



### 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, March 19 at 12 p.m. CDT

**“Dealership Controllers: How to Financially Triage and Cure Poor Performance in Key Departments”** Poor performance in sales, service, parts or the business office is often hidden by root causes that lie beneath the surface. Learn the keys to identifying—and then curing—less than satisfactory financial performance.

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### Bills to strike Illinois blue law on Sunday automobile sales move

Three Illinois bills that would permit Sunday car sales were assigned March 11 to the Senate Transportation Committee. They all were introduced Feb. 20.

The CATA has advised its members to be prepared to contact senators when, and if, the bills get a committee hearing.

Senate Bill 1780, the most far-reaching of the trio, would lift Illinois’s blue law that prohibits new- and used-vehicle sales on Sundays. Another, SB 1835, would allow for the sale of motor vehicles by licensed dealers for not more than two hours on Sundays. And SB 1706 would permit Sunday sales of motor vehicles if the licensed dealer is a person who observes religious worship on a day other than Sunday.

Obwerweis (R-Sugar Grove) also introduced legislation last year to open dealerships on Sundays, but that effort faltered. The 21-member Senate Transportation

Committee, where the 2014 bill failed, is led by Sen. Martin Sandoval, D-Cicero.

Also March 11, an editorial by the Chicago Sun-Times backed Oberweis’s legislation. “If dealerships want to stay closed on Sundays,” the editorial opined, “nobody is stopping them. If they want to open, government should not stop them.”

The newspaper offered equal space that day for the CATA to point out why dealerships and their customers both benefit from the Sunday closures.

“Having Sunday off keeps employee morale high and allows dealers to attract a higher-caliber salesperson. Salespeople make their jobs a career. That reduces turnover and keeps costs lower for dealers. Who wins? The consumer, who pays lower prices for a new or used car in the ultra-competitive Chicago area market,” said Dave Sloan, CATA president.

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## Webinars

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The role of today's Automotive Controller goes way beyond the counting of the beans. Insightful and routine financial analysis of departmental performance can often reveal significant and hidden operational problems that are both identifiable and curable.

Visit with Rob Campbell and Christine Andrews as they focus on the key areas of "financial triage" for sales, service, parts and the business office.

You will learn:

- which key measurements to focus on
- what "causes of poor performance" are often hidden from casual view
- how to create an "improvement plan," and then execute it
- hints and tips from both Chris and Rob to help cure the problem
- how regular attention can yield big-time profit improvements

Premiering Thursday, March 26 at 12 p.m. CDT

**"Update: Healthcare Plan Choices Under Obamacare"** We've heard about the requirements and penalties linked to the Affordable Care Act. But what does that mean in practical terms when it comes to choosing the right plan for your dealership organization and its employees?

The ACA is the law of the land and not likely to change much, at least in the near term. So far, most of the discussion has been focused on the requirements of Obamacare and what it will cost you in money, time to comply, and penalties if you fail to do so.

This workshop will focus on how the ACA impacts the choices available to dealership organizations as they attempt to provide the best coverage possible for their team members while both complying with Obamacare and keeping costs as reasonable as possible. You do have choices and this session will help you navigate them successfully.

You will learn:

- how premiums, claim costs and admin expenses have changed under the ACA and how that has changed the plan options available
- what you should be considering regarding how your dealership can create a personalized strategy and choose the right plan for your organization and your employees
- an overview of compliance and administrative obligations and how these can impact what plans to offer and to whom they should be offered
- about the cost implications of the "High Cost Plan Excise Tax" due to take effect in 2018 and how to mitigate its impact on your costs

## NADA prints federal advertising compliance requirements

The latest NADA publication, "A Dealer Guide to Federal Advertising Requirements," provides an overview of federal advertising requirements to dealer personnel, dealer advertising agencies, manufacturers, finance companies and others involved in advertising the sale, financing and leasing of automotive products and services.

The guide does not address additional advertising requirements that may be imposed at the state or local level, which vary considerably and need to be fully addressed when dealer ads are reviewed for legal compliance.

The guide's release coincides with intense scrutiny by the Federal Trade Commission of dealer compliance with federal advertising standards. Since 2012, the FTC has initiated enforcement actions against 18 dealers in 12 states for multiple types of advertising violations.

## Sundays

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Oberweis contends that in today's 24/7 world, consumers would appreciate being able to buy a car on Sunday. But 84 percent of new-car purchases involve financing which has to be arranged through lenders that are closed Sundays.

