



AIADA NAMES GRASSROOTS LEADERSHIP AWARD IN HONOR OF CALIFORNIA DEALER FRITZ HITCHCOCK

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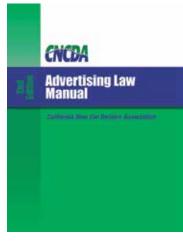


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# Los Angeles Dealer





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# Treater Los Angeles New Car Dealers Association

Originally founded in 1907, the Greater Los Angeles New Car Dealers Association provides valuable educational and philanthropic benefits to the Los Angeles Community.

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e hope all our dealer members are feeling the strength of the automotive market entering the fourth quarter of 2016. Sales data (see Auto Outlook report on page 26) for dealers here in the county suggests we are trending to hit year end levels close to or slightly above 2015 numbers! We remain optimistic that this strength will continue in 2017!

The association continues its work in the area of dealer education opportunities in October (see info/registration form on page 13) for dealer principals, general managers and service managers on current and relevant EPA/OSHA issues. In August four separate telephone training seminars were held in the San Gabriel and San Fernando Valley. These training sessions for both Salespeople, and Cashiers and Receptionists were very well attended and useful as employees headed back to their dealerships. We will soon be announcing additional training opportunities in early 2017 that we hope you will consider attending.

GLANCDA was well represented at the recent NADA Washington Conference in our nations' capital (Sept 20-21). Delegations of dealers and ATAE's from throughout the country come together each year at this lobbying event to directly discuss with elected officials important matters that impact our industry. One of this years' focal point is a Senate Bill we support that impacts our ability to provide discounted auto financing to our customers and be adequately compensated. We also met with members of Congress on educating them about the need to oppose overly broad legislation that would ground all used vehicles subject to open recall. Our meetings with elected officials if successful will have big upside outcomes for our dealer members.

The 2016 Los Angeles Auto Show is fast approaching with press days kicking off on Tuesday November 15. Our dealer members will be soon receiving their ticket packages, for use with customers and employees to drive traffic to their showroom floors. Public days run from November 18th through the 27th and we look forward to seeing you there and making this years' show the biggest and most successful ever! •



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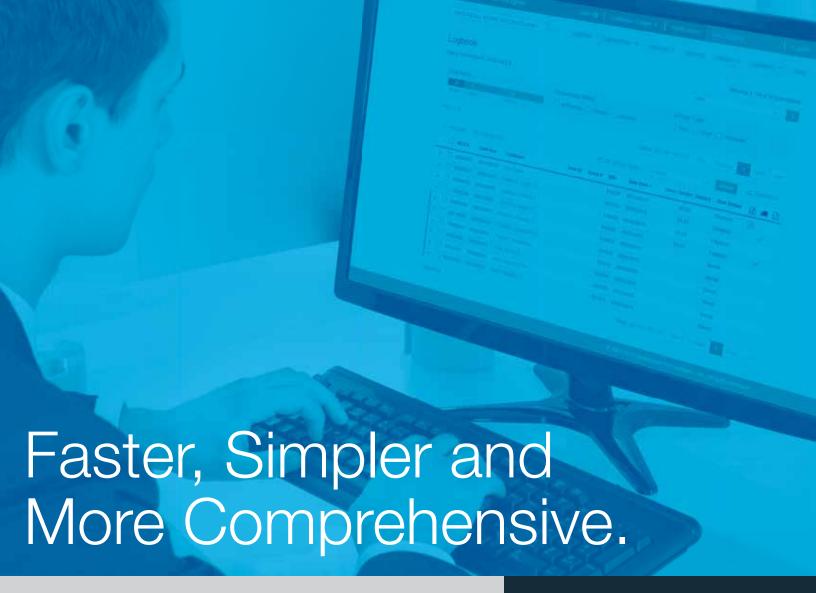


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# INTRODUCING AUTOMOBILITY LA

NSA Productions, owners and operators of the Los Angeles Auto Show (LA Auto Show®), announced that they are combining LA Auto Show Press and Trade Days with their fouryear-old auto-tech conference, Connected Car Expo (CCE), to form the four-day pre-show event, AutoMobility LATM.

This is the culmination of a five-year effort to evolve the show's press and trade days into a bona fide trade show, designed exclusively for the new automotive industry. The four-day event will continue to bring together the entire "new mobility ecosystem" - comprised of automakers, tech companies, designers, developers, startups, investors, dealers, government officials, analysts, etc. - to redefine and unveil the future of transportation.

Preceding the 10-day LA Auto Show consumer event, AutoMobility LATM will occur from November 14-17, at the Los Angeles Convention Center and includes the Technology Pavilion – a new 50,000-square-foot building being constructed to accommodate double the auto-tech exhibits over last year's CCE.

Leading automakers and technology giants alike are already signed on to make major announcements during AutoMobility LATM, including Mark Fields, President and Chief PLEASE NOTE: the LA Auto Show Executive Officer of Ford Motor Company, who will deliver the opening AutoMobility LATM keynote on Tuesday, November 15.

name will continue for the public attendance days, as it has for the past 109 years. The public show will run from November 18-27, 2016. •





utomobile Dealers Association (AIADA) today renamed its Grassroots Leadership Award in honor of California auto dealer Fritz Hitchcock, who was also named as its first recipient. The award was presented during AIADA's 10th Annual International Auto Industry Summit in Washington D.C., and recognizes Hitchcock's efforts in engaging elected officials and other policymakers on the issues important to the international auto dealer community.

