

THE WANADA BULLETIN

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

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Daniel Jobe, Capitol Cadillac, places in "Great Race" with vintage car Event marks Capitol's 80th year in business



Daniel Jobe's 1946 Cadillac Series 62 convertible drove 2,400 miles over eight days. At right, navigator David Prueitt (left) and Jobe.

In celebration of Capitol Cadillac Company's 80th anniversary, dealer Daniel Jobe drove in this year's Great Race from Maine to Florida. Driving a 1946 Cadillac Series 62 convertible 2,400 miles, Jobe and his team finished third out of 39 entries in the Rookie Division.

The Great Race is an eight-day journey of vintage cars 1972 or older on public roads and is described by organizers as a "competitive controlled-speed endurance road rally." Instructions are given for each turn, speed change, stop and start, usually 220 to 250 of them a day. The course has four to seven checkpoints, and the goal is to arrive at each one at the correct time, not the fastest.

Congratulations to Daniel Jobe, his navigator David Prueitt and third teammate Brian Love.

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Short-term highway bill passes House panel amid partisan sniping

The House Ways and Means Committee has passed a bill that would fund the Highway Trust Fund until May. If Congress doesn't pass a funding bill before it leaves on its summer recess in early August, the Fund will go bankrupt. Speaker John Boehner (R-Ohio) said he expects the full House to vote on the measure the week of July 14, reports *The Hill*.

The bill, passed by voice vote, allocates \$10.5 billion for transportation without raising the gas tax, which has traditionally paid for the Highway Trust Fund. Of the total, \$7.7 billion is for highways. Most of the money comes from changes to federal pensions and revenue from a customs fee.

A \$9 billion Senate bill would fund transportation through the lame duck session following this year's elections, on the theory that lawmakers would be forced to come up with a longer term solution then. Others questioned that idea.

"We still have time in the 113th [Congress] to make some tough decisions, but everyone is so afraid of making tough decisions around here, especially with anything involving revenue," said Rep. Ron Kind (D-Wis.), according to *The Hill*.

Rep. Dave Camp (R-Mich.) said the Senate bill would lead to "higher taxes for more spending."

Tesla five-store cap in Pennsylvania wins dealers' endorsement

A bill that passed both the Pennsylvania house and senate and caps the number of factory stores has won the state dealer association's endorsement. Governor Tom Corbett is expected to sign the bill.

Features the Pennsylvania Automotive Association can live with: The wording of the bill ensures that it applies to Tesla only, and there is a five-store cap. "Legislators did a good job of giving everyone something," association president John Devlin wrote in an email to *Automotive News*.

Tesla said in its statement, "We hope the process in Pennsylvania serves as an example for how productive cooperation can lead to a win for all parties involved, dealers and legislators included."

The original bill passed by the state senate did not cap the number of stores and was opposed by the Alliance of Automobile Manufacturers. The Alliance said that bill would have given Tesla an unfair competitive advantage.

Small business app coming for DC HealthLink

DC HealthLink, the City's site for its health insurance exchange under Obamacare, is having problems. An insurance company filed a lawsuit to block the tax that funds it, while some brokers say they haven't been paid because of an IT problem.

But assuming everything is fixed, some improvements are scheduled. Of particular interest to small businesses is an app that will help connect users and insurance brokers and will provide coverage information such as cost calculators, reports the *Washington Business Journal*. The app will not be available on mobile devices because of security concerns.



CareFirst has proposed lowering its health care premiums in DC for individual plans only.

In other DC health insurance news, CareFirst BlueCross BlueShield asked to lower its proposed rates on individual plans next year by 4 percent. Small business plans would not be affected. When the District last month released proposed insurance rates for next year, United Healthcare proposed an 8 percent decrease, Aetna asked for between a 5.5 percent decrease and a 0.2 percent increase for its individual PPO plans. CareFirst proposed an increase for all its plans, with the cost of most CareFirst business plans rising 10 percent or more. DC regulators must must approve all rate requests from carriers under the new arrangement.

Mercedes-Benz ranks highest in prospect satisfaction index

Mercedes-Benz dealerships ranked highest in the newly released Pied Piper Prospect Satisfaction Index U.S. Auto Industry Benchmarking Study. The 2014 research measured treatment of shoppers who visited 5,671 dealerships nationwide. Infiniti and Lexus came in second and third. The ranking ties mystery shopping with industry sales success.

Tesla, which was included for the first time, led the industry in some categories, such as involving the prospect with visual aids and following up after the visit. But Tesla stores ranked last in 32 categories, including asking the prospect's name, offering a test ride or mentioning the availability of financing.

Salesperson behaviors more likely in 2014 than 2013: The salesperson gave a compelling reason to buy from this dealership (50 percent of the time in 2014), discussed features different from the competition (59 percent of the time) and mentioned a maintenance program and associated costs (58 percent of the time).

