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Schiele elected CATA chairman for board's 2012-2013 term

Kurt Schiele's fellow directors of the Chicago Automobile Trade Association voted him chairman of the board for the next 12 months, when the directors met June 27 for their monthly meeting.

The new board chairman succeeds Michael Ettleson, who becomes chairman of the 2013 Chicago Auto Show. Schiele will act as the show's co-chairman.

Schiele, whose Elmhurst Auto Group retails Toyota, Scion, BMW and Jaguar ve-

hicles, leads a board of 15 directors.

Other board officers include Vice Chairman John Webb (Packey Webb Ford, Downers Grove); Treasurer Colin Wickstrom of the Wickstrom Auto Group (Ford-Lincoln and Chrysler-Dodge-Jeep in Barrington) and Mike McGrath Jr. (McGrath Lexus of Chicago and Westmont) David Sloan is association president.

Three directors — Mary Fran Dolan, Steve Foley Jr.,



Kurt Schiele



Michael Ettleson

and Desmond Roberts — retired from the board after completing their terms. Dur-

ing his term, Foley ascended to board chairman. Roberts also is an NADA director.

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 webi-

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BBB sees ad gaffes on dealer sites

The Better Business Bureau reports seeing a spate of area dealer Internet ads that improperly list vehicle sales prices and which don't indicate that trade-in allowances are estimates only.

Patricia Kelly, senior counsel of the BBB's Chicago office, said that in her office's recent reviews of dealer ads, monitors have seen amounts being deducted from some advertised prices resulting

in prices not available to all; price disclosures that deduct amounts in addition to taxes, license, title and a \$161.39 documentary service fee; and claims about the value of consumer trade-ins without language qualifying the amounts as estimates.

Rule 310 of the Illinois motor vehicle advertising regulations states that dealers must include in advertised

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Webinars

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nars 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, July 12 at 12 p.m. CDT

“How to Sell Parts & Accessories on eBay: Secrets from Dealership Power Sellers” Many have tried to sell dealership parts and accessories on eBay, but few have mastered the technique and approach necessary to succeed. Ebay dealer training manager Clayton Stanfield shares the best practices in this webinar.

Every once in a while you will hear a parts manager ask, “Is anyone actually selling anything on the Internet?” Those doing the selling often don’t want to talk about it too much — why invite the competition to the party? But Stanfield has agreed to this webinar for an exploration of what other eBay-successful dealership parts departments are doing to win “Power Seller” rankings.

Stanfield has assembled a list of strategies and best practices from which you can get the best view available of how successful eBay Power Sellers are bagging new customers and fattening the bottom line of their profit centers.

Thursday, July 19 at 12 p.m. CDT

“The Dos and Don’ts of Choosing a Telephone System Upgrade - Including the DMS Options” Telephone systems have evolved again and again over the past century. Now we are faced with the merging of data processing and telephony systems to create an even greater array of choices. Join us as expert Phillip Sherman helps to simplify the selection process for your dealership or group.

Despite of the growth of other communication channels, telephone communication remains a central business asset for today’s auto dealership. And as new options for both equipment and service surface, you need the most up-to-date and accurate assessment of what you do and do not need to operate efficiently. Phil is a telephone system pro that has worked with dealers from all over the country to assist in this growingly complex task. Get his insights into what you need to know to make an intelligent selection for your business.

FTC: Dealer exposed sensitive customer data on P2P computers

The Federal Trade Commission in June charged two companies, including a Georgia dealership, with illegally exposing the sensitive personal information of thousands of consumers by allowing peer-to-peer (P2P) file-sharing software to be installed on their corporate computer systems.

The enforcement action against Franklin Toyota Scion alleges that, as a result of the dealership’s failure to implement reasonable security measures to protect its customers’ personal information—names, addresses, Social Security numbers, birthdates and driver’s license numbers—the personal information of 95,000 customers was made available on a P2P network.

As part of its settlement for violating the GLB Safeguards Rule and the Privacy Rule, Franklin Toyota-Scion must establish and maintain a comprehensive information security program, and undergo data security audits by independent auditors every other year for 20 years.

P2P file-sharing software can present significant data security risks, due in part to the fact that once a file has been shared to a P2P network, it can be seen and downloaded by any computer user with access to the network. Such files also generally can’t be permanently removed from the network.

