



## 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](http://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, Nov. 17 at 12 p.m. CST

**“What’s New in Service Lane Selling: Building a Consistent Selling System”** How can your service department create the consistent selling process so often evident in the showroom? This question has vexed dealers and service managers for decades. The selling disci-

SEE **WEBINARS**, PAGE 2

## Smart cars can lead to dangerous distractions, experts contend

Resembling computers on wheels, many of the latest vehicles are loaded with sensors, lasers, cameras and crash warning systems that alert drivers to blind spots and impending collisions, or when they’re drifting too far out of their lane. If the driver fails to respond, some models assume control and apply the brakes. Other options assist with the pesky chore of parallel parking or maintain a safe distance between vehicles.

The aim of all the bells and whistles is, of course, safety.

But how much is too much? The federal government, the auto industry and

the research community are debating the potential for driver distraction from too many chimes, beeps, computerized voices, vibrating steering wheels and lights flashing on dashboards, windshields or side mirrors.

“If a 3-inch light on your dashboard illuminates because you’re too close to the car in front, you may look down at the dashboard first,” said Bryan Reimer, a research scientist who studies human-machine interface at the Massachusetts Institute of Technology’s AgeLab.

Dick Myrick understands how easily a driver’s attention can waver. As a participant in

SEE **SMART CARS**, PAGE 2

## September sales recap in newest Chicago Auto Outlook edition

The latest issue of Chicago Auto Outlook tracks September new-vehicle sales in the eight-county CATA area. Read it online at [www.cata.info](http://www.cata.info).

On the blue bar across the top of the screen, click on Publications, then follow the drop-down menu to Chicago Auto Outlook.

## Smart cars

CONTINUED FROM PAGE 1

a mid-2009 MIT study on driver distraction, he drove an SUV on major interstate highways while wired to an EKG machine that monitored his heart rate.

In an exercise designed to mimic distraction, he was asked to recall numbers in a sequence, then punch them into a keypad or say them aloud. “It was distracting and very stressful,” said Myrick, 62, a retired engineer from Arlington, Mass. “My heart rate went up.”

Auto manufacturers are grappling with how to make high-tech gadgetry more user-friendly. Recent consumer complaints about Ford’s computer system, MyFord Touch, led to a downgrading of the automaker by Consumer Reports and J.D. Powers & Associates. Ford now is addressing issues with the system that has two five-way switch pads on the steering wheel and multiple screen displays.

Lack of standardization in today’s sophisticated technology also ramps up the potential for distraction, Reimer said. “Every manufacturer’s system is different and nobody gets any training before they get behind the wheel.”

Through trial and error (and studying the manual) Halle Schliesmann finally mastered the voice-activated navigation, temperature controls and hands-free phone link in her month-old Honda Pilot SUV.

“I press a button on the steering wheel and say, ‘Cab-

in temperature 68 degrees’ or, ‘Call home,’” says Schliesmann, 49, a Phoenix kindergarten teacher. “The learning curve was steep, but now I love it.”

Some critics say that, more than computers on wheels, vehicles are turning into smartphones on wheels, loaded with infotainment systems that keep occupants connected to their social networks (and attract younger, tech-savvy buyers).

Bluetooth technology allows electronic devices to communicate wirelessly, meaning that you can command your car to check for sport scores and movie listings, get a weather report or play Lady Gaga.

Officials at the U.S. Department of Transportation have chastised automakers for designing cars that enable radios, cellphones, navigation systems and other devices to run smoothly in the car.

“We feel very strongly that just because you can do something in a vehicle — like type on a keypad while the car is in motion — should you do it while driving?” said David Strickland, administrator of the National Highway Transportation Safety Administration.

Any activity — applying mascara, reading a map or talking on a cellphone — is distracting. And the auto industry is pouring out new technologies, many borrowed from the military and the aeronautical industry, faster than researchers can evaluate them, said Anne McCartt of the Insurance Institute for Highway Safety.

## Webinars

CONTINUED FROM PAGE 1

pline taught and enforced in so many showrooms is almost always absent once you get to their service drives. System-selling guru Steve Kwiatkowski of Liqqid Express will bring real-life examples of dealerships that employ new tools to impressively increase maintenance package sales. We all know there are huge profits to be earned in these sales—and now you can learn how other dealerships have achieved their success in selling more high-profit maintenance packages.

Thursday, Dec. 1 at 12 p.m. CST

“**Business Math for Parts Managers**” Financial Statement analysis is an important skill for every dealership profit center manager. Nowhere in the dealership is this more true than in the Parts Department, where parts managers, more so than other managers, are governed by the numbers. Knowing how to read, analyze and then create workable business strategies to impact these numbers is an important part of the Parts Manager’s job. Join an examination of the Parts section of the financial statement with an eye to both understanding how these numbers are calculated and how they should impact your management priorities. Learning the secrets of the financial statement & other key performance indicators can help Parts Managers become more efficient in how they plan for growth and profit improvement.

