

DEALER POINT

Official Publication of the Wisconsin Automobile & Truck Dealers Association | 1928-2016 | Volume 41 Spring 2016



The **Politics** of Politics: **2016 ELECTIONS**



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A publication of the Wisconsin Automobile & Truck Dealers Association focusing on the human side of the membership and trade.

Our Mission:

The Wisconsin Automobile & Truck Dealers Association, an organization of licensed dealers of new and used motor vehicles, is dedicated to advancing the common good of its members, consumers and their communities by promoting professionalism and prosperity through education, advocacy, information and service.

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The Politics of Politics: 2016 ELECTIONS

BY BILL SEPIC, PRESIDENT

Our industry is under attack. At least it sure feels like it. On the federal landscape we are fighting the Consumer Financial Protection Bureau (CFPB) and claims that dealers discriminate in their auto assisted financing. Also, the Federal Trade Commission (FTC) would like to do away with individual state franchise laws. They believe dealers are antiquated and are protectionists. On the state landscape, we have elected officials that believe the customer is best served by direct sales from the manufacturer to the customer. They believe that General Motors knows what is better for Wisconsin than you the dealer that works, lives, employs and pays taxes here. State officials continue to try to balance the transportation budget on the sales of motor vehicles. All this leads us to a very important summer.

With the 2016 elections coming up quickly, let's take a look at the summer ahead of us. At the Federal level, eight of our ten elected officials are running for re-election. Those individuals include Senator Ron Johnson; and Representatives Paul Ryan; Mark Pocan; Ron Kind; Gwen Moore; Jim Sensenbrenner; Glenn Grothman; and Sean Duffy. There is one open seat—the 8th Congressional District seat vacated by retiring Congressman Reid Ribble. The 8th District lines run north of Appleton through Green Bay; and north to the Upper Peninsula of Michigan.



ASK questions

Let's look that seat first. Representative Ribble is a great representative for the state of Wisconsin and a friend of the automotive and truck dealers. Representative Ribble indicated when he first ran for office that he would only serve up to four terms in the House of Representatives. The Congressman is staying true to his word and retiring after three terms. He is going to be missed by many around the state. Running for his vacated seat include: state Senator Frank Lasee (R); Mike Gallagher (R) a former Marine Captain; Tony Saladino (D); Jerry Kobishop (D); and Tom Nelson (D) Outagamie County Executive. The primary and general elections promise to be interesting.

Although the other seven congressional seats are up for re-election, because of how the lines are drawn for each district, it will be difficult for any of the incumbents to be defeated.

Which leads us to one of the two U.S. Senate seats that is being contested. Senator Ron Johnson is being challenged by former Senator Russ Feingold. Currently the race is a statistical dead-heat and promises to be close right up to Election Day.

This summer you will be approached by one or more of these campaigns to provide money. WATDA strongly encourages you to participate. Involvement and financial contribution in



“Involvement and financial contribution in the process is essential.”

the process is essential. When choosing your federal candidate ask them the following:

How did they or how would they have voted on HR1737?

This bill simply asks that the CFPB follow a transparent process like all other US agencies. The bill had 244 Republicans vote for it and 88 Democrats. This is a bipartisan issue and is a relatively easy ask from our industry.

Wisconsin Congressional votes:

Aye – Ryan (R), Kind (D), Sensenbrenner (R), Grothmann (R), Duffy (R), Ribble (R)

No – Pocan (D), Moore (D)

If you are talking to one of our candidates for senate, the above bill has a senate companion S2663. It is the same bill that sailed through the House but authored by a senator. Once again, this is an easy ask and if the candidates cannot support it, then it will be difficult for them to ever support us. No vote has been taken in the senate, but please ask the question.

The state races are more plentiful and therefore slightly more complicated. All 99 assembly seats are up for election. In the state senate, 16 of the 33 seats are up for election. Wisconsin state senators serve staggered, four-year terms and half of the senate is up for election every two years. It goes without saying that these individuals hold a considerable amount of power when it comes to your business and your livelihood. These are the people that are responsible for the Wisconsin Motor Vehicle Franchise Laws (WMVFL). They can change them for the better or worse. To put this into context, since the last franchise law updates there are only 44 representatives out of 99 still in office; and 18 of 33 senators: over half the elected officials have changed since 2011. These people are members of our communities and no doubt will ask for your help in their election process. Before you give anyone money, you should ask:

Do you support the Wisconsin Motor Vehicle Franchise Laws and would you vote for updates if they were brought before you?

Do you believe in the motor vehicle franchise system or would you provide legislation that would allow companies to sell their vehicles directly to the consumer?

Do they know that General Motors is trying to change language in our law that you agreed to only five years ago?

That language insures that you can get paid for warranty work at the same rate as a customer pays you for similar non-warranty work; something we have tried to achieve for 40 years but have been unable to get.

WATDA will provide dealers with a small list of WATDA supported bills and those who voted against as well as some WATDA opposed bills and those who signed onto those bills. Our intent is not to publish the names but to share them with members so they can ask, visit and educate those candidates they wish to support. Please call and ask for the “WATDA Legislative Help List.”

WATDA recently asked all dealers to participate in our CARPAC or Conduit (Dealer Direct Givers Fund, DDGF). It is sad, but people who believe that dealers are just out for themselves will give money totaling over hundreds of thousands of dollars to defeat our causes. One of the reasons we are so effective is that we have dealers in every Wisconsin county. We hire an average 40 employees per dealership; pay property taxes; payroll taxes and sales tax. We are the grassroots. But we need to be smarter than our adversaries. We have to invest in candidates that we know have similar views.

If you haven’t written a check to CARPAC or the Conduit, please contact our offices and ask how to participate. The 2017–2018 Legislative Session will prove to be challenging. Will General Motors introduce legislation to repeal parts of the 2011 WMVFL? Will manufacturers introduce legislation to sell vehicles directly to the public? Will fees and taxes on motor vehicles increase slightly or greatly to pay for the state’s transportation system? Will customer, dealer, manufacturer data become an issue that adds more burden to the sale of a vehicle? Your investment in our political process helps WATDA establish relationships, friendships and partnerships. This is crucial to our future success. ●

Reid Ribble's Promise is 8th District's Loss

REPRINTED WITH PERMISSION OF THE GREEN BAY PRESS GAZETTE EDITORIAL BOARD

U.S. Rep. Reid Ribble is keeping his campaign promise. The Republican from Sherwood announced on January 30 that he is not seeking re-election for the 8th Congressional District seat.

Keeping campaign promises is rare for some politicians and keeping one that means you're out of a job is even rarer among all the career politicians.

When Ribble ran for Congress in 2010 he said he'd serve only four terms at the most.

When Ribble's third term ends, Congress will lose one of the few representatives who isn't afraid to work on a bill with whomever else supports it, whether that person is a Democrat, Republican or independent.

It has been a refreshing change from the lawmakers who oppose proposals from those on the other side of the aisle simply because the other party proposed it, not because they disagreed with the merits of the measure.

It has been refreshing, but not surprising: Before the 2010 election, Ribble told the Green Bay Press-Gazette, "I'm a conservative more than I am a Republican."

Professing that is one thing; following through is another.

Ribble followed through.

He joined the No Labels group, a bipartisan movement with a goal of putting aside party propaganda and focusing on solving problems that all Americans faced, both Democrat and Republican.



Last year, Ribble reintroduced the John Tanner Fairness in Redistricting Act and the Redistricting Transparency Act of 2015. The goal: Restore transparency to the process of drawing up political boundaries every 10 years and end gerrymandering, which is the act of rigging a district so that it favors one party over any others.

There have been few Republicans on board with these acts, probably because the GOP is in power, in Congress and in the Wisconsin Legislature. (To be fair, it's an issue the Democrats in Wisconsin could have addressed when they held the Legislature, but they didn't.)

