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Pandemic isn't winning back converts; they never left: NADA

By **PETER WELCH**
NADA PRESIDENT AND CEO

For the better part of two years, the NADA spent considerable time and energy combating the narrative that the arrival of Millennials and Generation Z as consumers, combined with the proliferation of app-based ride-hailing services, would soon usher in the end of

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Illinois getting new TRP process this fall

Under a new system that begins its rollout Oct. 1, Illinois dealerships will use paper stock issued by the secretary of state's office to print temporary registration permits and hand them to customers.

The change comes as an effort to improve the process and because the plastic sheath that covers the fiberboard material used for the current TRPs no longer is available, said Thomas Steven, the managing assistant to Ernie Dannenberger, director

of the office's Vehicle Services Department.

Existing TRPs will be discontinued after Nov. 3. Expirations on the new TRP will remain the same at 90 days. A secretary of state facility could issue a subsequent TRP, if needed.

In the new system, SuperUsers (an administrator or manager) will assign packages of 25 TRPs to each User (issuer), who cannot share or reallocate

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Area dealers prepping for month-long fundraisers for USO of Illinois

For the past seven years, Chicagoland's new-car dealers have led the charge in supporting hometown heroes by hosting Barbecue for the Troops community fundraisers for the USO of Illinois.

While this year is unique, local dealers know the need is there — perhaps now more than ever — to help local military families, which is why dealerships are encouraging the public to stop in on Saturday, Oct. 3, or at any time in the month of October, to make a donation to the USO of Illinois.



Donations also are accepted online through participating dealership websites and at DriveChicago.com.

The partnership between the Chicago Automobile Trade Association and the USO of Illinois dates to 2013 when the first Barbecue

for the Troops fundraisers were held. Since then — and nearly 600 fundraisers later — local dealerships have rallied their communities in support of the USO of Illinois to raise nearly \$900,000 for local military who are serving on the home front

during the COVID-19 pandemic and on the frontlines around the world.

“Despite these challenging times, it’s evident that dealers want to make a difference,” said CATA Chairman Kevin Keefe. “The mentality to help others is deeply rooted within local car dealers, and they’re among the first to roll up their sleeves and help when people need it most.”

“While the USO Barbecue for the Troops campaign is just one of many charitable initiatives that dealers

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USO

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support, it's a perfect example of how these local businesses can rally their communities like not many can to all come together around one great cause."

USO of Illinois Executive Director Christopher Schmidt said: "In these unprecedented times, the generous support of local new-car dealers and our hometown communities is more important than ever. Throughout the COVID-19 pandemic, the brave men and women who wear the cloth of our nation continue their mission without pause, deploying around the world as well as here at home in support of the fight of COVID-19 across Illinois.

"The USO stands with our service members and their families as the 'Force Behind the Forces,' continuing to provide essential services, programs and activities even through the pandemic. Thank you to all our local dealerships and their patrons — without whom we could not continue our mission."

The CATA also is providing an opportunity for people to get involved on social media. Beginning Sept. 21, fans can nominate someone who deserves to win the contest's grand prize, the #BBQ4Troops Ultimate At-Home BBQ. The prize is complete with a Real Urban Barbecue catering gift card, BBQ essentials for at-home grilling and a Chicago Blackhawks Patrick Kane autographed hockey puck. Visit

Drive Chicago on Facebook, Instagram and Twitter for more details and to enter.

See DriveChicago.com for the complete list of dealership fundraisers on Oct. 3 and details on how to make

an online donation.

The USO, a nonprofit, non-political organization, has for more than 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.

For more information about the USO of Illinois, visit USOofIllinois.org.

In Memoriam

John F. Weinberger, a co-founder of what today is one of the Top 120 dealership groups in the nation, died Sept. 12 at age 88.

Mr. Weinberger and his younger brother Herman established the Continental Motors Group in 1962, specializing in the sales and service of imported cars. The group now operates seven franchises in Chicago's western suburbs.

He began as an apprentice technician. He also enjoyed racing cars and earned numerous podium finishes in his 30s while competing in Sports Car Club of America events, and he continued racing vintage cars until he was 84. Mr. Weinberger was inducted into the Road Racers Drivers Club, joining an exclusive group of famous race car drivers. He was a past SCCA board member and an active member of vintage racing clubs including the Sportscar Vintage Racing Association, the Vintage Sports Car Drivers Association, and Historic Sportscar Racing, LLC.

His dedication to the retail automobile industry included serving terms on the boards of the CATA, the Illinois Automobile Dealers Association, and the American International Automobile Deal-



ers Association.

