



## 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](http://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:

Thursday, Jan. 3 p.m. at 12 p.m. CST

**“How the ‘All Makes/All Models’ Business Plan Can Succeed in Your Service Department”** Aftermarket retailers are making tons of money with this model, yet most dealerships continue to struggle. Learn the secrets of those dealerships successful with “All Makes/All

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## Illinois titling paperwork going paperless, sort of, on Jan. 1

The Illinois secretary of state’s office has advised all the state’s franchised dealers that all title and registration data must be submitted to the office electronically beginning Jan. 1. For the state’s

estimated 90 percent of dealers who already do that, the change is no cause for alarm.

For the other 10 percent of dealers, the change is not

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## 2013 Illinois DOC fee maximum is \$164.30

The maximum amount that Illinois dealers can charge in 2013 for documentary preparation fees is \$164.30, the Illinois attorney general’s office announced Dec. 14.

The \$2.91 increase over the 2012 maximum fee reflects a 1.8 percent rise in the federal Consumer Price Index for the 12-month period ending Nov. 30. The index is tracked by the U.S. Department of Labor. As always, the DOC fee is taxable and must be substantiated upon request by the attorney general’s office.

The CATA is developing a poster about the DOC fee that dealer members can display. On the poster, the DOC fee amount is left blank for dealers to fill in; any amount up to the maximum allowed may be charged, but all customers should be charged the same amount. Systematically charging one group but not another—all males but no females, for instance—could bring charges of profiling. Two copies of the poster will be mailed to dealers this month.

**IMPORTANT:** The new maximum fee cannot be charged before Jan. 1.

## Webinars

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Models.”

If you are not already convinced that this market has a lot of potential, consider a few stats: The average family has 2.5 vehicles, and the average age of vehicles on the road has steadily increased to more than 11 years old. Yet most dealerships focus almost solely on servicing their own make.

Some dealerships have mastered the changes in organization, mindset and marketing that encourages more and more “other brand” vehicles into their shops. And they are doing so very profitably! Attend this webinar and learn how you can tap into this high-profit market as well. You will learn:

- How to create a comprehensive & successful plan to service “All Makes/All Models”
- How to identify which technicians to devote to this segment
- Which aftermarket parts you need to stock
- Getting service advisors and salespeople to ‘buy in’ to the concept
- How to massage pay plans to fit the “All Makes/All Models” effort
- How to craft and target marketing for the best results  
Thursday, Jan. 10 at 12 p.m. CST

**“Parts eCommerce: How (and If) Your Dealership Can Profit by Selling Parts Online”** It’s a lot more than just eBay! A detailed examination of the issues, suppliers, software solutions and more. Don’t let the competition catch you flat-footed!

This webinar is a guide to available parts e-commerce choices and a framework to select solutions that best fit your store’s parts operations. If you’ve tried selling parts and accessories online but gave up because it’s too much work for too little profit, you need to re-think your decision.

The business has changed. Parts e-commerce is described in clear, easy-to-understand terms. Each approach to parts e-commerce is explained, vendors are identified, an action plan is summarized and systems integration considerations are covered. Adoption and usage of parts e-commerce is climbing. Your competitors are cashing in. The OEMs are pushing it. Don’t get left behind. You will learn:

- To assess whether parts e-commerce is right for your dealership
- Which types of parts e-commerce fit (and don’t fit) your dealership
- About supplier/solution options and how to evaluate them
- The practical side of implementing parts e-commerce from DMS integration to shipping to payment types and more
- How to sell more parts, lower costs and improve customer satisfaction by using a parts e-commerce plan

## Form 8300 notice is due Jan. 31

As a reminder, dealers by Jan. 31 must contact any purchaser for whom they were required to file a Form 8300 (Cash Reporting) in 2012, and tell them that the form has been filed with the Internal Revenue Service.

Potential language of the written statement:

*“Dear Customer:*

*We are required by the Internal Revenue Service to report transactions involving more than \$10,000 in cash and “cash equivalents,” under the provisions of 25 U.S.C. 60501. We have filed a Form 8300 with the IRS on (month, day, 2012), indicating that you provided us with (dollar amount) in connection with the purchase of your (year, make, model). We wanted you to know that we have complied with this federal reporting requirement. Again, we thank you for your patronage.”*

Dealerships should make sure they are using the most recent Form 8300, revised in July 2012.

