

Iowa Automobile Dealers Association **ACTION UPDATE**

IADA Calendar

March 2, 2015

Iowa Automobile Dealers
Foundation for Education
Scholarship Applications Due

April 16–17, 2015

Spring Board & Annual Meeting
West Des Moines

April 22–23, 2015

Iowa Employment Conference
Altoona

Iowa Automobile Dealers Association

Chairman

Dave Edwards
Edwards Chevrolet Cadillac

Vice Chairman

Jeff Weber
Anderson-Weber Toyota
Scion Lincoln

President

Bruce Anderson

Secretary

Brad Deery
Deery Brothers of
West Burlington

Treasurer

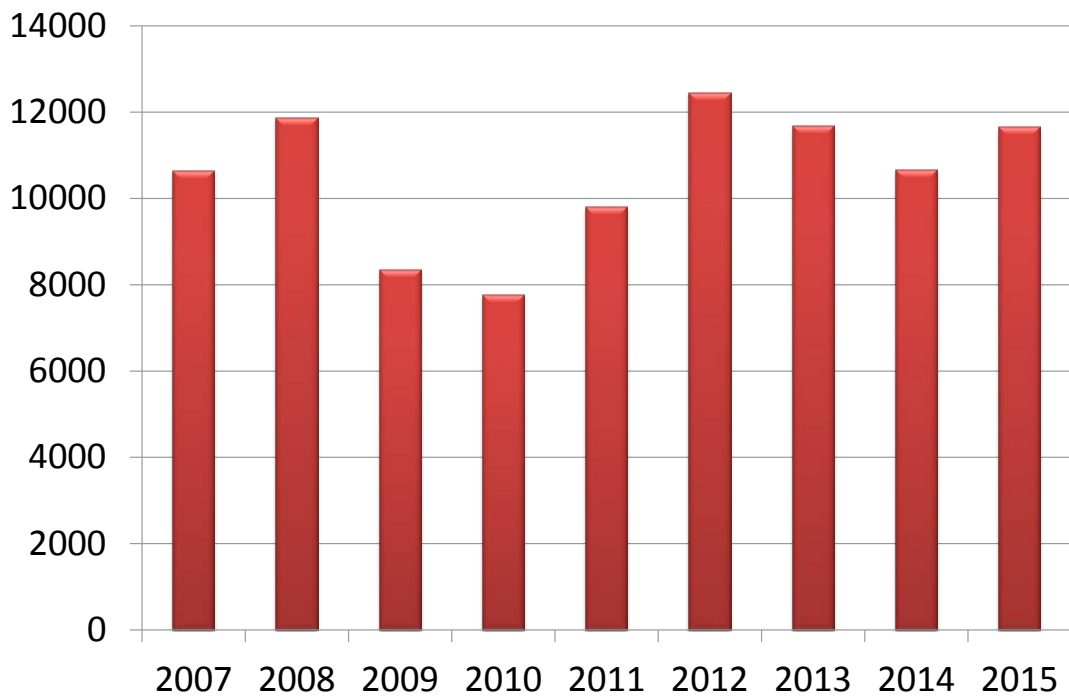
George Grask
Cedar Rapids Truck Center

Immediate Past Chairman

Jeff Finch
Wes Finch Auto Plaza

The *Action Update* newsletter is published every other week by the Iowa Automobile Dealers Association. To add people to our distribution list or share suggestions for future articles, contact Brittany Bungert at 515.440.7620.

January New Vehicle Registrations



Source: Reg-Trak Inc.

January New Vehicle Registrations Up 9.4%

Iowans registered 11,662 new vehicles in January, up 9.4% from the 10,663 new vehicles registered in January 2014.

IADA obtains new vehicle registration information from preferred provider Reg-Trak Inc. For more information about Reg-Trak or to order your own customized reports, contact [Scott Quimby](#) at 877.335.2525.

January 2015 Car Manufacturer Market Share

Manufacturer	Vehicles Registered	Market Share
1. Chevrolet	598	16.8%
2. Ford	520	14.6%
3. Toyota	433	12.2%
4. Hyundai	418	11.2%
5. Nissan	295	8.3%
6. Honda	234	6.6%
7. Chrysler	172	4.8%
8. Dodge	122	3.4%
9. Volkswagen	109	3.1%
10. Buick	100	2.8%
10. Kia	100	2.8%

January 2015 Truck Manufacturer Market Share

Manufacturer	Vehicles Registered	Market Share
1. Chevrolet	2,106	26.0%
2. Ford	1,779	21.9%
3. GMC	588	7.3%
4. Toyota	572	7.1%
5. Ram	515	6.4%
6. Jeep	479	5.9%
7. Honda	377	4.6%
8. Dodge	259	3.2%
9. Nissan	254	3.1%
10. Kia	198	2.4%

Source: Reg-Trak Inc.

