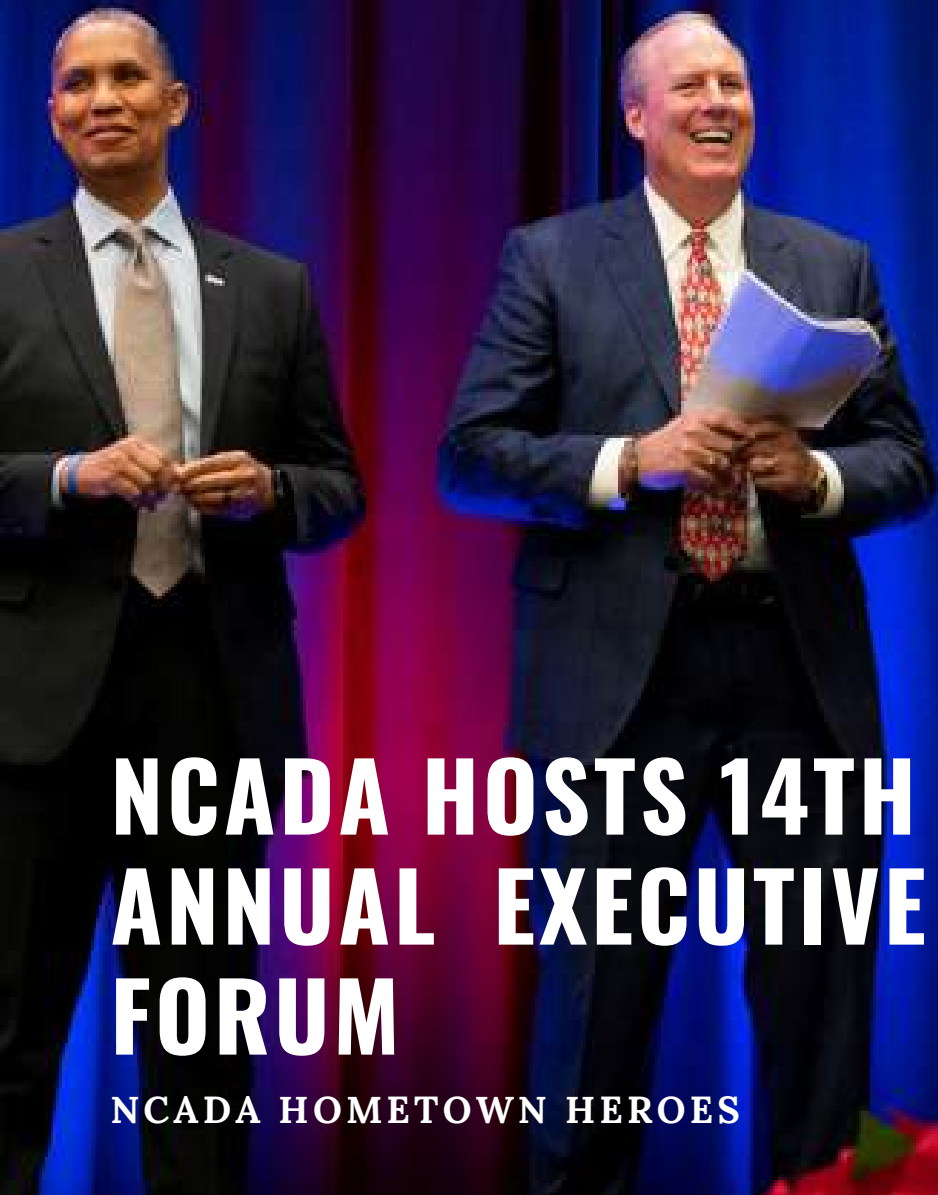


WINTER 2022

FLASHES

A PUBLICATION OF NCADA



NCADA HOSTS 14TH ANNUAL EXECUTIVE FORUM

NCADA HOMETOWN HEROES

PROFIT TIPS

NCADA Associate Members
Share Profit Tips for 2022

HOMETOWN HEROES

NCADA Recognizes 77 North
Carolina First Responders at
Hometown Hero Luncheon

NORTH CAROLINA AUTOMOBILE DEALERS ASSOCIATION



THE DRIVER'S SEAT

THE VIGILANT VOICE OF THE CONSUMER IN EVERY VEHICLE TRANSACTION

Dear NCADA Members

First and foremost, on behalf of the NCADA Board of Directors, I wish you a happy and safe 2022 and hope that 2021 was a great year for your business, your employees, and your family.