## For sale

Five acres at a traffic signal intersection in the heart of Naperville’s auto dealer row. Existing property at north-east corner of Ogden and Jefferson Avenues has two existing dealership facilities that measure 23,143 square feet and 10,273 square feet. Sales price \$5.1 million. To discuss, call Nick Peter of CBRE at (630) 573-7082.

## CATA holiday closings

The CATA office in Oakbrook Terrace will be closed Monday, Dec. 24 and Tuesday, Dec. 25 to mark the Christmas holiday; and Tuesday, Jan. 1 for New Year’s Day.  
Happy holidays to all!



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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](http://www.cata.info).

David E. Sloan  
Erik K. Higgins

President, Publisher  
Editor, Director of Dealer Affairs

## How is the dealer workforce faring? Pretty well

If findings announced by NADA University on Dec. 18 are any indication, the outlook on workforce stability at the nation's dealerships is a relatively solid one.

The findings are in the 2012 Dealership Workforce Study Industry Report, released by the education and training arm of the National Automobile Dealer Association. The study was put together in partnership with Northwood University and examines employee compensation, benefits, retention/turnover and hours of operation/work schedules at car and truck dealerships.

The report offers an overall analysis of the 2012 Dealership Workforce Study results, including data for each region of the country.

Nearly 2,500 dealerships combined to submit a total of 350,000 payroll records for the workforce study. The DeltaTrends firm designed the Dealership Workforce Study, conducted data collection and built the customized Basic and Enhanced Reports for participating dealers.

The statement from NADA University listed how this study augments the former NADA biennial Compensation Study. This new study:

- Capturing enhanced and more timely data and trends on an annual basis compiling data nationally, regionally and statewide
- Simplifying participation through

a web-based portal

- Offering separate individualized reports to participating dealerships so they can compare their numbers against data aggregated on a regional and national basis, as well as by state/metro area and franchise.

So what did the results reveal?

Among other discoveries, the report, based on 2011 data, found that dealerships had "more favorable" conditions surrounding job retention, turnover and tenure when compared to national norms in the bulk of key job categories the study examined.

The report also found that the average individual salary for most dealership positions in the report was stronger than the respective region's median household income. What's more, the report found that all dealership positions were stronger than the national average individual wage index.

There were also nine regional breakouts. Each of these had a "happiness" index via Gallup that were determined from "well-being" factors.

NADA University shared a few sales-related observations, pointing out a "positive connection between years of tenure and increased new- and used-vehicle sales."

Additionally, dealership sales hours seem to have a "strong correlation" with new-vehicle sales. It also was found that increasing new-vehicle sales had more of an impact on compensation than in-

creasing used-vehicle sales had.

"This is the most comprehensive dealership workforce report ever produced in our industry," said NADA Chairman Bill Underriner. "We appreciate the dealerships that participated and the invaluable support we received from the state and metro ATAEs (Automotive Trade Association Executives).

"The level of detail and planned annual updates will prove to be an indispensable resource to help dealers manage their workforce more effectively in a competitive marketplace," Underriner added.

DeltaTrends president and founder Ted Kraybill added: "This is a groundbreaking report packed with data and trends information that will give dealers a much clearer picture of how they stack up against their competition and the entire industry in terms of attracting and retaining top talent."

Northwood president and chief executive officer Keith Pretty said, "We are proud to have partnered with NADA University on this vital project, which is so pivotal to the American economy and the thousands of entrepreneurs that lead the American retail automotive industry."

The complete report can be purchased from NADA University Customer Service by calling (800) 557-6232.

## Average new-vehicle loan term grows to 64 months; used, 60 months

Automotive loans are becoming easier to obtain, even as consumers elect for longer terms, according to a new Experian report. Also, new-vehicle loans to customers with subprime financing grew by nearly 3 percent during 2012's third quarter and now comprise nearly 25 percent of all new-vehicle loans.

The total subprime financing market for used vehicles grew by more than 5 percent and now accounts for more

than 54 percent of all used-car loans.

Even as access to financing becomes easier, the average loan term for new vehicles has climbed to 64 months, while the average used-vehicle loan term is now 60 months. Both are one month longer than at the same time a year ago.

Expanding loans to lower-risk tiers opens the market for more car shoppers, while a measurable increase in

leasing means it is easier for consumers to get more vehicle for a lower monthly payment, according to Experian.