There are no candidates you will agree with 100 percent of the time, but Ribble has earned the benefit of the doubt because he acts on principle, not on fear.

For example, in October he quit the House Freedom Caucus because of its role in House Speaker John Boehner's resignation.

More so than other lawmakers, Ribble went a long way to bridge the gap between parties and find common ground. "Ribble has always operated by the theory that we should find out what we have in common and get those things done," U.S. Rep. Mark Pocan, D-Madison said after Ribble's announcement.

WATDA has respected, appreciated and enjoyed our relationship with Congressman Ribble and his staff. We will miss the dinners in Washington, the unsolicited tours of the Capitol, the unexpected visits after a floor vote and the smile that always accompanied him. He kept it real and remained a Wisconsinite from start to finish. Congratulations on three great terms as Congressman. ●

2016 Seminar Schedule

DATE	CITY	LOCATION	TIME	SEMINAR
May 10	Eau Claire	Best Western Trail Lodge, 3340 Mondovi Rd	8:30-Noon	Laws of Vehicle Sales
May 12	Madison	Comfort Inn & Suites, 4822 E Washington Ave	8:30-Noon	Laws of Vehicle Sales
May 17	Neenah	Best Western Bridgewood Resort, 1000 Cameron Way	8:30-Noon	Laws of Vehicle Sales
May 18	Pewaukee	Country Springs Hotel, 2810 Golf Rd	8:30-Noon	Laws of Vehicle Sales
Aug. 9	WI Dells	Wilderness Resort, 45 Hillman Rd	8:30-4:00	Office Manager Conference
Aug. 18	Eau Claire	Best Western Trail Lodge, 3340 Mondovi Rd	8:30-Noon	Title & Registration
Aug. 18	Eau Claire	Best Western Trail Lodge, 3340 Mondovi Rd	1:00-4:00	CVR User Group
Aug. 23	Neenah	Best Western Bridgewood Resort, 1000 Cameron Way	8:30-Noon	Title & Registration
Aug. 23	Neenah	Best Western Bridgewood Resort, 1000 Cameron Way	1:00-4:00	CVR User Group
Aug. 24	Madison	Comfort Inn & Suites, 4822 E Washington Ave	8:30-Noon	Title & Registration
Aug. 24	Madison	Comfort Inn & Suites, 4822 E Washington Ave	1:00-4:00	CVR User Group
Aug. 25	Pewaukee	Country Springs Hotel, 2810 Golf Rd	8:30-Noon	Title & Registration
Aug. 25	Pewaukee	Country Springs Hotel, 2810 Golf Rd	1:00-4:00	CVR User Group
Oct. 11	Wausau	Holiday Inn & Suites, 1000 Imperial Ave	8:30-4:30	F & I Conference
Oct. 19	Pewaukee	Country Springs Hotel, 2810 Golf Rd	8:30-4:30	F & I Conference
Nov. 22	Wisconsin Dells	Kalahari Resort, 1305 Kalahari Drive	8:30-4:30	Sales & Use Tax

Registration opens at 8:00 a.m. for all seminars. Lunch on your own. **Register online at www.watda.org**

We Need You

Because They Need Us



Hello,

My name is MeKael. I am 16 years old, and I've been at Rawhide for four months.

The people that have been instrumental in my success at Rawhide are my house father, therapist, basketball coach, many teachers at Starr Academy, my grandma, and cousin.

My favorite things to do are play basketball, football, work, and sleep. I really like attending church on Sundays with my Rawhide family and then going out to lunch together afterwards. (I love to eat)!

After I complete Rawhide's program, I plan to enter Job Corps and earn my high school diploma. Then I would like to go on to earn a two-year technical college degree in welding. I'm also considering training to be a Fire-fighter/Emergency Medical Technician (EMT).

I am very thankful for Rawhide accepting me into the program. In the beginning, I didn't want to be here and I thought Rawhide wasn't going to help me. However, now I can really see the love, care, and determination that the staff have for us and show us every day.

Thanks to Rawhide, I am on the road to a meaningful and successful life!

~Kael



How you can help:

- **Encourage your customers to donate their used cars, trucks, vans, and SUVs** to Rawhide instead of trading them in. Proceeds fund programs for troubled youth and families.
- **Donate a vehicle from your lot.** It is tax deductible.

83% of proceeds directly fund programs that change lives just like Kael.

Call **1-800-729-4433** or visit **Rawhide.org/WATDA donate.**



NADA Director's Report

BY BOB HUDSON



This is a year to pay attention to. By the end of 2016, we will have a new President and Vice President. There will be elections for all 435 voting-member seats in the House of Representatives, as well as 34 of the 100 seats in the Senate. Eventually, we'll have new officials appointed throughout all branches of the Federal Agencies. With political ads and campaign promises surrounding us,

Wisconsin auto dealers have the extraordinary opportunity to make sure we have a working relationship with those who make decisions on behalf of our industry. This is the year to pay attention to our issues and be a driving force in our nation's capital.

Arguably the most pressing issue is our continuing battle with the Consumer Financial Protection Bureau (CFPB). NADA's battle to tame the CFPB continues with this year's **Senate Bill 2663**. The bill, "*Reforming CFPB Indirect Auto Financing Guidance Act*," is identical to last year's House Bill—H.R. 1737—which successfully passed the House with a veto-proof majority vote. NADA is now backing S. 2663. Like last year's bill, this aims to rescind the CFPB's flawed auto finance guidance. It also calls for the CFPB to be more transparent and accountable when issuing future guidance. Moreover, the bill calls for a public comment period, coordination with regulatory agencies that possess authority over dealers, and a study of the impact of the guidance on small businesses and consumers. S. 2663 is a moderate bill that does not dictate a result.

We're fighting for what dealers have already known from the beginning: Our current system of optional, dealer assisted financing is fair and competitive. It boosts access to affordable credit for consumers and saves them money.

NADA urges us to contact our Senators and urge them to support and vote for the bill. It really is time that we all come together on this issue!

And with over 25,000 strong—including 2,800 international guests—we indeed came together at the 2016 Convention & Expo in Las Vegas, Nevada. There were over 100 workshop topics and industry experts to learn from. If you weren't able to join us, know that it's a *new day* at NADA—the mantra that

represents all the change and progress within our national association. Early last year, the Executive Committees initiated a major NADA corporate rebrand because no one knows better than dealers the value of a strong and recognizable brand. NADA's identity embodies its core missions that we are focused on for the future: advocating for dealers in Congress; advocating for dealers with manufacturers; defending dealers from harmful federal regulations; and defending our invaluable dealer franchise system.

Finally, our convention theme was "Connect"—a mandate to all of us across the industry including dealers, our finance partners, our manufacturers, and our industry allies. After all, this is a business that necessitates all of us and we need to have our voice represented once we've elected our new government officials into office. Next year will bring the 100th anniversary of NADA and a century of serving new-car and -truck dealers nationwide. One thing remains certain today as it did 100 years ago: when it comes to this greatest American entrepreneurship that is the automobile industry, we are all in this together.

Again, it is my honor and privilege to serve as **your** director at the national level.

Thank you for your support of NADA and of WATDA. ●

WATDA and Schenck present HR Half-Day Away Seminar

THURSDAY, JUNE 23 | 8:30 A.M. – 12 P.M.
COUNTRY SPRINGS HOTEL, PEWAUKEE

Two topics in one seminar presented by Schenck.

- ▶ Top 7 ways that HR can enhance your dealership
- ▶ Health care reform rules tighten in 2016: Is your dealership ready?

To learn more and register, visit watda.org/hr16 or call WATDA at 608-251-5577.

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“We're fighting for what dealers have already known from the beginning: Our current system of optional, dealer assisted financing is FAIR AND COMPETITIVE.”



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2016 NADA CONVENTION & EXPO



Jeff Teske and vendor, Stumpf Motors.



