

# AutoDealer™

The Magazine of the  
American International  
Automobile Dealers®

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## Saab Makes a Comeback

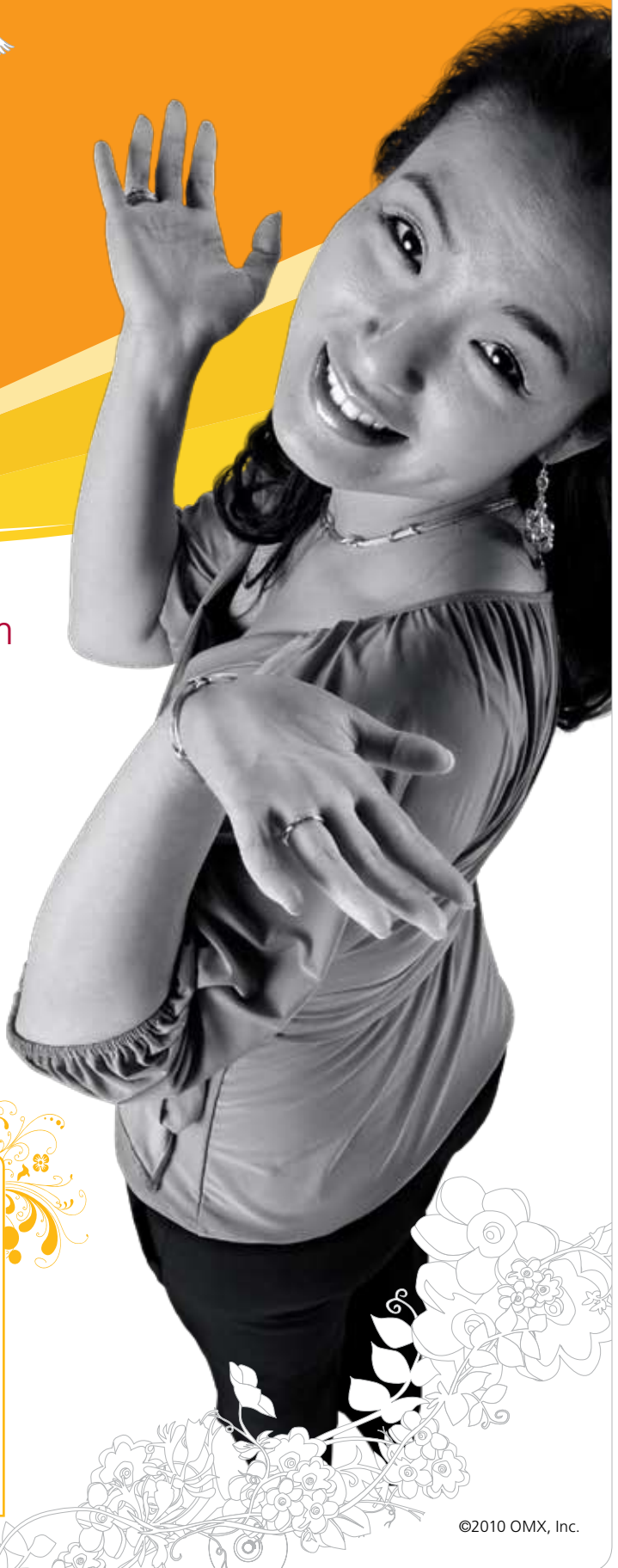
CEO Victor Muller on the  
Future of the Swedish Brand



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Thomas Moorehead, BMW of Sterling/MINI of Sterling

**D**ealers do a lot of things, big and small, to protect their businesses.

We work long hours. We maintain a positive presence in our communities by donating both time and money. We strive to hire and train the best staff, and provide unparalleled customer service. We also pay dues to local, state, and national associations, like AIADA, that protect our interests before the government.



When we can, we meet with our legislators. When we can't do that, we call and e-mail them with our concerns. We try to make it to every manufacturer and association meeting we can, all in an effort to stay informed and

active within the automotive community. Simply put, we try to do it all.

Every two years, we have an opportunity to do one extra thing: vote.

As small business owners operating in this sluggish economy, our vote is more important than ever. This is our chance to send a direct message and, if necessary, new leaders to Washington, D.C. Small businesses are the engines of economic recovery, and the opinions of their owners matter. It is absolutely critical that dealers and their staff educate themselves on the issues that impact their businesses—like taxes, trade, and labor. And then, get out and vote.

As always, AIADA is working to keep its members informed. You can learn more about the pressing legislative issues we face today on our Website, AIADA.org, and in this magazine on page 7. Sometimes the topics, such as a free trade pact with South Korea, might seem like a world away from your showroom. But believe me, those issues will make a difference to your bottom line.

This year, four auto dealers have thrown their hats in the ring in the upcoming elections. You can read more about them and their campaigns on page 11. At AIADA, we believe the more dealers in Congress, the better. We need to work with people in Washington who understand the value of a hard day's work, and the realities of running a business in America today.

Yes, dealers do a lot of things to protect their businesses. I believe that, given the chance, they can also do a lot of things to protect their country. By all indications, this election will be one of the most dramatic in recent history. Be a part of it, and make your voices heard in Washington, D.C., this November 2nd.

**RICK DESILVA**  
AIADA Chairman

The American International Automobile Dealers Association is the only national lobbying force in the United States dedicated exclusively to the economic and political interests of America's international nameplate automobile dealers. AIADA was founded in 1970 in order to increase awareness of the international nameplate automobile industry's value to the U.S. economy. The association serves as an advocate for the industry before Congress, the White House, and federal agencies. It focuses its lobbying efforts on trade and anti-competitive restrictions that limit the availability of international nameplate automobiles, full repeal of the Death Tax and other tax measures, affordable health care, labor issues, energy, fuel economy policies that constrict consumer choice, and other industry-related matters.

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# Smoot-Hawley, Pt. II?

BY INVESTOR'S BUSINESS DAILY

**T**rade: Skipping town like a bunch of grammar school truants, Congress couldn't find the time to either pass a budget or keep the Bush tax cuts from expiring. But it did find time to start a senseless trade war with China.

The so-called *Currency Reform for Fair Trade Act* will do nothing that its name implies. It won't make trade any fairer. And, in truth, it won't "reform" China's currency. Though passed by a hefty 348-79 margin in the House, it's unlikely to ever be U.S. law.

Even so, it's a dangerous bill, reflecting the ugly mood in Congress more than anything else. Obama's \$862 billion stimulus has failed, unemployment hovers at 9.6 percent, GDP growth is down to a meager 1.7 percent, and elections loom. With this nasty scenario, Congress needs cover, an economic villain. China fits the bill.

After all, China's the world's second largest economy. It's the largest polluter. It's expanding its military, building a blue water navy, and starting to bully its neighbors, even powerful ones like Japan. Today one of every six human beings on the planet are Chinese. And it's already our third largest export market.

In short, China is our partner and our rival.

Congress' new protectionist bill would slap tariffs on Chinese goods as punishment for keeping its currency artificially low against the dollar, thereby stimulating Chinese exports to the U.S.

But a Congressional Budget Office study says the tariffs would amount to just \$20 million a year. Since total U.S.-China trade amounts to \$1 billion a day, the impact will be minuscule. That doesn't mean it won't hurt.

"Unfortunately," wrote Morgan



Stanley economist Stephen Roach recently in the *New York Times*, "forcing such a currency realignment would be a blunder of historic proportions."

Those who don't think so should recall the Smoot-Hawley tariffs, passed into law in 1930 just as the U.S. economy was falling into a recession. Smoot-Hawley set off a round of retaliatory reactions around the world. It shrank the global market for goods and services at the very time nations needed trade to boost their growth.

Over three years, U.S. trade with its main partners fell 68 percent. That helped turn what might have been a normal recession into the Great Depression, with a 30 percent drop in GDP and joblessness of 25 percent.

