



## 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.

**Premiering Thursday, Sept. 17 at 12 p.m. CDT**

**“Labor Law Basics for Car Dealers: 4 Things You Need to Know”** Hiring and firing at most dealerships is an “all-the-time” activity. Every manager involved needs to be aware of these four areas of the law and how to comply.

A long list could be drawn of dealerships that found

SEE **WEBINARS**, PAGE 2

## Auto sales still booming, ‘car’ sales still aren’t: Forbes

Car companies were generally happy with their August sales, as the engine that drives both the U.S. manufacturing and retailing sectors continues to run near its redline. Consumers and businesses snapped up new vehicles at an annual rate of about 17.5 million in August, maintaining near-historic buying levels.

But buried in those economy-pumping numbers is a potentially troubling oddity: Car sales are booming; sales of “cars,” no so much. Pickup trucks, SUVs, crossovers

— people are buying just about everything instead of a plain old car. But it’s crossovers that really are replacing the family “car” as, well, the family car.

“Except for 2012, market share for (crossover models) has grown every year since the first one went on sale in 1995,” said Haig Stoddard, senior industry analyst for automotive data giant Ward’s Auto. In 2009, cars accounted for almost 52 percent of all sales and crossovers just more than 22 percent. Since

SEE **USO**, PAGE 4

## Local Mazda salesman wins race at Elkhart Lake’s Road America

On Aug. 28, Danny Bender scored his first professional win as a racecar driver. Two days later, he was back at his job as a salesman at Autobarn Mazda of Evanston.

Bender started deep in the field, in 12th place, at

the famed 4.048-mile, 14-turn Road America track in Elkhart Lake, Wis. The 12-lap race averaged only 63.5 mph because the first five laps were run behind the pace car, as poor visibility

SEE **BENDER**, PAGE 4

## Student techs foundation to hold fundraiser Sept. 18

As a follow-up to the Collision Repair Education Foundation's inaugural "Cars, Careers, & Celebrities" event, which last year raised more than \$200,000, the foundation will hold the event's second edition Sept. 18 at Chicagoland Speedway in Joliet.

The event takes place in conjunction with the Chase for the NASCAR Sprint Cup taking place that weekend, and will bring together hundreds of high school and college collision students, industry members, and sponsors. High school and college collision students from Illinois, Indiana, Wisconsin, Iowa, Kansas, and Michigan are anticipated to participate in this event, and that list is expected to grow by the event date.

ABRA Auto Body & Glass will participate as the first Diamond Level sponsor and the Collision Repair Educa-

tion Foundation encourages all industry members to participate to not only showcase the various members of the industry to the attending students but also to help raise additional funds to assist collision school programs.

This event will be available at no charge for high school and college collision students, instructors, and administrators. The Collision Repair Education Foundation is requesting a \$100 donation per individual industry member to attend.

Admission includes a trade show, grandstand admission to that day's NASCAR Camping World Truck Series race, Fan Zone Pit Pass, food/beverages, raffles, and VIP access opportunities for select attendees.

For full details, call Brandon Eckenrode, development director at the Collision Repair Education Foundation, at (847) 463-5244.

## NADA writes against proposed overtime exemption threshold

The National Automobile Dealers Association on Sept. 4 filed comments with the U.S. Labor Department in opposition to proposed changes to the federal "white collar" overtime exemptions. The changes are designed to significantly reduce the number of exempt employees.

The exemptions involve both a salary test and a job duties test. The proposal would increase the salary test for executive, administrative, and professional employees from the current \$455 a week (\$23,660 annually) to \$950 a week (\$50,440 annually) and would build in annual and automatic adjustments.

The NADA opposes both the proposed salary threshold increase and the proposed annual automatic adjustment concept. The Labor Department expects to issue a final rule sometime next year.

## Webinars

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themselves on the wrong side of labor law requirements. Most ended up paying huge penalties, and not because they willfully broke the rules. They just did not know better.

Labor law is a wide and complex subject, but attorney Charlie Feuss makes it a bit easier to understand and apply to dealership operations via this workshop. You cannot afford to be ignorant or out of date on this.

Learn what U.S. labor laws say about dealerships and:

- Discrimination: who is in a "protected class," dos & don'ts
- Wage & Hour Regs: always changing, expanding, often confusing
- Family and Medical Leave: FMLA- dealership responsibilities
- Employment Contracts: "At Will" myths & other contract issues

Premiering Thursday, Sept. 24 at 12 p.m. CDT

**"5 Things to Consider Before Changing Your DMS Provider"** Speaker Sandi Jerome suggests that dealers have many more choices these days and, contrary to what worked in the past, price is not at the head of the list.