Craig Lucas, GM Schlossmann Honda, and wife.



Curt Beilke, Timber Ford, and wife, Amy, at NADA registration.



Mel and Iris Schlesinger at NADA's General Session.



A gaggle of Wisconsin dealers awaiting their plane to Las Vegas (l-r): Jeff Teske, Stumpf Ford; Dave Brantmeier, Vande Hey Brantmeier; Kathy Winarski, Chrysler World; Becky Brantmeier, Vande Hey Brantmeier and Stu Winarski, Chrysler World.



Mel Schlesinger offers a toast to his son, Andy, TMQDA nominee and WI Dealer of the Year.



Les Mack, Les Mack Ford and GM.



Roger and David Kriete; Kriete Group.



Pete Mueller, Chrysler World, with wife Carol showing off a fresh manicure from the Lifestyle area of NADA.



The Stumpf Ford family heading to NADA. Kristy, Corey, Zach and Justin.



The Holiday Automotive trio! Lori Agnew, Mallory Gilbertson and Rita Shallon.



Bob Pietroske receiving first aid from a helpful vendor.



Bill Sepic and Josh Johnson, 2016 WATDA Chair.



Andy Schlesinger, wife Jill and children Avery and Ethan at TMQDA dinner in his honor.



Jim Tolkan and Wilde Automotive's Pat Donahue.



WISCO Equipment Offerings

BY JOHN HACKMAN



Whether you are planning a new building, a remodel, or your shop is just in need of equipment, you can save money by checking with your co-op. WISCO's entire reason for existing is to save its members money on their purchases. We have several excellent equipment programs in place. There is a reason WISCO has been having such strong years in equipment sales. It is because we have high quality equipment at great prices!

Plus, with WISCO being a true cooperative owned by its members, all the year-end profit WISCO earns is paid back to its members in direct relation to how much they have purchased from WISCO. This is done through the year-end rebate checks sent to you from WISCO. Look for those checks based on last year's purchases coming to you in June. Big ticket items like equipment earn substantial dollars further lowering your net cost.

WISCO's equipment lineup includes the top names known industry-wide and WISCO saves you money on them. We have Challenger Lifts, Hunter alignment systems, wheel balancers, tire changers, and brake lathes. Borrowoughs, Shure, and Equipto

shelving, bins, and work benches are also part of the WISCO offering. Orion energy saving lighting, Neptune or LSI LED lighting for your lot, Robinair and CPS refrigerant recyclers, and Harvey and John Dow EuroVent exhaust removal equipment are offered by your co-op. Class C Solutions and Wurth USA offer key cutting machines through WISCO. You can save money on your heating costs with an Energy Logic waste oil furnace or a MacroAir airvolution fan from Black Gold. For body shops WISCO has paint booths, frame straightening machines, welders, aluminum repair equipment, etc. The list continues. Check us out at wisco.com to view our entire product offering.

If you are planning a new building contact us early in the process. You will save money in the installation of items such as in-ground lifts and waste oil furnaces if they are included in the plans before the building is too far along. Call 800-274-2319 for information, demos, or pricing. By checking with WISCO, members can save on their equipment purchases and increase their year-end rebate from WISCO.

Also, our annual meeting and golf outing will be held on Tuesday June 28th at the Lake Arrowhead Country Club south of Wisconsin Rapids. Information will be sent out as it gets closer but keep the date open and plan to attend. ●



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Tribute



Harry Kaufmann

Harry Kaufmann of Mequon, died on March 27, 2016, at the age 63 years. He was beloved father of Brooke (Alberto) Salazar, Kelsey Kaufmann and Kurt Kaufmann; dear brother of Walt (Lucy) Kaufmann; and cherished grandfather of Olivia, Alexandra and Raphael Salazar. He was preceded in death by parents Ernst and Anita Kaufmann; grandparents and great-uncles. Harry is also survived by his true love, terrific mother and grandmother Eileen; loving Arizona cousins; and many loyal, caring friends. Harry was proprietor of Harry Kaufmann Motorcars.

Herbert Lidtke

Herbert Lidtke, 93, went to be with his Lord and Savior on Wednesday, March 16, 2016 at Hillside Manor, surrounded by his loving family.

Herb was born in Fox Lake, Wisconsin on June 16, 1922 to Herbert and Mabel (Haase) Lidtke, Sr. On March 10, 1956, Herb was united in marriage with Evaline Stange Biesenthal. Herb graduated from Fox Lake High School in 1940. After graduating from Oshkosh Business School, he worked at Monarch Range, the family farm; Wisconsin Motors in Milwaukee and then at the local Packard and Willy's dealership at 127 Park Avenue in Beaver Dam. In 1955 he purchased the dealership and added the Mercury franchise. In 1965 the Lincoln franchise was added and the dealership moved to its current location at 701 Park Avenue.

Herb was a faithful member of St. Stephen's Lutheran Church; serving on the church council. He was also a charter member and past president of the Beaver Dam Lion's Club; past director of Marine Bank; past president of the Beaver Dam Chamber of Commerce; and past director of the Wisconsin Lutheran Child and Family Service. Herb was honored numerous times by the Ford Motor Company and Lincoln Motor Company, including many distinguished President's Awards.

Herb was privileged to travel to many places with Switzerland and Portugal being his favorites. He enjoyed the Packers and Brewers, but most of all attending all his children and grandchildren's special events; baptisms, graduations, concerts and sporting events.

Herb is survived by his wife of 60 years, Evaline; his children, Ranee (Timothy) Welch of Beaver Dam, Marie (Gary) Hewitt of Hudson, Marsha (David) Salamon of Sparta, NJ, and Paul Lidtke of Beaver Dam; his grandchildren, Ian Welch, Katie Hewitt (Ross) Anderson, Maggie Hewitt, Logan Welch, Ariel Welch, Schuyler Welch, Blake Salamon and Philip Salamon; and great grandsons, Hugh Herbert and George David Anderson.

David Hults

David Hults, passed away peacefully at home on March 15, 2016, under the care of Agrace HospiceCare.

David was born December 2, 1938 to Palmer and Karisma Hults in La Crosse; his mother later remarried Chuck Mudtzel who Dave considered his father.

Dave graduated from East High in 1958 and attended Madison Business College. He was united in marriage to Pat (Karen Friedland) May 16, 1964; they enjoyed 51 years together. Dave spent most of his life in the automobile business. He first started at Hult Chevrolet as a salesman; from there he went to Green Bay's Van Boxtel Ford as used car manager. He briefly wholesaled cars, then went to work with Middleton Motors as General manager. His goal was to have his own dealership by age 40; he achieved that goal in 1977 starting Hults Ford Mercury in Stoughton, eventually expanding to the "Incredible" Hults Chrysler Ford Mercury Plymouth Dodge Chevy Geo "on the Madison side of beautiful Stoughton." After 23 years he was able to sell his dealerships and retire. He is survived by his wife Pat, son Brad (Ana); daughter Chris (Andy) Thompson; five grandchildren, a brother and sister, as well as many other relatives. Dave was preceded in death by his parents, In-laws, and grandparents, as well as Aunt JoAnn Peters and nephew Greg Schultz. ●



CenterStage

AWARDS, HONORS, MILESTONES



American Honda Motor Co. Inc. announced that **Madison** area dealer, **Wilde East Towne Honda**, is the only Honda dealership in Wisconsin to earn the prestigious Honda President's Award for 2015. This annual award is presented to an exclusive group of Honda dealerships, from among more than 1,000 nationwide for exceptional performance in all aspects of operations. This is the 3rd consecutive year that Wilde East Towne Honda has earned the exclusive President's Award.

"Wilde East Towne Honda and its team members delivered exceptional vehicle services and outstanding customer experiences—precisely what earned them this year's President's Award," John Mendel, executive vice president of the Auto division for Honda said.

