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. On the tan bar across the top of the screen, click on Education/Careers and follow the drop-down menu to CATA-DealersEdge webinars.

Coming topics:

Thursday, Dec. 15 at 12 p.m. CST

“Sales Incentive Audits on the rise: How to avoid an audit in your store” DealersEdge editors have sensed an alarming increase in OEM sales Incentive audits. Many dealerships are over-exposed to severe six-figure charge-backs. Shore up your defenses with this

Customers like sales experience, even if longer: J.D. Power report

Satisfaction with the new-vehicle sales process has improved notably from 2010, according to a new J.D. Power and Associates study.

The 2011 U.S. Sales Satisfaction Index is a comprehensive analysis of the new-vehicle purchase experience and measures customer satisfaction with the selling dealer (satisfaction among buyers).

Overall sales satisfaction averaged 648 on a 1,000-point scale in 2011, up 13 points from 635 in 2010. The gain suggests that, as market conditions improve, automotive manufacturers and dealers are placing renewed focus on and investment in providing buyers with satisfying retail experiences.

The delivery process showed the greatest gain in scoring from 2010 despite the average delivery time for a new vehicle increasing four minutes to an average of 32 minutes. Overall, the average length of time a buyer spends at the dealership increased by 11 minutes, to an average of 4.3 hours in 2011.

A primary reason for the longer delivery process is the increasing proportion

2012 documentary fee maximum announcement expected Dec. 16

The maximum documentary service fee that may be charged in Illinois in 2012 is expected to be announced by the state’s attorney general’s office Dec. 16. The CATA will issue special notice following any announcement.

The increase is tied to the federal Consumer Price Index for the 12-month period ending Nov. 30.

Later this month, the CATA will mail to dealers two copies of a poster regarding the DOC fee that they can post in their dealerships.
Satisfaction
Continued from Page 1
of buyers who want more in-depth demonstrations of technology in their new vehicle (including audio, entertainment, navigation and communications systems). About 88 percent of buyers this year said they received a technology demonstration at vehicle delivery.

“Although technology demonstrations add time to the delivery process, those explanations substantially improve satisfaction, as well as customer loyalty and advocacy,” said Jim Gaz of J.D. Power. Gaz said the demonstrations may also help improve perceptions of new-vehicle quality.

Webinars
Continued from Page 1
presentation by Sherrilyn Peterson, a former OEM dealer auditor who now works independently with individual dealers to audit-proof their records and systems. You can wait until you are selected for audit (hint: that’s too late), or you can watch this webinar and get some concrete information on how to avoid the devastating impact of an OEM sales incentive audit.

You will learn:
• How dealers are selected for audit and how to determine if you could be a target
• What triggers a sales incentive audit and what are your early warning signals
• Just how devastating the charge-backs can be
• A checklist of the key items and areas that are being audited
• How many dealerships run afoul in the management, documentation and application of sales incentives
• The value of having the right process and internal controls over your sales incentive and accounting records
• Best practices of minimizing your risk and keeping your money!

Thursday, Jan. 5 at 12 p.m. CST
“Fixed Operations Growth Opportunities & Obstacles in 2012” With each year comes new opportunities. This webinar features Fixed Ops guru Lloyd Schiller with his view of what dealers, GMs and service directors need to be looking at and planning for to make the most of 2012.

While the economy continues to stumble along, Lloyd will review profit problems in service and parts that mostly are self-inflicted. The collapse of 2008-09 left many dealers overly cautious, and that caution is costing them profits. Lloyd will look at an array of decisions you need to be making now to both maximize fixed operations profits and minimize losses resulting from bad decisions or a faulty view of the market. Lloyd is a “bull” and not a “bear” on what you can do to raise the bar in Fixed Ops in 2012.

New retirement plan fee disclosures coming in 2012
BY JOHN FISHER
As 2012 approaches, businesses must be aware of two new regulatory changes by the U.S. Labor Department pertaining to employer-sponsored retirement plans.

Effective Jan. 1
The first rule, referred to as 404(a), concerns fee and expense disclosures to plan participants. This new regulation is intended to help participants better understand the fees they pay on investments and transactions in an employer-sponsored retirement plan.

A recent survey AARP showed that seven of 10 participants didn’t think they paid any expenses in their retirement plans. In most cases, the plan service providers will be including this information in the participants’ quarterly statements.

Plan sponsors and trustees will be fielding many new questions regarding plan fees and expenses from their plan participants and need to be ready.

