



**FOCUS** on the  
**FUTURE**

MARCH 2018

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The New NADA + Vegas Fun Facts + NADA Data + Who's Who + Year in Review + Regulatory Maze



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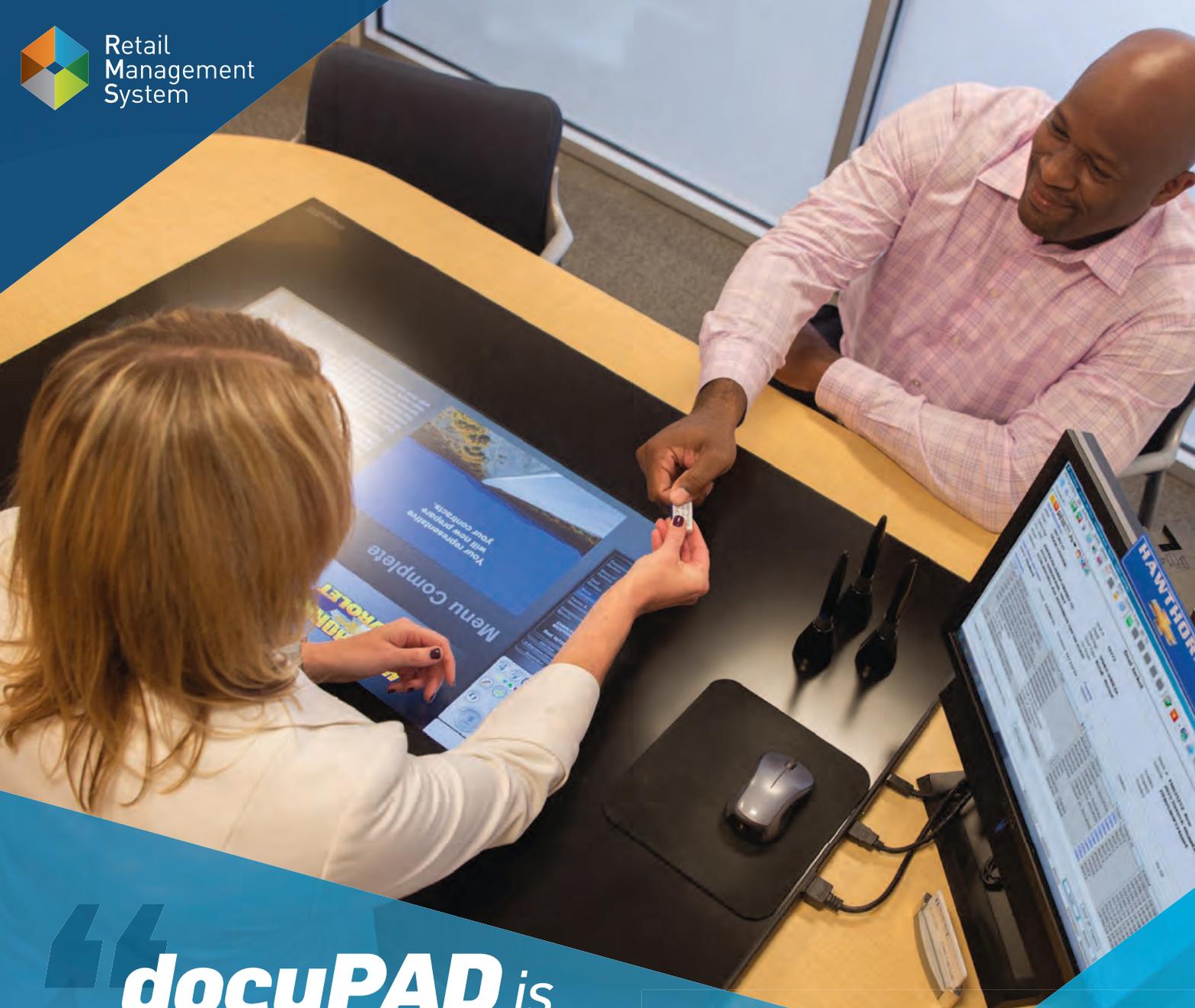
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Management  
System



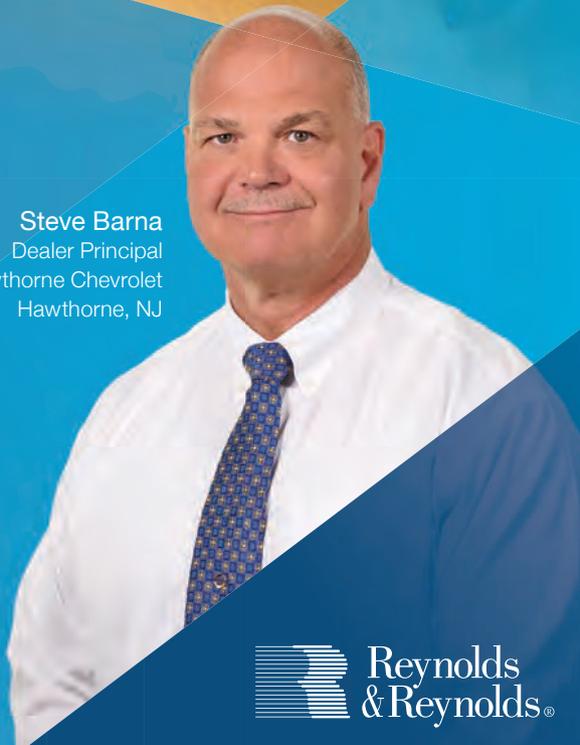
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Steve Barna  
Dealer Principal  
Hawthorne Chevrolet  
Hawthorne, NJ



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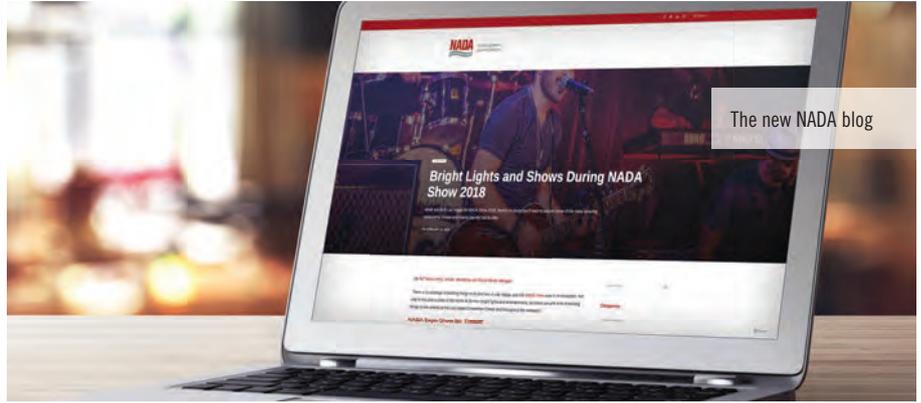
# Digital Content

MARCH 2018

NADA Show Magazine



News at your fingertips



NADA's social connections

## NADA DIGITAL

Along with key print publications—including the *NADA Show Magazine* and *NADA Show Directory*—NADA offers timely coverage on its digital platforms all year long.

### **nada.org**

Complete resource for NADA programs and initiatives, including event registration, webinars, legislative and regulatory updates, the popular *NADA Data* and *ATD Data* reports, and more.

### ***NADA Headlines***

Daily e-newsletter of top auto-industry news, available free by subscribing to [nada.org/nadaheadlines](http://nada.org/nadaheadlines). Also available: the weekly *ATD Insider* at [atd.org/atdinsider](http://atd.org/atdinsider).

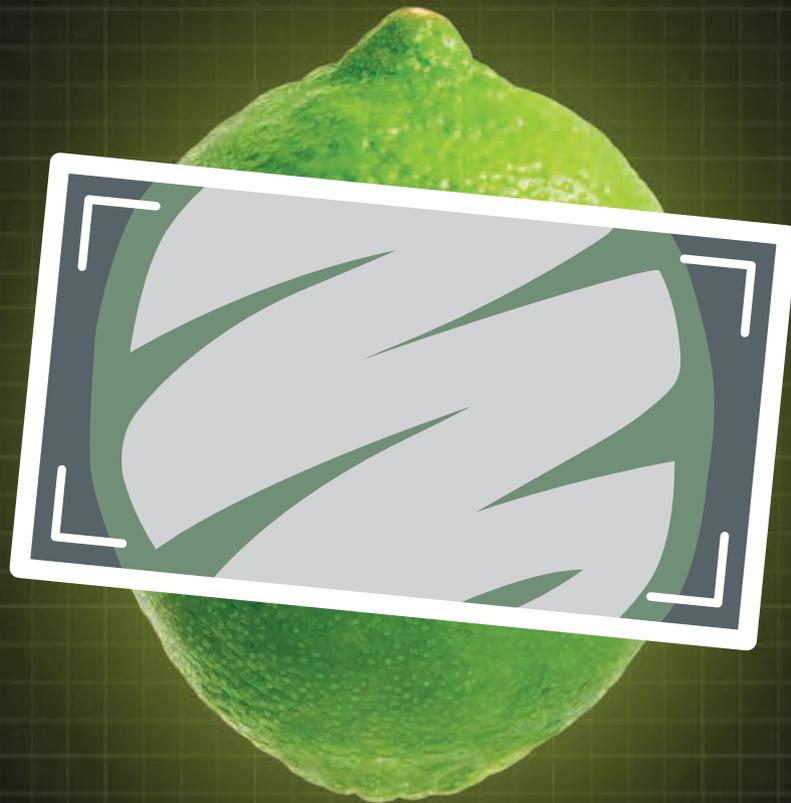
### **NADA Blog**

The all-new NADA blog is available at [blog.nada.org](http://blog.nada.org), with the latest NADA articles, videos, photos and more.

### **NADA Social Media**

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# Welcome

MARCH 2018

NADA Show Magazine



## NADA: FOCUS ON THE FUTURE

**A** focus on the future has always been key to NADA's mission, and this year's get-together in Las Vegas (starting on page 8) spotlights the many challenges and opportunities auto retail will face in the next century.

Autonomous vehicles. Data security. Social media. An ever-changing landscape of federal and state regulations. These hot topics and more are on the roster—and understanding how they affect dealers and consumers will be key to success.

That's why Waymo CEO John Krafcik is Saturday's general session speaker, bringing along a self-driving car. More workshops than ever will target digital issues—including a super session with Facebook, Google and Twitter. And exhibitors are upping their game, increasing their booth spaces and having more staff on hand to meet one-on-one with dealers.

The convention even has a new name—the NADA Show—and a completely new logo. (Same with the American Truck Dealers division, with its ATD Show at the Westgate Hotel & Casino.)

But these events aren't the only changes taking place at your association. Call it "The New NADA" (starting on page 24), marked by a renewed emphasis on advocacy and education. More than ever, the voice of the dealer is being heard on Capitol Hill and in automaker boardrooms, with more targeted messaging in digital media and in high-profile campaigns, such as MyDealership.org. At the same time, more dynamic programs are now available through the Academy and 20 Groups.

The result: an even stronger support system for dealers as we embrace the auto industry of the future. ♦

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# 2018 NADASHOW

in Las Vegas since 1965





# Hot Show Site

## NADA in Las Vegas

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Welcome to Las Vegas.

It's a great place to earn, at the tables and slots, and learn, at the NADA Show. But only the latter is a sure thing.

---

BY PETER CRAIG

**V**egas, one of the only warm-weather cities that can accommodate a show of NADA's size, has long been a popular site for the association. NADA first rolled the dice on Vegas as a venue that would draw members in 1965, and the place was an immediate hit.

Since that year, Vegas has been NADA's No. 1 choice as a show site (16 times), with San Francisco and New Orleans tied for second (12 each). The Las Vegas Convention Center has grown along with NADA's big event, from 110,350 square

feet when it was built in 1959 to nearly 3.2 million today.

Aside from dealers, the Vegas venue has also drawn some interesting, and influential, general session speakers. The 1968 show featured Ronald Reagan—then governor of California—and NADA's first female keynote speaker: *McCall's* automotive editor Amy Fisher Rush.

The 1976 show in Vegas launched a regular pattern of top automaker executives addressing dealers, in that

case GM Chairman Thomas A. Murphy. In 1983, 1987 and 1990, Chrysler Chairman Lee Iacocca was in town as the keynote speaker.

"Sin City" got a dose of religion at NADA with speaker Archbishop Fulton J. Sheen in 1974 and again with TV evangelist Pat Robertson in 1987. Plus, Bob Hope entertained at the first annual DEAC Diamond Dinner in 1976.

But whether it's Las Vegas or another venue, NADA's goal has always been to refresh and inspire its members through





great speeches and entertainment, stimulating workshops, informative franchise meetings, lively networking events and the ever-expanding expo. So far, so good on that count.

And this year's speakers (page 14) are just as dynamic and include renowned football coach Nick Saban, Waymo CEO John Krafcik and others. ❖

---

*For more on the NADA Show, go to [show.nada.org](http://show.nada.org).*

**Still growing.** The Las Vegas Convention Center has expanded from 110,350 square feet, when built in 1959, to nearly 3.2 million today.

Fun Facts

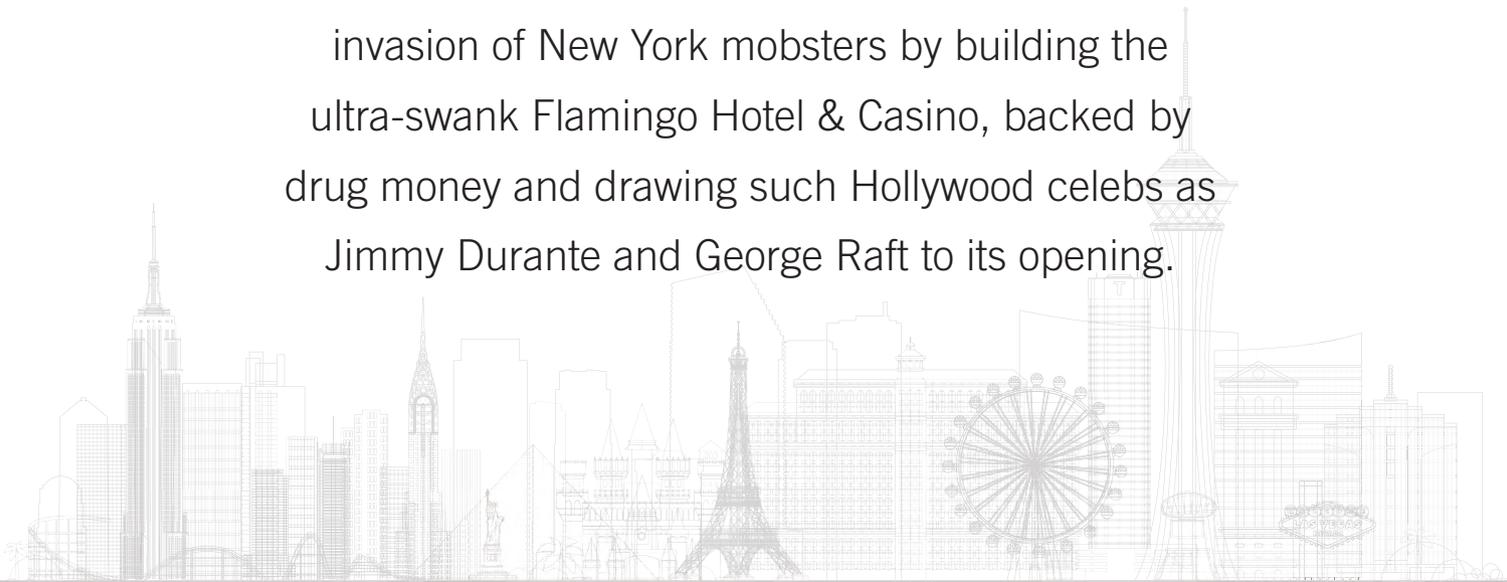
# LAS VEGAS

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BY PETER CRAIG

Despite what you may have heard, Las Vegas was not established by East Coast gangsters as a place to launch their gambling industry, but by the railroads as a transportation hub. In 1905 the San Pedro, Los Angeles and Salt Lake line arrived in the area to connect with the country's main rail networks, and six years later, Las Vegas was incorporated.

It wasn't until 1946 that Bugsy Siegel led an invasion of New York mobsters by building the ultra-swank Flamingo Hotel & Casino, backed by drug money and drawing such Hollywood celebs as Jimmy Durante and George Raft to its opening.





## 1855

Mormon leader Brigham Young founded a short-lived religious settlement in what would later become “Sin City.”

## 1942

Las Vegas’ first wedding chapel, the Little Church of the West, hit the Strip.



## During the 1950s and 1960s,

Mob money—combined with funds from more respectable sources like the Princeton University endowment—helped build such resorts as the Sahara and the Sands.



## In the 1970s,

Liberace performed at the Hilton for a weekly salary of \$300,000.



## Up and Atom

With atomic mushroom clouds often visible over the nearby Nevada Test Site between 1951 and 1963, postcards proclaimed Las Vegas the “Up and Atom City.”



## Howard Hughes,

who coproduced *The Las Vegas Story* in 1952, purchased Vegas’ Desert Inn Casino for \$13 million rather than vacate his room in 1967.

