



CATA Bulletin

DRIVE **CHICAGO** .COM
official Web site of CATA dealers

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Legislative contacts survey enclosed

A flyer in this newsletter seeks to measure any business and social relationships that CATA dealer member have with elected officials on the state or local levels. The information is critical for the association's lobbying efforts on legislation that impacts its membership.

Please complete the form and return it to the CATA via mail or fax by Oct. 10.

Industry is biggest U.S. employer

The auto industry is responsible for one in every 10 U.S. jobs, the Center for Automotive Research reported.

According to the report, there are 6.6 million people employed in auto manufacturing and sales jobs, and another 6.7 million in related jobs like auto service and repair or road maintenance.

The report claims that the

auto industry provides \$292,000 per worker to the economy, a figure that is four times above the average per job (\$73,000) and more than twice the average manufacturing job (\$120,000).

The Alliance of Automobile Manufacturers plans to use the data to lobby Congress and President Bush for favorable auto industry regulation and legislation.

NADA body shop seminar at CATA

A body shop estimator can win—or lose—business for a dealership. Preparing an estimate and treating the customer professionally and efficiently is essential, regardless of the dealership's location, size or sales volume.

A one-day seminar,

“Body Shop Estimating for Success,” offers tools to improve estimate-writing procedures, closing techniques, and estimate-control systems for increased profitability.

Body shop managers and estimators and others interested in improving the bot-

SEE SEMINAR, PAGE 4

‘Do not call’ list blocked by federal court in Oklahoma

Ruling just one week before its implementation, a federal judge in Oklahoma blocked the national “do not call” list from taking effect Oct. 1, contending the Federal Trade Commission overstepped its authority when it set up the list.

Telemarketers praised the reprieve. At this newsletter's deadline, it was unclear when—or if—the “do not call” registry would be implemented.

The Direct Marketing Association sued to block the list shortly after Congress approved it in January, saying it would violate free-speech laws and discriminate against an industry that provides millions of jobs.

“The Association and its fellow plaintiffs are grateful that the (court) understood and upheld the industry's belief that the FTC does not have authority to implement and enforce a national do-not-call list,” the trade group said in a press release.

Lawmakers criticized the court's decision, arguing that they had given the FTC the authority to implement the

list. The list would allow consumers to stop most unwanted telephone sales calls.

The FTC had signed up some 50 million phone numbers for the list.

Under the FTC's amended Telemarketing Sales Rule to take effect Oct. 1, businesses could call only customers who (1) have provided written consent in advance of any call, (2) have made a purchase within the last 18 months, or (3) have contacted the business with an inquiry in the past 90 days.

Telemarketers still must properly identify themselves as a seller and explain that they are making a sales call before pitching a product or service.

“I think in the next couple of days,” said Paul Metrey, with the NADA's legal department, “we will likely see legislation—that will be passed by an overwhelming majority of both houses—expressly granting the FTC authority to create and implement the do-not-call registry.”

SEE DO-NOT-CALL, PAGE 2

NADA has guidance on where to begin business succession planning

An obvious retirement-planning goal is to make sure enough money is saved to last as long as the retiree lives. But while the amount of money can be determined, longevity is an uncertain. Also unknown: the retiree's health until death.

Financial planning for retirement therefore involves a set of assumptions, some of which should be considered carefully and on a conservative basis.

Most people need about 70 percent of their pre-retirement income to maintain a similar living standard during retirement. Specific goals and objectives and any lifestyle changes can impact that threshold.

The retirement-planning process should begin by examining current spending patterns. Eliminate any expenses that either will be reduced or eliminated in retirement. Then add expenses that would increase, such as for travel or golf. The result is what money will be needed in retirement.

Next, list any expected income sources. Consider the impacts of inflation and income taxes in deciding whether withdrawals can rely on interest income or whether principle must be tapped.

Proper asset allocation—the process of determining how much to invest in any one type or class of investment—is perhaps the most important ingredient in a successful retirement plan. For example, an asset allocation mix might include stocks, bonds and real estate, as well as cash and

cash equivalents. Assets might be invested in both taxable and tax-free investments, and a large portion of those assets might be in one or more tax-deferred accounts, like a 401(k) or other Individual Retirement Account.

During a worker's younger years, the tax-deferred account probably aims mostly at growth-type investments like stocks. When retirement nears, begin to shift to fixed-income investments like bonds, or cash equivalents that are less volatile than stocks.