Effective April 1
The second rule, referred to as 408(b)2, has to do with required disclosures from plan service providers to plan sponsors and trustees on their services, compensation and fiduciary status.

The new fee and service disclosures will serve to heighten the level of responsibility that plan fiduciaries have to determine whether they are receiving the appropriate level of service for the costs that are incurred.

This new regulation will fully disclose all costs for their retirement plans. Dealers will need to be aware of what to look for on these new statements.

The author is a financial advisor for GCG Financial Inc., a CATA allied member.

Save the date!
After a four-year hiatus, the annual CATA golf outing returns June 11, 2012, to Cog Hill Golf and Country Club in Lemont. Registration likely will begin in April. Watch this newsletter for more details.
BY MARK SCARPELLI
CHICAGO METRO NADA DIRECTOR

There’s a running joke among dealers that no matter what happens, we’ll find something to be optimistic about. The good news is we have much to be optimistic about these days. The consumer confidence index jumped 15 points, November auto sales were the best since the “clunkers” program, and a new study predicts the auto industry will add 150,000 new jobs over the next four years. Things are looking up.

Expect that optimism to carry over in February, too, when we head to Las Vegas for the NADA/ATD 2012 Convention & Expo. If the last few months of 2011 are any indication, we have a lot to look forward to in 2012. Exhibit space in the Expo is sold out and attendee registration is up, which means the 2012 convention is shaping up to be one of the biggest in recent memory.

This convention will mark the first time the NADA and its American Truck Dealers (ATD) division will host a combined event for car dealers and heavy- and medium-duty truck dealers. Early interest is off the charts. For the first time since the economic collapse of 2008, we’re on pace to draw more than 20,000 attendees.

As always, we’ll have a host of dynamic speakers, including Chrysler’s Sergio Marchionne; Aron Ralston, the climber who inspired the Oscar-nominated film “127 Hours;” and, our keynote speaker, former President George W. Bush. NADA University is offering more than 50 workshops, with two full workshop sessions beginning Friday, Feb. 3. And J.D. Power and Associates will again co-host Friday night’s Welcome Reception. We’ll also crown a new Time Dealer of the Year and announce the winners of the ATD Commercial Truck of the Year and ATD/Heavy Duty Trucking Truck Dealer of the Year awards.

It’s going to be quite an event – and not just because it’s Super Bowl weekend! Hotel rooms are filling up quickly. In fact, seven hotels have already sold out. So if you haven’t yet done so, make your plans today to attend by visiting www.nadaconventionandexpo.org. There’s no better place to take the pulse of our entire industry. And chances are the outlook will be . . . optimistic!

In legislative and regulatory news . . .

• The Obama administration last month formally announced its Corporate Average Fuel Economy proposal for model years 2017-2025, nearly doubling current requirements to 54.5 mpg and adding about $3,000 to the average cost of a car. In response, the NADA said the proposal could price millions of Americans out of the new-vehicle market, which could reduce fleet turnover and delay environmental gains. “This regulation gambles that millions of consumers will be able to afford thousands more for generally smaller, more expensive vehicles that may not meet their needs,” the NADA said in a statement. “We need fuel economy policies that encourage the sales of fuel efficient vehicles, instead of risky mandates that frustrate consumer demand and depress fleet turnover.”

• The Federal Trade Commission conducted its third and final Motor Vehicle Dealer Roundtable on Nov. 17 in Washington, D.C. The FTC is examining what, if any, actions it should initiate to further protect consumers in the area of vehicle financing. The actions it may pursue include rulemaking, enforcement, and consumer and business education. As with the two prior FTC roundtables in Detroit and San Antonio, NADA representatives provided a vigorous defense of the dealer-assisted financing model and provided extensive information to correct and rebut a series of misstatements made about various dealer practices. NADA also underscored that, despite repeated requests for empirical information from the FTC, the consumer group allegations of dealer misconduct were anecdotal and unsupported by current and reliable data demonstrating that they are widespread.

• The U.S. Department of Energy and the Environmental Protection Agency have released the 2012 Fuel Economy Guide. The guide provides detailed fuel economy numbers for MY 2012 light-duty vehicles, along with estimated annual fuel costs and other information for prospective purchasers. Dealers must display a copy of the guide and provide copies to customers upon request. There are a number of options available for dealers to comply. This month, EPA/DOE is electronically distributing the guide to dealers for printing as needed. Dealers also can download the file, save it and print it as necessary. Finally, dealers can order hard copies of the guide by calling DOE’s Information Center at (877) 337-3463 between 8 a.m. and 6 p.m. CST; or by using a form to order copies by mail. Hard copies will be mailed this month, free of charge.