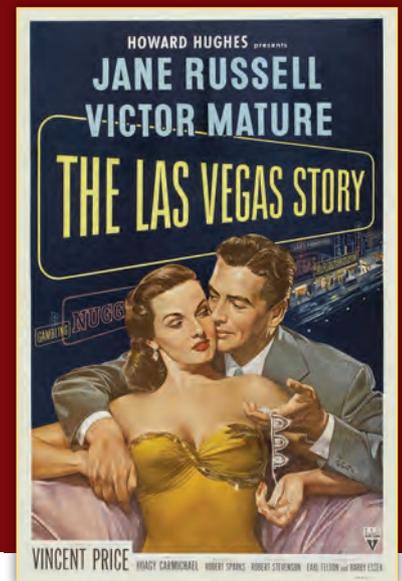
## No Powerball in the Gambling Capital

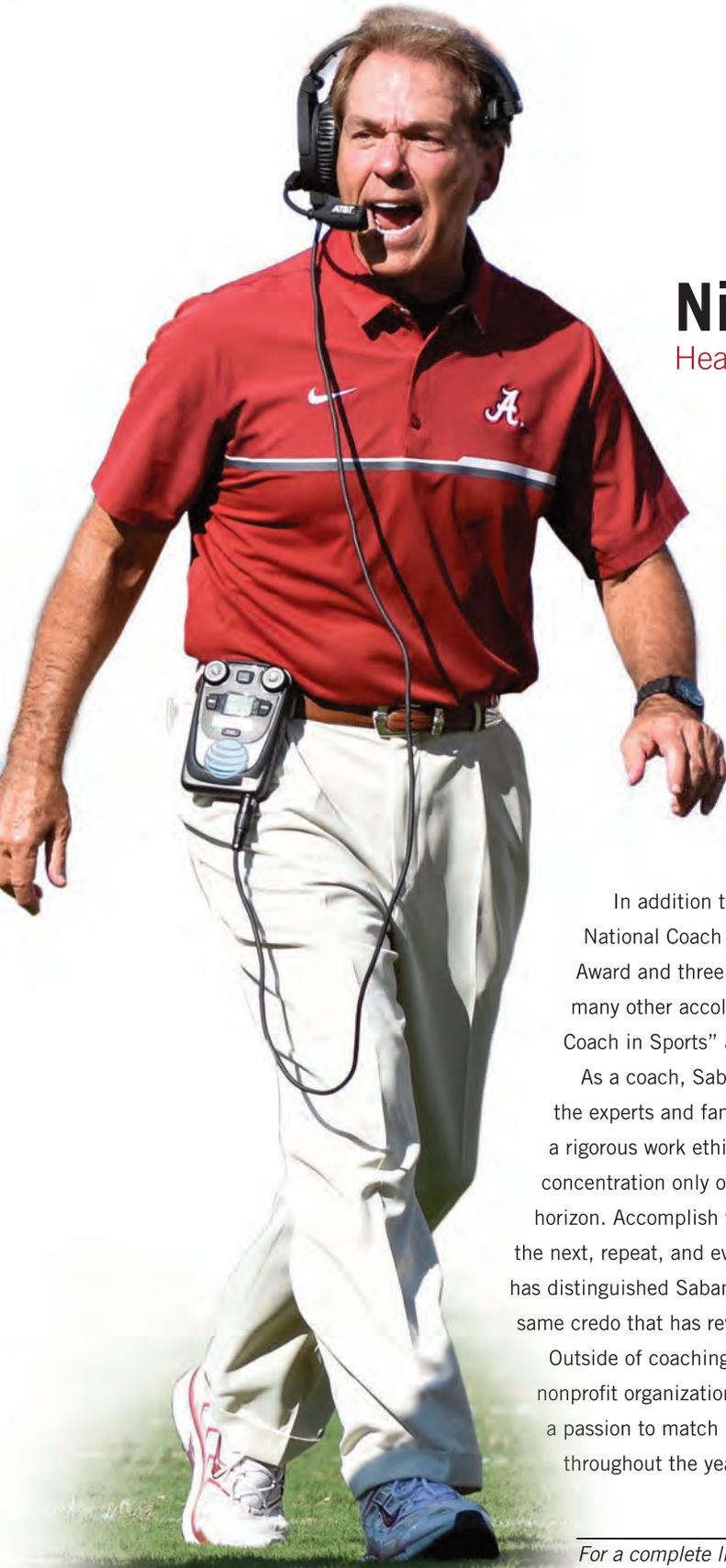
While Nevada legalized casino gambling in 1931, the sale of lottery tickets remains prohibited today.



## Las Vegas leads

U.S. cities in hotel rooms, with 169,100, while No. 2 Orlando boasts only 119,800.





## Nick Saban

Head Football Coach, University of Alabama

BY JOE PHILLIPS AND PETER CRAIG

**N**ick Saban is simply one of the greatest coaches of all time in any sport, and he's proved it once again by leading his team, the University of Alabama Crimson Tide, to victory over the University of Georgia in the 2017 College Football Playoff National Championship. With six national championships, he currently shares the record for most college football championships with another legendary Alabama coach—Paul “Bear” Bryant. Saban also coached LSU to victory in the BCS National Championship in 2003, making him the first coach in college football history to win national championships at more than one school.

In addition to the six national championships, Saban has earned two AP National Coach of the Year awards (2003, 2008), the 2003 Bear Bryant Award and three SEC Coach of the Year awards (2003, 2008, 2009), among many other accolades. He was also named *Forbes* magazine’s “Most Powerful Coach in Sports” and NFL.com’s “Best Head Coach in College Football.”

As a coach, Saban has a powerful leadership style that his staff, players, the experts and fans have come to refer to as “The Process.” Emphasizing a rigorous work ethic and focus on the moment, Saban instills in his team a concentration only on the task at hand, rather than future possibilities on the horizon. Accomplish the current mission, he stresses, and only then move on to the next, repeat, and eventually the final result will yield success. This philosophy has distinguished Saban since his first national championship in 2003, and it’s the same credo that has rewarded his current team with their most recent success.

Outside of coaching, Saban—with his wife, Terry—founded Nick’s Kids, a nonprofit organization dedicated to helping mentally challenged children. Bringing a passion to match his day job’s, Saban helps host and organize several functions throughout the year to spread awareness and advance the fund’s mission. ♦

For a complete list of speakers and entertainers, visit [convention.nada.org/speakers](http://convention.nada.org/speakers).



## John Krafcik

CEO, Waymo LLC

Former Hyundai Motor America president Krafcik is now chief of Waymo. The self-driving technology company, formed in December 2016, has strategic partnerships with Fiat Chrysler Automobiles and ridesharing firm Lyft.



## Robert O'Neill

Former SEAL Team Six Leader,  
Naval Special Warfare  
Development Group

O'Neill, the former Navy SEAL who fatally shot Osama bin Laden, held combat leadership roles during 400-plus missions. His numerous honors include two Silver Stars and four Bronze Stars with Valor.

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#### **JIM KNIGHT** *Former Hard Rock International Executive and Author of Culture That Rocks!*

##### CULTURE THAT ROCKS: HOW TO AMP UP OR REVOLUTIONIZE A COMPANY'S CULTURE

Knight highlights hot brands like Hard Rock International to illustrate how to change an organization's culture. He covers brand ambassadors, employee engagement, and ways to get—and keep—leadership rock stars.



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#### **JOE THEISMANN** *World Champion Quarterback, Broadcaster and Entrepreneur*

##### GAME PLAN FOR SUCCESS

Theismann shows how to succeed under pressure when it's “fourth and one.” The 1983 Super Bowl champ, leading the Washington Redskins, urges setting goals, correcting errors and building momentum to beat even the best defense.



# Heartbeats of the Show

**NADA Pavilion and NADA Live Stage.**

Two of the high-traffic hubs at the show include the NADA Pavilion—redesigned in a fun cylindrical shape to mimic tires, steering wheels, headlights, even lithium-ion batteries—and the popular NADA Live Stage, which features interviews with high-profile auto execs, dealers and other newsmakers.



**NADA Pavilion.** In the NADA Pavilion on the expo floor, dealers learn about the latest NADA programs, renew their membership and rejuvenate with refreshments. (The Social Connection Zone is right next door, with short mini-seminars on digital media trends.)

**NADA Live Stage.** Located in the main concourse of the convention center, the NADA Live Stage features short, 15- to 30-minute interviews—which are broadcast in real time on digital media.



# GAC Motor

## Chinese automaker looks to develop partnerships with dealers.

BY CHARLES CYRILL

**W**ith some 550 companies exhibiting at this year's NADA Show expo, China's GAC Motor definitely has an edge on getting attention: It's looking to develop partnerships with dealers.

At NADA, "we hope we can lay a solid foundation for the future sales network through seeking potential partners and hearing advice from friendly and effective communications with experienced dealers," says GAC Motor president Yu Jun.

Other automakers also are exhibiting at the NADA Show 2018, including Fiat Chrysler Automobiles (FCA), Ford, GM, Mitsubishi, Subaru and Toyota. But dealers are always particularly intrigued when a new automaker enters the field, and GAC plans to start selling its vehicles in the U.S. market by the fourth quarter of 2019.

Of course, what really piques dealers' interest is product, which is why GAC plans to display three to five premium models at the show. These will include a seven-seat midsize SUV—the GS8—and the GM8 minivan.

"The first model to enter the U.S. market is expected to be the changed GS8 model," Jun says. "GAC Motor is planning to bring more products to the U.S. market in view of the market conditions and consumers' preference in the future."

At the North American International Auto Show in Detroit earlier this year, the company showcased its entire product lineup, including the GA4 sedan and a brand-new concept car—the Enverge electric crossover.

"We believe products with high quality are the foundation to gain the trust of the American market," Jun says. "GAC Motor is well-prepared to embrace the challenges on our way to the U.S. market, which might come from aspects such as quality, technology and R&D."

But can GAC really make a go of it in the U.S., especially when other Chinese automakers have fallen flat? GAC certainly seems to think so, especially since it already has a joint venture in China with FCA. GAC, which now has an R&D facility in Silicon Valley, is opening two others

in Detroit and Los Angeles.

As for selecting the number of dealerships and its sales channels, Jun said the automaker is still conducting surveys and developing its action plans.

"We are considering various plans for sales channels, and cooperating with dealers will be a main direction," he says. "We are seeking to develop partnerships with more dealers at NADA."

That's music to the ears of dealers looking to increase their number of franchises. ♦

**Enverge.** GAC's slick electric concept car features Lamborghini-like doors and a roof pod with motorized Segway scooter.



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# 2018: RAD WITH RECON



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## NOMINEES FOR THE 2018 *TIME* DEALER OF THE YEAR AWARD

**Gino "Ambrose" Barbuto**  
East Syracuse Chevrolet  
East Syracuse, N.Y.

**Michael Basil**  
Basil Toyota  
Lockport, N.Y.

**James Benson Jr.**  
Benson Chrysler/Dodge/Jeep/Ram  
Greer, S.C.

**J.P. Bishop**  
Bob Bell Ford,  
Glen Burnie, Md.

**Garry Brayko**  
Archie Cochrane Motors Inc.  
Billings, Mont.

**Brad Brotherton**  
Brotherton Cadillac/Buick/GMC  
Renton, Wash.

**Brent Brown**  
Brent Brown Toyota  
Orem, Utah

**Wallace Camp Jr.**  
Rowe Ford Sales  
Westbrook, Maine

**Mike Carpino**  
Mike Carpino Ford  
Columbus, Kan.

**Raymond H. Cottrell Sr.**  
Ray's Ford/Chrysler/Dodge/Jeep/Ram  
Brandenburg, Ky.

**Sid R. Dillon**  
Sid Dillon Chevrolet  
Fremont, Neb.

**Ryan Dolan**  
Dolan Toyota  
Reno, Nev.

**David Edwards**  
Edwards Chevrolet/Cadillac  
Council Bluffs, Iowa

**Steven Ewing**  
Wade Ford Inc.  
Smyrna, Ga.

**Joe Falzon**  
Signature Ford/Lincoln  
Owosso, Mich.

**William Fenton**  
Toyota of Keene  
East Swanzey, N.H.

**Dorothy Fitzgerald**  
Fitzgerald Subaru  
Rockville, Md.

**Gregory Gagorik**  
Toyota of Scranton  
Scranton, Pa.

**Frank Hanenberger**  
MetroWest Subaru  
Natick, Mass.

**William Hatfield**  
Hatfield Buick/GMC  
Redlands, Calif.

**Art Hudgins**  
Holiday Chevrolet/Cadillac  
Williamsburg, Va.

**Dave Jachter**  
Wilsonville Toyota  
Wilsonville, Ore.

**Jim Janke**  
Tommie Vaughn Ford  
Houston, Texas

**Peter Kolar**  
Kolar Toyota  
Duluth, Minn.

**Elsie MacMillan**  
Sierra Toyota  
Sierra Vista, Ariz.

**Marcy Maguire**  
Windsor Nissan  
East Windsor, N.J.

**Paul Masse**  
Paul Masse Chevrolet  
East Providence, R.I.

**Todd Maul**  
John Elway Chrysler/Jeep/Dodge/Ram  
Greeley, Colo.

**Matt McKay**  
All Star Toyota of Baton Rouge  
Baton Rouge, La.

**Carlo Merlo**  
Glendale Chrysler/Jeep/Dodge/Ram  
St. Louis, Mo.

**John Miller**  
Apple Valley Chevrolet  
Martinsburg, W.Va.

**Flor Navarro**  
Stadium GM Superstore  
Salem, Ohio



# TIME

## Dealer OF THE Year

HONORING THE BEST  
OF THE BEST.

BY PETER CRAIG

**Michael Niethammer**  
King Windward Nissan  
*Kaneohe, Hawaii*

**Mark Peterson**  
Peterson Toyota  
*Boise, Idaho*

**Tony Petro**  
Petro Nissan  
*Hattiesburg, Miss.*

**Samuel Roberts**  
Roberts Motors Inc.  
*Alton, Ill.*

**Harry G. Robinson Jr.**  
Harry Robinson Buick/GMC  
*Fort Smith, Ark.*

**Jack Salzman**  
Lake Norman Chrysler/Dodge/  
Jeep/Ram  
*Cornelius, N.C.*

**Ted Serbousek**  
Ritchey Cadillac/Buick/GMC  
*Daytona Beach, Fla.*

**Sam Slaughter**  
Sellers Buick GMC  
*Farmington Hills, Mich.*

**Wally Sommer**  
Sommer's Subaru  
*Mequon, Wis.*

**Kevin Ward**  
Dallin Motors  
*Rawlins, Wyo.*

**Steven Watts**  
Town & Country Ford  
*Bessemer, Ala.*

**Rodney G. Wilhelm**  
Don Wilhelm Inc.  
*Jamestown, N.D.*

**Isaac Willis**  
Willis Chevrolet/Buick  
*Smyrna, Del.*

**Edward Witt**  
Witt Lincoln  
*San Diego, Calif.*

**George Youmans**  
Youmans Chevrolet  
*Macon, Ga.*

Who will it be *this* year? The *Time* Dealer of the Year, who has been selected by a panel of faculty members from the University of Michigan's Tauber Institute of Global Operations, is being announced at the opening general session of NADA Show 2018 on Friday, March 23.

The 47 nominees range widely, both geographically and franchise-wise, from Ford dealer Wallace Camp Jr. in Maine to Nissan dealer Michael Niethammer in Hawaii. They are all successful new-car dealers who have also demonstrated a long-standing commitment to community service.

This year's winner will be the 49th *Time* Dealer of the Year. The first was O. Willard Noller of Topeka, Kan., in 1970, who prevailed over 10 runners-up. (A previous quality dealer award presented by NADA had been sponsored for 10 years by the *Saturday Evening Post*.) Along the way, there have been three female winners: Sheilah Garcia in 1992, Tracy Shields Jones in 2007 and Kitty Van Bortell in 2016.

Since the auto retail industry only gets better at what it does, it's only fitting that such quality dealers are honored with the prestigious *Time* Dealer of the Year award. ❖



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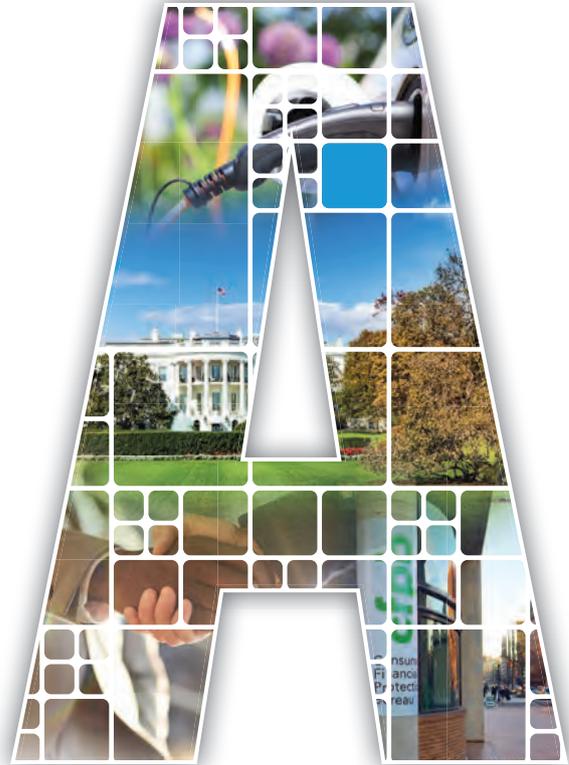
LEARN HOW TO CLOSE MORE DEALS ONLINE AT [COXAUTOINC.COM/DIGITAL-RETAILING](http://COXAUTOINC.COM/DIGITAL-RETAILING)

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Kelley Blue Book

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# Advocacy. Education.



## A renewed focus on the future... for dealers, consumers and NADA

**N**ADA's focus has always been on the future, beginning in 1917 when 30 car dealers went to Washington, D.C., and successfully opposed a luxury tax on vehicles. Their efforts paved the way for how dealers do business today.

At times, NADA has stepped back and taken a long-range view of the industry. In 1986, for example, the association commissioned its "Project 2000" task force to tackle hot-button issues like franchise agreements, customer satisfaction, employee training and retention, dealer/manufacturer communication, and computers.

That was back when the internet was still in its infancy, service techs were called mechanics and twitter was only for the birds. Many of the challenges for Project 2000 still resonate today, but—with more aggressive efforts by interest groups and the explosion of digital media that can sway public opinion—NADA's efforts on behalf of its members are now more critical than ever.

That's why NADA has been doubling down on its two main areas of advocacy and education. The result: a nimbler organization that addresses challenges and opportunities even more quickly than before and with laser-like precision. ❖



30

NUMBER OF DEALERS WHO WENT TO CAPITOL HILL IN 1917 TO FIGHT A LUXURY TAX ON AUTOMOBILES AND THEREBY HELP LAUNCH NADA. TODAY THERE ARE NEARLY 16,500 NADA MEMBERS.

**Academy goes to Washington.** Each Academy class makes a trip to Capitol Hill to learn all about NADA's efforts in Washington.

# Advocacy

## Your voice in Washington and with OEMs.

BY JONATHAN COLLEGIO AND JARED ALLEN

Local dealerships and the millions of customers they serve have always had a powerful advocate in NADA. Ten years after the financial crisis of 2008, and a year into the Trump administration and the 155th Congress, many of the tasks at hand look quite different from those of years past.

But the mission remains the same: to educate policymakers about the franchised dealership business model, engage stakeholders about the importance of a vibrant automotive retail industry, communicate dealer interests to our manufacturer business partners, and protect dealers and customers from harmful or misguided government policies and regulations.

### THE DEALER VOICE IN WASHINGTON

NADA's success in advocacy lies in its policy expertise and ability to quickly engage thousands of dealers when necessary. The team effort—involving NADA, state and metro dealer associations, along with NADA's dealer members—enables NADA to effectively advocate on behalf of local dealerships everywhere and target engagement to dealer-specific issues. And the best strategy is when local dealers personally meet with their members of Congress on behalf of themselves, other dealers and all dealership customers.

“NADA was founded on advocacy, and my mission when I took over was to ensure that our advocacy efforts were as

strong and effective as they could possibly be,” says NADA President & CEO Peter Welch. “I think we've been very successful. Why? Because NADA's advocacy efforts are still rooted in the same theme that first emerged 100 years ago: maintaining vehicle affordability and protecting consumers from



**Office visit.** Allison Musante (right), general manager of Stateline Chrysler/Dodge/Jeep/Ram, Charlotte, N.C., visits Rep. Kathy Castor (D-Fla.) on Capitol Hill.



**D.C. connection.** John Emerson, NADA director from Maine, meets with Rep. Chellie Pingree (D-Maine) during the 2017 NADA Washington Conference.



**Policy session.** Steve Bassett (right), ATD Volvo line representative, meets with Rep. Luke Messer (R-Ind.) (second from left) last summer.

overreaching regulations and unintended consequences coming out of the nation's capital and elsewhere.”

NADA has continually pushed back against a variety of government policies that threaten local dealerships and their customers. Along with fighting the Consumer Financial Protection Bureau's efforts to end dealer discounts on auto loans for customers, NADA helped educate members of Congress and the administration about the unintended consequences of an overly broad recall policy—which, if enacted, would have

lowered consumer trade-in

values by an average of \$1,200 on affected vehicles, according to a J.D.

Power study commissioned by NADA.

