



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 drop-down menu to CATA-DealersEdge webinars.

Coming topics:

Thursday, June 28 at 12 p.m. CDT

“Fearless Firing: How to Terminate an Employee the Right Way and How to Prevent Downstream Legal Problems” Every dealership department manager needs to have a working knowledge of what the law says about your ability to terminate the employment of a

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Shirey joins 4 incumbents elected to CATA board of directors

One newcomer joined four incumbents in winning three-year terms on the CATA board of directors, in election results announced June 11 at the CATA’s annual meeting and golf outing.

Monty Scher (Rogers Buick-Chevrolet-GMC-Hyundai, Chicago), Kurt Schiele, president of the Elmhurst Auto Group (BMW, Jaguar, Scion and Toyota), and John Webb

(Packey Webb Ford, Downers Grove) won election to their third and final terms on the board.

Another incumbent, John Alfirevich (Apple Chevrolet, Tinley Park), won a second term on the board. Thomas F. Shirey of Shirey Cadillac in Oak Lawn joins the board as a new director.

The voting results were announced by CATA Chairman Michael Ettleson.

CATA adds 2 staffers, shifts 1

Bilek role expanded; communications, marketing efforts enhanced

At many companies, the addition of two new employees can occur seemingly unnoticed. Not so at the Chicago Automobile Trade Association, where such an influx boosts the personnel count by 25 percent.

To keep pace with trends in the ever-changing traditional and social media landscape, the CATA, which produces the Chicago Auto Show, has

reformatted its communications and marketing efforts with two new hires and an expanded role for an existing staff member.

The new team is comprised of Mark Bilek, director of communications and technology; Tim McBride, director of marketing; and Jennifer Morand, senior public relations and social media

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Staff

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manager. Collectively, each individual brings a diverse background to create a communications and marketing team that's uniquely qualified to meet the changing needs of today's marketing and public relations initiatives.

"We're thrilled to have our new team in place and know the collective experience of Mark, Tim and Jen will deliver innovative ideas and great value for Chicago Auto Show attendees, our exhibitors and the members of our association," said David Sloan, general manager of the Chicago Auto Show and presi-

dent of the CATA.

Bilek joined the CATA in 2006. In addition to providing technology support, he oversees communications for the CATA, the Chicago Auto Show, and DriveChicago.com, the latter of which Bilek is general manager.

Prior to 2006, Bilek was associate publisher for Consumer Guide Automotive and had appeared on ABC-TV, Fox News and Speed Channel as an automotive consultant. He also is a past president of the Midwest Automotive Media Association.

As director of marketing, McBride will develop marketing and sponsorship programs designed to increase



Bilek



McBride



Morand

attendance and generate awareness for the Chicago Auto Show as well as the association. McBride, who formerly was director of marketing for the Phoenix Coyotes and Loyola University of Chicago athletics, brings more than nine years of marketing experience to the organization.

Morand comes on board as the senior public relations and

social media manager and will lead strategic media relations efforts, including social media initiatives, for the Chicago Auto Show, the CATA and DriveChicago.com. Most recently, Morand was an account manager at Foodmix Marketing Communications, where she oversaw the company's public relations department and developed and ex-

ecuted campaigns for clients such as Heinz, Kellogg Company and Tyson.

Prior to that, Morand came from Weber Shandwick, a leading global public relations firm, where she spearheaded media relations, conducted national events and served as a media spokesperson for the "got milk?" advertising campaign.

Webinars

CONTINUED FROM PAGE 1

not-needed or not-wanted staff member. Not knowing can result in very costly and troublesome mistakes.

Often in the heat of the moment, and without knowledge of the potential harm managers could be causing, they fail to execute certain safeguards. "Employment-At-Will" is a great concept, but this great concept has been very much misunderstood by the average business owner or manager. Chances are that this employment law basic is totally misapplied in your dealership. Join with us for a primer on how to fire someone in a humane and considerate fashion while also fulfilling your obligation to the dealership to mitigate the legal pitfalls.