"I can't think of anyone who has been so deeply involved in advocating for America's international franchise dealer community with legislators and policymakers," said AIADA President Cody Lusk. "Naming the award in Fritz's honor should inspire other dealers to take the same proactive role he has in building relationships with legislators and ensuring they know about our industry."

A former chairman of the California Chamber of Commerce, Hitchcock is the owner and operator of three Southern California auto dealerships: Puente Hills Toyota, Northridge Toyota, and Toyota of Santa Barbara. He served as Chairman of AIADA's Board of Directors and was co-founder of the Automotive Free International Trade Political Action Committee (AFIT-PAC). He has also served as President of

the California New Car Dealers Association and Chairman of the Toyota and Mazda National Dealer Councils.

In addition to his extensive industry involvement and awards, Hitchcock has dedicated his time to varied philanthropic pursuits. His scholarship fund has provided debt-free college educations for over 74 people, including two doctors, and currently includes nine students.

AIADA's Fritz Hitchcock Award is presented by its grassroots initiative, the Legislative Action Network, to recognize members who have worked to improve awareness in Washington, D.C., of issues impacting America's international automobile franchises. AIADA seeks to connect auto dealers with the legislative process, enabling them to be heard on concerns that impact their businesses. For more on the award, visit www.AIADA.org. •

About AlADA: Established in 1970, AlADA is and continues to be the only association whose sole purpose is the represent America's international nameplate automobile franchises that sell and service the following brands: Acura, Aston Martin, Audi, Bentley, BMW, Ferrari, Honda, Hyundai, Infiniti, Jaguar, Kia, Land Rover, Lexus, Maserati, Maybach, Mazda, Mercedes, MINI, Mitsubishi, Nissan, Porsche, Rolls Royce, Scion, Smart, Subaru, Toyota, Volkswagen, and Volvo. These retailers have a positive economic impact both nationally and in the local communities they serve, providing more than 500,000 American jobs. Visit AlADA online at www.aiada.org.

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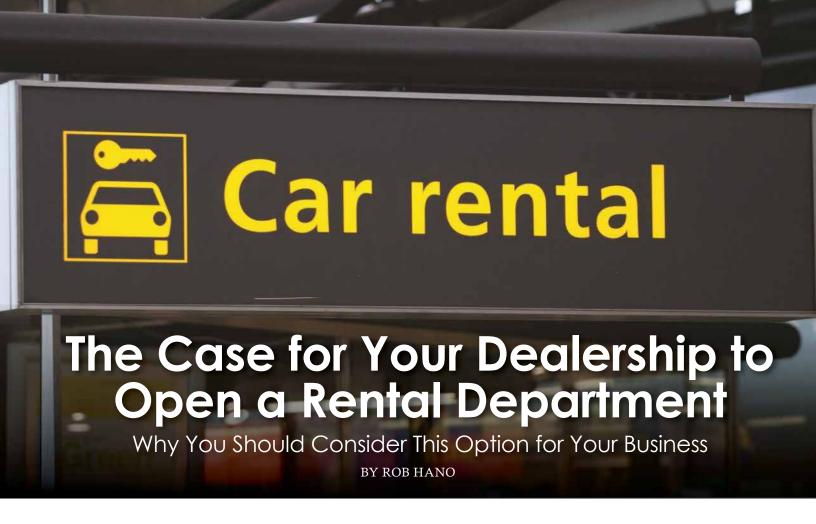
# Villa Esperanza

he Greater Los Angeles New Car
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Ellis, a 2017 National Time Life Quality Dealer nominee, initially helped identify the group as a worthy entity for support consideration.

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ome thirty years ago, a small but growing company embarked upon an unprecedented expansion in the car rental industry. They aggressively pursued the local market, insurance and service replacement sectors like no other company had ever done before. Opening thousands of offices at or near new car dealerships in just a few years, they thrived by relying on the incredible opportunity afforded to them at these establishments. Here were locations with a seemingly endless supply of customers handed to them on a silver platter. These Service and Body Shop customers that needed a replacement vehicle were happy to find a car rental company on-premises or nearby to meet their needs. Most everyone knows the rest of the story. That rental company has since become the largest in the world. You will find them at most airports and they have locations around the globe. And one could argue that it all started with growth based on customers provided by new car dealerships around the U.S.

# A Different Business Climate

For dealerships and their rental departments, times have changed. Warranty coverage for Service customers that includes substitute transportation is commonplace. Replacement vehicle coverage for Body Shop customers through their insurance policy is the rule, not the exception. And the demand for neighborhood vehicle rental

availability continues to grow, proven by the success of the aforementioned company and thousands of other independent, franchised and dealership-owned rental departments. Clearly, a dealership based rental operation can be a success. On a national basis, even the laws that made running these businesses a more difficult proposition have eased, becoming friendlier to the rental industry. Combine all of this with the reduction in the number of new car dealerships in the U.S. There is no doubt that this has helped dealerships grow their customer base, thereby expanding their potential market for car rental customers.

## A Better Set of Tools

These days, there are many innovations available to help manage a rental department. Vehicle Rental Software that handles every aspect of the business is affordable and easy to use. Some offerings have the ability to integrate with your Dealership Management System for both Accounting and for providing customer information. You can quickly and accurately process transactions and billing. Certainly every dealership has a website.... Now you can link your dealership website to your rental software to allow for reservations to be uploaded automatically. And customers on your website can have access to real time rate and availability information while making these reservations.



