

THE WANADA BULLETIN

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

WANADA Bulletin # 5-03

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NADA CONVENTION:

NADA Convention Opens with Moment of Silence For Shuttle Astronauts



Automotive News photo

Outgoing NADA Chairman H. Carter Myers, III (above) opened the 2003 NADA Convention on a sober, respectful note.

NADA's AutoExec Today

With quiet reflection, NADA Convention Chairman Jack Kain praised the bravery and courage of the space shuttle astronauts who lost their lives on Saturday in a tragic accident. In his solemn

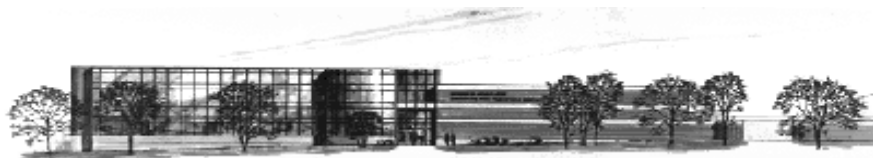
and moving opening to the 2003 NADA Convention in San Francisco last weekend, Kain acknowledged the sacrifices made by the seven astronauts aboard the Columbia. Kain then asked all attendees to join him in a moment of silence.

After the respectful tribute, 2002 NADA Chairman H. Carter Myers, III, then went on to discuss the state of auto retailing. He noted that NADA fulfilled several historic goals in 2002. Against a backdrop of

(See NADA Convention, page 3)

TECH UPDATE:

Top High School Students to Compete In DC Area Auto Tech Competition *Dealers Invited to Attend*



Montgomery College's Homer S. Gudelsky Institute for Technical Education will be the site of WANADA's annual Washington Area Automotive Technology Competition.

The area's top high school automotive technician students will go head to head this month at the annual Washington Area Automotive Technology Competition, to be held on Wednesday, February 19 at 10:00 a.m. at Montgomery College's Homer S. Gudelsky Institute for Technical Education. Dealers are invited to attend and see the next generation of techs in action.

Sponsored by WANADA, Snap-On Tools and BG Products, the competition features teams of two automotive technicians from high schools in Montgomery County, MD; Prince George's County, MD; Fairfax County, VA; and the District of Columbia.

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DEALERS IN THE SPOTLIGHT



A "Surprisingly" Happy Birthday For Bob Rosenthal



That look of surprise and delight on Bob Rosenthal's face is genuine. The photo was taken just as he and Mike Anzilotti, (left) president of First Virginia Bank walked through the door at what Bob was told was a lunch at the Ritz-Carlton in Tysons Corner. Instead, much to Bob's astonishment, it was a surprise party for his birthday, arranged by his friends, family and Rosenthal executives. It was a bright moment in a distinguished career that has spanned decades and made Rosenthal a household name in the Washington area. From a single Chevy store in Arlington, there are now 14 dealerships (representing 19 franchises) across the region bearing his name. WANADA joins in wishing Bob a happy birthday and continued success and good fortune.

Tech Competition *(continued from page 1)*

In addition to Snap-On and BG Products prizes awarded to all participants, they will compete for the right to advance to the National Automotive Technology Competition at the New York International Auto Show in April, where tech competition winners from around the country compete for over \$3 million in scholarships and prizes.

Judged by a team of professional automotive technicians and instructors, each team (one team per school system) will rotate through five 20-minute stations and complete job sheets composed of the following areas: measuring tools using a micrometer; battery, alternator and starter testing; on-board diagnostic troubleshooting on a 2003 X-Type Jaguar 3.0 liter V-6; alignment interpretations; and a 15 ques-

tion, ASE-based written test prepared by WANADA.

Last year's competition was won by Julian Carter and James Christopher Tolbert from Phelps High School in DC.

"We hope dealers or their representatives come to see this tough competition, which is one of the highlights of WANADA's on-going and expanding automotive education programs," explains Nick Champeau, WANADA's vice president for member services.

The Homer S. Gudelsky Institute for Technical Education is a public-private joint venture providing state-of-the-art technical education and training opportunities for the community. The programs are a direct result of ongoing partnerships with local business and industry, including



WANADA, to identify and respond to the technical training needs of our community. The Institute offers instructional programs in four primary areas using eight instructional delivery options. The Gudelsky Institute is located on the campus of Montgomery College at the corner of Route 355 and North Campus Drive, (301) 251-7905. The host will be Patrick Devlin, the director of the Institute's automotive programs. *The WANADA Bulletin* will bring you the results of the competition.