Don't get us wrong. China isn't entirely innocent here. It does manipulate its currency. But its advantage is in low-end manufacturing, the kind that wouldn't pay well even in the U.S. And in keeping its currency weak, it subsidizes U.S. consumers.

Given that we tax our companies at 35 percent and China taxes them barely at all and that Chinese labor costs less than \$2 an hour how many car assembly plants and toy makers will come back to make their products in the U.S.? Not many.

More important, China helps finance our \$1.5 trillion annual deficit and holds as much as \$1.7 trillion of U.S. debt, mostly Treasuries. If you were a Chinese government official and knew that you were about to see your huge portfolio of U.S. debt devalued, would you buy more? Doubtful.

We're all for free trade. But it's best achieved through talks, not belligerence. Starting a trade war by taxing Chinese imports and devaluing our own currency is a very bad idea, with no winners. **AD**

Licensed from *Investor's Business Daily* for republication in *AutoDealer*. This article originally appeared Sept. 30, 2010.

# Your Best Customers Are Informed Customers

## Help Your Customers to Understand the Advantages of Full Synthetic Motor Oil

**I**n order to educate your customers about synthetic oil, it is vital to first understand what they are looking for in a motor oil—and then highlight key facts so they really understand the benefits of choosing full synthetics. Below are some of the benefits that synthetic oil can offer your customers:

### Trusted Brands

According to a Harris Interactive study, consumers place a high emphasis on having a brand of motor oil in their vehicle that meets the latest industry and manufacturer standards. Additionally, they are concerned that the oil they use helps maximize fuel economy. Offering your customers a high-quality full-synthetic motor oil can help address both of these concerns.

### Motor Oil Must Work Harder

Today's engines are smaller than those of the past. While they may be either turbo charged or supercharged to increase power efficiency, these smaller engines must work harder for the same performance of previous, larger engines. This means that motor oil must work harder in order to protect metal

parts from wear and heat—especially since smaller engines typically have tighter tolerances than larger ones.

### Overall Performance

High-quality full synthetic motor oil outperforms conventional and synthetic blend motor oil in nearly all aspects of engine protection. Synthetic

motor oil contains key additives that help reduce wear and provide better engine protection against friction and performance-robbing deposits compared to conventional oils. These advantages can enhance performance and efficiency and may lead to better fuel economy over the life of the engine.

### Cleaner Engine

Synthetic oil also contains additives that help keep the engine cleaner, including dispersants that grab and hold dirt and contaminants in suspension before they can build up during engine operation. Synthetic motor oil also contains detergents that help keep high-temperature surfaces clean and free of varnish.

### Stronger Resistance to Burn-off

At high temperatures, oil can also burn off, which depletes the oil level and leaves behind thicker oil that drags on performance. Full synthetic motor oil resists burn-off much better than conventional motor oil.

### Stronger Resistance to Oil Oxidation

Oil oxidation occurs when blow-by gases, high temperatures, and motor oil mix. This can cause the oil to thicken and lead to deposits that can reduce engine performance. High-quality full synthetic motor oil resists oxidation better than conventional oil, resulting in oil that flows more smoothly and is easier to pump through the engine, providing cleaner engine operation.

### Stronger Resistance to Oil Shear

As motor oil travels through the engine, some of the oil molecules can be sheared, literally cut in half, by high-speed rotating, spinning, and

reciprocating engine parts, thinning the oil. High-quality full synthetic motor oil may resist shear under heavy loads better than conventional oils. This resistance helps synthetic motor oil maintain its viscosity grade and film strength, enabling it to offer better engine protection and withstand more extreme engine conditions.

### Stronger Resistance to Sludge

Finally, sludge deposits can form inside an engine under a variety of operating conditions, from short trips and stop-and-go traffic to extended oil drains and winter conditions. Sludge can block oil passages, plug filters, and cause serious engine problems. High-quality synthetic motor oil is formulated to provide an extra level of protection from the formation of these and other deposits inside the engine.

Pennzoil and Quaker State offer a full line of motor oils that meet or exceed the specifications of most vehicle manufacturers. Pennzoil Platinum Full Synthetic motor oils provide the highest level of cleaning, protection, and performance. Quaker State Ultimate Durability full synthetic motor oils help defend engines against friction-related wear.

For more information on Pennzoil and Quaker State synthetic motor oils, contact Mike Burns, OEM/Automotive Dealer Manager at 713-546-6327, or via e-mail at Michael.W.Burns@Shell.com to learn more about the Pennzoil and Quaker State programs and services available for AIADA members. **AD**



# Congress Briefly Returns to Washington

## House, Senate Try to Tackle Key Legislation Before Hitting the Campaign Trail

**A**fter Labor Day and a month spent in their home states and districts, the House and Senate returned to Washington to make the final legislative push before the coming mid-term elections. Floor action on legislation was slow over the few weeks. Many members of Congress were already focused on heading home and campaigning. This has left much unfinished business for an anticipated lame duck session.

Following is a recap of Congressional progress on the most prominent legislative items of interest to AIADA members and what they can expect as 2010 winds down.

### **SBA Legislation Moves Forward**

On Sept. 16, the Senate approved its version of small business legislation, which included the extension and increase of the Small Business Administration's (SBA) 7(a) Loan Guarantee Program. Of interest to dealers, the Senate's *Small Business Jobs and Credit Act of 2010* increases the loan guarantee limit from \$2 million to \$5 million under the SBA floorplan financing program. AIADA has long supported the expansion, joining the Small Business Access to Credit Coalition in urging Congress to amend existing loan limits in order to relax the noose of tight credit that has threatened to strangle America's small business owners, including many international auto dealers. The SBA's one-year-old floorplan financing program is expected to benefit from the increase by making it a viable option to more auto dealers.

On Sept. 23, the House of Representatives approved the legislation by a vote of 237-187. Following House passage, on Sept. 27, President Obama officially signed the legislation into law.



### **Tax Cuts Draw Fire**

In September, Congress and the administration were engaged in heavy debate over the extension of tax cuts originally put in place by President George W. Bush in 2001 and 2003. The provisions that are slated to expire at the end of this year would affect the Death Tax, individual tax rates, capital gains/dividends, and limitations on personal and itemized deductions.

The tax issue is especially relevant to dealers. Small businesses spend an average of \$9,000 on estate planning and \$28,000 per year on life insurance premiums to prepare for the Death Tax. Some AIADA members report that they spend as much as \$100,000 per year on Death Tax planning.

While negotiations were underway

in September, neither the Republicans nor Democrats were successful in sending tax legislation to President Obama's desk before they adjourned in October. However, the issue is a hot one on the campaign trail as candidates pitch solutions for shoring up the nation's economy, and it is sure to be at the top of Congress' agenda in December's lame duck session.

AIADA believes that an increase in taxes will only hurt those on America's main streets striving to provide jobs and revenue in their local communities. Job growth continues to be stagnant and unemployment has drifted close to 10 percent over the past several months. Dealers report that business remains tepid with projected SAAR rates coming in somewhere under

*continued on page 8*

## Congress Briefly Returns to Washington *continued from page 7*

### What's a Lame Duck Session?

The term "lame duck" was originally used in 1761 to refer to bankrupt businessmen.

Today, a lame duck session of Congress occurs when either the House or Senate returns to Washington, D.C., following a November general election to work on legislation. Members who have lost their bids for reelection, but must return to finish their terms before the new Representatives and Senators are sworn into office in early January, are referred to as "lame ducks."

These sessions are known for their sometimes-

unpredictable legislative results. With the pressure of the elections behind them and the specter of a fresh wave of faces about to join Congress, members will often vote however they see fit.

#### What dealers can expect in 2010's lame duck session:

- South Korea – U.S. Free Trade Agreement Ratification
- Wide Range Tax Bill with Death Tax Provision
- Card Check/Labor Law Reform
- Motor Vehicle Safety Legislation
- Energy Policy Overhaul
- Foreign Manufacturers Legal Accountability Act



12 million for the year, well below the peak of 17 million in 2005.