Knowing where your vehicles are, what is due back and what is overdue is all just a matter of a few keystrokes. Customer data can be utilized for marketing purposes, building your aoverall dealership business.

Years ago, certain levels of technology were only cost effective for the largest rental operations. This is simply no longer the case. Now you can close a rental contract on your iPhone, process the credit card and email the customer their receipt in a matter of seconds. Vehicle Rental Software can provide you with all the data that you need to manage the business effectively. Knowing where your vehicles are, what is due back and what is overdue is all just a matter of a few keystrokes. Customer data can be utilized for marketing purposes, building your overall dealership business.

#### All the Details

Opening a rental department, either as a division within the dealership or as a separate company located on-premises, can be an involved undertaking. There are employees, inventory, office equipment, marketing, policies and insurance to consider, among other things. But a dealership is in a unique position to address many of these issues more easily than most. You have better access to inventory than any start-up rental company. Most likely, you already have someone that can handle your IT and office equipment needs. Through your current business relationships you may be able to find excellent staffing. And through existing vendors and manufacturer's contacts, other needs may easily be met. The rise of social media has made marketing and advertising much easier as well. Getting the word out to your existing customers is now a simple task that requires far less effort.

There are also excellent franchise organizations that focus on dealership and local market rental operations (there is even one owned by a dealership group in the U.S.). These organizations can provide the training and support for a rental division. They have the experience and the know-how to help a dealership get started as well. And they can be a source for fleet, insurance, and other needs with centralized purchasing power. A franchise can also give your business a greater internet presence. They may have reservation networks that will send more customers your way, adding to the dealership's market share by reaching new prospects.

# **The Bottom Line**

Only you can determine if a rental division at your dealership is something worth pursuing. But consider the following when making your decision: every customer that uses an outside car rental company to meet their needs may be renting and driving a different brand than your own. And most rental companies make it their business to sell their rental vehicles to their customers. Many even have a used car lot on-site. By letting your customers go elsewhere for a rental, you run the risk of losing future sales, service, and parts business. They may go elsewhere to trade-in a vehicle and use a different body shop. By providing a rental department to your customers, you encourage them to stay with you for the long haul. It gives you the ability to control the entire customer experience. You can drive more business by offering upgraded rental vehicles, showing them the latest that is available through your dealership. You can even provide rentals to those local corporate accounts that may have a need, instead of sending them elsewhere. And by maintaining a rental fleet of your own, you can supply CPO inventory to your used car department, vehicles that you maintained and managed. With the rising demand for CPO vehicles, a rental department can prove to be a very important factor in the successful dealership business model.

There are countless dealerships across the U.S. that have been tremendously successful running substantial rental divisions. And dealership owners and management are a very unique group in our country. They are more willing to share information with their peers than most in a friendly and open fashion. Whether through industry conferences or 20 Groups, a great deal can be learned just by speaking with the people you know. •

Rob Hano is the Director of Sales and Marketing at Dover, NJ-based Bluebird Auto Rental Systems and has been with Bluebird for over twenty years. He also has experience in the local rental market at both dealership and neighborhood rental operations. Bluebird is a leading provider of software and services to thousands of vehicle rental locations world-wide. Bluebird maintains partnerships with all the major DMS providers offering an integrated solution to dealership based rental and loaner fleets.





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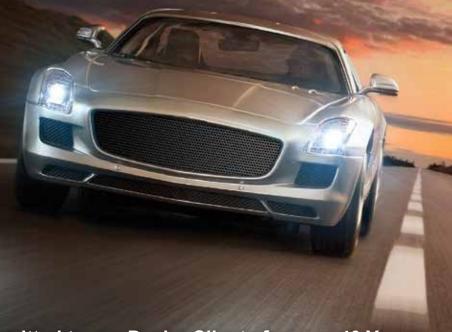
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# HANDLING DISASTER – WHEN IT HAPPENS TO YOUR DEALERSHIP

BY **NE**WSLINK STAFF

hat happens if tomorrow begins with an earthquake or some other kind of disaster? Let's say you and your family are fine. Your dealership is not. The building is only partially standing, the computers are going to be a complete loss, and the cars on your lot are damaged.

According to the Strategic Research Institute, you only have ten days to get your doors open again; otherwise, your dealership might be permanently out of business. You might still be in trouble even if you do open in time. Two years after a major disaster, the Association of Records Managers and Administrators has found that 60 percent of all businesses are gone because recovery costs were too expensive.

Why don't we prepare more? Eric Holdeman, former director of the King County, Washington, Office of Emergency Management and a contributing writer for Emergency Management magazine, says most people are in denial. They think disaster won't happen, or not to them. If they're wrong, they don't think it will be too serious. If it is, there isn't anything to be done about it anyway.

That kind of thinking is defeatist. But as Louis Pasteur famously said, "Chance favors the prepared mind."

The following sections will help you create a disaster plan for your dealership.

# **Identifying Risks and Impact**

What's the worst thing that can happen? Think about surrounding businesses and properties. Is your dealership next to a hospital, a military base, or a power plant? What about hazardous materials? What about someone suffering a heart attack, like a customer or an employee? Would people know what to do?

Prioritize your response to potential disasters. How likely is it that any particular disaster could occur, and if it does, is it likely to occur again? Which business processes are the most important? How long do you have to get your dealership back in order, and how much time would that actually take? How would you make sure you have enough money to pay your bills and keep your dealership going? Determine the value of your assets. List your assets, calculate your

expenses, and deduct the expenses from the value of your assets. Include everything: buildings, employees, and intellectual property. Don't underestimate potential damage. Most thunderstorms only affect a 15-mile diameter and are done in just 30 minutes, but the hail can cause \$1 billion in property and crop damage.

