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701 dealers can remit funds electronically

Dealers with unionized technicians now can remit contributions electronically to the fund office of Automobile Mechanics Local 701. Since the electronic method's inception in April, dealers who use it say it is simple and efficient.

The new ISSi-Remit system accurately captures, manages and transfers remittance data electronically, allowing employers to submit reports and make payments online. The method elimi-

nates duplicate entry of remittance data and saves time and money for both the employer and the 701 Fund.

Dealers who aren't already using the electronic remittance process should contact Lisa Conner, (708) 588-8112, or Nicole Kerkstra, (708) 588-8111. They can provide dealers with a username, password and instruction manual. The manual also can be downloaded under the Employers tab at www.mech701-benefits.org.

U.S. retail sales stall — except at dealerships

Sales at U.S. retailers were little changed in July as Americans flocked to auto dealers at the expense of other merchants.

The stalling of purchases followed a 0.8 percent gain in June that was stronger than initially estimated, Commerce Department figures showed Friday in Washington. The median forecast in a Bloomberg survey called for a 0.4 percent rise in July. Excluding cars, sales retreated 0.3 percent, the most since the start of the year.

Improving car sales drained enough cash from consumers' accounts to cause demand at eight of 12 other major retail categories to fall. While households have been bolstered by higher stock and home values, stronger wage growth

would go a long way in improving purchasing power.

"It is a bit disappointing, at least to start the quarter," said Kevin Cummins, an economist at RBS Securities Inc. in Stamford, Conn. "Labor income is the key. Confidence seems to be moving sideways."

Estimates in the Bloomberg survey ranged from no change to a 0.9 percent gain. June's reading was revised from an initially reported 0.6 percent increase.

Another report from the Labor Department showed wholesale prices unexpectedly fell in July by the most in almost a year, a sign inflation is likely to stay muted. The 0.4 percent drop in the producer-price index, the biggest since

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Dealer donates CPR mannequins

Antioch-based Raymond Chevrolet and Kia, in partnership with the National Automobile Dealers Charitable Foundation, recently presented CPR training units valued at more than \$4,700 to four local organizations.

"We'll be using [the CPR units] in our community for not only people in Somers (Wis.), but the greater area of southeast Wisconsin to teach CPR," said Carson Wilkinson, chief of the Somers Fire and Rescue Department in Somers, Wis., which is about 22 miles northeast of the dealership. "CPR is a vital link in survival. You can be there in seconds where it takes us minutes to get there and that will save a life."

The dealership also donated CPR training units to Lindenhurst Park District; Lakes Community High School, in Lake Villa; and Antioch High School.

"As part of our community service and involvement, we want to make sure that we do right by the communities and do what we can to help save lives," said Mark Scarpelli, president of Raymond Chevrolet and Kia. Scarpelli also is vice chairman of the National Automobile Dealers Association.

The CPR training units were pre-

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Child Safety Month a chance for dealers to host inspection events

September is National Child Safety Month, and dealers are encouraged to participate by hosting child seat safety inspections at their stores.

Through a partnership between the National Automobile Dealers Association and the National Highway Traffic Safety Administration, Child Passenger Safety Month is a nationwide effort to educate parents about the importance of properly securing children in approved car seats and booster seats, or with seat belts when traveling.

Since the campaign began in 2003, dealerships have inspected more than 1 million seats. They reportedly found nine out of 10 seats that either were improperly installed or in need of replacement.

The NADA produced a 40-page booklet with step-by-step directions to help dealers plan a seat-inspection event, including tips on generating local media coverage about the community service.

According to the NHTSA, more than 40,000 child passengers under age 4 are injured or killed in car crashes annually, and more than 50,000 children between ages 4 and 8 are injured or killed each year while riding in cars.

Experts estimate that four out of five child safety seats are installed incorrectly, and that about 40 percent of children under age 8 who are injured in car crashes are completely unbelted. Oftentimes, the injuries are fatal.

Employee rights posters updated

Employers must use two newly revised posters mandated by the Fair Labor Standards Act and the Employee Polygraph Protection Act. The revisions made by the U.S. Department of Labor, effective Aug. 1, fulfill a requirement imposed by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 that DOL (and many other federal agencies) adjust civil penalties periodically to reflect inflation.