#### Time to Act on KORUS Free Trade Agreement

While the United States continues to wait to ratify its long-pending free trade agreement with South Korea (KORUS), other nations have moved forward. On Oct. 6, the European Union (EU) approved its own pact with South Korea. The EU began negotiating its own trade pact in 2007 at the same time as the U.S.

At this point, President Obama has yet to submit the KORUS free trade agreement to Congress for approval. Instead, he is pushing to reshape the agreement to address U.S. concerns over beef and autos. He plans to visit South Korea in November and has stated he hopes to resolve the issues beforehand.

AIADA believes the lingering issues can be fixed and is working hard to secure final approval and ratification. The agreement will bring important commercial, economic, political, and strategic benefits to both countries. If ratified, it would eliminate tariffs on

nearly 95 percent of consumer and industrial product trade within the first three years and would add more than \$20 billion to bilateral trade. It has been demonstrated that removing tariff and non-tariff barriers under a multilateral trade system provides U.S. businesses with greater market access across the globe. Visit AIADA's website to learn more about the KORUS free trade agreement and what it means to your business.

#### Adjournment and the Continuing Resolution

During the last week of September, the House and Senate made their final legislative push before adjourning. However, with political maneuvering in full swing, no legislation made it to the president's desk for signature before Congress left town.

The Senate adjourned on Wednesday, Sept. 29 by passing a Continuing Resolution (CR) that would fund the government through Dec. 3. Efforts were made to extend the CR through Feb. 1, 2011 and to cut spending levels by five percent, but both amendments failed and the CR was approved in the

Senate by a 69-30 vote. The Senate then proceeded to vote on a motion to adjourn which passed mostly along party lines by a vote of 54-39.

Both bills were then sent to the House where the CR was passed in the early hours of Thursday morning by a vote of 228-194. However, the motion to adjourn became a heated debate as Republican Leader John Boehner (R-Ohio) framed the vote as an attempt to avoid staying in Washington to find a solution for the soon to expire tax cuts. Dramatically, with the clock ticking down and the vote to adjourn tied at 209-209, Speaker Nancy Pelosi (D-Calif.) cast the final vote to break the tie, something a sitting Speaker rarely does. She supported her fellow Democrats and voted for the adjournment. Both the House and Senate are now in recess and legislation will wait for the lame duck session in November.

You can remain apprised of the issues affecting your dealership by visiting [AIADA.org/the-issues](http://AIADA.org/the-issues). **AD**



# Campaign Season Is Opportunity for Dealers

**W**ith summer gone, AIADA is turning its focus to the coming elections and to what their results could mean for dealer members. Although campaign season is a break from Washington's normal work cycle, the presence of candidates out and about in their local communities is an exceptional opportunity for dealers to explain how federal legislation has a direct impact on them.

This year, the issue on the minds of most voters is what candidates plan to do to revive the stagnant economy. Despite stimulus programs and bailouts, job growth continues to falter. One in 62 U.S. homes is being foreclosed upon, and on average the national bankruptcy rate is 1.2 percent. AIADA's members report that although business is not as dire as it was last year, it is nowhere near what analysts had hoped it would be and is expected to close out the year somewhere under 12 million units.

Candidates need to be made aware of the economic impact dealers make in their communities. The 10,000 international dealer franchises that AIADA represents provide jobs for more than 500,000 Americans across the country, with the average dealership employing 50 individuals, investing millions of dollars in real estate and facilities, and paying local, state, and federal taxes.



Dealers should also emphasize the need for candidates to support the practical economic solutions—like tax cuts—that will help them continue to provide jobs for their employees, grow their businesses, and generate revenue in their local communities. Several existing tax cuts, which help business owners, are slated to expire by the end of the year unless they are extended.

“Our members play the single largest role in helping AIADA communicate effectively with members of Congress, policy makers, and the administration,” said AIADA president Cody Lusk. “I hope as the election season is in full swing that they’ll take the time to talk with their local candidates and impress on them the role they, and their fellow dealers, play in their communities and how federal policy affects them on a daily basis.”

Joining AIADA's Legislative Action Network (L.A.N.) is the best way for dealers to stay apprised of the issues. Membership is open to all AIADA dealers and their dealership employees. Participating members will receive

AIADA's weekly grassroots newsletter, *Capitol Insight*, as well as L.A.N. Action and Call Alerts with talking points to help them interact with their members of Congress or candidates. Visit [AIADA.org/get-involved](http://AIADA.org/get-involved) to learn how you can join the L.A.N. and make an impact where it counts.

For dealers willing to take the next step, consider hosting your member of Congress at your dealership through AIADA's Dealer Visit Program. AIADA works to arrange the visit and provides dealers and their employees with talking points for their legislator.

“AIADA's Dealer Visit program is a valuable opportunity to tell my elected representatives one-on-one about our businesses and the people behind them. I am confident now that there are legislators in Washington who truly care about my dealership and my employees,” said AIADA board member Peggy Proko of New Hampshire.

Visit AIADA's Website today to see how you can host a dealer visit of your own. **AD**



# Lindsay Honda Reduces Risk, Saves Money, and Increases Efficiency by Outsourcing Service Loaners

**L**indsay Honda, a family-owned and operated dealership serving Columbus, Ohio, for 37 years, made a strategic business decision more than a year ago to switch from managing service loaners internally to outsourcing this function to Enterprise Rent-A-Car, the largest rental car company in North America.

## Save Time and Money

Now, instead of spending approximately a half-million dollars annually providing service rentals from its own inventory, requiring service advisors to spend time managing a program that produces minimal revenue, and assuming all the risk, Lindsay Honda is saving time and money and running a more efficient service center.

“We were giving out cars like candy and assuming all the liability, which is no way to run a profitable business,

“There’s a reason dealerships don’t have ‘demos’ any more — the risk is not worth it. Let Enterprise take the risk; that’s their business.”

—Dusty Lindsay,  
GM/Owner

especially in a tough economy,” said Dusty Lindsay, General Manager and owner of Lindsay Honda.

## A Program Tailored to Your Dealership

In the rental car business since 1957, Enterprise has the experience, resources, and training to streamline the process and control costs. In addition,



because Enterprise gives local branch offices the flexibility to tailor loaner programs to the individual needs of each dealership, the majority of rental vehicles available to Lindsay’s customers for service loaners are the same Honda brand they are already driving.

According to Lindsay, outsourcing service loaners provides tangible results for the dealership in both hard and soft costs. “Our service advisors are able to do their jobs better because they are not spending time or money scrutinizing valid driver’s licenses, performing damage inspections, and replacing fuel that eats up costs many times over when multiplied by the number of service vehicles returned empty,” said Lindsay.

“In addition to tracking all expenses and providing a detailed monthly report, which helps the dealership manage costs, Enterprise’s technology enables service advisors to track when rental cars are due to be returned, making it easier to schedule cars for other customers,” Lindsay added.

## A Win-Win Situation

For Lindsay Honda, having Enterprise handle service loaners is a win-win situation. “Enterprise pays attention to every detail and works very hard to make sure the process works as smoothly as possible in a high-pressure environment and our service advisors have more time to focus on serving our customers,” said Lindsay.

He added, “In today’s day and age, it makes no sense for any dealership to take on the expense and the risk of owning service loaners. There’s a reason dealerships don’t have ‘demos’ any more — the risk is not worth it. Let Enterprise take the risk; that’s their business.”

For more information or for a Free Loaner Car Program Analysis, please e-mail [dealercontact@enterprise.com](mailto:dealercontact@enterprise.com) or call 314-512-3902. **AD**





# DEALERS TAKE THE STAGE

THE 2010 MID-TERM  
ELECTIONS ARE A PLATFORM  
FOR DEALERS

BY AIADA STAFF

**I**n cities and towns across America, international auto dealers are among the most active citizens. The average dealership employs 50 individuals and provides millions in tax revenue and investment to state and local municipalities. Dealers also serve as leaders for local organizations and donate millions to charitable causes.

