



# THE WANADA BULLETIN

NEWS AND INFORMATION FOR AND ABOUT FRANCHISED NEW CAR DEALERS IN THE WASHINGTON AREA

WANADA Bulletin # 31-07

August 16, 2007

## AUTO TECH TRAINING UPDATE

### Summer in the City: Ballou Tech Students Learn and Earn *Dealerships Urged to Sponsor Trainees for Fall Classes*

All 14 students enrolled in Ballou High School's summer auto tech training class, sponsored by the D.C. Department of Employee Services, eagerly showed up recently for a full tour of DARCARS of Auth Way (Chrysler-Dodge-Jeep) in Marlow Heights, Maryland. Since every dealership department is dependent on customer satisfaction, Service Director Bill Amos began the tour by introducing the students to real live customers in the service waiting room – a nice touch!

Then it was off to visit with the service writers, the parts counter and warehouse, body shop, new car show room and service department. "It went very well," said Amos. "The students asked a lot of questions about how the business operations were run, what training is offered, how much money they could make. They really seemed interested in dealership careers."

Perhaps most influential for the students was the chance to hear from DARCARS Technician Torres Bell, a 2000 graduate of the WANADA-sponsored tech training program at Phelps High School in the District (before the program was moved to Ballou), who later attended WANADA's tech training program at Montgomery College. Bell started at DARCARS of Auth Way as a lot attendant fresh out of high school and has worked his way up to a high-paying job as a top notch technician. He now serves as a mentor to other service trainees.

"Torres is a real American success story, and a



From left, Torres Bell and Bill Amos of DARCARS of Auth Way in Marlow Heights talking with Ballou auto tech students.

great example to these tech students," said Amos. "I told him if he did well in the first six months, I would put him in the shop to start training with master techs. One month later, he started his technician training and today he is a high level technician with full Chrysler certification, including Master Sprinter Diesel Technician.

*(Continued on page 2)*

### LAST CHANCE!!!

#### Sign Up Before August 24 for WANADA Dealer Employee On-Site Flu Shot Program

Dealerships interested in signing up for WANADA's Employee On-Site Flu Shot Program must do so by August 24, 2007 to ensure availability of flu vaccine and a guaranteed price of \$23 per shot. A minimum of 20 participants at each location is required to schedule an on-site flu shot program.

Once again administered by Norvar Health Services, the seasonal flu immunization/prevention program can reduce lost employee time by 70%.

A fax-back registration form is enclosed. For more information, contact Martha Kowalski, Director of WANADA Insurance Programs at (202) 237-7200.

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## AUTO TECH TRAINING UPDATE

### Ballou Techs on Tour

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Wil Desjardins, on-site coordinator for WANADA's technician training programs, says Amos and Bell are stellar examples of the commitment and leadership position DARCARS Automotive has taken in "grow your own" technician training. "DARCARS has 18 students in the WANADA training program this year, and Bill Amos is really good at it" he said.

In addition to participating in WANADA tech training programs, Amos heads up DARCARS University Technician Training, which sends accomplished techs to other DARCARS stores. As to the technician shortage crisis, Amos says, "there are no more technicians out there to be had. The way the industry is going now we really need to bring in new people we can grow into technicians, and WANADA's program is the way to do it."

### Widespread Dealer Support Key to WANADA's Tech Training

"The past and continued success of WANADA's tech training program depends upon dealer participation," says WANADA's director of public affairs Steven Arabia. "There are still openings in the 101 auto technician classes beginning later this month at Northern Virginia Community College (NoVaCC) and in early September at Montgomery College. We urge WANADA dealers to take a serious look at this successful training model. Dealers in the program have reaped big benefits and we'd like more dealers participating to help themselves and this industry meet the critical need for technicians."

To learn more about how to enroll current or prospective employees whom you want to train to be line technicians, call Bill Belew or Steve Arabia at (202) 237-7200.