Thursday, Dec. 8 at 12 p.m. CST

“**How to Rebuild Trust with Your Service Customers**” Consumer research surveys have indicated for decades that customers rank the automotive repair shops near the bottom of all their customer service experiences. Fix that!

## Congratulations!

The 2011 BMW Group Financial Services Driving Force includes Denise Guardino of **Bill Jacobs Motorsport** (Naperville); Patrick Womack of **Laurel BMW of Westmont**; Joseph Perillo of **Perillo BMW** (Chicago); Hanley Dawson III and Hanley Dawson IV of **Patrick BMW** (Schaumburg); and Mike Gillespie of **Schererville (Ind.) BMW**.

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

The CATA Bulletin is distributed via blast e-mail 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.

Review past editions dating to 1998 or search by subject at [www.cata.info](http://www.cata.info).

David E. Sloan  
Erik K. Higgins

President, Publisher  
Editor, Director of Dealer Affairs

## ‘Time out’ needed for Congress over fuel economy regulation

By MARK SCARPELLI

CHICAGO METRO NADA DIRECTOR

It seems like just yesterday we were talking about the new fuel economy standards for Model Years 2012-2016. But the Obama administration, driven to act by California, is particularly motivated to get the next round of standards done three years before it is required to do so. The latest proposal, 54.5 mpg by 2025, has raised some eyebrows. Most automakers have in principle agreed to the plan. But it's far from the finish line. And if a growing number of congressmen have their way, the administration's efforts could be put on hold.

Last month, the NADA applauded the bipartisan efforts of congressmen whose letter to the chairmen of the powerful House appropriations committee and the House appropriations subcommittee asked that the Environmental Protection Agency be given a one-year "time out" from its work on fuel economy standards for 2017-2025 and prevent California from implementing its "patchwork" fuel economy regulations. Members of Congress asked for support of an amendment by U.S. Reps. Steve Austria (R-Ohio) and John Carter (R-Texas). That letter and recent oversight hearings featuring several prominent House members, including Rep. Darrell Issa (R-Calif.), chairman of the House Oversight and Government Reform Committee, have ramped up pressure on the administration to justify its cost assessment of its proposed fuel economy rule. (By the administration's own estimates, the proposed mandates will add an average of between \$3,100 and \$3,600 to the price of a new vehicle.)

The NADA thinks it is entirely too early to be talking about fuel economy proposals that won't even be acted on until 2015. We back a more

practical approach that will allow us to learn from the current standards and see how consumers in the marketplace react to them. That's why we support the Austria-Carter amendment, which seeks to ensure the impact of these rules on jobs, consumer choice and vehicle costs are properly evaluated. The amendment also would achieve one of the NADA's top regulatory priorities by temporarily returning rulemaking authority to the National Highway Traffic Safety Administration, the only agency required by law to consider the economic and safety impact of fuel economy increases.

Since this issue could severely affect our ability to provide our customers with the cars and trucks they need and can afford, our goal is to have regulators address legitimate questions about cost and affordability. With the help of Congress, we just might get that chance.

### In legislative and regulatory news . . .

- Several new rules affecting dealerships that accept **credit or debit cards** took effect Oct. 1. The rules, issued by the Federal Reserve Board as required by the Dodd-Frank Wall Street Reform and Consumer Protection Act, include provisions that (i) cap debit card interchange fees paid by merchants to debit card issuers each time a customer pays with a debit card; (ii) give merchants options for routing electronic debit transactions over any network that is enabled to process them; (iii) prevent payment card networks and card issuers from designating an exclusive network for processing debit transactions; and (iv) prevent payment card networks from imposing restrictions on merchants' ability to offer customers discounts for using cash or certain other methods of payment. The FTC has provided details on these new rules online (<http://business.ftc.gov/docu->

ments/bus78-new-rules-electronic-payments-lower-costs-retailers). Notably, numerous other issues affect dealers' acceptance and treatment of credit card payments in the context of a vehicle financing transaction. Dealers should review their agreements with their finance sources or contact their legal counsel for details.

- Representatives from the NADA and several dealerships will participate in the third and final **roundtable discussion** on the selling and financing of motor vehicles. The Nov. 17 gathering will focus on the vehicle leasing process. As they did with the first and second sessions, NADA representatives will continue to demonstrate to the FTC the absence of prevalent practices that would justify additional regulation of dealers and show that any such regulatory activity would have the unintended consequence of decreasing access to, and increasing the cost of, credit to the very consumers the FTC is charged to protect. A previous roundtable examined how military personnel finance automobile purchases.