For more than 40 years, AIADA has been the voice of these dealers in Washington, advancing their needs and interests in areas like the tax code, global trade policy, and energy and environmental regulations. However, AIADA has always believed that the best advocates for our industry are those who know it best: the dealers themselves.

Several dealers share that belief, and have thrown their hats into the ring for the upcoming mid-term congressional elections. In a year where business and economic issues have taken center stage, these candidates believe they have the experience and insight necessary for creating positive policy on Capitol Hill. Following is a brief introduction to each dealer candidate. Readers may also want to learn more at the Website addresses provided. Most importantly, and whatever your politics, AIADA reminds all dealers to get out and vote on November 2nd!

*continued on page 12*

**Dealer Candidate: Tom Ganley**

**Race:** Ohio's 13th District begins in northern Ohio, stretching south from Lorain to include part of Akron, its suburbs, and areas around Cleveland. It has supported the Democratic candidate in the past three presidential elections.

**Opponent:** Incumbent Rep. Betty Sutton

**Website:** TomGanley.com

**About:** Tom Ganley is president and CEO of Ohio's largest automotive group—Ganley Automotive Group, headquartered in Cleveland. A member of the auto retail industry for 42 years, he initially got his start with a single dealership in Euclid, Ohio. Today, his 32 dealerships employ over 1000 people and sell and service 17 brands, including BMW, Honda, Hyundai, Mercedes-Benz, Nissan, Scion, Subaru, Suzuki, Toyota, and Volkswagen.



*Tom Ganley*

Ganley is pursuing a seat in Ohio's 13th Congressional district, an area that contains his home town of Brecksville, Ohio, and a community he has actively supported for many years. His recognitions include the FBI's highest civilian award—the Louis E. Peters Memorial Service Award. He was also named the Cuyahoga County Police Chiefs Association's 2006 "Man of the Year." He and his wife, Lois, have four

children and eight grandchildren.

Tom Ganley's platform focuses on limited federal intrusion into the private sector. As a businessman for many years, he says he believes that implementing better business practices and fiscal restraint can help restore America's economic stability.

**In His Own Words:** "I've built a strong business from scratch that employs over 1,000 Ohioans—including generations of families and those that have spent their entire careers with Ganley Auto Group. I've worked with store managers to develop marketing plans for their dealerships and worked to create a sales and service approach that delivers the best buying and service experience to customers.

"Many politicians in Washington say they can create jobs—but I have the proven experience of creating private sector jobs that we need in Congress. In creating a budget and maintaining a payroll, the word 'deficit' does not exist in my vocabulary—it's time for Washington to learn that, too."

**Dealer Candidate: Mike Kelly**

**Race:** Pennsylvania's 3rd District is located in the northwest part of the state. It includes the cities of Erie, Sharon, Butler, and Meadville. The district supported President George W. Bush in the 2000 and 2004 presidential elections, and John McCain in 2008.

**Opponent:** Incumbent Rep. Kathy Dahlkemper

**Website:** MikeKellyforCongress.com

**About:** Mike Kelly's roots in the automotive business are due in large part to his father, who started Kelly Automotive in Verona, Penn. In the late 1990s, he purchased Kelly Chevrolet-Cadillac in Butler, Penn., from his father. In 2001, he opened a Hyundai/Kia franchise, also in Butler. Together, his franchises provide jobs for 109 employees. He is an engaged member of the industry, serving as vice chair of the National Hyundai Dealer Council in 2008 and current chairman of the Eastern Region Hyundai Dealer Council, and Secretary and Treasurer of the Hyundai "Hope on Wheels" program.

Kelly is a graduate of the University of Notre Dame. He and his wife, Victoria, have four children and four grandchildren. Like many dealers, he contributes to his local community by serving on various boards and supporting local organizations and schools. In response to his work in the community, the mayor of Butler christened October 26, 2001 as "Mike Kelly Day."

Mike Kelly's platform emphasizes fiscal discipline. He believes the common sense principles that have helped him succeed as a dealer would benefit his work in Washington to curb wasteful spending and help the government operate within its means.

**In His Own Words:**

"I have spent years working to build a better future for my community by providing jobs at my dealerships and encouraging local development. When I bought my father's business, I borrowed money using my own collateral. I believe the principles that contribute to a successful business also apply to running the federal government. Money is a precious resource that the government must stop wasting. I intend to go to Washington to help stop wasteful spending and get Americans back to work."



*Mike Kelly*

**Dealer Candidate: Jim Renacci**

**Race:** Ohio's 16th District is located in northeast Ohio and based in Stark County and Canton. It also includes Wayne County and portions of Medina and Ashland Counties. In the 2008 election, the district supported John McCain.

**Opponent:** Incumbent Rep. John Bocchieri

**Website:** RenacciforCongress.com

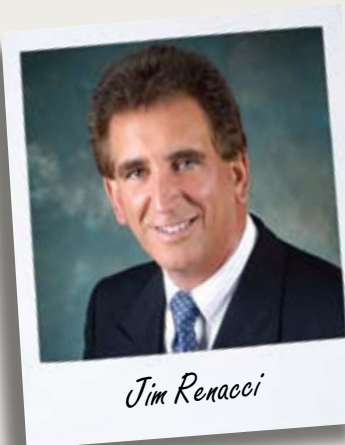
**About:** Hailing from Wadsworth, Ohio, Jim Renacci is a 27-year resident of the state's 16th Congressional District. He earned his bachelor's degree in business administration from Indiana University of Pennsylvania and served as a certified public accountant. His work as a businessman has included the formation of a financial consulting company and the ownership of several dealerships throughout the state, including Doraty Kia in Medina.

Renacci is noted for his work in the public sector. He served as a volunteer firefighter in Wadsworth, as well as on the city's Board of Zoning Appeals and as president of the City Council before serving as mayor from 2004 to 2008. He and his wife, Tina, have been married for 26 years and have three children.

Renacci is running for Congress because he believes in the principles of conservative government and fiscal responsibility. His years in the public and private sector have seen the creation of over 1,500 local jobs, and he believes that this experience will assist him in helping create solid policy on Capitol Hill.

**In His Own Words:** "My work as an auto dealer has served as an invaluable component of my experience in the

business world and has bolstered my candidacy with a deep understanding of how specific federal government policies can both help and harm the industry. At a time when the federal government continues to consider drastic policy shifts that have a direct impact on America's major industries, it is imperative that we have leaders in Washington who understand



*Jim Renacci*

first-hand how the decisions made on Capitol Hill can affect our economy."

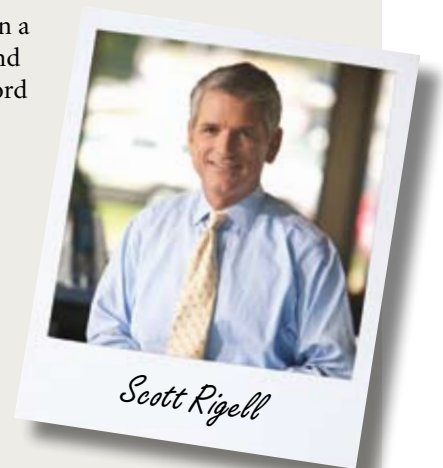
**Dealer Candidate: Scott Rigell**

**Race:** Virginia's 2nd District includes Accomack and Northampton Counties, as well as the city of Virginia Beach, and portions of Norfolk and Hampton. The district elected President George W. Bush in the 2000 and 2004 elections, and President Barack Obama in the 2008 election.

**Opponent:** Incumbent Rep. Glenn Nye

**Website:** ScottRigell.com

**About:** Scott Rigell has been a dealer since 1991 when he and his wife, Teri, purchased a Ford dealership in Norfolk, Va. Today, as the founder and chairman of Freedom Automotive, he employs more than 240 people at three dealerships—Freedom Volvo, Freedom Ford, and Freedom Lincoln Mercury in the Chesapeake, Norfolk, and Virginia Beach areas of Virginia.

