California dealer to lead AIADA

The American International Automobile Dealers Association on April 3 announced El Cajon, Calif., auto dealer Greg Kaminsky as its 2016 chairman.

Kaminsky assumed the position in February but was recognized at the AIADA’s 46th annual meeting and luncheon, in Las Vegas.

“Organizations like the AIADA bring dealers together and foster a sense of community that truly benefits us all. I’m proud to be part of it, and I am committed to leaving it in even better shape than I found it,” said Kaminsky.

Kaminsky operates Toyota and Honda franchises. A member of the AIADA board

See AIADA, Page 4

NADA restates priorities at convention; Scarpelli new officer

In his first speech as 2016 chairman of the National Automobile Dealers Association, Jeff Carlson on April 2 pledged to build on the momentum the NADA established in 2015 and lead the organization into its next 100 years of successful advocacy on behalf of America’s franchised new-car and -truck dealers.

In remarks at the 2016 NADA Convention & Expo in Las Vegas, Carlson highlighted several of the NADA’s priorities: right-sizing the association to carry out its primary mission of advocacy, promoting the value of the dealer franchise network for consumers, and helping dealers stay true to their mission by providing their customers with affordable mobility.

“We have right-sized the association and are ready to enter into the next century, a century where we will advocate for all dealers, all of the time, everywhere, just as we have for the past 99 years,” said Carlson, who operates Ford and Subaru franchises in Colorado. “We will do that
Final ‘persuader rule’ issued

A new U.S. Department of Labor “persuader rule,” effective April 25, will require employers, third-party lawyers and labor consultants to report the efforts or arrangements they make to persuade employees, directly or indirectly, on their right to organize or bargain collectively.

“Persuader” report forms must be filed electronically with the Labor Department, where they will become publicly available. Reports must include information concerning relevant employer expenditures and the funds received by law firms and consultants.

Reportable “persuader” activities include the conduct of union-avoidance seminars, the distribution of “persuader” materials to workers, the drafting of personnel policies on union issues and the like.

In addition, dealer groups such as the Chicago Automobile Trade Association must report to the extent that they directly conduct union-avoidance seminars or engage in other “persuader” activities.

The Department of Labor developed an FAQ document on the new rule. Questions may also be directed to NADA Regulatory Affairs at regulatoryaffairs@nada.org.

2 OSHA rulings affect dealerships

Dealers will be impacted by two recent rules handed down by the Occupational Health and Safety Administration, both concerning body shop operations.

First, OSHA has exempted dealership auto body shops from its newly released rule governing respirable crystalline silica, a hazardous mineral often found in construction materials but sometimes also in body filler. The exemption shields dealerships from costly new mandates for workplace exposure control measures, exposure recordkeeping and employee medical examinations.

Working with data collected by KPA Inc., the Maine OSHA Small Business Consultation Program and others, the National Automobile Dealers Association successfully demonstrated to OSHA that the likelihood of exposure to respirable crystalline silica in dealership body shop operations is too minor to merit consideration.

Note: auto body shops was the only industry group specifically exempted from the new silica rule.

Body shops performing tasks consistent with normal workplace health and safety controls may rely on the exemption, which is based on a recognition by OSHA that exposures will not exceed the new regulatory levels under foreseeable conditions.

On the second matter, OSHA has revised its workplace eye and face protection equipment rule to align with consensus standards adopted in 2010 (ANSI/ISEA Z87.1-2010). The new rule does not require dealerships to update or replace their current eye and face protection equipment if they are in compliance.

NHTSA floats electronic odometer proposal

States would be permitted to adopt federal electronic odometer disclosure statements, under a proposal by the National Highway Traffic Safety Administration.

The March 25 proposal sets specific minimum requirements states must meet for electronic disclosures, while providing some flexibility. Executives of automobile trade associations are examining the proposal in conjunction with the agency in their state that is responsible for administering the Truth-in-Mileage Act, the federal odometer law.

The National Automobile Dealers Association’s regulatory affairs committee will file comments by the May 24, 2016, deadline, and the state dealer association executives might file their own comments with NHTSA.

In addition to addressing the various disclosures required by the TIMA, including those for leased vehicles and those involving secure powers-of-attorney, the proposal asks whether the disclosure exemption for older vehicle transactions should be raised from “more than 10 years old” to “more than 25 years old” or if it should be eliminated altogether.

Questions on the proposal may be directed to regulatoryaffairs@nada.org.

Marketplace

GM/GSM 27+ years’ auto industry experience and highly knowledgeable in all aspects of dealership operations. Demonstrated history of quality performance, leadership and initiative, proven success in consistently increasing sales. Productive team leader with exceptional communication, organization and negotiation skills. Scott Henneberry, (815) 978-2575.

Résumé on file at the CATA.
Keep it simple: designing cars for smartphones

As consumers become more reliant on their smartphones, car companies that do a good job integrating them into vehicles’ communication, audio and navigation systems have a huge advantage.

“If you’re buying a new car, you expect it to connect with your smartphone,” said Tom Mutchler, Consumer Reports magazine manager of vehicle interface. “The phone and the car are both essential to your life. People demand they work well together.”

It shouldn’t be asking too much to get into a car, turn the radio on and tune to a station without reading the owner’s manual, but frequently it is.

“Controls need to make sense, and a lot of these don’t,” said Renee Stephens, vice president of U.S. auto quality for J.D. Power, which conducts influential surveys of vehicle quality and dependability.