A good rule to remember is, the higher the percentage in fixed-income securities, the lower the average annual return and the higher the stability.

Since inflation is eternal, it probably is not a good idea to keep all investments in fixed-income securities. Perhaps 20-30 percent should remain in high quality growth-type securities. The dealership's real estate could be logged in an investment portfolio and considered part of those growth assets.

Asset allocation for retirement assets is an important step in the retirement-planning process that deserves advice by one or more investment experts.

This information was excerpted from "A Dealer Guide to Business Succession Planning," a management guide developed by the NADA. Order the guide from the NADA at 800-252-6232, ext. 2. Each guide is \$25 for NADA members or \$50 for nonmembers, plus shipping.

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Do-not-call

CONTINUED FROM PAGE 1

"The court of appeals also may overturn the ruling. Further, the decision does not affect the FCC's adoption of the FTC's do-not-call rules and the Oct. 1 compliance date.

"Hence, when all is said and done, I think it is quite likely that the do-not-call requirements will kick in at or near the Oct. 1 deadline."

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18W200 Butterfield Road
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630-495-CATA [2282] phone 630-495-2260 fax

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Review past editions or search by topic at www.cata.info/

Jerry H. Cizek III President, Publisher
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Back to class, with NADA educational opportunities

By **RAY SCARPELLI**

METRO CHICAGO NADA DIRECTOR

The NADA Public Affairs Group has developed a new information tool, NADA Express. Go to www.nadaexpress.com to find a time-saving customized home page. NADA Express presents an array of links to news and information about the NADA, the auto industry, weather, business and investing news, and more. It also includes the latest online news from Automotive News. Click on "Make this your home page" and you will join the thousands of executives worldwide who use this kind of Internet service to organize relevant information.

As children and adults return to school in the fall, you'll want to maximize educational opportunities for your staff, too. Plan their visit to the NADA 2004 Convention and Exposition in Las Vegas to get the most from the show floor, the workshops, and the general sessions.

One of the NADA's keynote speakers will be Gen. Tommy R. Franks, U.S. Army, the recently retired commander-in-chief of the U.S. Central Command who oversaw military operations in Iraq during Operation Iraqi Freedom and post-war operations in Afghanistan. Among other assignments, Franks served in Operations Desert Shield and Desert Storm and the Vietnam War.

Dieter Zetsche, president and CEO of DaimlerChrysler, will be

our industry keynoter at the convention, commenting on the recent past and future direction of the international manufacturer. More than 45 convention workshops will cover core topics plus Hispanic market opportunities, warranty administration, recruiting and retaining technicians, wage and hour law for dealerships, and controlling technology expenses.

News anchor and author Deborah Norville will speak at Sunday's Inspirational Service, and retired Navy Capt. D. Michael Abrashoff, author of "It's Your Ship: Management Techniques from the Best Damn Ship in the Navy," is the Super Workshop speaker. Many hotels are sold out, so register quickly online at www.nada.org/convention, or by mail or fax.

Read this month's "Auto Exec" to learn about auto malls with multiple franchises and many amenities in "Enthralled with Malls" and how to deal with the few cars that qualify for popular manufacturer certification programs in "Certifiable Concerns."

Another used-car concern: how to keep prices lower than new-car prices with 0 percent financing and high new-car incentives. Also find out what may be in store for your store in "Price Deflation," in September's "Auto Exec."

In other NADA news:

- As of Aug. 1, NADA membership rolls reached an all-time record high: 91.62 percent of the dealer body (19,884 out of 21,702 dealerships)! Congratulations go to the American

Truck Dealers volunteers, who added close to 100 members from their phone-a-thon in August.

- www.nadaguides.com and Chrome Systems Corp. have become data partners. NADAguides now provide used-vehicle valuations for Chrome, while Chrome provides new-vehicle pricing and information to NADAguides.

There are various actions that dealers can take now, and the NADA can help:

- Plan now to visit your senators and representatives during the winter holiday recess, or invite those legislators to your dealership to meet your staff and tour the facilities. Thank legislators for positive actions and reinforce to them your standing as a community leader.

- Check your invoices for erroneous "online dealer/manufacturer advertising" charges. Complaints have been filed with the Arizona attorney general's office about a possible scam originating in that state.