As we look ahead to the new year, our industry is on the cusp of major changes in the way that we, as dealers, do business, as well as in the vehicles we sell and the way that we sell them. While the past two years have brought Covid “fatigue” to all business, the steady march and the speed with which our industry is about to change hasn’t been seen since the early 1900s when the first gas-powered vehicles were first distributed.

While dealers will be the first in line to sell EVs to our customers, it is critically important that our industry – in every state – leans forward in the adoption and rollout of EVs and hybrids.

Dealers must be positioned so that consumers know we are the FIRST place to purchase their new EV and the ONLY place to have their EVs and hybrids serviced. Our industry’s relevance in the sales and servicing of EVs in the near future directly affects the success of the franchise system in the years ahead. We must remain the vigilant voice protecting the consumer in all automotive transactions, whether it be EVs, hybrids, gas-powered, or natural gas-powered.

Likewise, as an industry, the franchise system that has served millions of car and truck buyers in North Carolina for the past century, is under direct attack! A broad range of EV start-up companies, Tesla, Rivian, Canoo, Faraday, Fisker, Lucid, Arrival, Nio.... on and on.... falsely believe that they can better represent the consumer in the purchase, delivery, and servicing of a new vehicle. Are you kidding me???

These companies, in partnership with other environmental groups, believe that the current franchise system, in place in all 50 states, is archaic and must be destroyed to “save the planet.” These EV start-ups and related companies are actively seeking exemptions to the State’s franchise laws in order to allow them to sell directly to North Carolina consumers.

For the sake of the over 10 million North Carolinians, it is vitally important that North Carolina remains a State that values consumer protection, values North Carolina jobs, values a highly competitive marketplace, and values the role that small towns, communities and civic organizations play in creating the culture and ideals we proudly call North Carolina.

Car and truck dealers are..... and always will be.... tirelessly supportive of our customers, our fiercely competitive marketplace, and equally important, the communities that we live in! We have an 80-year track record of being stalwarts in towns and communities across North Carolina and we challenge EVERY EV start-up, regardless of how shiny your new battery-powered, limited-edition, technology-laden vehicle may be, to match our industry's overall commitment to North Carolina. It simply WILL NOT HAPPEN.

So, as we look at the next 12 months ahead, I ask all dealer members to be prepared for the following:

- Work with your leadership team to prepare the dealership for the adoption and rollout of EVs and hybrids.

- Work with your customers and sales team to educate them on the value, issues, and features of EVs and hybrids.

- Meet with and consider financially supporting the campaigns of your local elected officials. Bring them into the dealership to meet your employees and better understand your business, your employees, and your support of the local community.

- Stay in touch with NCADA as our industry proactively fights to protect the consumer-centric franchise system.

Lastly, on behalf of your NCADA Board of Directors, THANK YOU for your support of NCADA and the NCADA programs and projects. Our goal is to keep North Carolina as the “#1 State for Franchised Dealers” and we can only achieve that goal with your financial support and participation.

Best of luck in 2022. Proud to be a North Carolina dealer!



Jeff Michael
NCADA CHAIRMAN





EXECUTIVE FORUM

DURHAM DECEMBER 7, 2021

NCADA's 14th Annual Executive Forum was held on December 7, 2021.

Breakout sessions, which featured NCADA Associate Members, provided training and information to dealership personnel on important industry topics such as Digital Marketing, Fixed Operations, and Today's Industry Disrupters.

The Executive Forum included a Trade Show featuring almost 30 NCADA Associate Members who generously sponsored the event. Attendees had an opportunity to meet with company representatives and learn more about their services and products as well as register for incredible door prizes.



During the lunch program, NCADA took time to honor First Responders from around the state. North Carolina Secretary of Public Safety Eddie Buffalo was in attendance to help recognize these fine men and women. Prior to distributing awards, Secretary Buffalo took a moment to recognize auto dealers for what they do for the local communities.