Thursday, July 12 at 12 p.m. CDT

"How to Sell Parts & Accessories on eBay: Secrets from Dealership Power Sellers" Many have tried to sell dealership parts and accessories on eBay, but few have mastered the technique and approach necessary to succeed. Ebay dealer training manager Clayton Stanfield shares the best practices in this webinar.

Every once in a while you will hear a parts manager ask,

"Is anyone actually selling anything on the Internet?" Those doing the selling often don't want to talk about it too much — why invite the competition to the party? But Stanfield has agreed to this webinar for an exploration of what other eBay-successful dealership parts departments are doing to win "Power Seller" rankings.

Stanfield has assembled a list of strategies and best practices from which you can get the best view available of how successful eBay Power Sellers are bagging new customers and fattening the bottom line of their profit centers.

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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.

David E. Sloan
Erik K. Higgins

President, Publisher
Editor, Director of Dealer Affairs

Some manufacturer stair-step programs a ‘cancer in industry’

By MARK SCARPELLI

CHICAGO METRO NADA DIRECTOR

The National Automobile Dealers Association has had a long-standing position in support of a level playing field, meaning lawful, equal and fair treatment by a manufacturer for all dealers, both large and small. Unfortunately, history shows that, at times, manufacturers’ incentive pricing programs create short-term incentives that favor the larger, more urban dealerships to the detriment of the smaller, more rural dealerships.

Recent history also shows that the long-term effects of discriminatory programs are to marginalize the smaller dealers and place them at a competitive disadvantage in their marketplace.

These programs also have a tendency to cause confusion among consumers and dealers as to the actual dealer cost of vehicles. This leads to consumer doubt and mistrust that reduces the value of the manufacturer’s brand. It also undercuts the goodwill between consumer and dealer. This is certainly not good business for either the OEM or the dealer.

Dealers of all sizes have recognized the inherent unfairness of a manufacturer’s discriminatory pricing that tilts the playing field in favor of some dealers.

For example, Earl Hesterberg, CEO of Group 1 Automotive, emphasized the perniciousness of these stair-step programs as recently as May 21 in Automotive News, where he characterized them as “... a cancer in the industry that isn’t good for dealers or customers.”

The fact is, manufacturers can unfairly create real competitive disadvantages for some dealers and cause real customer confusion and dissatisfaction in the marketplace.

The best way to maintain a level

playing field is for factories to focus on what they usually do so well: build quality cars and trucks and avoid disparate treatment of their dealers that can limit their ability to compete. Let all dealers do what they do best: vigorously compete in pricing, service and otherwise for the customer’s business.

In other news ...

- The NADA will appeal a court decision on the FTC’s **Risk-Based Pricing Rule**. The U.S. District Court for the District of Columbia on May 22 granted the Federal Trade Commission’s motion for summary judgment against an action brought by the NADA that challenged the agency’s broad interpretation of the scope of the federal RBPR.

The law that the rule implements (section 311 of the FACT Act) applies to persons who, among other requirements, “use” a credit report in particular credit transactions. The FTC issued an interpretation in July 2011 stating that dealers engaged in three-party vehicle financing transactions who do not obtain, receive or review a credit report nevertheless “use” a credit report based on the finance source’s use of a credit report and therefore are responsible for complying with the Risk-Based Pricing Rule’s notice requirement.

Believing this interpretation to be flawed, unnecessary and burdensome to many dealers by requiring them to purchase credit reports for no purpose other than to comply with the RBPR, the NADA subsequently initiated this challenge.

In its complaint, the NADA argued that Congress never intended the word “use” to extend to this subgroup of dealers and that the FTC lacked authority to issue such an interpretation. Although the court found that the statute is capable of supporting the NADA’s interpretation, it held that the

FTC possessed authority to issue its interpretation and that its interpretation is reasonable.

Regardless of which party prevailed at the district court level, the NADA anticipated that the other party would appeal the District Court decision to the D.C. Circuit Court of Appeals. The NADA now will direct its outside counsel to commence the appeal.