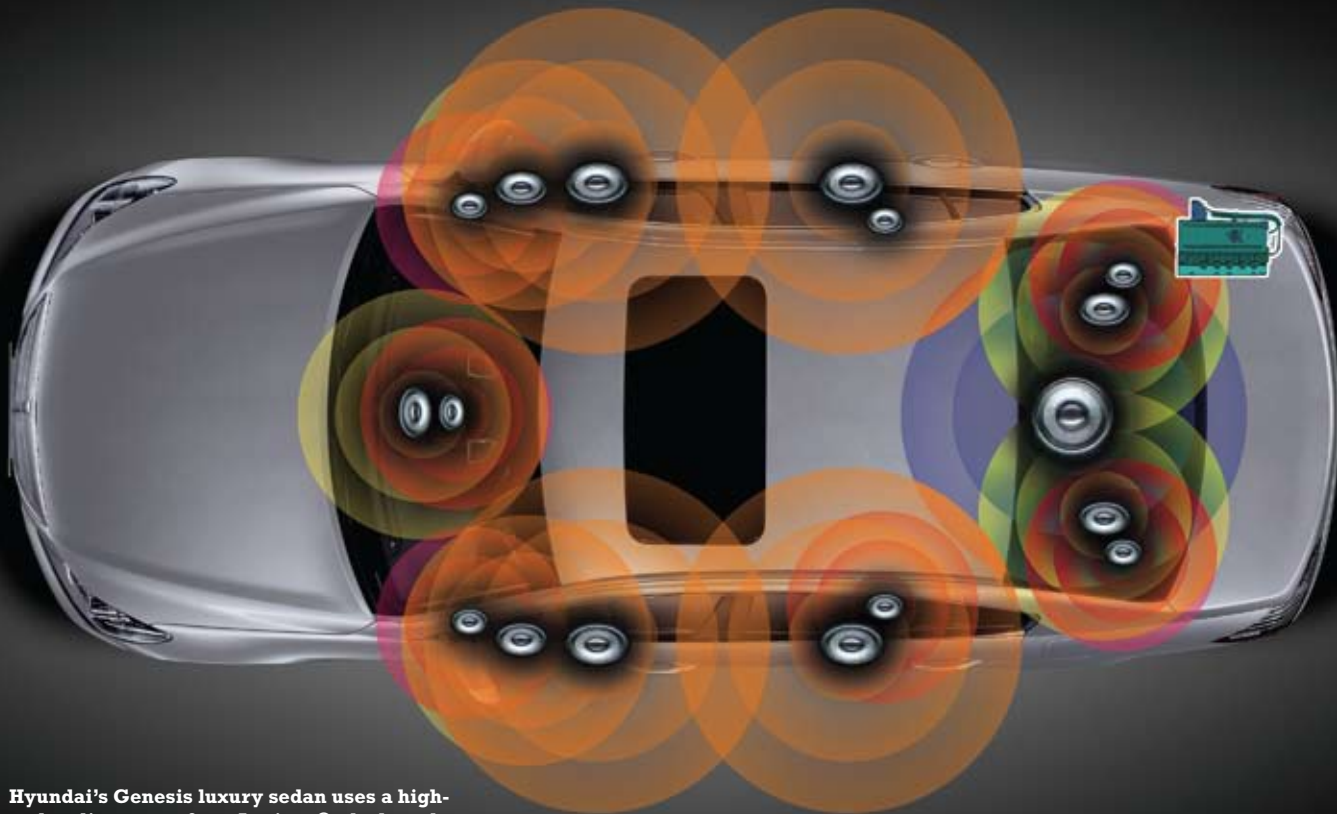


*Scott Rigell*

Rigell is an active member of his community, having recently been inducted into the Hampton Roads Hall of Fame. He has also served in a variety of volunteer capacities at local schools and as a board member of Horizons Hampton Roads, an organization that provides summer enrichment programs for low-income students in the area. Rigell and his wife have four children and one grandson.

Rigell is focusing on the need for experienced leadership in Washington, believing his position as a small businessman will enable him to tend to some of the most pressing issues facing Congress today. He cites job creation, energy independence, and a responsibility to the military as some of his priorities.

**In His Own Words:** "As a business owner, with a proven track record of job creation in the auto industry, I understand the importance of sticking to a strict budget and making payroll because I have been doing that for over 20 years. I believe that we have to replace the current economic environment; it is the enemy of job creation. We must take deliberate steps to give confidence to the greatest job producing engine the world has ever known; that is the American entrepreneur and small business owner."



Hyundai's Genesis luxury sedan uses a high-end audio system from Lexicon®, the brand that supplies Rolls-Royce. This photo demonstrates placement of the 17 speakers.



The convergence of premium audio with navigation and other features challenges car designers to get the most from dashboard and console space. Here, the Mercedes E-Class's elegant solution.

## THE RAPID EVOLUTION OF AUTOMOTIVE COMMUNICATIONS TECHNOLOGY IS RAISING EXPECTATIONS . . . AND CONCERNS

BY JIM KOSCS, AIADA CONTRIBUTING EDITOR



Consumers expect, at the least, a connection for an Apple iPod; true iPod integration—as in this Lexus ES 350—allows easy access and control through the car's own interface.

**“Infotainment”**—the term coined to describe the merging of information and entertainment technology—is growing in importance to car buyers of all demographics. That growth is dictating a concerted effort by automakers to integrate fast-evolving audio, navigation, and communications technology at a dizzying pace.

In-car technology experts say that the growing demand for vehicle infotainment and the proliferation of “smartphones” is pushing automakers to further integrate personal and mobile technologies. They acknowledge that there is never a guarantee that today’s latest gadgets will remain popular in the future.

At the same time, new technology that offers the promise of greater convenience and “connectivity” for drivers is also driving some critics to target driver distraction and demand efforts to reduce it. Going forward, automakers will face a potential tug-of-war between what is feasible, and what is reasonable for safety.

“We’re definitely seeing increasing interest in ‘infotainment’ features,” said Mike Marshall, automotive technology analyst for J.D. Power and Associates. “Safety features had always ranked highest [for consumers], and they’re still high. But especially in the past three or four years, non-safety features have started climbing up and mixing with them to the point where, in our 2010 Emerging Technologies Survey, the feature with the highest interest was a premium sound system.”

to access and play their music easily. Beyond iPod integration, they also want Bluetooth® audio streaming, where they use a Bluetooth-compatible phone to send music to their car’s system wirelessly.

Robert Policano, Connected Car Manager for Mercedes-Benz USA, explained that consumers not only want easy and convenient ways to bring their music into their cars, but that they expect such features to be available inexpensively. Mercedes-Benz’s Media Interface Plus costs about \$300 and enables customers to listen to, and control, the Pandora application on iPhone or BlackBerry smartphones to stream music through the car’s premium audio system. Songs can be easily accessed through the car’s own screen interface. Additionally, when connected using a special video cable, the Media Interface Plus enables customers to play iPod or iPhone videos on the vehicle display while the vehicle is stopped. Wireless downloading of a customer’s phone-book to the car is also available.

### **From James Bond to Your Car**

In the mid-1990s, something straight out of a James Bond movie emerged for automobiles: in-car navigation using Global Positioning Satellite (GPS) technology. Initial acceptance of the systems, which fetched a \$2,000-plus price tag, got off to a slow start, but demand picked up as benefits of GPS systems became clear and when pricing became more consistent with consumer

# THAT’S **INFO**TAINMENT!

### **Keeping Up with Music Technology**

Today’s infotainment technology remains rooted mainly in consumer demand for quality audio. Since the introduction of car radios in the 1930s, in-car audio has gone through a long evolution and today remains of paramount importance to car buyers. That puts enormous pressure on carmakers to respond to the latest trends accurately and quickly. As history has shown, they have not always done so. For example, most automakers ceded high-quality mobile audio to the aftermarket in the 1970s and 1980s, missing out on substantial profits.