In addition to Franklin’s data security violations, the FTC alleged that the dealership engaged in a violation of the Unfair or Deceptive Act or Practice by misrepresenting in its privacy notice the measures it would take to protect customer information from unauthorized access.

It is important that dealers:

(a) consider threats that may arise from P2P software when accessing the adequacy of their current customer information safeguards and then adjust their customer information security program accordingly; and

(b) ensure that the representations in their privacy notices are consistent with their their customer information security practices.

The other business charged by the FTC is a debt collector in Provo, Utah.

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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

Ads

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prices “all costs to the purchaser at the time of the sale, or which are necessary or usual prior to delivery ... including any costs of delivery, dealer preparation and any other charges of any nature; provided, however, taxes, license and title fees and a documentary service fee ... may be excluded from the advertised price if clearly and conspicuously disclosed in the advertisement that these costs are excluded from the advertised price.”

Kelly said BBB monitors are seeing price disclosures on websites that include deductions in addition to those set out in Rule 310. She advises dealers to be careful with their websites to make sure that proper amounts are being excluded from the advertised price.

The BBB is also seeing links on websites through which consumers can “Value Your Trade” or find out “What Is My Trade Worth” and similar claims. Rule 540 of the advertising regulations prohibits dealers from offering a “specific trade-in allowance” or stating that the “trade-in will be valued as a specific

amount.” In accessing these links, after being told they can obtain a value for the trade-in, consumers complete on-line forms and then obtain values based upon whatever information they entered on the forms.

“Dealers all know that the value of a trade-in is not established until after the dealer actually inspects the proposed trade-in and assigns a value after inspection,” Kelly said.

“General information about used car prices can be useful but only if that information is not characterized as a ‘value’ or with similar language.

“Consumers need to understand that they are only obtaining a general estimate and that they cannot rely upon any number obtained through a link to actually determine the value of their trade-ins. The BBB cautions dealers to be careful with the language used to describe the information obtained by consumers through such links.”

As advertising trends evolve, the BBB tries to help dealers work through new issues in applying the state’s automobile advertising regulations, with an ultimate goal of ensuring a level competitive playing field.

Bill could help dealers get car titles quicker

Dealers could obtain a lien release certificate of title from the Illinois secretary of state’s office for \$20, under legislation before Gov. Pat Quinn. The matter cleared both chambers of the Illinois General Assembly without a dissenting vote.

Quinn has until late August to act on House Bill 5493; otherwise the proposal becomes law.

The legislation attempts to accelerate the process because some lienholders do not act quickly to release titles of trade-ins after dealers pay off the loans. Some dealers have been ticketed for not having titles for all the vehicles on their lots, and current laws subject those dealers to having their licenses to sell suspended or revoked.

While lienholders are required to release a title within 20 days after a loan balance is settled—10 days if it is settled with cash—banks increasingly ignore the deadlines, citing far-flung centralized locations where all payments must be routed and other reasons.

2012-2013 CATA Board of Directors

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Board members welcome any questions and comments from their fellow CATA members!

Marketplace

Accounting Manager 20 years’ experience in dealership accounting and management. Excellent communication skills. Works closely with departmental managers to focus on gross profit goals and control expenses. Bill Jensen, (847) 791-6930.

Congratulations!

Luis Gonzales of **Howard Orloff Imports** in Chicago was named a 2012 winner in the VISTA service competition, which Volvo Cars of North America uses to honor North America’s best technicians and service advisors. Andy Seelig of the same dealership and James Sprandel, of **Patrick Volvo** in Schaumburg, were finalists for the award.

Franchised New-Car Dealers in the 8-county CATA area as of 1 July 2012

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] 1/1/2012	Total [present] 7/1/2012
Acura	1	4	2	3	0	0	0	0	0	9	10
Aston Martin	0	0	1	0	0	0	0	0	0	1	1
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	3	3	3	2	3	2	33	33
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	0	2	1	0	0	0	0	0	0	3	3
Ford	2	13	6	7	3	4	5	4	2	47	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	2	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
Rolls-Royce	1	1	0	0	0	0	0	0	0	2	2
Saab	0	3	0	1	0	0	0	0	0	7	4
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	4	2	0	0	1	0	1	0	8	8
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	55	231	82	96	35	31	34	47	22	632	630
# of Outlets	31	161	50	66	17	21	19	33	15	414	413

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