



CATA Bulletin

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Auto show's 'First Look' gala is Feb. 10

A Chevrolet Corvette convertible, a finalist for the 2005 North American Car of the Year award, is just \$200 away for someone who attends this year's First Look for Charity.

But everyone who attends will feel like a winner. The black-tie gala on Feb. 10, held the evening before the Chicago Auto Show opens to the public, directly benefits 19 important Chicago area charities. Last year, the event raised more than \$2.4 million.

First Look for Charity, now in its 14th year, is a unique and elegant way to peruse the nation's largest auto show before the throngs enter with their elbows a-flyin'. About 15,000 people are expected to attend First Look for Charity, a fraction compared to an average daily attendance during the show's 10 public days. First Look for Charity attendees are treated to a wide variety of hors d'oeuvres; champagne, wine and soft drinks.

Tickets are \$200 each and

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AFIP certification testing launches at CATA in March

Dealership F&I personnel can register now for testing to earn certification at the CATA by the Association of Finance and Insurance Professionals. The first AFIP review and testing dates are March 3 and 4.

Self-study materials are sent to employees upon registration, so registering now would afford six weeks of preparation before the first tests. AFIP certification implies a technical competence

and is considered "the MBA of the finance profession."

The AFIP certification course is college-level review and instruction on the federal and state regulations that govern the F&I process. Staff who are AFIP-certified can generate dealership profit and dramatically reduce the chance of legal action in today's litigious environment; they are bound to a code of conduct that holds them accountable for their

actions.

The CATA negotiated with the AFIP a tuition of \$500 for all self-study materials and certification testing. For all personnel who earn certification, the CATA will rebate \$250 to the dealership, to encourage full participation from every dealer. The final cost represents a \$420 savings compared to AFIP prices charged by other state

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Dealers quick to answer relief call for tsunami victims

Relief funding in the aftermath of the major earthquake and tsunamis in Southeast Asia has passed \$4 billion worldwide, including millions from America's private sector. With 150,000 killed, 5 million homeless and millions more vulnerable to disease in the wake of the disaster, the area is desperate for aid.

Buzz Rodland, chairman of the American International Automobile Dealers Association, encouraged dealers to make contributions to charities and relief agencies assisting in the recovery and rebuilding process.

"Dealers have a history of generous support for charitable and other worthy causes," Rodland said. "In the face of this enormous disaster, I encourage all AIADA dealer members to consider supporting the relief efforts."

Rodland and other AIADA leaders have made significant donations based on their

2004 sales, with some committing to donate at least \$1 dollar for every car they sold in 2004.

Monetary donations are the most effective form of assistance because they allow humanitarian organizations to purchase (often within the affected region itself) the exact type and quantity of items needed by those affected by a crisis. In rare instances, commodity contributions are preferred.

The U.S. Agency for International Development identifies more than 80 humanitarian agencies assisting relief efforts that accept contributions by phone or mail, or on Web sites. See the list at www.usaisjd.gov/

Agencies suggested by the AIADA include the American Red Cross, AmeriCares, Catholic Relief Services, Adventist Development and Relief Agency International, WorldVision and U.S. Fund for UNICEF.

AFIP

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and metro dealer associations.

CATA Chairman Art Kelly on Jan. 5 sent the association's dealer members a letter detailing the new AFIP certification and course registration forms. For more forms, call the CATA at 630-495-2282.

"Staffing our F&I departments with capable employees should be considered another step on the road to transparency in the financing process," Kelly said. "With transparency, we can deflect the empty charges of late in the matter of dealer reserve.

"Most customers don't understand financing, and that has caused misinterpretations that we have something to hide. When capable F&I departments can help our customers understand, we also help ourselves."

Self-study materials include a lengthy booklet and six compact discs that can be listened to at the staffer's pace. Besides guiding personnel through the regulations maze, the certification course also helps F&I personnel sell products the department sells, by helping them understand the various customer benefits to promote.

Certification tests pose 150 questions that must be answered

in 200 minutes. For instance, in the section devoted to service contracts, a sampling of a true/false questions:

"Mechanical Breakdown Insurance is a general term which describes insurance coverage, subject to a deductible, against the cost of parts and labor for the repair or replacement of specified major components of an automobile." (True)

"A vehicle service contract that is deductible can be transferred to a subsequent owner of the vehicle as well as to another vehicle of equal value." (False)

Among other matters reviewed:

- Civil and criminal penalties for failing to file a Form 8300 for cash transactions exceeding \$10,000, and the notion of voluntarily filing the form for transactions less than that amount but which appear suspicious.

- Helping customers understand the nuts and bolts of loans—term, interest rate, APR—and how those factors determine loan costs.

- Collecting and evaluating credit information, and what happens if credit is denied.

David Robertson, executive director of the AFIP, said: "F&I is one of those unique occupations where stupidity will get you into as much trouble as dishonesty. Knowledge of the rules is essential."