### WANADA Offering New Workplace ESOL Class at MC

As recently reported in this Bulletin, WANADA's Automobile Dealer Education Institute (ADEI) has developed an English for Speakers of Other Languages (ESOL) class for dealership employees. The class is open to *all* WANADA dealership employees, *not just those in ADEI programs*. The classes will be held two nights a week at Montgomery College, Rockville campus from September to December. The cost is \$500 per student, a portion of which is transferable to the employee at the dealer's option.

This is a pilot program offered to WANADA members in cooperation with Montgomery College. As such, it's open to WANADA dealers irrespective of jurisdiction. Based on the response we receive, WANADA expects to expand the program to Northern Virginia Community College.

Registration is beginning. Dealers are encouraged to identify employees who would benefit from this program and have them contact WANADA staff: Steve Arabia ([sa@wanada.org](mailto:sa@wanada.org)), or Bill Belew ([bb@wanada.org](mailto:bb@wanada.org)); (202) 237-7200.

All of these class offerings are part of WANADA's Automobile Dealer Education Institute.

### Transmission Instructor Wanted at MC

Montgomery College is looking for a qualified part-time instructor to teach its *Automatic Transmissions/Transaxles and Manual Drive Trains and Axles* module for the Fall semester of 2007, beginning September 5.

Teaching experience, while preferred, is not a requirement. Strong communication skills, work experience and ASE certification on transmissions are required. The college can work with a qualified applicant in the classroom on teaching skills once they are hired.

This would be a great opportunity for dealers to recognize top transmission technicians with the flexibility to teach the transmission class one day a week.

For more information, call Bill Belew at WANADA, (202) 237-7200, or contact Debra Anderson, Program Director, Automotive Department, Montgomery College at (240) 567-7620 or [Debra.anderson@montgomerycollege.edu](mailto:Debra.anderson@montgomerycollege.edu).

**DEALER ALERT****Good News for Area Dealers: International Car Theft Ring Busted**

Washington Area dealers could breathe a sign of relief (albeit probably temporary) to read in The Washington Post last week about three raids in suburban Maryland that were part of a wider effort to break up a major East Coast car-theft ring that allegedly stole more than 1,000 luxury vehicles in the past year and shipped them to West Africa and the Middle East. The cars were taken from dealerships and suburban driveways, carjacked off the street or stolen by other means in the Washington Area, New York and New Jersey, then packed onto container ships docked at New Jersey ports and shipped abroad, authorities said.

"This is the largest auto-theft fencing ring I've seen since I've been on the force," Lt. Rick Nuel, a 22-year veteran and chief of the auto unit with the New Jersey State Police, told The Post. "When you're looking at the amount of cars going out and the amount of contacts they had, it's huge."

The investigation led to the arrest of resident Solomon O. Asare, 31, of Upper Marlboro, a native of Ghana who was described as a ringleader. Eight others were also arrested, including Vincent Robinson, who is allegedly linked to the theft of more than 30 brand-new, high-end vehicles from dealerships in Fairfax, Montgomery and Baltimore counties. Robinson allegedly gained access to keys to the cars after he was hired at several local dealerships, including at least one in Fairfax. Police there took Robinson into custody June 1 on charges of auto theft, according to The Post.

The men arrested were detained on a variety of charges linking them to the alleged conspiracy, with tendrils in Prince Georges, Howard, and Montgomery counties and Northern Virginia. Authorities said more arrests are expected in the Washington Area and elsewhere.

**INDUSTRY TRENDS****Average Vehicle Price Rises in First Half, Rebates Dip**

According to new data from J.D. Power's Power Information Network, the average net price of new vehicles (transaction price less all incentives) during the first half of this year edged up 1.6 percent, or by \$404, to \$25,952 from \$25,548 during the same period last year. In contrast, the average customer cash rebate in the first two quarters this year was \$2,133, a drop of \$172 from \$2,305 during the same quarters a year ago. The percentage of buyers taking advantage of customer cash rebates fell to 46.6 percent in the first two quarters of 2007 vs. 49.1 percent in 2006. Cash deals (including loans from banks and other lending sources) accounted for 26 percent of sales in the first two quarters this year, up slightly (0.7 percent) from 25.3 percent in the same period last year, while financed deals and leases actually dipped from the same period last year. This year 53.8 percent of new-vehicle transactions were financed vs. 54.3 percent a year ago, and 20.3 percent of transactions were lease deals compared to 20.4 percent.

