



# CATA Bulletin

DRIVE **CHICAGO** .COM  
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## 7 candidates named for 6 CATA director posts

Seven candidates, including five incumbents, have been nominated to fill six openings on the board of directors of the Chicago Automobile Trade Association. Each term lasts three years beginning next month.

A summary of the candidates' qualifications was mailed May 15 to dealer members, and election ballots were sent May 23.

Completed ballots must be received by 12 p.m. June 6 by the CATA's auditing firm, Crowe, Chizek & Co., which will tabulate the submissions. Results will be announced at the June 10 annual meeting at Cog Hill Golf Club in Lemont.

All five incumbent directors are completing their first terms on the board. Those candidates are **Terry D'Arcy**, **Lee Drabek**, **John Guido**,

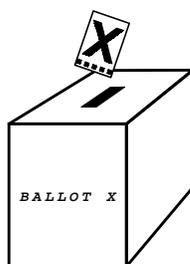
**Bill Jacobs** and **Art Kelly**.

Other nominees include **Steve Foley Jr.**, proprietor of namesake Cadillac and Mitsubishi dealerships in Northbrook, and **Rich Ruscetti**, who operates South Chicago Dodge and South Chicago Nissan.

A committee comprised of former CATA board chairmen met this month to identify candidates for nomination.

The CATA board totals 18 directors. One-third of the terms expire each year. A director may serve a maximum of three three-year terms.

One director—current board Chairman **Bob Van Iten**—completes nine years of board service in June.



## Notify revenue dept. of changes that affect IBT#

Illinois Business Tax numbers, assigned to dealers by the Illinois Revenue Department, are unique to a particular "taxpayer," or business entity.

If a dealer's business structure changes to the extent that a new legal entity is created—through merger, consolidation, reorganization from one type of legal entity to another (for example, from a partnership to a corporation or limited liability company)—the new or surviving business must:

- Notify the Revenue Department of the change by discontinuing the registration of any business that no longer exists; and
- Register with the Department any new entities resulting from the change.

SEE REVENUE, PAGE 2

## Jacobs wins AIADA's prestigious 2002 All-Star Dealer Award

Bill Jacobs, principal of seven area dealerships, is one of seven winners of the 2002 All-Star Dealer Award, presented by the American International Automobile Dealers Association.

Jacobs accepted the award May 21 at an awards banquet in Washington, D.C., held in conjunction with the annual AIADA Automotive Congress.

The award, sponsored by Newsweek and the Washington Post, honors the notable contributions that automobile dealers make to their communities through civic volunteerism and charitable giving.

Over the past five years, Jacobs raised more than \$1.5 million to found the Rush Neurobehavioral Center (RNBC), which deals com-

prehensively with the issues faced by children with learning disabilities. The center is one of just two or three in the country to join specialists from a variety of areas to identify and address learning disabilities.

His success in creating RNBC, and the difference it is making in the lives of children, has inspired others. A world-renowned pediatric

brain surgeon, who is a neighbor and friend of Jacobs, was motivated to create a similar facility for children with brain tumors.

Jacobs became a founding board member and lent his fund-raising skills. To date, \$250,000 has been raised, and the Midwest Children's Brain Tumor Center is doing for children with brain tu-

SEE JACOBS, PAGE 4

## Extra! Newest Chicago Auto Outlook



Accompanying this edition of the CATA Bulletin is the new issue of Chicago Auto Outlook, a quarterly newsletter with useful, unique, timely and objective information about the eight-county CATA automotive market.

Articles present new-vehicle registrations based on numbers supplied by the Detroit-based data services organization, The Polk Co., then add meat to the bone by analyzing issues and trends.

Jeffrey Foltz, editor and publisher of Chicago Auto Outlook, prepares an "Outlook" newsletter with localized numbers for many state and metropolitan dealer associations. Foltz said the Chicago market is stronger than other areas, based on consumer affordability indexes.

Readers are encouraged to contact Erik Higgins at the CATA about topics they would like to see covered in Chicago Auto Outlook, what they like and don't like about the newsletter, and general impressions of the publication.

## DriveChicago ads go 4-color in partner-owner publications

A tear sheet mailed with this newsletter offers an example of a four-color display ad appearing in the various newspapers of the two publishers that, with the CATA, c o - o n DriveChicago.com/



The ad appears in the Daily Herald, based in Arlington Heights; and in the Chicago Sun-Times, Pioneer Press, Daily Southtown, Star Newspapers and the Post Tribune, all which are owned by Hollinger International, Inc.