More recently, just as carmakers began to perfect the inclusion of CD changers in car dashboards, including MP3 file capability, digital music players joined the scene. With Apple iPod® players in the lead, digital music rapidly gained public acceptance. Now, digital audio is pushing in-dash CD players toward extinction.

“Integration for an iPod is expected,” said Marshall. “At a bare minimum, there must be a connection for a music player. Then comes the issue of whether it works with the car’s interface.”

Along with high-quality sound, consumers expect to be able

expectations. Today, many such systems, while usually priced at \$1,500 or more, are often bundled with upgraded audio and other features, such as a back-up camera.

In-car navigation continues to grow in demand, according to Marshall. Factory-optional in-dash navigation systems remain popular, but they’re not the only means to provide navigation. Rather, more consumers are showing interest in “connected-car” based navigation, where directions can be downloaded to the car on the fly from a central operator.

The popularity of low-priced portable navigation systems has likely blunted the take-rate for in-car systems, especially in lower-priced segments. Some carmakers responded by partnering with makers of such systems. Suzuki became the first carmaker to offer a touch-screen navigation system as standard in a low-priced vehicle with its 2009 SX4 Crossover. At an MSRP of under \$16,199, the current SX4 Sport S sedan remains the lowest-priced vehicle to offer the feature as standard. Some Subaru models for 2011 offer an available portable/removable navigation system from TomTom.

*continued on page 16*



**Bluetooth streaming audio, as shown in this Subaru Outback, allows the user to send music wirelessly from a compatible cell phone to the car's audio system.**

## PAYING A PREMIUM FOR PREMIUM AUDIO

Consumers have always had a keen interest in premium automotive audio systems. Today, audio brands such as Bose, harman/kardon, Rockford Fosgate, and numerous others are ubiquitous across most vehicle segments.

A recent J.D. Power and Associates survey of consumer premium audio preferences found the following:

When consumers were not shown a brand name:

- 74 percent expressed interest in buying without a stated price tag
- 54 percent said they would be "likely" to buy it for \$500
- 43 percent said they would be "likely" to spend \$750

When given a list of audio brand names, but no other information:

- 39 percent said they would be willing to spend \$1,000
- 36 percent would spend \$1,500

*continued from page 15*

### The Connected Car

The same GPS technology used for navigation systems forms the foundation of connected-car systems that can report collisions to central call centers and offer stolen vehicle location and other services. While still heavily promoted as safety features, such packages are expanding in features offered, including personal concierge services.

Mercedes-Benz mbrace™ (offered through Hughes Telematics) is one such system that is considered "embedded." That means it relies on the vehicle's own integrated GPS and cellular communications hardware. Systems that rely on the user's personal smartphone for connectivity are considered "tethered." While such systems can offer connectivity features at a lower price, critics say they can lose the safety advantage if, in a vehicle collision, the driver's phone is lost or damaged.

There is a blurring of lines between navigation and connectivity, according to Marshall. "Consumers want carmakers to layer in even more information capability," he said, explaining that much of this demand is being driven by the ever-increasing capability of smartphones.

Policano of Mercedes-Benz USA concurs. "The focus is on integrating the personal electronic devices that consumers use outside the car," he said. Using his personal iPhone, Policano demonstrated the Mercedes-Benz mbrace Mobile Application version 2.0, which allows Mercedes-Benz customers to access their mbrace services when they leave their vehicles. In a full parking lot, Policano used his iPhone to first locate his Mercedes GLK, and then, as he approached it, to unlock it.

### An Eye on Driver Distraction

The burgeoning capabilities of in-car and smartphone technology have carried some unfortunate consequences. Widespread in-car cell phone use came to be targeted as a

driver distraction, prompting regulations on its use and accelerating adoption of Bluetooth wireless technology for use with phones in cars. Some studies, meanwhile, have shown that even hands-free talking on a cell phone requires a level of concentration that can distract the driver from the task of driving.

The rise in "texting" has resulted in more accidents attributed to driver distraction. The inevitable result has been more legislation. As of this writing, 28 states have banned texting while driving. The federal government claims a reduction in accidents, but the Highway Data Loss Institute (HLDI), an affiliate of the Insurance Institute for Highway Safety (IIHS), disputes this finding.

"Neither texting bans nor bans on hand-held phone use have reduced crash risk," said Adrian Lund, president of both HLDI and the IIHS. The reason, not surprisingly, is that drivers are simply ignoring the bans.

### Consumer Expectation vs. Safety

Policano explained that, while carmakers have the ability to integrate a wide array of new features into cars, they walk a fine line between the possible and the prudent, always balancing consumer expectation with safety concerns. "People are talking about doing Facebook updates from their cars. Is it possible? Maybe. Can it be done safely? We don't know yet. Our job is to integrate features into the car in the safest way possible, and to keep refining the human-machine interface (HMI) for optimal safety."

Addressing the HMI issue, Marshall gives a demonstration using PowerPoint slides of a car's dashboard from 1965 with 20 buttons and levers, a car from 1985 with 40, and a car from 2005 with 95. "Drivers must continuously adapt to increasing complexity," he said, also questioning how much further carmakers can push this.

Voice control is touted as one way to reduce driver distraction, but Marshall said, "We're still waiting for a good execution of natural language. There's also no industry standard for voice, which can confuse drivers when they change cars."

### What's Next

Some brands, including Subaru, are already offering in-car internet access. The 3G wireless technology is provided by vendor AutoNet. The package costs about \$500 for the equipment and requires a data plan that's about \$30 a month.

"Carmakers must continually look at what people do outside the vehicle—how they stay informed, how they communicate and get entertained," said Marshall. "It's those trends that are intersecting at the smartphone, the device that an increasing number of people are using. They don't want to give up that capability when they're in the car."

The next wave in connected technology may be integrating a driver's smartphone display into the car's own display screen. Marshall explained that the ground work had already begun. "It's not a technical challenge for OE's to make their screens compatible with phone screens. It's possible, but not being done just yet." **AD**



# SAVING SAAB

VICTOR MULLER IS BRINGING THE EUROPEAN AUTOMAKER BACK FROM THE BRINK



A redesigned Saab 9-5 debuted to favorable reviews.



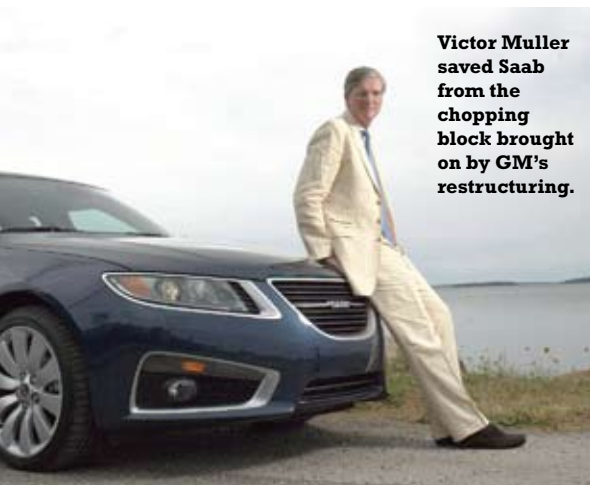
Victor Muller (left) is shown with Jan Ake Jonsson (right), Saab's president and CEO, as the first Saab 9-5 rolled off the reopened assembly line at Saab's Trollhättan plant.