# **Strategies**

You have four options when it comes to developing a strategy:

- Do nothing for unlikely disasters.
- Remove risk by solving potential problems.
- Reduce remaining risk as much as possible.
- Transfer some or all of the risk to an insurance company. Not having insurance can put you out of business.

## The Plan

Decide who has the authority to put the disaster plan into motion, and who has authority to speak for your dealership throughout the crisis. Appoint someone else to step forward if you can't take charge.

Write a plan that will keep people as safe as possible, keep your dealership and its assets as safe as possible, and prevent a minor emergency from escalating. Think about how to assess the extent of the disaster. Walk through what you think you, and the people who work for you, should be doing. Do you need to be part of a community effort? Is it appropriate to send people home? Have employees take classes from the Red Cross to teach them basic first aid, CPR, and how to use an automated external defibrillator. Think about buying a defibrillator.

## The Test

You can review checklists with a group of people; test the plan by running a simulation, like a fire drill; conduct a test away from where your building is located to check things like data recovery; and do a full test where you shut down all or some of the critical business processes. Use full tests sparingly, and notify customers beforehand. Think about the cost versus the benefits, and don't subject anyone to unnecessary risks or fears.

### **Maintenance**

If you will come up with a plan and maintain it, you will be better prepared to handle whatever happens. That beats the alternative. •



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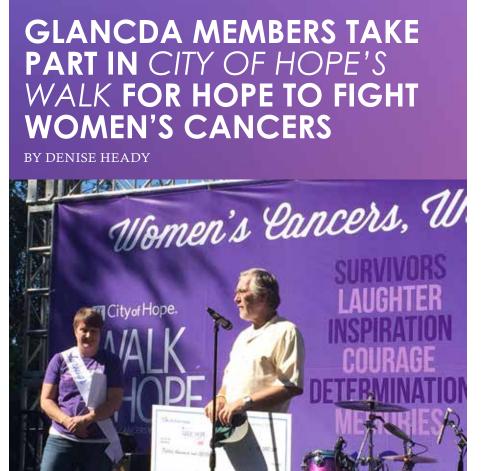
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or two decades, thousands of cancer survivors, patients, families and friends have participated in City of Hope's annual Walk for Hope to not only raise money and awareness for women's cancers, but to support and honor mothers, wives, daughters, sisters, aunts and friends who have fought — or even will fight — women's cancers.

Greater Los Angeles New Car Dealers Association (GLANCDA) is part of that team raising funds to benefit research, treatment and education programs for all cancers unique to women.

On Sunday, Nov. 6, GLANCDA members once again will gather with thousands of people (and hundreds of teams) for City of Hope's 20th annual Walk for Hope — a 5K/2K walk through the heart of City of Hope's campus. The walkers vary by team, but not by mission.

"At GLANCDA, it is important to show our support to our community, family and friends," said Bob Smith, Executive Director. "GLANCDA board member and director Peter Hoffman (Sierra Automotive Group) was instrumental in creating the partnership with Walk for Hope that now has been in place going back almost two decades. The mission of GLANCDA's philanthropic giving is to support worthy organizations in the communities where the new car dealers do business."

Since GLANCDA joined the walk in 1999, they have raised more than \$255,000 for

City of Hope, contributing to the \$38 million raised for City of Hope's Women's Cancers Program. As a sponsor at the Walk for Hope, GLANCDA's contribution to City of Hope helps their researchers create new cancer treatments that benefit women everywhere. City of Hope physicians and researchers are dedicated to improving the care and treatment of cancer patients everywhere through leading-edge, world-renowned research.

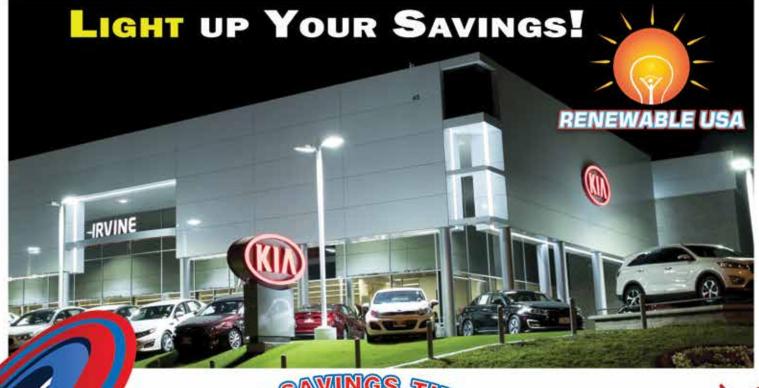
"City of Hope's Women's Cancers Program conducts innovative research to provide effective interventions for women with breast and gynecological cancers, and prevention of disease among women at risk," said Joanne Mortimer, M.D., director of City of Hope's Women's Cancers Program. "We are grateful for the funding we have received through Walk for Hope that enables us to provide a continuum of care — from research to risk assessment, prevention, treatment, education and survivorship."

Scientists at City of Hope are developing treatments with fewer and milder side effects, creating medicines that more precisely target women's cancers, exploring the cancer-fighting potential of superfoods such as mushrooms and blueberries, and examining the ways women can reduce their risk of cancer.

Join us in the fight against women's cancers. Register for Walk for Hope on Sunday, November 6, 2016, at www.walk-forhope.org or call 800-266-7920 for more information.

