



September is Green Checkup Month

NADA campaign shows drivers how to save fuel, cut their greenhouse gas emissions

With high fuel prices and vehicle emissions on the minds of many Americans, the incentive has never been greater for car owners to improve their vehicles' fuel economy.

To meet those concerns, the National Automobile Dealers Association on Aug. 18 rolled out a new national campaign to help motorists save money at the gas pump and, at the same time, cut greenhouse gas emissions through proper vehicle maintenance.

The campaign is named "A New Car Is a Green Car," and it designates September as Green Checkup Month.

The NADA is encouraging all dealers to provide Green Checkups during routine service appointments or at promotional multi-point inspection events. A Green Checkup focuses on the things that have the most affect on fuel economy, such as oil and air filters, engine performance, tire pressure and emission controls. See www.nada.org/green/getinvolved/greencheckup for the 10-point inspection checklist.

"Dealerships are located in every major community in the country, which means we are ideally positioned to be at the forefront of a national consumer awareness campaign," said Annette Sykora, NADA chairman and owner

of two dealerships in Texas. "Our goal with the Green Checkups is to highlight simple steps that car owners can take to maintain their vehicles in top running condition."

Already, more than 100 dealers in 30 states have signed up to become Green Checkup Dealers. Although the NADA is promoting Green Checkup Month in September, the program is designed for dealers to offer checkups as part of their routine service year-round.

To help dealers raise public awareness of how the auto industry is increasing fuel economy through innovation and new technologies, the NADA created an online tool kit named "A New Car is a Green Car." The tool kit attempts to highlight how easy it is to be green by including tips on hosting green driving events. Several dealership case studies show how participating in the Green Checkup program offers a "greenprint" for success.

Providing Green Checkups is one



SEE GREEN, PAGE 4

Outstanding senior at Northwood a CATA scholarship winner

A May graduate of Northwood University who attended the school with the help of a CATA scholarship for three years won an inaugural award bestowed to students in Northwood's Automotive Marketing undergraduate degree program.

Eric Nelson was named the top performing graduate at Northwood's Midland, Mich., campus, where he earned a degree in Automotive Marketing, combined with Business Management, Banking and Finance. The award also was bestowed to the top graduates at Northwood's other campuses, in Florida and Texas.

Each recipient of the Automotive Marketing Excellence Award "demonstrated outstanding academic achievement at Northwood and extraordinary promise for the automotive industry. It is gratifying to recognize their accomplishment with these awards," said Dr. Timothy Nash, vice president of Graduate and Specialty Programs at Northwood.

Nelson last month opened a start-up used-car store just north of O'Hare International Airport. He performs much of the work and employs an old friend to conduct sales and advertising, a high

SEE NORTHWOOD, PAGE 4

Finance companies alter landscape for customers who want to lease

A number of captive finance companies recently eliminated or severely scaled back the leasing options they offer consumers. To help dealers navigate customer inquiries about the new leasing climate, the NADA developed talking points for discussions.

Leasing is an attractive financing alternative for many consumers, and dealers regret that some automakers' captive finance companies have taken the extreme action of eliminating or severely limiting leasing options.

Dealers are particularly concerned about their customers who may have no other means of taking delivery of a new vehicle. However, dealers also recognize both the realities of the marketplace (including rising fuel prices and falling resale values) and the need to maintain healthy, sustainable credit sources to finance vehicle sales.

The NADA advises dealers to relate to their customers that:

ers that:

- Dealers expect that automakers will work aggressively to find solutions that will give dealers other options to meet the financing needs of their customers.

- At the same time, dealers will continue to work with other credit sources to meet those customer needs.

- In discussions with automakers, dealers will continue to focus on dealer profitability, seeking viable options for consumers and finding ways to blunt the adverse impacts that a leasing decline will have on the industry.

- If a consumer is looking to purchase a vehicle, dealer-assisted financing is a proven and competitive option for car shoppers.

- Whether a consumer is considering buying a vehicle or leasing one, shoppers are encouraged to visit AWARE, at www.autofinancing101.com. It's a consumer-friendly, educational online resource tool about financing cars and trucks.

2009 NADA convention

Registration for the 2009 NADA Convention & Exposition in New Orleans, Jan. 24-27, opened Aug. 1. Three hotels already are sold out, and sales of exhibition space are strong.

"We're very pleased," says Steve Pitt, vice president of NADA conventions. "This is a nice, strong start for the convention."

Since Katrina, more than \$1 billion has been invested in hotel renovations. More restaurants (913) are open in the city today than before Katrina, and the French Quarter is cleaner than ever.

