



CATA Bulletin

DRIVE **CHICAGO** .COM
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Court reinstates national do-not-call list

Telemarketers may not dial the 51 million phone numbers on the national do-not-call registry while a U.S. appeals court decides whether their free speech rights are being violated, a federal court ruled Oct. 7.

The do-not-call list was to have taken effect Oct. 1, with telemarketers subject to penalties of \$11,000 per call to any numbers on the list. But it became an on-and-off

again effort beginning Sept. 23, when federal judges blocked the list's implementation.

Lawsuits, regulatory authority, free speech restrictions, and several court rulings all contributed to a confusion of whether telemarketing was permitted. Some said it was, others said it wasn't, and a definitive answer was hard to find. Following the court action last

week, the telemarketing restrictions as they were first proposed are in effect.

Businesses that intend to conduct telemarketing are required to take several steps, the first of which is to download the national registry, posted on the Federal Trade Commission's Web site, www.ftc.gov/ After the first judge's ruling, on Sept. 23, the FTC removed the list

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2 area dealers win Northwood education award

The presidents of Hawk Lincoln Mercury in Oak Lawn and Village Pontiac-GMC in Naperville have been named winners of a Northwood University award for noteworthy contributions to education.

Oak Lawn dealer Tom Hawkes and Naperville dealer Bob Van Iten will be given the Northwood University Dealer Education Award on Feb. 1 at the National Automobile Dealers Association convention in Las Vegas.

The university has for more than 40 years recognized those in the retail automobile industry for making noteworthy contributions to education, public or private, on any level, inside or outside of the industry.

Winners of the award, said Northwood University President David Fry, "are people of stature.

"The award is recognition of substantial dedication over a number of years to the educational process and the field of automotive marketing."

Form seeks permission to send faxes to CATA members

To send a fax after Jan. 1, 2005, businesses—including trade associations—must have written permission from any fax recipients, if the fax content amounts to advertising. A form included in this newsletter seeks that permission from the CATA's

membership.

Over a 12-month period, the CATA normally sends about a half dozen faxes to its members. Most of the faxes are informational in nature, such as notice of the coming year's DOC fee. Prior express permission is

not needed for the transmission of an informational fax.

The few CATA transmissions that would be considered "advertising" usually promote the curriculum of CATA Learning University, which offers instruction for

SEE **FAX**, PAGE 4

2nd call!

Legislative contacts survey enclosed

A flyer in this newsletter seeks to measure any business and social relationships that CATA dealer members have with elected officials on the state or local levels. The information is critical for the association's lobbying efforts on legislation that affects its membership.

Please complete the form and return it to the CATA via mail or fax.

Non-luxury buyers favor European makes; luxury owners look to Asia: study

European nameplates on average are most appealing to non-luxury new-vehicle owners, while Japanese nameplates are most appealing to luxury owners, according to a new J.D. Power and Associates study.

The 2003 APEAL Study (Automotive Performance, Execution and Layout), which measures owners' delight with the design, content, layout and performance of their new vehicles, finds that, on average, non-luxury European nameplates far exceed Japanese, U.S. and Korean nameplates in the exterior styling; cockpit/instrument panel; and ride, handling and braking categories. Japanese luxury nameplates have moderate advantages, on average, in categories pertaining to the interior, including comfort/convenience; sound system; heating, ventilation and cooling; and seats.

The study also finds several highly successful all-new and redesigned model launches have succeeded in raising customer satisfaction much higher than that for the models they replaced. The Mazda6 stands out as the most improved redesign, improving an impressive 8 percent over the Mazda 626 it replaced. Other successful redesigns include the Land Rover Range Rover, Saturn Ion and Toyota Sienna (2004).

"The opportunity to move the appeal needle in a positive direction happens when manufacturers introduce all-new designs or the redesign of existing models," said J.D. Power's Joe Ivers. "Many of this year's launches took advantage of this opportunity and have produced home runs."

Among the most successful launches are the Nissan Maxima (2004), Mercury Marauder, Acura TSX, BMW Z4, Subaru Baja, Honda Element, Nissan Murano, Lexus RX 330 (2004), and Toyota Sienna (2004), which each ranked highest in their respective vehicle segments.

Launch models have made big inroads in both the midsize and luxury SUV segments, sweeping the top four positions. Following the highest-ranking Nissan Murano in the midsize SUV segment are the Honda Pilot, Toyota 4Runner and the Kia Sorento, respectively. These four models have raised the bar for the segment by scoring higher in APEAL than the Toyota Highlander did in 2002 to top the segment. The Lexus RX 330 (2004) ranks highest in the luxury SUV segment, followed by the Lexus GX 470, Land Rover Range Rover and the Infiniti FX series, respectively.