Continental Motors Group today is operated by his sons, Jay and Joel, and by his niece, Cheryl Nelson, who is Herman's daughter.

Mr. Weinberger met his wife, Lisa, at a tollbooth in Oak Brook when they both were driving. He did not have exact change that day, so she offered him the coins and her phone number. A few years later, they were married at that tollbooth.

The couple established the Continental Motors Group "Driven to Care" car giveaway program, which to date has donated 72 refurbished cars to people who have overcome challenges such as homelessness, substance abuse, and physical abuse. He also mentored and provided scholarships to graduating high school students interested in a career involving the preservation and restoration of vintage cars.

Other survivors include another son, Bob; and many grandchildren and great-grandchildren. Memorials appreciated to The Footprints Foundation, in care of Continental AutoSports in Hinsdale.

June in ...

... to "Drive Chicago," the CATA's automotive radio show, 8-9 a.m. Saturdays and 6-7 p.m. Sundays on WLS-AM 890.

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Review past editions dating to 1998 or search by subject at www.cata.info/publication/bulletins.

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The new normal

By JASON COURTER
2020 AIADA CHAIRMAN

We've all heard the phrase "new normal" a lot this year, but lately it's really resonating with me.

These days, I don't back out of the driveway without a mask in the car. That's the new normal. My youngest is starting her senior year on a laptop. That's the new normal. And sales at our Honda stores are finally leveling off after some pretty dramatic ups and downs since March. That's the new normal, too.

None of us are thrilled to be living in this new normal (my high school senior least of all), but it's the reality we must navigate, for now. There haven't been any magic bullets for running a dealership group during a pandemic. Every success my team

has had has been the result of hard work, persistence, and stamina.

That's why I'm taking this moment, after nine months of tumult, to say, "Nice job," to my fellow dealers. You're still here. You're still opening your doors every morning. You're still making payroll and making customers smile. It hasn't been easy and it hasn't often been fun, but we're surviving.

This new normal will require from dealers a new type of advocacy. It might be a while before you walk through the halls of Congress or shake hands at a political fundraiser, or even vote in-person at your local polling place. But that doesn't mean you can't be an active and involved dealer advocating on behalf of your employees and your stores.

One big thing you still can do under social distancing guidelines is hold a

Virtual Dealer Visit with your Representative at your store. With the AIADA's help, you can set up an online meeting between your lawmaker and your employees, give your member of Congress a virtual tour of your store, and help him or her understand the value you bring to their district.

Another easy but impactful action is to be an online advocate for your business. Use your personal or business accounts on Twitter and Facebook to share the good work your stores do with the hashtag #Dealers-DoGood. Visit the AIADA's social media toolkit for more ideas on what you can share. And get ready-to-post images from our 2020 Economic Impact Report.

Together, we will show Washington, D.C., just how well dealers are adapting to the new normal.

Protecting your dealership's data

By SHARTEGA IT
CATA APPROVED MEMBER PARTNER

Most dealerships retain sensitive personal information such as names, Social Security numbers, financial statements, credit card information, or other account data that identify customers or employees. This information is necessary to fill Purchase Orders, complete payroll, finance a vehicle, or perform other dealership functions.

However, if sensitive data falls into the wrong hands, it can lead to fraud, identity theft, or similar harms. A security breach can tarnish your customers' trust and perhaps even lead to a lawsuit.

The truth is, safeguarding personal data is a must. Statutes such as the Gramm-Leach-Bliley Act, the Fair Credit Reporting Act, and the Federal Trade Commission Act may require you to provide reasonable security measures for sensitive information.

So what can you do to boost your data and security hygiene? The answer is simple: **Start taking security seriously.**

We recommend deep diving into how your dealership uses, acquires and stores data. If you can understand the lifecycle of data and how it travels within your ecosystem, how it interacts with your CRM, DMS, or other applications, then you can fine-tune ways to secure it. Protecting your data from breaches and hackers, and creating a plan to respond to security incidents is a must for today's dealers. So where do you begin?

Back in 2013, President Barack Obama signed Executive Order 13636, which spoke to the nation's vulnerable infrastructure and the need for a proactive cybersecurity framework for the private sector to embrace and the public sector to follow. A contract was awarded to the National Institute of

Standards and Technology (NIST) and a year later, in 2014, the organization released a 41-page introduction to its framework. The Framework presents industry standards, guidelines, and practices in a manner that allows for communication of cybersecurity activities and outcomes across the organization, from the executive level to the implementation level. The Framework Core consists of five concurrent and continuous Functions — **Identify, Protect, Detect, Respond, Recover**. When considered together, these Functions provide a high-level strategic view of the lifecycle of an organization's management of cybersecurity risk.