- The Federal Trade Commission is warning small businesses that an email with a subject line **"URGENT: Pending Consumer Complaint"** is not from the FTC. The email says that a complaint has been filed with the agency against their company. The FTC advises not to click on any of the links or attachments with the email. Clicking on the links may install a virus on the computer.

- NADA University has the following Academy classes for 2012:

Dealer Candidate Academy: starting Jan. 23; Feb. 20; May 7; June 25; Sept. 10; and Oct. 22.

General Dealership Management Academy: starting Jan. 9; Feb. 13; May 21; Sept. 17; and Oct. 8.

## The Dealer Factor

By JIM SMAIL, CHAIRMAN

AMERICAN INTERNATIONAL AUTOMOBILE DEALERS ASSN.

With the end of the vehicle model year in full swing and with the production ramp-up by Japanese automakers, car shoppers have plenty of options this fall. But dealers wonder: Are Americans ready to buy?

The latest numbers show that the economy grew 2.5 percent in the third quarter, up from 1.3 percent in the second quarter. And although the unemployment rate seems to be stuck at about 9 percent, U.S. light-vehicle sales rose 6 percent in October from the year-earlier level. The fourth quarter outlooks of economists (typically so effervescent) are mixed.

As we close in on the industry's estimated 12.7 million units of sales for 2011, remember that dealers are more important than ever.

Our visibility and involvement in our communities, our dedication to customer service, and our understanding of our unique marketplace is what will move metal in the year's final months. Dealers who take a back-to-basics approach to selling vehicles, and who recommit themselves to their customers, will benefit from pent up demand and improved inventory.

Remember, cars on America's roads today are the oldest they've been in 15 years (on average, 10.2 years). For many families, a new car is looking less like a luxury and more like a necessity. It is up to us to get them in the right vehicle and happy with the end result.

Making those sales will mean hiring and retaining great salespeople. It will mean keeping current on marketing trends. And it will mean staying involved in the community and charitable events. Those habits, and that energy, combine to create what I like to call The Dealer Factor.

The Dealer Factor is the hard-to-pinpoint ingredient that keeps our industry humming along, even when the economic outlook is uncertain. The Dealer Factor is what drives some brands to worldwide success, and what keeps others alive long after they might have collapsed. Dealers understand their neighborhoods, customers, and products. We are the link between manufacturers and customers, and we are the industry's best hope for recovery.

The Dealer Factor involves thinking outside of the box, and understanding the issues that matter to your customers. I am consistently impressed by the creativity and ingenuity of my peers. These are the disciplines that worked for dealers in the 1950s and '60s, and they will work for us now.

Let's build on the momentum we have, and end this year on a high note.

## Show about cars originates from car

"How to Win Friends and Influence People" author Dale Carnegie famously said, "If life gives you lemons, make lemonade." If so, count CATA Communications Director and veteran radio host Paul Brian as freshly squeezed.

En route on Nov. 5 to his weekly show, "Drive Chicago," which airs 8-9 a.m. Saturdays on WLS-AM and counts about 80,000 listeners, Brian encountered closed roads in downtown Chicago that prevented him from reaching the radio station. Rather than miss his show, Brian hosted it from his car.

"It was an amazing Perfect Storm of police, runners, traffic control drones and other folks making it just impossible to make it to the building. So . . . pull the car over to the side, fire up the phone and go. Adapt. Overcome. Heartbreak Ridge!!!" he said.

The live remote from the front seat of Brian's car was not a pre-planned event. It was due to the city closing numerous roads to allow several street races to be run. No matter which road Brian took, he found himself hitting yet another road block. There was no way to get to, or even near the WLS offices, at least not in time for the start of the radio show.

Brian and his producer decided to make the best out of the bad situation. The entire one-hour broadcast was done from his car, on the side of a Chicago street closed off for a race. With no high-quality radio microphone available, Brian completed the show using his cell phone, which the WLS-AM engineer was able to make sound perfectly clear over the air.

And instead of it being a mess, the radio veteran turned the show into a fun, loose hour—and made it one of the more enjoyable recent "Drive Chicago" shows. Even callers to the live show were looser than usual, including a woman who called to ask if the fact her car was shot four times by a gun would appear on her Carfax report. (Brian jokingly wondered if the car actually was attempting to take its own life.)

While the show turned out to be fun for all, Brian said he is no hurry to do another unplanned live remote. As long as Chicago has its roadways open on Saturdays, Brian said he will do his show from the comfort of the WLS radio studios.

But for one day, it just made sense for a show about automobiles and driving on the area's roads to originate from an automobile on an area road.

## Marketplace

**Network System Engineer** 6+ years' experience providing Desktop and Network support. Relationships with many automotive vendors that vary from in-house CRM, collision, accounting and service diagnostic equipment. Samuel Garcia, (312) 912-5727.