	0	0	0	0	1	1
Buick	2	10	2	4	4	1	3	2	3	31	31
Cadillac	1	7	2	2	1	0	1	2	0	16	16
Chevrolet	4	15	5	6	4	4	6	4	2	50	50
Chrysler	3	10	4	4	3	3	2	3	2	33	34
Dodge	4	11	4	4	3	3	2	3	2	36	36
Ferrari	0	0	1	1	0	0	0	0	0	2	2
Fiat	1	2	1	0	0	0	0	0	0	3	4
Fisker	0	2	0	0	0	0	0	0	0	0	2
Ford	2	13	6	7	3	4	5	4	2	46	46
GMC	1	10	2	4	3	1	2	2	2	27	27
Honda	4	9	3	2	1	3	1	2	0	25	25
Hyundai	2	10	3	3	1	1	1	2	0	23	23
Infiniti	1	4	1	2	0	0	0	0	0	8	8
Jaguar	1	3	1	2	0	0	0	1	0	8	8
Jeep	3	10	4	4	2	3	2	3	2	33	33
Kia	1	8	3	3	1	1	1	2	1	21	21
Lamborghini	1	0	0	1	0	0	0	0	0	2	2
Land Rover	1	3	1	2	0	0	0	0	0	7	7
Lexus	1	4	1	2	0	0	0	1	0	9	9
Lincoln	0	6	3	2	1	0	0	1	0	13	13
Lotus	0	0	1	1	0	0	0	0	0	2	2
Maserati	1	0	1	1	0	0	0	0	0	3	3
Maybach	0	1	0	0	0	0	0	0	0	1	1
Mazda	0	7	3	3	1	0	1	1	1	17	17
Mercedes	1	5	1	2	0	1	0	1	0	11	11
Mini	1	2	1	1	0	0	0	0	0	5	5
Mitsubishi	0	5	1	2	1	0	2	1	1	13	13
Nissan	2	12	3	4	1	1	1	2	1	27	27
Panoz	0	0	1	1	0	0	0	0	0	2	2
Porsche	0	3	1	1	0	0	0	0	0	5	5
Ram	4	12	4	4	3	3	2	3	2	0	37
Rolls-Royce	1	1	0	0	0	0	0	0	0	2	2
Saab	0	0	0	0	0	0	0	0	0	4	0
Scion	4	11	3	4	1	1	1	2	1	28	28
smart	0	2	1	0	0	1	0	0	0	4	4
Spyker	0	1	0	0	0	0	0	0	0	1	1
Subaru	1	5	2	2	1	1	1	1	1	15	15
Suzuki	0	0	0	0	0	0	0	0	0	8	0
Toyota	4	11	3	4	1	1	1	2	1	28	28
Volkswagen	2	7	3	4	1	0	1	1	0	19	19
Volvo	1	4	1	1	0	0	0	1	0	8	8
# of Car lines	60	238	82	100	38	33	36	50	23	630	660
# of Outlets	30	158	50	66	17	21	19	33	15	413	410

NOTE: The difference between car line and outlet figures is the result of outlets that handle more than one car line.