Ford's face recognition software could improve privacy controls

Ford is exploring the use of face recognition technology to improve privacy controls or to enable owners to look into their car remotely using their smartphone. The effort is a joint research project with Intel, called Mobile Interior Imaging, or Project Mobii.

Facial recognition software can identify different drivers and automatically adjust features based on an individual's preferences. If the software does not recognize the driver, a photo is sent to the primary vehicle owner's smartphone. The owner can then set permissions and specify features that should be enabled or disabled. For example, if the driver is the child of the vehicle owner, restrictions could be automatically set to require seat belt use or prevent cell phone use while driving.

"The use of interior imaging is purely research at this point," said Paul Mascarenas, chief technical officer and vice president, Ford Research and Innovation. "However, the insights we've gained will help us shape the customer experience in the long term."

Rise in fuel efficiency should offset more miles traveled by 2040



Models such as the Ford Fiesta will help increase the U.S. fleet's fuel efficiency by 2040.

The projected improved fuel economy mandated by law should more than offset an expected increase in vehicle miles traveled (VMT) by 2040, according to the U.S. Energy Information Administration's *Annual Energy Outlook*. The result: a decline in U.S. gasoline consumption.

The National Highway Traffic Safety Administration estimates that the more stringent fuel economy standards will require new light-duty vehicles to average 49 miles per gallon in model year 2025, up from 33 mpg in MY 2012.

One reason VMT has dropped slightly in recent years is that the recession meant fewer people were driving to work or, for a while at least, buying new cars. Demographic shifts are also a factor. More young people have delayed getting a driver's license. And as the population ages, people tend to drive less. By 2040, the percentage of the population 65 and older will rise to 26.8 percent from 17.4 percent in 2012.

Yellow cars depreciate less than black ones, says new study

Less popular car colors such as yellow and orange depreciate less than the most popular colors like silver and black, finds a new study by iSeeCars.com.

Yellow cars depreciate the least in five years, at an average of 26 percent from the MSRP (adjusted for inflation), while black cars depreciate the most, at 35 percent. For a vehicle with a \$20,000 MSRP, that means on average, a yellow car could be worth \$1,500 more in year five than the average car with average depreciation.

The three colors that depreciate the most are black, gray and silver; the ones that depreciate the least are yellow, orange and green. The lower depreciation of less common colors is seen across all car types. But for more common colors, depreciation is closer to the average.

"Scarcity may account for the difference," said Phong Ly, CEO and cofounder of iSeeCars.com. "Only 1.1 percent of all cars are yellow and orange. If teal and green are included, the percentage still goes up to just 5 percent."

We know cell phone use while driving is unsafe, but still do it



Drivers are well aware that behavior like this is unsafe, but many do it anyway.

Who doesn't know that using a hand held device, such as cell phone, while driving is unsafe and illegal in many jurisdictions? Just the same, Americans in large number talk on cell phones while driving even though they know it's dangerous. The same goes for reading or sending texts, posting to social media, or doing personal grooming.

Seven in 10 people told Harris Polls that talking on a hand-held cell phone while driving is dangerous, but just 36 percent said talking on a hands-free phone is – even though many studies have refuted the idea that hands-free is any

safer. Even so, three-fourths of drivers with cell phones say they talk on it while driving, and two in 10 do so frequently. Nearly half read text messages, and more than one-third of drivers with smartphones or tablets use them while driving.

Just about all of us – 94 percent – know it’s unsafe to drive after drinking, but 37 percent say they have driven when they have likely had too much to drink.

And those are just the ones who admitted their distracted driving behavior to a pollster.

Position Wanted

Controller. A seasoned, full-charge finance and administrative professional with CFO experience who has been engaged in a variety of business organizations over the past 20 years, in and around the Capital Beltway, is seeking a position in a related capacity. The applicant holds a bachelor’s degree in accounting and lives in Davidsonville, Md.

Anyone interested can contact John O’Donnell at WANADA (202) 237-7200, or jod@wanada.org.

Notice

Position(s) Wanted is a WANADA member program for dealer and Kindred - line employers, such that WANADA refers persons seeking employment in a variety of capacities. These individuals present to WANADA, various workplace experiences and credentials. All employment information from the Position(s) Wanted Program that prospective employers receive on referral from WANADA is subject to verification by prospective employers. WANADA, accordingly, is not responsible to prospective employers for information provided by persons utilizing the Position(s) Wanted Program. WANADA does not refer anyone seeking employment through Position(s) Wanted who it knows is employed by a new car dealer at the time they are using the Position(s) Wanted Program.

Staying Ahead...

If you can dream it, then you can achieve it. You will get all you want in life if you help enough other people get what they want.

--Zig Ziglar
Motivational speaker