



# CATA Bulletin



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## Next CATA fixed ops Bootcamp April 23-26

Registration is underway for the next four-day Bootcamp for service directors and managers, April 23-26 at the CATA. Call Jim Butcher at 630-424-6020 to register.

The new training, begun by the CATA in 2006 for fixed ops personnel, has been widely praised by those who enrolled in the Bootcamp and subsequent 3-year 20 Groups.

The Bootcamp lead instructor is Lloyd Schiller, who formed Dealer Service Corporation. DSC now is a company of NCM Associates, which founded NADA 20 Groups and which conducts the CATA 20 Groups.

Schiller said Bootcamp attendees have reported net profit increases up to \$20,000 a month after the training, and their CSI scores increased to top factory award status. Technician efficiency also jumped up to 50 percent.

Enrollment through other dealer associations typically costs \$2,800 for the Bootcamp plus \$250 a month over the three-year 20 Group. Special CATA prices are \$1,000 for the Bootcamp and \$160 a month for 20 Group tuition.

In addition, for service directors and managers who complete the 20 Groups, the CATA will rebate to their dealers 50 percent of the first year's tuition, 75 percent of the second year's tuition, and 100 percent of the final year's tuition.

A traditional 20 Group agenda includes comparing dealership financial  
**SEE BOOTCAMP, PAGE 2**

## Curtain rises Feb. 9 on 99th Chicago Auto Show

With a buzz in the air to match the scale of the show, the nation's oldest and largest auto show opens its 10-day public run at McCormick Place Feb. 9. And even before then, the show floor will be bustling.

This year's edition—the 99th—marks the first year the Chicago Auto Show carries accreditation by the International Organization of Motor Vehicle Manufacturers, or OICA. The primary purpose of the OICA is to bring together national automobile associations in order to network, share information, establish policies and, in general, defend the interests of all vehicle manufacturers, assemblers and importers in each national federation.

With the OICA certification, an influx of international automotive media is expected at the show's two-day media preview, Feb. 7-8.

"We're gratified that the nation's largest auto show has been rewarded with an OICA sanction," said Terry D'Arcy, chairman of the 2007 Chicago Auto Show. "Our latest expansion com-



binated with Chicago's status as a world-class city makes it a worthy addition to the OICA calendar of international shows."

Also prior to the show's public days is First Look for Charity, which in its 16 years has grown to become one of the city's greatest one-day fund-raisers. The coming event is expected to raise more than \$2.5 million for the 19 benefiting organizations, and three attendees will win a 2007 model vehicle: a GMC Acadia, a Hyundai Azera, or a Volkswagen GTI.

During the show, watch for live and recorded specials on NBC5 Chicago, Superstation WGN-TV, FOX 32 Chicago, Telemundo Chicago and other stations; plus ongoing television coverage most days. Many Chicago radio stations also will broadcast from the show floor.

The Best of Show contest proved to be a great addition when it was introduced in 2006. Automotive media abound in opining on the new models,  
**SEE AUTO SHOW, PAGE 2**

## Auto show to double as bilingual recruitment tool

A new feature at this year's Chicago Auto Show is Hispanic Day on Feb. 16, sponsored by Telemundo-Chicago. The network will heavily promote the increase that day of special events and Spanish-speaking personnel on the auto show floor.

Dealers repeatedly indicate a desire for more qualified bilingual salespeople. In conjunction with Hispanic Day, the CATA will launch a pilot program to identify bilingual employee

**SEE BILINGUAL, PAGE 2**

## Settlement against Carfax argued Binlingual

Under the proposed settlement of a nationwide class action lawsuit against Carfax, an Ohio judge would award additional free vehicle-history reports or other benefits to car buyers who purchased a Carfax report before Oct. 27, 2006. The suit accuses Carfax of misleading consumers into believing that its reports contain complete information about vehicle histories. In agreeing to settle the case, Carfax denies any wrongdoing.

The proposal, filed in the Court of Common Pleas in Warren, Ohio, also would require Carfax to make prominent disclosures that its vehicle-history reports might not contain complete information.

But a prominent Kansas lawyer, Bernard E. Brown, calls the proposed settlement "worse than no settlement at all." Brown represents clients who unsuspectingly bought previously wrecked vehicles, many of which, he says had "clean" Carfax reports.

Brown said the settlement, which received preliminary court approval on Oct. 27, is little more than a way for Carfax to avoid liability for potentially millions of unreliable history reports. He said the settlement should be offering participants cash instead of vouchers for additional CarFax reports.

"The very idea that the settlement gives people free reports is basically a marketing tool," he said.