Sloan said: "Dealers who deliver cars without financing arranged do so at risk and often have to call customers back to the dealership if their efforts to obtain the lowest rates prove fruitless. That makes for unhappy customers.

"Dealers, under ever-in-

creasing scrutiny from regulators regarding the financing they arrange, need to do so when the lenders are open, to protect themselves and to treat their customers right."

Through the CATA's production of the Chicago Auto Show and its operation of the consumer website, DriveChicago.com, Sloan said he hasn't heard from any consumers clamoring to buy a car on Sundays.

"In a state where there are plenty of things that are broken and need to be fixed," said Sloan, "this law isn't one of them. We urge Sen. Oberweis to spend time on issues that matter to Illinois taxpayers."

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The CATA Bulletin is distributed via blast email 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/publication/bulletins](http://www.cata.info/publication/bulletins).

David E. Sloan  
Erik K. Higgins

President, Publisher  
Editor, Director of Dealer Affairs

## Senators want law to protect vehicles from hacking

Two senators introduced legislation to force the National Highway Traffic Safety Administration and the Federal Trade Commission to set rules protecting driver security and privacy.

Democratic Sens. Ed Markey, of Massachusetts, and Richard Blumenthal, of Connecticut, proposed the bill after Markey released a report that raised concerns about vehicles being hacked.

Markey's report said millions of cars and trucks are vulnerable to hacking through wireless technologies that could jeopardize driver safety and privacy.

As vehicles grow increasingly connected through wireless networks and become more dependent on sophisticated electronic systems, Congress and federal regulators are worried about the potential for hackers to interfere with vehicle functions.

The report said vehicles are vulnerable to hacking through wireless networks, smartphones, infotainment systems like OnStar — even a malicious CD popped into a car stereo.

"We need the electronic equivalent of seat belts and airbags to keep drivers and their information safe in the 21st century," Markey said. "There are currently no rules of the road for how to protect driver and passenger data, and

most customers don't even know that their information is being collected and sent to third parties.

"These new requirements will include a set of minimum standards to protect driver security and privacy in every new vehicle. I look forward to working with my Senate colleagues to advance this important consumer protection legislation."

Blumenthal said automakers need to do more.

"Connected cars represent tremendous social and economic promise, but in the rush to roll out the next big thing automakers have left the doors unlocked to would-be cybercriminals," Blumenthal said.

"This common-sense legislation would ensure that drivers can trust the convenience of wireless technology, without having to fear incursions on their safety or privacy by hackers and criminals."

The bill would require that all wireless access points in the car are protected against hacking attacks, evaluated using penetration testing; all collected information is appropriately secured and encrypted to prevent unwanted access; and that automakers or third-party feature provider be able to detect, report and respond to real-time hacking events.

The legislation also calls for new cars to be evaluated by a rating system — a



**Virtually all "connected cars" on the road are vulnerable to hackers who could steal data or gain control of the vehicle, said Sen. Ed Markey, D-Mass.**

"cyber dashboard" — to inform consumers "about how well the vehicle protects drivers beyond those minimum standards. This information will be displayed on the label of all new vehicles — just as fuel economy is today."

Its release comes after CBS News' "60 Minutes" aired a segment showing how vehicles can be subjects of remote hacking. BMW AG in January said it had fixed a security flaw that could have allowed up to 2.2 million vehicles to have their doors remotely opened by hackers.

One automaker told Markey that some owners have attempted to reprogram the vehicle's onboard computer to increase the horsepower of vehicles or torque through the use of "performance chips."

In November, two major auto trade associations representing nearly all automakers unveiled a set of principles to protect driver privacy and security.

Wade Newton, a spokesman for the Alliance of

Automobile Manufacturers — the trade group representing Detroit's Big Three automakers, Toyota Motor Corp., Volkswagen AG and others — said he had not seen the report.

But he said automakers believe strong consumer data privacy protections and strong vehicle security are essential.

Newton said: "Auto engineers incorporate security solutions into vehicles from the very first stages of design and production — and security testing never stops.

"The industry is in the early stages of establishing a voluntary automobile industry sector information sharing and analysis center — or other comparable program — for collecting and sharing information about existing or potential cyber-related threats."

Automakers noted that the Society of Automotive Engineers has created a Vehicle Electrical System Security Committee to draft standards that help ensure electronic control system safety.