"We continue to increase the brand identity of DriveChicago.com as our exposure in all the properties increases," said DriveChicago general manager Paul Budvitis.

## Revenue

CONTINUED FROM PAGE 1

Glen Bower, director of the Revenue Department, said statutory violations occur when the ownership of a business changes and the new owners fail to notify his department of the change. Continuing to file returns and making payments under the IBT number of a discontinued business also is a violation.

If a business is sold to a new owner(s) or is reorganized into a new entity, the old IBT number no longer is valid. Continuing to file under an old IBT number results in improper tax crediting and leads to possible penalties for

nonfiling.

"In keeping with the mission of this agency to provide professional service and fair enforcement," Bower said, "it is our responsibility to ensure that all the taxpayers in Illinois are well informed of their tax requirements and to help them comply with the tax laws of this state."

An IBT number identifies a dealer's account with the Revenue Department for purposes of filing returns and making payments under the various taxes administered by the department, such as sales, business, income, and withholding income taxes.

## Marketplace

**Accounting Office Manager** Extensive automotive training and experience, including hiring and training all office personnel. Experience with payroll, billing, license and title, monthly closings, more. Jeneane Moinuddin, 708-389-3919.

Résumé on file at the CATA.

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The CATA Bulletin is published and mailed every other Friday except during the Chicago Auto Show, when it is not published.

Listings of items for sale are subject to the approval of the CATA. Candidates for employment must submit a full résumé to the Editor.

Review past editions at <http://cata.drivechicago.com/>

**Jerry H. Cizek III** President, Publisher  
**Erik K. Higgins** Editor, Director of Dealer Affairs

## Seminar certifies managers to act against drug, alcohol abuse

Civil libertarians argue that use of drugs—even illicit drugs—is a private matter, not a workplace issue. But studies show certain drugs continue to affect the user 24 hours after use.

Consequently, an employee can report to work still under the influence of drugs, even if the worker is not “using” on company time. That, the counter-argument goes, makes it a workplace issue.

Statistics indicate 70 percent of illegal drug users hold full- or part-time jobs. Supervisors should not assume only unskilled workers are impacted. Experts said employers should presume a certain percentage of their workers suffer any affliction, from high blood pressure to diabetes to an addiction.

Employee drug use presents a company with measurable costs—worker’s compensation and disability/pension payments—that are great. But they are dwarfed by other, hidden costs: damaged equipment, lost parts and theft; poor customer relations that damage a company’s public image; supervisory and management time diverted by friction among the workforce and a deteriorated staff morale; and expenses from turnover.

It can be difficult for supervisors and co-workers to help an abuser overcome an addiction to drugs, but their recognition of the problem can motivate the abuser to get needed help, a representative of L.I.F.E. Training Programs told an audience at a CATA seminar on May 22.

The seminar trained and certified supervisors in the detection of drug and alcohol abuse. A stipulation of the CATA’s collective union bargaining agreement with the various unions organized at member dealerships is that a supervisor must

be certified in detecting drug and alcohol abuse in order to act against a union employee suspected of the same.

Timothy Goergen, an off-duty Bloomingdale policeman and training consultant for L.I.F.E., led the seminar.

Drug use touches employees at every level, Goergen warned, so employers must not turn a blind eye to a problem. Potential legal problems, for one thing, can be monumental if an employee with a known problem is not treated and later becomes involved in an accident.

The consultant recommended a workplace substance abuse program with the following elements:

- Written substance abuse policy
- Supervisory training program
- Employee education and awareness program
- Access to an employee assistance program
- Drug testing, when appropriate

David Radelet and Sally Scott, attorneys for the CATA labor relations law firm, Franczek Sullivan, reviewed procedural aspects of treating unionized employees suspected of drug or alcohol abuse. First, the suspect should be handed a copy of the company policy against such abuse. A copy should also have been given at hiring. If the employee is unionized, notify the union that he is to be tested.

Documentation is essential at this phase. Within 24 hours, the supervisor must write any observations that resulted in the charge.

The employee is to be removed from the workplace until test results are completed. The employee is entitled to back pay if the test is negative, but not if the test is positive. Treatment or rehabilitation must be offered to the employee before he

is dismissed. After the employee completes treatment, the union contracts allow for supervisors to obtain three random tests from the worker during the next 18 months.