The revised posters contain only a general statement that civil monetary penalties may be assessed for certain violations, eliminating the need to reprint them each time penalty adjustments are made. Note: The updated FLSA Minimum Wage poster includes a new worker classification statement and new language on the rights of nursing mothers.

All federal and state posters that Illinois and Indiana businesses must display in common areas can be downloaded free from the CATA website. See www.cata.org/workplace_posters.

Questions about the new posters or civil penalties can be directed to NADA Regulatory Affairs at regulatoryaffairs@nada.org.

Sales

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September, followed a 0.5 percent gain the prior month.

Cheaper fuel

Gasoline service station receipts dropped 2.7 percent, while sales weakened at sporting goods and hobby outlets, department stores, clothing merchants and restaurants.

Core sales, the figures that are used to calculate gross domestic product and which exclude such categories as auto dealers, gasoline stations and building materials merchants, were also little changed last month after 0.5 percent increase in June.

Purchases at service stations fell 2.7 percent last month, the most since February. The Commerce Department's data aren't adjusted for changes in prices, so fluctuating fuel costs can affect filling-station receipts. Sales of food and beverages at grocery stores declined 0.6 percent.

At motor vehicle dealerships, purchases improved 1.1 percent, the most since April, after a 0.5 percent advance.

The figures were in line with industry data. Sales of cars and light trucks climbed to a 17.77 million annualized rate in July, the strongest in eight months, according to Ward's Automotive Group figures.

CATA office closed Sept. 5



The administrative office of the Chicago Automobile Trade Association will be closed Monday, Sept. 5 to mark the Labor Day holiday. Business hours resume Sept. 6.

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Countdown to 100

By JEFF CARLSON
2016 NADA CHAIRMAN

As the chairman who hails from the great “Centennial State,” I would be remiss if I didn’t officially invite all dealers to our Centennial Celebration next January in New Orleans.

Yes, in 2017 your national association will proudly turn 100 years old! On behalf of all of us at the NADA, I invite our members, OEMs, industry allies and partners and the media to celebrate at the NADA100!

There is no better place than the lively and historical city of New Orleans to celebrate a legacy of serving the public for the past 100 years. And our invitation list is long. We expect more than 24,000 people — including more than 3,000 guests from other countries — to attend our birthday bash; and to accommodate them we have booked some of the best hotels throughout the city. I encourage you to register for the convention and book your trip now, as we expect all available hotel rooms

to be fully booked by November.

Register online to access immediate hotel availability and receive confirmation of your transaction in minutes. Save \$100 if you register by Sept. 9.

Once you arrive in New Orleans, you can be sure to experience a CAR-nival! It isn’t a party without food and entertainment. Be ready to enjoy some of the best food and music in the nation. Our gala birthday party in January will feature musical guests Foreigner, Cowboy Mouth and other New Orleans favorites.

And, of course, you’ll also find hundreds of exhibitors on the expo floor and over 100 workshop sessions geared for dealers and their managers to optimize their performance and profitability throughout the year.

More than 20 franchise meetings will give dealers a prime opportunity to discuss marketing plans, sales outlooks and product launches with OEM execs. In short, it’s a great time to build relationships. All meetings will be held in the New Orleans Ernest N. Morial Convention Center.

True to the New Orleans spirit, you’ll see things that you’ve never seen before. The NADA is excited to launch the Exchange: The Modern Dealership Experience, which will provide dealers an overview of how the auto retail world is evolving and how we need to adapt and thrive in a changing world. This is a great time for us all to discuss strategies, share ideas and open dialogue with other industry innovators. We’ll have the chance to explore critical topics like the online consumer buying experience, the showroom and service lane experience, and best-in-class technology.

New Orleans is one of our favorite cities. It’s tough and resilient just like our industry, just like all of us. Come Jan. 26-29, I hope to see you in one place: the Big Easy.

There are five more months until we turn 100 years old. It won’t be a party without you, so I’ll see you there!

Carlson is a Ford and Subaru dealer in Glenwood Springs, Colo.

U.S. rejects automakers’ request to extend fuel comment deadline

U.S. regulators on Aug. 22 denied a request by major automakers to extend the comment period on environmental analysis to determine whether government fuel efficiency requirements are feasible through 2025.

