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Chicago Blackhawks legend Tony Esposito, right, plays with a toddler on Sept.19 at the Oswego home of Kathy Corgan-May, top, who won the CATA's Ultimate Backyard BBQ contest.

CATA contest winner enjoys all of the fixings at Ultimate BBQ

The CATA's Barbecue for the Troops, a USO fundraiser, kicked off its 2015 campaign with pro hockey Hall of Famer Denis Savard at a media event at the United Center on July 1, days after the Chicago Blackhawks won the Stanley Cup championship. It ended Sept. 19 in an Oswego backyard with another Blackhawks great, Tony Esposito.

In between those mileposts, Chicagoland dealers raised

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Retailers face Oct. 1 deadline to transition to EMV chip cards

Dealers should be aware of the Oct. 1 deadline for merchants to switch from equipment that swipes the magnetic strip of credit and debit cards to equipment that reads cards with chip-embedded security. After Oct. 1, those merchants that continue using the older equipment assume liability for all transactions that are found to be fraudulent.

Previous estimates had been as high as 44 percent of merchants meeting the compliance date. But as of July 1, the EMV Migration Forum estimated that only 25 percent of retailers would be compliant on Oct. 1.

In an effort to decrease fraud, MasterCard and Visa set the Oct. 1 deadline for U.S. financial card issuers (e.g., banks, credit unions) to replace magnetic stripe cards with EMV cards and for merchants to begin accepting them. Other card brands followed suit and have also imposed the Oct. 1 deadline. The transition will also make U.S.-issued cards compatible with point-of-sale (POS)

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Legislation to put reins on CFPB inches along in the U.S. House

A Congressional bill which would roll back efforts by the Consumer Financial Protection Bureau to eliminate a dealer's flexibility to discount the annual percentage rate offered to consumers who finance their vehicle transactions, is expected to go to the House floor in late September or early October.

The CFPB in 2013 issued guidance that sought to change the way dealers are compensated for arranging customer auto loans. The guidance challenges a long-standing practice of dealers adding to an indirect auto

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$121,000 for the USO of Illinois.

In three Julys, the CATA dealerships have generated about $250,000 for USO programs that support deployed troops, military families, wounded, ill and injured troops and their caregivers, and families of the fallen.

To help raise awareness of the dealership fundraisers, the CATA coordinated a social media contest using the hashtag #BBQ4Troops. The contest grand prize was the Ultimate Backyard BBQ, with cooking demonstrations and barbecue fare from Real Urban Barbecue's head chef; a special visit from a Chicago Blackhawks ambassador; and a grill from Big Green Egg Chicago.

More than 100 people submitted contest entries and Kathy Corgan-May, from Oswego, won with 67 percent of the votes.

Her entry stated: "My wonderful nephew (a diehard Blackhawks fan!) is stationed overseas and is coming home for the month of September with his wife and new baby! I'm counting the days!!!!!!

"Would absolutely love to win this amazing backyard BBQ for him to surprise him — so he can see family & friends who love & miss him sooooo much! God bless our troops!!!"

The CATA on Sept. 19 thanked Cogan-May's nephew, Joe, an Air Force enlistee, by throwing him the Ultimate Backyard BBQ. The day marked the first reunion for him with family and friends in two years. He faces another deployment next month.

The Ultimate Backyard Barbecue contest winner received food and beverages and cooking demonstrations from Real Urban Barbecue; a grill from Big Green Egg Chicago; and a visit from a Chicago Blackhawks ambassador.

Reasons car sales will stay strong

By Bill Fox
NADA Chairman

If you want to gauge the economic health of the country, look no further than the retail auto industry as an economic indicator. The seasonally adjusted annual rate for August soared to 17.8 million, the highest pace since July 2005 and the strongest month in the industry's six-year recovery since the recession.

The NADA predicts sales of nearly 17.2 million new cars and light trucks this year. And the used-vehicle market is improving as well. New-car dealerships will retail a combined 31 million new and used vehicles this year, an increase of 3.3 percent from 2014.

And we expect the momentum to continue into 2016, potentially a record year for new-vehicle sales.

Apple sets 2019 goal to build a car

Carmakers at this month's Frankfurt International Auto Show were obsessed with what the nonauto companies such as Apple and Google might be developing, and the Wall Street Journal reported Sept. 22 that Apple has designated its efforts to build an electric car by 2019 as a "committed project."

The company is still working out whether it will make a self-driving car, an electric vehicle or a combination of the two, according to a person with knowledge of the product, who spoke on the condition of anonymity, as Apple is known for its intense secretiveness. It is not unusual for Apple to work on several prototypes of a product at the same time, as it did with the iPhone and the iPad.