To attend, see www.nada.org/trainingevents/convention.



U.S. Rep. Peter Roskam (R-Wood Dale) is flanked by CATA Chairman John Phelan (left) and CATA President Jerry Cizek, who presented Roskam a \$5,000 campaign donation by the NADA's Dealer Election Action Committee. Roskam's Democratic opponent in November is retired Army Reserve Col. Jill Morgenthaler.

Marketplace

Comptroller 20+ years at Ford, GM, Import dealerships. Bank recon., financial statements, schedules, insurances, computer (ADP, UCS, R&R). Multi locations, multi franchises, many hats: P/R, A/P, L&T. Debra Svrlinga, 708-205-2025.

Marketing/Promotions BBA in Automotive Marketing and Management, Northwood University, May 2008. At Northwood, participated in GMAC simulation focused on budgeting, forecasting for failing dealership. Group finished in first place, only group to reach goals for net profit, CSI rating. Mandi Kern, 231-342-9553.

Résumés of both candidates on file at the CATA.

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

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President, Publisher
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Hybrid owners most loyal: study

Hybrid car owners are some of the most loyal in the U.S. market, with nearly half buying a vehicle of the same make when they buy another car, according to a study this month by an automotive data company.

Forty-seven percent of hybrid buyers buy a vehicle of the same make, compared with 35 percent of buyers overall, according to Experian Automotive. Eighteen percent of hybrid car buyers even buy the same model, compared to 12 percent overall.

Scott Waldron, president of Experian Automotive, said the results show hybrid manufacturers have a clear advantage in attracting and maintaining customers. That's critical, since overall loyalty to car companies has been steadily slipping over the last decade. One percentage point in loyalty can mean thousands of sales, he said.

Toyota Prius owners were the most loyal to the vehicle model among hybrid buyers, with 25 percent returning to buy another Prius. Toyota Motor's hybrid owners also were the most loyal when it came to staying with the Toyota make—51 percent chose another Toyota, and the company's overall loyalty rate was 44 percent.

Full-size pickup buyers remained the most loyal in terms of choosing a new vehicle from the same segment, even if it wasn't from the same manufacturer.

Catering to the most buyers: women

Women buy 52 percent of all vehicles and influence more than 85 percent of all automotive sales, according to a 2004 female buyers study by Road & Travel magazine, and a Canadian dealership is responding.

When the Vancouver-based Clutch first opened, the staff was entirely female, to appeal to a target market that cites shoddy treatment as the No. 1 complaint about shopping at dealerships.

"We wanted to put ourselves out there as an option for women who were looking for something that wasn't so intimidating," said Ashley Marin, client care coordinator for Clutch. "It's amazing that nobody else really thought to open a dealership that was geared toward women. There's (sic) all kinds of female gyms and fashion boutiques, so why not an auto dealership?"

CNW Marketing Research in 2002 reported that women held about 7 percent of all jobs at dealerships, up from 3.5 percent in 1990. But even Clutch found that having women selling to women is not an all-purpose solution; the dealership now includes male salesmen.

Martin said the process and environment and business philosophy trumps the gender of the sales force. To cater to the needs of its female clientele, Clutch starts with the surroundings, which resembles a chic lounge or coffee bar, with eye-catching art, comfortable chairs, brightly colored walls and hip music.

"If it weren't for the cars that were in the showroom, you'd think you were in an art gallery or an upscale lounge," said Martin. "Our female customers always react very well to the space. It's nice to have a cappuccino or latte when you're making a decision like that. It makes a huge impact and I think our customers absolutely appreciate it."

Clutch also offers its customers valet service. Customers can simply pull up in

front of the dealership and have a valet park their car while they shop.

"We're constantly reinventing ourselves to stay ahead of the market but I think you'll find a lot of dealerships are changing their environment to cater to that because they realize that in order to get women in, you need to have an inviting place that's not so intimidating," Martin said.

Another Canadian dealership, Nurse Chevrolet Cadillac in Ontario, also uses its environment to appeal to women. The dealership boasts a 50-percent female sales staff and has an open environment devoid of closed cubicles.

"So when your salesperson leaves, you don't have to wonder where they're going or what they're doing," says Mary Nurse, the dealership owner. "I think the open environment creates a trustworthy feeling and that's an important criterion for women."

Even more important than the environment is the way in which customers are treated by the sales staff. Nurse said her staff is trained to build trustworthy relationships and provide factual, honest information.

