



CATA Bulletin



a biweekly newsletter

Volume 103, No. 12

June 19, 2006

Dealer ad buys down 7% in '05

Dealership spending on advertising as a percentage of new-vehicle sales fell 7 percent last year compared with 2004, the National Automobile Dealers Association reported. Franchised dealers spent an average of \$457 to advertise each new vehicle they sold in 2005, according to the publication, NADA Data.

Dealer advertising on TV, on the Internet and via direct mail rose last year. But spending on radio advertising slipped slightly and plunged 28.9 percent on newspaper advertising, the NADA statistics show.

Newspapers represented 33.0 percent of dealership ad spending last year, compared with 46.4 percent in 2004. A decade ago, newspapers accounted for 53.9 percent of dealer advertising. NADA chief economist Paul Taylor said consumer migration to the Internet and ad rate increases have contributed to the flight from newspapers.

But Taylor told Automotive News that "newspapers are not suffering as much as
SEE ADVERTISING, PAGE 2

Newcomers Scher, Schiele, Webb join incumbents Dolan, Loquercio, Roberts in board election wins *500 participate in annual golf outing*

Beautiful weather—cloudless, 70 degrees—greeted 500 golfers June 12 at Cog Hill Golf & Country Club in Lemont, where the players gathered as part of the CATA's annual golf outing and dinner. At the dinner, balloting results for the association's board of directors showed three incumbents gaining re-election and three newcomers joining the board.

Bob Loquercio won election to a third a final three-year term on the CATA board and is expected to be named by his fellow directors later this month as the board's next chairman. Loquercio operates Elgin Toyota-Scion, Chicago Northside Toyota-Scion and Elgin Hyundai.

Mary Fran Dolan (Freeway Ford-Sterling Truck Sales, Lyons) and **Desmond Roberts** (Advantage Chevrolet, Hodgkins) gained their second terms on the board.

Monty Scher (Rogers Buick-Chevrolet-Pontiac-GMC-Hyundai); **Kurt Schiele**, president of the Elmhurst Auto Group (BMW, Jaguar, Scion and Toyota); and **John Webb** (Packey Webb Ford, Wheaton, and Webb Dodge, Glen Ellyn) won their first board elections. All the terms from this month's election are until June 2009.

Terry D'Arcy, whose CATA board chairmanship ends this month, spoke at the dinner about the new Service Management Bootcamps being launched this summer by the CATA, in association with NCM Associates, which pioneered the 20 Group concept. The Bootcamps yield to Service Manager 20 Groups later this year. See the flier in this newsletter for program details.

The outing included several hole contest winners on the three courses. No one fired a Hole-in-One, but other winners are:

Course 1

Straightest Drive	John Todd, Sentry Insurance
Longest Drive	Phil Lupo, Gartner Buick; Doug Kruep, Sanford
Closest to Honor Box	Fred Boelander, Raymond Chevrolet
Longest Putt	Mark Scarpelli, Raymond Chevrolet

Course 2

Straightest Drive	Julie Nauman, WGN Radio
Longest Drive	Jim Dischert, Universal Underwriters; Bill Herriott, WGN-TV
Closest to Honor Box	Ken Potts, Schepel Buick-Pontiac-GMC
Longest Putt	Gus Babalis, Golf Mill Ford

Course 3

Straightest Drive	Dan Feeny, Feeny Dodge
Longest Drive	Bill Daddano, Freeman, won both contests on the course
Closest to Honor Box	Mario Petrella, Nissan of St. Charles
Longest Putt	Dan Feeny, Feeny Dodge

CATA to help coordinate child seat inspection events in August

Area dealers are encouraged to host child seat inspection events at their dealerships in August, as part of the CATA's car seat safety check campaign.

The campaign will be promoted in public service announcements that will air on NBC5 Chicago and on various Chicago radio stations that are media partners of the CATA. The PSAs will direct consumers to DriveChicago.com for a list of dealers participating in the checks. Dealers therefore need to alert the CATA about their involvement.

The events are a good opportunity for dealers to reach out to their communities. Professionals—police officers, firefighters, hospital personnel and others—would be dispatched to dealerships to help operate the events, at which child seats are inspected for proper installation and for their overall condition. Tom McQueen, regional occupant protection coordinator for the Illinois Department of Transportation, can match professionals with interested dealers. McQueen is at 630-236-4262.

Terry D'Arcy, chairman of the CATA, said: "As dealers, we can play a vital role in making the roads safe for children of all ages. This will not only help save lives, it will also help improve the image of dealers."

