



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. The fee includes both PowerPoint slides and audio; a telephone connection is not needed.

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 10 at 12 p.m. CST

“Business Math for Service Managers” Now more than ever, dealership Service Directors and Managers must be expert business analysts so that they can plot the proper course. Ray Branch’s training program features the “basics of business math” in the service department

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Chicago Auto Show attendance up 10%; sales spike in its wake

For more than a century, if there is one thing the Chicago Auto Show does better than any other, it is to bring consumers and cars together. And thanks to great deals from manufacturers, a reenergized appreciation of new cars and technology, pent-up demand—and some cooperation from Mother Nature—dealers around Chicago are experiencing a dramatic post-show bump in sales.

With four distinct indoor test tracks, an almost endless sea of expertly marketed vehicles, an amazing array

of interactive hands-on displays and a natural love affair that Americans have with personal mobility, visitors to the 2011 Chicago Auto Show had every opportunity to imagine themselves as the proud owner of a new car—and now those elements have come together, translating to floor traffic and sales.

“At the show, people ask questions, explore and compare vehicles, and have a chance to actually feel the wheel in their hands,” said Kevin Mize, chairman of

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Area has 2 new NADA directors

Two suburban Chicago dealers last month began three-year terms as directors of the National Automobile Dealers Association.

Mark Scarpelli, president of Raymond Chevrolet-Kia in Antioch, took the reins as NADA director of metropolitan Chicago. His predecessor in the position, since 2003, is his father, Ray Scar-

PELLI Sr.

Also, Desmond Roberts, president of Advantage Chevrolet in Bolingbrook and Hodgkins, became an at-large director of the NADA board.

Roberts also sits on the CATA board of directors, and Scarpelli last year ended nine years’ service on the

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CATA partnership with Aflac up and qvac, er, running

The Burke Automotive Group in Lisle is the first dealership to complete its Aflac enrollment under the new CATA/Aflac partnership.

Ed Burke, group president, said: "I was skeptical at first. But Paul Jackson and his team of senior Aflac agents came out to my store and simply educated my employees on this new benefit being offered. The program didn't cost me a dime, and my employees obviously appreciated the discounted rates, since 79 percent of them chose at least one of the Aflac plans that were offered—me included!"

All CATA dealers can take advantage of this partnership with Aflac. However, in order to take advantage of the CATA relationship with Aflac, the process must begin with designated Aflac representative Paul Jackson at (313) 808-0221.

Said Jackson: "My agents assigned to the CATA accounts take the business seriously but we also try to have some fun. Plus, we've found the dealership employees appreciate the owners for allowing the benefit option to them." Burke added: "It's a win-win situation: The employees win with excellent rates and protection. The dealership wins because we provide an additional benefit to the troops at NO cost to me. In fact, my dealership saved about \$2,500 in reduced payroll taxes by bringing Aflac into the store through Paul."

Webinars

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and assists in planning for profit improvements in a still-recovering market. Make sure you have a calculator and your financial statement info handy.

Thursday, March 17 at 12 p.m. CDT

"Digital Marketing: How to Optimize your Google Places Listing" Learn to use Google Places to amplify your brand(s) and leverage consumer reviews to drive more traffic to your Web site. Discussion includes some of the latest strategies to increase customer reviews on Google Places, Google Boost and Google Tags.

Thursday, March 24 at 12 p.m. CDT

"Parts Inventory Reconciliation Part II - The Advanced Course" In fixed operations, car dealers face a dilemma: The Service Department sells a perishable product (labor) while the Parts Department sells a more durable product (inventory). That leads to pressure on the parts manager, whom service technicians think should stock at least one of everything to make their jobs easier, even while the owner focuses on keeping inventory levels low. The pressure to serve at least two masters inevitably results in distortions that show up when the parts manager's pad doesn't match the controller's general ledger.

NADA

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CATA board. During his tenure, Scarpelli ascended to CATA chairman and Chicago Auto Show chairman.

Roberts has been a franchised new-vehicle dealer since 1988. He started his career in auto retailing in 1986 as a member of General Motors' dealer training program in Columbus, Ohio. Roberts currently serves on NADA's Government Relations and Convention committees.



Scarpelli



Roberts

From 2007 to 2010, Roberts served as chairman of the National Association of Minority Automobile Dealers, and he was president of the General Motors Minority Dealers Association from 2005 to 2007. In 2005 and 2006, Roberts was named a GM "Dealer of the Year" and honored with a Jack Smith Leadership Award.

