

### Headlines...

Washington Area new vehicle sales up 5.5% in 2010

**2011 WANADA OPEN**

Guaranteed trade-in value is newest marketing concept

Chrysler dealers set to service more competitor cars

Managing the dealership's online reputation

Annual WANADA F&I Certification Workshop – May 24

Welcome new member!

Thought for the week...

## Washington Area new vehicle sales up 5.5% in 2010

New vehicle sales, all inclusive, were ahead in 2010 over 2009 by 5.5% for the ten locality region of Metropolitan Washington, captured in the WANADA Area Report from R.L. Polk. That represented a total of 213,631 new vehicles sold in the region for the year.

Total new vehicles sold in the U.S. for 2010 were 11.6 million, representing a 9.3% increase over 2009 when sales dropped to 10.6 million, the low point of the Great Recession.

New import trucks led the way to Metro Washington's improved course in 2010, being up by a whopping 30% from 2009. Import cars, the largest category of new vehicles sold, was only up by 2.8% while domestic (Detroit 3) trucks only improved by .8%, with domestic cars *down* 20%.

Washingtonians continued to buy more cars than light trucks at 55% of all new vehicles sold in 2010. Nationally, cars comprise a slightly lower percentage of total sales at about 52% in 2010.

Import share, cars and light trucks, was about 73% here in 2010 and 82% with cars only. The U.S. import share of cars and light trucks was about 55% last year.

The biggest month here in 2010 was March at 20,202 new vehicles sold, with May, June and December each *well north* of 19,000 units. The lowest month was February at 12,475, due in all likelihood to the blizzards of 2010.

The WANADA Area Report for all twelve months of 2010 and December 2010 YTD is available for *dealer members only* at [www.wanada.org](http://www.wanada.org) by logging into the member center, clicking on "General Information" and then "Marketing and Sales Data." For any dealer member in need of log-in information, please contact the WANADA office at 202-237-7200, or e-mail [info@wanada.org](mailto:info@wanada.org).

## 2011 WANADA OPEN

Lakewood Country Club– May 16

WANADA members and friends who play golf and/or enjoy a good time and nice weather are reminded that it is *only three weeks until the 2011 WANADA Open* will be played at Lakewood Country Club, Rockville, MD. There will be several new tournament competitions this year that recognize different skill sets of players. Additionally, golfers will be allowed to drive carts directly to their golf balls rather than having to stay on the paths, as was the case last year.



The registration fee for the 2011 WANADA Open is \$235 per golfer and \$100 for those coming only for cocktails and dinner. Bear in mind that even if you don't golf you'll have a great evening reconnecting with a multitude of business friends and associates from across the region.

Register early by calling or e-mailing Kristina Henry at (202) 237-7200, ext. 18 or [kh@wanada.org](mailto:kh@wanada.org). The registration form can also be downloaded at [www.wanada.org](http://www.wanada.org)

## Guaranteed trade-in value is newest marketing concept

Hyundai Motor America, which launched one of the most successful marketing efforts in recent years with its offer to let buyers walk away from new cars if they lost their jobs, is at it again, this time, guaranteeing customers a trade-in value for a vehicle at the time of purchase.

The program will launch at Hyundai's 800 U.S. dealerships on May 1 and guarantees trade-in values for two to four years. "One of the things we always try to do is understand what is on a customer's mind, and what they worry about," John Krafcik, CEO & president, said. "And frankly, depreciation is a big unknown."

Analysts say it's a bold move that could help boost new car sales by taking the uncertainty out of depreciation — a reason some people decide to lease — and coax new buyers to try out the Hyundai brand.

Based on its recent success and the rising resale value of its products, the program isn't likely to cost Hyundai much, but it does raise the bar for other automakers who may have to follow suit.

The new trade-in program only covers vehicles whose trade-in value drops below the guaranteed price, Hyundai said. If the value is higher than the guaranteed price at trade-in, the difference can be applied to a new Hyundai car. Hyundai took back only 350 or so cars under its "lost-my-job" offer of a few years ago.

## Chrysler dealers set to service more competitor cars

Chrysler dealers will have an opportunity to service competing makes as the result of a three-way partnership between Chrysler's Mopar parts division, Fiat's parts producer Magneti Marelli and Shell Lubricants that will provide them the parts they need to do the work.

Chrysler dealers see about 2.6 million cars a year belonging to other automakers in their service lanes, according to Mopar President Pietro Gorlier.