Inspection events can be held in August on whatever day the dealer wishes. Many inspections tend to be on a Saturday, but weekday evenings also are popular. Some even are held on Sundays.

The National Automobile Dealers Association has produced brochures and other materials that dealers can share with parents at the events, as part of the NADA's ongoing "Boost For Safety" movement. All the materials can be ordered at 703-760-7562 or downloaded at www.nada.org/boostforsafety.

Advertising

CONTINUED FROM PAGE 1

the numbers indicate." He notes that newspapers supplement their revenue from print classified ads with income from dealers' online ads—a separate and growing category. And newspapers remain the medium most favored by dealers.

The NADA reports that 9.9 percent of dealers' ad dollars last year went to a miscellaneous category that includes sponsorships. That share doubled from 2004, according to NADA Data. Such spending, NADA's Taylor said, "can be everything from advertising at a bus stop or on the side of a bus or a shopping cart, all the way to a race car sponsorship."

Congratulations!

DaimlerChrysler Corporation named its top-volume Chrysler, Jeep and Dodge dealers of 2005. Locally, **Sherman Dodge** (Skokie) is among the Chargers Club; and **Mancari's Chrysler-Jeep** (Oak Lawn) and **Mancari's of Orland Hills** are among the Pacesetters Club.

Winners of Ford Customer Service Division's 2006 First Quarter "Never Settle Challenge" include **William Hawkinson** of Hawkinson Ford Co. (Oak Lawn), **Steve Napleton** of Napleton's Northwestern Ford (Chicago), and **Sean Sivore** of Harvard Ford.

Hummer of Naperville and **Woodfield Hummer** join 34 other dealers nationwide as winners of the first-ever Hummer Master Dealers award, for outstanding sales and customer satisfaction.

Seven area Cadillac dealers were named 2005 Cadillac Master Dealers: **Ettleson Cadillac** (Hodgkins), **Steve Foley Cadillac** (Northbrook), **Heritage Cadillac** (Lombard), **Patrick Cadillac** (Schaumburg), **Al Piemonte Cadillac of St. Charles**, **Schepel Cadillac** (Merrillville, Ind.), and **Weil Cadillac** (Libertyville).

Clarification

In a Scam Alert in the March 13 edition of this newsletter, a Skokie dealership employee indicated that FBI arrest warrants had been issued for Karim Asllani. Asllani denies that allegation, and the CATA cannot confirm the matter with the FBI. Asllani also refutes the employee's assertion that Asllani's Northbrook home is in foreclosure. The CATA regrets publishing the unsubstantiated charges.

The CATA Bulletin is published by the
Chicago Automobile Trade Association
 18W200 Butterfield Rd. Oakbrook Terrace, IL 60181-4810
 630-495-CATA [2282] phone 630-495-2260 fax

The CATA Bulletin is published and mailed every other Friday except during the Chicago Auto Show, when it is not published.

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 dating to 1998 or search by subject at <http://cata.drivechicago.com/>

Jerry H. Cizek III President, Publisher
Erik K. Higgins Editor, Director of Dealer Affairs

Planning for the future

By Ray Scarpelli Sr.

METRO CHICAGO NADA DIRECTOR

There are more than 100,000 open career positions in dealerships across the country, including some 42,000 in sales and more than 37,000 in service. How can we as dealers help fill these jobs? By encouraging young people to consider dealership careers during **Automotive Career Month** this October. The NADA has expanded the formerly weeklong program to a month to allow dealers greater flexibility in hosting career events for local students.

If you'd like to introduce teenagers to the world of dealership work, start by contacting area schools as soon as possible—requests for time, funding and buses to transport students in the fall sometimes need to be submitted before the end of the spring school term. To help you get on school calendars before it's too late, a sample invitation letter to schools is available now at www.nada.org/careers/kitcontents.

More than 700 dealerships in 44 states participated last year in Automotive Career Week. The NADA's goal this year is 1,000 dealerships, with at least one event held in every state. Look for the July issue of *NADA's AutoExec* magazine to find out how to order an event planning kit.

In other NADA news:

The CATA has designated August as **Child Passenger Safety Month**, and the NADA has materials to help. It's part of the NADA's Boost for Safety campaign to educate parents and caregivers about proper child safety-seat use. Dealers are encouraged to host child safety-seat inspection events in their communities during the month. A **how-to guide**, "Building Child Passenger Safety Awareness in Your Community," will be included with your June issue of *NADA's AutoExec* magazine. Or you can access the guide online, along with information on child passenger safety for dealers and customers, at www.nada.org/boostforsafety.