Detroit has come a long way since the financial crisis, and advanced sensor-based safety features are available on many models of cars from Ford and General Motors. But none of them have the software expertise of a company like Apple, and they do not want to be stuck manufacturing the bodies of the vehicles while another company controls the more lucrative software.

"We do not plan to become the Foxconn of Apple," Dieter Zetsche, the chief executive of Daimler, told reporters at the auto show in Frankfurt.

Apple has about 600 employees working on the undertaking, called Project Titan, according to a person with knowledge of the project. Apple is deploying more internal resources to Titan, pulling people from other projects, such as the Apple Watch, to work on it, said two people with knowledge of the plans.

Apple executives recently met with the California Department of Motor Vehicles, which in 2012 was tasked with promulgating self-driving car regulations. In a statement, the department said the "D.M.V. often meets with various companies regarding D.M.V. operations. The Apple meeting was to review D.M.V.'s autonomous vehicle regulations."

Apple engineers have also met with officials from GoMentum Station in Concord, Calif., which is known as a testing ground for self-driving cars, according to a person with knowledge of the meeting.

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Consumer voices are centerpiece of NADA advocacy on financing

In a new initiative, consumers tell their own stories of saving on financing at dealerships

The stories of real consumers who saved money by financing new-vehicle purchases through local dealerships are at the center of an initiative by the National Automobile Dealers Association to showcase the true economic value of dealer-assisted financing.

Through video testimonials and a new website, www.nada.org/autofinance, the NADA is bringing the voices of consumers back into the debate over dealer-assisted financing.

Dealers have been fighting to preserve the fiercely competitive, pro-consumer financing model ever since it came under threat from the Consumer Financial Protection Bureau in 2013.

"Consumers save money every day when they finance through dealerships, but that truth is getting lost in Washington, and that needs to change," said NADA President Peter Welch. "The stories that we're highlighting are far from unique. Dealers across the country save consumers money every day, and right now Washington is failing to understand what's at stake for these consumers and millions more if competition is stifled and dealers are prevented from offering discounts on financing."

In today's vehicle finance market, local dealerships are able to shop a customer's credit application to dozens of lenders all competing for the same loan. As a result, dealers usually offer better interest rates than consumers can find on their own.

Furthermore, dealers have the ability to discount their rates to meet or beat a competing credit offer, which results in further savings for consumers.

Yet despite the fact that every day thousands of consumers save money on new vehicle purchases when they choose financing through their local dealerships, the CFPB is pressuring lenders to eliminate the dealer discounts that are a primary driver of these consumer savings.

"Most consumers know that financing is available at their local dealership, but what many don't know is that dealer-assisted financing usually saves them money," Welch added. "Many policymakers might not realize this either, but once the savings that comes from dealer discounting is made clear, it will be hard for Washington to turn a blind eye."

The CFPB's efforts to eliminate or restrict dealer discounting have not included an analysis of the economic impact to consumers, and continue to be met with increasing scrutiny by Congress.

Earlier this year, Reps. Frank Guinta, R-N.H., and Ed Perlmutter, D-Colo., introduced legislation – House Resolution 1737 - that would promote transparency at the CFPB in order to help ensure that its policies do not unintentionally hurt consumers.

In July, the legislation, which has 55 Democratic and 71 Republican cosponsors, passed the House Financial Services Committee on a 47-10 vote. The bipartisan vote included the support of 13 of the committee's 26 Democrats, and House Republicans have indicated that the bill may come to the floor for a vote within the coming weeks.

"Our message is getting out, the facts are on our side, and people are starting to take notice," Welch said. "But there's too much at stake for consumers, so we don't intend to take our foot off the gas until we know that consumer rights and consumer savings are adequately protected."

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loan's percentage rate as compensation for acting as a middleman.

Andrew Koblenz, National Automobile Dealers Association executive vice president of legal and regulatory affairs, said he is hopeful of the passage of House Resolution 1737, whose title is the Reforming CFPB Indirect Auto Financing Guidance Act.

"But now is not the time to take the foot off the gas," Koblenz said earlier this month at the 2015 F&I Industry Summit. "We still have a little ways to go."

The legislation would repeal the 2-year-old CFPB policy guidance which the NADA says was intended to pressure lending institutions to shift from the so-called dealer reserve practice to something such as flat fees for dealers.

