Gross receipts tax horse race nearing home stretch; Madigan to hold House hearing May 9

House Speaker Michael Madigan will convene a rare hearing of the full House on May 9 to debate Gov. Rod Blagojevich’s plan to raise $7.6 billion from a new gross-receipts tax, the largest tax increase in Illinois history.

Illinois dealers and their employees must use the time before May 9 to convey to their state representatives the consequences of any variation of a gross-receipts tax.

“Tell your representative to say “No!” to any modification of this tax, such as lowering the tax rates,” said Jerry Cizek, president of the Chicago Automobile Trade Association. “A GRT will be disastrous in Illinois. Once that GRT camel gets his nose under the Illinois business tent, it’s all over for your dealership.”

To identify a lawmaker, go to http://cata.drivechicago.com and click on the red dollar bill on the site’s home page.

The Illinois House of Representatives has 118 members. A majority of them—all 52 Republicans and nine Democrats—have joined as co-sponsors of a House resolution that opposes the gross-receipts proposal, which Blagojevich touts as a funding solution for schools and health care.

“We’re about education, we’re about health care,” said Rep. Tom Cross (R-Oswego), the Minority Leader who introduced House Resolution 344. “But we’re not about harming consumers in the state of Illinois; we’re not about harming businesses small and large.”

Cross called on Madigan Wednesday to act on the resolution, which is non-

Legislative debate over DOC fee moves to Senate

Legislation to increase the state’s base DOC fee to $150 is under Illinois Senate consideration, after Representatives approved House Bill 1657 on April 25.

The measure must pass three Senate readings before the General Assembly’s scheduled adjournment on May 31 in order to advance to Gov. Rod Blagojevich for his consideration. It passed its first reading on April 26 and, at this newsletter deadline, was assigned to the Senate Transportation Committee.

The base DOC fee was $40 when it was established in 1992. Annual adjustments tied to the Consumer Price Index have increased to $58.48 the maximum fee that can be charged this year to complete necessary paperwork and provide copies to purchasers. The bill calls for the new base to take effect Jan. 1, 2008.

Dealers are encouraged to contact their state senators to enlist support for HB 1657.

Dolan feted for truck dealers’ top ATD honor

Mary Ford Dolan, president of Freeway Ford-Sterling Truck Sales in Lyons, was recognized April 14 for her nomination for the annual Truck Dealer of the Year Award, bestowed for business excellence, industry participation and outstanding civic accomplishments.

She was honored at the opening session of the 44th convention and exposition of the American Truck Dealers division of the NADA.

Dolan began her career as a special education teacher in Highland Park. She joined the dealership in 1980 shortly after her father, John Dolan, president of Freeway Ford-Sterling Truck Sales in Lyons, was recognized April 14 for her nomination for the annual Truck Dealer of the Year Award, bestowed for business excellence, industry participation and outstanding civic accomplishments.

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Kobel leads auction association

Gregg Kobel, co-owner of Tri-State Auto Auction in Crestwood, is midway through his term as president of the National Auto Auction Association.

The remarketing association, founded in 1948 and based in Frederick, Md., represents more than 370 auto auctions, both domestic and international, with more than 9.6 million units representing $86.9 billion sold each year.

The NAAA offers its regular and associate members education and training, legal and regulatory information, forms and online services, and other industry information.

Tri-State Auto Auction also is a member of the CATA.

Joliet college honors D’Arcy

Joliet Junior College has bestowed its annual award for community service to Terry D’Arcy, who owns two Joliet dealerships and is a volunteer for several organizations.

D’Arcy received the J.D. Ross Extraordinary Service Award, the namesake of the college’s past president, who retired a year ago. D’Arcy will be honored at the college’s May 11 graduation ceremony.

D’Arcy owns D’Arcy Motors, with two Joliet locations, and he recently served as the chairman of the CATA and the Chicago Auto Show. He has been a board member for the Joliet Park District Foundation, the University of St. Francis and the Joliet Franciscan Learning Center. He twice served as the chairperson for the United Way campaign in Will County.

The award recognizes volunteer efforts for humanitarian causes, public and scholarly service and creative attainment.

In Memoriam

Hugh C. Wehmeier, 82, the former operator of Community Pontiac-GMC and Honda in Oak Forest, died April 29.

Mr. Wehmeier was a second-generation dealer who moved his Pontiac store from Chicago’s South Side to 159th Street in 1969, becoming the first dealership along what now is a busy thoroughfare of showrooms. He added a GMC franchise in 1970 and opened Community Honda next door in 1975.

Mr. Wehmeier, a World War II veteran and onetime Rotary Club president, sold the company to his son, Tom, in 1991. Community Honda moved to Orland Park and the Oak Forest store added Mazda in 2000.

