



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. On the tan bar across the top of the screen, click on Education/Careers and follow the dropdown menu to CATA-DealersEdge webinars.

Coming topics:

Premiering Thursday, July 31 at 12 p.m. CDT

“How to Make Parts eCommerce Work for Your Dealership: It’s more than just eBay!” If you’ve tried selling parts online but gave up due to too much work for too little profit, you need to take another look. The business model has changed.

SEE **WEBINARS**, PAGE 2

State agency fines dealership for failing to file wage reports

The Illinois Department of Employment Security fined a northwest suburban dealership \$1,600 for failing to submit monthly and quarterly contribution and wage reports, as necessitated by a newer state law.

The law took effect in June 2012, but the monthly reporting requirement was

phased in based on the number of workers at a business: 250 or more, January 2013; 100-249, July 2013; 50-99, January 2014; 25-49, July 2014.

The dealership began submitting reports in January, not knowing its filing requirements actually began

SEE **FINE**, PAGE 2

What’s ahead for used-car sales

Strong consumer demand drove an increase in volume and values for used vehicles in the second quarter, as attractive financing put purchases within reach of more consumers.

The Manheim Used-Vehicle Value Index, a measure of wholesale prices adjusted for mix, mileage and season, increased 1 percent compared to the first quarter and rose 3.6 percent on a year-over-year basis, Manheim reported in its release of the latest index.

The automotive market led the continued recovery

of the U.S. economy. Strict mortgage requirements have held back some purchases in the housing market, but readily available auto financing at attractive terms has made it possible for more consumers to buy a vehicle and afford slightly higher-priced models. Auto loan delinquencies have remained low, a sign of a healthy market.

U.S. dealers are on track for near-record used-car sales in 2014, thanks to the retail financing environment and growth in the certified pre-owned market. CPO

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Jeb Bush, Jay Leno to be among speakers at '15 NADA convention

San Francisco will host the 2015 NADA Convention & Expo from Thursday, Jan. 22, to Sunday, Jan. 25, making it the 16th time since 1948 that the NADA convention has been held in the City by the Bay.

The keynote speakers include former Florida Gov. Jeb Bush and NADA Chairman Forrest McConnell III on Jan. 23; Jay Leno and NADA Vice Chairman Bill Fox on Jan. 24; and inspirational speaker Beck Weathers on Jan. 25.

Considered by many as the "automotive industry event of the year," the NADA convention includes dealer-manufacturer franchise meetings, hundreds of educational workshops for dealers and their managers, several hundred exhibitors on the expo floor and numerous networking events.

The American Truck Dealers Convention & Expo runs concurrently with the NADA convention at the Moscone Center.

Attendee registration and housing opens July 21. For more information, visit www.nadaconvention.org.

Webinars

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Don't overlook the potential of Parts eCommerce. eBay might be the default option for most dealership parts managers trying to make some money with online parts sales, but it is far from the only option and might not be the best choice for your store.

Join expert David Summers for a guide to available parts e-commerce choices and a framework to select solutions that best fit your dealership's parts operations.

Premiering Thursday, Aug. 7 at 12 p.m. CDT

"The Habits & Practices of the Exceptional Service Manager" Some Service Managers are Business Builders. Others treat business like it is something that just happens. Learn what makes some Service Managers truly exceptional.

The days when service could get by just waiting for customers to appear on the service drive are quickly coming to an end. Vast improvements in vehicle quality coupled with the lengthening of mfg. service intervals means you expect fewer cars in your service drive.

The best service managers are planning now to re-invent their businesses to adjust to the new reality in service. This workshop is focused on what makes these service managers stand out in the crowd.

Ed Kovalchick has traveled the country (and beyond) and has met a lot of truly exceptional service managers. Join us for this workshop and hear Ed's take on what makes the best, the truly exceptional.

Congratulations!

Continental Audi of Naperville has been named as being among the top 101 U.S. dealerships at which to work, in the third annual such rankings by Automotive News. An ordering of the top dealerships will be revealed at an Oct. 15 ceremony at the Four Seasons Hotel in Chicago.

Six area GM dealerships won the automaker's 2013 Dealers of the Year award, given to just 2 percent of the region's GM dealers: **Mike Anderson Chevrolet of Merrillville** (Ind.); **Heritage Cadillac** (Lombard); **Phillips Chevrolet of Frankfort**; **Ray Chevrolet** (Fox Lake); **Schepel Buick-GMC** (Merrillville, Ind.); and **Woody Buick-GMC** (Naperville).