Jorge Hidalgo, co-owner of Wilde East Towne Honda said of the award, "We are proud to be recognized again as a third-year recipient of the Honda President's Award. We thank the amazing support of our loyal customers and our dedicated associates for this honor."



Wilde East Towne Honda has also been awarded the Wisconsin 2016 DealerRater Honda Dealer of the Year Award, which annually recognizes auto dealerships across the U.S. and Canada that deliver outstanding customer service, based upon consumer reviews of dealership experiences shared on DealerRater.com. This is the second consecutive year Wilde East Towne Honda has earned this exemplary award.

"The Dealer of the Year Awards are a distinction that a small percentage of dealers get, and being named as one of the winners is an excellent way to alert customers that your dealership is highly regarded for its customer experience," said DealerRater CEO Gary Tucker.

"We are proud to be rated DealerRater's Honda Dealer of the Year in Wisconsin by automotive consumers for the second year in a row," said Jorge Hidalgo, co-owner. "We thank our dedicated staff and the amazing support of our loyal customers for this achievement."



Chrysler World has donated \$10,000 to the Howard-Suamico School District's *Upward Together* campaign. The donation supported the new scoreboards in Bay Port's fieldhouse.

"Without partnerships with local businesses we would not be able to have the programs and facilities we have in the Howard-Suamico School District," said Bay Port Principal Mike Frieder. "We truly appreciate the support."

"The Howard-Suamico community has been supporting us since the beginning. It was the right time to give back to the community," said Chrysler World General Manager Pete Mueller. "Also, a number of our employees have children in the district schools including Bay Port so we thought it was important to participate in this way."



Russ Darrow Group is one of the first Mazda dealerships in the nation to introduce to its customers a dramatically redesigned dealership. Dubbed the Retail Evolution by Mazda USA, the store, 11330 W. Metro Auto Mall Drive in **Milwaukee**, has a new look and feel with the use of organic materials, improved visibility of operations, and customer-focused amenities.

Customers are welcomed with an open-concept floor plan, an expanded and refurbished Mazda Lounge with technology features such as multiple-device charging stations and access to free Wi-Fi. Digital displays provide continuous images of new vehicles and the Mazda lifestyle. A lift was installed to display two additional cars in the seven-car showroom. "We are focused on providing our customers the best car shopping and service experience by creating a refreshed and welcoming atmosphere," said Mike Darrow, president of the Russ Darrow Group. "It embodies the spirit and direction of the Mazda brand."

The redesign also allows each salesperson to have their own desk to consult with customers. "Now customers are more comfortable in private, glass-enclosed offices, and new technology allows us to show them extra features on video screens," he said.

With the expansion, Mazda hired six additional employees. "The best part is the employees," Darrow said. "Everyone's morale boosted 1,000 percent. We're very excited about our renovation and look forward to providing our new and returning customers the best in sales, service, and personnel."



Jeffrey Neuville, General Manager, alongside his brother, Timothy Neuville, Owner, are celebrating the 40th anniversary of **Neuville Motors in Waupaca, Wisconsin**. On March 4, 1976, Tim and his father, Morrie, purchased Neuville Pontiac, Oldsmobile, GMC. Throughout the years, the product has changed—they now deal in Chevrolet, Buick and GMC, and have a second location in Waupaca, which carries Chrysler, Dodge, Jeep and Ram, but they still have the friendly hometown staff to service all your automotive needs.

Bergstrom Jaguar of the Fox Valley and **Bergstrom Land Rover of the Fox Valley** were both named top sixteen dealerships in their respective brands by Jaguar Land Rover North America from a combined network of 330 retailers across the U.S.

"Our team earned the right to hoist the trophy for both which puts them in the top three in the nation," said Tim M. Bergstrom, COO and president of Bergstrom Automotive. "We are so proud of this team for living up to our brand promise of taking great care of our guests. They earned and deserve national recognition."

See more
Center Stage
awards on the
next page!



Please submit your awards,
honors and milestones to:
jfarmer@watda.org

Hal's Harley-Davidson Wins Custom Kings Competition



Hal's Harley-Davidson topped more than 60 other Harley dealerships with its 2015 Sportster, named "General Mayhem," that is meant to be equally at home on dirt roads as well as city streets. Hal's spent about 300 hours modifying the 883 Super-Low Sportster for the Custom Kings competition sponsored by Harley-Davidson Motor Co.

The initial entries in the competition were scored by Harley-Davidson's motorcycle styling team based on criteria including quality of the customization, fit and finish, use of paint, design, techniques, and how Harley parts and accessories were used.

Each of the dealerships started with a stock Sportster, one of Harley's most basic and ubiquitous motorcycles, as a bike to customize. Unlike some other contests, in which bikes are heavily modified for show purposes, entrants in this event were encouraged to use standard parts and accessories. "Everything we have done with the bike is literally bolt-on, with the exception of two small modifications for the Buell wind screen," said Bud Curtis, team leader for Hal's Harley-Davidson's custom bike project.

Some of the bike's styling, including the olive green color, is a nod to Harley's long-standing relationship with the U.S. military. The bike has a bigger engine than a stock 883 Sportster, and it has bigger wheels for additional ground clearance.

The numbers "5150" are etched on the motorcycle, referring to police radio code for "general mayhem and chaos," said Carrie Schmidt, Hal's marketing manager.

"I can take credit for that," she said. Harley-Davidson has had a Sportster in its motorcycle lineup since 1957—the same year

that Sputnik, the first satellite, was launched into space and the Milwaukee Braves won the World Series. Hal's custom bike is considerably more expensive than a stock Sportster, but the styling was kept lean without flashy chrome. "We wanted to reflect the fact that it's still a Sportster, the oldest motorcycle in Harley's inventory," Curtis said.

"You could really tell that people put their heart and soul into this. It would have been a hard decision about which one I was going to vote for," Curtis said.

Hal's custom bike will be for sale, at a price not yet determined, at the dealership located at 1925 S. Moorland Road.

There were four people on the customizing team: Curtis, Ryan Achterhof, Terry Galagan and Tony Sholts. "Everyone at the dealership, at one point or another, had something to do with this," Curtis said.

Online voting from motorcycle enthusiasts played a large role in the judging, which was a bracket-style elimination process that included 64 bikes in the final cut.

The top prize in the contest was a trip to Milwaukee for the customizing team and the bike. That's of no use for Hal's, but the dealership will get a lot of recognition for its efforts.

The contest also was a way for Harley-Davidson to gather ideas for production bikes, and to get feedback from what dealers are seeing in custom motorcycles.

"I would like to think that some of what we did will be looked at by the company," Curtis said. ●

PRESIDENTIAL ELECTIONS: THE TOP LEVEL APPOINTMENTS FACTOR

BY GARY WILLIAMS, THREE LAKES, WI

While presidential candidates seem to play up to what the media enjoys, such as controversy and mudslinging, and while much of the voting public gets caught up in which candidate looks good on TV or which candidate panders favorably to “my” one pet issue, the voting public really needs to re-focus on what the election is all about in total.

That includes the critical factor that the person elected will make all the presidential appointments of cabinet secretaries, deputy secretaries, and the many top level administrators who create priorities, carry out policies, lobby Congress, create rules, audit, sue and dole out penalties.

These appointments are as critical as the election itself. As a nation we have come to rely on Executive Branch departments, administrations, and offices. Add to that the roll of commissions, boards, and the like...all of which a new president will choose the new leadership appointees. Supreme Court appointments are a big deal when they come along. Ever think about how important is the appointee to head White House communications and relations with Congress? And what about those other people who are the president’s personal White House staffers who do not go through Congressional confirmation? Yet they may have a lot of say in our lives, our future.

Yes, who gets appointed is critical. What do they know? Who do they know? How bewildered are they? How long on the job before they can function intelligently and effectively?