Texting Customers? Get Permission

Everything you know about robo calls and telemarketing calls also applies to text messages.

The FCC requires advance written consent before you send any text message. This is something you may want to work into your repair orders, since some customers may prefer to be contacted via text. Here is an example of consent language that NADA has shared:

*I hereby consent to receive autodialed and/or pre-recorded telemarketing calls or text messages from or on behalf of [DEALER] at _____ [insert telephone number]. I understand that consent is not a condition of purchase.
Signature: _____*

The FCC is currently considering whether it is possible to obtain the required written consent by text message. At this point, courts are divided so it is best to obtain written consent the old fashioned way.

The bottom line is that rules regarding texting are still being developed, but you don't want to be the test case. Until further guidance is issued, make sure you have actual written consent from customers before you send them a text.

Notes from the Statehouse: Gas Tax, Counterfeit Airbags, Front License Plates

Things are heating up around the Iowa Capitol, with several bills of interest to dealers on the radar of state legislators.

Gas Tax Increase

Momentum continues to build behind a 10-cent gas tax increase. Some Republican Senators, however, are expressing concern with the tax increase and have said that raising the fee on new registration and annual registration fees should be part of any legislation increasing road funds.

IADA supports the gas tax increase as a responsible way to provide needed money to build and maintain Iowa's roads and bridges. Increasing the fee on new registration and annual registration fees is not a good choice for many reasons, including:

- Only Iowans pay the 5% Fee on New Registration.
- Registration fees were hiked in 2008 as part of legislation called TIME-21. It is too soon to make it more expensive to buy and register cars and trucks.
- Increasing the 5% fee on new registration is a disincentive to buy a car or truck.

Counterfeit Airbags

A bill that criminalizes installing or selling counterfeit airbags is moving through the legislative chambers. If enacted, the bill would make it an aggravated misdemeanor to install or sell a counterfeit or faulty airbag, with a fine of \$6,250 and up to two years in prison.

Front License Plates

The bill that would expand the exemption allowing vehicles to not display a front license plate has been referred to a subcommittee. Representatives John Landon, Brian Best, and Jo Oldson are serving on the subcommittee for the bill.

If enacted the legislation would permit vehicles "originally manufactured without a bracket, device, or other means to display a registration plate at the front of the vehicle" to only display the rear license plate.

Dealer News

Brown's Sales & Leasing Receives Business Award

Congratulations to **Brown's Sales & Leasing** (Elkader), which was named the 2014 Elkader Business of the Year by the Elkader Development Corporation.

Dealer Rater Announces Iowa Dealer of the Year Winners

Congratulations to the Iowa recipients of the [Dealer Rater Dealer of the Year awards](#).

- Iowa Chevrolet Dealer **Pat McGrath Chevrolet** (Cedar Rapids)
- Iowa Ford Dealer **Dahl Ford Davenport** (Davenport)
- Iowa Honda Dealer **Randy Kuehl Honda** (Cedar Rapids)
- Iowa Hyundai Dealer **Edwards Subaru Hyundai** (Council Bluffs)
- Iowa Nissan Dealer **Lithia Nissan of Ames** (Ames)
- Iowa Subaru Dealer **Edwards Subaru Hyundai** (Council Bluffs)
- Iowa Volkswagen Dealer **Volkswagen of Cedar Rapids** (Hiawatha)

If you have dealership news to share, let Brittany Bungert know. [Send her an email](#) or call 515.440.7620.

Save the Date: Iowa Employment Conference April 22–23

Dealers and human resource managers can take part in Iowa's largest employment issues conference April 22–23 at Prairie Meadows in Altoona.

For the third year, IADA is co-sponsoring the conference and will offer a dealer-specific session in addition to the general HR and labor issue sessions offered during the two-day event.

Sessions include "Controlling Work Compensation Costs," "Pay Discrimination—Hidden Traps in Compensation Systems," "Workplace Drug Testing," "Managing Social Media in the Workplace," and "Workplace Conflict Resolution." (See a complete list of sessions at the [Iowa Employment Conference website](#).)

The early bird registration rate of \$215 per person ends February 27. Registration goes up to \$235 per person on February 28. For more information and to register visit [IowaEmploymentConference.com](#).



photo courtesy of Iowa Central Community College

Automotive Education: Iowa Central Community College

Since the early 1970s, the automotive program at Iowa Central Community College in Fort Dodge has been educating students. The college currently offers AAS degrees in automotive technology, diesel technology, and collision technology.

One feature of the program that sets it apart is that classes are taught in block schedules. "We only teach one subject at a time so the students can really focus on just one subject," explained instructors Dale Eldridge and Rob Hepperle in an email. "We also offer an instructor-led tutoring. On Wednesday afternoons we buy pizza then we eat together while we help students who are having trouble with their auto classes."

