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WANADA announces new Line Technician skills refresher course at MC ADEI Tech Training mentor lunch

A new training program to refresh dealership line technician skills in vehicle electrical systems and engine performance diagnostics and repairs will be launched by WANADA after Labor Day. The classroom based program will be offered as part of WANADA's NATEF Certified Technician Training Program, which develops line techs at Montgomery College in Rockville, MD. The new program was announced earlier this week by WANADA at the semi-annual Auto Dealer Education Institute (ADEI) technician training mentor lunch.

"Not all of us want to admit it, but many of our technicians have not kept up with all the technical advances in automobiles, and that often means diagnostics and repairs are not being done as efficiently as they should be," said one of the service directors at the mentor lunch. This new WANADA/ADEI program will be an effective way to keep line technicians "on top of their game," the fixed operations managers at the lunch agreed.

Electric systems and engine performance diagnostics and repairs were selected because the industry has seen the greatest change in these disciplines over the past ten years. Indeed, cars and trucks today are more rolling computer and sensor platforms than they are vehicles.



Mike Stone, DARCARS Rockville, second from left, receives his Mentor's Prize from ADEI field supervisor Wil Desjardins, second from right. Looking on are Debra Anderson (L) the head of the Montgomery College Automotive program and ADEI instructor Mike Carretta (R)

As with WANADA's ADEI technician training program, line technician participants will attend class at Montgomery College. More details on the program will be issued shortly.



Students, mentors and ADEI field supervisor Wil Desjardins (background) at the mentor lunch at Montgomery College, Aug. 17, 2011

On point, the ADEI mentor lunch recognized the contributions technician mentors and their dealerships have made in the education of more than 250 students trained in the program, who have become gainfully employed as career technicians in WANADA dealerships over the years. Nearly 50 students, mentors, fixed operations managers and factory representatives gathered for the barbeque lunch, where they were briefed on the fall semester roll out at MC.

There are 30 students enrolled in classes this fall, and ADEI is currently looking to place an additional five candidates at dealerships. WANADA members with a need for entry-level technicians with real ambition and aptitude toward becoming line technicians should contact Wil Desjardins at (202) 237-7200 or wd@wanada.org for more information, or go to www.adei-programs for a detailed description.

Labor Day closing signs and ASE testing notices are in the mail

WANADA members should be on the lookout for Holiday Closing signs for the Labor Day weekend, as well as ASE Technician Certification Test materials.



The materials were mailed earlier this week and include two optional holiday closing signs for customers designating Monday, September 5, as Labor Day. One sign is for the showroom and the other for the service waiting area.

Additionally, ASE Technician Certification Test materials were sent, including a service department poster, ASE newsletter and Certification registration booklet. The test registration deadline is September 30 for three test dates, November 10, 15, and 17, 2011.

Anyone in need of additional holiday closing signs can call Trish Frisbee at (202) 237-7200 or tf@wanada.org. For additional information on the ASE Technician Certification test, contact 1-888-273-8378 or visit www.ase.com

Adverse Action Legislation: What procedures are required for dealer compliance?

Federal law prohibits discrimination in any aspect of a credit transaction. Under the Equal Credit Opportunity Act (“ECOA”), dealers cannot treat a credit applicant less favorably because of color, religion, national origin, sex, marital status, age, or because the applicant relies on social security, welfare, or other public assistance. This law also requires dealers to give a notice, called an “adverse action notice,” under certain circumstances, such as denying a request for credit. A related law, the Fair Credit Reporting Act (“FCRA”), also may require dealers to give an adverse action notice (which may be combined with the ECOA notice) if a credit report or information from a third party other than a consumer reporting agency (“CRA”) is involved in an adverse credit decision.



Dealers should adopt policies and procedures to take care that they are: (i) sending out timely and proper notices as required by the ECOA and the FCRA, and (ii) maintaining proper records. To ensure this occurs, dealers are advised to implement a policy that, at a minimum, includes the following:

1. A requirement to notify customers who apply for credit about the action you take—whether you accept, reject, make a counteroffer, or determine that the application is incomplete. Your policy should require that you give this notice within 30 days of receiving any credit application.
2. Adopting adverse action notice procedures to ensure that you send adverse action notices when required. You should have a policy of sending notices whenever you are involved in making the credit decision or setting the terms of credit and adverse action is taken. If you send out simplified adverse action notices, designate a finance manager who is knowledgeable about adverse action law and trained in your dealership’s adverse action notice procedures to respond to all customer requests for a specific statement of reasons.
3. Adopting and implementing record-retention policies. In particular, ensure you keep records stating, or otherwise record, the specific reason why you did not provide financing on the requested terms. Your record retention policy should also include procedures for disposing of records as required by other applicable laws and regulations that are not discussed in this guide.
4. Adopting a formal practice of allocating responsibility for sending out adverse action notices. For example, consider including a statement in the dealer/finance source agreements that the finance source is responsible for sending out its own adverse action notices.
5. Conducting periodic, internal audits to ensure compliance with the policies and procedures you adopt.