Now let’s look at the loyalty factor. A president needs to have loyalty from each appointee (other than those on independent commissions, boards and courts). A president needs to actually have private and public loyalty, and not just expect loyalty. This is tough to get, yet it is urgent. Loyalty of an individual is much more in reach when the appointing president actually knows and has had experiences with the appointee, and mutual respect is evident.

To be clear, private loyalty includes giving the president news and views that might be tough on the president, yet useful for the decision process. Public loyalty is supporting the final decision as if it was your own, even if you have deep concerns. Public loyalty also means that the appointee does not take to the offensive to work behind the president’s back... to undermine a decision with which there was disagreement. If the disagreement is so disagreeable, then resignation is in order.

So how do loyalty, great appointments, and presidential election choices tie together? A presidential candidate needs to have a broad set of contacts, people who are known to be likely terrific assets in the positions for which they are given the presidential tap...respected people who will be loyal.

Which presidential candidates will have problems gaining great appointment candidates who likely will be loyal? For starters, a candidate with limited experience in the workings of our government; who has a record of unnecessary nastiness; or one with a history of a lack of friends in the legislature or an

executive branch job; or someone who has held a top position; however was generally not respected for doing a very good job.

Add to that, a candidate who is so far to the left or right that they do not enjoy a pool of quality folks of like mind to draw from...a candidate who turns off those who are a bit more moderate who might otherwise serve. Oh yes, those folks with huge egos and grand personal ambitions will line up for appointments for sure. Good luck with those pickings.

A newly elected president who mostly will rely on last minute referrals for appointments will have a slow, sloppy start. That start will not be just the president’s start; it will be the Nation’s start; that is you and me.

A president cannot do everything, know everything, nor decide everything that comes before the Executive Branch. A president needs trustful, loyal reliance from the top appointees, assurance that the right things will get done effectively and in a manner that gains respect. The citizens of the nation need this. It is up to the citizens to focus on what is important when deciding how to vote.

Voters need to weigh the critical role of presidential appointments... and who will be making the appointments... in our ballot decisions.

Here is a partial list of offices for appointments a new president will make:

- | | |
|--|--|
| DEFENSE | HOUSING AND URBAN DEVELOPMENT |
| STATE | EDUCATION |
| NATIONAL SECURITY AGENCY | VETERANS AFFAIRS |
| CIA | INTERNATIONAL TRADE REPRESENTATIVE |
| JUSTICE | MANAGEMENT AND BUDGET |
| HEALTH AND HUMAN SERVICES | WHITE HOUSE CHIEF OF STAFF |
| HOMELAND SECURITY | WHITE HOUSE STAFF ADVISORS |
| TREASURY | COUNCIL ECONOMIC ADVISORS |
| COMMERCE | SMALL BUSINESS |
| AGRICULTURE | NASA |
| INTERIOR | FEDERAL JUDGESHIPS |
| ENVIRONMENTAL PROTECTION | COMMISSIONERS OF INDEPENDENT AGENCIES AND BOARDS |
| TRANSPORTATION | |
| UNITED NATIONS AMBASSADOR, AMBASSADORS TO EVERYWHERE | |
| LABOR | |

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Our Endorsed Service

REG-TRAK: IT'S WHAT COUNTS!

Prior to 1994, WATDA was producing a rudimentary report of new car registrations for our Wisconsin dealers. In 1994 Dinos Constantine approached the association and proposed an offer to expand and improve reports. Thus, Automotive Directions was born.

Automotive Directions was highly successful and very popular with dealers. Scott Quimby, who heads up our current version of this endorsed service, began his career with the company in 1998. The popularity of product and service brought an offer in 2003 from ADP to purchase Automotive Directions. The offer was accepted and Dinos and Scott were now a part of the many facets of ADP.

Because of other products and services that Dinos was heading up for ADP, Automotive Directions began to get less and less attention from its parent company. Scott knew the market for this product was still important to dealers and he proposed buying the company and renewing it himself. ADP and Dinos agreed.

In 2005 under new owner Scott Quimby the name was updated to Reg-Trak, and auto dealers once again welcomed the improved, and familiar, product and service into their stores.

Services for the members include:

- Timely and accurate reporting of sales figures and market share numbers to eliminate your manufacturer from determining your DMA (direct marketing area).
- The ability to choose your market area.
- Opportunity to receive buyer information where available.
- Because Reg-Trak is an endorsed service, a portion of your payment returns to your Association.
 - This helps to pay for lobbying and legislative efforts and also helps to keep dues from increasing.

Over 40% of dealers use Reg-Trak for basic reports and over 70% have used Reg-Trak services or special reports.

Customized reports are always available. Just one example of a customized report might show the sales potential in your market which would help you determine your growth potential, or inversely, lack thereof. Scott said, "Isolating sales by make, model or selling dealer along with choosing any market area make our reports the most flexible in the marketplace."

In addition to Scott's impressive ability to navigate his now-aging, 6'5" Hummer in a 6'4" parking ramp, he has been married to Jenifer for 22 years and the couple has three children. Ethan is 22 and graduating this year with a Business Marketing major. Damon is 19 and studying Culinary Art and will be heading to Italy this fall to study. Cameron, 17, is a high school Junior with thoughts of becoming a multi-media arts editor.

As if purchasing a business and raising a family isn't enough, there is another side to Scott that may surprise many of you. We hope you enjoy the following excerpt from an article that appeared in the *DJ Times* in March of this year, written by Con Carney and printed with their permission.

Wisconsin DJ Tells It Like It Is

By Con Carney | March 10, 2016

Waterloo, Wis.—To get to the beginning of Scott Quimby's DJ journey, one has to go back to the summer of 1992, when he was invited to four weddings.



"Each one was progressively worse and worse," says the Wisconsin native, unafraid to tell it like it is. "The DJs were just standing there, not interactive, not creating a party environment."

Eventually, at the third wedding—"After some liquid encouragement," says Quimby—he grabbed the mic and sang along with the songs that were playing. "People responded," he recalls, "and at the fourth wedding, a friend of mine's mother asked me to sing again for the crowd, and when I was done, she said, 'You really have a knack for this—you should be an entertainer.'"

The seed was planted. Emboldened, he went to the local roller rink and got the DJ job immediately. The kids loved his routine, but he quickly tired of the less glamorous part of the job—emptying garbage, cleaning up spilled soda and cardboard pizza boxes. So he applied to a local mobile company to do weddings.

"They kept sending me out with an older gentleman who, in my opinion, was not a very good trainer," he says. "I felt I was ready to spread my wings and do great things. When I asked the manager to give me my own gigs, she told me sarcastically if 'I didn't like their training practices, maybe I should go start my own company.'"

Well, Quimby did just that and, 23 years later, he still owns High Energy DJs & Photography in Waterloo—an hour west of Milwaukee, a half-hour east of Madison. "I'm thinking they wished I would have stayed with them," he says. It's a career that's made him forget about all the job-hopping he had done prior. "Anything was better than what I was making prior to starting my DJ career," he says. "I had no desire for continued education at that point in my life, so DJing, for me, I was like, 'I have to make this work at all costs.'"

And when will he stop? "Hard to say, really," he says. "I still marvel at the fact that the local high-school kids absolutely demand that a 45-year-old gray haired 'old dude' DJs for their proms—I must be doing something right.

For Reg-Trak or DJ's call Scott at (920) 478-2909.

