



### 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](http://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.

Premiering Thursday, June 11 at 12 p.m. CDT

**“Dealership IT Managers: 5 Top Sure-Fire Bottom Line Builders”** Learn the Top 5 improvements that most IT Managers can employ today to grow the bottom line right now. The low-hanging fruit is just begging to be picked!

This session is specifically for Dealership Information

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### How consumers pick a dealership

BY **NANCY WALTER**  
FORESIGHT RESEARCH

Like their counterparts around the country, Chicago area dealers wrestle with how to get the greatest return on investment – whether related to facility, inventory, marketing or training. Foresight Research measures what is important to new and used auto buyers to help you make the right business choices.

#### What do Chicago shoppers/buyers look for in a dealer?

Nine of the top 10 dealer choice factors are shared by

new-car shoppers and buyers (see list below). But more buyers vs. shoppers rate non-pricing factors as important. Buyers deeming “location close to home,” and “comfortable environment” leapt to 60 percent (from 43 percent and 48 percent of intenders, respectively). “How skilled or good the salesperson was” ranked No. 6 (36 percent) when buyers did the rating, and fell to No. 17 for shoppers (14 percent).

This range of important factors presents a challenge and an opportunity for Chi-

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#### Top 10 important factors in dealer selection for shoppers/buyers

Cost/pricing experience	Other factors
Price or lease deal	Location close to home
Financing available	Comfortable environment for browsing/shopping
No price haggling	Reputation of the dealer/recommendations
Fair trade-in offer*	Selection of vehicles in inventory
	How skilled or good the salesperson was**
	Previous experience with dealership
	Overall service department
	**only asked on Buyer Top 10

\*only asked of shoppers

## Webinars

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Technology Managers!

The best industry consultants have a list of “go-to” items to employ to immediately bring additional profit to the bottom line. In this series of workshops, industry experts will outline for you the 5 Top Fixes that are almost always easy to employ, providing immediate positive results.

Join Erik Nachbahr as he reveals his Top 5 Fixes for Dealership Info Technology Managers. Bring more to the bottom line when you:

- evaluate your voice and data bills for immediate cost savings
- identify new carrier technologies that will cut costs and improve bandwidth
- create a PC replacement strategy that doesn't break the bank
- determine the ROI of moving a technology to the cloud
- make the right call on tablet purchases

Premiering Thursday, June 18 at 12 p.m. CDT

**“Service Menu Design & Profit Structuring: Art & Science”** Learn how to reverse engineer your service menus to improve profits while still selling tons of discounted menu services.

Ray Branch visits again to reveal simple steps that you can take to reverse engineer your promotional service menus — without giving away the profits and without giving away your customers to competitors.

Ray is famous for his scientific approach to repair order analysis and can help you revolutionize your service lane selling success.

Bonus: Ray also has a spreadsheet tool for menu creation that will prove most helpful in creating service menus that help you increase sales, while also fattening the bottom line. The spreadsheet is free when you register and attend this workshop.

You will learn:

- how to be competitive and still make better than satisfactory profits
- how to get Service Advisors to sell Menu services
- the keys to “reverse engineering” your Service Menus
- custom “word tracks” to help Advisors close more Menu Sales
- pay plans for getting your menu up and running successfully and quickly



## Average new-car loan hits 67 months

The average loan term for a new vehicle rose to 67 months during 2015's first quarter and to 62 months for used, both records. And more than one-fourth of all new light-vehicle loans had terms of 73 to 84 months.

Loans of six to seven years, the longest term tracked by Experian, were the fastest growing segment of the market, climbed 19 percent from a year earlier and now represent 29.5 percent of all new-vehicle financing. That was the highest share since Experian started tracking loans in 2006.

New-vehicle loans of 61 to 72 months held the largest share of the market in the first quarter, 39.7 percent.

## Research

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cagoland dealers who have to cover more bases in marketing and sales, but have a wider breadth of ways to engage meaningfully with potential buyers.

**How can my dealership best influence the purchase decision?**

Six in 10 buyers in the Chicago market said the price/deal and the salesperson influenced their purchase decision. Forty-fifty percent of buyers were influenced by inventory (having the specific desired vehicle / vehicles on display), and location (close to home). Chicago new auto buyers are 40 percent more likely to be influenced by “location close to home” than are all U.S. buyers, indicating there is value for Chicagoland dealers in hyper-local sales and marketing focus.