Bargain shoppers help new-car sales post best December since 2000

Retail sales, helped by sizzling activity in auto showrooms, jumped 1.2 percent in December, providing a solid finish to a year in which sales climbed at the fastest pace this decade.

For the year, retail sales climbed a solid 8 percent, the best performance since an 8.5 percent rise in 1999. The gains were led by a 4.3 percent jump in auto sales, as dealers turned to enhanced incentives to move cars out of

showrooms. Sales in December came in at an annual pace of 18.4 million units, the best showing for the entire year.

Paul Taylor, the NADA's chief economist, said consumers waited for the bargains at both new-car dealerships and shopping malls. Shoppers in car dealerships and department stores have disciplined themselves to wait for the price they want, and retailers mostly obliged in December.

New-car dealers sold 1.53 million light vehicles in December, compared with an average of about 1.4 million units in each of the previous three Decembers.

Analysts had doubted the strength of car sales prior to the government's report, but what Detroit left on the table with confusing and less generous incentives for the month, Asian- and Euro-badged manufacturers gained in sales.

Congratulations!

Eight area Ford and Lincoln-Mercury dealerships achieved the Ford Customer Service Division's 3rd Quarter Genuine Challenge in overall service satisfaction.

They are **Elmhurst Motors, Friendly Ford** (Roselle), **Hawk Lincoln-Mercury** (Oak Lawn), **Jacobs Twin Ford** (Chicago), **Dick James Ford Co.** (South Holland), **Ogden Lincoln-Mercury** (Westmont), and **Webb Ford** (Highland, Ind.)

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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 at <http://cata.drivechicago.com/>

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Surveying the Road Ahead

By **RAY SCARPELLI SR.**

CHICAGO METRO NADA DIRECTOR

The NADA is starting 2005 by creating new programs to meet your needs and advance our dynamic industry.

NADA-24, the dealer's next-day survey, becomes available later this month. (Look for the official announcement at the NADA Convention in New Orleans.) The brief telephone surveys, administered by leading research firm Synovate, have as few as three questions for the customer to answer, though more questions can be added to suit a dealer's specific needs. This feedback is invaluable when looking to improve your sales or service operations.

Other advantages of NADA-24:

- Flexibility—it can be used to evaluate customer satisfaction with vehicle sales, warranty and customer-pay service work and body shop repairs
- Convenience and speed for the customer and dealer—no paperwork
- Immediate feedback for dealers—know right away if corrective action is needed
- Low cost—only \$3.50 per completed survey
- Outside administration; will not tie up your existing staff
- No long-term contracts
- The ability to listen to recordings of customer answers for tone and inflection
- Quick, easy three-question format
- Customizable surveys; ability to add more questions

Learn more at NADA booth 2641 at NADA's 2005 Convention and Exposition and read the February issue of NADA's AutoExec.

In other NADA news:

- The NADA and USA Today have kicked off the 2005 Dealer Innovation Awards competition. Enter before Feb.

19 at www.nada.usatoday.com/ This year's award focus is on consumer finance education.

- The NADA's new Financing Guide, published recently in Time magazine, is available as a comprehensive booklet for your customers. It highlights the advantages of dealer financing and dispels pervasive, negative media myths. Copies are available from nadainfo@nada.org.

- Look for a new Management Education bulletin on sales operations, to be mailed this month.

- Preliminary results from a new survey by Wirthlin Worldwide, sponsored by Automotive Retailing Today, indicate that, while dealers in general still rank low in public trust, when asked about "my own automobile dealership," the same people ranked their specific dealer high on the list, on a par with law enforcement and firefighters.

- The e-mail versions of NADA Weekly and NADA Headlines have a brand-new look. To switch NADA Weekly delivery from fax to e-mail, contact NADA Membership at member@nada.org.

And at the NADA Convention:

- Stop by the Federal Regulatory Outreach Booth, No. 2561, where you can pose questions to regulators from nine federal agencies.

- Attend 50 workshops in six study tracks at the convention and—new this year—bring back videos, DVDs and audio MP3 tapes of select sessions for in-dealership training. Pre-order them at www.PlaybackNow.com/

- See what's new at the N.A.D.A. Official Used Car Guide Co. booth No. 2841.

I look forward to hearing from you—especially in New Orleans, when I'll be able to tell you more about NADA-24 and all the exciting opportunities that are yours because of your membership in the NADA, the Voice of the Dealer.

First Look

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can be ordered (1) using the pamphlet included with this newsletter, (2) at www.chicagoautoshow.com or (3) by calling 630-424-1636. For corporate benefactor packages, call the CATA's Erik Higgins at 630-424-6008. Purchasers can designate ticket proceeds to benefit any or all of the participating charities.

Benefiting charities this year include Advocate Hope Children's Hospital, Alzheimer's Association, American Lung Association of Metropolitan Chi-

cago, Boys & Girls Clubs of Chicago, Campagna Academy, and Cancer Health Alliance of Metropolitan Chicago.

