Volume 117, No. 4 March 9, 2020

The 5 Ws of autonomous vehicles in next decade

"We always overestimate the change that will occur in the next two years and underestimate the change that will occur in the next 10," Bill Gates wrote in his 1996 book, "The Road Ahead."

In 2010, self-driving cars were barely on the radar of most automotive and technology enthusiasts. By the end of 2019, autonomous and connected vehicles were a billion-dollar industry and riding a wave of hype and disillusionment.

The next decade of autonomous-vehicle development will prove as unpredictable as the last. While charting this unknown territory, the automo-

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Bill to scrap trade-in cap nears passage in Illinois Senate

Legislation to repeal the $10,000 cap on the value of traded-in vehicles was poised on March 5 for passage by the Illinois Senate. It then would move to consideration by the state House.

Members of the CATA are encouraged to contact their state lawmakers in support of Senate Bill 2481. The General Assembly is in recess and legislators are in their districts until March 18.

Votes thus far on SB 2481 have been unanimous in support, and Gov. J.B. Pritzker has voiced his backing. The cap took effect Jan. 1 following moves last spring to find funding for the $45 billion state capital infrastructure plan sought by Pritzker.

Infrastructure projects would instead be funded, in part, by increasing the sales tax charged in private vehicle sales. For instance, the current $390 sales tax on a 1-year-old vehicle sold for less than $15,000 would increase to $465. If the same vehicle sells for $15,001-$20,000, the sales tax would be increased from $750 to $850.

If the General Assembly passes the legislation, the change to restore the full trade-in allowance on First Division vehicles would take effect upon the governor signing the bill. As currently written, the trade-in credit cap exempts Second Division vehicles.

According to the Illinois Vehicle Code, a First Division vehicle is designed for carrying not more than 10 persons. A Second Division vehicle is designed to carry more than 10 persons; be used for living quarters; pull or carry freight, cargo or implements of husbandry; or be a First Division vehicle remodeled for use and used as a Second Division vehicle.

Sen. Antonio Muñoz initially sponsored the bill, then about a quarter of the state's senators followed suit.

How to run a business amid coronavirus pandemic

Officials canceled the 2020 Geneva International Motor Show this month after Switzerland banned gatherings of more than 1,000 people, to reduce the spread of the coronavirus outbreak.

Japan has closed all schools until early April. Iran has closed all universities for one week and banned public gatherings such as weddings, concerts, and sports games through March. Italy also has banned public events in 11 towns.

With the coronavirus outbreak spreading around the world, many officials — from government and business — are concerned with how to defend against this illness. Fortunately, doctors say that one of the best defenses against getting sick is simpler than some think: Just wash your hands.

"Next to getting a vaccine, which doesn't yet exist for the coronavirus, hand washing is the most important way to avoid contracting a respiratory virus like coronavirus or influenza," said Dr. Sandra Kesh, deputy medical director and an infectious disease specialist at Westmed Medical Group in Purchase, New York. "Good hand hygiene

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Light trucks now 75% of new-vehicle market

New light-vehicle sales in January were close to flat compared to the same month in 2019. January's SAAR of 16.84 million units represents an increase of 0.8%.

However, raw sales numbers of 1.130 million units represent a slight decline of 0.2%. Light trucks represented more than 75% of all new light vehicles sold, and the red-hot crossover segment claimed 43.4% of the total market.

Forecasters expect to see light-truck sales continue to account for three-quarters of the market for the rest of 2020. After an all-time record-breaking month of average incentive spending per unit in December 2019, incentive spending decreased in January.

Banks to tighten credit standards: Moody's

Some banks are "bunkering down" on credit and are likely to continue tightening standards throughout the year, according to an analysis of the Federal Reserve's Senior Loan Officer Opinion Survey by Moody's Investors Service. The SLOOS collected responses from 74 domestic banks and 22 U.S. branches and agencies of foreign banks.

"There's a continual tightening that's going on," Warren Kornfeld, senior vice president of Moody's financial institutions team said. A small group of banks — 8.9% of respondents — indicated in the Fed's survey that auto loan underwriting "tightened somewhat" during the fourth quarter of 2019.

"That's a pretty big pivot to jump to 8.9% from 0% net the previous quarter," Kornfeld added. "It's a response, a solid move that indicates the financial crisis is still very much on people's minds."

Similarly, 8.9% of banks reported in the Fed's survey that credit standards will "tighten somewhat" over the course of this year, compared with current lending standards.

Still, Moody's projected outlook for auto loans is marked as a "credit negative," in Moody's Investors Service's report analyzing the SLOOS results. Despite the stricter credit standards, auto underwriting is weak compared with the historical average and other consumer asset classes, Kornfeld said. However, "it's a positive trend, and we see it with delinquencies coming down," he said.

Virus

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is critical because the main mode of transmission of most germs (including viruses) is hand to mouth, eye, or nose contact.

"Studies have shown that we touch our faces over 20 times per hour. That's a lot of exposure."