Also, as part of the Executive Forum, David McNeill was honored as North Carolina's 2022 Time Ally Dealer Of The Year. David reflected and made personal comments on the events that led to him being nominated for the award. McNeill is one of a select group of 47 dealer nominees from across the country who will be honored at the 105th annual National Automobile Dealers Association (NADA) Show in Las Vegas on March 11, 2022.



In closing, keynote speaker and globally recognized Paralympic track and field athlete for Team USA, Lex Gillette, gave a captivating presentation - "No Need For Sight When You Have A Vision" - where he talked about his perseverance as the only blind athlete on the planet to eclipse the 22-foot barrier in the long jump. His athletic talents have been featured by ESPN, Sports Illustrated, USA Today Sports, and People Magazine.

NCADA thanks all those who participated in the 2021 Executive Forum. A special thank you to our generous sponsors who help make this yearly event a huge success!





HOMETOWN HEROES

HONORING FIRST RESPONDERS

North Carolina Secretary of Public Safety Eddie Buffaloe joined the North Carolina Automobile Dealers Association (NCADA) to recognize 77 North Carolina First Responders as part of the fifth annual Hometown Heroes recognition luncheon in Durham on December 7.

The North Carolina Hometown Heroes program was started by NCADA on the 15th anniversary of the 9/11 attacks on America. Honorees are nominated by their local new car, truck, and RV dealer and are presented with an award as part of the recognition lunch.

Each Hometown Hero was individually recognized by NCADA Chairman Jeff Michael and North Carolina Secretary of Public Safety Eddie Buffaloe while a description of why they were nominated was read to the audience.



The first responders, representing several areas from around North Carolina, included men and women from Fire, Police, and Sheriff's Departments, the State Highway Patrol, and Emergency Medical Services. Members of the NC DMV License and Theft Bureau, United States Postal Inspection Service, United States Attorney's Office, and the United States Secret Service were also recognized.

Thank you to Assurant Dealer Services for sponsoring this initiative and making it possible to honor and hear the stories of the men and women that keep our communities safe!



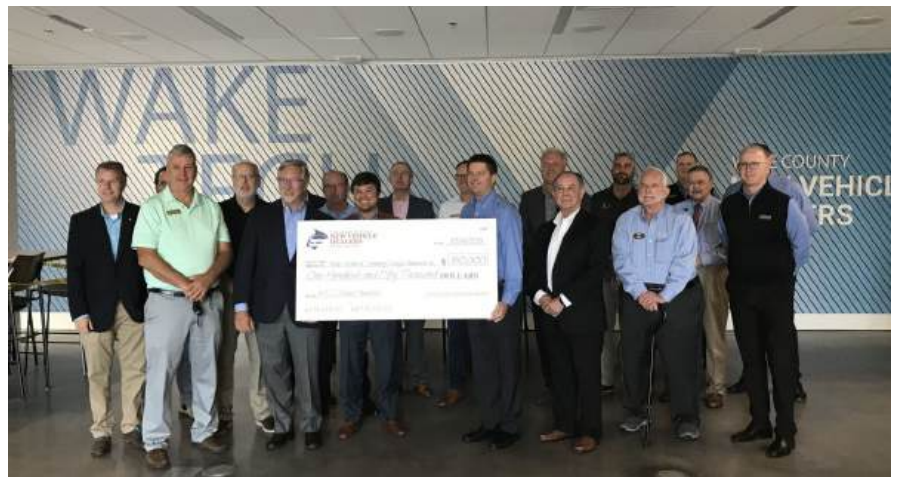


HIGHLIGHTS

It is remarkable how much can happen in just one year, and how quickly we can forget! The goal of this publication is to share all of the happenings throughout the year 2021 as it was jam-packed full of exciting events.

NCADA would like to bring light to these events that you may have forgotten about. For example, The Wake County New Vehicle Dealers Association met at Wake Technical Community College. The highlight of the meeting was a tour of the new Hendrick Center for Automotive Excellence at Wake Tech's Scott Northern Wake Campus, made possible through generous contributions from the Wake County area dealers, including a \$1 million contribution from Hendrick Automotive Group.

Please enjoy these pictures of some of the many happenings in 2021!



FAMILY CONVENTION - PONTE VEDRA, FL

JUNE 19-22, 2022



ASSOCIATION HAPPENINGS

➔ All In On EVs Campaign

In anticipation of kicking off the 2022 NC ALL IN ON EVS Campaign, special thanks to Mr. Jay Wyatt and the team from Valley Auto for arranging the delivery of a specially wrapped Volkswagen ID.4.