The CFPB bases its guidance on claims that negotiated interest rates create a "significant" fair credit risk. However, a recent study by the nonpartisan Charles River Associates found the CFPB's methodology unreliable and replete with errors. Moreover, the CFPB continues to ignore the fact that a variety of legitimate business-related factors can affect finance rates, such as beating a competing rate.

Despite 12 Congressional letters that have been sent to the CFPB, the agency has not publicly provided all the essential details of its methodology to substantiate its guidance.

Tune in ... . . . to "Drive Chicago," the CATA's automotive radio show, 8-9 a.m. Saturdays on WLS-AM 890.

Survey: People can't imagine life without automobiles

A majority of people around the world could not imagine living their lives without a car, according to a study released Sept. 16 at the Frankfurt Motor Show.

The findings by the International Organization of Motor Vehicle Manufacturers (OICA), a group that defends the various interests of the car industry, revealed that 57 percent of people globally would find life harder or more challenging without access to four wheels. OICA concluded that that 78 percent of people in Africa cannot imagine living their lives without a car, compared to 63 percent in the Americas, 56 percent in Europe and 48 percent in Asia. The Paris-based organization surveyed 14,000 people in 18 countries.

"The conclusions are quite clear and positive, with the car seen as an object of desire, providing many important advantages compared to any other transport mode: globally, consumers view the car as comfortable, practical, fast, safe, and future-oriented," Matthias Wissmann, president of the German Association of the Automotive Industry and an OICA vice president, said in a statement.

"Also, the industry itself scores extremely high and is largely considered as an industry that can be trusted and is innovative," Wissmann said.

The study concluded that global consumers generally believe that the car industry is "doing its job" when it comes to investing in technologies that reduce carbon emissions and support renewable energy sources.

"There's been a lot of effort by different companies bringing different technologies" to the emissions problem, Renault CEO Carlos Ghosn — who is also president of the European Automobile Manufacturers Association (ACEA) — told reporters Sept. 16 in Frankfurt.

"We will we do what we can to get results at COP21," he added. COP21 is a United Nations-sponsored conference on climate change that will take place in Paris in December. Reducing long-term carbon emissions from cars and other major infrastructure is one of its goals. Erik Jonnaert, ACEA's secretary-general, said that the car industry is currently responsible for a 5 percent reduction in total global emissions, a reduction that he said was ahead of other industries. The OICA study found that the car industry also largely enjoys a positive reputation despite a spate of highly publicized vehicle recalls involving nearly all major manufacturers.

That's in large part because today's cars are safer and more reliable than ever. In the U.S., road fatalities have dropped sharply, while vehicle dependability ratings are at all-time highs.

The car's reign may still nevertheless be under threat, as a growing number of people live where car ownership is difficult, unnecessary and even dangerous.

According to the World Health Organization (WHO), 54 percent of the world's population lives in urban centers — and that number is expected to grow to 66 percent by 2050.

In dense, city areas, congestion often means that owning a car is both inefficient and cost prohibitive, and urban dwellers regularly turn to public transit and car-and-ride-sharing services to get where they need to go.

In cities such as New York and Tokyo, the automobile is often the slowest way to get from one place to another. Further, the regions where the OICA survey showed car ownership to be most coveted — in Africa, at 78 percent — correspond to places where public transit infrastructure is least developed.

Even as urbanization increases in Africa, inadequate access to mass transit and growing sprawl means that even city dwellers depend on private vehicles. Road fatalities have also sharply increased in the developing world, as more individuals have access to cars.

According to the WHO, car accidents are now the fifth-leading cause of death in developing countries, and vehicle-related air pollution is an increasing threat to human health.

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systems and automated teller machines in much of the rest of the world.

Consumer financial card fraud due to data breaches of card information is an ongoing problem in the United States. The majority of breaches are carried out against POS systems, and are facilitated by what many consider to be the weak link in the U.S. retail sales payment process: the continued use of magnetic stripe cards (also referred to as stripe-and-signature cards). These cards are what most U.S. consumers think of when referring to financial cards.

In much of the rest of the world, cards that provide a much higher level of security for conducting sales transactions are used: EMV cards, named for the coalition of Europay, MasterCard, and Visa (the EMV Coalition or EMVCo) that developed the specifications for the system in the 1990s. EMV cards store card information on an embedded microchip and are more commonly called chip cards.

With these cards, instead of swiping and signing to make a payment, the cardholder inserts the card into the POS machine, then either enters a personal identification number (PIN) or signs to verify the transaction.

Fraud is significantly more difficult to carry out against chip cards, but financial institutions in the U.S. have until recently issued stripe cards almost exclusively.