The whole experience can be a mind-bender. But Sandi promises a "self-quiz" that will help you narrow down the issues and whether to bite the bullet with a new DMS provider, or maybe even to stick with your legacy DMS. The checklist alone is worth your time and effort to attend.

After spending 60 Minutes with Sandi, you will be able to:

- determine if you need an "integrated" or "interfaced" CRM
- sort out multi-company features and which are actually needed
- know just how much you use a Report Writer and which systems have them
- weigh which productivity features you need/not need
- balance the Pros and Cons of a Microsoft-based DMS

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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/publication/bulletins](http://www.cata.info/publication/bulletins).

David E. Sloan  
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## A consumer's next car may reveal more about him than his Facebook profile

A consumer's next car could reveal more about him than his Facebook profile, promising a lucrative cash flow for automakers and drawing scrutiny from European regulators concerned over who can control that data and make money from it.

As they increasingly become smart mobile devices, cars will be able to track where the owner goes as well as gather information about whom she calls or texts and what she Googles on the way. That's valuable information for the likes of BMW, Volkswagen and Daimler.

"The industry talks about uncovering a gold mine," said Stephan Appt, a Munich-based partner at law firm Pinsent Masons LLP. But what data automakers can gather and use isn't yet clear cut, he said.

Germany's luxury brands underscored their interest in data by agreeing to jointly buy digital-map company HERE for \$3.2 billion. And they're also moving to track their customers even when they're not on the road.

Daimler's Mercedes-Benz has created a service called "Mercedes me" to provide remote access to vehicle data such as how full the tank is. It also offers live-traffic information and apps to access news, find parking and get flight information.

On its privacy statement, the Stuttgart-based company says the data may be used for marketing. BMW and Volkswagen's Audi have similar programs.

Representatives for the world's three biggest makers of luxury cars said the companies are committed to keeping data safe and secure and complying with relevant regulations.

### Privacy by design

Still, consumer watchdogs are on alert, especially in Europe, which is sensitive to privacy concerns after a backlash over Google Inc.'s Street View service.

"We are emphasizing privacy by design" so that systems produce "no more data than necessary," said Manfred Ilgenfritz, responsible for car-data issues at the Bavarian data-protection authority for the private sector. The agency wants to require automakers to inform drivers about how their data will be used and actively seek their approval to collect it.

Regulators and the German auto industry's lobby group VDA are in talks and plan to publish a joint position paper on privacy issues as soon as mid-September. The proposal will probably address data from off-line and connected autos as well as car-to-car communication, Ilgenfritz said.

The VDA declined to comment on the discussions.

French data-protection authority CNIL is already working with carmakers on privacy issues. Its framework is currently being overhauled to make it simpler for the manufacturers to comply with the country's rules.

### Detailed data

In the U.S., the government has so far been mostly concerned with car data from a security context, such as protecting against incidents such as the July hacking of a Jeep via its entertainment system, said Kit Walsh, a staff attorney for the San Francisco-based Electronic Frontier Foundation. That puts the onus on Europe to lead the way in privacy, Walsh said.

About 90 percent of new vehicles in western Europe will be able to send and receive data by 2020, compared with roughly one-third next year, Hitachi Ltd. estimates. Once hooked into the Web, the car's driving data could be coupled with information as detailed as a driver's contact list, favorite routes to work and even financial information from mobile-payment systems.

As cars get closer to driving themselves, their cameras and sensors will collect data about what happens in and around the vehicle and what passengers are doing. That prospect has created disputes about what data can be collected and who needs to agree to it. Rules in this area could hamper automakers from fully tapping their newfound gold mine.

"The bottom line is that most connected-car data will need to be considered personal data" unless identifying details are stripped out, which could make it less valuable, said Pinsent Masons partner Appt. "That is the challenge" for the carmakers.

## Nominations being accepted for 2016 BBB Torch Awards

Nominations are being accepted to honor exceptional businesses with the Torch Awards from the Better Business Bureau serving Chicago and Northern Illinois. The awards are presented annually to outstanding businesses in recognition of their commitment to high standards in relationships with their

customers, employees, suppliers, competitors, and the surrounding communities.

The Torch Awards nomination process is open to all for-profit businesses in northern Illinois. Nominations can come from individuals or businesses.

An individual may nominate the company he or she

works for, owns or is affiliated with.

Candidates for the awards will be evaluated by a prestigious independent panel of judges from the business and academic communities.

Companies are judged in five categories based on the following employee numbers: 1-9; 10-99; 100-999, 1,000-

7,499 and 7,500+. Winners will be recognized at a Nov. 19 awards ceremony.