Fine

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six months earlier. The fine notification came after the store's reporting began.

The law, referred to as the Save Medicaid Access and Resources Together (SMART) Act, was designed to root out waste, fraud and abuse in the state's Medicaid program.

The dealership controller said the Illinois Department of Healthcare and Family Services told her it relied on an outside agency to tell companies when their reporting requirements began.

"The state has no proof that anybody was notified," she said, "but it doesn't matter.

"They said that they sent it. There was no accountability, no responsibility. We would have done the reporting sooner if we had known."

And the state agency has cast a wide net with its fines, even assessing municipalities and other government units.

For businesses with 25-49 employees, which must begin reporting this month, go to <https://taxnet.ides.state.il.us>.

Tune in to "Drive Chicago," the CATA's automotive radio show, 8-9 a.m. Saturdays on WLS-AM 890.

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The CATA Bulletin is distributed via blast e-mail 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.

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President, Publisher
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Marketing in the dealer and mobile world

A new study finds that women increasingly are attached to their mobile devices. The study, “Women + Mobile: The Unbreakable Bond,” found that 60 percent of women say their smartphone is the most important device they own, and 88 percent of women say their phones give them something to do during their “empty” time every day.

What does that mean for a dealership? Well, if you’re not fully engaging the mobile space in your marketing efforts to women, you’re missing out.

Text Reminders and Alerts

Dealerships that aren’t taking steps to go paperless are in danger of being left behind by dealerships that are. Not only is paper becoming increasingly cost-prohibitive — take a look at how much the company spends each year on printing alone — but women are very responsive to auto dealers who have green practices. Going paperless is a major step in that direction.

Using paperless agreements, email, Web, and mobile advertising, online appointment scheduling and finance qualification, and even utilizing text messaging to keep in touch with

customers after the sale are great ways to make sure the dealership remains front-of-mind for women customers.

Service reminders, scheduled maintenance notices, recall information and more all can be transmitted wirelessly straight to the conduit via which a woman gets all her other important updates: her mobile phone.

The Mobile Web

Of course, it also is desirable to use the mobile space to reach women who aren’t already a customer, and the mobile Web is where to do that. Smartphone and tablet users are threatening to overtake the population of desktop PC users on the Web, so if a dealership is still using a website designed for desktop viewing, it’s time to give that site a facelift and retrofit to fit inside the mobile space. It’ll make the site cleaner, simpler, and easier to navigate from a smaller screen, with some added benefits on the back end as well: mobile SEO.

Giving a website a mobile makeover is a great time to revisit any SEO practices, ensure the entire website is “crawlable,” that the right keywords are still targeted, and, most important, that SEO geared at the mobile user is being capitalized. Mobile searchers are

on the go, which means she’s actively looking for a business like yours if she is searching for a car dealer on her phone. Dealerships that fail to take the steps to make sure she finds them first are going to miss out on important sales opportunities.

The Pitfalls

When it comes to advertising on the Web, mobile or otherwise, most women don’t mind ads as long as they can control the experience. Location-based offers are very effective right now, as 41 percent of women say they prefer ads that are relevant to where they are located. Fifty-two percent say they prefer ads that are relevant to what they’re currently doing on the Web.

The number one negative? Intrusive ads — 91 percent of women say they hate ads that pop up, take over, or otherwise distract from their browsing experience, so stay away from that. Simply make the dealership visible, mobile-friendly, and allow the business to become part of her mobile Web space. Then, when she finds herself ready to shop for a new car, she’ll find you.

The study was conducted by Time, Inc., and Nuance Digital Marketing.

Forecast

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sales, up more than 8 percent in the first half of 2014, will easily set a record this year.

The market sweet spot also has moved upward in terms of price. In June, the strongest pricing and lowest relative supply of vehicles in the wholesale market was in the \$12,000 to \$15,000 price range. In 2013 and early 2014, the strongest pricing was often found in the \$8,000 to \$10,000 price range.

“While the overall eco-

nomics picture has been cloudy at times this year, the automotive market has been a consistent bright spot,” said Tom Webb, Manheim chief economist. “Consumers may have trouble qualifying for a home loan under today’s mortgage requirements, but they have the credit and resources to purchase a car.

“These favorable auto lending conditions show no signs of letting up in the short-term and should help the used-car market.”