The U.S. Environmental Protection Agency and the National Highway Traffic Safety Administration said in a July report that automakers have the technology to meet aggressive mandates to hike fuel efficiency, but improvements will not be as great as the Obama administration once forecast because buy-

ers are switching to pickup trucks and SUVs. (See related story, Page 4.)

Automakers had asked to extend the deadline for commenting on the 1,200-page report until at least late November. Regulators said comments must be filed by late September.

Automakers have sounded alarms that low gas prices make the Obama administration’s mandates to cut vehicle greenhouse gas emissions untenable in their current form.

The Alliance of Automobile Manufacturers, including

General Motors, Ford, Toyota, Volkswagen and Daimler, asked regulators on Aug. 1 to extend the comment period, citing the sheer volume of information and other issues.

The U.S. Chamber of Commerce; the National Automobile Dealers Association; the Association of Global Automakers representing other major automakers, including Honda and Nissan; and other groups joined the Auto Alliance in filing a request for an extension.

Wade Newton, a spokesman for the Auto Alliance,

said Aug. 22 the “comment period must be long enough to provide time for the public to fully understand the information that it has taken the agencies years to assimilate.”

EPA spokesman Nick Conger countered that despite denying the request, the agencies “will continue to consider relevant new data and information and welcome ongoing feedback as we continue to update our assessments.”

The report will frame a debate with the auto industry that will be decided in 2018 by the next president.

A huge disconnect is emerging between car buyers, U.S. government

The U.S. government has mandated higher average fuel economy from automakers, and the clock is ticking. New standards are supposed to be met by 2025.

Meanwhile, the U.S. auto industry is in the midst of a sales boom that's being driven by highly profitable big pickup trucks and SUVs. These are not vehicles that deliver high mpg.

And that's the problem. For decades, the government has been focused on getting more fuel-efficient cars on the road, for a variety of reasons, ranging from ending a dependence on imported oil to improving the environment.

But now consumers in droves are buying vehicles that don't help to achieve

those objectives. And the car makers are loving it because they're making so much money. The last thing they want is to build cars that nobody wants to buy. They also want to avoid adding technologies to trucks and SUVs that will make those vehicles cost more.

Brent Snavelly, an automotive reporter for the Detroit Free Press, summed it all up:

The auto industry, environmentalists and government regulators are in the middle of reviewing possible changes to regulations that will influence how automakers spend billions over the next decade.

For consumers, the outcome of the regulatory battle ultimately will determine

what kind of cars automakers develop and sell.

More aggressive regulations are likely to force automakers to develop cars that get better fuel economy, or electric and hybrid cars with a better range, as well as reduced greenhouse gas emissions, which is better for the environment. ... Despite pleas from the auto industry, the federal government issued a report last month that kicked off a yearlong review process of the standards that concluded that very little needs to be changed. ...

The technical assessment report did conclude automakers likely would only reach an average of 50 mpg to 52.6 mpg instead of a fleet-wide target of 54.5 mpg for all automakers by 2025.

A winning case?

The automakers have a pretty good case here. They aren't bucking the government's mandate because they can't keep up technologically. If Ford, GM, Honda, or Toyota wanted to put hundred of thousands of additional hybrids and electric cars on the road, they could. The technology isn't mysterious or difficult.

They simply point to the SUVs and trucks that are selling, and what's possible in terms of fuel economy and costs, and contrast the positive picture with the vehicles that aren't selling — the small cars and alternative-propulsion machines that look good on paper but can't hack it in the marketplace.

CPR

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sented during the dealerships' annual Employee Appreciation Day, which also included a visit by U.S. Rep. Randy Hultgren (R-Ill.)

Upon request, the NADCF can provide full-body mannequins as well as torso and baby-sized units.

Since the NADCF's Medical Grants program began in 1975, more than 4,800 CPR training units valued at \$3 million have been donated to organizations across the country. More than 2 million people have been trained on CPR units donated by new-car dealerships.

For information about donating a CPR training unit to an organization in your community, send an email to foundation@nada.org, or call (703) 821-7102 or visit www.nada.org/foundation.



The Somers (Wis.) Fire and Rescue Department received CPR training units at Raymond Chevrolet, in Antioch, earlier this summer. Pictured are (from left) Kim Neiss, dealership community director; Lt. Ryan Nelson; Dusty Thorp, fireman; Carson Wilkinson, fire chief; and Mark Scarpelli, dealership president.