"When a husband and wife come in to buy a car, if the salesperson talks directly to the man, the woman—who influences the decision-making—will go elsewhere if she's not spoken to, asked questions and her needs are met," says Nurse.

Martin and Nurse both say women generally have a clear idea of what they want before they walk through the dealership doors. The Road & Travel survey reported women spend approximately 17 weeks on the car-buying process and place high value on a vehicle's reliability, durability and safety features.

"Women research an automobile before they actually come in," says Nurse. "They research on the Internet, in consumer reports, magazines and talk to friends and acquaintances for feedback."

Save the Date! The 2009 CATA-IADA Convention is March 21-25 at the Marco Island (Fla.) Marriott Beach Resort. More details soon.

Northwood

CONTINUED FROM PAGE 1
school student porter, and a cleaning service to keep the cars shining.

The CATA scholarship money he received was “a huge help,” Nelson said.

Northwood University offers one of the few four-year degree programs focused on preparing students for the automotive marketplace.

High school upperclassmen whose parents or legal guardians work at a CATA-member dealership, or deal-

ership employees considering a Northwood degree, are eligible to compete for a scholastic scholarship of \$6,500 a year for four years at Northwood University.

For scholarship consideration, applicants must have a high school grade point average of at least 2.5 on a 4.0 scale. Continued eligibility is subject to maintaining a 2.5 GPA at Northwood.

For more information on the scholarship, call the CATA's Dave Sloan at 630-424-6055.

Long-term vehicle quality up: study

Long-term vehicle quality improved by 5 percent industry-wide in 2008, with an overall decrease of 10 problems per 100 vehicles, compared to 2007, a new J.D. Power study found. Also, more than 60 percent of the 38 nameplates studied reduced their problems since last year.

The 2008 Vehicle Dependability Study found that Lexus, for the 14th straight year, ranked highest in vehicle dependability, followed by Mercury, Cadillac, Toyota and Acura, respectively.

The compact car and midsize car segments have much lower problem levels in 2008 than in 2007, and together account for more than half of the overall industry improvement.

“The gains in dependability for compact and midsize vehicles are good news for consumers who are downsizing their vehicles due to increasing fuel prices,” said David Sargent of J.D. Power.

“Consumers who purchase these smaller vehicles benefit not only from immediate gains in fuel economy, but also from improvements in long-term dependability, compared with previous years.”

The study is based on responses from 52,000 original owners of 2005 model-year vehicles. Five of the top 10 problems cited were also among the top 10 most frequently reported problems in the 2005 Initial Quality Study, suggesting that the problems are identified by owners during the initial ownership period but have not been rectified by automakers during the three-year ownership period.

The problems include:

- Excessive wind noise
- Noisy brakes
- Vehicle pulling to the left or right
 - Issues with the instrument panel/dashboard
 - Excessive window fogging

Scam alerts

The FBI wants the public to know about a fast-spreading scam involving jury duty summonses.

A fraudulent caller claims to be a jury coordinator who accuses the target of ignoring a summons. If the target protests that he never received a summons, the scammer asks for a Social Security number and date of birth, in order to verify the information and cancel the arrest warrant.

But anyone who surrenders that information likely is on the path to being a victim of identity theft.

The fraud has been reported so far in 11 states, including Illinois. It is particularly insidious because the thieves use intimidation over the phone, trying to bully people into giving information by pretending they are with the court system.

The FBI and the federal court system have issued nationwide alerts on their Web sites, warning consumers about the fraud.

Follow this link to an FBI notice—www.fbi.gov/page2/june06/jury_scams060206.htm; and this link to a site that debunks rumors—www.snopes.com/crime/fraud/juryduty.asp

Sprinkler tests

Local dealers are reporting getting notices from their sprinkler service companies, indicating that special services or system tests—which frequently cost thousands of dollars—are required.

The notices, said Phil Troy, president of ComplyNet, a CATA allied member, have more to do with marketing than with fire safety.

“Unless you get a notice from your local governmental agency, or unless the sprinkler service is the regularly scheduled one, it probably is not a good idea to modify your equipment,” Troy said.

“Your local village or municipality may already have plans in the works to require new upgrades to sprinkler systems and may have already selected the equipment they will require.

“If a dealership selects equipment or designs that do not meet forthcoming changes, the work may have to be redone and the equipment replaced,” Troy said.

Green

CONTINUED FROM PAGE 1

example of how dealers are becoming more energy conscious. A trend toward green dealerships is another.

“Dealers around the country have invested close to \$1 billion on facility upgrades and new construction over the past few years to reduce energy consumption at their dealerships,” Sykora said.