- Participants in the new **Dealership Workforce Study (DWS)** will receive the individualized Basic Report, as well as a DWS Industry Report, beginning in July. Both documents will be released within the dealership’s NADA University account accessible from www.nadauniversity.com. They will be located within Resource Toolbox under a new tab, “NADA Dealership Workforce Study,” and will be accessible only to user accounts authorized to receive dealer access.

NADA University will work with participating dealerships to ensure access is authorized. Participating dealerships will have the opportunity to purchase an Enhanced Report, which will provide even more comparative data, for a nominal fee. Dealerships that did not participate may purchase the DWS Industry Report. For more information, contact NADA University Customer Service at (800) 557-6232.

- Upcoming “**Webinar Wednesdays**” include free informational MarketINSIGHT webinars that can be viewed live or on-demand in NADA U’s Resource Toolbox.

Here’s the upcoming schedule, with all webinars beginning at 12 p.m. CDT:

- **What is Your Website Hiding?** with Kendall Billman, June 27; and
- **Strategies for Connecting with Hispanic Car Buyers**, with Univision Network, July 11.



It's in the hole

Dan Cervantes of Leman's Chevy City in Bloomington lines up a 50-foot putt for the chance to win \$10,000 at the CATA's annual meeting and golf outing, June 11 at Cog Hill & Country Club in Lemont. He missed the putt. For amusement, Cervantes attempted the shot a second time ... and drained it, winning \$0. The association's annual golf outing, which returned this month after a three-year absence, hosted about 240 golfers. See Page 5 for a listing of CATA allied members that sponsored elements of the outing.

CATA names Protective as vehicle service program preferred provider

Protective Asset Protection has been named as the CATA's preferred provider of direct-to-consumer vehicle service contract plans, the association's Member Benefits Committee announced.

Protective has 50 years' experience serving dealers with its direct-to-consumer program, Signature. Signature offers CATA dealer members the potential for a monthly profit stream with zero dollar investment by the dealer.

Protective's Signature program uses co-branded marketing campaigns to reach dealer customers who:

- Visit the service department;
- Declined a VSC at the point of purchase; or
- Have an expiring warranty

Protective's Signature program offers CATA members' customers four levels of coverage:

Value: Engine, transmission, trans-fer case, drive axle and cooling.

Enhanced: All components listed above plus steering, brakes and electrical.

Preferred: All components listed above plus fuel delivery, air condition-

ing, front & rear suspension, and enhanced electrical.

Executive: An exclusionary level of coverage.

In addition to these coverage levels, Protective's Signature program includes additional benefits such as rental reimbursement, emergency road service, towing service, fluid service, tire service, battery service, locksmith service, mechanical first aid, road hazard coverage and trip interruption reimbursement.

Customers can purchase a Signature protection plan using their credit card or through EFT. Protective makes transactions even easier for customers by offering an interest-free installment plan option.

As an added benefit to dealers, the direct-to-consumer vehicle service contract program allows dealers to participate in additional profits through reinsurance and retro programs. Along with this added benefit, dealers receive exposure to customers through professional, co-branded marketing campaigns which are supported by Protective Asset Protection's fully-trained call center and ad-

ministrative staff.

Participating dealers can rest assured their customers are being cared for, as Protective Asset Protection has paid more than \$1.8 billion in customer claims, and the Signature program is compliant with the state and national do-not-call regulations.

Protective Asset Protection is part of Protective Life Corporation, a leading insurance provider traded on the New York Stock Exchange (PL), with consolidated assets of more than \$50 billion.

Protective Asset Protection products are backed by an "A-" A.M. Best®-rated insurance company. Protective Asset Protection has earned dealers more than \$236 million through dealer participation programs while managing more than 2.5 million active contracts.

CATA dealers can learn more about Protective Asset Protection and the direct-to-consumer Signature program by contacting Brad Tustin (brad.tustin@protective.com) or Matt Keller (matt.keller@protective.com) at (800) 794-5491.

Thanks, Sponsors!

Many allied members of the CATA participated as sponsors of the association's annual meeting and golf outing, to help offset costs and keep participation at affordable prices. Please express your thanks to the sponsors and give them your consideration when doing business throughout the year.

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