The Centers for Disease Control and Prevention does not recommend face masks for the general public. For healthy people, hand-washing and avoiding close contact with sick persons is a better way to prevent infection.

"Wearing masks, except in the situation of a healthcare provider, has never been shown to be a very effective way to protect yourself from infectious diseases," said Eric Toner, a scientist at Johns Hopkins Center for Health Security.

Stocking up on face masks also can reduce the supply for medical workers who need them.

The virus might be transmitted by contact with infected surfaces. It's possible that persons can become infected by touching an object that has the virus on it, such as a doorknob, countertop, or the handle of the bathroom door on an airplane.

The novelty and uncertainty of the virus makes it understandably worrisome. If these waves of panic do arise, it's important to remember that based on what researchers know, COVID-19 is unlikely to be catastrophic.

"This," said Stephen Morse, a professor of epidemiology at Columbia University in New York, "is likely to look a lot more like a flu pandemic than SARS. Not pretty, but not apocalyptic, either. But stay watchful if there are reports of local or regional circulation."

Peugeot CEO says electric cars have no mainstream appeal

Electric cars are bought only by "green addicts" and lack broader appeal needed to reach mainstream consumers, Peugeot Chief Executive Carlos Tavares said March 3.

"When some markets are cancelling some subsidies, demand collapses," Tavares said about electric car sales during a conference call arranged to replace a roundtable discussion at the Geneva car show, which was canceled.

"The battle from now on is that zero emission vehicles become affordable between now and 2025," Tavares said.

"We are selling our electric vehicles to green addicts. We didn't move to the pragmatists," Tavares said, referring to Peugeot's difficulties in selling electric cars to mainstream consumers.

Tavares identified several obstacles that are hindering a broader adoption of electric cars.

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

The CATA Bulletin is distributed via blast email 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.

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Simpler names coming for vehicle safety features

Many drivers have no idea which safety systems their cars have, or what they can do, thanks to a confusing muddle of names automakers use. Buyers want to be safe, frequently paying thousands of dollars for optional advanced driver assistance systems, or ADAs, but the lack of standard names makes it hard to compare one vehicle to another.

"ADA features are increasingly common, but there's lots of misinformation based on names that don't make their purpose or function clear," said Greg Brannon, AAA's director of automotive engineering and industry relations.

According to AAA, automakers use 20 different names for adaptive cruise control, which uses radar and other sensors to automatically maintain distance from the vehicle ahead, accelerate and brake on the highway. There are 40 different names for automatic emergency braking, which slows or stops a vehicle without the driver's intervention when a collision is inevitable.

The profusion of names — some reasonably intuitive, others as spacey as "Distronic" — makes it hard for shoppers to compare safety systems. It also can lead people to overestimate their vehicle's capabilities. Some people think help staying in their lanes means their car can drive itself. It doesn't.

Organizations including automakers, Consumer Reports, AAA, JD Power, the National Safety Council, U.S. Department of Transportation and the Society of Automotive Engineers are working to end the confusion.

Distron-what?

The systems are increasingly common. AAA says 30.8% of 2018 model vehicles sold have automatic emergency braking, 13.9% lane-keeping assist and 11.8% adaptive cruise control — which Mercedes calls Distronic.

The different names, frequently trademarked, arise from marketers' desire to make their systems sound unique and because engineers didn't compare notes when developing them.

500+ programs need parts

New initiative seeks donated car parts for collision repair schools

A new "Part of the Solution" initiative by the Collision Repair Education Foundation provides dealers and dealer groups with an opportunity to support future technicians by donating leftover parts that otherwise might be discarded, allowing students to train on current model vehicles.

"Our philosophy is a higher quality program will attract a higher quality student, which will make for a higher quality industry employee," said Christen Battaglia, director of strategic partnerships for the foundation. "When the technicians entering the industry are well-trained on current vehicles, using modern equipment and tools, the entire automotive industry benefits."

Parts are the most frequent need reported by schools with collision repair education programs, including fenders, hoods, bumper covers and a variety of other parts. Without access to the parts, many students learn on vehicles and parts that are at least a decade old. But with the frequent advances in technology, that leaves student unequipped for a successful career after graduation.

Recognizing that most dealers dispose of thousands of dollars' worth of parts monthly, the foundation developed the "Part of the Solution" initiative in order to connect local schools with these dealers and dealer groups. The CREF has compiled a list of more than 500 schools across the U. S. in need of scrap parts that can be donated at little to no cost to the donor facility.

Locally, the repair foundation named four schools in the Chicago market with collision repair curricula: College of Lake County (Grayslake), Kennedy King College (Chicago), Thornton Fractional High School, (Calumet City), and York Community High School (Elmhurst).

Dealers and dealer groups also can support future technicians by donating professional uniforms through the Foundation's Student Technician Shirt Project. Supporters purchase professional Cintas technician shirts for their local collision education programs, and receive a logo patch on the shirt in recognition of their dedication to the industry.