The event itself will feature an expo area, a live music performance, a special ceremony with a survivors' moment, giveaways, an interactive photo booth and food trucks. Event-day festivities begin at 8 a.m., opening ceremony begins at 9:45 a.m. and the Walk begins at 10 a.m.  $\odot$ 

# THE LED EXPERTS









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t used to be the car-buying experience was a fairly linear one. People who needed a car would come in when they were finally serious about buying, take a look at what was available, make a choice, and buy something. That isn't the way it works anymore. People usually start their shopping experience by doing some online research, but since most everyone is already overloaded with data, it often paralyzes them no matter what it is they are looking to buy. And although people do still come into the showroom, there's always a chance they will conduct the entire purchase online.

The car market today is highly competitive. That means you can't really afford to make too many mistakes with your digital marketing. But for many car dealers, a digital strategy can be difficult to develop.

It's not that car dealers haven't made some sort of effort toward online marketing. The problem usually has to do with a couple of strategic mistakes:

- Not all marketing platforms have the same message. When car dealers use multiple vendors, programs, and services, the result is a disjointed digital footprint that only looks good if you don't get too close to it.
- Some car dealers come up with a campaign strategy, implement it, and forget about it. You can do much better than that. What you want to aim for instead is a personalized experience for your potential customers, and make sure it is specifically driven by data you've gathered about them.

The best way to make sure the marketing message is a unified one is to put one person in charge of it. That person, of course, might supervise other people, but what you want to avoid is management by committee. It doesn't work. Make sure you train more than one person in how to use the system, however, so that you have multiple employees with the skills. Salespeople should be interested because these skills are marketable ones; you will be helping them.

You should also see whether your brand or regional dealer network already has a customer relationship management system or a digital engagement platform for its dealers to use. It's possible the cost might even be subsidized, and it should have corporate content for you to use, too. If you don't have a tool to help you with digital marketing, then you will need to find one. Don't forget the power of newsletters. Yes, people still read newsletters; they are great to have and are far from obsolete. Start by sending one version to customers and

# The only way to be sure you are meeting a customer's needs is by developing your understanding of the customer's needs, wants, and expectations.

prospective customers. You might want to think about tailoring newsletters as well, however, so that people get something that is personalized to their own needs. If someone is clearly interested in a wagon, for example, it would work well for that customer to get a newsletter with articles and ads about wagons.

You need to use every opportunity given to you to connect potential customers with the right message, regardless of the digital platforms they use. That customer who likes wagons should probably get emails aimed at her specific interest, too, and your website should reflect her interest in wagons as well. It's likely that anyone who uses an online chat feature is really pretty serious about getting a car; these potential customers are the equivalent of someone who has actually driven to your showroom and come in to talk to a salesperson. If someone chats online, therefore, maybe it's time for an online coupon offer.

Online chat can be handled by a service or by your dealership. Outsourcing online chat is somewhat like having an answering service. The difficulty with outsourcing it is that a third party may not be able to do as good a job answering questions as someone who actually works for you. You might want to consider having people work shifts where they focus on monitoring and answering chat messages.

How can you tailor information so your sales efforts are a good match for potential customers? You need to collect information about your customers while they make their digital search. What is the purpose of collecting this information? The information can give you some insight into who your potential customer is, and that makes it possible for you to respond creatively and intelligently to the customer's search. The only way to be sure you are meeting a customer's needs is by developing your understanding of the customer's needs, wants, and expectations.

A key part of your analysis ought to be deciding how engaged a customer is with the car brand and the dealership brand. An

engagement score is more useful than conventional web metrics, such as how long someone spends on a page, because it tells you how efficient your marketing is.

Make sure people have a reason to visit your website regularly. Websites should not be static, and they should also be optimized so that they work correctly on every platform someone might use. People will usually visit the website several times before actually showing up in your showroom, so consider the website to be a place where many potential customers will form their first impression of your business.

Your biggest selling opportunities are on smart phones. Almost half of the automobile searches being done are being on a phone instead of a computer, but most people usually buy something other than the car they first started researching. You might be interested to know that the conversion rate for the average PPC is 3.7 percent. The conversion rate for a mobile PPC ad is 5.3 percent. People who have smart phones bring them almost everywhere, including to the car lot. According to a Cars.com survey, 43 percent of your potential customers will use a smart phone while on your lot to do some online research at the same time as they are looking at your selection. They will visit your website, look up prices, and research features.

Smart phones can increase your ability to track and influence potential customers:

- Smart phones have functions that use GPS to find out where someone is.
- You can track calls or conversions on a keyword level because of the click button on Google pay per click (PPC) ads.
- An AdWords account can tell you the duration of a call.

Be careful about text messages. The Federal Trade Commission (FTC) has some strict rules about who you can and can't text when marketing something. Customers have to specifically opt-in to get them. If they have opted in, though, it's a great way to communicate with people. The read rate is 99 percent, and 90 percent of those who receive them will open and read them within three minutes. The response rate is 31 percent (a much better rate than for email messages). Make sure you keep text messages relevant; you don't want to send spam to people, because people hate spam. It's a good way to lose their attention.

To tailor the online shopping experience to each potential customer's previous behaviors, use Search and Geo IP data to personalize what each person sees on the website's home page. That allows you to make sure potential customers see information tailored personally to them so you can help them make a decision about what they really want, both while they are on the website and later on as well. •

# **Los Angeles Auto Outlook™**

Comprehensive information on the LA County new vehicle market

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# **Quick Facts**

New retail car and light truck registrations in the county increased a reported 31.5% in August 2016 versus a year earlier. Note: monthly recording of registrations occurs when the data is processed by the DMV. This can impact the measurement of registrations in individual months.