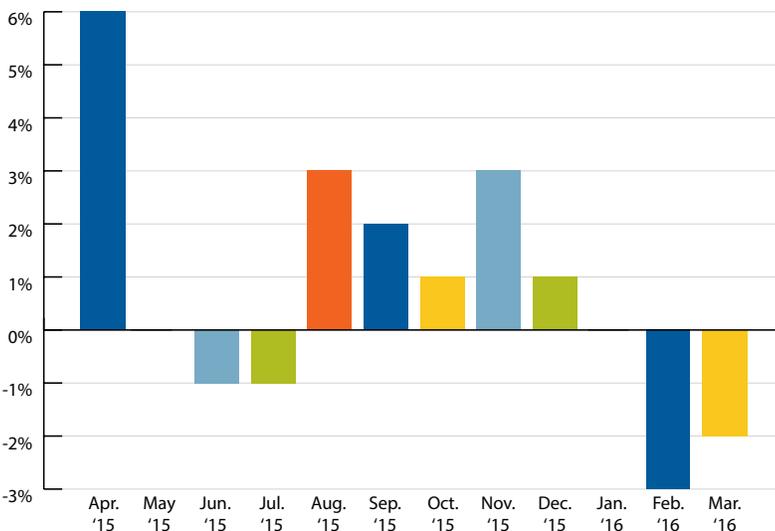


New Vehicle Sales Trends

Wisconsin New Vehicle Trends: March 2016

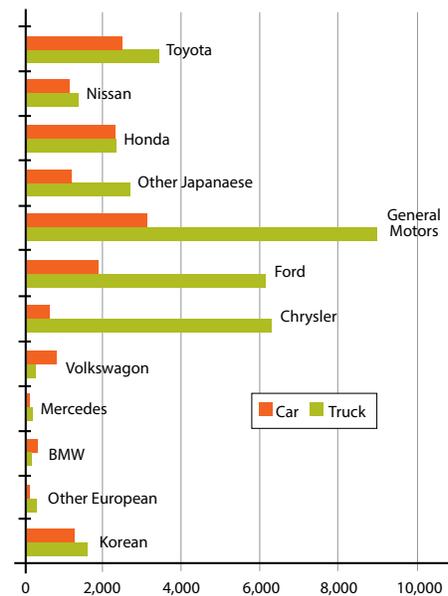
	Previous Two Months			Year to Date			Year to Date Market Share		
	2/15	2/16	% change	'15 YTD	'16 YTD	% change	'15 YTD	'16 YTD	change
Industry Total	34,137	33,858	0.8%	50,482	49,272	2.4%	99.9%	100.0%	0.1%
Car	11,690	10,815	7.5%	17,136	15,391	10.2%	33.9%	31.2%	2.7%
Truck	22,447	23,043	2.7%	33,346	33,881	1.6%	66.0%	68.8%	2.8%
Japanese	11,475	11,689	1.9%	16,577	16,978	2.4%	32.8%	34.5%	1.7%
Toyota	3,803	4,015	5.6%	5,613	5,926	5.6%	11.1%	12.0%	0.9%
Honda	3,106	3,184	2.5%	4,506	4,657	3.4%	8.9%	9.5%	0.6%
Nissan	1,861	1,817	2.4%	2,646	2,510	5.1%	5.2%	5.1%	0.1%
Other	2,705	2,673	1.2%	3,812	3,885	1.9%	7.6%	7.9%	0.3%
Domestic	18,976	18,653	1.7%	28,400	27,117	4.5%	56.3%	55.1%	1.2%
General Motors	8,412	8,176	2.8%	12,704	12,147	4.4%	25.2%	24.7%	0.5%
Ford	5,555	5,518	0.7%	8,230	8,024	2.5%	16.3%	16.3%	0.0%
Chrysler	5,009	4,959	1.0%	7,466	6,946	7.0%	14.8%	14.1%	0.7%
European	1,453	1,518	4.5%	2,237	2,306	3.1%	4.4%	4.7%	0.3%
Volkswagen	775	717	7.5%	1,177	1,071	9.0%	2.3%	2.2%	0.1%
BMW	272	322	18.4%	433	499	15.2%	0.9%	1.0%	0.1%
Mercedes	199	206	3.5%	325	317	2.5%	0.6%	0.6%	0.0%
Other	207	273	31.9%	302	419	38.7%	0.6%	0.9%	0.3%
Korean	2,233	1,998	10.5%	3,268	2,871	12.1%	6.5%	5.8%	0.7%
Other	2,233	1,998	10.5%	3,268	2,871	12.1%	6.5%	5.8%	0.7%

3 Month % Change – and view annual trend
Compares most recent 90 days vs. same 90 day period from last year



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YTD Registrations by Vehicle Type



March Trend Report from Scott Quimby



From Around the State

Please send your news From Around the State to jfarmer@watda.org

Keyes Chevrolet in Menomonie is supporting Menomonie Youth Hockey to provide players and coaches with equipment kits that include pucks, t-shirts, and knit caps; a sponsorship check and an opportunity for community members to enter the free Ultimate Pro Hockey sweepstakes. The leagues will receive 500 free sweepstakes forms to distribute in the community. At the end of the entry period, one winner from the involved communities will win the Ultimate Hockey Experience and other prizes. "Keyes Chevrolet supports youth hockey players, because Chevrolet believes playing sports of all kinds provides opportunities for these kids and the community," said Joe Keyes, dealer for Keyes.

River Valley Ford and Bernard's Chrysler, Dodge, Jeep, Ram combined efforts for the Friends of St. Croix County Fairgrounds to receive a matching grant from the Foundations WATDA to achieve the goals of the "Renovations for Generations" fund drive to ensure a vibrant County Fair both currently and for generations to come.

Bernard's Chrysler, Dodge Jeep Ram of New Richmond, hosted a test drive event in partnership with the Amery FFA.

RAM brand combined with Bernard's to contribute \$20 per test drive; the FFA chapter raised \$2,000 for their programs.

Van Horn Auto Group is partnering with **Plymouth** Youth Baseball and **Lake Geneva Chevrolet Buick GMC** is partnering with **Lake Geneva YMCA** youth baseball leagues through the national Chevrolet Youth Baseball program to provide new equipment, a monetary contribution and the chance to earn additional funds as community members take test drives to help support the league.

New Glarus Motors LLC a privately owned and operated Chrysler, Dodge, Jeep and RAM dealership has filled a newly created position for Office Administrator by hiring Heather Schipper. Her duties will include checking in new vehicles, compliance with rules and regulations for dealers, billing commercial customers, and managing interface with all OEM's and customers to make sure all vehicles have titles.

Packer City International Trucks Inc. has purchased the assets of Schultz Equipment and Parts Co.; Schultz Idealease Inc., and Schultz Realty LLC, of Iron



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Candor. Insight. Results.

Mountain, MI. The acquisition gives Pack4er City a fourth location along with its locations in Green Bay, Shawano and Appleton, and will strengthen their position in the industry.

Rhineland GM recently completed their transition to the unified Chevrolet theme. The showroom have new tile floors, service drives and quick service with new energy-efficient lighting, parts and general office; every area that their guests would see has been remodeled.

Ubersox Auto Group has added a fourth southwest Wisconsin location; Ubersox Used Car Superstore in **Monroe, WI**. Ubersox also has two Chrysler, Dodge and Jeep stores in Barneveld and Platteville as well as a second used car location in Darlington.

Superior Chrysler has opened a **Ram Truck Center** in downtown Superior; currently the only one of its kind. The Ram authorized truck center will hold about 40 vehicles inside, including commercial trucks 5500s and Promasters.

The **Lynch Family** of dealerships opened two new facilities; a new Chevrolet store and a new Chrysler, Dodge, Jeep, Ram dealership next door. The new locations replace the former Lynch Horter Chevrolet, Mukwonago and the Lynch Chrysler, East Troy. The new stores are located next to I 43, and replace the Mukwonago Chevrolet and East Troy Chrysler locations and include feature such as Quick Lube, car washes and waiting areas with WiFi connections. ●



Lynch General Manager Mark Greene with Gary Beier, Foundation of WATDA at the new Lynch facility.