Shoppers Source: 2015 Chicago CSA Market Test

Buyers Source: 2015 CHIPS Study – Chicago

*Foresight Research provides syndicated and custom research for OEMs, dealers, auto show producers. Dealer-focused reports include dealership influence on the new auto purchase process; market-specific buyer and shopper intelligence to guide traffic and sales generation; concise one-topic reports to help manage, market, and sell at auto dealerships; and custom studies to answer questions specific to your dealership. For more information, go to [foresightresearch.com/auto-dealer](http://foresightresearch.com/auto-dealer) or email Nancy Walter at [nwalter@foresightresearch.com](mailto:nwalter@foresightresearch.com)*

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Review past editions dating to 1998 or search by subject at [www.cata.info/publication/bulletins](http://www.cata.info/publication/bulletins).

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Editor, Director of Dealer Affairs

## If the FTC comes to call

By **MARK EICHORN**  
FEDERAL TRADE COMMISSION

It's a question we're asked a lot. "What happens if I'm the target of an FTC investigation involving data security?" We understand — no one wants to get that call. But we hope we can shed some light on what a company can expect.

First things first. All of our investigations are nonpublic. That means we can't disclose whether anyone is the subject of an investigation. The sources of a data security investigation can be news reports, complaints from consumers or other companies, requests from Congress or other government agencies, or our own initiative.

FTC staff typically begins with an informal investigation, usually by reviewing publicly available information or even reaching out to the company directly. Sometimes no further action is necessary.

In other instances, what we initially learn may lead us to conduct a full investigation, often by sending a formal request to the company for documents, information, or testimony. We may ask to review materials like audits or risk assessments that the company or its service providers have performed; its information security plan; privacy policies and any other promises the company has made to consumers about its security; and employee handbooks and training materials. In addition, we may want to speak with people at the company knowledgeable about its

data security practices. We may gather information from others, too, like experts, consumers, and other companies, perhaps including vendors or banks.

The next step is to review this information and consider both the facts and potential legal theories. We look at what a company says about its data security practices — as well as what it actually does — to determine whether its practices are reasonable in light of the sensitivity and volume of consumer information the company holds, the size and complexity of its business, and the cost of available tools to improve security and reduce vulnerabilities.

If a company is subject to certain statutes, like the Gramm-Leach-Bliley Act or the Fair Credit Reporting Act, we may consider additional company policies to evaluate compliance with those requirements.

If we open an investigation following a breach, we'll probably ask for information to help us understand the circumstances surrounding the breach: what happened, what protections were in place at the time, and how the company responded. In addition, we'll often ask companies to provide information about the consumer harm — or likely harm — that flowed from a breach or about consumer complaints relating to security issues. When we do that, keep in mind that as a consumer protection agency we're focused on the security of consumer information entrusted to the company — not its IP portfolio, trade secrets, or the loss of other company information

that doesn't concern consumers.

We'll also consider the steps the company took to help affected consumers, and whether it cooperated with criminal and other law enforcement agencies in their efforts to apprehend the people responsible for the intrusion. In our eyes, a company that has reported a breach to the appropriate law enforcers and cooperated with them has taken an important step to reduce the harm from the breach. Therefore, in the course of conducting an investigation, it's likely we'd view that company more favorably than a company that hasn't cooperated.

Once we've reviewed the facts, if there is reason to believe the law has been violated, FTC staff will make a recommendation to the Commission to proceed with an administrative action or seek relief in federal court. We may attempt to negotiate a settlement with the company, or we may recommend that the Commission issue a civil complaint, either administratively or in federal court.

That summarizes the steps we typically take, but keep another key consideration in mind. Just because a company is the subject of an investigation does not mean that it broke the law. In fact, we close more cases than we bring, based on our assessment that despite breaches or data security problems, a company's data security practices were — on balance — reasonable.

That's what companies can expect if the FTC comes to call.

## Supercharge dealership profits with intensive one-day workshop

Join Digital Dealer at the DoubleTree by Hilton in Oak Brook on July 7 for a full day of learning how to use the Internet and technology to sell and service more vehicles, more profitably.

In partnership with the CATA, Digital Dealer Workshops Chicago will showcase game-changing strategies and best

practices from top automotive industry experts.

Choose from 20 cutting-edge sessions to gain the knowledge and inspiration you need to map out an actionable growth strategy. CATA members receive exclusive partnership pricing.

For more details and to register, call (561) 995-9090.

## ***Thanks, sponsors!***

Many allied members of the CATA will participate June 9 as sponsors of the association's 2015 golf outing, to help offset the event's costs. Please express your thanks to the sponsors and give them your consideration when doing business throughout the coming year.

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