More recently, NADA has worked with state dealer associations to ensure that autonomous vehicle legislation moving

through Congress would not preempt state motor vehicle licensing and franchise laws. And NADA made sure that, under the new tax law, dealers could continue deducting interest on floor plan loans—a cornerstone of the franchised dealer business model.

### STAYING STRONG

“There are critical issues every single year that require significant legislative, regulatory, grassroots and communication engagement, and NADA is there to see us through all of it,” says 2017 NADA Chairman Mark Scarpelli.

While each NADA chairman faces a new set of opportunities and challenges, Scarpelli says some issues, such as dealer-manufacturer relationships, will likely always roll over from one chairman to the next. “There are things that are prevalent in our industry that will continue on. For example, the proliferation of stair-step incentive programs. It was

**\$2.38M**

RECORD NUMBER OF CONTRIBUTIONS TO NADA PAC, IN 2016, THE SAME YEAR NEW-VEHICLE SALES HIT A RECORD 17.55 MILLION.

one of my mantras to talk about that and start the conversation with manufacturers—and that conversation continues.” Scarpelli adds that

ensuring a strong and viable

franchise system for the next generation of automobile dealers will “always be the central concern of whoever is NADA chairman or chairwoman.”

Of course, some successes in Washington are quieter than others. NADA's advocacy involving federal regulatory agencies, for example, is often behind the scenes but has had a profound impact on areas such as taxes, employment and finance policy.

“Dealers confront a laundry list of regulations every day,” says Welch. “And it's not just dealers who are adversely affected by unnecessary, duplicative or counterproductive regulations. Over the past 20 years, the single biggest driver of vehicle price increases has been government regulations and mandates. These are the issues we need to be constantly

**\$5M**

INCREASED GUARANTEED LOAN LIMIT (UP FROM \$2 MILLION) THAT NADA HELPED GET THE SBA TO APPROVE IN 2010.

talking with policymakers about, and looking for ways to achieve our public policy goals without making it more expensive for consumers to buy, finance or get their vehicles serviced.” (See “Regulatory Maze” on page 62.)

NADA’s political action committee—NADA PAC (formerly the Dealers Election Action Committee)—represents the interests of all new-car and -truck dealers by supporting pro-business candidates of both political parties. It’s one of the largest political action committees of any trade association, due in large part to its grassroots approach. State teams of dealers and association executives are directly engaged in raising the funds and deciding which national candidates receive contributions.

## ATAE PARTNERSHIPS

While NADA works hard in Washington on behalf of local dealerships, it coordinates efforts with state and metro dealer associations through the Automotive Trade Association Executives (ATAE).

This group comprises 100-plus members, with representation from NADA, state associations, metro associations, minority dealer associations and international dealer associations. ATAЕ helps advance dealer interests at all levels of government.

“Almost every dealer is a member of NADA and a member of their state and metro dealer associations,” says ATAЕ Chairwoman Bobbi Sparrow. “In this way, dealers stay informed of the latest relevant issues—such as legislation and regulatory compliance—at all levels of government. And it’s resulted

in dealerships being able to provide so many benefits to their customers and employees.”

NADA and ATAЕ meet throughout the year to develop effective strategies for local, state and federal policy, and foster compelling education and consulting programs. Many ATAЕs also attend NADA’s annual Washington Conference in September to join dealers when they meet with their legislators and help bolster the dealer message on Capitol Hill.

## MANUFACTURER RELATIONS

At the same time NADA is advocating in Washington, it’s also addressing concerns with manufacturers and distributors. Twice a year, NADA delivers the results of its semiannual Dealer Attitude Survey to every manufacturer to discuss the positives and negatives in performance and initiatives, including incentive programs.

100+

NUMBER OF FEDERAL REGULATIONS AFFECTING DEALERSHIPS TODAY (SEE “REGULATORY MAZE” ON PAGE 62).



**Hill visits.** Georgia dealers at the Capitol on their way to meet with members of Congress during the 2017 NADA Washington Conference.

1984

YEAR NADA LAUNCHED ITS DEALER ATTITUDE SURVEY, A REPORT CARD ON OEM PERFORMANCE.

“Facilitating open, honest and productive discussions between automakers and their respective franchised dealers is one of NADA’s most important functions,” says Welch. “This is why

the Dealer Attitude Survey is so important: It encourages dealers and automakers to engage in a constructive dialogue to help improve business practices on both sides of the relationship.”

NADA also hosts two annual industry forums—in New York City and Los Angeles—that focus on the latest issues affecting dealers, manufacturers, suppliers and other industry players. And NADA partners with international dealership associations to stay up-to-date on international trends in auto retailing—from Europe to Asia to

South America. And it’s a major reason why the number of international dealer attendees at the NADA Show has jumped 20 percent in just 10 years.

### THE ROAD AHEAD

NADA will continue its mission to strongly champion dealer interests in Washington and with automakers, as well as promote the tremendous value of franchised dealerships through education, engaging public relations campaigns and other outreach.

“To inspire a new or younger dealer, and watch them see the impact that our lobbying, grassroots and PR efforts have on Capitol Hill, is truly an eye-opener,” says Scarpelli. “It reminds me how important it is for all of us to be involved in our future and directing what the future will look like.” ❖

*For more on NADA’s latest advocacy and other accomplishments, see “The Year in Review” on page 54 and visit [nada.org](http://nada.org).*

## ENGAGEMENT

Promoting new-car and -truck dealerships—that’s always been the focus of NADA’s advocacy outreach. What’s changed is how the message is conveyed, especially with the ever-expanding digital media platforms fighting for everyone’s attention.

How has NADA met this challenge? By doubling down on its own digital platforms, including the brand-new NADA blog. All news generated by NADA itself can now be found on the blog—which acts as an “interactive warehouse,” where all NADA stories are published so they can be disseminated via NADA’s many digital distribution channels. This platform exists to ensure that editorial content is navigable, sharable and archived.

NADA has also redesigned two popular e-newsletters: *NADA Headlines* and *ATD Insider*. They both now include posts from the blog, as well as the latest industry news, videos, upcoming webinars and seminars, and best practices. In addition, [nada.org](http://nada.org) has been redesigned, with an interactive design that makes it easier to view on smartphones, tablets and PCs.

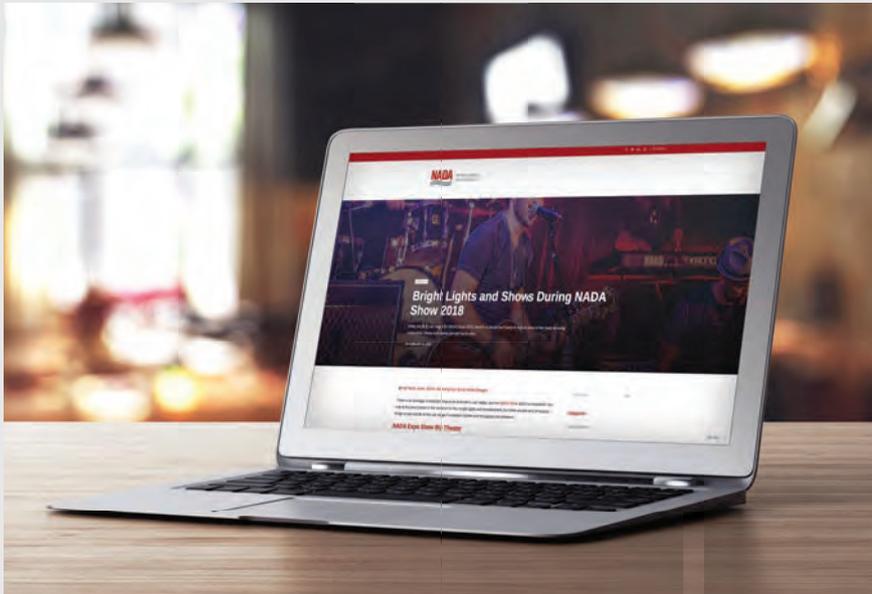
NADA is using the best available digital tools to empower members to connect seamlessly with their lawmakers to advocate on issues that are important to the industry. Through text messaging, Facebook and Twitter, NADA guides its members through the process of contacting their elected officials while providing mobile-friendly talking points, suggested social media posts and responsive communications to tailor their message to their respective lawmakers.

### CAMPAIGN SEASON

Since 2016, NADA has launched two campaigns focused on the benefits of the dealer franchise system and using dynamic websites, videos, infographics,



**Power panel.** NADA President & CEO Peter Welch (center) at the 2017 Automotive Forum in New York City, with Mike Allen (left), co-founder and executive editor of Axios, and Mitch Bainwol, president & CEO of the Alliance of Automobile Manufacturers.



**NADA blog.** All news generated by NADA is now published on the blog.

efficient distribution of their products. And local communities see massive tax revenue and good-paying jobs provided by local dealerships. The engaging videos also take complex aspects of the dealership system—including franchise laws, warranty work, safety recalls, service repairs—and distill them into commonsense talking points.

## BACKING THE BASICS

Of course, NADA continues to powerfully promote the benefits of local dealerships to the media, opinion leaders and the general public through media relations, NADA events, and on [nada.org](http://nada.org) and digital media channels like Facebook, LinkedIn, Twitter and YouTube. NADA's chairman champions the franchise system in an annual address to auto writers in Detroit. And recently, NADA's efforts helped make preserving dealer-assisted financing a major cause of *The Wall Street Journal*.

Also, NADA's broad-based approach naturally includes traditional print media—such as full-page ads in publications like *Automotive News*, direct-mail pieces and brochures, and the *NADA Show Magazine*, which is mailed to every NADA and ATD member as well as distributed to all NADA Show attendees. ❖

social media and digital tool kits to get the message out.

■ **MyDealership.org.** This campaign promotes dealerships through videos of actual consumers, dealership employees and community leaders who have directly benefited from their local dealerships. They show how dealerships are not only modern, local and diverse, but create jobs and save consumers money. NADA encourages all dealers, as well as the state and

local dealer associations, to integrate MyDealership.org into their community relations strategies using a digital tool kit at [MyDealership.org/toolkit](http://MyDealership.org/toolkit).

■ **Get the Facts: The Value of the Dealer Franchise System.** At [nada.org/GetTheFacts](http://nada.org/GetTheFacts), short, animated videos explain how local dealerships benefit consumers, manufacturers and local communities alike. Consumers benefit when dealerships compete on price and service. Manufacturers get low-cost,



**MyDealership.org.** Using videos of consumers, dealership employees and community leaders, the site promotes the benefits of local dealerships.



## Education Matters

NADA's popular, best-in-class professional development programs evolve and grow as the industry and technology changes.

BY SHERYLL POE AND JOE PHILLIPS

**W**ith NADA's education programs, it's all about learning, connecting and collaborating. From Academy classes and 20 Groups to conferences, events and workshops, NADA continuously delivers services to enhance the success and profitability of its members.

There's even a Capitol Hill connection. Academy classes now travel to NADA's legislative offices each year to learn a simple truth: What happens in Washington, D.C., greatly impacts their stores back home.

### NADA ACADEMY: INVESTING IN YOUR LEGACY

The Academy has a long, proven track record of turning dealers and managers into world-class leaders in their stores and communities. More than 11,000 students have graduated from the Academy since it opened its doors in 1979. (Just 13 years later, ATD Academy began with classes for truck dealers and has graduated over 1,000 students to date.)

With more than 600 graduates annually, the popular yearlong program taught by leading practitioners and industry experts has been filled to capacity for several years now, necessitating additional classrooms and class offerings. (When NADA moves down the street to new headquarters later this year, a new Academy facility will feature four classrooms instead of the current three, as well as the latest state-of-the-art technology.)

How effective is an NADA education? "There isn't a dealer

that I've met over the past year who hasn't been helped by it," says 2017 NADA Chairman Mark Scarpelli. "The Academy has become the only proven place to invest in your legacy."

The Academy's latest offering—Academy Plus—was created last year to prepare multiple dealership leaders from a single dealership to maximize performance and cost savings. The curriculum integrates the NADA 20 Group composite, In-dealership Consulting and premium online learning resources.

The relationships established during the Academy extend well beyond the program. Students stay connected for life.

"Many of these students who attend these classes in years past have remained great friends and continue to have great peer-to-peer conversations," says Scarpelli.

### 20 GROUP: LEARNING FROM LEGENDS

While the Academy often trains new and seasonal managers, NADA's 20 Group program helps dealers adapt to changing business conditions by enabling them to learn from one another, with NADA's 20 Group facilitators there for support.

The 20 Group financial composite—an industry standard developed by NADA—is used as a regular checks-and-balances measure by participants and the facilitator. Dealers hitting their numbers act as guides for those who may be a little behind.

Today, there are hundreds of 20 Groups of noncompeting dealers, and all participants have the full force of NADA's advocacy and education efforts behind them. And at any time, dealers can call on a 20 Group consultant for additional in-depth assistance with dealership operations through NADA's In-dealership Consulting program.

1979

YEAR NADA LAUNCHED THE ACADEMY.



**Continuing education.** Dealers rely on 20 Groups to help tune up their sales systems and processes, as well as other dealership operations.



**Intensive learning.** NADA Academy offers dealers and managers six weeklong classroom sessions covering financial management, service, parts, new vehicles, pre-owned vehicles and business leadership.

“Successful dealers are always highly adaptable,” says NADA President & CEO Peter Welch. “NADA takes the same approach, whether it’s dealing effectively with Capitol Hill or creating cutting-edge education programs.”

### THE PROFESSIONAL SERIES

NADA’s latest educational offering—the Professional Series—will be launched this year and is designed for new functional managers. While the Academy focuses on the entire dealership, the Professional Series builds proficiency within particular departments. The curriculum is condensed and focuses on four functional areas: office, parts, service and sales operations.

The program blends instructor-led and online courses, and can be completed in a single quarter or up to a year after registration. The initial pilot program will take place at NADA’s Washington, D.C.-area

headquarters later this year, with additional courses offered in Dallas and Cerritos, Calif.

### TAILORED TRAINING

Many dealers may not be aware that NADA training can be brought directly to their location, which creates opportunities for improvement.

The updated Tailored Training program can be targeted to a specific dealership, dealer group, make—such as Audi or Kia dealers—or allied industry. The one-, two- or three-day courses are facilitated by a NADA Academy instructor, who helps participants learn best practices, perform real-world exercises and develop strategies to boost performance.

### LEGAL/REGULATORY UPDATES

NADA members looking for the latest on regulatory changes at the Federal Trade Commission, Department of Labor

and other federal agencies can turn to NADA’s *Driven* management guides, which are available at [nada.org](http://nada.org) to all NADA members free of charge.



**106**

NUMBER OF *DRIVEN* MANAGEMENT GUIDES NOW AVAILABLE TO MEMBERS VIA THE [NADA.ORG](http://NADA.ORG) EDUCATION CATALOG.

**TRAINING AHEAD**

NADA is redesigning all of its online training courses, building a program development department

focused entirely on creating industry-leading educational programs for NADA members. The new educational content includes weekly webinars (currently, there are more than 113 on [nada.org](http://nada.org)), 64 interactive online courses and 475 workshop offerings.

All of this educational content is exclusive to NADA, complimentary to NADA members and focused on the future of the industry. "Our members deserve the best education in the industry," says Welch.

"NADA's approach lets any dealer or manager, whether just starting out or in the business for decades, stay ahead of the learning curve—and ahead of the competition." ❖

Vital tools for lawyers and accountants as well as dealers, the *Driven* guides are critical to ensuring compliance with federal rules and regulations (see "Regulatory Maze" on page 62). The latest guides, on the Truth and Lending Act and on the recent federal tax reform law and how it will affect dealerships, will be released at the NADA Show. In addition, *Driven* guides are often expanded into free webinars and seminars, and will soon be available as interactive online courses that are a complimentary benefit of NADA membership.

**NADA SHOW WORKSHOPS**

Workshops are a key reason dealers attend the NADA Show each year. They not only cover core dealership topics such as how to boost profits in each department, but also address the latest hot issues like tax reform, how to convert Facebook ads to offline customers and

*#RealTalk* about *Artificial Intelligence*.

This year there are more than 60 workshops.

Along with traditional workshops, there are more innovative educational formats like:

- **The Exchange.** Peer-to-peer roundtable discussions and brainstorming, based on timely topics selected by attendees.
- **Super session.** A panel of speakers from Google, Facebook and Twitter.
- **Specialty workshop.** With motivational speaker Ryan Estis.
- **Studio sessions.** Collaborative workshops with hands-on learning.
- **Distinguished Speaker Series.** New this year, featuring well-known personalities like famed quarterback and entrepreneur Joe Theismann (see "NADA Show Speakers" on page 14).

**Programs to boost profitability.** From the Academy and 20 Groups to workshops and webinars, NADA helps dealerships improve output in all departments.





## A Foundation in Giving

With a new name and new workforce initiative, the NADA Foundation continues its mission of generously contributing to communities across the country.

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BY SHERYLL POE

**O**n August 30, 2017, the 20,000 residents of Dickinson, Texas, woke up to the worst flood disaster in the United States since Hurricane Katrina in 2005. Over three to four days Hurricane Harvey dumped as much as 50 inches of rain, causing serious damage to more than 7,000 homes and 88 businesses. Hundreds of dealership families throughout the Gulf Coast region were forced to evacuate their homes and businesses, not knowing when, or if, they would return.

The NADA Foundation leaped into action, mobilizing its Emergency Relief Fund to help dealership employees impacted by personal property damage from the devastating winds and flooding.

Just days after the storm, NADA Foundation Chairman Annette Sykora, NADA Chairman Mark Scarpelli and President & CEO Peter Welch went to Houston to personally deliver much-needed resources, including emergency assistance funds, to dealership employees.

“Our funds help the employees sometimes weeks before they see any money from their insurance companies,” says Sykora. “Going to the scene of the disaster right away helps us show the

rest of our membership what those needs are and tell some of their stories.”

The NADA Foundation called on dealers and dealer associations to donate online to the Emergency Relief Fund. Within two months of Hurricane Harvey, more than \$2.5 million had been raised to help the employees. “It’s very rewarding to be able to assist them in their time of need,” says Sykora. “It’s truly dealers helping dealers.”

Shortly after Harvey, there were wildfires in California and another devastating hurricane in Puerto Rico. And though the foundation helps extensively during such headline-making disasters, it’s also there for less high-profile emergencies.

### THE HEART OF NADA

The NADA Foundation, which serves as the philanthropic arm of the association, was established in 1975 as the National Automobile Dealers Charitable Foundation (NADCF). Last year, as part of NADA’s overall rebranding efforts for NADA, ATD and NADA PAC, the NADCF got a new name—NADA Foundation—and new logo.



**1975**  
YEAR THE NADA  
FOUNDATION BEGAN.

**Ready to help.** NADA Foundation's Emergency Relief Fund is on constant standby to assist dealership families hit by floods, fires or other disasters.



**Giving thanks.** A dealership employee (right) receives a check from the NADA Foundation.

## Assisting Dealership Employees

**D**ealership employees who suffer personal property damage caused by natural or other disasters can apply for financial assistance by visiting [nada.org/emergencyrelief](http://nada.org/emergencyrelief).

**1992**

YEAR THE NADA FOUNDATION'S EMERGENCY RELIEF FUND WAS ESTABLISHED.

**\$7 million+**

AMOUNT THE NADA FOUNDATION'S EMERGENCY RELIEF FUND HAS CONTRIBUTED TO ASSIST DEALERSHIP EMPLOYEES AFTER NATURAL DISASTERS.