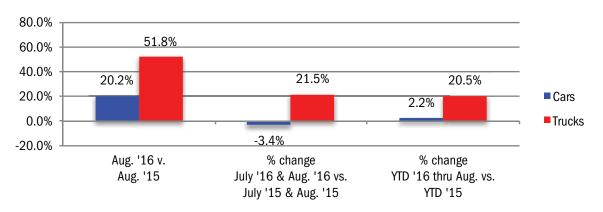
The county market was up 8.7% for the first eight months of this year. Light trucks were up 20.5%, versus a small increase for passenger cars.

The three month moving average of new vehicle registrations increased for the 56th consecutive month in August of this year.

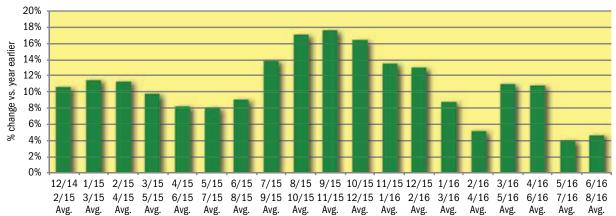
Volvo, Jaguar, Buick, Land Rover, Lincoln, and Chevrolet new vehicle registrations have increased sharply this year.

Los Angeles New Retail Car and Light Truck Registrations										
		Aug.		July '16 and	d Aug. '16 Co	mbined	Year to date thru August			
	2015	2016	% chg.	Previous	Current	% chg.	2015	2016	Chg.	
Industry Total	40,206	52,860	31.5%	91,223	96,097	5.3%	337,275	366,479	8.7%	
Cars	25,875	31,103	20.2%	59,118	57,079	-3.4%	218,604	223,477	2.2%	
Light Trucks	14,331	21,757	51.8%	32,105	39,018	21.5%	118,671	143,002	20.5%	
Detroit Three	7,589	10,159	33.9%	17,357	18,959	9.2%	63,465	72,369	14.0%	
European	8,067	10,700	32.6%	18,256	19,553	7.1%	70,423	74,753	6.1%	
Japanese	21,222	27,441	29.3%	47,901	49,197	2.7%	175,686	188,120	7.1%	
Korean	3,328	4,560	37.0%	7,709	8,388	8.8%	27,701	31,237	12.8%	

# Percent Change in Los Angeles County New Retail Light Vehicle Registrations



# % Change in Three Month Moving Average of New Retail Registrations vs. Year Earlier



The graph above provides a clear picture of the trending direction of the LA County market. It shows the year-over-year percent change in the three month moving average of new retail light vehicle registrations. The three month moving average is less erratic than monthly registrations, which can fluctuate due to such factors as the timing of manufacturer incentive programs, weather and title processing delays by governmental agencies.

#### **Data Information**

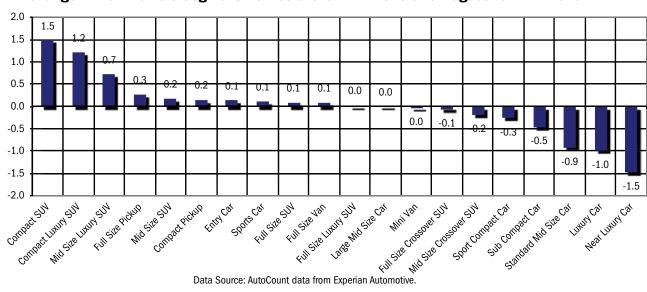
All data represents new and used vehicle retail registrations in Los Angeles County and excludes fleet. Please keep in mind that monthly registration figures can occasionally be subject to fluctuations, resulting in over or under estimation of actual results. This usually occurs due to processing delays by governmental agencies. For this reason, the year-to-date figures will typically be more reflective of market results. Green shaded areas in tables represent the top ten ranked brands. Data Source: AutoCount data from Experian Automotive.

Change in market share

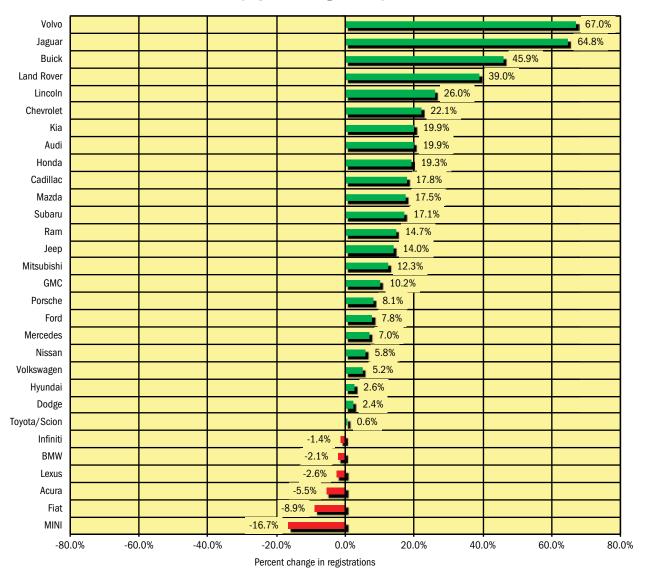
# **New Vehicle Market Brand Registrations**