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Legal and Legislative Update

BY CHRIS SNYDER

Know Where Your Elected Officials Stand

Election time is upon us. This year Wisconsinites will be electing our entire U.S. House of Representatives delegation and a U.S. Senator, the entire state Assembly and about half of the state Senate. As business owners and community leaders, dealers are often sought out for support by political candidates. While it behooves every citizen to know where the candidates stand on the various issues, if you are being sought out for support, it stands to reason that where you stand on any given issue should matter to those soliciting your support.

The election cycle and process provides citizens the opportunity to hold our elected officials accountable for their actions (and inactions). Unfortunately, the overwhelming tendency is for the electorate to re-elect incumbents and complain that nothing ever changes. However, keep in mind the various ways this election can and will affect your dealership going forward.

In the federal elections, you have the opportunity to vote for the president, your Congressman and a U.S. Senator. The president will set the tone for federal agency interactions with dealers (FTC, CFPB, NHTSA, EPA, Department of Labor, etc.). Under the current administration these agencies have taken an increased regulatory role with regard to dealership business. Aside from stepped up advertising enforcement actions throughout the country, the FTC recently held a “workshop” that for many in attendance seemed to be a staged event for the purpose of building a case to intervene their own regulatory authority over areas that have traditionally been reserved to state laws. They appear to hold a view that state franchise laws are protective and monopolistic in nature and prevent the motor vehicle distribution industry from adopting new ways of conducting business that consumers crave and manufacturers need to stay competitive. This notion has been brought forth by the lobbying efforts of the manufacturers, and as such are a pure fabricated spin void of any truth. State motor vehicle franchise laws, preserve competitive pricing for sales and service by ensuring intra-brand competition. Moreover, the fierce competition for business has driven dealerships to continually evolved their business models to cater to customer’s buying tendencies and necessities.

As for the others mentioned, briefly: CFPB would love to officially fold dealers under their purview. After all, it was a goal of theirs from conception and they have been creating baseless allegations of nefarious dealership activities ever since. NHTSA would love to ramp up recall enforcement authority that would include grounding all vehicles (new and used) with any type of uncorrected recalls. The DOL has already taken initial steps to start changing the way dealers pay their employees. The EPA will be looking to stretch their wings to curb greenhouse gas

and global warming. With transportation or mobile emissions making up one quarter of all greenhouse gas emissions it only makes sense that pinching VW is just the tip of the iceberg.

Also, the next president will more than likely appoint two to three U.S. Supreme Court justices. We should not forget that the judicial branch of government is an equal power within the checks and balances that make up our governmental structure. While the justices are nonpartisan, they are asked to resolve many of the most contested social and economic issues facing the country. They typically are appointed and approved based on prior written opinions on controversial issues with the hope that their philosophical bent continues. However, as a side note, in many cases, once they are seated and they have the lifetime appointment and no longer beholden to

a politically based philosophy, some have broken those ties and become a little more unpredictable in their decisions.

Congress will be addressing, among other things, the future of ObamaCare, CFPB, how recalls should be handled and massive tax reform. You need to know where these candidates stand on these issues. Do they support the outright repeal of ObamaCare or maybe making significant amendments to make it more workable or do they believe that it is working and if it is tweaked at all it should be in a more onerous direction? The CFPB has been running roughshod over any and all that they feel they should be regulating, regardless of facts or long standing traditional rule making procedures. Unfortunately, the actions of this pseudo agency (who answers to no one) tend to be supported by a small but influential faction of Democrats who feel that it is better to believe allegations and conjecture

“As business owners and community leaders, dealers are often sought out for support by political candidates... if you are being sought out for support, it stands to reason that where you stand on any given issue should matter to those soliciting your support.”



“When talking to candidates find out where they are on issues like raising the fuel tax, graduated or value based registration fees, vehicle mile traveled tax (VMT) and tolling.”

coming from the CFPB, rather than believe any of the fact based complaints of abuse of power, lack of transparency and grossly inaccurate data used to wield their authority over business. WATDA is currently assisting NADA in an effort to move senate Bill 2663 through the senate and to the president's desk. While it is a foregone conclusion that the current president will veto that bill, the next one may not. Another issue that WATDA will be helping NADA with is recalls. Currently the two views regarding how to handle the recall issue are at opposite ends of the spectrum. In the end, there will not be a solution until opposing sides can agree to compromise and devise a way to get vehicle owner buy-in to present their vehicles to dealerships for repairs.

At the state level, everyone will be voting for an Assembly person and half will be voting for a state Senator. The first task for those elected will be to vote on a biannual budget. Despite continual slashing of expenses over the past six years, Wisconsin seems to always be teetering on the edge of a deficit. The last budget process exposed a huge problem for funding transportation in the future; that will have to be addressed sooner than later. Current funding sources (fuel tax; vehicle title and registration fees) have plateaued while material and labor costs for construction have continued to rise. When talking to candidates find out where they are on issues like raising the fuel tax, graduated or value based registration fees, vehicle mile traveled tax (VMT) and tolling. Keep in mind that our governor loathes new and/or increased “taxes” so a fuel tax increase may not be realistic. Graduated or value based registration fees are popular with those seeking additional road building money, but there are side effects like a cumbersome tracking and reporting system and a chilling effect on new vehicle sales. VMT and tolling, are viewed more as user fees than taxes, but they have their own problems from an implementation standpoint.

However, the most important position that you need to ferret out of those running for the state legislature is where they stand on the motor vehicle franchise law. Two things to keep

in mind. One, there is a contingency of Republican legislators who adhere to a political philosophy that franchise laws are an interference of a contract between two business partners. No matter how off base that position is, the fact is, that is the position they take. Two, this election cycle is going to produce a lot of turnover, in fact, only about 62 of the 132 legislators who voted on the last franchise bill are still serving (or expected to be serving) in the legislature for the next session. That is going to require a lot of work by the dealers and WATDA staff to educate those new legislators about how your business operates.

If you are solicited for support from a candidate and you feel inclined to provide that support, one thing that we would encourage you to do is invite them to come to the dealership to pick up your contribution and take the opportunity to show them around your store so they can see your investment and employees. Explain to them that you own all of the real estate, buildings, inventory, parts, special tools, computer equipment, pay for employee training and benefits. Point out all of the involvement that you and your employees have in your community.

Be sure to inform them that without the franchise law a lot of the dealerships that are disbursed throughout the state may not be there. If manufacturers are allowed to operate dealerships they will do away with many independent businesses and there will be no more intra brand competition, less choices for consumers and most importantly; the income generated from dealerships owned by independent Wisconsin business owners will not stay in the communities, but be shipped off to manufacturer headquarters in Michigan, California, Japan and Germany.

From time to time franchise laws are described as protectionist laws. The truth is they are, to a certain extent. They protect the business investment of independently owned businesses, by ensuring that you have certain rights to operate your business provided you are meeting manufacturer-set standards and paying your bills. They protect consumers by enforcing consumer

protection laws and they protect manufacturers through licensing and making sure that all manufacturers compete under the same rules. Most importantly though, the franchise law enables a robust and competitive motor vehicle distribution system, where competing businesses of intra-brand and inter-brand products are all required to treat all customers, dealers and manufacturers the same. It helps to prevent those with more resources to push out competition.

The franchise laws have evolved with the times to accommodate innovations in products and processes all the while, allowing for dealers and manufacturers to be profitable, consumers to have choices that drive competition and local communities to benefit from property and sales tax revenues, dealership payroll revenues and community involvement. Motor vehicle franchise laws are like a three legged stool; if any one of those legs are weakened, the whole stool becomes unstable.



“The DMV is revising its interpretation of Wisconsin Administrative Code Trans 139.03(3) regarding qualifying rebates.”

Qualified Rebates

In the latest edition of *Plain Dealing* the DMV published their interpretation of the inclusion of rebates when advertising the price of a vehicle. Below is the article that appeared in the *Plain Dealing*.