Problems using phones and other new controls in cars have been Nos. 1, 2 and 3 in recent J.D. Power studies.

“People expect to be able to make calls, access their music and get directions in a way that minimizes distraction,” Mutchler said. “A lot of people don’t care about zero-to-60 times or steering feel, but they expect to be able to use their phone and listen to their music.

“A system that makes it hard to do that creates a bad, unpleasant impression of the whole vehicle.”

The reliability of hardware like engines, tires and suspensions has been improving for years, but poorly designed or malfunctioning systems for phone, music and navigation — “infotainment” in industry lingo — have driven reliability scores down for the whole auto industry. Not to mention reducing countless drivers to gibbering wrecks, pounding the dashboard and cursing when a smartphone connected to a smart car can’t execute a simple command like “Call home” or “Where’s the closest coffee shop?”

Smart phone integration has become a key feature for new vehicles. Automakers that excel at it are likely to have happier owners and better reviews.

“You couldn’t sell a car without one of these systems today,” said Mark Boyadjis, IHS Automotive principal analyst. “Customers expect their connected lifestyle to follow them into the car, and customer satisfaction comes down to usability.”

The Fisher-Price approach

Even the worst systems often look good in a dealer’s showroom, but using spoken commands or a touch screen to make phone calls, play songs and podcasts or set a destination for navigation is entirely different at 65 mph in heavy traffic.

“We talk about the Fisher-Price approach: simple design, really big buttons and really large type,” said Gary Jablonski, product development manager for Ford’s Sync system. Sync drew raves when it debuted as the auto industry’s first voice recognition system in 2007. Ford’s quality ratings plummeted when it added a slow and balky touch screen for the system called My Ford Touch. An improved version dubbed Sync 3 began rolling out into Ford and Lincoln vehicles last year.

The overriding goal was to simplify the system, Jablonski said. Ford ditched seldom-used features so it could make the buttons for popular functions easier to see and touch. Despite My Ford Touch’s widely publicized problems, owners of vehicles were happier than people whose cars lacked it, according to Ford research. Even a bad connectivity system may be better than none at all, but not much.

Experts praise Fiat Chrysler’s Uconnect system for its simplicity. The touch screen has big, clear icons for frequently used features like phone, audio and navigation.
NADA

CONTINUED FROM PAGE 1

in the legislative and regulatory arenas. We will do that with our manufacturers.”

The NADA will continue to build in its successful advocacy efforts on key issues, Carlson added, such as preserving the ability of dealers to discount credit and make credit affordable and accessible, and being advocates for dealers and consumers alike when it comes to ill-advised government policy and manufacturer issues.

“The CFPB is overreaching into our business model, which will reduce consumer access to the most competitive credit market on the planet,” he said. “It’s no secret that the dealer franchise system has been attacked unfairly and relentlessly. But, the best defense is a good offense. We’ve made sure to identify those in Washington who understand and respect our business.”

Concerning vehicle recalls, Carlson said the NADA is working to make sure Washington understands that new-car dealers also want the driving public to stay safe.

“We need 100 percent of the dealers to perform 100 percent of the recalls, 100 percent of the time,” he said. “And we will because it’s the right thing to do.”

Carlson said the automotive industry is evolving at a rapid pace, but core values have remained unchanged.

“Everything we do is with intent, passion, commitment and love. A lifestyle where dealers can and do make a difference in the lives of others,” Carlson said. “There’s a common core in the best of us, and it’s not how good we are at selling cars. It’s trust, honor, friendship and love.

“Most of all, we’re connected in an industry — and with a product — that generates emotion and equates to freedom,” he said. “That’s the way the auto industry and the American dream have aligned for millions of Americans over our last 99 years.”

More than 24,000 new-car and -truck dealers and their managers—including dealers from more than 30 countries — auto industry executives and exhibitor staff attended this year’s NADA convention, where area dealer Mark Scarpelli was installed as this year’s NADA vice chairman. He is principal of Raymond Chevrolet-Kia in Antioch.

AIADA

CONTINUED FROM PAGE 1

of directors for several years, he is an active member of the auto industry and was a 2014 finalist for the Time Dealer of the Year Award, which recognizes the country’s most successful auto dealers.

Founded in 1990, Toyota of El Cajon is that city’s first LEED-certified building. The dealership is the recipient of numerous awards, including Toyota’s President’s Cabinet Award, the President’s Award, the Toyota Board of Governors Award, and the Better Business Bureau Torch Award. It also supports multiple community organizations and causes, including the Navy Seal Family Foundation and the YMCA.

Other 2016 AIADA officers of the Board of Directors are Bradley Hoffman, immediate past chairman (East Hartford, Conn.); Paul Ritchie, chairman-elect (Hagerstown, Md.); and Lisa Wardell, secretary/treasurer (Bethesda, Md.).

Also during its annual meeting, the AIADA presented Charlottesville, Va., dealer H. Carter Myers III with the 2016 David F. Mungenast Sr. Lifetime Achievement Award. The award is named after the late AIADA chairman who was known throughout the auto retail industry for his commitment to his community and the industry. A third-generation dealer, Myers joined his family Ford dealership in 1965. Since then, he has grown the business into 12 franchises throughout central and western Virginia.

“H. Carter Myers III embodies the very best our industry has to offer. He has demonstrated a commitment to making a better workplace for his employees and giving back wherever possible to his community,” said AIADA President Cody Lusk. “I’m pleased to present him with this year’s award because I believe he is an example all dealers should emulate.”