Los Angeles New Retail Car and Light Truck Registrations												
	Aug.			July '16 and Aug. '16 Combined			Year to date thru August			YTD Market Share (%)		
	2015	2016		Previous	Current	% chg.	2015	2016	% chg.	2015	2016	Chg.
TOTAL	40,206	52,860	31.5%	91,223	96,097	5.3%	337,275	366,479	8.7%			
Acura	474	557	17.5%	1,077	980	-9.0%	4,203	3,971	-5.5%	1.2	1.1	-0.2
Audi	1,107	1,545	39.6%	2,424	3,034	25.2%	9,057	10,857	19.9%	2.7	3.0	0.3
BMW	1,891	2,632	39.2%	4,434	4,665	5.2%	18,357	17,965	-2.1%	5.4	4.9	-0.5
Buick	131	190	45.0%	288	363	26.0%	979	1,428	45.9%	0.3	0.4	0.1
Cadillac	222	300	35.1%	443	560	26.4%	1,811	2,133	17.8%	0.5	0.6	0.0
Chevrolet	2,312	3,332	44.1%	5,254	5,938	13.0%	17,451	21,310	22.1%	5.2	5.8	0.6
Chrysler	178	151	-15.2%	417	282	-32.4%	1,723	1,059	-38.5%	0.5	0.3	-0.2
Dodge	498	662	32.9%	1,224	1,214	-0.8%	4,720	4,831	2.4%	1.4	1.3	-0.1
Fiat	262	273	4.2%	524	439	-16.2%	2,265	2,063	-8.9%	0.7	0.6	-0.1
Ford	2,233	2,791	25.0%	5,056	5,328	5.4%	20,269	21,846	7.8%	6.0	6.0	0.0
GMC	476	515	8.2%	1,001	976	-2.5%	3,467	3,821	10.2%	1.0	1.0	0.0
Honda	5,635	8,239	46.2%	12,774	14,822	16.0%	46,095	54,989	19.3%	13.7	15.0	1.3
Hyundai	1,363	1,853	36.0%	3,165	3,432	8.4%	11,470	11,769	2.6%	3.4	3.2	-0.2
Infiniti	583	594	1.9%	1,284	1,094	-14.8%	4,921	4,850	-1.4%	1.5	1.3	-0.1
Jaguar	68	265	289.7%	150	444	196.0%	676	1,114	64.8%	0.2	0.3	0.1
Jeep	902	1,183	31.2%	2,091	2,182	4.4%	7,289	8,312	14.0%	2.2	2.3	0.1
Kia	1,965	2,707	37.8%	4,544	4,956	9.1%	16,231	19,468	19.9%	4.8	5.3	0.5
Land Rover	299	503	68.2%	664	872	31.3%	2,528	3,514	39.0%	0.7	1.0	0.2
Lexus	2,429	2,806	15.5%	4,902	4,806	-2.0%	18,822	18,335	-2.6%	5.6	5.0	-0.6
Lincoln	127	179	40.9%	329	367	11.6%	1,192	1,502	26.0%	0.4	0.4	0.1
Maserati	118	102	-13.6%	329	202	-38.6%	1,190	876	-26.4%	0.4	0.2	-0.1
Mazda	849	1,158	36.4%	1,854	2,186	17.9%	6,497	7,637	17.5%	1.9	2.1	0.2
Mercedes	2,244	2,932	30.7%	4,974	5,398	8.5%	18,736	20,040	7.0%	5.6	5.5	-0.1
MINI	308	348	13.0%	865	661	-23.6%	3,218	2,682	-16.7%	1.0	0.7	-0.2
Mitsubishi	108	161	49.1%	287	283	-1.4%	1,087	1,221	12.3%	0.3	0.3	0.0
Nissan	2,929	3,677	25.5%	6,677	6,503	-2.6%	24,119	25,525	5.8%	7.2	7.0	-0.2
Porsche	325	433	33.2%	691	757	9.6%	2,709	2,928	8.1%	0.8	0.8	0.0
Ram	339	499	47.2%	760	873	14.9%	2,723	3,123	14.7%	0.8	0.9	0.0
smart	34	26	-23.5%	68	39	-42.6%	298	178	-40.3%	0.1	0.0	0.0
Subaru	928	1,276	37.5%	1,952	2,299	17.8%	7,254	8,497	17.1%	2.2	2.3	0.2
Tesla	171	356	108.2%	494	875	77.1%	1,841	2,995	62.7%	0.5	0.8	0.3
Toyota/Scion	7,287	8,972	23.1%	17,094	16,223	-5.1%	62,688	63,094	0.6%	18.6	17.2	-1.4
Volkswagen	1,206	1,302	8.0%	2,685	2,367	-11.8%	9,659	10,162	5.2%	2.9	2.8	-0.1
Volvo	129	259	100.8%	270	523	93.7%	1,063	1,775	67.0%	0.3	0.5	
Other	76	82	7.9%	178	154	-13.5%	667	609	-8.7%	0.2	0.2	0.0

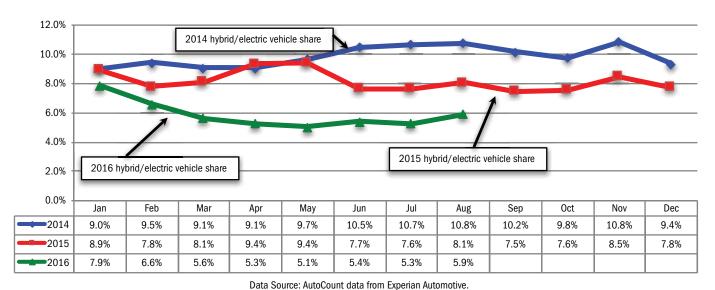
# Change in New Vehicle Segment Market Share - YTD 2016 thru August vs. YTD 2015