**10,500+**

NUMBER OF DEALERSHIP EMPLOYEES AFFECTED BY NATURAL DISASTERS WHO HAVE RECEIVED FINANCIAL ASSISTANCE FROM THE NADA FOUNDATION'S EMERGENCY RELIEF FUND.

**\$13M+**

AMOUNT THE NADA FOUNDATION HAS CONTRIBUTED TO COMMUNITIES THROUGHOUT THE NATION.

The foundation has been involved in such diverse charitable projects as emergency and natural disaster relief, educational and road safety grants, and CPR training manikins for organizations in all 50 states. After 9/11, the foundation established a Survivors Relief Fund to provide almost \$800,000 in aid for the survivors of those killed in the attacks.

Over the years, the foundation has aided in the relief efforts of dealership families who have suffered through Hurricane Katrina, Superstorm Sandy and California wildfires, just to name a few.

The Emergency Relief Fund, which was launched in 1992 to aid the victims of Hurricane Andrew in South Florida and along the Louisiana Gulf Coast, has come to the aid of more than 10,500 dealership employees and their families with financial assistance totaling more than \$7 million.

With various natural disasters in the past year, the fund has been very active assisting dealership employees. But other

NADA Foundation programs are equally important to those in need.

## CANINE COMPANIONS

A dog may be a man's best friend, but for wounded veterans and children suffering with disabilities, a highly trained service dog can mean having support, security and a measure of independence. The NADA Foundation works with Canine Companions for Independence to change the lives of veterans and children with disabilities every day by providing service dogs to assist them.

Over the past six years, ADESA has held a motorcycle or vehicle auction during the NADA Show that has raised more than \$360,800 for the NADA Foundation's Frank E. McCarthy



**Rebuilding.** Dealership employee James Lloreda received assistance from the Emergency Relief Fund after flooding from Hurricane Harvey.

Memorial Program, in whose name the Canine Companions donation is made. (McCarthy was NADA chief executive from 1968 to 2001.)

## AMBASSADORS

The NADA Foundation's Ambassadors Program encourages dealers, companies, associations and individuals to make meaningful contributions to their communities, their nation and their industry. To be an Ambassador of the Foundation, dealers, companies, associations or individuals contribute \$10,000 to the foundation, either in their own name or in recognition of loved ones, living or deceased.

The foundation then guarantees that a grant will be presented to an entity the Ambassador selects every three years. Each year, Ambassadors collectively donate more than \$100,000 in grants

to organizations in the public or private sector, supporting a variety of causes, from emergency and medical services to educational programs.

## WORKFORCE INITIATIVE

In the face of a shortage of dealership personnel, the NADA Foundation is launching a special workforce initiative.

"Dealerships are dynamic businesses, and we have a variety of positions to offer well-paying jobs in local communities all across this country," says NADA Foundation Chairman Sykora. "But presently our industry has not had a compelling, cohesive public message to attract the talent" to dealerships.

The workforce initiative will promote the benefits of dealership jobs overall and tech jobs in particular. Key components include a dedicated website—with an interactive map assembling the

industry's disparate educational efforts, including locations for training and scholarships—video testimonials from dealership staff, and targeted digital media to highlight the good-paying jobs and opportunities for advancement. Other elements of the initiative include brochures, PSAs and dedicated outreach to high schools, community colleges, vocational schools and annual career conferences.

"Dealers are very philanthropic within their communities," Sykora says. "The NADA Foundation gives them another tool for that ability to give back to their communities, whether it's through the Ambassadors Program, our Emergency Relief Fund or the new workforce initiative." ❖



## 2004

THE YEAR NADA FIRST PARTNERED WITH CANINE COMPANIONS FOR INDEPENDENCE.



## \$573,000

AMOUNT CONTRIBUTED SO FAR TO CANINE COMPANIONS FOR INDEPENDENCE BY THE FRANK E. MCCARTHY MEMORIAL PROGRAM OF THE NADA FOUNDATION.



## 2 years

AMOUNT OF TIME IT TAKES TO TRAIN A SERVICE DOG IN THE CANINE COMPANIONS FOR INDEPENDENCE PROGRAM.



© Canine Companions for Independence



# The Voice for Truck Dealers

ATD and its members adapt to a changing industry.

BY SHERYLL POE

**W**hile franchised new-car dealers have a strong and devoted advocate in NADA, commercial-truck dealers have had their own champion: the American Truck Dealers (ATD). Founded in 1970, ATD is a division of NADA and represents more than 1,800 franchised medium- and heavy-duty truck dealers holding nearly 3,000 franchises, domestic and import.

Both NADA and ATD have a strong focus on advocacy and education—and the two work together in a way that makes both even more effective. But ATD’s smaller structure and membership guarantee a somewhat more personal connection among its truck dealer members.

“Your voice is heard,” says incoming ATD Chairwoman Jodie Teuton, “whether you’re the guy who owns 70 locations or one location. We’re very focused on who we are and what we do. You can be involved in other trade organizations—and most of us are—but that’s about trucking. We’re *dealers*.”



**1970**  
YEAR ATD WAS  
FOUNDED.

## SMALL BUT MIGHTY

That personal connection was on full display after Hurricane Harvey. ATD members immediately swung into action as a team, coordinating drivers and trucks to transport food from Orlando to Houston, delivering supplies and diesel fuel to keep the refrigerated trucks running, and bringing techs on-site. All told, ATD members supported the distribution of more than 50,000 hot, fresh meals for evacuees, first responders and volunteers.

Such a coordinated effort also works in Washington, D.C., where elected officials need to regularly hear from dealers of all sizes. That’s why ATD organized its annual Capitol Hill Fly-in, now in its third year. The fly-in brings commercial truck dealers from all over the country to fight for the truck industry. Last June, truck dealers and dealer trade association executives participated in two days of legislative briefings

**Heavy involvement.** ATD’s relatively small membership lends itself to a personal connection that helps get things done for truck dealers.

**SUCCESSFUL DEALERS DON'T WAIT  
FOR OPPORTUNITIES. THEY**

**GO PRO**



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**of shoppers**

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**VinSolutions**  
Make every connection count.

COX AUTOMOTIVE

and attended more than 90 Capitol Hill meetings with a common message for members of Congress: Repeal the federal excise tax (FET).

"I often say it's dealer outreach to prevent government *overreach*," says ATD Chairman Steve Parker. "The fly-in helps build a relationship with your elected representative, and then it's a springboard for arranging to host your elected representative at your respective dealership back home. It's probably the most effective way we can introduce them to our business and explain our challenges."

On the heels of the fly-in, Rep. Doug LaMalfa (R-Calif.) introduced H.R. 2946 to repeal the FET, and thanks to the support of ATD members, the bill has attracted 15 co-sponsors.

## IMPROVING ENGAGEMENT

There's always room for more than one voice at the table, which is why ATD

focused last year on improving coordination and collaboration with allied associations such as the American Trucking Associations (ATA) and the Truck Rental and Leasing

Association (TRALA). ATD staff and leadership attended TRALA's annual meeting, ATA's monthly motor carriers luncheons, and the National Truck and Equipment Association (NTEA) Work Truck Show. ATD also hosted biannual legislative meetings with allied industry groups.

"To be effective, we need to engage all of our industry stakeholders in our efforts and that would include OEMs and suppliers, our business partners. We all need to maintain a strong coalition in a constructive meaningful way because we're really all in this together," says Parker.

This year, ATD hosted an industry roundtable discussion on the new federal

11

NUMBER OF HEAVY- AND MEDIUM-DUTY TRUCK MANUFACTURERS REPRESENTED IN ATD'S INDUSTRY RELATIONS NETWORK.

GHG/fuel-efficiency rule and how it will impact the commercial-truck industry. The gathering included experts from truck manufacturers Daimler, Navistar, Paccar and Volvo, as well as engine maker Cummins.

## COMMUNICATION IS KEY

To boost member engagement, ATD now holds monthly conference calls with the truck dealer council leaders or chairman.

The organization also completely revamped its digital communication offerings, such as the recently redesigned *ATD Insider*. The weekly e-newsletter currently has more than 11,000 subscribers. The *atd.org* homepage was updated and now includes the new ATD blog, which features the popular "ATD Chairman's Column" and the latest ATD issues and events.

Debuting last year was *ATD Data*, the annual report on America's new-truck dealerships, with dealership sales,

2

NUMBER OF YEARS EACH ATD CHAIRMAN OR CHAIRWOMAN SERVES.



**Dynamic duo.** Incoming ATD Chairwoman Jodie Teuton of Kenworth of Louisiana, Gray, La., will take the gavel from ATD Chairman Steve Parker of Baltimore Potomac Truck Centers, Linthicum, Md., at the ATD Show.

# NADA HEADLINES

Featured Content



## Introducing the 2018 NADA Show

The upcoming NADA Show, March 22-25 in Las Vegas, is an experience you can't get anywhere else. It's the only four-day event that houses a sold-out expo with more than 500 exhibitors showcasing the latest products and services just for dealers.



### Top Stories

**Nick Saban: "Forget Disneyland, I'm going to the NADA Show"**  
After leading the University of Alabama Crimson Tide to victory in the 2017 College Football Playoff National Championship over the University of Georgia, head coach Nick Saban again cemented his status as one of the greatest coaches of all-time in any sport, not simply college football. With six national championship wins, he currently shares the record for most college football championships with former Alabama coach Bear Bryant.

Saban is one of five keynote speakers slated for NADA Show 2018 (formerly the NADA Convention & Expo). The NADA Show returns to Las Vegas from March 22-25. Click here for the keynote speaker lineup. Click here for the new Distinguished Speaker Series lineup.

**NADA Show 2018 Offers More Digital Engagement and Content Than Ever**  
With the lightning-fast pace of emerging trends and other challenges in the retail-auto industry, dealers and their managers need to focus on digital technology and marketing to improve their business operations and remain competitive. This year's NADA Show, held March 22-25, 2018, in Las Vegas, will offer more digital content than ever -- from interactive exhibits to numerous digital marketing workshops that provide real business solutions.

Now is the time to reserve your spot at the NADA Show. Hotel rooms in Las Vegas are filling up quickly. Already registered? Be sure to log on to the MyPlanner web app and get started with arranging your schedule, exploring what's new and connecting with exhibitors and more.

**Johan de Nyschen, Bill Fay and Jir Farley Stated for NADA / J.D. Power Automotive Forum in NYC on March 27**  
NADA, J.D. Power and the New York International Auto Show invite you to attend the 2018 Automotive Forum in NYC on Tuesday, March 27. Auto industry speakers include Johan de Nyschen, president of Cadillac; Bill Fay, senior vice president of automotive operations at Toyota North America, U.S.A.; and Jir Farley, president of global markets at Ford Motor Company, as well as economists and analysts and several panel sessions. Click here for the full agenda.

### Quotable

"Every dealer in America, myself included, would be thrilled with annual sales of more than 16 million. Demand is still healthy."

— NADA Chairman Mark Skoppin, commenting on NADA's 2018 sales forecast of 16.7 million new cars and light trucks. (Ironbridge, Dec. 4)

THE AUTO INDUSTRY  
YOUR WAY

SHOW  
NADA 2018  
LAS VEGAS • MARCH 22-25

### Upcoming Webinars

**How Programs and Advertising is Revolutionizing SEM** (12 p.m. ET)

**Three Keys to Building a Successful Customer Concierge Center** (12 p.m. ET)

### Upcoming Seminars

**Advanced Service Management Seminar**

# ATD INSIDER

## From the Blog

**Jon Vandenberg Nominated for National Truck Dealer of the Year Award**

Visit Us | Subscribe



**Rick Reynolds Nominated for National Truck Dealer of the Year Award**



... six sales, service in Wisconsin visit: IC Bus.

Peach State Truck Centers includes 11 sales, service and parts facilities with 600 employees in Georgia and Alabama representing Freightliner, Western Star, Ford, Mitsubishi Fuso, Sprinter Vans, Thomas Built Buses and Autocar.

### Quotable

"The critical importance of a focused and consistent corporate culture is probably the most underappreciated aspect of business today."

— Jon Vandenberg, president/CEO of Peach State Truck Service in Marshfield, Wis., is one of seven nominees for 2018 Truck Dealer of the Year. *ATD Insider*, Feb. 7

... question executive at a changes, even as many Recognizing the widespread to help dealers work with their tax e they make appropriate business decisions IRS rules, said NADA spokesman Jared Allen.

SHOW  
ATD 2018  
LAS VEGAS • MARCH 22-25  
WHAT'S NEW, WHAT'S NOW  
AND WHAT'S NEXT IN THE  
TRUCK INDUSTRY

# NADA HEADLINES & ATD INSIDER

nada.org/subscribe

nada.org/atdinsider

Industry news delivered to your inbox.

financial trends and more. Also new: an *ATD Data* infographic, with top stats to share on social media.

And to complement NADA's monthly *Market Beat* report, which highlights U.S. auto sales, there's the quarterly *Truck Beat* on new medium- and heavy-duty truck sales.



in the same city, the ATD Show has its own programming, expo and workshops.

Also at the show, ATD is releasing an important new study, *Commercial Truck Dealer Future Landscape*. Commissioned by ATD and conducted by ACT Research—a leading publisher of commercial-vehicle data—the study

## THE ROAD AHEAD

Four years ago, ATD's strategic plan spurred various changes and new initiatives, including the renewed emphasis on industry relations and communications.

But other areas of change include this year's ATD Show, which is completely separate from the NADA Show for the first time since 2011. While the events are held concurrently and

is sure to shape the future of ATD and the industry.

"The industry is changing so rapidly, the dealer role is really changing," says ATD's Parker, "and this study will clearly demonstrate where the industry is going and what dealers need to do to adapt."

As ATD dealers have clearly shown, adapting is part of their DNA. ❖

**Truck dealer supporter.** Rep. David Young (R-Iowa) meets with dealers John McCoy (left) and Jim O'Halloran (right) during the ATD summer board meeting last June.



**On the Hill.** All ATD Academy students learn how ATD advocates for truck dealers in Washington.

## ATD Academy: 1,000 Students and Counting

**N**ADA and ATD offer a robust education for future dealership leaders through their respective Academy programs. Both programs follow a similar 11-month curriculum with a mix of classroom instruction, dealership training and a federal policy briefing at NADA/ATD's Capitol Hill office. Of course, the ATD Academy curriculum is customized to serve the needs of commercial truck dealerships, with courses on such subjects as appraising used trucks. And now the ATD Academy, which started in 1992, has reached a major milestone, graduating its 1,000th student this February.



# Cruising into the Future

2018 NADA Chairman Wes Lutz will draw on his extensive auto retail experience to help dealers stay relevant and maximize value for consumers.

---

BY SHERYLL POE

**W**es Lutz, 2018 NADA chairman and owner of Extreme Chrysler/Dodge/Jeep/Ram, has never actually owned a car. “I graduated from college in May 1976 and used my family’s car. Then I went into business in December. The dealership owned a car, but I’ve never owned one. I’ve always had a company car,” says Lutz, who bought his first store 42 years ago when he was just 22.

But it was his love of cars—particularly Camaros—and the glamour of the fast-paced, ever-changing dealership business that attracted Lutz to the industry in the first place. “There’s a lot of sizzle with our industry, and I like it. It moves fast. You go a hundred miles an hour, from the minute you step into your store until the time you go home. If you’re the kind of person who likes that, then it’s a great industry.”

With his vast experience in the auto industry, including a stint as past president of the Michigan Automobile Dealers Association, it would seem a no-brainer that Lutz would throw his hat into the ring to become NADA chairman. But it was actually a decision three years in the making.

“You don’t take it lightly when you run for chairman of NADA,” Lutz says. “I take this very seriously. You are representing nearly 16,500 dealers, it’s a great honor and it’s important. It’s a lot of responsibility that you take on.”

## **BUILDING A BUSINESS**

Lutz grew up in Jackson, Mich., about 40 miles west of Ann Arbor. After graduating from the University of Michigan, Lutz started law school but didn’t stay long. A few months later, “I talked my father into going

**1976**

YEAR LUTZ, AT AGE 22, OPENED HIS FIRST DEALERSHIP.



**Family focused.** Whether at home, at the dealership or at NADA, family and friends are important to Lutz (left, with his wife, Judy).

into the car business with me” and he opened his first store selling Chryslers in December 1976.

Lutz has owned other franchises and dabbled in other brands, including Hyundai and Chevrolet, but made a conscious decision several years ago to focus on having one good store that

was really exceptional rather than expand. “I’ve always had the philosophy that in this industry you have to either get big or get good, very good.”

Lutz has always been an early adopter when it comes to technology. Extreme Dodge was the first dealership in the country that had internet access on every desktop and in every service bay. “We provided internet to our technicians in 1996. We had the first T1 line installed

in a dealership in the country. We were using pretty good bandwidth back in the 1990s, which was unheard of,” Lutz says.

He’s also employed a unique sales process where all employees have access to the same information and are empowered to make decisions on their own. “We don’t have a management staff; it’s unilateral. It’s an employee-friendly structure and they get all of the information at their fingertips.”

## WORKING WITH NADA

In 2001, Lutz began his first term on NADA's board of directors, serving as the chairman of the association's IT committee. It was back when the internet was on the rise and dealers were being told to prepare for the demise of the franchise system. Instead, Lutz encouraged dealers to harness the power of the internet to work for them. "We didn't fight it. We said, 'Look, there's some great things here that can help us serve our customers better.' And I think we got better at serving our customers because of that technology."

Lutz served on NADA's board of directors until 2004, when he took a break to spend more time with his family. "My kids were teenagers, and I just felt I needed to be at home. I was on nine corporate boards and a director for NADA at the time, so I scaled back."

He returned to NADA's board in 2013, serving as chairman of the association's

regulatory affairs committee, and as NADA vice chairman in 2017. He also served as president of the Michigan Automobile Dealers Association in 2012.

## NEXT UP

As chairman, Lutz plans to continue in the footsteps of his predecessor—outgoing NADA Chairman Mark Scarpelli—by ramping up opposition to poorly designed factory stair-step incentive programs. "We think they're harmful to consumers. We're going to keep our foot on the gas pedal there."

Perhaps considering his love of cars and technology—Lutz helped to create a CRM software program, which was eventually sold to Reynolds & Reynolds—it's not surprising that one of his primary focuses as NADA chairman will be

# 2009

YEAR WES LUTZ  
WON THE *TIME* DEALER  
OF THE YEAR AWARD  
FOR MICHIGAN.

helping dealers navigate industry innovations and new technologies. "It's going to be so much fun to be chairman this year because there are great projects on the horizon in the auto industry."

In addition, the new NADA chairman is looking forward to tackling issues surrounding autonomous vehicles and ridesharing, and building a role for auto dealers in this burgeoning segment of the industry.

"The main focus for me this year is to make sure that we're relevant and we bring value to consumers in the future and establish how we're going to fit into that new emerging business model," Lutz says. "I'm very excited about being one of the guys who gets to figure that out because we really have some changes in front of us." ♦



**Ready for takeoff.** Lutz, who became a pilot in 1999, sees exciting issues for the auto industry on the horizon.



# ARE YOU LEADING THE PACK?



## Does your DMS help you differentiate or are you simply following in the tracks of others?

Your dealership is unique and your strategy is distinct. Unfortunately, your DMS platform, with its rigid processes and lack of third-party integration options, doesn't encourage differentiation. Backed by Cox Automotive, Dealertrack DMS is the highest rated system for ease of use. And, with an open platform, minimal integration fees, and no long-term contracts, Dealertrack is the DMS partner that lets you choose what's best for your business.