"Each of these models," said Ivers, "has delighted customers by outperforming the typical segment performance while also reflecting competitive advantages in the areas that matter most to buyers in those segments. For instance, makers of the top-performing luxury SUVs have concentrated their competitive advantages in the engine and transmission (i.e., powertrain) areas, which are most important to their buyers. Other models emphasized exterior styling, which is important to buyers, but to a lesser degree. Like-

Top Vehicles by Segment

Concept Car	Premium Sports Car (tie)
Mini Cooper	BMW Z4
Entry Midsize Car (tie)	Chevrolet Corvette
Hyundai Sonata	Porsche 911
Volkswagen Jetta	Compact Pickup Truck
Premium Midsize Car	Subaru Baja
Nissan Maxima (2004)	Full-size Pickup Truck
Full-size Car	Cadillac Escalade EXT
Mercury Marauder	Entry SUV
Entry Luxury Car	Honda Element
Acura TSX (2004)	Midsize SUV
Mid Luxury Car	Nissan Murano
Lexus GS 300/GS 430	Full-size SUV
Premium Luxury Car	Ford Excursion
Lexus LS 430	Luxury SUV
Sporty Car	Lexus RX 330(2004)
Volkswagen GTI	

J.D. Power and Associates 2003 APEAL Study

wise, the Toyota Sienna gets very high ratings for the usefulness of its interior space, successfully aligning to customer needs."

Toyota Motor Sales landed the most APEAL awards in 2003, with four models ranking highest in their respective segments. Lexus is the top-ranked nameplate, and Porsche Cars North America, Inc. is the highest-ranking corporation in the study.

The 2003 APEAL Study is based on responses from 102,975 new-vehicle owners. The study, now in its eighth year, is based on eight specific categories of vehicle performance and design that identify what consumers like and dislike about their new vehicles during the first 90 days of ownership. The areas are: engine/transmission; ride, handling and braking; comfort/convenience; seats; cockpit/instrument panel; heating, ventilation and cooling; sound system; and styling/exterior.

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Listings of items for sale are subject to the approval of the CATA. Candidates for employment must submit a full résumé to the Editor.

Review past editions or search by topic at www.cata.info/

Jerry H. Cizek III President, Publisher
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Dealers a driving force on Capitol Hill

By **RAY SCARPELLI**

METRO CHICAGO NADA DIRECTOR

A record 500 politically active dealers and state and metro dealer association executives went to the NADA's 28th Washington Conference in September. Guest speakers included House Speaker Dennis Hastert (R-Ill.), Sens. George Allen (R-Va.) and Blanche Lincoln (D-Ark.), and Time magazine Washington Bureau Chief Michael Duffy.

The dealers visited the offices of more than 225 senators and representatives to discuss current legislative issues impacting dealers, including permanent repeal of the estate tax and tax considerations for Oldsmobile dealers.

In their meetings on Capitol Hill, the conference delegates also made dealer-specific points relevant to broader issues such as the Senate asbestos reform bill, which includes a ban on the sale of asbestos-containing products.

Delegates also urged passage of legislation to extend the Fair Credit Reporting Act. The NADA has sought to renew the expiring provisions to prevent a patchwork of state laws that could interfere with the ability of dealers to obtain timely, accurate, and complete credit reports. Call the NADA's Legislative Affairs office at 800-563-1556 for additional information.

Do-not-call registry in effect during court appeals

As this is being written, the Federal Trade Commission's Do-Not-Call regulation is in effect. Dealers who plan to telemarket must obtain copies of the do-not-call list for the area codes they intend to call.

Everyone should stay abreast of further developments at

www.ftc.gov and www.fcc.gov/. Remember, these rules are only one part of a comprehensive set of telemarketing restrictions imposed by these agencies.

Nearly 600 dealerships took part in a recent NADA teleconference on the restrictions. If yours was not among them, you can purchase a tape of the conference by linking to an order form at www.nada.org or calling NADA Management Education at 800/252-6232, ext. 2.

The NADA also covers the matter in detail in a publication, "Federal Telemarketing Restrictions." It can be ordered through the NADA management education department.

New Web service saves dealers time, speeds access to info

The NADA has launched NADA Express, a new Internet service designed to save dealers time by arranging news and information links from across the Internet on one convenient page. Your personalized NADA Express home page provides links to NADA content and a wide variety of news, financial services (including a stock ticker), and other information.

The service is a private label version of CEO Express, which is used by thousands of executives worldwide. The service is a free benefit of NADA membership, and it's simple to use. Log on to www.nada.org and click on the NADA Express icon in the upper left corner for help signing up and getting started with NADA Express. For further assistance, call NADA Public Affairs at 703/827-7409 or 703/748-7529, or e-mail help@nada.org

In other technology news, the NADA's Web site, www.nada.org, has won the 2003 Standard of Excellence Web Award from the Web

Marketing Association. The award recognizes the standard of excellence for which all corporate Web sites should strive. Winners were selected from approximately 1,000 sites from 19 different countries in 80 different industry categories. All entries were judged by a panel of independent Internet experts and evaluated against peer sites within each industry.