**F**or 63 years, Saab has reliably produced stylish, yet quirky vehicles. Now, despite recent upheaval, Saab's future is looking brighter than ever, and fans of the iconic brand are celebrating its bold new ownership turnaround. Saab came close to extinction in late 2009 as General Motors, moving through bankruptcy and restructuring proceedings, acted to sell or eliminate several of its units, including Saab. Through a long course of events, Victor Muller—an entrepreneur, lawyer, and co-founder and CEO of Spyker Cars, Nev.—moved to purchase GM's ailing Saab unit. On Feb. 23, 2010—after several weeks of intense negotiations on the part of Muller and Saab's CEO, Jan Ake Jonsson, to secure \$1 billion in financing capital—GM announced the brand had been sold to Spyker Cars.

AIADA recently sat down with Muller where he discussed his original interest in Saab's heritage and brand identity. He also outlined his vision for the brand as it moves forward, emphasizing that although trouble has befallen the automaker in the past few years, he plans for Saab to be a player in the auto industry for years to come.

*continued on page 18*

**BY MARTY BERNSTEIN, AIADA CONTRIBUTING EDITOR**



**Victor Muller saved Saab from the chopping block brought on by GM's restructuring.**

Photo: Michael Lewis

**AIADA: Why did you buy Saab?**

**VM:** We bought Saab primarily to make money. But I can truly say we didn't buy Saab *just* to make money. We bought Saab because it was a once in a lifetime opportunity to buy an iconic brand for the price of their windtunnel. As an entrepreneur you can do two things: step up to the plate and take the opportunity, or not do it and regret it for the rest of your life.

**AIADA: But General Motors had already turned you down. Why did you proceed?**

**VM:** I am not that type of entrepreneur, so I would not give up. I was a bad penny to GM and just wouldn't go away. And I am so glad I persevered. I am so glad I didn't give up. This cannot happen; this company cannot go down. All these people, all this beautiful stuff. GM wanted to liquidate everything, including the museum—the heritage of the brand. And here we are today. We've done it.

**AIADA: Somehow you negotiated and finalized the deal and raised financing during a period of time when it was next to impossible, and you did it at the speed of light.**

**VM:** Yes, impossible, but I raised a billion dollars. We fought with a complete death wish. There was nothing to lose. Because the moment we would give up, the company was done, gone. We fought like kamikaze pilots because we had nothing to lose.

**AIADA: Have GM's corporate functions been kept in place?**

**VM:** Some things have changed. We

have extracted the sales and marketing organization worldwide from the GM organization. Previously, Saab would sell its product through GM distributors around the world. So when a car left the factory in Trollhättan, Sweden, it was no longer under the control of the company. Now, we've cut all those distributors loose and are signing new distribution partners around the world, including China and recently Russia, and others are in negotiation.

**AIADA: Now that you own Saab, what is being done to grow the business?**

**VM:** We are proceeding realistically with a goal of just 100,000 units to sell profitably in our first year. A quarter of this number will be sold in the U.S. Great Britain and Sweden are the next biggest markets.

**AIADA: What is the goal of Saab's new marketing, advertising, and promotional programs?**

**VM:** The whole purpose is to instill confidence in the consumer, in the Saab buyer, and in Saab dealers. We have hired a new advertising agency and worked with our dealers on special programs and incentives to build confidence in the brand. Saab is a brand you can trust. If everyone starts to get that message, people that want to buy a Saab will not feel embarrassed to buy something from the dead, right? We are aiming for a wider audience, to tell them to put Saab on their shopping list. They need to know Saab is an



established brand. It's here to stay.

**AIADA: The new 9-5 is replacing a thirteen year old model. What is being done for other new products?**

**VM:** The new 9-5 is getting favorable reviews and comments from auto writers, which is very good news. Our dealer organization is excited about this new car. We have other new cars coming over the next year or so including a new 9-4X, a 9-3, and I drew the new Saab 9-2 in these months of negotiations to keep myself sane. I wanted to work on something positive for the future. It's a pretty good design, and we're in negotiations to work with a strategic partner.

**AIADA: Your enthusiasm and passion seems contagious . . .**

**VM:** That's why I do it myself . . . because I have the authenticity of being the guy that took Saab from the brink. Nobody else can tell the story with the same authenticity because they didn't and I did. I did it all myself. No investment bankers, nothing. As a lawyer, I didn't need someone else to do it for me. It's much more effective when I do it myself, and layers would have only caused further delays and more money. Millions more, but particularly it would have cost more time which we didn't have. That's why I am telling the story together with Jan Ake [Saab's CEO]. Hand in hand, we fought our way through this battle. And that makes us very credible in telling the story—not only is my money at stake, but also we did it! That's why we are making the rounds for the past five months. And I will do it for another five months, until there is stability about the perception that Saab is healthy. That Saab is here to stay. **AD**

**Saab's production plant in Trollhättan, Sweden.**

Photo: © Saab Automobile AB



# Dealers Check In

**Jeff Joseph**  
**President**  
**Don Joseph Toyota**  
**Kent, Ohio**

**This is Jeff Joseph's 40th year in the car business. However, he started working part-time with his father when he was just 12 years old, which, according to Joseph, provides some of his best memories. As a dealer-veteran, he says modern technology has provided some of the biggest changes in running a dealership and has improved his ability to provide good customer service. In 2009, his dealership underwent a large renovation resulting in more showroom space and a 20 percent increase in his dealership staff.**

**What methods do you use to attract and retain the best employees?**

I have a lot of long term employees. Over 60 percent of our employees have been here 10 or more years. Of that 60 percent, 20 percent have been here over 20 years. We have technicians who started working here when they were 18, and they are now 50. The majority of technicians have been with us over 20 years. Every one of my sales management team has been here 20

plus years. The newest person in the management team is my daughter, who has been here eight years. We have very little turnover.

I believe you're only as good the people who work for you. We try to attract family-oriented people. Since the biggest drawback in the car business is the hours, we give days off, weekends off, etc. We have good benefits and healthcare. We contribute three percent of everyone's salary to a 401(k) plan. We're looking for people that are looking for a long term commitment.



**Are there any new additions to your business that we can highlight?**

We opened our new facility on Sept. 9, 2009. We had an existing 23,000 square foot building from 1989, and we completely renovated that and added an additional 25,000 square feet to that. We tore up our inventory lots.

While remodeling our business, we spent a lot of time and effort to make the vehicles "green." Venture Lighting was a huge help in the building and lighting of the dealership, helping us get the best lighting technology. They've been so good to deal with, and I think we've been good for them. We're lighting the place up like a Christmas tree with a lot less energy than we used to use.

**What is your personal "dream car"?**

I'd love to have the new Lexus LFA that's coming out. More than any other car, I'd love to have that.



**Marc D. Garvey**  
**Dealer Principal/Owner**  
**Garvey Auto Group**  
**Queensbury, N.Y.**

**Marc D. Garvey is a 32-year veteran of the auto retail industry. He started out by working for his brother. Today, he is the owner and dealer principal of a dealer group that spans four dealerships and one body shop. Together, his business supports fundraising efforts for the local juvenile diabetes program, Red Cross, Regional Kidney Foundation, Cancer Society, and autism program. In addition to remaining active in the local community, his dealerships have received numerous sales and service, customer satisfaction, dealer excellence, and dealer recognition awards.**

**Are there any new additions to your business that you'd like to highlight?**

We have just invested \$250,000 in our Body Shop business. We redid the complete facility and changed it into a "Blueprint Body Shop." It is set up like a manufacturing plant. Efficiency has increased 200 percent.

**When did you first get involved with AIADA and why?**

Years ago with my Volkswagen franchise, we needed a voice as international dealers. Now, with Hyundai and Kia brands and

*continued on page 20*

## MARC D. GARVEY

*continued*

being involved with national and regional councils, I realized it's imperative for our business plan and our future

### What do you believe is the most important factor(s) in running a successful dealership?

Besides the usual stuff of expense control, marketing, and customer retention, it's the ability of any dealership to accept and initiate procedural change immediately to keep up with daily change that occurs in the automobile business. If you procrastinate or blink you'll miss an opportunity; missed opportunities cost you money and customers.