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# 2018 NADA Officers & Board of Directors

# WHO'S WHO

## REGION III

- Illinois
- Metro Chicago
- Indiana
- Iowa
- Kansas
- Michigan
- Metro Detroit
- Minnesota
- Missouri
- Nebraska
- North Dakota
- Ohio
- Metro Cleveland
- South Dakota
- Wisconsin

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## REGION IV

- Alaska
- Arizona
- California (Northern)
- California (Southern)
- Colorado
- Hawaii
- Idaho
- Montana
- Nevada
- New Mexico
- Oregon
- Utah
- Washington
- Wyoming

14

4

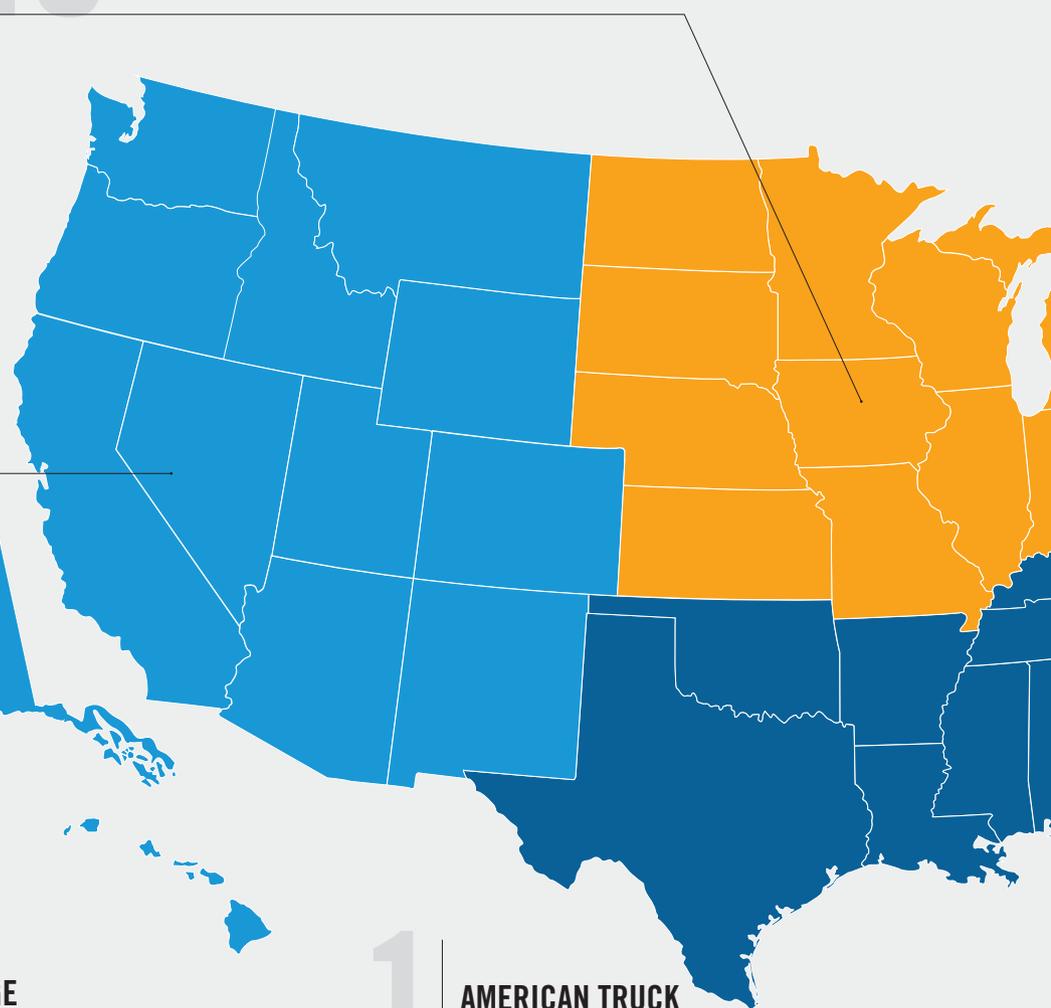
### AT-LARGE

- East (Woman) • East (Minority)
- West (Woman) • West (Minority)

1

### AMERICAN TRUCK DEALERS

- Chairwoman



## OFFICERS



**Wesley L. Lutz**  
Chairman



**Charles Gilchrist**  
Vice Chairman



**Robert Shuman**  
Treasurer



**William H. Willis Jr.**  
Secretary



**Mark N. Scarpelli**  
Immediate Past Chairman



**Peter K. Welch**  
President & CEO

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**REGION I**

- Connecticut
- Delaware
- Maine
- Massachusetts
- New Hampshire
- New Jersey
- New York State
- Metro New York
- Pennsylvania (Eastern)
- Pennsylvania (Western)
- Rhode Island
- Vermont

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**REGION II**

- Alabama
- Arkansas
- Metro Washington, D.C.
- Florida
- Georgia
- Kentucky
- Louisiana
- Maryland
- Mississippi
- North Carolina
- Oklahoma
- South Carolina
- Tennessee
- Texas (Northern)
- Texas (Southern)
- Virginia
- West Virginia

## REGION I



**Vice Chairman  
John Emerson**  
Emerson Chevrolet/Buick Inc.  
Auburn, Maine  
(Maine)



**Jeff Aiosa**  
Carriage House of New London  
New London, Conn.  
(Connecticut)



**Richard DeSilva Sr.**  
Liberty Subaru  
Emerson, N.J.  
(New Jersey)



**C. Scott Dube**  
Bill Dube Hyundai  
Wilmington, Mass.  
(Massachusetts)



**William C. Fox**  
Fox Imports Inc.  
Auburn, N.Y.  
(New York State)



**Dennis Gaudet**  
AutoServ Dealerships  
Tilton, N.H.  
(New Hampshire)



**Chris Hurd**  
Hurd Auto Mall LLC  
Johnston, R.I.  
(Rhode Island)



**Mitchell H. Jay**  
Midstate Dodge  
Barre, Vt.  
(Vermont)



**John S. Oyler**  
Faulkner Organization  
Jenkintown, Pa.  
(Eastern Pennsylvania)



**Michael B. Smith**  
Laurel Auto Group  
Johnstown, Pa.  
(Western Pennsylvania)



**Robert J. Vail**  
Vail Buick/GMC  
Bedford Hills, N.Y.  
(Metro New York)



**William H. Willis Jr.**  
Willis Automotive Group  
Smyrna, Del.  
(Delaware)

## REGION II



**Vice Chairman  
Stan McNabb**  
Stan McNabb Automotive  
Tullahoma, Tenn.  
(Tennessee)



**Michael K. Alford**  
Marine Chevrolet/Cadillac  
Jacksonville, N.C.  
(North Carolina)



**Tom Bloomfield**  
Don Thornton  
Automotive Group  
Tulsa, Okla.  
(Oklahoma)



**Valerie Bowen**  
VailMark Chevrolet  
New Braunfels, Texas  
(At-Large West)



**Andrew "Jack"  
Caldwell Jr.**  
Caldwell Toyota  
Conway, Ark.  
(Arkansas)



**Michael J. Cannon**  
Cannon Motors of Mississippi  
Greenwood, Miss.  
(Mississippi)



**Thomas Castriota**  
Castriota Chevrolet Inc.  
Hudson, Fla.  
(Florida)



**Bruce M. Farrell**  
Berglund Chevrolet Inc.  
Roanoke, Va.  
(Virginia)



**Charles W. Gilchrist**  
SouthWest Ford Inc.  
Weatherford, Texas  
(Northern Texas)



**H. Daniel Jobe**  
Capitol Cadillac Co.  
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(Maryland)



**Forrest McConnell III**  
McConnell Honda & Acura  
Montgomery, Ala.  
(Alabama)



**A. Foster McKissick III**  
Fairway Ford Inc.  
Greenville, S.C.  
(South Carolina)



**Steve Middlebrooks**  
Heyward Allen Toyota  
Athens, Ga.  
(Georgia)



**Joel Oustalet**  
Bubba Oustalet Chevrolet/  
Cadillac  
Jennings, La.  
(Louisiana)



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Pohanka Honda  
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(Metro Washington, D.C.)



**Danny Renshaw**  
Renshaw Automotive Group  
Bowling Green, Ky.  
(Kentucky)



**Richard Stephens**  
Stephens Auto Center  
Danville, W.Va.  
(West Virginia)



**Cary T. Wilson**  
Ron Carter Autoland  
Alvin, Texas  
(Southern Texas)

## REGION III



**Vice Chairman  
Michelle Primm**  
Cascade Auto Group Ltd.  
Cuyahoga Falls, Ohio  
(At-Large East)



**James A. Auffenberg Jr.**  
St. Clair Auto Mall  
O'Fallon, Ill.  
(Illinois)



**Trace Beck**  
Beck Motors Inc.  
Pierre, S.D.  
(South Dakota)



**Chris Coyle**  
Coyle Chevrolet/Buick/GMC/  
Nissan  
Clarksville, Ind.  
(Indiana)



**Kirt Frye**  
Sunnyside Honda  
Middleburg Heights, Ohio  
(Metro Cleveland)



**Brian Hamilton**  
Midway Chevrolet/Cadillac/  
Buick/Chrysler/Dodge/Jeep  
Kearney, Neb.  
(Nebraska)



**Tom Holcombe**  
Little Apple Toyota/Honda  
Manhattan, Kan.  
(Kansas)



**Robert W. Hudson**  
Middleton Ford  
Middleton, Wis.  
(Wisconsin)



**Wesley L. Lutz**  
Extreme Dodge/Chrysler/  
Jeep Inc.  
Jackson, Mich.  
(Michigan)



**Rhett Ricart**  
Ricart Automotive Group  
Groveport, Ohio  
(Ohio)



**Desmond A. Roberts**  
Advantage Chevrolet  
Hodgkins, Ill.  
(At-Large East)



**Mark N. Scarpelli**  
Raymond Chevrolet/Kia  
Antioch, Ill.  
(Metro Chicago)



**Robert Shuman**  
Shuman Chrysler/Dodge/  
Jeep/Ram  
Walled Lake, Mich.  
(Metro Detroit)



**Lynn H. Thompson**  
Thompson Sales Co.  
Springfield, Mo.  
(Missouri)



**Paul Walsler**  
Walsler Automotive Group  
Edina, Minn.  
(Minnesota)



**Jeffrey M. Weber**  
Anderson-Weber Inc.  
Dubuque, Iowa  
(Iowa)



**Daniel M. Wilson**  
Corwin Chrysler/Dodge  
Fargo, N.D.  
(North Dakota)



# Year in Review

## NADA ANNUAL HIGHLIGHTS.

In 2017 and the first part of 2018, NADA has been active on many fronts, including on several legislative and regulatory actions that have had a powerful impact on dealers and their stores. Here's a look at just some of the initiatives and projects NADA has focused on to benefit dealers during that time.

## 2017

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### JANUARY

- NADA kicks off its 100th anniversary at the association's annual convention in New Orleans, with a NADA100 Carnival, inspirational speeches, two commemorative magazines and a special video tribute.
- The NADA Foundation donates \$50,000 to the Emeril Lagasse Foundation.
- 2017 NADA Chairman Mark Scarpelli announces the MyDealership.org initiative to promote the benefits of new-vehicle dealerships to consumers, local communities and manufacturers.
- Speaking at the 2017 Automotive News World Congress in Detroit, NADA President & CEO Peter Welch challenges the auto industry to confront excessive regulation, taxes and other threats to vehicle affordability.
- NADA partners with the Future of Privacy Forum to release a consumer guide—*Personal Data in Your Car*—to educate consumers about the information collected by today's cars.



### FEBRUARY

- NADA Chairman Mark Scarpelli warns about the potential border adjustment tax (BAT), which could ultimately lead to higher new-vehicle costs for customers.
- NADA partners with Junior Achievement USA to promote financial education courses for students in grade school and high school.



### MARCH

- NADA President & CEO Peter Welch praises the Trump administration's decision to restart the midterm review of greenhouse gas standards for MY 2022-2025, which the outgoing Obama administration circumvented.
- Auto consultant Glenn Mercer publishes the results of his NADA-commissioned study, *The Dealership of Tomorrow: 2025*, covering trends shaping the industry.



**Addressing attendees.** NADA Chairman Mark Scarpelli at the NADA Show in 2017.

**4 APRIL**

- Auto execs Bob Carter from Toyota and Joe Hinrichs from Ford speak at the annual NADA/J.D. Power Automotive Forum in New York City.
- *NADA Data*, the annual profile of new-car dealerships, reports that employment at new-vehicle dealerships hit a record 1,131,900 workers in 2016—a 2.4 percent increase from 2015.
- *ATD Data*, the annual profile of new-truck dealerships, reports that employment at commercial truck dealerships increased 5.6 percent to 129,392 workers in 2016—its highest point in five years.

**5 MAY**

- Following an NADA-supported resolution, OSHA reduces the time frame when employers can be cited for an alleged injury or illness recordkeeping violation from up to five years to up to six months.
- NADA releases *A Dealer Guide to the FTC Used Car Rule*, with details, instructions and templates about the revised Buyers Guide.

**6 JUNE**

- NADA Chairman Mark Scarpelli and President & CEO Peter Welch meet with White House and Treasury officials on upcoming tax reform.
- ATD hosts its Washington, D.C., fly-in for truck dealers, which results in a record 92 Capitol Hill meetings and the introduction of federal legislation to repeal the federal excise tax on heavy-duty trucks.

**16,453**

DEALER MEMBERS OF NADA IN 2017.

**7 JULY**

- NADA successfully fights an overbroad vehicle-recall bill to ban dealers from selling or wholesaling a used car under any recall. A J.D. Power study found such legislation would diminish the trade-in value of vehicles by an average of \$1,210.



## AUGUST

- Robert P. Mallon, former NADA president and founder of the NADA Foundation, dies at age 83.
- Immediately after Hurricane Harvey, the NADA Foundation calls on dealers to donate to its Emergency Relief Fund and raises over \$2.5 million to assist dealership employees in need.
- In the aftermath of Hurricane Harvey, NADA offers 10 inspection tips to detect flood-damaged vehicles.
- Following concerns raised by NADA and other organizations, the Office of Management and Budget announces it will suspend implementation of the onerous 2016 EEO-1 form, which would have required dealerships with 100 or more employees to report on wages and hours worked, as well as on the range of compensation paid to employees according to demographic group.

# \$2.5 million

AMOUNT THE NADA FOUNDATION  
EMERGENCY RELIEF FUND RAISED TO ASSIST  
DEALERSHIP EMPLOYEES AFTER HURRICANE HARVEY.



## SEPTEMBER

- More than 400 dealers and association executives attend NADA's annual Washington Conference to meet with members of Congress and hear from Secretary of Transportation Elaine Chao, Sen. Lindsey Graham (R-S.C.), Rep. Don Beyer (D-Va.) and Rep. Trey Hollingsworth (R-Ind.).
- Because of a major grassroots push by NADA and the state and metro dealer associations (ATAEs) during the summer, the House passes an autonomous vehicle (AV) bill with language that preserves state dealer franchise and motor vehicle licensing laws.
- At an EPA hearing on the midterm evaluation of GHG emissions standards for MY 2022-2025 light-duty vehicles, NADA testifies that fuel-efficient cars may sit in showrooms if the stringent rules for gas mileage are left in place without any mid-course corrections.
- Agreeing with NADA and other business groups in a case they filed, the federal District Court for Northern Texas found the Department of Labor had acted unlawfully in 2016 when it more than doubled the overtime compensation exemption salary-level threshold tests for white-collar employees from \$455 per week (\$23,660 per year) to \$913 per week (\$47,476 per year).



## OCTOBER

- In remarks to the Automotive Press Association in Detroit, NADA Chairman Mark Scarpelli warns how stair-step incentives can lead to large discrepancies in prices between dealerships and erode customer confidence in the sales process and brand.
- The Consumer Financial Protection Bureau (CFPB) finalizes its rule requiring lenders to make "ability to repay" determinations when extending certain payday, vehicle title and other loans to consumers. Although the proposed rule would have covered certain "high cost" vehicle finance contracts, the final rule generally excludes those contracts unless they have a balloon payment feature. NADA helped get standard vehicle credit contracts excluded.
- Thanks to another major grassroots effort by NADA members and ATAEs, a Senate AV bill includes language to ensure that state dealer franchise and motor vehicle licensing laws are not preempted by federal law.
- NADA supports dealers litigating the Supreme Court case *Encino Motorcars, LLC v. Navarro*, arguing that the Fair Labor Standards Act's overtime-payment exemption for "any salesman, partsman, or mechanic primarily engaged in selling or servicing automobiles" applies to service advisors.
- NADA reports that new-car dealerships employed 1,134,200 workers through the first six months of 2017, up from a record 1,131,900 in 2016. Payrolls totaled nearly \$33 billion, up more than 11 percent from the year-ago period.



## NOVEMBER

- Auto execs Tom Doll of Subaru, Jeremy Tucker of Nissan and Anders Gustafsson of Volvo speak at the annual NADA/J.D. Power AutoConference LA.
- Automakers and tech companies try to weaken language protecting state dealer franchise and motor vehicle licensing laws in a federal AV bill, but NADA works with senators to reinforce bipartisan commitment to the laws.
- NADA Foundation supports dealership employees after wildfires in California.
- The House begins consideration of tax reform, with a bill that would limit the deductibility of floor plan interest to 30 percent. With strong NADA support, the House bill is amended to 100 percent deductibility.



**Policy briefing.** Secretary of Transportation Elaine Chao at the 2017 NADA Washington Conference.

**12 DECEMBER**

- The Senate begins consideration of its tax reform bill, which also would limit the deductibility of floor plan interest to 30 percent. Instead, after intense support from NADA and ATAEs, an amendment to maintain 100 percent deductibility is adopted.
- The Government Accountability Office effectively scraps the indirect auto lending guidance issued by the CFPB in 2013. This strengthens NADA's consistent position that the CFPB has been improperly trying to regulate dealers.
- NADA hosts a member webinar featuring compliance-focused info on how to develop clear policies that quickly and effectively address sexual harassment complaints.
- NADA testifies before Congress about the importance of maintaining vehicle affordability when regulating fuel economy.
- NADA sends members an alert about a new Department of Defense (DOD) interpretation of the Military Lending Act (MLA) that would prevent dealers from selling GAP and other credit insurance to certain members of the military and their dependents.
- President Trump signs comprehensive tax reform into law with provisions NADA fought for, including preserving the full deductibility of floor plan interest, lowering the tax rate and ensuring tax relief for pass-through dealerships, maintaining LIFO inventory accounting and advertising deductibility, reforming the estate tax, and defeating the BAT.
- NADA ends 2017 with nearly 16,500 members, marking the 16th consecutive year with more than 90 percent membership penetration.

# 2018

**1 JANUARY**

- Chinese automaker GAC Motor announces it will exhibit and recruit dealers at the 2018 NADA Show.
- NADA spearheads a months-long effort to get DOD to withdraw its interpretation of the MLA preventing dealers from offering GAP and other credit insurance to service members and their dependents.

