



'10 Chicago Auto Show: It's a wrap

The weather cooperated, and throngs of consumers populated McCormick Place in February to behold the 2010 Chicago Auto Show, which area dealers regard as the launch for their spring selling season.

Enthusiastic, multilingual media coverage contributed to an excitement for what awaited on the show floor, which highlighted lots of hybrids and safety technology and other features.

'Best of Show' winners

Consumer voters identified their favorite vehicles in five categories, in the auto show's fifth annual "Best of Show" balloting.

Winners in the contest's five categories were:

- Best All-New Production Vehicle: Ford Focus (29 percent of vote)
- Best Concept Vehicle: Cadillac XTS Platinum (28 percent of vote)

- Best Green Vehicle: Chevrolet Volt (25 percent of vote)

- Best Exhibit: Ford (41 percent of vote)

- "Vehicle I'd most like to have in my driveway": Ford Shelby GT500

"These are tough competitions that make a win really meaningful for our manufacturers and exhibitors," said show chairman John Phelan. "In a year when our attendance was about level with 2009, we're thrilled that everyone worked so hard to bring their best displays, concepts and production vehicles to a public whose optimism is returning."

Each of the first four winners beat out seven competitors. In the fifth category, "Vehicle I'd most like to have in my driveway," voters could choose from any of the nearly 1,000 vehicles on the show

SEE **AUTO SHOW**, PAGE 4



CATA: Working for you

Enrolling employees in continuing training and education is an important way to retain the best workers. CATA Learning University rebates 50% of tuition to dealers whose employees successfully complete the coursework. See www.cata-lu.com.



DriveChicago gains new partner

BY MARK BILEK

CATA INTERNET DIRECTOR DriveChicago.com was redesigned in December 2009 with the help of a new managing partner, Automotive Internet Media, Inc (AIM).

Often misunderstood, DriveChicago.com is a free online portal provided to CATA's new-car dealer members. Similar to Cars.com or AutoTrader.com, DriveChicago.com lists dealer inventory, to help the market's new-car dealerships sell new and used vehicles.

The new DriveChicago.com features expanded con-

tent and enhanced tools to better help guide consumers through the car-shopping experience. The redesign incorporates new colors and graphics and completely new navigational tools.

But the most important element is a site better optimized for search.

"Any statistics you read from all the industry studies indicate that consumers are using search engines to shop for new and used vehicles," said Kevin Mize, chairman of the CATA. "With more

SEE **DRIVECHICAGO**, PAGE 2

DriveChicago.com

CONTINUED FROM PAGE 1

and more consumers moving to search, and with the market of steep online competition, we felt we had to step up our SEO (Search Engine Optimization) game.”

Through the amalgamation of the entire inventory from each CATA member dealership, DriveChicago.com has the power to be the largest dealership in Chicagoland in the eyes of Google and Yahoo. That makes DriveChicago.com very attractive from a marketing aspect as well as a great source of shopping leads.

More to come

Over the next few months DriveChicago.com will continue to deploy new tools and features to enhance the user experience. The visual and interactive design of the site will be monitored and changed based on the popularity of each application.

Dealers with questions about inventory listings on DriveChicago should call me at (630) 424-6082.

General Assembly mulls more legislation

An Illinois driver's license or other state identification card could be produced absent the holder's street address, under a bill introduced in February.

At the request of the applicant, House Bill 5949 would permit merely the holder's city, state and ZIP code to appear on the card. The bill is being studied by the House Vehicles and Safety Committee.

Illinois residents who are military service members on active duty or less than one year removed from active duty would be exempt from certain motor vehicle taxes, under HB 5828.

The bill, which would amend the Use Tax Act, the Retailers' Occupation Tax Act, and the motor vehicle privilege tax provisions of the Illinois Vehicle Code, is being reviewed by the House Revenue & Finance Committee.

The House and Senate are scheduled to adjourn May 7.

DriveChicago.com
Virtually every vehicle in town!