### What is one thing you would like lawmakers to know about your business?

When we sell a car for \$20,000, we don't put all the money in our pocket. In Washington, talking to the members, I realized that these people make laws that affect our business, and they actually have no clue about any aspect of what we do. They should communicate with the people they represent outside of Washington for starters.

### In your opinion, how have events in Washington, D.C., impacted your business and employees?

The more they get involved, the more arduous our processes become. Our expenses increase, but we never get anything for that. The end result is that the consumer and middle class pays. Less government involvement would be a great first step

### What are some ways you're "greening" your dealership operations?

All water based fluids, energy saving everything, waste oil burners, less paper. All of our employees are very cognizant not to waste and be environmentally friendly.

## Buzz Rodland President and General Manager Rodland Motor Company DBA Rodland Toyota/Scion Everett, Wash.

**Like many dealers, family is the cornerstone of former AIADA Chairman Buzz Rodland's life in the auto retail business. It's a job he inherited from his father when he first started working for him after school in 1964, and it's a job he's passing on to his daughters. Rodland's dealership has been the recipient of multiple customer service awards and has won the Snohomish County United Way President's Award three times. In addition to tending to his business and remaining active in his community, Rodland has been heavily involved in the industry over the years, which is evident in his work as AIADA's 2004 chairman and past chairman of the Toyota National Dealer Council.**

### When did you first get involved with AIADA and why?

I first learned about AIADA when my dad took me to the annual luncheon in New Orleans around 1980. At the time, Toyota sales in the U.S. were rising and there were many threats to the importation of "foreign" vehicles

coming out of Washington, D.C. Dad told me that if I was going to be successful with Toyota I was going to have to get involved with (then) The American International Automobile Association. I still have the program from that meeting.

## Thomas Moorehead Owner, Board Chairman, and CEO BMW of Sterling/MINI of Sterling Sterling, Va.

**Thomas A. Moorehead has been involved in the auto industry for 24 years. In 1988, he opened his first dealership, Sentry Buick Isuzu in Omaha, Neb. Today, he is the owner of BMW of Sterling and MINI of Sterling in Sterling, Va. A successful businessman, Moorehead has received various recognitions, including the *Washington Business Journal's* "Top 25 Minority Business Leaders" in 2008 and the National Association of Minority Auto Dealers' 2007 Lifetime Achievement Award.**



### What do you believe is the most important factor(s) in running a successful dealership?

Good people. My mantra is simple: (1) figure out who you are, (2) determine what's important to you, (3) set goals

and develop a plan for how you're going to get there (education, focus, determination, hard work, and some luck), and finally, (4) always look to help others. Then get the best people you can find to implement these.



**What is the most important factor(s) in running a successful dealership?**

The most important factor in running a successful dealership is “creating” a customer. That happens when a prospect has interacted with numerous employees over numerous visits and their experience consistently exceeds their expectations and everyone is “connecting.” That requires setting and expecting high quality and high stan-

dards in recruitment, hiring, processes, training, evaluation, and “kaizen” (a Japanese term that refers to continuous improvement).

**What is one thing you would like lawmakers to know about your business?**

The biggest mistake auto dealers make is assuming that lawmakers know what we do every day. As it turns out, most lawmakers don’t tend to come from business backgrounds so we need to constantly tell them our story on how we provide high paying employment for our communities and are cash machines for local, county, and state government, providing thousands of dollars of tax revenues.

**In your opinion, how have events in Washington, D.C., impacted your business?**

Thirty years ago we saw one issue or so every year that would directly affect our business. Today, with the influence, lobbying, and funding of trial

lawyers, unions, and environmentalists compounded by layers of regulations and thousands of full time government staffers, there seems to be a new threat every day. Now, more than ever, dealers need to keep up on the issues, connect with their elected officials and their staffs, and have a personal relationship with their hometown editor. It’s just as critical for dealers to expect the same from our employees so we need to keep them informed on how proposed legislation affects their workplace and invite lawmakers to the dealership to meet our staff.



**In your opinion, how have events in Washington, D.C., impacted your business and employees?**

Generally, good news from the Hill brings good news for retailers in sales and vice versa. The present climate in Washington and on the Hill is overshadowed by all the negatives that give a picture of uncertainty to the general public. Taxes and the national debt are overpowering issues. We need a climate that creates confidence in the system; one that would benefit all the political parties and calm the general public’s tension about the economy. Mr. Consumer is not ignorant to what is happening around him; he is aware that we cannot sustain our economy on borrowed money.

**What is your personal “dream car”?**

BMW Alpina Z8.

**What is your most memorable sale?**

My most memorable sale happened when I sold a Cadillac, Sedan DeVille to a customer who sold scrap metal as a “wagon vendor.” He had saved his money and was able to make a substantial down payment of \$11,000 on what was his dream car. But he was viewed as a risk by the financing company. I forced the issue of his credit because I knew this was a good customer and not a high risk. This was a man who wanted his “dream car,” had saved for it, and was deserving of it. I felt as proud as he did to be able to help him in attaining his dream. This

was his goal and desired status symbol. His daughter came to see me after his retirement party and thanked me for getting her dad his dream car that he had worked so long and hard in his small business. **AD**



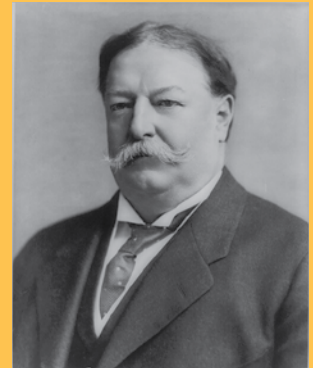
# Did You Know?

**Sedans and coupes** are common ground across the political spectrum. Both Republicans and Democrats prefer them.

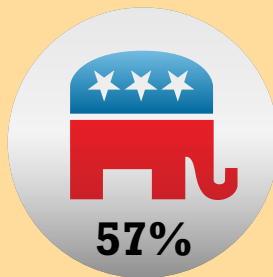
**The National Highway Traffic Safety Agency** was established in 1970.



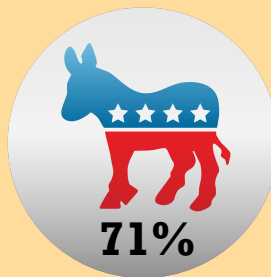
**William Taft** was the first president to use a car instead of a horse and buggy.



**According to a *U.S. News and World Report* survey,**



of Republicans



of Democrats

**claim to drive an international brand car.**

**In 1915,** Henry Ford started providing loans to consumers, making the **Ford Model T** affordable for the middle class.



**President Franklin D. Roosevelt's Packard** was the first armored car used by a U.S. president.

It's Our Business to Protect Yours®

American International  
Automobile Dealers **40**  
1970-2010 CELEBRATING years



*"Devastating—that's all I could think when I saw our dealership the morning after an F-4 tornado completely demolished our store and our inventory—new cars turned over, steel beams and 2x4 pieces of wood driven through glass, and car bodies.*

*Before the sun came up, our employees and our Federated marketing representative were on the scene helping to clean up the debris.*

*Federated immediately processed our claim and worked with us to start selling cars within two days. During the seven months required to rebuild, Federated was most helpful and responsive to our needs and continued their support even after we were fully back in business.*

*Thanks to our wonderful associates and Federated, we have remained successful through a devastating event."*

**Tom Holcombe**  
Little Apple Toyota/Honda  
Manhattan, Kansas



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# AIADA'S 41ST ANNUAL MEETING AND LUNCHEON

## in the driver's seat



Special Keynote Speaker:  
**JOHN MENDEL**  
Executive Vice President,  
Automobile Sales,  
American Honda Motor Co.

Monday, February 7, 2011  
11:30am – 1:30pm San Francisco, CA  
Marriott Marquis Hotel, Yerba Buena Ballroom

**Tickets:** Advance purchase \$80 each,  
table of 8 for \$600.  
Tickets at the door will be \$95.

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