The Experian Automotive Report showed that lenders remain more risk-averse now than they were before the recent recession. The average credit score for a new car consumer now is 755, up from 749 before the recession, but lower than the average of 763 during the same time last year.

## New fuel economy guide ready online

The Environmental Protection Agency and Department of Energy have released a preliminary 2013 Fuel Economy Guide which is available for download and print at [www.fueleconomy.gov](http://www.fueleconomy.gov).

Dealers selling new vehicles with a gross vehicle weight rating under 8,500 pounds are required to prominently display paper copies of the guide at each location where new vehicles are offered for sale. The guides must be available for free upon customer request.

Beginning with the 2008 model year vehicles, city and highway estimates account for conditions such as higher speeds and faster accelerations, air conditioning use and cold temperature operation. Further details regarding the determination of gas mileage (mpg) ratings are available at [www.epa.gov/fueleconomy](http://www.epa.gov/fueleconomy).

The annual fuel cost estimates in the electronic fuel economy guide are updated weekly to match the Energy Information Administration's current national average prices for gasoline and diesel fuel. Paper copies of the guide no longer are mailed automatically.

To request a paper copy of the guide, call the DOE's Energy Efficiency and Renewable Energy Information Center at (877) 337-3463 or visit [www.fueleconomy.gov/feg/printguides.shtml](http://www.fueleconomy.gov/feg/printguides.shtml)

## Latest Chicago Auto Outlook is online

The Chicago Auto Outlook edition examines November sales of new and used vehicles in the eight counties in which the CATA has concerns. Get it at [www.cata.info](http://www.cata.info).

On the blue bar across the top of the home page, click on Publications and follow the drop-down menu to Chicago Auto Outlook.

## Sales sprint to SAAR's year-end finish line

With 40 percent of December's new-vehicle sales expected to occur during the last eight days of the month, the month's sales tallies will be hard to call before the dust settles. But that follows a recent pattern.

November was a tough month to call, sales wise, what with Hurricane Sandy and her potential to either lift or drag sales — or a bit of both — and sales event over the Thanksgiving weekend to consider.

But it is worth noting that so far retail sales are holding up well. The current pace and historical pattern point to retail sales this month of about 1.12 million units and a 12.6 million. That compares with unit sales of about 965,000 and a seasonally adjusted annual rate of 13.0 million last month.

If a fleet mix of about 18 percent is projected, then December will end with total sales of about 1.36 million and a SAAR of 15.3 million. This compares to 1.14 million units and SAAR of 15.5 million after November. (This fleet number is a bit tough to call as December typically is about 1 percent

higher than November, but last month was well below normal at 15.8 percent, so a small rebound in December is assumed.)

An examination of retail share shows GM and BMW are up quite a bit over last month while Nissan, the South Korean makes and Honda were down some. The numbers for other automakers look stable.

### Retail Share Change: Dec. (in progress) vs. Nov. 2012

Manufacturer	Share change from Nov.
BMW	7%
Chrysler	-2%
Ford	2%
GM	11%
Honda	-6%
Mercedes-Benz	-4%
Nissan	-10%
So. Korean mfrs.	-7%
Toyota	3%
Volkswagen	2%
Other mfrs.	-1%

## Paperwork

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a sales deal-breaker. For now, anyway.

Secretary of state officials have indicated that they do not plan strict enforcement on the effective date, as it is not realistic for all remaining dealers to be enrolled with an electronic registration and titling vendor that quickly. The looming change for new and used vehicles was made Aug. 31.

"As for Jan. 1 being a hard date," said Ernie Dannenberger, director of secretary of state's vehicle services department, "we will work with dealers. We fully expect to continue getting paper applications for a number of weeks after then.

"But we're moving toward getting them all electronically."

Dannenberger's office has approved three ERT service providers: CVR, call John Roeder, (636) 447-8351; DealerTrack, call Scott Jackson, (800) 876-2312; and Electronic License Service, call John Iberl, (312) 281-5600. But Dannenberger added that dealers also can submit that data electronically themselves.

"No one is required to sign up through CVR or any other vendor," he said. "They are allowed to do it at no cost through our website, if they choose."

The link to do that is [http://www.cyberdriveillinois.com/departments/vehicles/title\\_and\\_registration/eregtitle.html](http://www.cyberdriveillinois.com/departments/vehicles/title_and_registration/eregtitle.html)