Chip Lindsay reappointed to VA Motor Vehicle Dealer Board

Governor Bob McDonnell has reappointed Chip Lindsay, Lindsay Automotive, to another term on the Virginia Motor Vehicle Dealer Board (MVDB) while appointing seven others to first terms.

Lindsay is one of eighteen who comprise MVDB, which advises the Virginia Department of Motor Vehicles on dealership business practices in the context of state law. The current makeup of MVDB is eight new car dealers, seven used car dealers, a consumer protection regulator, a consumer representative, and the DMV commission Rick Holcomb.

Besides Chip Lindsay, the following new and used car dealers were appointed to the MVDB: Brian Hutchens, Hutchens Chevrolet; Ronald Kody, Richmond Ford; George Pelton, First Team Auto; Joe Tate, Peaks Motors; Larry Bailey, Airline Auto Sales; Roy Boswell, Boswell Automotive and Rodney Williams, Williams Auto Mart. Along with Chip Lindsay, northern Virginia new car dealer on MVDB are Kevin Reilly, Alexandria Hyundai and Thomas Moorhead, Sterling BMW. For a full list of the MVDB members click [here](#).

Multiple-lease households signal better used car supply in 2014

The number of households with multiple leased vehicles climbed to 16.3 percent in the first half of 2011, according to CNW Marketing Research, which specializes in tracking such data. The company says that upward turn should lead to improved used-vehicle supply of one to five year old models in 2014 and beyond.



One of the problems the current used-car business has is finding solid and newer vehicles to populate the Certified Pre-Owned inventories. Historically, the bulk of CPO models were off-lease cars and trucks.

The decline in leasing in the first part of this decade resulted in growing shortages of these popular used models and led to the dramatic run up in used prices over the past two years.

With the current increase in leasing, however, multiple lease households with most contracts in the three and four year range, have increased significantly, CNW says, suggesting that future supplies of quality used models are looking fairly good.

Average new vehicle transaction price at \$29K, up more than \$2K from August 2010

According to the CNW Marketing Research, the core transaction price of a new vehicle is up slightly more than \$2,000 from August 2010 to \$29,643. The company says that is due in

part to an increase in the average MSRP of \$34,629 and a decrease in the amount of discounting being done by automakers and dealers.

While core transaction prices are up, however, CNW says more consumers, in the face of continuing economic turmoil, are becoming cautious about buying a new vehicle. It notes that the number of those delaying a purchase has increased significantly, and that the delay period itself is up as well, from 5.5 months in July 2010 to 8.3 months in July 2011.

	<u>August 2011</u>	<u>August 2010</u>
Avg. MSRP	\$34,629	\$32,701
Discounts	\$4,986	\$5,720
MFR incentive	\$3,239	\$3,269
Dealer add-in	\$1,747	\$2,431
Core transaction price	\$29,643	\$27,001
%total discount off MSRP	14.4%	17.4%
Purchase delay (months)	8.3	5.5 (July)

It's getting congested out there

World vehicle population tops 1 billion units

New government statistics indicate there are now more than *1 billion* vehicles on the road across the globe. In fact, it happened a year ago and was driven largely by booming demand in China and India.

The vehicle market explosion in China played a major role in overall vehicle population growth in 2010, with registrations jumping 27.5%, the government report said. Total vehicles in operation in the country climbed by more than 16.8 million units, to slightly more than 78 million. China now has the world's second-largest vehicle population, ahead of Japan, with 73.9 million units. In India, vehicle population grew by 8.9% to 20.8 million units, compared with 19.1 million in 2009. Brazil experienced the second largest volume increase after China, with 2.5 million additional vehicle registrations in 2010.

By comparison, U.S. registrations grew less than 1% in 2010, but the country's 239.8 million units continued to constitute the largest vehicle population in the world.

The world vehicle population in 2010 passed the 1 billion-unit mark 24 years after reaching 500 million in 1986. Prior to that, the vehicle population doubled roughly every ten years, from 1950 to 1970, when it first reached the 250 million-unit threshold.

Staying ahead...

When I see something scary ahead, I put my foot down, because everyone else is lifting theirs

...Emerson Fittipaldi, Formula 1 champion