Second-quarter pricing for

vehicle segments included:

- Compact cars, which have underperformed for the year, showed an improvement in the quarter compared to other segments. Wholesale values for compact cars ended June up 3.9 percent compared to the same period last year.
- Mid-size cars, the largest segment of the market, showed a slight decline from the previous quarter but values still increased 4.8 percent from a year ago.
- Luxury cars were the

weakest segment in the market, with values falling 0.8 percent over the past year. Ample supply and the deals offered on new luxury cars have put price pressure on used luxury cars.

- Pick-ups and Vans were the strongest segment, driven by demand from individuals and businesses for work vehicles. Prices were up 7.5 percent for pickups and 6.8 percent for vans during the past year.

- SUV and CUV values rose 2.5 percent in the past year.

Principal Financial Group named Preferred Partner for retirement planning, group benefits, related

The sole purpose of the Chicago Automobile Trade Association's Member Benefits Committee is to review and recommend partners whose programs will provide a direct benefit to CATA member dealers.

The CATA recently named Principal Financial Group as the preferred provider for retirement planning (401k and Individual), group benefits & related services.

The CATA and Principal Financial Group have partnered to develop a financial services program that the association believes will offer substantial monthly savings and increased/improved service models to all of member dealers.

In addition to the savings, CATA officials also think this program offers a unique level of transparency, making the retirement & group benefits/health care process much easier to understand.

Principal Financial Group has provided top quality financial services to local and national merchants and individuals for 135 years and is a Fortune 500 company.

Exclusive offering to CATA members:

- **No set-up fees** on new and existing take over 401(k) plans
- **Simplified Issue** on life insurance based on plan design
- **The Employee Financial Resource Plan (EFRP)**

for small- to medium-sized businesses and education for employees

- Principal will offer **no-cost** Informal Business Valuations and **no-cost** Buy-Sell Review Summary Analysis proposals

- **Financial Strategies**, the needs-analysis system that Principal Financial Group uses with business owners and individuals for personal financial analysis

- **Business Owner and Executive Solutions (BOES)**, which offers a wide range of business owner and executive solutions and competitive products

- **The Policy Evaluation Program**, designed to assist a business in the policy review process available through the Preferred Product Network, Inc., a member of the Principal Financial Group®.

Contact Phil Toepper from Principal Financial Group at (630) 874-6764 or toepper.phil@principal.com for a no-obligation financial review of your 401(k) plan, group benefits or related services. Learn more about Principal Financial Group by reviewing the Company Profile available on the www.cata.info Member Benefits page.

More details about the CATA's Member Benefit program are on the association website, www.cata.info/resources/cata_member_benefits.

CATA selects 2 recommended consultants

The aim of the CATA's new Recommended Consultants program is to identify and recommend organizations that have a proven track record of helping dealers in areas of the business that can be particularly challenging to navigate and manage.

In recognizing these recommended organizations, the CATA believes that all dealer members can benefit from the expertise and services the selected organizations provide. CATA Recommended Consultants are independent organizations not tied to the sales process of any individual product or service and have agreed to offer special pricing to CATA members.

The Recommended Consultants program is new for 2014, and the initial partners are:

The Paul Gillrie Institute – Dealership Management Systems

The Paul Gillrie Institute has helped more than 6,000 car dealers in the U.S. and Canada to dramatically reduce technology expenses and get the right system for the right price and terms. The Gillrie Institute distinguishes itself by maintaining its position as the only consultant in the industry that does not have a business or financial relationship with any computer vendor. By completely eliminating any conflict of interest, the Institute concentrates only on the needs of its dealer clients and guarantees them the best discounts and terms from the vendors. Contact Wolf Geide at (800) 576-6959 or at wolf@gillrie.com.

Austin Consulting Group – Risk Management and Insurance Consulting

Austin Consulting Group is the nation's leader in Dealership Risk Management and Insurance Consulting. ACG is a fee-only insurance and risk management consulting practice. ACG does not sell insurance or receive any remuneration from insurance companies or brokers. ACG's loyalty lies strictly with its dealer clients.

While an engagement can be designed in many ways to meet the needs of the specific dealer, most center around an insurance coverage analysis and the bidding of property and casualty insurance, including workers' compensation. ACG does not consult in the areas of health insurance or benefits. Contact Roger Beery at (720) 528-8900 or rbeery@austingc.com.

Both of these companies have developed strong reputations for serving CATA members and come highly recommended by their current dealer customers.