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June 19, 2017

Scarpelli elected CATA chairman

Ray Scarpelli Jr.'s fellow directors of the Chicago Automobile Trade Association voted him chairman of the board for the next 12 months, when the directors met June 14 for their monthly meeting.

The new board chairman succeeds John Hennessy, who becomes chairman of the 2018 Chicago Auto Show. Scarpelli will act as the show's co-chairman.

Scarpelli, principal of Ray Chevrolet and Ray Chrysler-Dodge-Jeep-Ram, both in

Fox Lake, leads a board of 15 dealers.

Other 2017-2018 board officers include Vice Chairman Tony Guido (Arlington Heights Ford); Treasurer Bill Haggerty (Haggerty Buick-GMC in Villa Park, and Haggerty Ford in West Chicago); and Secretary Kevin Keefe (Brilliance Honda, Crystal Lake, Brilliance Subaru, Elgin). Dave Sloan is association president.

Four directors — Ed Burke, Dan Marks, Mike McGrath Jr., and Colin Wick-



Ray Scarpelli Jr.



John Hennessy

strom — retired from the board after service since 2008. During their terms,

both McGrath and Wickstrom ascended to board chairman.

4 newcomers among 5 dealers elected to CATA board of directors

A hot day that saw the skies turn from cloudless to rainy greeted more than 300 golfers on June 13 to Cog Hill Golf and Country Club in Lemont, where the players gathered as part of the 2017 CATA annual outing.

And 42 CATA allied members that sponsored the event (see Page 5 of this newsletter) helped add a festivity to the proceedings.

That night at the dinner, results of this month's balloting for the CATA board of directors showed a lone incumbent and four newcomers winning

election to three-year terms. **Bill Haggerty**, now the board treasurer, was elected to his third and final term.

Other election winners were **John Crane**, proprietor of 10 Hawk franchises in Bridgeview, Forest Park, Joliet and Oak Lawn; **Fred Marks** (Classic Kia-Toyota, Waukegan); **Jason Roberts** (Advantage Chevrolet, Bolingbrook and Hodgkins); and **Richard Wickstrom** (Wickstrom Ford-Lincoln and Wickstrom Chrysler-Jeep-Dodge-Ram, Barrington).

John Hennessy, whose term as chair-

man concluded at the outing, reflected on the past 12 months, calling it "an active year, with a lot going on in the industry." He also encouraged more dealers to host a Barbecue for the Troops event on July 15.

The June 13 outing featured several hole contests on the three courses. No one fired a hole-in-one, but other winners — who each collected \$250 gift certificates — were:

Course 1

Straightest Drive: Dave Martin

SEE **OUTING**, PAGE 2

Down payments and loan terms on the rise, as are new-car prices

Rising interest rates and higher sticker prices on new vehicles have pushed shoppers to put up near-record down payments on cars and trucks, in a bid to reduce their monthly bills.

Shoppers in May spent an average \$3,801 upfront on a new vehicle, a 6.5 percent increase over a year ago. The trend held steady for used-vehicle purchases, with

shoppers spending \$2,529 on average, up 3.8 percent from May 2016.

The increase is due to rising new-car prices as well as a general consumer predilection towards cars equipped with more expensive technology, safety, and luxury options.

“New-car prices are rising due to increased content, but consumers are willing to pay for those increases, which

is paramount,” said Jessica Caldwell, director of industry analysis at Edmunds. “Technology features such as Apply CarPlay and safety features such as rear back-up cameras have gotten consumers to willingly spend more money.”

Shoppers historically tend to spend the most money upfront in December as they hunt for luxury vehicles and

pickup trucks, which boast higher transaction prices and require larger down payments.

The industry’s record-high average down payment soared to \$3,951 in December 2012. Following December 2013 and December 2016, May 2017 posted the fourth-highest average down payment on record, a spike unusual for springtime.

CATA awards scholarship to honor deceased NBC 5 employee

The Chicago Automobile Trade Association on June 2 presented the 2017 Spirit of Carol Cooling Scholarship to a graduating senior at an Arlington Heights high school. Ashley Roscoe received a \$1,000 grant to put toward future studies.

The CATA established the Spirit of Carol Cooling Scholarship in 2014 to honor Carol Cooling, a John Hersey High School alumna and a long-time special events director at NBC 5 Chicago. She succumbed to cancer in 2013.

As producer of the Chicago Auto Show live TV special, Cooling and her team worked closely with the CATA, and many of the shows Emmy Awards. John Hennessy, chairman of the CATA, said Roscoe embodies the characteristics for which Cooling was known: someone always willing to volunteer, take on extra responsibilities and hold

leadership positions.

Roscoe plans to use the grant to help fund her college education beginning this fall at the University of Wisconsin-Whitewater, where she will pursue a double major in Natural Resource Management and Criminology.