Other news from the NADA

Dieter Zetsche, president and CEO of Daimler-Chrysler, will be the industry keynote speaker on the opening day of NADA's 2004 convention in Las Vegas. The general session on Monday will feature comments by General Tommy Franks. Note: many convention hotels are already sold out. If you plan to attend, register soon to make sure you get your hotel preferences.

- The National Automobile Dealers and Associates Retirement Trust posted an 11.2 percent return in the second quarter and continues to be a stable vehicle for retirement plans for its participants.

- A special NADA section in Time magazine, produced in cooperation with that publication and some auto manufacturers, will highlight automotive careers in America and what auto dealers do in their communities.

- Final consolidation of data is being completed from the recent survey regarding dealers' satisfaction with their computer services providers; results will be published soon.

As always, as your NADA board member, I stand ready to bring your views to the national office, and national office news to you, so keep in touch.

Amnesty offered on taxes unpaid from '83-'02

Attention, Illinois businesses that owe back taxes but wished to pay them with no penalties or interest. Your wishes have been granted.

A tax amnesty program exists until Nov. 17 for businesses that owe taxes administered by the Illinois Department of Revenue for periods from July 1, 1983, to June 30, 2002. Payment must be made in full during the amnesty period.

The Illinois Tax Delinquency Act adds that any taxes owed from the 1983-2002 span which remain unpaid after the amnesty period will be subject to double penalties and double interest. The revenue department intends to focus henceforth on unpaid taxes.

A company which failed to file or incorrectly reported liability on returns filed for the periods above can file the returns and pay any tax now, and penalties and interest will be forgiven.

To qualify for the amnesty program, a business cannot be a party to a criminal investigation or have civil or criminal litigation pending for any tax col-

lected by the Illinois Revenue Department.

Some tax liabilities do not qualify for amnesty:

- Taxes not collected by the Illinois Revenue Department;
- Any balance due on returns for periods outside the 1983-2002 amnesty period;
- Lien filing and lien release fees;
- Bad check penalties; and
- Any accepted offer in compromise.

No application exists to apply for tax amnesty; simply make full payment of any amnesty tax liabilities before Nov. 17. Businesses can call the Illinois Revenue Department, at 800-732-8866, for copies of past years' tax forms.

Revenue department officials said filing under tax amnesty does not increase a business's chances of being audited. "In fact," officials said, "taxpayers who accurately disclose all of their tax liabilities during the amnesty period will lower their chances of being identified for later audit by the department."

Do-not-call

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from its site. Following the Oct. 7 action, the list reappeared on the Web site on Oct. 10.

Dealers must determine the area codes to which they place telephone solicitations. Second, they must register as a telemarketer with the National Do-Not-Call Registry. That is accomplished online at <https://telemarketing.donotcall.gov/>

Within the area codes intended for targeting, download/access the telephone numbers of consumers who have registered on the National Registry. Then train anyone who makes telephone solicitations on behalf of the business not to call any telephone number that appears on the National Registry—unless an exemption applies.

Exemptions: A telephone number that appears on the registry still may be called if a) the consumer has made a purchase from the dealership in the past 18 months, b) the consumer has contacted the dealership with an inquiry in the past 90 days, or c) the consumer has provided written consent—in advance of any call—to permit such calling. The consent form, according to the FTC, must be clear and conspicuous as to its intent.

Under Illinois law, telemarketers are permitted for just 30 days to call a consumer after that consumer contacts a business with an inquiry. Illinois Attorney General Lisa Madigan said the state law would take effect simultaneously with the national law, so the Illinois guidelines apparently are effective.

Dealers can monitor the ever-changing situation at www.ftc.gov/

Fax

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various dealership departments.

Until Dec. 31, 2004, the Federal Communications Commission indicated that the existence of an established business relationship "will continue to be sufficient to show that an individual or business has given express permission to receive unsolicited facsimile advertisements." Such a relationship exists with:

- Persons or entities who have made a purchase or transaction with the fax sender within 18 months immediately preceding the fax transmission; or
- Persons or entities who have inquired into or applied for a product or service offered by the fax sender within 3 months immediately preceding the fax transmission.

Effective Jan. 1, 2005, the FCC will no longer recognize the "established business relationship" exemption. Instead, the fax recipient's written permission must be secured in advance of transmitting any fax advertisement.

Please complete the form in this newsletter and return it to the CATA. Members who intend to conduct advertising by fax should develop a similar form for their audiences.

The CATA database does not enable members to be earmarked for informational faxes but not advertising faxes, so if the completed form is not returned, a member would receive no faxes from the CATA after Dec. 31, 2004.

www.cata.info

Add the site to your list of Web site favorites, and you'll have the link to obtain oodles of CATA stuff.

Review past editions of this newsletter, or use the keyword search for specific topics. Also, download forms to use with non-English vehicle transactions. The forms are translated for deals in several languages.