Initially, Magneti Marelli will supply filters, brake pads, rotors, batteries, shock absorbers, wiper blades and other parts for maintenance.

Chrysler wants its dealers to compete with an average of 37 independent repair shops that border each of them. "Every dealer is surrounded by people set on eating their lunch." Mopar's Gorlier said.

The move by Chrysler is part of a broader strategy to increase Chrysler dealership service revenues that includes longer service hours and a push for more express service lanes. According to Chrysler, 72 percent of dealerships now offer Saturday service, up from 60 percent a year ago. Nearly 26 percent of all dealers now offer quick oil change and maintenance service. That is double the number a year ago. The target is 80 percent by 2014.

## Managing the dealership's online reputation

Consumers regularly talk about dealers online, but few dealers know what is being said about them and where it is being said.

According to Les Abrams, NADA Academy Instructor, dealers must act to protect their online reputations because online reviews play an increasingly important role in where consumers go to buy products or have them serviced.

Abrams says one of the easiest and best ways to see what people are saying about your dealership is to look at Google Maps. "Google is assembling the reviews it finds and putting them into Google Maps," Abrams said. "They're integrating Google Maps into Standard Google, so dealers and customers alike can see the reviews and ratings in one place.

Abrams, who is the lead instructor for Variable Operations 1, which includes brand management, at the NADA Academy, urges dealers to Google their dealership name regularly. They should see the map and the dealership reviews that show beneath the dealership name. "We call it Page One Management," he said. He also urges dealers to update their Google Map photos and dealership information regularly.

"If there is a review beneath your dealership's Google location, good or bad, customers have virtually no choice but to click on it," Abrams says. "And, if you are not aware of what is there, you are going to pay a price if it's bad," he says.

Web review sites typically "optimize" to have their reviews post first in a Google search. Abrams urges dealers to create sites that will optimize better than these review sites." An example would be videos. Google owns the popular YouTube site. "If I were a dealer with a negative review, I would flood YouTube with quality videos," Abrams says.

*This article was adapted from NADA University's "Dealer Pain Points" series, in which various issues, concerns, and dealer compliance obligations are addressed in short video segments with NADA U experts. The experts "resolve" each Pain Point and then the viewer is directed to the wealth of NADA U resources on the topic. Visit [www.NADAuniversityblog.com/2011/01/brand-management-for-this-Pain-Point](http://www.NADAuniversityblog.com/2011/01/brand-management-for-this-Pain-Point).*

## Annual WANADA F&I Certification Workshop – May 24

### Legal/regulatory roadmap for dealer F&I professionals

Once again, WANADA has scheduled the popular Finance and Insurance Certification Workshop put on by JM&A. The topics covered include the following:

- ✚ Unfair and Deceptive Trade Practices
- ✚ The Tax Reform Act 1984 and FinCen Form 8300
- ✚ The Truth in Lending - Regulation Z
- ✚ Consumer Leasing - Regulation M
- ✚ Rate Spread
- ✚ Equal Credit Opportunity - Regulation B
- ✚ Fair Credit Reporting & FACT Act
- ✚ The Gramm-Leach - Bliley Act
- ✚ The Magunson-Moss Warranty Act
- ✚ The USA Patriot Act & OFAC



Workshop participants will take a final exam at the conclusion of the day to ensure they have received a working knowledge of the information. Certificates will be distributed to all who pass.

Arrangements for the workshop are as follows:

**Date:** Tuesday – May 24, 2011  
**Time:** 9:00am – 5:00pm (Registration begins at 8:30am)  
**Where:** WANADA Headquarters  
 5301 Wisconsin Avenue, NW, Suite 210  
 Washington, DC 20015  
**Cost:** \$199.00 per Person

For more information contact, Kristina Henry at 202-237-7200, ext. 18 or: [kh@wanada.org](mailto:kh@wanada.org). Register here by downloading the form: [http://www.wanada.org/2011-events/F&I-Certification-Workshop-Registration-Form\\_05-24-11.pdf](http://www.wanada.org/2011-events/F&I-Certification-Workshop-Registration-Form_05-24-11.pdf).

## Welcome new member!

WANADA welcomes Sun Dun Office Refreshments as a new Kindred-Line member to the association. Sun Dun services many WANADA dealerships with vending machine favorites and was approved for membership by the WANADA Board at this week's meeting.

### Thought for the week...

Go and prepare for us the Passover that we may eat it.

--Jesus to Peter and John

on the Thursday night before the first Good Friday