



## Upcoming DealersEdge webinars

The Chicago Automobile Trade Association has established a partnership with DealersEdge to provide high-quality training and informational webinars that offer the content to CATA member dealers at a significantly discounted rate.

The rate for CATA members for the weekly presentations is \$149, half what is charged to users who do not subscribe to DealersEdge. Webinars premiere on a near-weekly basis.

Even for dealers who hold an annual membership with DealersEdge, the new relationship with the CATA represents a savings because DealersEdge offers its Webinars to its own members for \$198. Regular annual membership fees are \$397, and normal webinar fees are \$298 for non-DealersEdge members.

Once purchased, DealersEdge webinars and accompanying PDF files can be downloaded and viewed later—and repeatedly. No matter how many people watch at your location, each connection costs a CATA member just \$149. A telephone connection is not needed; and the fee includes both PowerPoint slides and audio.

To register for any of the DealersEdge webinars, go to [www.cata.info](http://www.cata.info). On the tan bar across the top of the screen, click on Education/Careers and follow the drop-down menu to CATA-DealersEdge webinars.

Coming topics:

Thursday, May 3 at 12 p.m. CDT

**“How to Fine-Tune the Used-Vehicle Department to Spot Weaknesses and Supercharge Results”**  
Dealers, GMs, would-be GMs, Controllers and Sales Managers can measure performance in their used-vehicle departments to highlight areas that need improvement

SEE WEBINARS, PAGE 2

## Employee Rights poster stopped

*But timeline to hold union elections reduced*

A U.S. appellate court on April 17 put on hold a National Labor Relations Board notice posting rule that was to have taken effect April 30. It is the third time implementation of the rule has been delayed.

The rule would require most private businesses to display an 11-by-17 workplace poster that informs employees of their rights under the National Labor Rela-

tions Act, including the right to form and join unions. The poster does not inform employees of their right not to join a union or how to seek decertification of a union.

Several business groups, including the U.S. Chamber of Commerce, the National Association of Manufacturers and the National Federation of Independent Business, challenged the NLRB's authority to require the notice posting.

The District of Columbia

SEE UNIONS, PAGE 4

## Participation in the 2012 NADA compensation survey ends May 2

Participation in the latest National Automobile Dealers Association study on employee compensation and other concerns runs until May 2.

Only NADA and ATD members are eligible to participate. It is free to participate, and participating dealers will receive a free individualized report comparing their own employee wages, benefits and retention

to the regional and national industry.

The study will provide dealers with valuable comparative data to assess and adjust, if necessary, their employee compensation programs, health and retirement benefit packages, and find out what it takes to be competitive in recruiting new employees, said Marilyn Youngs of the NADA.

SEE COMPENSATION, PAGE 4

## CATA to host 1st Chicago digital dealer conference May 9-10

A conference providing information on some of the hottest digital marketing topics in the industry—SEO, social media, Internet marketing, leveraging data, tracking, BDC departments, online reviews, chat, mobile apps and more—convenes May 9-10 at the CATA.

The two-day Chicago DigitalCON will gather the industry's best digital subject matter experts from around the country to share the latest online strategies to help dealerships learn ways to enhance their online marketing.

Chicago DigitalCON is free to either the principal or sales manager of each CATA dealership. Additional employees can register for \$199 each until April 25; \$299 thereafter.

The conference opens May 9 with a keynote address delivered by Chip Perry, chief executive of Autotrader.com. Conference hours are 1-5 p.m. May 9 and 8:30 a.m.-5 p.m. May 10.

Other scheduled speakers include Pat Ryan, Founder of FirstLook and MAX Systems; Eric Brown, CEO and co-founder of Dataium; Bobby Gaudreau of IMN; Greg Wells, Senior Partner of Kain Automotive; Rob Mudd, principal of Mudd Advertising; Heather MacKinnon of DealerRater; and a social media panel hosted by Gaurav Shroff, Barry Saltzman, Kirsten Kamerman and Irfan Jafrey.

For full details and to register, go to [www.chicagodigitalcon.com](http://www.chicagodigitalcon.com). The conference is organized by Automotive Internet Media, Inc., a premier integrated media and lead distribution company.

The Courtyard by Marriott Oakbrook Terrace, which is adjacent to the CATA, is offering discounted hotel rates on May 9. Call (630) 691-1500.

## Profits down for Chinese dealers

A changing economic and regulatory environment, coupled with more products and dealerships, have led China vehicle dealers to report lower profits on 2011 operations, compared with 2010, a J.D. Power study found.

Findings from the annual study on automotive dealer sentiment, which this year counts 1,605 dealers of 38 different brands in 59 cities in China, indicate the percentage of dealers reporting they were profitable in 2011 fell to 63 percent, compared with 81 percent a year ago. Twenty percent of dealers reported losing money on their operations, up from 9 percent in the 2011 study.

“These profit findings are troubling to more than just dealers,” said J.D. Power’s Charles Mills. “Brands need dealers to continue to invest to meet their market potentials, and China customers increasingly expect more from their dealership experiences. This puts brands with lower dealer profitability at a disadvantage relative to competitors.”