**2 FEBRUARY**

- NADA releases the NADA Show 2018 mobile app, with workshops, events and exhibitor listings for next month's show.

**3 MARCH**

- NADA releases *A Dealer Guide to the Tax Cuts and Jobs Act of 2017* to help dealers navigate 2018 tax changes.
- The NADA and ATD shows are held in Las Vegas.
- ATD releases its *Commercial Truck Dealer Future Landscape* study to determine how new driving technology and government mandates will affect dealers over the next decade.
- The annual NADA/J.D. Power Automotive Forum in New York City features auto execs Johan de Nysschen from Cadillac and Bill Fay from Toyota.

# NADA Data 2017

## A banner year for vehicle sales.

BY JOE PHILLIPS

*NADA Data*—the annual financial profile of new-car dealerships—is one of the association's most popular publications. Record vehicle sales have been keeping dealers and their employees busy, and bolstering local economies. Here are some highlights. (For a complete copy of the latest *NADA Data*, visit [nada.org/nadadata](http://nada.org/nadadata).)

Total New-Car  
Dealerships

16,802 



**CALIFORNIA**

Highest dollar sales for all dealerships \$119,968,607,468

Highest dollar sales per dealership \$89,998,955

TOTAL DEALERSHIP SALES

\$1,002,622,026,477

...per dealership

\$59,672,779

**\$20,009**

AVERAGE SELLING PRICE  
OF USED VEHICLES SOLD  
*(by new-vehicle dealerships)*

**\$34,670**

AVERAGE SELLING PRICE  
OF NEW VEHICLES SOLD



**1,020**

AVERAGE NEW  
VEHICLES  
SOLD PER  
DEALERSHIP



domestic  
**1,923,100**  
+ import  
**1,866,400**

**December**

Month with most  
new-vehicle sales

**1,604,942**  
units

NEW-CAR INVENTORY

**3,789,500**



NEW-VEHICLE  
DAYS' SUPPLY

**70**  
domestic

**56**  
import

Change  
in number  
of new  
vehicles  
sold

**-1.9%**

from 2016 to 2017

TOTAL NEW VEHICLES SOLD

**17,134,773**

# VEHICLES IN OPERATION

# 270 million



1YR

3YRS

5YRS

7YRS

9YRS

11YRS

13YRS

15YRS

Average age of vehicles on the road  
(cars and light trucks)

**11.6**  
**YEARS**

DEALERSHIP EMPLOYEES

# 1,135,700

**69**

Average per  
dealership



## \$1,126

Average weekly earnings  
per dealership employee

## \$3.9 million

Average annual payroll  
per dealership

## \$66 billion

Average annual payroll  
of all dealerships





**\$114.2 billion**  
SERVICE AND PARTS SALES  
*(for all new-vehicle dealerships)*



**\$6.8 million**  
SERVICE AND PARTS SALES  
*(per new-vehicle dealership)*



**317,347**  
TECHNICIANS  
*(including body shop)*

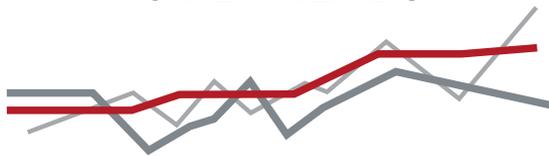


**316.4 million**  
REPAIR ORDERS WRITTEN

Percentage of dealerships operating on-site body shops

**39%**

### FINANCIAL TRENDS



#### New-Vehicle Department

**\$1,805,840** Average gross profit

#### Used-Vehicle Department

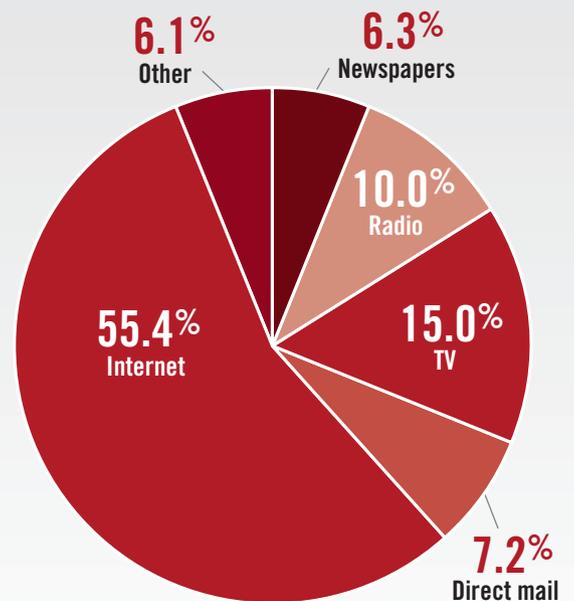
**\$1,658,265** Average gross profit

#### Service/Parts Department

**\$3,332,512** Average gross profit

### ADVERTISING EXPENDITURES

*(by medium)*



*(All NADA Data numbers are from 2017.)*

## Service and Parts Department

- Clean Air Act
- Clean Water Act
- DOT hazardous-materials-handling procedures
- FTC Used Parts Guide
- IRS Core Inventory Valuation
- LIFO/FIFO inventory accounting method
- NHTSA tampering rules
- NHTSA tire rules
- OSHA asbestos standards
- OSHA Hazard Communication Standard
- OSHA lock-out/tag-out procedures
- OSHA workplace health and safety standards
- RCRA
- Safe Drinking Water Act
- Superfund
- UNICAP

## Body Shop

- Clean Air Act
- EPA hazardous-waste rules
- OSHA Hazard Communication Standard
- OSHA Respiratory Protection Standard
- OSHA workplace health and safety standards
- UNICAP
- VIN and parts marking



# REGULATORY MAZE

Our annual list of major federal regulations; state and local laws also apply and sometimes include additional requirements.

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## F&I Department

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- Dodd-Frank Financial Reform Law
- Equal Credit Opportunity Act
- Fair Credit Reporting Act
- FACT Act of 2003
- FTC Credit Practices Rule
- FTC Holder-in-Due-Course Rule
- Gramm-Leach-Bliley Act
- Military Lending Act
- Producer-Owned Reinsurance Companies
- Truth in Lending and Consumer Leasing acts

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## All Departments (General Management/Personnel)

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- Affordable Care Act
- Age Discrimination in Employment Act
- Americans with Disabilities Act
- COBRA
- Electronic deposit of taxes
- Electronic records retention
- Emergency-response planning
- Employee drug testing
- Employee Polygraph Protection Act
- ERISA
- Employee verification rules
- Equal Pay Act
- Estate tax
- Family and Medical Leave Act
- Federal child-support enforcement regulations
- Federal Civil Rights Act
- FTC Repossession Rule
- Federal wage-hour and child labor laws
- Genetic Information Nondiscrimination Act
- Health Insurance Portability and Accountability Act
- IRS/DOL worker classification
- IRS treatment of demo vehicles
- IRS treatment of tool plans
- Mandatory workplace posters
- Mental Health Parity Act
- Miscellaneous recordkeeping requirements
- Newborns' and Mothers' Health Protection Act
- NLRB unionization rules
- OSHA Blood-Borne Pathogens Rule
- OSHA injury and illness recording and reporting requirements
- Section 89 of the Tax Reform Act
- Section 179 expensing and bonus depreciation
- USERRA
- WARN

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## All Departments (Customer)

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- Americans with Disabilities Act
- CAN-SPAM Act
- Driver's Privacy Protection Act
- Electronic Funds Transfer Act
- FTC Privacy Rule
- FTC prohibition against deceptive and unfair trade practices
- FTC Safeguards Rule
- FTC Telemarketing Sales Rule
- FTC warranty rules
- IRS Cash-Reporting Rule
- Magnuson-Moss Act
- OFAC restrictions
- Telephone Consumer Protection Act
- USA PATRIOT Act

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## New- and Used-Vehicle Sales Departments

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- American Automobile Labeling Act
- CAFE and GHGs rules
- Diplomat vehicle purchases
- DOE/EPA gas-mileage guide
- Federal bankruptcy law
- FTC Door-to-Door Sales Rule
- FTC guidelines for fuel-mileage advertising and alternative-fueled-vehicle advertising and labeling
- FTC Used Car Rule
- Gray-market vehicles
- IRS treatment of salesperson incentives
- LIFO inventory accounting method
- Heavy-highway-vehicle excise tax
- Motor vehicle tax credits
- Monroney sticker (Price Labeling Law)
- NHTSA alteration and tire-placarding rules
- NHTSA odometer rule
- NHTSA recall regulations
- NHTSA safety belt/airbag deactivation
- NHTSA tire regulations
- School van sales
- UNICAP

In addition to this list of federal laws and regulations, be sure to consult [nada.org/regulatoryaffairs](http://nada.org/regulatoryaffairs) for more details.

### All Departments (General Management/Personnel)

- **Affordable Care Act:** Extensive health-care reforms enacted in 2010 affect dealerships and their health-care plans. For example, most large dealerships (with more than 50 full-time employees) must have decided by January 1, 2015, whether they will offer health coverage that meets the federal requirements or pay a penalty. Many additional reporting, recordkeeping and other duties apply to dealerships and other businesses. For more information, visit [healthcare.gov](http://healthcare.gov). For individuals, the “Tax Cuts and Jobs Act of 2017” (the “TCJA”) eliminates the individual responsibility mandate after December 31, 2018.
- **Age Discrimination in Employment Act:** Protects older individuals against age-based employment discrimination.
- **Americans with Disabilities Act (ADA):** Dealerships with 15 or more employees must reasonably accommodate disabled workers and job applicants.
- **Consolidated Omnibus Budget Reconciliation Act (COBRA):** Requires dealerships with 20 or more employees to continue health-care coverage for ex-employees and their families for 18 to 36 months, depending on circumstances.
- **Electronic deposit of taxes:** Dealerships having more than a de minimis amount of aggregate depository taxes generally must deposit through the Electronic Federal Tax Payment System.
- **Electronic records retention:** Revenue Procedure 98-25 explains the IRS requirements for retaining computerized accounting records.
- **Emergency-response planning:** Federal, state and local laws require dealers to have emergency-response plans.
- **Employee drug testing:** Unionized dealerships must bargain with unions before implementing employer drug policies (not necessary for pre-employment drug testing). The ADA prohibits employers from discriminating against employees or applicants who have completed or are currently undergoing a drug treatment program, as long as they aren’t currently abusing drugs.
- **Employee Polygraph Protection Act:** Prohibits dealerships from using polygraphs in pre-employment screening; allows use in limited cases where an

employee is reasonably suspected of a workplace incident involving economic loss to the employer.

- **Employee Retirement Income Security Act (ERISA):** Dealers offering retirement or health plans must, among other things, provide employees with plan information, keep records, and abide by fiduciary responsibilities and other obligations.
- **Employment verification rules:** Dealerships must verify the employment eligibility of prospective new employees using I-9 forms and proper support documentation. Use of E-verify is optional.
- **Equal Pay Act:** Prohibits wage discrimination on basis of sex.
- **Estate tax:** The top rate was 40 percent for estates over \$5.49 million in 2017. The TCJA increases the exemption to \$10 million (indexed to \$11.2 million) for 2018. The same amounts are the individual lifetime gifting limits.
- **Family and Medical Leave Act (FMLA):** Dealerships must post a notice informing employees of their right to take limited, unpaid leave for personal and family medical emergencies and must comply with appropriate requests for such leave. Special provisions apply to leave related to military service. Dealerships must display the revised FMLA poster from February 2013.
- **Federal child-support enforcement regulations:** Requires states to govern liens put on personal property—including vehicles—for overdue child support. Dealerships should check that child-support liens don’t exist on used cars, and must place liens on wages of employees who are delinquent on child-support payments.
- **Federal Civil Rights Act:** Bars employment discrimination on the basis of race, sex, color, religion or national origin. Prevents employers from asking job applicants certain questions (such as age, marital status or childbearing plans). Prohibits workplace sexual harassment, including behavior that creates a hostile work environment.
- **FTC Repossession Rule:** Requires formal accounting of money collected for repossessed vehicles.
- **Federal wage-hour and child labor laws:** Address minimum-wage and overtime pay standards and exemptions as well as standards for employing minors, including teen driving restrictions. Federal minimum wage is \$7.25 per hour; state minimum wage rates may be higher.
- **Genetic Information Nondiscrimination Act:** Prohibits discrimination based on

health-related employee DNA information.

- **Health Insurance Portability and Accountability Act:** Generally prohibits health insurers from denying coverage to workers who lose or change jobs and bars insurers from excluding coverage for pre-existing conditions for more than a year.
- **IRS/DOL worker classification:** Dealers must determine whether their workers are employees or independent contractors. The IRS and the Department of Labor use multi-factor legal standards and tests to evaluate this question. When making worker classification decisions, dealerships should be careful, conservative and prepared to document their decisions. Of greatest importance: the level of control employers exercise over workers as measured by the means and manner of the work performed. The IRS Voluntary Classification Settlement Program is aimed at encouraging employers to admit past worker misclassifications.
- **IRS treatment of demo vehicles:** Revenue Procedure 2001-56 offers dealers alternative methods for determining the value of demo use by qualified salespeople and other dealership employees. It defines what constitutes limited personal use and streamlines recordkeeping requirements.
- **IRS treatment of tool plans:** Tool and equipment plans for service technicians and other employees must comply with the IRS requirements for business connection, substantiation and return of excess payment.
- **Mandatory workplace posters:** Notices, such as “Your Rights Under the FMLA,” “Equal Employment Opportunity Is the Law,” “Federal Minimum Wage” and “Notice: Employee Polygraph Protection Act,” must be conspicuously displayed. Dealerships must display the revised Federal Minimum Wage and the Employee Polygraph Protection Act (EPPA) posters from August 2016.
- **Mental Health Parity Act:** Requires insurers and health plans to offer mental illness coverage comparable to that for physical illness. Group health plans may not set dollar limits on mental health care lower than limits for general medical and surgical services. Nothing requires dealerships to provide mental health coverage, and certain exemptions apply.
- **Miscellaneous recordkeeping requirements:** A multitude of requirements govern the length of time records must be maintained. Examples: Personal and corporate income tax records must be kept



at least three years; notification forms for underground storage tanks must be kept indefinitely; and copies of Form 8300 cash reports must be kept for five years.

■ **Newborns' and Mothers' Health Protection Act:** Employers and insurers must provide minimum hospital-stay benefits.

■ **National Labor Relations Board (NLRB) unionization rules:** Govern unionization activities, including employee rights, election rules, postings, unfair labor practices and others.

■ **OSHA Blood-Borne Pathogens Rule:** Dealerships more than four minutes from an emergency health facility must have a program to respond to employees who suffer cuts. All dealerships must have adequate first-aid kits.

■ **OSHA injury and illness recording and reporting requirements:** Dealers with 10 or more employees are required to maintain a yearly log of work-related injuries and illnesses on OSHA Form 300. Dealers must also complete a report on each workplace injury or illness that occurs using OSHA Form 301. Even if no injuries or illnesses have occurred in a calendar year, all dealers with more than 10 employees must fill out and post an annual summary of work-related injuries and illnesses on OSHA Form 300A. Dealers also must report the following events to OSHA: all work-related fatalities; all work-related inpatient hospitalization of one or more employees; all work-related amputations; and all work-related losses

of an eye. Heavy-duty truck dealerships with 20 to 249 employees per establishment must electronically submit to OSHA: OSHA Form 300A. Both heavy-duty truck and light-duty car dealerships with more than 250 employees per establishment must electronically submit to OSHA: OSHA Form 300, OSHA Form 300A and OSHA Form 301.

■ **Section 89 of the Tax Reform Act:** Dealerships are prohibited from discriminating against lower-paid employees in their employee benefits packages.

■ **Section 179 expensing and bonus depreciation:** Generally, businesses can expense qualified Section 179 property, subject to phaseout. With the recent passage of the TCJA, the total 179 deduction limitation is now \$1 million for 2018 and beyond. Bonus depreciation is expanded by TCJA to 100 percent for certain property acquired after September 27, 2017, and is good through 2022. This now also includes used equipment.

■ **Uniformed Services Employment and Reemployment Rights Act (USERRA):** Governs the employment and reemployment rights of members of the U.S. uniformed services.

■ **Worker Adjustment and Retraining Notification Act (WARN):** Dealerships must give 60 days' notice to workers before termination or store closings under certain circumstances.

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### All Departments (Customer)

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■ **Americans with Disabilities Act (ADA):** Prohibits discrimination against the physically handicapped in areas of public accommodation. Must make reasonable accommodations to facilities, such as by installing ramps and accessible parking spaces, drinking fountains, public toilets and doors.

■ **CAN-SPAM (Controlling the Assault of Non-Solicited Pornography and Marketing) Act:** Emailers must identify a commercial message as an advertisement or solicitation and provide their physical postal addresses and a mechanism to opt out of future commercial emails. If recipients opt out, senders must stop sending them commercial email within 10 business days. The disclosure requirements don't apply to emails that relate to transactions or relationships, such as those containing exclusively warranty information or recall-repair messages, or messages related to the completion of transactions requested by the consumer.

No one may send commercial emails to wireless devices unless recipients provide express prior authorization to receive them. So that senders can recognize wireless addresses, the FCC maintains a list of wireless domain names at [transition.fcc.gov/cgb/policy/DomainNameDownload.html](http://transition.fcc.gov/cgb/policy/DomainNameDownload.html). Commercial emailers must check the list monthly. (Additional provisions prohibit deceptive headers, misleading subject lines and other spam tactics.)

A text message may also be considered an email and therefore subject to the CAN-SPAM Act if it is sent to an email address—that is, if it has an internet domain name after the “@” symbol (whether the email address is displayed or not). This means that no commercial text message (deemed to be an email) may be sent to a wireless device without “express prior authorization.” Merely having an “established business relationship” with the recipient is not enough.

■ **Driver's Privacy Protection Act:** Denies access to personal information in state motor vehicle records except for limited purposes, such as driver safety, theft and recalls. Also restricts the release or use of personal info for marketing.

■ **Electronic Funds Transfer Act (EFTA):** EFTA and its implementing “Regulation E” govern a variety of electronic transactions. Certain provisions of Regulation E apply directly to any “person” that engages in certain activities or transactions, regardless of whether the person is a financial institution. Examples of such transactions include: issuing access devices (such as debit cards, personal identification numbers [PINs] or payroll cards); issuing or selling gift cards; initiating electronic check conversions; pre-authorizing electronic fund transfers; or operating ATMs.

■ **FTC Privacy Rule:** Dealers must issue notices of their privacy policies to their finance and lease customers and, in some cases, to consumers when the dealer discloses nonpublic information about consumers to third parties. The rule also restricts disclosure of nonpublic personal information and requires dealers to contractually limit their service providers' access to and use of that information. Dealers who correctly use an FTC model privacy notice receive safe-harbor protection for the language used to describe their privacy policy.

■ **FTC prohibition against deceptive and unfair trade practices:** Section 5 of the FTC act prohibits unfair and deceptive

trade practices. For example, the FTC has found certain advertising practices to be deceptive, including recent safety inspection claims related to used vehicles that are subject to open safety recalls.

■ **FTC Safeguards Rule:** Dealers must develop, implement and maintain—and regularly audit—a comprehensive, written security program to protect customer information and must ensure that their service providers provide similar safeguards.