Your feedback can make this year's Child Passenger Safety Month an even greater success. Have you held a child safety day at your dealership? The NADA would like to hear how it went—how well it was attended, its value to your community, and the like. The NADA may use your comments in this year's publicity. Please e-mail rwhite@nada.org

In legislative and regulatory news, H.R. 2048, legislation that would put the Federal Trade Commission in control of automotive repair information and distribution, has been approved 14-13 by a House Energy and

Commerce subcommittee. The **NADA opposes H.R. 2048** because it would result in federal intervention in the automotive repair industry. Access to service and training information and diagnostic tools is available for all independent repair facilities that make the same investment as franchised dealers. (H.R. 2048 is based on the theory that independent repair shops—despite holding 75 percent of the non-warranty repair market—cannot properly repair vehicles because they do not have access to the information and tools that a franchised dealer is required to purchase.)

Independent repair shops represented by the Automotive Service Association also oppose H.R. 2048 as harmful government intervention. NADA continues to believe the true goal of the legislation is to allow after-market auto parts manufacturers to unfairly compete by making parts overseas, with free access to automakers' parts technology. **To speak to members of Congress about this bill**, call the Capitol Building switchboard at 202-225-3121.

- The House Energy and Commerce Committee has **rejected a bill that would have increased light-vehicle fuel economy standards by 2015 to an average 33 mpg for cars and trucks combined**, a 30-plus percent increase over today's average of about 25 mpg. The committee then voted in favor of a bill giving the president authority to change fuel economy rules for cars. "The House committee has taken a practical approach to Corporate Average Fuel Economy standards consistent with the NADA's position that these standards should not adversely impact product availability, vehicle choice, safety or consumer costs," said NADA vice president of legislative affairs David Regan.

- Senate Majority Leader Bill Frist's (R-Tenn.) proposal to give taxpayers a **\$100 gasoline rebate, paid for by the permanent elimination of the last-in, first-out (LIFO) accounting method, was dropped last month amid protests from NADA and other business groups**. Frist's proposal would have required businesses to account for sales of their inventory in a way that would have raised their tax liability.

Frist and Senate Finance Chairman Charles Grassley (R-Iowa) said they would hold hearings on the LIFO issue and continue to study it. The NADA is part of a recently formed business coalition working to preserve LIFO. If your dealership uses the LIFO method, it would be helpful for the NADA Legislative Office to learn how the elimination of LIFO would affect your business. Please e-mail legislative@nada.org

Thanks, Sponsors!

Many allied members of the CATA participated June 12 as sponsors of the association's annual golf outing, to help offset the event's costs. Please express your thanks to the sponsors and give them your consideration when doing business throughout the year.

Gold Sponsors

CBS RADIO Chicago
Sun-Times News Group
Franczek Sullivan, P.C.

Harris Bank

Protective Life Insurance Company

Aspen Marketing Services

Chicago Tribune

DriveChicago.com

NBC 5 Chicago / Telemundo Chicago

Resource Automotive

WDRV 97.1 FM / WWDV 96.9 FM

AYES

Chase Auto Finance

Fifth Third Bank

GMAC

The Mudd Group



Silver Sponsors

Hillstrom Select Marketing Group

JM&A Group

Phillip's Flowers & Gifts

Freeman

S&S Automotive Group

Safety-Kleen Systems, Inc.

Bronze Sponsors

The Fairmont Chicago

WLS 890AM / True Oldies 94.7/WZZN

101.9 fm The MIX

Ford Motor Credit Company

Manheim's Arena Auto Auction

Universal Underwriters Group

Zoom Advertising

Carnica, Inc.

Crowe Chizek and Company, LLC

Lincoln Technical Institute

Park National Bank

Plante & Moran, PLLC

Sentry Insurance Company

Toyota and Lexus Financial Services

TSAA Tri-State Auto Auction

Webb putt for \$10,000 misses mark

John Webb won election this month to the CATA board of directors. At the function at which his election was announced, Webb also won the chance to collect \$10,000 for sinking a 50-foot putt. Alas, the ball rolled wide to the right of the cup.

Webb, who operates Packey Webb

Ford in Wheaton and Webb Dodge in Glen Ellyn, qualified to compete for the prize by being the only contestant of 14 in the preliminary round to drop the ball into the cup from 25 feet.

The putt contest was one of many special events at the June 12 CATA outing, attended by 500 golfers.