In other NADA news . . .

The NADA has again partnered with Time magazine to produce a special section, “Driven by Innovation,” which was available on newsstands in early November. This is the ninth consecutive year that the NADA insert has appeared in Time, which is published weekly with a U.S. audience of more than 20 million and a global audience of more than 24 million. The 12-page section focuses on how the automobile industry is being shaped by advances in everything from clean-car technology to mobile apps.
2 Illinois dealers up for Time award

Geoff Isringhausen of Springfield and Bob Rohrman, who operates 32 dealerships in northeast Illinois and in Indiana, are among 50 dealers nationwide vying for the 2012 Time Dealer of the Year award.

The Illinois Automobile Dealers Association nominated Isringhausen, whose dealership sells BMW, Mercedes-Benz and Porsche new vehicles. Rohrman was nominated by the Automobile Dealers Association of Indiana.

The Time magazine award is one of the automobile industry's most prestigious and highly coveted honors. Recipients are among the nation's most successful auto dealers who also must demonstrate a long-standing commitment to community service.

Time, in partnership with Ally Financial and in cooperation with the National Automobile Dealers Association, will name the winner Feb. 4 at the NADA's annual Convention & Exposition in Las Vegas.

Scam alert
Malicious email poses as BBB misive

The Better Business Bureau has issued an urgent alert cautioning businesses and consumers about an email that purports to originate from a bbb.org email address about a recently filed complaint.

The email contains a dangerous attachment regarding a complaint and appears to direct recipients to the BBB website. This is a scam; the BBB does not send complaints as attachments via email.

The email appears to come from a fake BBB employee claiming that the recipient needs to review the matter and respond to the BBB with a position.

From there, the email appears to direct the recipient to the BBB website, but actually directs the recipient to an outside link.

This email is fraudulent and does not originate from BBB. The email attachment and link are malicious, and BBB representatives strongly advise not to open or click them.

Recipients of such an email should disregard its message, and report any information received to the BBB's Scam Portal.

An example of what the email may resemble is at www.bbb.org/us/article/ALERT-Malicious-Complaint-Email-Claiming-Its-From-BBB.

Those who mistakenly open the attachment should immediately conduct a computer virus scan.

The BBB legal department is working with the U.S. secret service to identify the source of the email and will take all appropriate action to protect its trademark.

CATA-approved member partners

The CATA has identified a select group of allied members who offer programs designed to save our member dealers money. These vendors are vetted by the CATA Member Benefits Committee. The programs they offer are designed to provide exceptional service and great value to our member dealers.

A list of the current Preferred Partners can be found on the CATA website at www.cata.info/resources/cata_member_benefits.

Aflac The CATA approved an opportunity for dealer members of the association to benefit by accessing Aflac insurance coverage for their employees.

Aflac coverage is funded entirely by the employees who choose coverage. Aflac is a safety net of cash paid directly to the employee to cover out-of-pocket expenses associated with any accidents or illnesses that happen to the employee or his family.

The AFLAC program costs dealers absolutely nothing. In fact, dealers can realize added money to their bottom lines by not having to match FICA on the employee payroll deductions.

CIMCO/Comcast Business Services CIMCO is a Chicago-based provider of dedicated T1 telepho电话 and Internet solutions. The parent company of CIMCO is Comcast, which offers triple-play coax- and fiber-based services. The CATA partnership provides a redundant telecom solution for CATA dealer members. In addition, the CATA has arranged for a dedicated account manager for all CATA dealers.

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. The rate for each presentation for CATA members is $149, half what is charged to users who don’t subscribe to DealersEdge. New webinars premiere almost weekly.

First Payment Systems The CATA has negotiated for its members discounted credit card processing rates with First Payment Systems. All CATA dealer members qualify for guaranteed low rates through the CATA Bank Card Program. No new electronic payment processing equipment is needed; existing terminals can be programmed over the telephone in minutes. And FPS imposes no merchant contracts, unlike banks, which usually insist on 3- to 5-year contracts with heavy fees for breaking a contract.

Utility Management Group The CATA encourages its members to explore the energy offerings of Utility Management Group, a full-service energy consulting firm and a licensed Illinois energy broker. UMG benefits and services include pooled natural gas and electric rates, energy conservation products and experienced consultants.

For more about the CATA Preferred Partner program, call Mark Bilek at (630) 424-6082.