**Sales Forecasts Predicted at Nine-Year Low**

Leading automakers cut their U.S. sales forecasts for 2007 and now expect the auto market to contract to a nine-year low, after sliding home prices and financial market jitters spoiled the start of the summer selling season, the *Detroit News* reported. Toyota Motor Corp., along with General Motors Corp. and Ford expects the market to shrink in comparison to last year. "We're projecting industry sales this year of about 16.3 million vehicles," said Jim Lentz, executive vice president at Toyota Motor Sales USA, last week at an industry conference in Traverse City. "It's hard to pinpoint the market's current softness. Higher fuel prices? The housing slowdown? Lower fleet sales? Some payback from incentives of the past? Who knows?," according to the *Detroit News*.

GM earlier said it now expects total industry sales to be as low as 16.5 million vehicles in 2007, down from nearly 17.1 million last year, and in line with a forecast Ford made a day earlier, according to the *Wall Street Journal*.

## NADA NEWS

### NADA Chief Economist Taylor Points to Gas Prices, Interest Rates as Top Industry Sales Challenges

In an article in the Chicago Fed (Federal Reserve) Letter reporting on its Annual Automotive Outlook Symposium, NADA Chief Economist Paul Taylor explained that increasing gas prices and rising interest rates posed the two greatest challenges to dealerships. He also noted that, since the end of 2005 to the present, the total number of U.S. licensed drivers has grown more slowly than in the past. Year-to-date data show only two vehicle segments have seen sales growth: the more fuel-efficient CUV and small car segments. Even with such challenges, Taylor pointed out that U.S. light vehicle sales in 2007 should stay in line with the 2006 numbers. He noted that gas prices have recently dropped below \$2.70 for regular grade. Small-car sales fell 11 percent in July, and are now up just 0.5 percent year-to-date. CUV sales are up 16 percent year-to-date.

### Scam Alert: Beware of bogus "NADA LTD International"

NADA has learned that someone in Europe is using the NADA name and logo without permission and operating as "NADA LTD International." These individuals are attempting to purchase used vehicles from private owners. The arrangement involves an up-front payment of 890 Euros. The fraudulent documents discovered are written in French. NADA does not have an international subsidiary in Europe or elsewhere. Please be very wary of any offers from anyone identifying themselves as "NADA LTD International" or "NADA International."

## SIGN UP TODAY!

### *WANADA Presents*

#### Mark Tewart's High Performance Selling: The Contrarian Auto Concepts Workshop

*September 25, 2007 – 8:00 am - 5:00 pm, McLean Hilton, Tysons Corner*

Internationally renowned automotive sales, marketing and management consultant Mark Tewart is coming to the McLean Hilton on Sept. 25. A regular on the NADA Convention seminar circuit, Tewart consistently ranks in the "top ten" for his explosive, cutting-edge presentations. He leaves dealership sales managers with successful strategies that inform, inspire *and work!* This is your chance to discover Tewart's innovative but proven secrets of high performance selling!

The cost for this event is \$225 per person, which includes continental breakfast, all-day refreshments and lunch. A convenient fax-back registration form is enclosed. So, sign up today for this dynamic and insightful workshop! For more information, contact WANADA's Kristina Henry at (202) 237-7200, or log on to Mark Tewart's website at <http://www.tewart.com/>.

### Thoughts for August 16th...

I. *Ambition is a dream with a V8 engine.*

— Elvis Presley  
(died 30 years ago today)

II. *Richard J. Murphy would have been 124 today. Who?*

**RJ, as he was known to his friends, was WANADA's first chief of staff, from 1933 to 1955.**

### Enclosures

Registration Forms for Tewart Sales Workshop, Fall Flu Shots, and the ADEI/ESOL Program