Gordon Trowbridge, an NHTSA spokesman, said the agency is "engaged in an intensive effort to determine potential security vulnerabilities related to new technologies and will work to ensure that manufacturers cooperate and address issues in order to keep motorists safe."

## '15 NADA Dealership Workforce Study open

## Study: New-car buyers are choosing their next vehicle more out of want, not need

Participation in the National Automobile Dealers Association's 2015 Dealership Workforce Study is underway for dealer members of the NADA and the American Truck Dealers. Participation at [www.nadaworkforcestudy.com](http://www.nadaworkforcestudy.com) concludes May 29.

The study is the industry's most comprehensive analysis of the dealership workforce, collecting data on compensation, employee benefits, retention, turnover, work schedules, hours of operation and much more.

The study aims to provide dealers with the data to make informed recruiting and hiring decisions, and help them meet their number one challenge: attracting and retaining talented employees.

Dealers can enroll as individual dealerships or dealer groups using a secure, Web-based process that involves completing a survey and uploading payroll data.

At the study's close, each participating dealership will receive two complimentary reports: a customized report comparing a dealership's own data against aggregated data from peers in their region and nationally; and an analysis of the industry as a whole, including state-of-the-workforce and demographic trends, plus aggregated compensation, retention and benefits data for each region of the U.S.

In addition, participants can purchase other customized reports that provide even more data.

The CATA encourages its dealer members to participate in this very useful data tool. The greater the level of participation, the more accurate the findings will be. Eligible dealers can enroll at [www.nadaworkforcestudy.com](http://www.nadaworkforcestudy.com).

Direct questions to (800) 557-6232 or [WorkforceStudy@nada.org](mailto:WorkforceStudy@nada.org).

Sixty-one percent of new-car buyers in a recent study said they purchased their latest vehicle due to a want, not a need, suggesting the increasing health of the automotive market.

The 2015 Automotive Buyer Influence Study, performed by AutoTrader.com, surveyed more than 2,300 new and used-car buyers to understand their car-shopping and -buying journeys.

"This is another great indicator for the overall state of the automotive industry," said Jared Rowe, president of AutoTrader.com. "When consumers start to make big purchases out of desire rather than necessity, they are clearly showing more confidence about their personal financial situations."

The study also revealed that the majority of new-car buyers researched vehicles first, and then set their budget, with 64 percent of recent new-car buyers reporting that they researched cars first and then set their budgets. This further drives home the point that they are not feeling as cash strapped as they likely were in previous years.

When new-car buyers begin the shopping process, 63 percent do not have a specific make or model in mind. To help them develop and refine their considerations sets, the majority of new car buyers — 75 percent — use the In-

ternet, according to the 2015 study. By the time they first visit a dealership, 77 percent of new-car buyers purchase the vehicle they have in mind.

"With the majority of new-car buyers entering the market because they want a new car, and the majority of those buyers being highly influenceable at the beginning of the car-shopping process, dealers and automakers have many reasons to be excited," Rowe said.

"The key to reaching and influencing those shoppers is to get the right message in front of them at the right time and in the right places."

According to the 2015 study, new-car buyers spend 16.9 hours in total shopping, with 70 percent of that time spent online.

While online, 66 percent of new-car buyers use third-party sites, 64 percent use OEM sites and 61 percent use dealer sites. Third-party sites are seen as the most useful websites, with 37 percent of new-car buyers saying that third-party sites were the most useful to them. OEM sites were rated as most useful by 34 percent of new car buyers, and 19 percent cited dealer sites as the most useful.

Social media was ranked as most useful by less than 1 percent of persons in the study.

## Connecticut dealer is 2015 AIADA chairman

"As the American International Automobile Dealers Association's 2015 chairman, I want to help usher this association into a new era," Bradley Hoffman said at his induction. "This will be a year of ensuring that dealers' rights are respected by the Consumer Financial Protection Bureau. It will be the year we pass Trade Promotion Authority to ratify trade agreements with Japan and Europe. It will be a year to face forward."

Hoffman, who operates 11 dealerships in Connecticut, was installed at the 45th annual meeting and luncheon of the AIADA. Other 2015 AIADA officers are Larry Kull, immediate past chairman (Marlton, N.J.); Greg Kaminsky, chairman-elect (El Cajon, Calif.); and Brad Strong, secretary/treasurer (Salt Lake City, Utah).