2010 CHICAGO AUTO SHOW
BEST OF SHOW

USED CARS | NEW CARS | RESEARCH | FIND A DEALER | COMMUNITY | AUTO FINANCING

Chicagoland's Automotive Marketplace
1000's of vehicles, 400+ dealers

SEARCH CARS

USED CARS
Select Car Make
Select Car Model
Select Car Year
Enter Zip Code

NEW CARS
Select Car Make
Select Car Model
Select Car Year
Enter Zip Code

VALUE TRADE
Black Book
Take the Guesswork Out of Trading Your Car

QUICKQUOTE
Select Car Make
Select Car Model
Select Car Year
Enter Zip Code

SEARCH MANUFACTURERS
Acura, Buick, Cadillac, Chevrolet, Chrysler, Dodge, Ford, Honda, Hyundai, Infiniti, Jeep, Kia, Land Rover, Lexus, Lincoln, Mercedes-Benz, Nissan, Pontiac, Saturn, Toyota, Volkswagen, Volvo

SEARCH TYPES
Convertible, Van, Sedan, SUV, Coupe, Wagon, Hatchback, Truck

NEW REVIEWS
2010 Mercedes-Benz GLK
2010 Toyota Prius
2010 Hyundai Genesis Coupe

AUTOSHOW BLOG
Let your voice be heard!
I have a 1998 Town Car, 88,000 miles. The body and interior are near perfect, but the brake lines have corroded, as has the engine pan...

ASK PAUL
Paul: Sounds like without spending the money on repairs, you're out of a riel if you spend the money...

FINANCE INFORMATION
get credit score
finance options

spread the word
Mike Rowe here, spreading the word about Ford.
Call Over for Savings

POPULAR NEW
2010 Hyundai Sonata
2010 Honda Accord
2010 Chevrolet Malibu
2010 Honda Odyssey
2010 Ford F-150
2010 Chevy Equinox
2010 Toyota Camry
2010 Toyota Matrix
2010 Honda Civic
2010 Chevrolet Impala
2010 Ford Focus
2010 Ford Fusion

2010 Chevrolet Silverado 1500
2010 Ford Escape
2010 Honda CR-V
2010 Lexus RX 350
2010 Nissan Altima
2009 Toyota Camry
2009 Honda Accord
2009 Chevrolet Silverado 1500
2009 Toyota Corolla
2009 Chevrolet Malibu
2009 Dodge Grand Caravan
2009 Mazda 6

POPULAR USED
2006 Honda Civic
2006 Chevrolet Silverado 1500
2006 Chevrolet Malibu
2007 Ford Fusion
2007 Ford Mustang
2005 Acura MDX
2007 Ford Focus
2006 Ford F-150
2005 Chevrolet Equinox
2007 Nissan Altima
2000 Honda CR-V

2008 Buick Enclave
2008 Toyota Prius
2005 Cadillac CTS
2007 Dodge Charger
2003 Mitsubishi Eclipse
2008 Dodge Avenger
2005 Chevrolet Cobalt
2007 Dodge Caliber
2006 Honda Accord
2005 Ford Explorer
2005 Chevrolet Impala
2007 Mazda CX-6

DRIVE WHAT KANE & TOEWS DRIVE
WW A BLACKHAWKS THEMED CAMARO
Enter Now

Drive Chicago powered by:
Automotive Internet Media
DM Digital Networks

New Cars for Sale | Used Cars for Sale | Research Options | Auto Dealer Search | Community
About Us | Contact | Privacy Policy | Sitemap | Dealer Page | Site Map
Copyright © 2005-2010 DriveChicago.com
All Rights Reserved

BBB
SECURID

The CATA Bulletin is published by the
Chicago Automobile Trade Association
18W200 Butterfield Rd. Oakbrook Terrace, IL 60181-4810

The CATA Bulletin is distributed via blast e-mail 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.

David E. Sloan
Erik K. Higgins

President, Publisher
Editor, Director of Dealer Affairs

IRS requirements for computerized accounting records

The Internal Revenue Service has certain requirements concerning the retention of computerized accounting records, which include all accounting and financial systems that process all or part of the dealer's transactions, records, or data by other than manual methods.