# Percent Change in Brand Registrations YTD 2016 thru August vs. YTD 2015 (Top 30 selling brands)

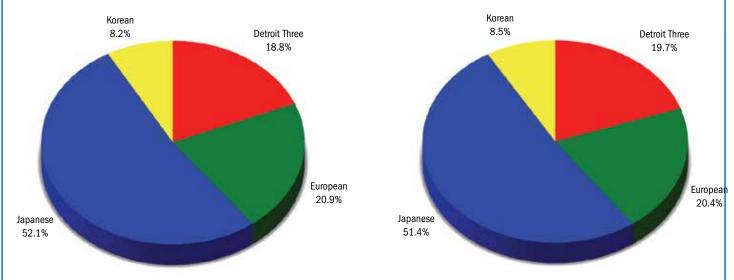


# **Combined Hybrid and Electric Vehicle Market Share in LA County**



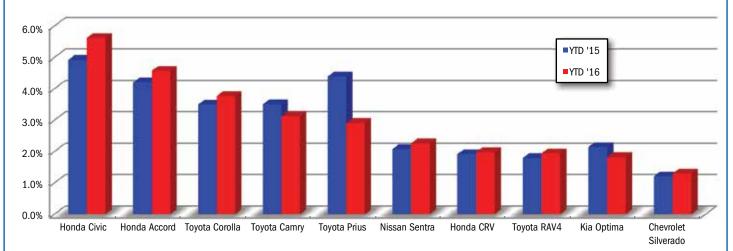






Data Source: AutoCount data from Experian Automotive.

# Market Share for Top 10 Selling Models in LA County - YTD '15 and '16, thru August



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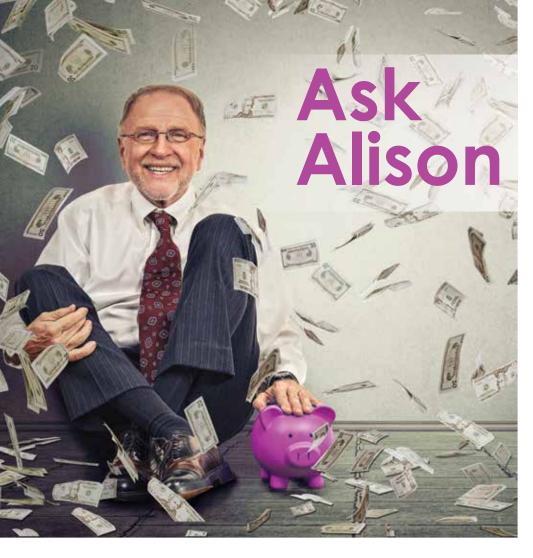


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Experian Automotive is the data provider for Los Angeles Auto Outlook.



n this "Ask Alison" edition, I will address ERISA compliance and how to prepare for a knock on your door from the Department of Labor (DOL).

# Q: What is ERISA?

A: Employee Retirement Income Security Act. Enacted in 1974 and sets minimum standards for pension and welfare plans provided by employers to protect their employees.

# Q: Which employers are subject to ERISA?

A: Nearly all private sector corporations, partnerships and proprietorships, including non-profit corporations must comply with ERISA regardless of their size or number of employees.

# Q: Department of Labor (DOL) audits...why now?

A: The DOL has been awarded funds to audit companies and one of the specific items they are looking for is ERISA compliance. HealthCare Reform has now put this in the "bright lights". There is an overall lack of awareness of ERISA compliance as prior to HCR there has been limited enforcement. ERISA compliance is not an option. It is the LAW and now is being very actively enforced.

# Q: What are the consequences if our dealership is not in compliance?

A: Audits are stressful, time consuming and disrupt day to day operations. More significantly, ERISA violations can be very costly.

Q: How does our dealership minimize risk and what steps do we take to minimize exposure to a DOL audit?

A: Respond to participant questions and requests for information in a timely manner. There are various documents required. One is filing Form 5500 on time (within 7 months from end of plan year) and ensure that it is accurate and complete. Another is distributing participant materials by deadlines, for example SPD's (within 90 days of becoming covered). Ensuring that all plan documents are up-to-date is crucial.

# Q: What are the penalties our dealership could face if we are audited and not in compliance?

A: Penalties vary based on violation(s). The IRS can impose \$110.00 per day per employee. The DOL can impose Civil and Criminal penalties ranging from \$10,000.00 to several hundred thousand dollars.

Benefit Compass Insurance Services offers solutions. If your dealership has concerns about being in compliance, Benefit Compass will perform a complimentary review of your current employee benefit program. Upon review we would do a Mock Audit to assist in determining your dealership's risk and needs in the event of a DOL audit. •

"Ask Alison" is a regular feature to our quarterly newsletter. Alison McCallum has been in the employee benefits industry for over 20 years. She is an owner/founder of Benefit Compass Insurance Services and works with a large number of dealers in Southern California.

GLANCDA members have free access to Benefit Compass Insurance Services' compliance resources, consultation and bulletins. If you have questions about DOL audits and compliance, please feel free to contact me at (949)289-9073 or amccallum@benefitcompass.com with questions. I look forward to answering your specific questions.

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