■ **FTC Telemarketing Sales Rule (TSR):** Imposes many of the Telephone Consumer Protection Act (TCPA) restrictions (below) on dealers who telemarket across state lines. Requires dealers who sell or obtain payment authorization for goods or services during interstate phone calls to abide by the prohibition against numerous deceptive and abusive acts and to maintain certain records. Prohibits prerecorded telemarketing calls without a consumer's express written agreement, requires such calls to provide a key-press or voice-activated opt-out mechanism at the outset of the calls, and requires the calls to ring for 15 seconds or four rings before disconnecting.

■ **FTC warranty rules:** Pursuant to the Magnuson-Moss Act (below), the FTC has issued two rules governing written warranties. The "Disclosure Rule" provides disclosure requirements for written warranties, specifies language for certain disclosures and requires simple language in a single document. The "Pre-Sale Availability Rule" details the methods by which warrantors and sellers must provide warranty terms before a sale. The recently passed E-Warranty Act allows warrantors to comply by posting warranty terms to a website, as long as the warrantor also provides consumers with a non-internet-based method to obtain warranty terms, and allows sellers to use electronic methods to provide consumers with warranty terms pre-sale.

■ **IRS Cash-Reporting Rule:** Dealers receiving more than \$10,000 in cash in one transaction or in two or more related transactions must file IRS/FinCEN Form 8300 with the IRS within 15 calendar days and must provide written notice that the report was filed to the person named on the report by January 31 of the following year. "Cash" includes certain cashier's checks, traveler's checks, money orders and bank drafts.

■ **Magnuson-Moss Act:** Dealers must give consumers certain required information on warranties and limited warranties. Warrantors are also generally prohibited



from requiring routine service to be performed at a dealership as a condition of a vehicle warranty.

■ **Office of Foreign Assets Control (OFAC) restrictions:** Dealerships may not enter into transactions with certain sanctioned countries, governments, or specially designated organizations and individuals. Dealers should check the electronic list maintained by OFAC to ensure compliance.

■ **Telephone Consumer Protection Act (TCPA):** Imposes numerous restrictions on telemarketing, including the national and company-specific do-not-call (DNC) rules, calling-time restrictions, caller ID requirements, fax advertising rules, and restrictions on the use of autodialers and prerecorded messages. Fax ads may be sent only to authorized recipients and must include a phone number, fax number and toll-free opt-out mechanism (each available 24/7) on the first page of the fax ad.

The FCC considers text messages to be "phone calls" under the TCPA. This means you cannot send a text message "solicitation" to a phone number on either the national DNC list (subject to the "established business relationship" and "prior express permission" exemptions to the national DNC rules) or your company-specific DNC list (to which there are no exemptions). See additional text message restrictions under "CAN-SPAM Act."

Requires express written consent prior to any text message or prerecorded or auto-dialed telemarketing call to a cell phone. Recent FCC guidance indicates a very broad view of what is an "auto-dialed" call. You cannot send any text message whatsoever to a cellular telephone number—solicitation or not, whether the number is on a DNC list or not—using an "autodialer" unless you have the called consumer's "prior express consent."

■ **USA PATRIOT Act:** Dealers must search their records and provide information about individuals or entities with whom they conducted transactions or created

accounts if requested by the federal Financial Crimes Enforcement Network. Dealers are temporarily exempt from the law's anti-money-laundering program requirements.

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### New- and Used-Vehicle Sales Departments

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■ **American Automobile Labeling Act:** New cars and light trucks must have a domestic-parts content label showing percentage of U.S. or Canadian parts; countries contributing more than 15 percent of the parts; origin of engine and transmission; and location of vehicle assembly. Dealers must ensure that labels remain on vehicles until sold.

■ **Corporate Average Fuel Economy (CAFE) and Greenhouse Gases (GHGs) rules:** NHTSA and EPA rules on CAFE and GHGs govern the fuel-economy performance of all light, medium-duty and heavy-duty vehicles, which affects their design, performance and cost. The rules also impact the use of alternative technologies and fuels.

■ **Diplomat vehicle purchases:** The State Department's Office of Foreign Missions must approve a diplomat's vehicle purchase before that diplomat's tax exemption request may be honored.

■ **DOE/EPA gas-mileage guide:** Dealers must make this guide available to prospective new-vehicle buyers upon request. Download the guide from [fuel economy.gov](http://fuel economy.gov).

■ **Federal bankruptcy law:** Dealerships should perfect security interests within 30 days after a customer takes possession of a vehicle, regardless of state law. Otherwise, if the customer files for bankruptcy within 90 days of when the financing

agreement is signed, the bankruptcy trustee may avoid the lien. Dealerships failing to perfect liens in a timely manner may be liable for any loss.

■ **FTC Door-to-Door Sales Rule:** Gives consumers a three-day “cooling off” period only for sales not consummated at the dealership. Does not apply to auctions, tent sales or other temporary places of business if the seller has a permanent place of business.

■ **FTC guidelines for fuel-mileage advertising and alternative-fueled-vehicle advertising and labeling:** Dealer and manufacturer fuel-economy advertisements must state that the numbers are estimates and come from EPA; alternative-fueled vehicles must be properly labeled.

■ **FTC Used Car Rule:** “Buyers Guides” are required on all used vehicles offered for sale, disclosing whether the vehicle is offered “as is” or with a dealer warranty, other non-dealer warranty disclosures and service contract availability. Dealers must use the FTC required form Buyers Guide. Note that a new version of the Buyers Guide was adopted in 2016. Dealers must use the new version of the Buyers Guide as of January 27, 2017.

■ **Gray-market vehicles:** EPA, Department of Transportation and Customs restrict the importation/sale of vehicles lacking safety or emissions certification.

■ **IRS treatment of salesperson incentives:** Factory incentives paid directly to salespeople by the factory are not required to be treated as wages for tax purposes by the dealership. However, the factory is required to report these incentives as taxable amounts to salespeople if they are \$600 or more.

■ **LIFO (last-in/first-out) inventory accounting method:** The use of the LIFO inventory method requires compliance with the conformity requirement.

■ **Heavy-highway-vehicle excise tax:** A 12 percent excise tax generally applies to the first retail sale of (1) truck chassis and bodies with a gross vehicle weight rating (GVWR) in excess of 33,000 pounds (Class 8); (2) truck trailer and semitrailer bodies with a GVWR in excess of 26,000 pounds (Classes 7 and 8); and (3) “highway tractors,” unless they have a GVWR of 19,500 pounds or less (Class 5 and under) and a gross combined weight rating of 33,000 pounds or less. Dealers selling Class 5 vehicles with more than 33,000-pound gross combined weight rating or Classes 6 or 7 vehicles

should apply the “primary design” test to determine if a vehicle is a taxable tractor or a nontaxable truck.

■ **Motor vehicle tax credits:** Consumers may be eligible for up to a \$7,500 personal federal tax credit when they buy a qualifying plug-in electric vehicle or dedicated electric vehicle at a dealership (“EV Tax Credit”). Eligibility for the EV Tax Credit is based on a taxpayer’s income and tax status. The EV tax credit begins to phase out when a manufacturer’s overall EV sales reach 200,000 qualified vehicles in the United States.

■ **Monroney sticker (Price Labeling Law):** Dealerships must keep stickers on new passenger cars showing the manufacturer’s suggested retail price, plus other costs, such as options, federal taxes, and handling and freight charges. Stickers also include EPA’s revised fuel-economy information and NHTSA NCAP revised crash-test star ratings. Dealerships that alter covered vehicles must attach a second label adjacent to the Monroney label, stating, “This vehicle has been altered. The stated star ratings on the safety label may no longer be applicable.” No size or form of this label is specified, only that it be placed as close as possible to Monroney labels on automobiles that (1) have been altered by the dealership and (2) have test results posted.

■ **National Highway Traffic Safety Administration (NHTSA) alteration and tire-placarding rules:** Significantly altered new vehicles must have labels affixed identifying the alterations and stating that they meet federal safety and theft standards. Tire-placarding and -relabeling rules require a new tire information placard/label whenever parts or equipment are added that may reduce a vehicle’s cargo-carrying capacity, or when replacement tires differ in size or inflation pressure from those referred to on the original.

■ **NHTSA odometer rule:** Prohibits odometer removal or tampering and misrepresentation of odometer readings. Requires recordkeeping to create a “paper trail,” and odometer disclosures on titles. Vehicles with a greater than 16,000-pound gross vehicle weight rating and those 10 model years old or older are exempt.

■ **NHTSA recall regulations:** New vehicles and parts held in inventory that are subject to safety recalls must be brought into compliance before delivery.

■ **NHTSA safety belt/airbag deactivation:**

Dealerships may install airbag switches for consumers with NHTSA authorization. Dealerships must be responsive to consumer requests for rear-seat lap/shoulder safety belt retrofits in older vehicles.

■ **NHTSA tire regulations:** Rule requires proper replacement or modification of the tire-information label when replacing tires or adding weight before first sale or lease. Also, consumers must be given registration cards when buying new tires or tires must be registered electronically. Other rules govern handling and disposal of recalled new and used tires.

■ **School van sales:** Dealers may not sell, lease or give away large, new passenger vans with more than 10 seating positions if they know the vehicle will be used to transport students to or from school or school activities. Schools must purchase or lease a school bus or multifunction school activity bus for such purposes.

■ **Uniform capitalization (UNICAP):** Dealers who (1) “produce” property or (2) acquire it for resale if their average annual gross receipts over the three preceding tax years exceed \$25 million (as of 2018, due to the TCJA) must comply with the UNICAP requirements contained in Section 263A of the Internal Revenue Code. Revenue Procedure 2010-44 creates two safe-harbor methods of accounting, which dealers may elect by filing Form 3115 with the IRS, that generally permit dealers to expense, instead of capitalize, all handling and storage costs at certain dealership facilities.

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## F&I Department

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■ **Dodd-Frank Financial Reform Law:** Comprehensive legislation enacted in July 2010 created a new, independent Consumer Financial Protection Bureau and granted it unprecedented authority to regulate financial products and services. Dealers engaged in three-party financing are excluded from the authority of the bureau and remain subject to regulation by the Federal Reserve Board, the Federal Trade Commission (which has been given streamlined authority to declare dealer practices as unfair or deceptive) and state consumer protection agencies. Finance sources, including dealers who engage in BHPH financing, are subject to the bureau’s jurisdiction. The Dodd-Frank law also created several new obligations for creditors, including additional disclosure requirements for risk-based pricing and adverse-action notices under the Fair Cred-

it Reporting Act (Section-1100F). Plus, it contains a requirement to collect, report to the federal government, retain, and make available to the public upon request certain data collected in credit applications from small, women-owned and minority-owned businesses. Dealers are temporarily exempt from this requirement pending promulgation of specific regulations.

■ **Equal Credit Opportunity Act (ECOA):**

Regulation B prohibits discrimination in credit transactions based on race, sex, color, marital status, religion, national origin, age and public-assistance status. The government interprets this prohibition as applying not just to intentional discrimination, but also to credit practices that result in a negative “disparate impact” on consumers based on one of these prohibited factors. In addition, the dealer/creditor is required both to notify applicants in a timely fashion of actions taken on—and reasons for denying—applications, and to retain certain records. (See also “Dodd-Frank Financial Reform Law,” above, for a description of new small-business loan data collection requirements.) An optional ECOA compliance program template is available to dealers at [nada.org/faircredit](http://nada.org/faircredit).

■ **Fair Credit Reporting Act (FCRA):**

Dealers are restricted in their use of credit reports for consumers, job applicants and employees. Credit reports generally may be obtained only pursuant to consumers’ written instructions or if consumers initiate a business transaction (not if they merely talk with salespeople). Dealers must give job applicants and employees a separate document informing them that a credit report may be obtained and must obtain prior, written authorization to access the report. Dealers generally may not share credit information with affiliates unless they give consumers notice and the opportunity to opt out. If dealers take adverse action based on the report, they must notify consumers and follow additional procedures with job applicants and employees.

■ **Fair and Accurate Credit Transactions (FACT) Act of 2003:**

This law significantly amended FCRA by adding several identity-theft prevention and other duties. Duties include: responding to requests for records from victims of ID theft and to fraud and active-duty alerts on credit reports; disposal requirements for credit report information; opt-out disclosure formatting requirements for prescreened credit solicitations; truncating the expiration date and all but the last five digits

on electronically printed credit and debit card receipts provided to purchasers at the point of sale; the Federal Reserve’s Regulation FF restrictions on obtaining, using and sharing “medical information” in credit transactions; the FTC Red Flags Rule, which requires creditors and financial institutions to develop and implement a written Identity Theft Prevention Program that contains procedures to identify, detect and respond to “red flags” indicating the possibility of identity theft; the FTC Address Discrepancy Rule, which requires users of credit reports to develop and implement procedures to verify a customer’s identity when receiving a “Notice of Address Discrepancy” from a consumer reporting agency; the FTC Affiliate Marketing Rule, which generally requires a business to offer customers the opportunity to opt out of receiving solicitations from the business’s affiliates before affiliates



may market to the customers; and the Risk-Based Pricing Rule, which generally requires initial creditors to issue either risk-based pricing notices to consumers to whom credit is granted but on relatively unfavorable terms, or credit score disclosure exception notices to all consumer credit applicants. Additional requirements apply to businesses that furnish negative information about consumers to consumer reporting agencies.

■ **FTC Credit Practices Rule:** Dealers are required to provide a written disclosure statement to a cosigner before the cosigner signs an installment sale contract. Dealers cannot “pyramid” late charges (that is, add a late charge onto a payment made in full and on time when the only delinquency was a late charge on a previous installment).

■ **FTC Holder-in-Due-Course Rule:** Preserves the consumer’s right to raise

claims and defenses against purchasers of consumer credit contracts (with automobile sales, it protects consumers who buy cars from dealerships on credit). When dealerships sell credit contracts to lenders, consumers are obligated to pay the lenders instead of the dealerships. Under the rule, if a dealership engaged in fraud or made misrepresentations in selling a car on credit, a consumer could raise the dealership’s conduct as a defense against the lender’s demand for payments. Dealerships must ensure that their credit contracts contain the precise disclosure required by the rule.

■ **Gramm-Leach-Bliley Act:** See “FTC Privacy Rule” and “FTC Safeguards Rule” under “All Departments (Customer).”

■ **Military Lending Act (MLA):** A December 2017 Department of Defense Interpretation states that creditors must comply with the MLA’s extensive duties and restrictions when extending vehicle financing to covered borrowers (generally active-duty service members and their dependents) that includes a “credit-related product or service” such as GAP or a credit insurance premium. These duties and restrictions (including not being able to use a vehicle title as security for the financing) also apply if the financing includes a cash advance (i.e., “cashout” financing).

■ **Producer-Owned Reinsurance Companies (PORCs):** IRS Notice 2016-66 identifies certain reinsurance arrangements as “transactions of interest” requiring taxpayer disclosure by the filing of Form 8886. While this requirement does not involve all reinsurance arrangements, the IRS may continue to scrutinize any transaction that shifts income from taxpayers to related companies resulting in tax benefits. The Tax Cut and Jobs Act of 2017 reduces the tax rate to 21 percent for domestic finance and insurance reinsurance companies, including small companies, those electing to be taxed only on investment income and U.S.-taxed “controlled foreign corporations.” The new law makes significant changes involving non-controlled foreign corporations by expanding the definition of a U.S. shareholder and, most importantly, by changing the definition of a passive foreign investment company. These changes may decrease the ability of U.S. shareholders to defer the taxable income from these companies.

■ **Truth in Lending and Consumer Leasing acts:** Regulations Z and M cover consumer credit and consumer leasing transactions, respectively, specifying information to be

disclosed to a consumer before completing the transaction, and information to be disclosed when advertising consumer credit transactions or leases. For example, dealers who advertise a lease down payment or monthly payment amount must disclose in lease ads that the advertised deal is a lease; the total amount due at lease signing; number, amount and period (for example, monthly) of payments; and whether a security deposit is required.

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## Service and Parts Department

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■ **Clean Air Act:** Dealerships may not tamper with, replace or remove emissions-control equipment, such as catalytic converters. CFC recycling regs require dealership air-conditioning techs to obtain certification and to use certified recycling and recovery equipment to capture spent refrigerant, including HFC-134a and other non-ozone-depleting refrigerants. The act also regulates any fuels dealers store and dispense, as well as the alternative fuels motorists use, including gasohol. It restricts emissions from solvents and chemicals.

■ **Clean Water Act:** Sets standards for regulation of wastewater and stormwater at dealerships and comprehensive rules governing aboveground oil storage tanks.

■ **Department of Transportation (DOT) hazardous-materials-handling procedures:** Require parts employees who load, unload and package hazardous products, such as airbags, batteries and brake fluid, to be trained in safe handling practices.

■ **FTC Used Parts Guide:** Prohibits misrepresentations that a part is new or about the condition, extent of previous use, reconstruction or repair of a part. Previously used parts must be clearly and conspicuously identified as such in advertising and packaging, and, if the part appears new, on the part itself.

■ **IRS Core Inventory Valuation:** Revenue Procedure 2003-20 creates an optional method for valuing core inventories for those using Lower of Cost or Market Valuation Method.

■ **LIFO/FIFO inventory accounting method:** Revenue Procedure 2002-17 provides a safe-harbor method of accounting that authorizes the use of replacement cost to value year-end parts inventory.

■ **NHTSA tampering rules:** Prohibit dealerships from rendering inoperative safety equipment installed on vehicles in compliance with federal law.

■ **NHTSA tire rules:** Dealerships must report sales of defective tires when the tires are sold separately from vehicles, and must properly manage recalled tires.

■ **OSHA asbestos standards:** Dealerships must use certain procedures during brake and clutch inspections and repairs to minimize workplace exposure. Water, aerosol cleaners or brake washers may be used to comply with the standard.

■ **OSHA Hazard Communication Standard (right-to-know laws):** Dealers must inform employees about chemical hazards they may be exposed to in the workplace, keep chemical product information sheets on-site and accessible, and train staffers to properly handle the hazardous materials they work with. Also, EPA's community right-to-know rules require dealers to list annually with state and local authorities tanks holding more than 1,600 gallons.

■ **OSHA lock-out/tag-out procedures:** Explain what service departments must do to ensure machines, including vehicles, are safely disengaged before being serviced.

■ **OSHA workplace health and safety standards:** Extensive regulations cover a multitude of workplace issues and practices, from chemical labeling requirements to the number of toilets required. Example: Dealerships must determine if workplace hazards warrant personal protective equipment and, if so, to train employees on its use. Verbal or online reports must be made within eight hours of any incident involving the hospitalization or death of any worker.

■ **Resource Conservation and Recovery Act (RCRA):** Comprehensive environmental law regulating many dealership functions, including underground storage tanks and the storage, management and disposal of used oil, antifreeze, mercury products and hazardous wastes. Underground tanks must be monitored, tested and insured against leaks; leaks and spills must be reported to federal and local authorities and cleaned up. The law also regulates new-tank installations. Dealers must obtain EPA ID numbers if they generate more than 220 pounds per month (about half of a 55-gallon drum) of certain substances and must use EPA-certified haulers to remove the waste from the site; dealers must keep records of the shipments. Used oil should be burned in space heaters or hauled off site for recycling. Used oil filters must be punctured and drained for 24 hours before disposal.