“With the help of this scholarship, my hope is that I can attend college to learn how to protect our state and national parks as I aspire to be a con-

servation officer or a park ranger,” Roscoe said. “I am beyond blessed to have received the Spirit of Carol Cooling scholarship, and cannot express enough gratitude to the Chicagoland Automobile Trade Association. Thank you to all involved who chose me as the recipient of this award.”

The CATA will fund the scholarship through 2023, and Hersey students will have the chance to apply again next year.

Outing

CONTINUED FROM PAGE 1

Longest Drive (1): Nick Berner
Closest to the Flag: Andy Francis
Longest Drive (2): Michael Rodriguez

Longest Putt: Nick Berner

Course 2

Straightest Drive: Paul Trembl

Longest Drive (1): Bill Haggerty
Closest to the Flag: Eric Todd
Longest Drive (2): Bill Moore
Longest Putt: Cronan Schramm

Course 3

Straightest Drive: Mike Vyzral
Longest Drive (1): Greg Luzinski
Closest to the Flag: Jason Milburn
Longest Drive (2): Brandon Metz
Longest Putt: Joe St. Germain

Chicago minimum wage climbs

As a reminder to Chicago businesses, the city’s minimum wage increases to \$11 an hour beginning July 1.

Chicago’s minimum wage will be raised each July 1 until 2019, when the rate will be \$13 an hour. Beginning July 1, 2020, any increase will be tied to the Consumer Price Index.

The Chicago ordinance also provides that, beginning in 2020, if the CPI increases by more than 2.5 percent in any year, the minimum wage increase shall be capped at 2.5 percent.

The wage increase applies only to Chicago employers. The minimum wage in the rest of Illinois remains \$8.25 an hour.

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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.

David E. Sloan
Erik K. Higgins

President, Publisher
Editor, Director of Dealer Affairs

Marquardt of Barrington dealer named a 2017 'Father of the Year'

Dan Marquardt, dealer partner of Marquardt of Barrington and a member of the Chicago Automobile Trade Association board of directors, was honored June 7 as one of two 2017 Father of the Year recipients by the Illinois Fatherhood Initiative.

The IFI is the country's first statewide nonprofit fatherhood organization, whose mission is to connect children and fathers by actively engaging fathers in the education of their children. The initiative was established in 1997 to address the increasing problem of father absence in society.

"I've been advocating for kids and dads for decades," said David Hirsch, founder

of the IFI and the 21st Century Dads Foundation. "As a result, I've met thousands of dads. Dan Marquardt exemplifies the best of the best."

Marquardt said: "When David called me with the news, I was nearly speechless. It is an incredibly humbling honor to receive such recognition."

Marquardt's Buick-GMC dealership has for more than a decade supported the IFI in a variety of ways, such as by donating vehicles for fundraising raffles. Dan Marquardt, a father of nine children, also offers his personal time volunteering for the organization. One of his previous contributions involved reading through thousands

of essays submitted to the IFI by Chicagoland students.

According to the IFI, research indicates that 24 million children — 1.1 million in Illinois — are growing up in homes without fathers.

Children from fatherless homes are four times more likely to grow up in poverty and nine times more likely to drop out of high school. According to the IFI, the children also are more likely to commit suicide; run away; have behavioral disorders; abuse drugs and alcohol; and commit crimes and end up in prison.

Marquardt said good parenting skills, along with personal convictions, can translate to the workplace.



Dan Marquardt

"There are a lot of parallels between being a father and an employer," he said. "We often look at our (Marquardt of Barrington) staff as one big family, and I strive to provide them encouragement along with clear expectations to ensure success."

Time's a-wastin' to get dealerships signed up for USO fundraiser

For dealerships considering whether to participate in the upcoming USO fundraiser, consider this: It is vital to register right away in order to be included in the various promotions planned by the Chicago Automobile Trade Association.

The CATA has arranged for TV and radio advertising and is working with many radio, print, television and social media partners to develop an aggressive promotional campaign leading up to July 15. All CATA messaging will direct individuals to www.DriveChicago.com to find participating dealers nearby. Host dealers will be highlighted on DriveChicago, with links to information on specific events.

After the ads are developed, it might not be possible to add registration late-comers.

The registration process can be completed by contacting the CATA's Tim McBride or Jennifer Morand at (630)

495-2282; or tmcbride@drivechicago.com or jmorand@drivechicago.com.

Advance planning for the event includes a media kickoff June 28 at the United Center in Chicago. Eighty dealerships last year raised more than \$160,000 for the USO of Illinois. The goal this year is to involve 100 dealers and raise \$200,000.

All proceeds collected will be donated to USO programs that support deployed troops, military families, wounded, ill and injured troops and their caregivers, and families of the fallen.