Hugh Wehmeier is survived by his wife of 57 years, Dorothy; sons Paul, Robert, Bill and Tom; and eight grandchildren.

Memorials accepted by Heartland Hospice Services in Frankfort, 815-469-7100; and by St. Paul Evangelical Lutheran School in Chicago Heights, 708-754-4492.

Chicago native and billionaire innovator James Moran, who as “Jim Moran, the Courtesy Man” was among the first to advertise new and used vehicles on television, died April 24 in Florida at age 88.

Mr. Moran acquired a Ford franchise in Chicago Heights in the late 1930s but switched to selling the Hudson brand. He moved the dealership, Courtesy Motors, to its longtime location in the 3500 block of West Grand Avenue in 1948 and resumed selling Fords in 1956.

He moved to Florida in the late ’60s and became a Toyota franchisee. In 2003, Southeast Toyota marked its 35th anniversary by selling its 5 millionth Toyota. He established the nonprofit Jim Moran Foundation in 2000, to help youth and families in Florida.

Mr. Moran is survived by his wife, Jan; daughters Pat and Arline; son Jim Jr.; seven grandchildren and eight great-grandchildren.

Congratulations!

This year’s Elite of Lexus Dealers includes Arlington Lexus in Palatine, Bredemann Lexus in Glenview, Lexus of Highland Park, Lexus of Naperville, McGrath Lexus of Chicago, McGrath Lexus of Westmont, and Woodfield Lexus ( Schaumburg).

Larry Roesch Chrysler-Jeep-Dodge (Elmhurst) and South Oak Dodge-Chrysler-Jeep (Matteson) were named Club Members of the 2006 Mopar Masters, for commitment to excellence in the Mopar parts business.
Lott, NADA beat drum for bill on Katrina cars

By Ray Scarpelli Sr.
METRO CHICAGO NADA DIRECTOR

David Regan, the NADA’s vice president for legislative affairs, said his group supports a bill that would require auto insurers to provide vehicle information to a searchable database when they declare a car or truck a total loss. Sen. Trent Lott (R-Miss.), the bill’s sponsor, said he wants interest groups and fellow lawmakers to press for the insurance industry changes before memories of Hurricane Katrina fade.

The goal is to protect consumers and dealers from unknowingly acquiring flood-damaged or wrecked vehicles that have been repaired and issued new titles.

Regan said the NADA supports Senate Bill 545 because “we think there are instances every year in which vehicles declared a total loss are not retitled as salvage or flooded, and dealers want to know what they’re buying at auctions. There is concern because there are reports that Katrina vehicles are circulating at the wholesale level, where reconditioned cars are auctioned to dealers.”

Lott, the No. 2 Republican in the Senate, said he fears the impetus for insurance reform will be lost unless action is taken soon. Lott spoke at a Senate Commerce Committee hearing in April on the insurance industry and its responses to natural disasters.

The NADA has unveiled a series of new features on its recently redesigned Web site, www.nada.org. The site’s home page now offers even more news and information designed for the business-savvy dealership. Visitors to the site now receive a comprehensive industry snapshot, including the following features:

- A display of the main stock market indices: the Dow, NASDAQ, S&P, 10-year Treasury, and composites for automobile manufacturers and publicly traded automobile dealers;
- Customized weather information;
- Links to major newspapers, magazines, broadcast networks and wire services; and
- Links to major airlines and popular travel sites.

These resources are more good reasons to make www.nada.org your home page of choice. To set your Internet Explorer browser to display the nada.org home page automatically, open Internet Explorer, then from the top select “Tools,” then “Internet Options.” Once the “Internet Options” pop-up box appears, look under the “General” tab for the “home page” heading, where you can choose your home page. Type http://www.nada.org in the “Address” field, then click the “OK” button to save your changes.

Energy Star program helps dealers turn green

Dealers can save money and move toward green solutions with help from a partnership between the NADA and the Environmental Protection Agency’s Energy Star program. The program offers a variety of cost-effective retrofit and new-construction strategies involving energy efficient lighting, climate controls, equipment, and building design. Many of those strategies reap considerable cost savings. For information, go to www.energystar.gov/index.cfm?c=small_business.sb_autodealer.

The NADA’s “A Dealer Guide to Energy Star: Putting Energy Into Profits” can be ordered for $30 by NADA members or for $50 by nonmembers by calling 800-252-6232 ext. 2.

Team up with NCAA athletes

Thousands of NCAA athletes are graduating from college this month and will join the more than 500,000 former collegiate and professional athletes around the country who are looking for rewarding and challenging careers, such as those offered in dealerships.