A little about the VW ID4:

The Volkswagen ID.4 EV was voted 2021 World Car of the Year by a jury of 93 distinguished international journalists from 28 countries. It has an EPA Estimated Range of 260 miles and is designed with all passengers in mind, not just the driver. Fun to drive and easy to enjoy as a family.

In advance of the unprecedented consumer shift to electric vehicles, NCADA has formed a statewide advisory group to promote and advance the sale of EV and plug-in hybrids across North Carolina.



The advisory committee is focusing on efforts that can be undertaken to accelerate the implementation of chargers in and around dealerships as well as working with dealerships to educate salespersons and technicians on the sales and maintenance of EVs.

As the All In On EVs campaign continues through 2022 you can stay up to date on electric vehicle happenings by visiting our ncelectricvehicles.com website.

➔ NCADA Title Seminar

Join us for the 2022 Title Clerk Seminars in Charlotte & Wilmington. Conducted by DMV Training Staff, this seminar will cover basic and advanced titling procedures. This is a great opportunity to cross-train your staff and receive critical updates on title processing procedures. If you have never attended this beneficial seminar, don't miss your chance.



Key topics will include:

- Property Tax on Vehicles
- ELT (Electronic Lien Titling) - How it works & Updates
- No Highway Use Tax on Electronic Titling Fee
- Required title documents, including how to complete the documents
- Types of plates to be issued in a variety of situations
- Unusual titling situations
- DMV Forms and requirements for new forms
- Truth in mileage
- Repossessions & ELT Requirements
- Secure Power of Attorney
- Lost documents & incorrect assignments

➔ First-Ever Service Advisors Training

The FIRST-EVER NCADA Service Advisors Training took place in Raleigh, Charlotte, and Greensboro in January. Training from Assurant Dealer Services allowed NCADA members to attend an all-day, live training course to streamline departmental processes, develop accountability, elevate service drive morale, and drive higher levels of profitability through more repeat and referral business.



This engaging training touched on topics such as building relationships and trust with customers, follow-up strategy, and software operation skills. Due to the overwhelming success and feedback from the training, we will be continuing Service Advisors Training in the future.



"FIGHTING FOR OUR FUTURE"

The retail franchise system, in place for more than a century, is under direct attack in North Carolina by start-up EV companies who wish to sell their vehicles directly to the consumer. These start-up companies disregard the vital role that franchised dealers, in highly competitive marketplaces, serve to protect the interests of the consumer.

At this time, at least two EV manufacturers are seeking specific exemptions from the current North Carolina laws to sell directly to the car-buying public. NCADA and its leadership adamantly, and unequivocally, oppose ANY exemption that puts the consumer at risk and that allows manufacturers to circumvent the decades-old franchise laws.

Parallel with the challenges to the franchise system, NCADA is actively engaged in a pro-consumer, pro-EV, pro-dealer campaign that highlights franchised dealers as the best source for sales and services related to future EVs. Dealers are the linchpin that will make EVs successful in North Carolina. As part of the plan to protect the franchise system, and promote dealers as the best source for EVs, the NCADA Victory fund will be a big part of the ultimate success of our efforts and vital to multiple aspects of NCADA's campaign. The Victory Fund will:

- Work with Driving North Carolina Forward, an NCADA political organization, that was created to "promote the overall economy and the interests of North Carolina automobile consumers" and that advocates for the election of pro-dealer candidates for the North Carolina General Assembly and other state offices. Driving North Carolina Forward was founded in 2010 by NCADA members.
- Assist and support NCADA's legislative activities with consumer-focused educational communications and marketing programs designed to promote a highly competitive, dealer-centric retail marketplace.
- Assist and support NCADA's lobbying efforts in defending and promoting legislation that supports the franchised retail system.
- Assist in funding other regulatory or legal initiatives that may arise in this fight

YOUR HELP IS REQUESTED NCADA included a voluntary Victory Fund contribution on 2022 membership dues statements and we encourage all members to participate.

On behalf of the NCADA Board of Directors and the 600+ franchised car, truck, and RV dealers, we ask your support in contributing to this fund as part of your membership dues invoice.