If you're ready to start taking security seriously, start by understanding how your dealership uses, acquires, and stores data. Then build your own security policy and solution using the NIST framework. Together, we can make a difference.

TRP

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any from that supply. Each lost, stolen or destroyed TRP will result in a \$151 fine. Further misuse of any permit will be met with a \$175 fine per instance and possible loss of system access or criminal charges.

The secretary of state will reach out to dealer licensees in early October and issue usernames and passwords to access its system to generate TRPs. Based on their recent registration activity, the office also will issue licensees 90-day supplies of TRP stock.

The secretary of state prepared a slide deck to help train

users on the new system. It faces refinement, as one field that calls for a driver's license number actually seeks to obtain the dealership number issued by that office.

Whereas Illinois license plates can contain no more than seven characters, the new TRP features eight — six numerals separated by two letters. The smaller TRP for motorcycles has four numbers and two letters.

Dealerships must maintain envelopes to store receipts for each set of 25 TRPs plus any voided TRPs from that set. Voided TRPs must be returned on a monthly basis to Springfield.

The secretary of state is operating a hotline, (217) 524-4329, for dealership employees to call with questions.

Gen Z

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personal vehicle ownership.

We all know now, as the NADA knew then, that this narrative didn't actually hold up under close scrutiny. But for a time, it was all anyone would talk about. For a little while there, you couldn't attend an auto show or automotive conference without hearing from 12 different "luminaries" who all would explain why vehicle ownership was a relic whose demise was inevitable.

But around 2019, the hype started to fade and the reality started sinking in, even for those reluctant to embrace it. And the reality was this: The desire to own cars and trucks did not vanish with Gen X; neither was it disappearing even among regular users of ride-hailing services such as Uber and Lyft.

Millennials were not choosing to live differently than their parents or older siblings; they were just forced to delay, because of the Great Recession, their inevitable transition into adults who had kids, bought homes, moved to the suburbs and — you guessed

it — bought cars. And outside of a small core of dedicated urbanites — who, by the way, were using ride-hailing services exclusively back when they were simply called "taxis" — the vast majority of even heavy Uber and Lyft riders viewed those services as a supplement to, not a replacement for, owning their own vehicles.

At this point, scores of data have confirmed these realities. So why bring up these narratives now? What's the point of reviving the "shared mobility will take over" hype curve of 2017-2018 if it's been completely flattened by facts?

Because another narrative is emerging: The global coronavirus pandemic is forever changing attitudes toward shared mobility and personal transportation. Except this time, forces are combining to dramatically increase everyone's desire to own their own vehicles.

After all, if it's not safe to touch anything or breathe anyone else's air, it's a lot more sensible to get from A to B in your own sealed environment, as opposed to a metal can being used by dozens or

thousands of other people a day.

Well, I'd like to suggest, perhaps counterintuitively, that this curve might get flattened out with the benefit of time and data, as well. And here's why: I don't think the desire for personal vehicle ownership ever really waned to begin with. And if no one shelved their desire to own their own cars and trucks, there are not a lot of people to "win back," even with changed attitudes brought on by the pandemic.

Put another way, it's hard to convert folks if they never lost religion in the first place.

Again, there's ample evidence now that the universe of personal ownership "deserters" of a few years ago was truly miniscule. In fact, pre-pandemic, car ownership was increasing just about everywhere in America from 2011 to 2018 — Uber and Lyft's heyday. And it was on the rise in our cities, too, the theoretical backyard of Uber and Lyft's takeover of our personal transportation modes. In a study of America's large cities, car ownership was either steady or on the rise in all but one year between 2011

and 2018.

And most post-hype, pre-pandemic, credible studies forecast continued growth of vehicles sold and vehicle ownership well into the future. These studies accounted for ride-hailing, bolstering the understanding that most consumers see these services as added benefits to, not replacements for, owning their own vehicles.

Has the arrival of a pandemic changed the equation? At this point, there is lot to suggest that attitudes toward mass transit and shared mobility options have plummeted in the face of the pandemic. According to a 2020 McKinsey Global COVID-19 Automotive Consumer Survey, less than 10% of respondents said they view carsharing, ridesharing or "shared micromobility" to be safe forms of transportation — versus 81% who said that traveling in their own vehicle was safe.

Similarly, an IBM survey of 10,000 Americans in late April 2020 found 26% planned to use ride-hailing services less or not at all once COVID restrictions were lifted.