Systems include microcomputer systems, data base management systems, and all systems using electronic data interchange. Punched cards, magnetic tapes, disks and other machine-sensible media used for recording, consolidating, and summarizing accounting transactions and records in a dealer's computer system are records for purposes of IRS recordkeeping requirements. The IRS requires dealers to maintain these records for as long as their contents may be material in administering any tax law. This requirement applies to any record covered by a tax provision having unique or specific recordkeeping requirements.

The IRS requests access to these records when it examines a dealer's tax return, so that the IRS agent can audit the records more efficiently by

using the computer as an audit tool. The IRS specifies standards that must be met when a taxpayer maintains records using a computerized recordkeeping system. The standards vary for taxpayers with less than \$10 million in assets, taxpayers with \$10 million or more in assets, and taxpayers maintaining a DBMS.

The rules that apply to most dealers require that dealers retain all machine-sensible files generated by a computerized recordkeeping system that affect the dealer's liability for any federal tax. Also, dealers are required to provide the IRS access to those records.

The IRS Motor Vehicle Technical Advisor issued an "Automotive Alert" dated Jan. 21, 2005, which discusses the requirements for dealerships, including a listing of files that may be requested by the IRS computer audit specialist. In addition to files generated by the dealership on its own computers, the list includes files generated by third-party service providers for areas such as LIFO computations, payroll, fixed assets, and corporate tax preparation.

The consequences for not comply-

ing with the recordkeeping rules include a possible negligence penalty, an inadequate records notice, and a subsequent IRS follow-up compliance examination. The inadequate records notice would be of concern to a publicly-held dealership because it would have to disclose the notice in the dealership's financial statements; and to a privately-held dealer, who may have to disclose the notice when applying for financing.

Dealers should discuss the records retention requirements with their computer vendors and any other service provider related to any bookkeeping or tax service. The dealer should be especially concerned about the adequacy of the retained records when changing computer vendors or upgrading any computer system. The dealer needs to provide to the IRS not only the computerized records but also the software to run them.

This article is adapted from "A Dealer Guide to Federal Tax Issues" an online publication that is available free to NADA members through NADA University's Resource Toolbox.

Rogue workers falsify invoices

Several area dealerships have been touched by the employee misdeeds of a Houston company that supplies accessories like floor mats and mirror tags. The dealerships received products they never ordered, and others got invoices for supplies that were never ordered or received.

A representative of Comprehensive Automotive Solutions said three meddling workers have been fired, and that dealers can disregard bills tied to Invoice No. 298662 and Purchase Order No. 36149. Dealers who received merchandise they did not order should call (888) 652-5675 to arrange for pickup.

Some dealers involved in the mishap are not part of the company's master list of customers.

NADA, AIADA install 2010 officers

At February conventions, the year's officers of the National Automobile Dealers Association and the American International Automobile Dealers Association were inaugurated.

Edward Tonkin, an Oregon dealer, followed his father's steps to ascend to NADA chairman. Ron Tonkin was the association's chairman in 1989. Other 2010 officers include Vice Chairman Stephen Wade of Utah; George Nahas of Florida; and David Penske of Pennsylvania.

A New Jersey dealer will lead the AIADA in 2010. Rick DeSilva took the reins Feb. 15 during the AIDA's 40th Annual Meeting and Luncheon.

"I am looking forward to the AIADA's 40th year," DeSilva said. "For us, 2010 will be a game changer, and I'm excited to be a part of it."

Other officers of the 2010 AIADA board of directors include immediate past Chairman Russ Darrow of Wisconsin; Jim Smail, chairman-elect, of Pennsylvania; Vice Chairman Ray Mungenast of Missouri; and Larry Kull, secretary/treasurer, of New Jersey.

In Memoriam

Fred T. Tuch Jr., a retired Buick dealer and a former president of the CATA, died Feb. 19 at the age of 80.

Mr. Tuch's father opened Fred Tuch Buick in 1939 in Chicago's Roseland area. It later operated at 1441 E. 75th until 1999.