Scarpelli became a franchised new-car dealer in 1999. He currently serves on the NADA's Dealership Operations, Industry Relations and Public Affairs committees. Scarpelli is a member of the Antioch Rotary Club. He received the Make A Difference Award from Antioch Community High School in 2008, and in 2006 was honored with a recognition award from the Boys and Girls Club of Chicago.

A third Illinois dealer also sits on the NADA board. James Auffenberg Jr., president of St. Clair Auto Mall in O'Fallon, represents dealers in 99 of the state's 102 counties.

The 63-member NADA board includes 53 state directors, six metropolitan directors, and four at-large directors—two from each side of the Mississippi River.

Scarpelli can be contacted at (847) 395-3600 and mscarpelli@raymondchevrolet.com; Roberts at (708) 352-2400 and droberts@advantagechev.com

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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

SBA launches program for commercial real estate refinancing

By MARK SCARPELLI

CHICAGO METRO NADA DIRECTOR

Small businesses facing the maturity of commercial mortgages or balloon payments before the end of 2012 may be able to refinance their loans under a new program by the Small Business Administration.

The new loan-refinancing program comes less than a month after the SBA rolled out a new dealer floor plan (DFP) loan guarantee program strongly supported by the NADA. The refinancing loan program, which the NADA also backs, is designed to respond to another financing need often expressed by dealers: the refinancing of commercial real estate.

“The new refinancing loan is structured like the SBA’s traditional 504, with borrowers committing at least 10 percent equity and working with third-party lending institutions and SBA-approved certified development companies in the standard 50 percent/40 percent split,” the SBA said in a statement. But a key feature of the new program is that it does not require an expansion of the business to qualify. The program, authorized under the Small Business Jobs Act, will be in effect through Sept. 27, 2012. Questions regarding either program can be directed to NADA Regulatory Affairs at (703) 821-7040 or regulatoryaffairs@nada.org.

Loan Marketing Scheme

Dealers are warned to be on the lookout for possible fraudulent activity related to dealers’ retail loan portfolios. Certain individuals have recently targeted dealers with a scam involving a promise to “bundle a dealership’s car loans and market them to investors,” essentially selling the car dealers’ collectible debt.

The individuals then require dealers to pay car buyers’ first two to three months’ payments up front.

These individuals collect the fees, but never market the loans.

One such group of individuals in Washington state recently was sentenced in federal court for its role in such a scheme. This group operated under several names including Auto Credit Solutions, Sub-Prime Financial Services, Easy Credit Store, Instant Funding Systems, Great Northwest Financial Services and Western Empire Financial Services.

Dealers are encouraged to be diligent in selecting business partners. A dealer who suspects such fraud should contact the Internal Revenue Service Criminal Investigation, the U.S. Postal Inspection Service or a local police department.

In other NADA news . . .

- NADA Chairman: Auto Dealers ‘On the Way Back’

With auto sales expected to reach nearly 13 million units in 2011, the outgoing chairman of NADA said last month that the nation’s auto dealers have **a renewed sense of optimism** about the auto industry. “We are on the way back,” said Ed Tonkin, a multi-franchise dealer from Portland, Ore., who ended his term Feb. 7, passing the gavel to Utah dealer Stephen Wade at the NADA Convention and Expo in San Francisco. “Our challenge now is to do everything in our power to keep things moving forward,” Tonkin said.

- NADA University Launches Three New Online Courses

New offerings posted to the NADA University Learning Hub include courses in the **legal and parts categories**.

- o “Complying with the FMLA” provides up-to-the-minute Family and Medical Leave Act compliance information for dealers, general managers, and HR personnel. The course explains the FMLA and its provisions, and covers regular FMLA leave and military

family leave.

- o “Overcoming Obsolescence” provides training in basic parts theory, and demonstrates how obsolescence occurs, how to stop it, and how to move obsolete parts.

- o “Unlocking Frozen Capital” discusses how to free up cash—and keep it flowing—in all areas of the parts department. Parts courses are intended for dealers, general managers, department managers, and controllers.

All three new courses are available to NADAvt subscribers, who have access to all Learning Hub online courses, two years of paid webinars, and two years of NADA and ATD Convention workshops (2011 NADA workshops to be posted in March). NADAvt subscriptions as well as individual courses, workshops, and webinars may be purchased online at the NADA U Store.