- Reach out to young people with "What's the Deal on Dealerships?" the NADA's video package that highlights career opportunities in new-car dealerships; and with "Supercharge Your Future," a video from NADA-endorsed Automotive Youth Educational Systems.

As always, as your NADA board member, I stand ready to bring your views to the national office, and national office news to you, so stay in touch.

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- on the Web
- on TV
- on Radio
- In Print

Gentile retires after half-century run as dealer

The "baron" has laid down his sword.

Joe Gentile sold his namesake Chrysler dealership in Barrington last week, ending a new-vehicle sales career that spanned 51 years.

Sportscaster Chet Coppeck dubbed Gentile the Baron of Barrington while broadcasting the opening of the dealership in 1982. But Gentile's nobility is epitomized by his philanthropy to many causes.

Gentile said he will continue hosting a weekday radio program that airs on the Elmhurst station he owns, WJJG-AM, 1530. The call letters represent Gentile's initials.

Gentile sold his first car in 1952 at Milo Brooke Ford, on West Madison Street in Chicago. He soon became Ford's sixth best salesman in the zone, then began an ascension to general sales manager. "I was very tenacious. I wouldn't take no for an answer. Everybody you know is a potential car buyer," he said.

Gentile later moved to Stella Buick in Oak Park, then Jacobs Twin Buick in Chicago. For 10 straight years in the 1970s, he ranked as Buick Division's No. 1 salesman in the United States.

A 1948 graduate of Loyola Univer-

sity, Gentile donated \$3.5 million to build the Joseph J. Gentile Center at the school's Lake Forest Campus.

He also attended St. Ignatius College Prep and donated \$1 million to that institution, generosity that was acknowledged by the 2000 dedication of Joe Gentile Drive in front of the school.

Gentile is quick to identify his proudest industry award: his nomination by the Illinois Automobile Dealers Association for the 1995 Time Magazine Quality Dealer Award. Gentile's radio show, which airs 7-9 a.m. weekdays, promotes charities and various causes.

"It's not what we achieve but what we give back that really counts," Gentile said. "That's the true secret to success."



Joe Gentile broadcasts his show on WJJG-AM, 1530

In Memoriam

Charlotte "Sherry" Mears, wife of David Mears, died Sept. 19 at age 79.

In addition to her husband, the president of Elmhurst Lincoln Mercury, Sherry Mears is survived by a daughter, Susan, and three grandchildren.

Congratulations!

Six area dealerships are among 75 GM dealers nationwide named GM Protection Plan President's Circle winners. They are **Bill Kay Chevrolet** in Lisle, **Haggerty Pontiac-GMC** in Villa Park, **Jerry Haggerty Chevrolet** in Glen Ellyn, **Hoskins Chevrolet** in Elk Grove Village, **Rockenbach Chevrolet** in Grayslake, and **Woodfield Chevrolet** in Schaumburg.

Seminar

CONTINUED FROM PAGE 1

tom line are encouraged to attend the seminar.

The speaker, Robert Rick, is vice president of training and continued education for ABRA Auto Body & Glass in Minneapolis, Minn.

Registration for the seminar, 8:30 a.m.-4:30 p.m. Oct. 13, is \$199. Call the NADA at 800-252-6232, ext. 2.

Workplace

Office Manager/Controller 18 years' dealership experience. Cross-training in many departments. Organized, dedicated, self-motivated. Microsoft Word, Excel; ADP. Debra Borows, 708-804-6814.

EPA reports track fuel economy trends, vehicle 'green' ratings

The U.S. Environmental Protection Agency summarizes key fuel economy and technology trends for cars and light trucks in a new report, "Light Duty Automotive Technology and Fuel Economy Trends: 1975 Through 2003," available at www.epa.gov/otaq/fetrends.htm

At 20.8 miles per gallon, the aver-

age fuel economy for model year 2003 is about 6 percent lower than the peak value of 22.1 mpg achieved in 1987 and 1988. There is a continuing decline, according to the report, in fuel economy due to the increases in light truck sales, increased vehicle weight, and the popularity of more powerful engines.

Copies of the Fuel Economy Guide,

which was developed by the EPA and the U.S. Department of Energy to track city and highway fuel economy data for various vehicle models, is available at www.fueleconomy.gov/ The EPA's Green Vehicle Guide, which monitors a vehicle's environmental performance, can be downloaded at www.epa.gov/greenvehicles/