Some of the planned fundraising activities include:

- **Car Wash**, with dealers asking for donations
- **Lunch special** for employees and their families and friends. They can leave the brown bag at home and eat in, to support the troops
- **Cornhole/Bags Games**. No American barbecue is complete without a cornhole/bags tourney!
- **On Demand DJ**, with donations made for song requests
- **Social Media Donations**. Enlist employees to promote the dealership's USO Barbecue for the Troops through their Facebook, Twitter, LinkedIn and similar accounts, to collect additional donations through an event page.

The USO, a nonprofit, non-political organization, has for 75 years provided Americans with a tangible way to express appreciation and gratitude for the dedication and sacrifice of the nation's troops and their families.



Follow the regs when employing minors ages 14 to 17

As high school students embark on summer jobs, dealers should be aware of the child labor laws that set forth a number of provisions which apply to 14- through 17-year-olds.

Employees ages 14 and 15 may perform nonhazardous jobs, and work no more than eight hours a day and 40 hours a week. Work cannot begin before 7 a.m. or end after 9 p.m.

Under Illinois law, 16- and 17-year-olds can perform any nonhazardous job for eight hours a day and 44 hours a week at a maximum six-day work-week.

Nonhazardous duties include:

- office and clerical work;
- selling/cashier;
- errand and delivery work by foot, bicycle or public transportation;
- clean-up work and grounds maintenance (Federal law prohibits employees 15 or younger from operating power-driven mowers or cutters.);
- car cleaning, washing and polishing, not including work involving the inflation of any tire mounted on a rim equipped with a removable ring; and
- use of vehicle lifts and grease racks by employees 16 and older.

The U.S. Department of Labor has concluded that the use of vehicle lifts does not amount to a hazardous occupation.

Nonhazardous duty requirements apply to any minor employee, including a son or daughter of the dealer. Every minor employee must receive at least minimum wage per hour — \$8.25 in Illinois (\$10.50 in Chicago, \$11 effective July 1), \$7.25 in Indiana — for all hours worked. Sixteen- and 17-year-olds are subject to be paid overtime for any hours worked over 40.

Teen Driving Rules

The U.S. Labor Department has provided rules to clarify the Drive for Teen Employment Act of 1998,

to advise what constitutes prohibited “urgent time-sensitive deliveries.” The rules also clarify that, while employers have to prove compliance with the act, no specific records must be created or maintained.

Under the act, licensed 17-year-olds are permitted to engage in limited driving on public roads. Licensed 16-year-olds may drive only on private property, such as dealership lots; 16-year-olds may not drive on public roadways in the course of employment. On-the-job driving by employees 18 and older is not regulated.

Seventeen-year-olds may drive on public roads while on the job, if they:

- hold a valid state driver’s license;
- have completed a state-approved driver education course;
- are instructed that seat belts must be used; and
- do not have a record of moving violations at the time of hire.

The motor vehicle driven must not exceed 6,000 lbs. gross vehicle weight; be equipped with a seat belt; and not be used for the towing of vehicles.

Driving is permitted if it is restricted to daylight hours; within a 30-mile radius of the place of employment; and occasional and incidental (no more than one-third of an employee’s work time on a daily basis and no more than 20 percent of an employee’s work time per week).

Urgent, time-sensitive deliveries are prohibited for drivers under the age of 18. Because they may be subject to timelines, schedules, and/or turn-around times, drivers might attempt to hurry to complete the delivery.

Prohibited trips include the delivery of materials under a deadline (e.g., deposits to a bank at closing) and the shuttling of passengers to and from transportation depots to meet transport schedules.

Delivery, Passenger Transport

The law allows 17-year-olds limited

daily trips for delivery and passenger transport:

- up to two trips may be made to deliver an employer’s goods to a customer. The delivery of a vehicle is not subject to this limitation;
- transporting of persons is limited to three passengers (including other employees);
- transporting non-employee passengers is limited to two trips a day; and
- in addition to urgent, time-sensitive deliveries, other types of deliveries that are prohibited include route deliveries or sales; or for hire transportation of property, goods or passengers.

Background Checks

At the time of application, prospective drivers/ employees should sign a waiver authorizing background checks for driving record and driver’s education verification.

Prospective drivers/employees should be told at the time they are making application for employment that, if hired, they will be required to provide a written, signed statement that they meet the criteria of the requirements listed earlier, such as a valid driver’s license. Since the law requires that teenage drivers be instructed to wear safety belts, the statement should also include a certification from teenage employees that they have been so instructed.

Working Papers for Minors

Working papers must be obtained from public school officials in the district in which the minor resides before a minor may work in a dealership. The minor’s parent, guardian, or legal custodian must apply for these permits and certificates.

If the minor is terminated, the employment certificate must be returned to the issuing official. If the minor uses a work permit, the employer must notify the school district within five days of the termination.

Thanks, sponsors!

Many allied members of the CATA participated as sponsors of the association's annual golf outing on June 13, 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.

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