- Enroll Now for Spring Dealer Academy 2011 Classes

Spring 2011 classes include:

- o ATD Truck Dealer Academy, starting April 4

- o Dealer Candidate Academy, starting May 9 or June 6

- o General Dealership Management Academy, starting May 16

Download an application for those programs here. Individual Academy classes (e.g., Financial, Parts, Service and Variable Parts 1 & 2) are also open to department managers, who may attend a week of classes even if they don’t have a student in the Academy program. Download an application for the Department Manager Program here. You can also call 800.557.6232, ext. 2, or e-mail academy@nada.org for an application.

I carry your voice to the NADA. Reach me at (847) 395-3600 or mскарпелли@raymondchevrolet.com.

Reminder: Truncate credit card information on customer receipts

A growing number of class action lawsuits, including one against a local dealer, have been filed by customers who were provided credit and debit card receipts that do not properly truncate credit card information on the receipts.

According to the federal

Fair and Accurate Credit Transaction Act of 2003, the electronically printed receipts must have shortened, or truncated, account information so that not more than the last five digits of the card are displayed. Also, the expiration date must be omitted.

Most electronic card ma-

chines have been modified for the account number change, but too many still display the card's expiration date.

Important, the requirements apply only to electronically printed receipts, not to handwritten or imprinted receipts; and to receipts given

to the customer at the point of sale, not to receipts retained by the dealer. The law allows for harmed customers to seek damages and attorneys fees. Also, noncompliance could result in FTC enforcement action that includes assessing monetary penalties against a retailer.

NADA opposes NLRB poster mandate

The National Automobile Dealers Association on Feb. 22 filed comments with the National Labor Relations Board opposing its proposal to require dealerships to post a notice on rights under the National Labor Relations Act.

Among the NADA's key concerns:

1. The NLRB isn't authorized to generally mandate such a poster.
2. Small-business dealerships should not be burdened with yet another poster mandate, especially given the massive cumulative federal, state and local regulatory burdens they already shoulder.
3. Useful information on the NLRB/NLRA is readily available to dealerships and their employees on the NLRB's website and elsewhere.
4. Contrary to the NLRB's historical role as a neutral arbiter, the proposed poster is unfairly biased in favor of unionization.

The NLRB is expected to decide whether to move forward with its proposal later this year. Questions? Contact regulatoryaffairs@nada.org or (703) 821-7040.

EPA used oil ruling

The Environmental Protection Agency on Feb. 23 issued a rule reversing a proposal that would have undermined the ability of dealerships to burn used oil collected from do-it-yourselfers (DIY) in space heaters by requiring the testing of DIY used oil to ensure that it was "on-spec."

A dealership's willingness to collect DIY oil is a key element of its eligibility for the NADA-supported federal Superfund exemption for used oil that issued in the 1990s.

The decision leaves the EPA's used-oil burning rules untouched.

Auto Show

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the 2011 Chicago Auto Show. "At that point, the motivation machine starts up, and by the time show goes get home, many are ready to turn their fantasy into the next resident of their garage."

The energy and subsequent dealership activity created by the show is more than spotty or anecdotal. It's widespread and apparently transcends all lines and styles.

"January was a tough month and the first two weeks of February were a disaster," recounted Arlington Heights Ford proprietor John Guido. "We lost three days due to the storm and our salespeople were down in the dumps even before the snow hit.

"But then the auto show steamroller

started and it absolutely made a difference. It was like someone opened the floodgates for a solid 14 days. We sold 10 new cars this past Friday, then 18 Saturday, 10 more on Monday. We had nine dealer trades in one day. In one day! That tells me that there's activity all over and it's exciting.

"As for the Ford dealers in Chicago region, I've seen sales sheets that were in the 50-60 unit range for the final two weeks. There were four dealers who sold 100 or more new units."

Denise Guardino, president of Bill Jacobs BMW-Mini in Naperville and Land Rover dealerships in Hinsdale and Hoffman Estates, said her sales teams were overwhelmed by traffic the second half of February.

"What an amazing month," said Guardino. "We wound up with Land

Rover ranking No. 1 in the region, No. 2 for BMW, No. 1 for Mini. And it was all fresh business, not holdovers. We're so encouraged.

"We've also had tremendous feedback on the (Land Rover) Evoque, which could only have originated from auto show activity and interest. The only place they could have seen it was at the show, as there's only one brochure per dealership produced. I'd say the same about the Mini Countryman. Since the show we've sold eight in one week."

Auto show officials said attendance increased 10 percent over 2010 numbers. And by discounting admission to those who contributed to a food drive, the show gathered 20,000 pounds of non-perishable good for A Safe Haven Foundation, which collects for the homeless and hungry.