## Webinars

CONTINUED FROM PAGE 1

and to formulate corrective action plans.

The car business has changed much in the past decade, but nowhere more so than in the Used-Vehicle departments. The Internet has been the main agent of change, often upturning established processes. Some dealerships have adapted well, others are perplexed with their feet firmly planted—one foot in the old way of doing business while the other foot attempts to move forward. The result: Many used-vehicle departments are under-performing.

Speaker Steve Nickelsen explores how dealership top managers, as well as Used-Vehicle department managers, can perform a self-examination and evaluation with an eye toward spotting areas in which the dealership can do better. Once problem areas are highlighted, Steve will also lay out a plan for addressing and correcting the weaknesses found.

Thursday, May 10 at 12 p.m. CDT

**“Internet Ups: Guiding the Prospect from Email to Phone to Showroom”** An alarming number of Internet prospects—up to 95 percent, by some estimates—never make it to the showroom. Some aspect of the experience turns them off to your dealership. All too often it is the email-to-phone transition that is the sale’s dead end.

Converting online shoppers to showroom customers requires specially designed processes and a well-developed skill set. Jennifer Suzuki, president of eDealerSolutions, developed just such a game plan for auto retailers and she will share it during a special webinar presentation. You will learn:

- The 10 steps for setting a showroom appointment using both inbound and outbound contacts
- How to create and use professional scripts to support your game plan
- The essential elements for building your value story over the phone
- Methods for staying in control of the call
- The deal breakers, and how to deal with them
- Telephone introductions that engage prospects, and questions that lead them to your showroom

The CATA Bulletin is produced by the  
Chicago Automobile Trade Association  
18W200 Butterfield Rd. Oakbrook Terrace, IL 60181-4810

The CATA Bulletin is distributed via blast e-mail every other Friday except during the Chicago Auto Show, when it is not produced.

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

Review past editions dating to 1998 or search by subject at [www.cata.info](http://www.cata.info).

David E. Sloan  
Erik K. Higgins

President, Publisher  
Editor, Director of Dealer Affairs

## CATA-approved Member Partners — updated

The Chicago Automobile Trade Association has identified a number of CATA allied members who offer programs designed to save the member dealers money. The vendors provide exceptional service and are working with the CATA to extend these benefit programs to our members.

The CATA has approved an opportunity for dealer members to benefit by accessing **Aflac** insurance coverage for their employees. For those not aware, Aflac coverage is completely funded by the employees who choose coverage, meaning dealers can enhance their employee-benefits package by offering Aflac without costing the dealership a dime.

**CIMCO** is a Chicago-based provider of dedicated T1 phone and internet solutions. The parent company of CIMCO is Comcast, which offers triple-play coax and fiber-based services. The partnership with the CATA provides a redundant telecom solution for CATA dealer members.

Dealers are encouraged to take advantage of a partnership between The CATA and **DealersEdge** to provide high-quality training and informational webinars to dealers at a significantly discounted rate.

The CATA has negotiated for its members discounted credit card processing rates with **First Payment Systems**. All CATA dealer members qualify for guaranteed low rates through the CATA Bank Card Program.

**Utility Management Group** is a full-service energy consulting firm. The CATA encourages its members to explore the energy offerings of Utility Management Group, a licensed Illinois energy broker.

For more information on the association's Approved Member Partners, or if you are interested in becoming an Approved Member Partner, please visit [http://www.cata.info/resources/cata\\_member\\_benefits](http://www.cata.info/resources/cata_member_benefits).

## Marketplace

**Part-time, temporary help** Account receivables, special projects, taxes. Marie Jorgensen, (708) 771-3477.

### A word about Marketplace listings ...

This newsletter periodically includes marketplace listings of individuals seeking dealership employment. The CATA does not check the employment references contained in any individual's résumé, and the listings should in no way be viewed as a "recommendation" by the CATA of any individual. Dealers should check the references of anyone they are considering for employment.

## In social media or dealer chat, engage the customer: expert

By **BILL SENGSTACKEN**  
CONTACT AT ONCE!

Like most businesses, automobile dealerships have warmed to the concept of social media. Your dealership likely has a Facebook page, probably has a Twitter account. Some have already established a presence on Google+.

While establishing these accounts is a great start, these actions do little good if you don't actively engage with the consumer in a fashion which builds both rapport and trust.

A common mistake both with social media interaction and with dealer live chat is to try to sell a vehicle in the initial conversation. That may sound counter-intuitive — after all, you're in the business to sell cars, right?

But just like when a customer visits your location, there is a time and a place to close the deal. Admittedly, every situation is unique. But as a general rule, you need to build that rapport and take some time to understand the customer's needs.

Once that is accomplished, you likely can move to a test drive, and the potential for a sale increases from there.

More than a few eager dealers post or tweet statements like "We have over 40 new Nissans in stock—call me now!" Then they wonder why they receive no response.