■ **Safe Drinking Water Act:** To protect underground drinking water from contamination, dealerships may be barred from discharging waste liquids (such as used oil, antifreeze and brake fluid) into septic system drain fields, dry wells, cesspools or pits.

■ **Superfund (Comprehensive Environmental Response, Compensation and Liability Act [CERCLA]):** As waste generators, dealerships may be subject to Superfund liability. Carefully select companies to haul waste off site. Dealers can deduct the cost of cleaning up contaminated soil and water in the year it's done. Dealers may qualify for an exemption from liability at sites involving used oil managed after 1993. The service station dealer exemption application (SSDE) requires dealers to properly manage their oil and to accept oil from do-it-yourselfers.

■ **UNICAP:** See "New- and Used-Vehicle Sales Departments."

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## Body Shop

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■ **Clean Air Act:** National paint and hazardous air-pollution rules require re-formulated, environmentally safer paints and finishes, special handling procedures, and recordkeeping.

■ **EPA hazardous-waste rules:** See "RCRA" under "Service and Parts Department."

■ **OSHA Hazard Communication Standard (right-to-know laws):** See "Service and Parts Department."

■ **OSHA Respiratory Protection Standard:** Requires written programs describing how to select, fit and maintain respirators to protect body shop workers from hazardous chemicals.

■ **OSHA workplace health and safety standards:** Extensive regulations affect body shops in many ways, including mandating the use and care of protective equipment such as face masks, gloves and respirators. The hex chrome standard limits air emissions during sanding and painting. (See also "Service and Parts Department.")

■ **UNICAP:** See "New- and Used-Vehicle Sales Departments."

■ **VIN and parts marking:** Dealers may not alter, destroy or tamper with vehicle identification numbers or antitheft parts-marking ID numbers and should use only properly marked replacement parts. ❖

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*Doug Greenhaus, Paul Metrey, Brad Miller and Lauren Bailey of the NADA Legal and Regulatory Affairs Department contributed to this guide.*

# Century Award Dealers

Honoring longtime dealerships.

BY JOE PHILLIPS



Many dealerships were originally blacksmiths or wagon makers before selling automobiles. The NADA Century Award celebrates those dedicated dealerships that have been in the transportation business for 100 years or more (to apply for the award, visit [nada.org/centuryaward](http://nada.org/centuryaward)). Below is a timeline of the current NADA Century Award winners:

1847

**W. Hare & Son Inc.**  
Noblesville, Ind.

1852

**Schaefer & Bierlein Inc.**  
Frankmuth, Mich.

1859

**Reynolds' Garage  
& Marine Inc.**  
Lyme, Conn.

1875

**Kemmann Chevrolet Inc.**  
Lowden, Iowa  
**Normandin Chrysler/Jeep**  
San Jose, Calif.

1885

**Moser Motor Sales Inc.**  
Berne, Ind.



1890

**Tenvoorde Ford Inc.**  
St. Cloud, Minn.

1895

**Ferman Motor Car Co., Inc.**  
Tampa, Fla.

1897

**Hill International Trucks LLC**  
East Liverpool, Ohio

1898

**Eich Motor Co.**  
St. Cloud, Minn.

1900

**Diehl Ford Inc.**  
Bellingham, Wash.  
**Hulsizer Chevrolet**  
Montgomery, Pa.

1901

**King BMW**  
Freehold, N.J.

1902

**Suttle Motor Corp.**  
Newport News, Va.

1903

**Wentworth  
Chevrolet Inc.**  
Portland, Ore.

1904

**Martens Cars**  
Washington, D.C.

1905

**Claude Nolan Cadillac**  
Jacksonville, Fla.



1910

**Grovert Motor Co.**  
Newhall, Iowa

**The Hersrud Co.**  
Sturgis, S.D.

**Sames Motor Co.**  
Laredo, Texas

**Tiffany Motor Co.**  
Hollister, Calif.

1911

**Barry Motor Co.**  
Danbury, Iowa

**Chuck Colvin Auto**  
McMinnville, Ore.

**Dahl Automotive**  
Onalaska, Wis.

**Hight Auto Group**  
Skowhegan, Maine

**Kelleher Motor Co.**  
Ellensburg, Wash.

**Schallau Motor Co.**  
Van Horne, Iowa

1906

**Smart Chevrolet Co.**  
Pine Bluff, Ark.

1907

**Butts Motors Inc.**  
Seaside, Calif.

**Garber Buick**  
Saginaw, Mich.

1908

**Luck Chevrolet**  
Ashland, Va.

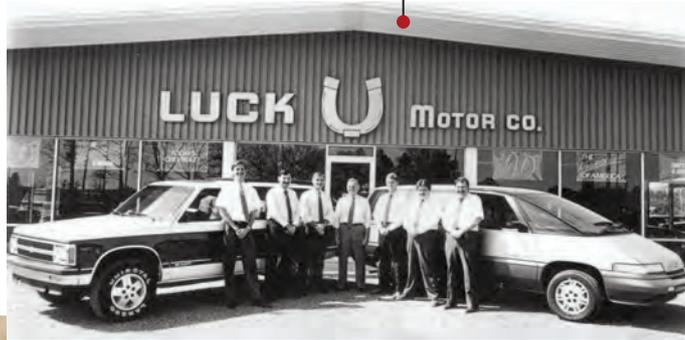
**Wegner Auto Co.**  
Pierre, S.D.

**Don Drennen Motor Co.**  
Hoover, Ala.

**Goodwin Bros. Auto**  
New Castle, Ind.

**I.G. Burton and Co., Inc.**  
Milford, Del.

**Smart Motors Inc.**  
Madison, Wis.



To apply for a Century Award for your dealership, go to [nada.org/century](http://nada.org/century).



1912

**C. Speck Motors**  
Sunnyside, Wash.

**Witt Buick**  
Muskegon, Mich.

1914

**Oliver C. Joseph Inc.**  
Belleville, Ill.

1916

**Edwards Chevrolet Co.**  
Birmingham, Ala.

1917

**Brown's Automotive Group**  
Patchogue, N.Y.

**Soerens Ford of Brookfield**  
Brookfield, Wis.

1918

**Sandman Brothers Inc.**  
Shelbyville, Ind.

# BUYER'S GUIDE

## NEW PRODUCTS & SERVICES

BY PETER CRAIG

### LEAD GENERATOR

Online vehicle marketplace CarGurus, Cambridge, Mass., uses search algorithms and data analytics to match new- and used-car buyers with dealers. An Instant Market Value tool sets fair market prices for used cars, and CarGurus' website offers dealers a resource center with tips in areas like marketing. More info at [cargurus.com](http://cargurus.com) or 855.722.7147. (Booth 2396C)



### VEHICLE FINANCING APP

CU Direct, Ontario, Calif., has the CUDL mobile app, which lets dealers access credit union financing through CUDL Network and provides real-time notifications of loan decisions and funding delays. Can be customized with key information, such as specific lenders. More info at [cudirect.com/cudl](http://cudirect.com/cudl) or 877.744.2835, ext. 2333. (Booth 2967C)

### KEY CONTROL SYSTEMS

Matrix Key Control, Cumming, Ga., has electronic key-management systems with real-time data on key use. Other features: automatic video recording of each use, access limited to working hours and access denied when the driver's license has expired. More info at [matrix-cabinet.com](http://matrix-cabinet.com) or 855.586.2874. (Booth 1570N)



### DEALERSHIP MANAGEMENT SYSTEM



Dominion Dealer Solutions, Norfolk, Va., debuts the Dominion VUE, a Microsoft Azure Cloud-based automotive DMS. The system features an intuitive interface and bank-level encryption that enable dealership staff to access all dealer data in real time, at any location, and without a virtual private network or remote server. More info at [drivedominion.com](http://drivedominion.com) or 877.421.1040. (Booth 3716C)

### PAINT BOOTH

First-time NADA exhibitor Accudraft Paint Booths, Randolph, N.J., has the SS space-saving high-performance paint booth. Users can spray, flash, cure and cool down at maximum productivity. More info at [accudraftpaintbooths.com](http://accudraftpaintbooths.com) or 973.927.6232. (Booth 576N)



## WHEEL PROTECTORS

AlloyGator, Richmond, BC, Canada, offers wheel protectors in sets of four, with stainless steel clips and six finishing tabs. Available in “original,” for 13- to 21-inch wheels, and more rounded “exclusive,” for 12- to 24-inch wheels. More info at [alloygatorna.com](http://alloygatorna.com) or 855.534.2867. (Booth 675N)



## DEALERSHIP MANAGEMENT SYSTEM

Dealertrack, New Hyde Park, N.Y., has a DMS that can perform every job function from a single screen, get a real-time snapshot of the service lane and parts inventory, and integrate third-party vendors via the Opentrack platform. More info at [dealertrack.com](http://dealertrack.com) or 877.357.8725. (Booth 2737C)

## SUN VISOR

Beüler Products, Cerritos, Calif., has an Auto Dimming Sun Visor, which clips to any standard sun visor. A solar panel and fast-acting LCD crystals adjust the tint level of the visor in milliseconds based on the brightness of the sun. More info at [beuler.com](http://beuler.com) or 818.414.8200. (Booth 462N)



# Recognizing the Leaders and Best

The business and engineering faculty at the University of Michigan Tauber Institute for Global Operations are proud to help select the 49th annual TIME Dealer of the Year finalists.

Along with partners TIME, Ally, and NADA, The Tauber Institute applauds the nominees who have demonstrated exceptional performance in their dealerships and a commitment to improving their communities.



Learn more at: [tauber.umich.edu](http://tauber.umich.edu)





# ARE YOU LEADING THE PACK?



## Does your DMS help you differentiate or are you simply following in the tracks of others?

Your dealership is unique and your strategy is distinct. Unfortunately, your DMS platform, with its rigid processes and lack of third-party integration options, doesn't encourage differentiation. Backed by Cox Automotive, Dealertrack DMS is the highest rated system for ease of use. And, with an open platform, minimal integration fees, and no long-term contracts, Dealertrack is the DMS partner that lets you choose what's best for your business.

**Get the technology—and the confidence—to thrive in any industry climate.**

**Visit us at NADA 2018 to see what separates us from the pack.**

**Dealertrack DMS**   
TECHNOLOGY THAT DRIVES YOU.

**Visit us at [DMSDealertrack.com/NADA18](http://DMSDealertrack.com/NADA18) or give us a call at (888) 815-7573.**

## ADVERTISER INDEX

### ADVERTISING, PROMOTIONS & SALES

**SiriusXM** (Cover 2)  
siriusxmdealerprograms.com/nada  
Visit us at NADA Booth 5130C

### AFTERMARKET

**Car Keys Express** (page 19)  
CarKeysExpress.com  
800.557.EXPRESS  
Visit us at NADA Booth 2783C

### DEALERSHIP MANAGEMENT SYSTEMS

**Autotrader** (pages 22-23)  
coxautoinc.com/digital-retailing  
Visit us at NADA Booth 2719C

**Dealertrack** (pages 49 and 76)  
DMSDealertrack.com/NADA18  
888.815.7573  
Visit us at NADA Booth 2737C

**Kahu by Spireon** (page 4)  
spireon.com/kahu-nada  
Visit us at NADA Booth 5402C

**Reynolds & Reynolds** (page 2)  
reyrey.com/docuPAD  
888.878.7049  
Visit us at NADA Booth 3457C

**VinSolutions** (page 42)  
vinsolutions.com/NADA  
Visit us at NADA Booth 2937C

### DIGITAL MARKETING

**nakedlime** (page 6)  
nakedlime.com  
855.NKD.LIME  
Visit us at NADA Booth 3274C

### DEALER SERVICES

**NADA Grassroots** (page 77)  
Text "NADA" to 52886  
nada.org/grassroots

**NADA Headlines** and **ATD Insider** (page 44)  
nada.org/subscribe

**Tauber Institute for Global Operations**  
(page 75)  
tauber.umich.edu

**TRUECar** (Cover 4)  
Visit us at NADA Booth 5310C

### FIXED OPS

**xtime spectrum** (Cover 3)  
meetxtime.com/nada  
Visit us at NADA Booth 2923C



**NADA**

# Getting Involved Makes a Difference

To sign up, text "NADA" to 52886, or visit the legislative affairs booth at the NADA Pavilion.

[nada.org/grassroots](http://nada.org/grassroots)

# NADA

# SHOW | 2019

SAN FRANCISCO • JANUARY 24-27

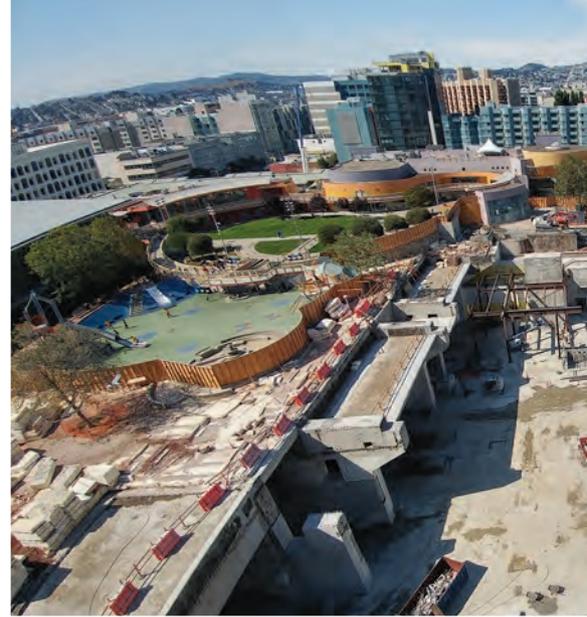
BY JOE PHILLIPS

**T**alk about an extreme makeover: San Francisco is putting the final touches on a complete redo for Moscone Center—the iconic convention complex that has played host to so many NADA shows. Some structures have been torn down, others gutted. The result is a state-of-the-art facility, with a new look, more expo and meeting space, and the latest gee-whiz technology. There's even a glitzy new pedestrian bridge connecting two high-traffic areas separated by a busy street. Another plus: Nearly all the nearby hotels—with some 22,000 rooms—have been completely renovated. And the city's world-class cuisine has been mixing plenty of old favorites with trendy new start-ups. So all you have to do now is start planning for NADA Show 2019.



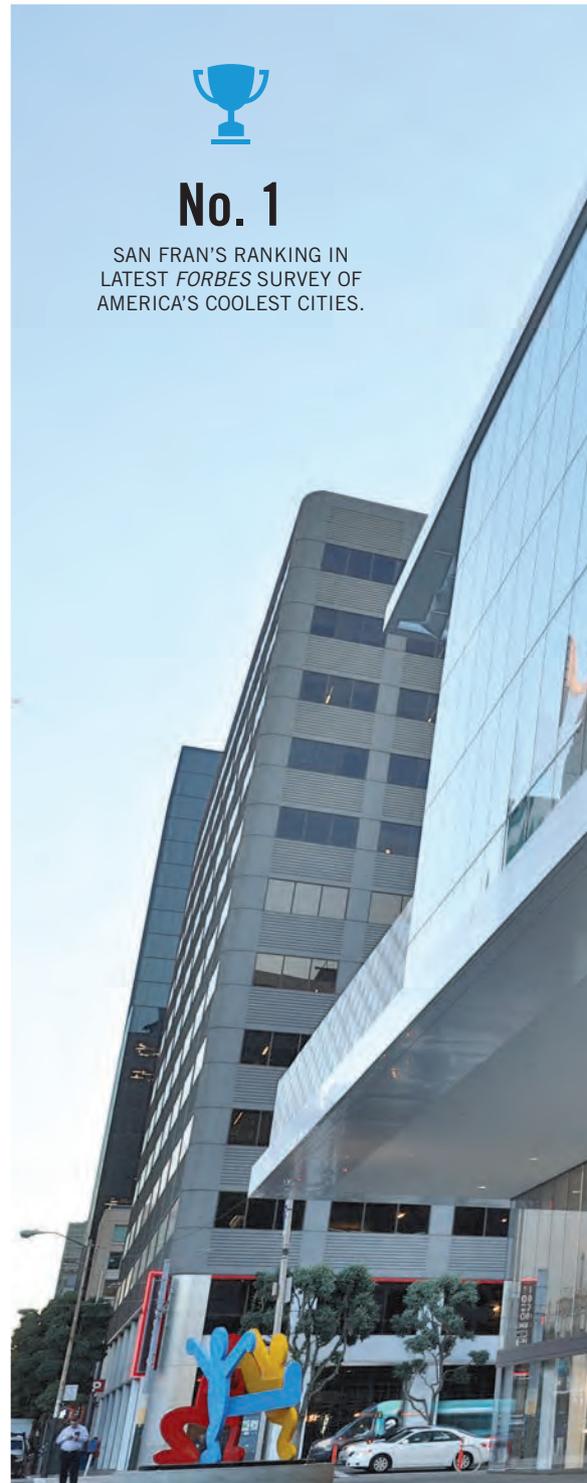
## 10

NUMBER OF MONTHS UNTIL NADA SHOW 2019.



## No. 1

SAN FRAN'S RANKING IN LATEST *FORBES* SURVEY OF AMERICA'S COOLEST CITIES.





**Moscone Center.** Parts of the center have been completely rebuilt, such as this section of the massive South Hall—before construction (left) and after (below).



**60,000+**

NUMBER OF WIRELESS DEVICES THAT WILL HAVE COMPLIMENTARY HIGH-SPEED SERVICE.



**500,000**

GROSS SQUARE FEET OF EXPO SPACE AVAILABLE AFTER THE RENOVATION.



**\$550M+**

COST OF MOSCONE CENTER REDO.

# NADASHOW

## FUTURE DATES



**2019**  
January 24-27  
SAN FRANCISCO

**2020**  
February 14-17  
LAS VEGAS

**2021**  
January 21-24  
NEW ORLEANS

**2022**  
March 10-13  
LAS VEGAS



**2023**  
January 26-29 (*tentative*)  
SAN FRANCISCO

**2024**  
February 2-5  
LAS VEGAS



**2025**  
January 23-26 (*tentative*)  
NEW ORLEANS

**2026**  
February 6-9  
LAS VEGAS

**2027**  
January 21-24 (*tentative*)  
SAN FRANCISCO

# IT'S ONE LESS THING HANGING OVER YOUR HEAD.

  
TRUSTED BY  
7,500+  
DEALERS

When less than one third of all service visits take place at a dealership, you worry about customers coming back. Xtime lifts the weight off your shoulders with Spectrum, a fully-integrated solution from the fixed ops consumer experience leader.

Only Spectrum elevates your service operations with a technology-enhanced experience. So you can deliver on vehicle owners' higher expectations while driving retention and profitability.



INVITE

**179**

ROs generated  
per month



SCHEDULE

**9.5%**

increase in  
retention



ENGAGE

**\$10**  
additional  
per RO



INSPECT

**\$47**  
additional  
per RO

 **xtime spectrum™**

\*Results data: Xtime Value Metrics, February 2018

Book a demo at [meetxtime.com/nada](http://meetxtime.com/nada) and visit us at booth #2923C to see Xtime Spectrum.

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Increase capture rate with co-branded validation and instant 17-digit data packed appraisals.



## VIN-BASED PRICING

Add precision and efficiency to your new car pricing strategy that reflects your unique inventory, with the ability to account for value drivers such as age and color.



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Online, interactive training that supports TrueCar Certified Dealers to drive conversions and boost profitability.

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