Over the last few years, the instructors have seen the number of traditional students decrease while the number of non-traditional students increases. They have also seen fewer rural students and more minorities. The majority of their students come from their nine-county area, but they have students from around the state and other parts of the country.

Although students are passionate about the industry, they have concerns after graduation.

"The two biggest concerns that we hear back from graduates after graduation is the low pay and the high cost of tools,"



photo courtesy of Iowa Central Community College

Eldridge and Hepperle wrote to IADA. "For this reason, most of our graduates are looking at other alternatives for employment."

For more information about Iowa Central Community College, visit IowaCentral.edu.

Upcoming Webinars

February 26 at 12 p.m.

[How to Reconcile and Explain Differences Between the Sales/CRM Gross and the Accounting Gross](#)

Accounting is guided by the financial statement. Sales is more interested in CRM data and their own commission tally sheets. The difference between the two often leads to misunderstanding, mistrust and sometimes arguments. Sandi Jerome will identify why these misunderstandings persist and what you can do to get sales and accounting on the same page.

March 5 at 12 p.m.

[Habits & Practices of the Exceptional Parts Manager](#)

Parts managers control a lot of dealership money and capital, and they impact how smoothly and profitably service departments run. Learn how the best parts managers in the business get it done every day.

March 12 at 12 p.m.

[Effective Recall Handling: Fulfill Responsibilities without Killing Service Profits](#)

Learn how some dealers are managing recall programs while preventing profit erosion and bad habits. Dealers' obligation to the customer and manufacturer to perform recall repairs efficiently and honorably doesn't have to overload your otherwise profitable service business.

VIP Season Ticket

Don't forget about the [VIP Season Ticket](#) option to access all the webinars and training materials for one year.

For \$800, up to 10 members of your team will have access to new webinars, archived training recordings, and best practice and case study reports throughout the year.

Current Season Ticket subscribers can access their training programs and resources at the [IADA Season Ticket website](#).

Scholarship Applications Due March 2

Applications for \$2,000 scholarships from the Iowa Automobile Dealers Foundation for Education are due at 5 p.m. on Monday, March 2.

[The scholarship application and guidelines can be downloaded from IADA.com.](#)

The scholarships will be awarded to applicants who are or will be studying subjects leading to a career in the auto retailing industry, including technician training, collision repair, accounting, or business administration.

All IADA member dealerships can recommend scholarship applicants. If you have questions about the scholarships or application process contact Mary Cason at 515.440.7625 or mcason@iada.com.

Regulatory Refresh: Monroney Stickers Must Be Removed by Buyer

Do not remove Monroney stickers from vehicles until after the vehicle is delivered to the customer. The penalty for removing it before the physical delivery of the vehicle is \$1,000 and/or one year in prison per offense. Do the math: With the average Iowa dealership selling about 380 new vehicles last year, those penalties can add up quickly.

Although that law has been on the books since 1958, some dealers may remove the sticker as part of preparing the vehicle for delivery. Once the vehicle is delivered you may offer to help the customer remove the sticker but you must not do so prior to the final delivery. It may seem like good customer service, but it's not worth risking the penalties.

Questions? Contact Bruce Anderson at 515.440.7630.

Any person who willfully removes, alters, or renders illegible any label affixed to a new automobile pursuant to section 1232 of this title, or any endorsement thereon, prior to the time that such automobile is delivered to the actual custody and possession of the ultimate purchaser of such new automobile, except where the manufacturer relabels the automobile in the event the same is rerouted, repurchased, or reacquired by the manufacturer of such automobile, shall be fined not more than \$1,000, or imprisoned not more than one year, or both. Such removal, alteration, or rendering illegible with respect to each automobile shall constitute a separate offense.

15 USC §1233 (c)

Hawkeye Financial to Hold Training

Hawkeye Financial Services will be hosting a training session for F&I Menu Objection Handling Tuesday, April 14 and Wednesday, April 15. The training will last from 8:30 a.m. to 5 p.m. Each attendee must provide a check for \$189, which will be refunded after the completion of the class. The registration deadline is March 20.

[Download the registration form and sign up today!](#)

Calling All Dealerships: When is Your Anniversary?

If your dealership is celebrating its 25, 50, 75, or 100 year anniversary of selling new cars, we want to know!

IADA will recognize dealerships celebrating milestone anniversaries during the the Spring Board & Annual Meeting held April 16, 2015 at Des Moines Golf & Country Club in West Des Moines.

Send your anniversary information, including the year your dealership began selling new cars and if you'll be having any celebrations at your dealership, to Mary Cason at mcason@iada.com by March 23.