Fred Tuch Jr., a U.S. Air Force veteran, was a past president of the Chicago Metropolitan Buck Dealers Association, and was the CATA president in 1990-1991. He subsequently was chairman of the 1992 Chicago Auto Show.

He is survived by his wife Florence, whom he met in first grade; sons Fred III, Thomas and Timothy; three grandchildren and two great-grandchildren.

Marketplace

Controller 30-time recipient of Ford-Lincoln-Mercury District Business Manager Award. A Pilot dealer for the FDACS system 6000, recently handled installation of FDACS system 7000. Manage staff of 12, expert in cost reduction. Donald Raimondi, (847) 658-0879. Résumé on file at the CATA.

Latest 'Chicago Auto Outlook' is online

The Chicago Auto Outlook publication examining the area's new-vehicle sales in January 2010 can be viewed on the CATA's Web site, www.cata.info.

On the tan bar across the top of the screen, click on Publications and follow the drop-down menu to Chicago Auto Outlook.

Low vehicle sales a drag on service department

The outlook for auto dealer service volumes and customer spending appears challenging, with decreases in service business brought on by depressed auto sales in 2008 and 2009 projected to continue for several years, according to a J.D. Power and Associates study released Feb. 24.

Service volume may reach a low point in 2013, the 2010 Customer Service Index Study determined.

J.D. Power projects that dealer service traffic volumes will decline about 20 percent between 2009 and 2013, resulting in a 25 percent decrease in service dollars from owners of late (2005 to 2009) model year vehicles. Particu-

larly in the current period of slow auto sales, most dealers rely on service business to stay profitable.

"Over time, many vehicle owners gradually defect to non-dealer service facilities for repair and maintenance needs, particularly when the warranty period expires," said Jon Osborn of J.D. Power.

"With service customer retention becoming more crucial than ever during the next few years, dealerships must focus on not only providing superior levels of customer service, but also on enhancing convenience for vehicle owners and providing pricing that is more competitive with non-dealer facilities."

Auto show

CONTINUED FROM PAGE 1
floor.

The Focus win marked the second straight year that Ford took the top spot in the all-new production category; the Taurus took honors in 2009. General Motors also repeated for best concept, following last year's win by the Chevrolet Corvette Sting Ray.

Also for the second year in a row, Ford grabbed the honors for best exhibit, with four in 10 voters giving the nod to that display.

Food drive

Since the inception 15 years ago of the auto show's food drive, attendees have donated more than 300,000 pounds of food for the city's homeless in exchange for discounted admission.

The food drive, which benefited Chicago's A Safe Haven Foundation/CCIL homeless shelter, was sponsored by Chrysler Group LLC. This year, more than 40 Chrysler, Jeep, Dodge and Ram Truck brand dealerships in the Chicago area helped the drive by collecting food donations beginning Feb. 1.

Show goes 'red' to help women

Flashes of scarlet accented the convention center's Grand Concourse lobby Feb. 16, when red Dodge, Jeep,

Ford, Chevrolet and Audi vehicles helped promote the "Go Red for Women" program of the American Heart Association. Heart disease is the No. 1 killer of women in America. In fact, more women die of cardiovascular disease than the next five leading causes of death combined—including cancer. The auto show's annual Women's Day, likewise, was Feb. 16.

Charity benefit raises \$1.7 million

Eighteen area charities on Feb. 11 shared in \$1.7 million raised by the 2010 Chicago Auto Show's benevolent event, First Look for Charity, and one lucky winner left with the keys to a brand-new Chevrolet Equinox.

About 7,000 people attended First Look for Charity, helping to raise \$1,701,012. The event is held the evening before the annual auto show opens its 10-day public run.

A highlight of the evening this year was the drawing for a grand prize vehicle: a 2010 Chevrolet Equinox compact crossover. This year's event awarded the Equinox to Curt Lundquist of Arlington Heights.

Proceeds of Lundquist's ticket benefited Clearbrook. The ticket purchaser is on the organization's board of directors. In all, 18 charities profited from the event.