The proposal requires Carfax to change its disclosures to ensure that customers aren't misled into believing that its history reports are more reliable than they actually are.

Brown countered that the additional disclosures only further protect Carfax. He noted that the settlement would only

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## Auto show

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but the Best of Show competition gives a voice to the general public who attend the Chicago Auto Show.

Voters will have the chance to vote for their favorites on the show floor in five categories:

- Best All-New Vehicle
- Best Concept
- Best Exhibit
- Best Chicago "World Introduction"
- Vehicle I most want to see in my driveway

"This show is renown for its consumer impact and its focus on the buying public, who express their opinions with their dollars in dealership showrooms," said Terry D'Arcy, chairman of the 2007 Chicago Auto Show. "'Best of Show' gives means to consumers to express their opinions on the direction they see our industry going."

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candidates.

Applicants from the auto show will be screened, interviewed and trained by staff from CATA Learning University, and dealers who subsequently hire those applicants would be assessed about \$500 to offset the training costs.

All CATA dealers were faxed details of the pilot program on Jan. 24. The one-page fax also served as a sign-up sheet for interested dealers to be included in the program.

For more details of the program, and for another copy of the information/sign-up sheet, call the CATA at 630-495-2282.

## Bootcamp

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statements with similar-sized, same-make dealerships from different markets. The CATA's 20 Groups deliberately include representatives from various makes.

Important, attendees do not share their financial information with counterparts, but instead compare that data against manufacturer-specific averages and benchmarks.

The 20 Groups operate autonomously and create their own bylaws and discussion topics, and even have chat rooms on an NCM Web site.

## In Memoriam

Leo Kupskey, a 28-year employee and vice president of Gurnee Dodge (formerly Fohrman Dodge), died Dec. 8, 2006, of a heart attack. He was 56.

Prior to his death, Kupskey's mantra, "It is what it is" sustained him through a two-years-plus battle with lung cancer. His fortitude and loyalty will be missed by dealership owner Michael Fohrman and all Kupskey's fellow workers.

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

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

## NADA, EPA unveil energy efficiency initiative for dealers

By Ray Scarpelli Sr.

METRO CHICAGO NADA DIRECTOR

The NADA and the Environmental Protection Agency's ENERGY STAR Program have launched a joint Energy Stewardship Initiative to help auto dealers improve the energy efficiency of their facilities and operations.

The initiative, unveiled at the Washington (D.C.) Auto Show, provides data, tools, and other strategies for dealers to implement improved energy practices and technologies at their facilities. It builds on the recent joint efforts of the NADA and ENERGY STAR last year to develop and distribute an educational guide for dealers, "Putting Energy into Profits."

"Dealers are committed to improving energy efficiency in their businesses, to protect the environment and reduce overhead costs, and this initiative is a very important step toward that goal," said 2007 NADA Chairman Dale Willey.

"America's auto dealers are delivering more than great cars," said Bill Wehrum, acting assistant administrator for the EPA's Office of Air and Radiation. "They are driving energy savings up and costs down, while leading the way to a healthier environment and a stronger economy. The NADA's response to the ENERGY STAR Challenge is an example of exceptional leadership at work."

The NADA and ENERGY STAR will recognize dealers who achieve annual energy savings of 10 percent or higher. By reducing energy consumption by 10 percent industrywide, dealerships could save nearly \$193 million and prevent more than 1 million tons of greenhouse gases annually.

### Grassroots involvement

Few on Capitol Hill have a better understanding of how legislation affects auto dealerships than Rep. John Campbell (R-Calif.). Campbell, who was elected a year ago in a special election, spent 25 years as an auto dealer before entering the political arena.

Campbell met this month with several new NADA directors and ATD board representatives from across the country. At the outset, Campbell stressed the importance of dealers' grassroots involvement in the legislative process and encouraged the assembled dealers to take advantage of the benefits of NADA membership. He also discussed many of the issues facing the new Congress and how certain proposals impact the industry, issues ranging from small business health care plans to the LIFO accounting method to environmental issues—a hot topic in Washington lately.

In particular, Campbell spoke of efforts to increase CAFE standards and reduce greenhouse gases and other emissions control policies being proposed since Democrats took control of Congress. After several years in the California state legislature, he has a solid understanding of how state and federal attempts to rein-in global warming would affect dealers. With some senior legislators calling global warming "the greatest challenge of our generation," Campbell emphasized the need to preserve fuel choices and the ability of auto manufacturers to develop new technologies to reduce harmful emissions without mandates that would compromise consumer choice, affordability, and passenger safety.