NADA MONTHLY DEALER OPERATIONS COMMENTARY

Measuring Technician Performance

Do you know how to measure a technician's productivity, efficiency, and proficiency, and what each measurement means? To determine if you have allocated a tech's time well, you need to know how well they use that time.

Technician productivity is measured by the actual time worked in a day versus the number of clock hours available in that day. NADA recommends 85 to 87.5 percent as a productivity guideline, since non-labor-related activities can take up to 15 to 20 percent of available time.

$$\text{Productivity} = \text{Hours worked} \div \text{hours available}$$

Technician efficiency is measured by the actual number of hours technicians take to perform the labor versus the number of labor hours sold. It's really the ability of technicians to beat a time standard published in a flat rate manual issued by the factory or an independent company. Top NADA 20 Group dealers recommend 125 percent (factory manual) and 135 percent (non-factory manual) as an efficiency guideline.

$$\text{Efficiency} = \text{Flat rate hours produced} \div \text{hours worked}$$

Technician proficiency is a measure that combines productivity and efficiency, and compares hours produced to hours available. Proficiency provides the truest measure of a technician's time usage. NADA recommends that technicians be 100 percent proficient all the time with peaks to 120 percent.

$$\text{Proficiency} = \text{Hours produced} \div \text{hours available}$$

Learn more about these equations in NADA's newest video training program, [A Perfect Match: Service Management: Profit, Productivity, and People](#). You can order the video in VHS or Video CD format with an accompanying 20-page study guide from the National Automobile Dealers Association (NADA) by calling (800) 252-6232, ext. 2 or (703) 821-7227. Cost to NADA members is \$189, and \$10 for each additional study guide, plus shipping.

NADA CONVENTION *(continued from page 1)*

congressional gridlock, the association got its voluntary arbitration bill signed into law—"our biggest victory in decades." NADA's political action committee raised a record \$2.5 million in 2002.

In industry relations, Ford revised plans to eliminate its Blue Oval program after hearing dealer concerns. "We thank Ford's management for their willingness to value their dealers and for placing the integrity of the Ford Motor Company above any cost-

cutting benefits that might have had short-term resonance on Wall Street," Myers said.

Further, the association was able to convince GM that a proposed change in its parts program would have dumped a \$100 million cost transfer onto its dealers.

On another front, NADA's newly revised Dealer Code of Ethics got much positive press, especially after AutoNation, the largest U.S. auto retailer, officially adopted it. And the latest customer satisfaction

study conducted by Automotive Retailing Today shows that the overwhelming majority of buyers are more than satisfied with the experience, and—equally important—that journalists are becoming more aware of that fact.

Next week's WANADA Bulletin will carry full coverage of the NADA Convention and the WANADA/MNCTDA reception.

FOOTNOTES:**Dealers Beware: Uninvited Invoices and Misleading Solicitations**

It's not a new problem but it seems to be getting worse — legitimate appearing invoices for services you never ordered and don't need or want. They can range from foreign internet auto directories to "promo desktop imaging packages," with tiny disclaimers that can easily be overlooked that say, "this is not a bill, it is a solicitation." Then there are the direct mailings from what appear to be recognized companies, like the one WANADA received recently from YELLOW PAGE DIRECTORIES, which said in small print, "We are not the telephone company." The bottom line for dealership accounting staff is this: Check and double check those invoices.

Former Saturn Leader Dies

Skip LeFauve, who led the launch of General Motors' Saturn brand, died Feb. 26 in West Palm Beach, FL. He was 68. LeFauve retired from GM in 1999 as a senior vice president after 42 years with the company. He served as president of Saturn from 1986 to 1995, building strong union and dealer relationships. LeFauve also served as chairman of Saturn and as the first president of GM University.

IMPORTANT: Take Time to Fill Out Compensation Survey

Enclosed with this WANADA Bulletin is the staff Compensation Survey conducted by NADA for WANADA dealer members. This very important survey is designed to collect important compensation and benefits data for key dealership employees. The resulting data provides valuable information on a local, state, regional and national basis, and we urge you to participate in this survey. The deadline for submissions is March 14, 2003

Thought for the Week...

The same Creator who names the stars also knows the names of the seven souls we mourn today. The crew of the shuttle Columbia did not return home safely to Earth; yet we can pray that all are safely home.

—President George W. Bush, Feb. 1, 2003

Enclosures:

- Staff Compensation Survey (a joint WANADA/NADA project for Washington Area Dealers)
- Developing Performance Standards to Increase Sales: Management pointers from NADA's Dealer Operations Division