There are a number of reasons why this tactic

doesn't work, but the main one is that they are posting a statement. While it may be a fact that the dealer has 40 Nissans in stock, making a statement doesn't invite a response.

The savvy dealer instead uses the information in a more engaging way, posting a question such as, "Would your commute be better in a new Nissan? We have 40 in stock — what color would you like?"

Granted, not everyone is going to respond to that, but by asking a question you may get a response such as "I wish I could afford a blue one." Now you have an opening to speak about special deals or financing offers, or it could open a conversation about your pre-owned inventories. The key, of course is to get the conversation started.

Similarly in dealer chat scenarios, if a customer starts a chat conversation, it is wise to respond with some simple questions such as "Hi, my name is Bill, what's your name?"

In the Robert Cialdini book, "Influence: The Psychology of Persuasion," a key takeaway is that if you give somebody something, they are predisposed to give something back. If you give someone your name, as an example, you're very likely to get a name back.

*The author is director of marketing at the dealer chat provider, Contact At Once!*

## 701 union pension fund status to be discussed

Attorneys of Franczek Radelet P.C., the CATA's labor relations counsel, will review how dealers should administer the contracts of employees represented by Automobile Mechanics Local No. 701, in light of the union's pension fund status.

The review, 9:30 a.m.-12 p.m. May 8, follows the fund's change from "endangered status" in 2011 to "critical status" in 2012. Dealers who want to attend must register in advance with the firm. Call Mary Casto at (312) 786-6151.

The immediate implications of this change for dealers are that:

- Contribution surcharges will be required on pension fund contributions for work weeks beginning in June 2012 that are reported and paid in July; and
- Dealers who have the Standard Automotive Agreement will not be required to pay a portion of the wage increase that was to go into effect on August 1, 2012.

Dealers effectively will be protected from the financial impact of the contribution surcharges. Nevertheless, it is important that dealers administer the provisions correctly to achieve that protection.

Discussion will focus on what is being done to address the pension funding and what happens next; how to report contribution surcharges and when they are paid; and from which job classes dealers will realize wage savings, and how long those savings will last.

## Compensation

CONTINUED FROM PAGE 1

"All individual dealership data will be kept secure and remain strictly confidential," Youngs added.

To participate in the 2012 Dealership Workforce Study, visit [www.nadaworkforcestudy.com](http://www.nadaworkforcestudy.com).

Once the study is completed, the association indicated that participating dealers will receive a free copy of the basic report that compares their individual dealership to the regional and national industry, as well as the Driven manage-

## NADA meets carmakers over renovations study

No solid data exists that new-car dealers would sell one more vehicle by investing \$1 million in the dealership, a recent study commissioned by the National Automobile Dealers Association found.

NADA Chairman Bill Underriner called the study of the return on investment of factory-mandated renovation programs the top NADA issue. Leadership from the association has met with 12 manufacturers to discuss the study, which was released in February.

"It was all over the board," said Underriner, a dealer in Montana. "We had

some manufacturers that said maybe we ought to slow down the process a little bit and take a look at this.

"We've had other manufacturers that were farther down the road ... but were 85 percent complete with [their] facility planning. We had some that said that's a great idea. We haven't started our facilities planning yet, but we'll take it into consideration."

Underriner said the NADA wants to include a discussion of the facilities study at the upcoming round of Dealer Attitude Survey meetings with 30 auto manufacturers.

## Unions

CONTINUED FROM PAGE 1

Circuit of the U.S. Court of Appeals will hear appeals of this month's injunction in September.

Another regulation that does take effect April 30 reduces the time after employees petition for unionization until a representation election is held. The change improves union efforts to organize more workplaces.

The Senate on April 24 rejected a Republican attempt to overturn the new regulation. The 54-45 vote against a resolution of disapproval, largely along party lines, leaves intact the new National Labor Relations Board rule. Unions had sought the rules changes while business groups opposed them. Senate Democrats unanimously supported the new regulations. Alaska Sen. Lisa Murkowski was the only Republican supporting them.

Under the existing regulations, workers typically vote within 45-60 days after a union gathers enough signatures from workers who say they want to hold an election. The new rules could cut that time by days or even weeks by simplifying procedures and putting off some challenges until after the election is held, cutting back hearings and reducing legal delays.

The new rules could help unions expand in the private sector, where membership has dwindled to about 6.9 percent of all workers. Retailers like Target and Wal-Mart are concerned that the new rules will encourage unions to step up organizing at their stores.

"With only about 5 percent average unionization, retailers are low-hanging fruit for union organizers," said David French, a vice president of government relations for the National Retail Federation.

ment guide summary report.

Dealers who do not participate in the survey, the NADA noted, will not be eligible to receive the comparative Dealership Workforce Study reports but can purchase the Driven management guide.

"So far, dealer participation has been strong, and dealers are telling us that it's quick and easy to complete the survey," Youngs said.

"A higher number of dealers participating in the study will result in more detailed reports comparing data at the national, regional, state and metro levels."