To help dealers recruit and retain a high caliber of talent, the NADA has teamed with the Collegiate Recruitment Team (CRT), which helps former NCAA student-athletes find jobs.

For a one-time fee of $25, dealers can advertise an unlimited number of open positions on the CRT Web site. In addition, CRT and its foundation will give any NCAA alum $2,000 towards the purchase of a new or used vehicle at a registered dealership.

To register:
1. Visit www.crtjobs.org;
2. click on “Employers” in the upper right corner;
3. choose “Click here to register”; 4. complete the required information and choose “Submit”; 5. choose “Pricing Plans,” then “NADA Plans”; 6. complete and submit payment information.

www.drivechicago.com Is your inventory up-to-date? 630-424-6080
**Dolan**

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Ford, purchased it. Working her way through several different positions and learning the basics of business operations, she became dealer principal in 1999.

Dolan attributes much of the company’s success to the “family comes first” attitude at Freeway Ford-Sterling Truck Sales, Inc., believing that the policy helps to create a close relationship among the employees. That closeness, in turn, prompts the employees to treat customers as part of the family.

In 2003, Dolan became the first woman and the first truck dealer elected to the board of directors of the Chicago Auto Trade Association. She is chairwoman of the board’s Illinois Attorney General Advisory Committee and a member of the CATA’s Advisory Committee to the Illinois secretary of state. She also has served as chairwoman of the board’s Dealer and Civic Relations Committee.

Dolan was a 2005 nominee for the Time Magazine Quality Dealer Award, the automobile industry’s award for car dealers.

She is an active member of Our Lady of Perpetual Help Parish in Glenview, serving as chairwoman of the Parish Pastoral Council, president of the 700-member Women’s Club, and member of the Executive Committee of Lay Advisors.

Dolan participates in the Night Ministry, serving hot soup to youth and young adults on the streets in Chicago, and prepared and served meals at Marquardt Center, a drop-in center for the homeless.

She also is a board member of Catholic Charities of the Archdiocese of Chicago and was instrumental in involving the organization in the Chicago Auto Show’s benevolent event, First Look for Charity, which this year raised $2.8 million.

**Chicago is top U.S. auto show, Automotive News columnist says**

On the eve of last month’s New York Auto Show, an Automotive News columnist gushed about how the Chicago Auto Show compares to the country’s three other Tier 1 auto shows.

William Jeanes, the former editor-in-chief of Car and Driver magazine, is a frequent contributor to AutoWeek and Automotive News. In the April 2 edition of Automotive News, Jeanes wrote, in part:

“If the auto show circuit were a Boeing 747, Chicago would occupy the entire first-class and business-class sections, leaving Detroit, New York and Los Angeles to squeeze into the coach section and squabble over the peanuts.

Were (‘Chicago Plan’ architect Daniel) Burnham alive today, he would endorse the plan I now propose: First, remove the adjective “international” from the New York, Detroit and Los Angeles shows and return them to regional, dealer-based shows.

“That done, hold our national auto supershow in Chicago at McCormick Place and make it a show that fills us all with pride, a show that requires no excuse making.

“A major international auto show requires two things: a proper venue and numerous introductions of production and concept cars. The industry, as it has shown, can hold its introductions wherever it chooses; the venue advantage is tipped heavily toward the Windy City.”

**GRT**

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binding and largely symbolic. Madigan said he would convene the May 9 special meeting with all House members to discuss business concerns about the tax.

Madigan (D-Chicago) refuses to say whether he supports Blagojevich’s hike, but Senate President Emil Jones (D-Chicago) is squarely behind the measure.

Uproar against the proposed gross receipts tax stretches to every corner of the state, but that uproar appears to be directed mostly at Blagojevich. Dealers and their employees must vent their displeasure with the state legislators who will vote to enact it.

The General Assembly is scheduled to adjourn its spring session May 31, so the matter likely would be determined this month. But lawmakers also are being bombarded with complaints from constituents about soaring electricity bills, and many Downstate legislators say a solution must be forged on the electricity-rate issue before they vote on a state budget.

**Marketplace**

**Office Manager/Controller** Encompassing bookkeeping experience at high volume dealerships. Interact with manufacturer lenders, banks, marketing firms. Lead negotiator on workers compensation, fixed asset insurance policies. Consistent “rave reviews” from upper management. Brenda McKee, 847-477-6646.

**Service Writer** Bilingual (English/Spanish), 3+ years’ dealership service department experience. Excellent customer service with focus on needs and concerns. Organized team member, motivated, adaptable. Anonymous.

Résumés of both candidates are on file at the CATA.