### Crain: Industry shock ahead

Keith Crain, publisher of Automotive News, opines: "With the notable

exception of John Dingell, the longtime Democratic congressman from Dearborn, Mich., most members of Congress seem ready to make a name for themselves on the back of the auto industry. It is scary to imagine all the possible new laws and regulations being thought of in the halls of Congress. The potential is enough to make anyone nervous. About the best ally the automobile industry has in Washington these days is the NADA, an organization chock-full of members who know and support the hometown members of Congress. If the automakers want help in Washington, they had better be on the right side of the NADA because that may be the strongest voice this industry has for the next couple of years. Congress will raise plenty of issues in the next few months, and it will be important that all the auto companies are in harmony, something we haven't seen very often in the past 50 years. This is an interesting time for the car business, but be ready for a bit of a fight."

### April next Career Month

Automotive Career Month is earlier this year, in April. The changed date makes it easier for dealers to arrange events with schools. It is also closer to the end of the school year, so dealers can arrange for students to apply for summer jobs or permanent employment at their dealerships as they plan for the future. Set a date for your event and start contacting schools to invite students. This year's event planning kit includes a timeline and lots of new information taken from dealers and students on putting together a program that will be both instructive and engaging. See [www.nada.org/careers](http://www.nada.org/careers) to order your kit today.

## Vintage race car expected to fetch millions

Perhaps the most expensive car ever to be sold in the history of the prestigious auction house Christie's is due to go under the hammer on Feb. 17 at the international vintage car fair *Rétromobile* in Paris: one of two remaining original Type D racing cars from Auto Union dating from 1939.

Christie's estimates the value of the car at \$11.5 million to \$15.6 million. That would be a new record in the British auction house's long history. World-wide interest in the vehicle is huge.

Auto Union is one of the brands that later jointly became AUDI AG. Audi Tradition keeps alive the memory of the legendary Auto Union Grand Prix racing cars. The Auto Union Type D racing car from 1938, which will be displayed Feb. 12 in Paris, made the journey from the former Soviet Union, where it was taken after World War II by the Soviet occupation forces.

In the 1980s the American Paul Karassik eventually brought the two remaining Type Ds to the West, after searching more than 10 years and eventually finding the cars stripped down into individual parts in the former Soviet Union. He had them reassembled by specialists in Britain with technical support from AUDIAG. The automaker



**1938 Auto Union Type D**

subsequently acquired the 1938 car from Karassik, and the 1939 D Type passed into private ownership.

The Auto Union engineers, headed by Robert Eberan-Eberhorst, developed the 12-cylinder Type D racing car for the 1938 racing season, in which new international Grand Prix regulations were introduced, limiting engine capacity to three liters. Auto Union won the 1938 Italian and British Grand Prix with the Type D racing car.

The car was modified in 1939 with the addition of a twin compressor, which increased its engine power output from 420 to 460 bhp. Its top speed was 330 km/h and it was driven to victory at the Grand Prix in France and Yugoslavia. The top drivers of the Auto Union Type D racing car were Tazio Nuvolari, H.P. Müller, Hans Stuck, Rudolf Hasse and Georg Meier.

## Cambridge deflects unemployment claims

One hundred twenty-nine CATA dealer members reported a combined 518 unemployment claims during the fourth quarter of 2006 to Cambridge Integrated Services Group, Inc., which formerly operated as the Martin Boyer Co. The company's efforts saved those dealers a total of \$1.06 million in benefits by contesting the claims.

Cambridge monitors any unemployment claims against its clients. The company counts about 230 CATA dealers among its clients.

Claims that can be protested and subsequently denied help minimize an employer's unemployment tax rate. The rate can vary between 1.0 percent and 8.2 percent of each employee's first \$11,500 in earnings. The 2006 average unemployment tax rate among Illinois employers was 3.9 percent, or about \$448.50 annually. That is nearly double the 2003 rate.

"The unemployment tax is really the only controllable tax, in that it's experience-driven," said Paul Schardt, senior vice president of Cambridge. An ex-employee's claim affects the employer's tax rate for three years.

Client fees amount to \$2.20 per employee, per fiscal quarter. For the fee, Cambridge monitors all unemployment claims, files any appeals, represents the client at any hearings, verifies the benefit charge statements and confirms the client's unemployment tax rate.

The former Martin Boyer Co. has represented CATA members since 1979. To discuss retaining the company, call Schardt at 312-381-8241.

## Carfax

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require them for two years, and it doesn't require Carfax to change its print or television advertising, which he said are also misleading. Carfax spokesman Larry Gamache said Carfax reports always have carried a statement that the company does not have complete information on every vehicle.

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**Next edition Feb. 26**

The CATA Bulletin takes a one-issue hiatus during the Chicago Auto Show. The next edition's publication date is Feb. 26.