Said Battaglia: "Receiving professional uniforms fills students with a sense of pride and teaches them what it means to look professional in the workplace. It instills confidence in them, reminds them that plenty of us believe in them, and reaffirms that they will have support as they pursue their education and enter the automotive industry as well-trained professionals."

Dealers interested in supporting the Collision Repair Education Foundation's efforts to assist secondary and post-secondary collision repair training programs should contact Battaglia at (302) 377-5202 or Christen.Battaglia@ed-foundation.org.

Founded in 1991, the Collision Repair Education Foundation is a nonprofit organization dedicated to supporting collision repair educational programs, schools, and students to create qualified, entry-level employees and connect them with an array of career opportunities.

Coming up ...

Circle the following dates for upcoming CATA events. More details on both to follow.

- **June 18**: CATA annual meeting and golf outing, Cog Hill Golf & Country Club, Lemont
- **July 18**: USO Barbecue for the Troops

Autonomous

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tive industry will have to face some fundamental questions.

WHO will autonomous vehicles benefit? In theory, self-driving technology can be applied to any vehicle: cars, taxis, trucks and buses. In reality, new technologies usually come at a premium and initially are adopted by a select few.

For the foreseeable future, the cost of producing and servicing self-driving cars will be expensive. Some people have expressed concern that autonomous vehicles will be accessible only to a small minority of people who will be able to afford the experience of personally owned AVs or self-driving robo-taxis.

On the other hand, some AV advocates have argued that self-driving cars would best serve vulnerable populations like the blind or disabled — groups that previously have been marginalized by their inability to drive.

Similarly, autonomous vehicles would be extremely useful for an aging population that may prefer a self-driving car or taxi to a privately owned car. Autonomous vehicles could become a socially transformative technology, or they simply could turn into another luxury item for the uber-wealthy.

WHAT will be the reaction to the first serious automotive hacking incident? To date, there have been no malicious cyber-attacks that have compromised the safety of either an autonomous or human-driven vehicle. The most well-known cybersecurity breach involved ethical hackers who were able to take control of a Jeep Cherokee by exploiting a vulnerability in the Uconnect system; that vulnerability was quickly patched.

The news of a self-driving Uber that struck and killed a pedestrian shook the AV industry to its core, grounding not only Uber's autonomous pilot program but causing other companies to reevaluate their approach to real-world testing. An auto hacking incident that caused a fatal crash could create an even greater public relations backlash and scrutiny from lawmakers. If the autonomous-vehicle industry succeeds in gaining consumer trust, cybersecurity will need to maintain a near-perfect record.

WHEN will autonomous vehicles take over the roads? If commercial applications are the initial target market for automated vehicles, they may be driven primarily overnight when traffic is low and when utility for delivery of goods can be maximized. Nighttime driving results in far more accidents than daytime driving. Self-driving cars will not suffer from drowsiness or fatigue and sensors such as lidar can enable autonomous vehicles to manage the dangers of low visibility more reliably than humans.

With online commerce continuing to grow across all retail sectors, the country's road system will be increasingly strained by delivery vans and trucks. There is a limit to the number of vehicles the current infrastructure can sustain. One solution could be to have fleets of electric autonomous trucks transport goods across our highways while people sleep and have humans overtake the roads during the day.

WHERE will autonomous vehicles be most widely deployed? Currently, self-driving car companies have focused their real-world testing in cities, envisioning that AVs will replace taxis and ride-hailing companies such as Uber and Lyft. However, dense urban areas are considered the most challenging environment for self-driving cars to safely navigate. And large cities have other potential transportation solutions, ranging from traditional buses and trains to "new mobility" services such as on-demand bikes and scooters.

Instead, there is a strong case to be made that AVs are more appropriate in suburban and rural communities. Autonomous vehicles excel at navigating consistent, reliable roads and traffic patterns such as those designed in much of suburbia. And road fatalities are among the highest on rural roads with high speeds. While autonomous vehicles are built and tested in cities from Detroit to San Francisco, it may be the suburbs that become the safe haven for self-driving cars.

WHY should we care about autonomous vehicles when so much uncertainty remains? Conventional wisdom tells us that even the most advanced autonomous-vehicle companies are not yet ready for widespread deployment. And when it comes to self-driving technology, being 99% safe won't be sufficient.

Beyond the safety challenges, autonomous vehicles will confront other social, cultural and economic hurdles. Operators of commercial vehicles like taxis, buses, and trucks do much more than just drive. For example, bus drivers collect fares, help people with disabilities and respond to emergency situations. Autonomous and connected vehicles will face many challenges beyond simply navigating the roads.

Despite these unknowns, self-driving cars carry tremendous promise for saving lives and increasing social welfare. As with other emergent social technologies, we have few answers about what the future holds for autonomous and connected vehicles. If automakers, urban planners and legislators are to meet the challenges ahead, they will need to ask the right questions.