Also, Catholic Charities of the Archdiocese of Chicago, Children's Memorial Hospital, Clearbrook, The Cradle, Cure Autism Now Foundation, Franciscan Sisters of Chicago Service Corporation, and Ray Graham Association for People with Disabilities.

And, Illinois Spina Bifida Association, Little City Foundation, March of Dimes Birth Defects Foundation, Ronald McDonald House Charities, Misericordia Heart of Mercy, and National Mul-

tipl Sclerosis Society.

The loaded Corvette, worth more than \$57,000, is compliments of Chevrolet Motor Division and the Chicagoland and northwest Indiana Chevy dealers.

Marketplace

For sale Autobase CRM: Windows-based with 16 user licenses, Dell server with HP laser printer available. Assume remaining 18 months of lease at a very reasonable rate. Jon Kommel, 847-828-2936.

Franchised New Car Dealers in the 8-county CATA area as of 1 January 2005

Car Line	Chicago only Ill.	Rest of Cook Cnty. Ill.	Lake Cnty. Ill.	DuPage Cnty. Ill.	McHenry Cnty. Ill.	Kane Cnty. Ill.	Will Cnty. Ill.	Lake Cnty. Ind.	Porter Cnty. Ind.	Total [prior] 7/1/2004	Total [present] 1/1/2005
Acura	0	4	2	3	0	0	0	0	0	9	9
Aston Martin	0	0	1	0	0	0	0	0	0	1	1
Audi	1	3	1	2	0	0	0	1	0	8	8
Avanti	0	1	0	0	0	0	0	0	0	2	1
Bentley	1	1	0	1	0	0	0	0	0	3	3
BMW	1	4	1	3	1	0	0	1	0	11	11
Buick	5	12	5	6	4	1	3	1	3	40	40
Cadillac	1	9	2	2	1	1	1	2	1	20	20
Chevrolet	7	23	7	9	4	6	7	6	2	70	71
Chrysler	6	13	5	4	4	3	3	5	2	47	45
Dodge	5	14	6	4	3	3	3	5	2	45	45
Ferrari	0	0	1	1	0	0	0	0	0	2	2
Ford	8	20	7	9	4	4	6	5	2	65	65
GMC	1	10	3	4	3	1	2	2	2	29	28
Honda	4	10	3	2	1	2	1	2	0	25	25
Hummer	0	2	1	1	0	0	0	1	0	5	5
Hyundai	2	8	3	3	1	0	1	2	0	19	20
Infiniti	1	3	1	1	0	0	0	0	0	6	6
Isuzu	0	7	1	1	1	1	1	2	0	14	14
Jaguar	1	3	1	2	0	0	0	1	0	8	8
Jeep	5	12	4	3	3	3	3	4	2	42	39
Kia	2	6	3	3	1	0	1	2	0	19	18
Lamborghini	0	0	0	1	0	0	0	0	0	1	1
Land Rover	1	2	1	2	0	0	0	0	0	6	6
Lexus	1	4	1	2	0	0	0	0	0	8	8
Lincoln	2	12	5	5	1	1	2	2	1	30	31
Lotus	0	0	0	1	0	0	0	0	0	1	1
Maserati	0	0	1	1	0	0	0	0	0	2	2
Maybach	0	4	1	1	0	0	0	0	0	8	6
Mazda	1	8	4	3	1	0	1	1	1	19	20
Mercedes	1	6	1	2	0	0	0	1	0	11	11
Mercury	2	12	6	5	2	1	3	2	2	34	35
Mini	0	1	1	1	0	0	0	0	0	3	3
Mitsubishi	1	7	1	3	0	0	1	2	0	16	15
Nissan	2	12	3	4	1	1	2	2	1	28	28
Oldsmobile	0	4	1	1	3	2	3	0	1	18	14
Panoz	0	0	0	1	0	0	0	0	0	1	1
Pontiac	4	13	4	4	3	2	2	4	2	39	38
Porsche	0	3	1	1	0	0	0	0	0	5	5
Rolls-Royce	0	1	0	0	0	0	0	0	0	1	1
Saab	1	4	2	2	0	0	0	1	0	9	10
Saturn	1	5	2	2	1	2	1	1	0	15	15
Scion	4	12	2	4	1	1	1	2	1	28	28
Subaru	1	5	2	1	1	1	1	0	1	13	13
Suzuki	0	6	2	2	1	0	1	1	1	14	14
Toyota	4	12	2	4	1	1	1	2	1	28	28
Volkswagen	2	9	3	2	1	1	1	1	0	20	20
Volvo	1	4	3	1	0	0	0	1	0	10	10
# of Car lines	80	311	107	120	47	38	52	65	28	858	848
# of Outlets	53	208	62	88	24	25	27	40	14	543	541

NOTE: The difference between car line and outlet figures is the result of outlets that handle more than one car line.