An employee can be terminated if he (1) refuses to undergo treatment, (2) fails to successfully complete a treatment program, or (3) commits an offense after undergoing treatment.

The company would pay for the initial test. If the test is positive, the employee can request a second test. If the second test also is positive, the employee is responsible for paying for the second test.

Goergen said laboratory reports carry a 97 percent accuracy rate. The few inaccuracies concern samples with drug traces that register as devoid of drugs; there never are false positives.

Goergen said workplace managers have a responsibility to know their employees, so that they can recognize any irregular behavior.

An employee who displays a different behavior upon returning from lunch may be abusing drugs or alcohol. Other signs: accidents, materials waste, missed deadlines, erratic productivity, complaints from clients and colleagues, and absence coupled with improbable excuses. Workers who make frequent trips to the restroom or to their vehicles might create suspicions.

Goergen said: “Tell the employee, ‘I am concerned. I don’t know if you have a drug problem, but I see these things.’ ”

As with any personnel problem, documentation is key. “If it isn’t written down, it never happened,” said Goergen. “And it’s your word against his.

“Don’t even dream of bringing it up later if it isn’t written down.”

## Survey: Price trumps safety as top motivator in vehicle choice

Here's a market research finding that confirms what retailers already know, but confounds and shocks consumer advocates and commentators in the mainstream media: Price, as measured by the size of the monthly payment, and not vehicle safety is overwhelmingly the primary factor considered by consumers when buying a car.

In fact, safety finished sixth.

Art Spinella's CNW Marketing/Research conducted a study of the features and factors that consumers feel are important when buying a new vehicle. The size of the monthly payment (87.4 percent of consumers) was considered more important than

overall safety (45.1 percent).

Conveniently placed cup holders (64.2 percent), luggage capacity (56.5 percent), sound systems (55.1 percent), and interior appearance (48.3 percent) also ranked higher than safety.

The one exception to the desire for safety was air bags. Listed separately, they were considered important by 80.2 percent who bought in 2001, down from 81.9 percent in 2000.

Safety was rated important by 45.1 percent of consumers, but low financing rates were judged important by 57.9 percent, low sticker price important to 79.2 percent and low monthly payments important to 87.4 percent of buyers.

## Jacobs

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mors what the RNBC does for children with learning disabilities.

"The center provides a single place for the care these children need, as well as support, education and assistance in dealing with affordability issues," Jacobs said. "It is a special place that makes these kids comfortable and less afraid of what is happening to them."

Jacobs now leads a statewide effort to provide wheelchairs to everyone who needs a wheelchair but cannot afford one.

In his work with the RNBC, Jacobs learned that

he also grew up with learning disabilities. Last year, the RNBC honored Jacobs with the Living Proof Award, created by the center to demonstrate to children that they still can be successful in the challenges they face.

"There is a fine line between helping these children get the support they need, and their giving up and having real problems," Jacobs said.

"I am happy to offer myself as an example of how these issues actually helped me become more versatile and creative in achieving success."

Oak Lawn Toyota's Ron Colosimo won the national AIADA award in 2001.

## 'Certified used' finally comes into its own

The various certification programs offered by nearly every vehicle manufacturer have begun to pay off big for dealers and the factories.

Struggling under the burden of high signage and factory-backed service contract costs, some certified programs initially got off to rocky starts. During the four months ended in April 2002, General Motors took the lead from Toyota for the first time.

Dealers who enjoy more generous terms from their manufacturers now support the certification programs. As a result, many stores now deal almost exclusively in vehicles certified by their respective franchisers. The proof is the end to Toyota's three-year dominance.

Even Volkswagen reportedly is spiffing managers up to \$100 per vehicle when sales objectives are met.

## Clarification

Lawson Products, a Des Plaines business identified in a "Scam Alert" in the May 13 CATA Bulletin, has come forward and offered to overcome confusion that led to the charge.

A Libertyville dealer said he never conducted business with Lawson Products and therefore questioned an invoice he received from the company. The invoice poorly defined the products purchased and failed to include a telephone number for information.

James Degnan, operations vice president for Lawson, said the dealer actually bought parts from Kent Automotive, a division of Lawson. Degnan said invoices would be refined to improve product descriptions and identify the related Lawson divisions.

## CATA office closed for holiday

The offices of the CATA will be closed May 27 in observance of the Memorial Day holiday.

Business hours resume Tuesday, May 28.