In August 2011 the DMV issued an advertising guideline regarding qualifying rebates. Since that time the DMV has allowed an advertised price to contain qualified rebates which may not apply to everyone as long as the type of rebate and amount are listed near the final price or payment.

In 2013 the Federal Trade Commission (FTC) implemented Operation Ruse Control with a focus on deceptive advertising. One of the practices it looked at was the use of rebates to deceive customers into believing they qualified for an advertised price or payment when in fact they didn't qualify for many of the rebates. The FTC ruled this was a deceptive practice and several dealers faced significant penalties.

To be consistent with FTC guidelines and expectations the DMV is revising its interpretation of Wisconsin Administrative Code Trans 139.03(3) regarding qualifying rebates. Effective April 1, 2016 the following is required:

An advertised price or payment may only contain rebate discounts which every customer will qualify for. If there is any qualification criteria that prohibits a customer from being eligible, the rebate cannot be included in the final advertised price or payment.

For instance; a \$500 military veteran rebate may not be included in the advertised price because every customer who views the advertisement will not be a veteran. However, if a manufacturer offers a rebate everyone qualifies for it may be included in the advertised price or payment.

NOT ALLOWED

MSRP:	\$20,000
Military Rebate:	– \$500
Final Price:	\$19,500
\$299/Mo. (Includes \$500 Military Rebate)	

ALLOWED*

MSRP:	\$20,000
Manufacturer Rebate:	– \$500
Final Price:	\$19,500*
\$299/Mo. (Includes \$500 Manufacturer Rebate)*	

*TYPE and AMOUNT of the manufacturer rebate to all must be written adjacent to the final price or payment in the body of the ad and must include a footnote stating “Manufacturer rebates applied. Everyone qualifies.”

An advertisement is allowed to list all qualified rebates next to the advertised price or payment in the main body of the advertisement but **may not** be calculated into the final price.

This revised interpretation is mutually beneficial to dealerships and customers alike. It protects dealers from deceptive advertisement claims and provides customers with an accurate price expectation.

No More Sales Tax on FET in Wisconsin

In September of 2014 the Wisconsin Department of Revenue issued an interpretation of the definition of "Sale Price" for the purpose of assessing sales tax. In doing so they held that any Federal Excise Tax owed on a heavy duty truck transaction must be included in the sale price and therefore subject to sales tax. On April 15, the governor signed Wisconsin Act 361, which reversed that interpretation. As a result, not only is FET no longer included in the sale price, therefore not subject to sales tax, but the Act also allows for taxpayers to receive a refund or credit for the additional sales tax that they may have paid, dating back to September of 2014.

Below is a communication that WATDA received from the Wisconsin Department of Revenue explaining the procedure that taxpayers who qualify for a refund or credit are to do.

NOTE: *Sales and Use Tax Report 3-14* (September 2014) correctly stated that this federal excise tax is included in the retailer's taxable sales price effective September 1, 2014. However, since this law change takes effect retroactively to September 1, 2014, it may have resulted in an overpayment of sales tax. Information about filing a claim for refund of overpaid sales tax is provided in Publication 216, *Filing Claims for Refund of Sales or Use Tax*.

If you receive a refund of sales tax and interest for tax that you collected from a buyer, you must return the tax and interest to the buyer or to the Wisconsin Department of Revenue within 90 days after the refund. *Sales and Use Tax Report 3-14*, and Publication 216 are available on our website at revenue.wi.gov.

The general rules for filing a claim for refund are as follows:

A dealer/seller may claim a refund by amending a previously filed *Sales and Use Tax Return* (electronically using **My Tax Account**, or on paper using **Form ST-12**), or by sending a letter to the Department of Revenue, as described in Part IV.A.3. of **Publication 216, Filing Claims for Refund of Sales or Use Tax**. A seller/dealer is required to return the tax and interest to the buyer or to the department within 90 days.

A buyer may request a refund of tax paid to the seller/dealer from the seller/dealer, or the buyer may request a refund directly from the Department of Revenue. If the buyer paid the tax to the Department of Revenue or to another state agency, the buyer must request the refund directly from the Department of Revenue. See Part IV.B. of **Publication 216, Filing Claims for Refund of Sales or Use Tax**, for refund claim options. ●

“Not only is FET no longer included in the sale price, therefore not subject to sales tax, but the Act also allows for taxpayers to receive a refund or credit for the additional sales tax that they may have paid, dating back to September of 2014.”

Used Car Council Event

Before the trees began to bud and the snow still swirled, Wilderness Resort in Wisconsin Dells welcomed both independent and franchised dealers to a Used Car Forum. The gathering of dealers, brought together by WATDA's Used Car Council heard keynote speaker, Jon Quade, share his knowledge of "The New Normal."

The kick-off of the one and half day event was followed by a networking evening for dealers, DMV personnel and WATDA staff as they shared cocktails, conversation and delicious hors d'oeuvres.

The following day dealers participated in panel discussions offered by DMV and WATDA staff where timely issues and industry challenges were discussed.

According to the evaluations of the Forum, with over 50% of attendees responding, the intimate forum was well received, especially the opportunity to spend time with both the DMV personnel and the WATDA staff. One comment read, "Overall an informative conference. I would definitely attend again..."

WATDA and the Used Car Council look forward to holding this event in the future. We hope you will attend. Stay tuned for further details. ●



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Oregon High School Becomes Wisconsin's Newest AYES Site

BY GARY BEIER, VICE PRESIDENT - FOUNDATION OF WATDA

The Foundation of the Wisconsin Automobile & Truck Dealers Association is proud to announce the formal opening of a new Automotive Youth Educational Systems (AYES) program at Oregon High School, in Oregon, Wisconsin. The formal launch took place on Thursday, March 3. There were an estimated 50 in attendance. Guests included the Superintendent of the Oregon School District, the Director of Career and Technical Education from the District, the Principal of Oregon High, dealer representatives from throughout the greater Madison area, industry representatives from Snap-on, Ford, Honda and Subaru.

The event opened with a special greeting from State Senator Janis Ringhand. Also attending were State Representative Sondy Pope-Roberts, from WATDA: Bill Sepic – President & CEO who talked about the opportunities in our industry, Sue Miller-Vice President, Matt Lavold – Controller, Julie Olson – Program Director, members of the Foundation of WATDA board along with members of the Oregon High AYES automotive classes.

The program, headed up by Automotive Technology Instructor, Ned Lease, attained its National Automotive Technicians Education Foundation (NATEF) certification this past year, which qualifies it to become Wisconsin's sixteenth AYES program.

AYES experience will begin in the 11th grade and continue through the 12th grade, and will include paid, on-the-job training at a participating dealership. For the school, the AYES part-



nership opens the doors to industry support through classroom training equipment donations and greater career opportunities for program graduates.

The Wisconsin AYES programs reach an estimated 1,425 students each school year. This summer the program's participating schools placed 63 interns at dealerships throughout southern, eastern and central Wisconsin. ●

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Spring Teachers Institute at WTEA

The Foundation held its one-day Spring Teachers Institute in conjunction with the Wisconsin Technical Education Association's annual conference. Our program, organized by Dan Klecker – Wisconsin's AYES manager, was held for its 15th year at Portage High School.

There were some 40 teachers attending from automotive/diesel training programs from throughout the state. CDX Automotive, a division of Jones and Bartlett Learning, sponsored this year's spring program. CDX Midwest Account Director, Randy Haubner conducted a midday workshop on applications of the CDX system.

Other sections included vehicle training from Subaru and Volumetric Efficiency from Bosch. Instructors were also introduced to Electude's E-Learning Solution. A special word of thanks to all our presenters and to Dustan Garrigandu, automotive instructor, Portage High School for hosting this program. ●



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WATDA 2016 Summer Board Meeting

Red Crown Lodge, Arbor Vitae • June 14, 8 a.m.-Noon
All Dealer Principals invited to attend.



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