To nominate a company, or for detailed information on judging criteria, go to [www.bbb.org/chicago](http://www.bbb.org/chicago) and click on the torch award link on the lower right side of the page. Nominations will be accepted until Sept. 30.

## Bender

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from low-hanging fog kept race control from turning the cars loose.

With the drivers facing a wet track surface, the Battery Tender Mazda MX-5 Cup winner credited his choice of dry-run tires (slicks) over wet tires.

“The first part of the race was interesting,” Bender said. “Some of the drivers were on drys and others were on wet tires. We went out on drys, which I thought would give us the advantage, and it did on the winning pass.

“Some of the front runners had the advantage in the brake zones, but I was able to get through the turns a lot

better. I went to the outside of the Carousel, where there was a lot of grip, and was able to get by one. I also made an outside pass in Turn 13 stick to take the lead. I think the tire choice was the thing that allowed us to do that.

“This is a one-off weekend for me, so being able to win against guys (who) have been racing here all year is

awesome.”

Bender has deep knowledge of both the Mazda MX-5 he drove and the racetrack from his work at the dealership.

By improving 11 positions, Bender also won the Battery Tender Hard Charger award.

As a club racer last year, Bender won the 2014 SCCA Runoffs T4 Championship.

## Cars

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then, market share for cars has dropped seven points and crossover share coincidentally has gained seven points, Stoddard said.

Being what many believe is one of the gold standards of cars hasn't helped the Honda Accord in the consumer flight to crossover models: Accord sales were down 20 percent in the first eight months of this year. Instigators of the decline are some of Honda's own crossovers.

For the domestic auto companies, car sales in August put the trend in vivid relief. Ford had its best August since 2006 despite a 7 percent slide for its car sales. Ford's total sales for the first eight months of this year, at just more the 1.75 million vehicles, are up 2.7 percent in spite of an overall 2.8 percent decline for cars. Sales of the Focus compact car plunged 26 percent in August and, so far this year, sales for every Ford car except the redesigned Mustang are in the red.

Meanwhile, August sales of Ford's crossover and SUV models were up more than 12 percent and pickup truck sales were up more than 11 percent for the month; respective sales for the first eight months were up 6.8 percent and 4.6 percent.

At General Motors, where sales were off less than 1 percent in August, the skew in the nation's buying preferences is displayed in black and white. Sales

at the company's car-skewed divisions, Buick and Cadillac, are respectively down 2.6 percent and 2.8 percent for the year, while sales at the more balanced Chevrolet are up 2.6 percent. And get this: Sales at the no-cars-at-all GMC brand are up 10.6 percent for the year, making it GM's best-performing division.

At Buick and Cadillac, year-to-date sales for every one of the brands' car models are down and yep, sales for every crossover model are up.

FiatChrysler bragged that August continued its remarkable string of 65 months of year-over-year sales increases, but cherry-picking through the numbers shows the company still struggles to sell cars. Year-to-date sales for some of its newer car lines are up, mostly due to weak-ish comparisons, but sales at the Dodge division (Dodge admittedly is restructuring) are down 16 percent for the year, while the Fiat small-car unit needed eight months to sell just more than 28,000 cars.

When Honda can't sell the Accord and Civic — still believed by many to be the gold standard of cars — it suggests that cars, as a breed, are in trouble. Sales for the midsize Accord plunged 20 percent in August and the Civic dropped 6 percent. Year-to-date Accord sales are off 15 percent and the Civic is down 4 percent. Between the two, Honda is down 50,000 sales compared with the same period last year.

The upside to all this is profitability. Giving consumers what they want — more crossovers and fewer cars

— generally means more money in the carmakers' till, as crossovers almost invariably bring more profit than a comparably-sized car.

So what's not to like with people getting what they want and companies profiting from that demand? In the short run, nothing. But longer-term, the trend may cause trouble for the car companies' capital-intensive manufacturing empires, which since World War II been oriented toward the “traditional” mix of cars versus everything else. Although vehicle assembly plants are increasingly flexible in what kinds of vehicles can be produced, retooling from cars to typically larger crossover models isn't always easy and quick. Or cheap.

Then there's the gas-price wild card. Stoddard and many industry analysts concur that ongoing decline of gasoline prices is a factor in many consumers' choice of a larger crossover rather than a car.

“Although lower gasoline prices likely are helping CUV sales, CUV share was increasing in 2014 even before gas prices started to decline. But the gas price decline certainly has (negatively) affected car market share,” Stoddard said.

What is further enhancing CUV sales this year, Stoddard added, “is increased offerings of subcompact crossovers such as Chevrolet Trax, Jeep Renegade and Honda HRV, among others — those seem to seem to be cutting even more into cars.”