NCADA will soon be kicking off the **2022 AutoPac Campaign - Fighting for Your Future**. Certainly, 2022 will be a critical year for our industry and we are asking all NCADA members to step up and support the AutoPAC.

The strength of the NCADA AutoPAC has never been more crucial than it is today and your contribution to the AutoPAC can make a significant impact in the efforts of NCADA to advance a pro-dealer business climate in North Carolina. The AutoPAC supports the election efforts of pro-business candidates for the General Assembly and other state offices.

Throughout the years, NCADA has fought to:

- Maintain and advance the most dealer-friendly franchise laws in the United States.
- Maintain and increase a pro-business legislature.
- Protect dealers from coercive attempts by manufacturers to engage in operational practices that are not beneficial to North Carolina consumers.
- Improve the tax and regulatory environment and decrease burdens on franchised dealers.

All these things could not be done without the support of our franchised dealer members and without your support of the AutoPAC. We strongly encourage you to participate in this year's campaign as a Chairman's Club member. A 2022 NC AutoPAC contribution form can be found online at ncada.com.

Please join your fellow dealer members by completing the form and sending back to NCADA today!

A special THANK YOU to all members who contributed to the AutoPac in 2021. We anticipate another great year for the AutoPac in 2022!

2021 AutoPAC Contributors

Mike Alford	Steve Lee
Joe Alvarez	John Lee
Fred Anderson	Linda Leith
Michael Anderson	William Lennon Jr
William Black, III	Grant Loftin
James Bland	KC Loughlin
William Bleecker	Randy Marion
William Brown	Dean Martin
Harry Brown	Scott McCorkle
Eason Bryan	Jay McFarland
Norwood Bryan	Ray McKenney
Joe Bryson	David McNeill
William Bulluck	Jeff Michael
Tom Burton	Tim Mitchell
Mark Carter	Wayne Moore
Larry Cloninger	Chris Morgan
Rusty Cox	Bill Musgrave
Rex Creech	Cynthia Mynatt
Mary Curry	David Neill
Mike Deichmann	David Odom
Pete Deichmann	James Van Olp
Kristin Dillard	Richard Parker
David Durst	Adam Parks
David Everett	Tim Price
Dave Everett II	Todd Rakes
John Feduke	Mat Raymond
Helmi Felfel	Garson Rice
Mark Fisher	Bobby Rice
Greg Gach	Mary Rice
Mark Genereux	Jack Salzman
Dean Green	Dale Stearns
Bruce Griffin	Don Strider
David Hansing	Toby Strider
David Harris	Wayne Thomas
Rick Hendrick	Mark Thompson
John Hiester	Natalie Tindol
Bonnie Hunter	Mike Toler
Thomas Hunter	Ray Vrsack
Randy Hunter	Dean Wagaman
Tim Ilderton	David Westcott
Michael Johnson	Steve White
Samuel Johnson	Lawrence White
Bennett Johnson	Doug Wilkinson
Bobby Jones II	Ward Williams
James Keffer	Charles Williamson
Alycia Kellum	Brad Wood
Martha King	Gerald Wood
Rob King	Michael Wood
Pat Koballa	Jay Wyatt
Dan Lackey	Greg York
Mary Margaret Latham	Gary Younts

2022 ASSOCIATE MEMBER PROFIT TIPS

NCADA recently asked our Associate Members to provide us with a few helpful tips for 2022 and here is what they had to say!

MICHAEL BLACK
AutomotiveMastermind



While every dealership will face unique challenges, it is critical that dealers broaden their hiring horizons. The modern dealership can lure great talent from other industries impacted by the pandemic, including tourism, entertainment and hospitality. By taking a competency-based approach to strategic dealership staffing, your team can search for candidates who possess the specific skills your dealership needs, even if they lack formal dealership experience.

LAURA WARD
CLA
(CliftonLarsonAllen)



Cash management can generate profits. Many dealers are being conservative with distributions after a wildly successful year in order to weather any potential storms related to further inventory shortages. This excess cash has created opportunities to expand or invest directly in operations. Absent those opportunities, dealers are looking to lower interest expense by paying down any high-rate debt.



CHRISTOPHER PERRY
LotLinx

Be sure to regularly monitor your marketing spend to be sure it is evenly distributed across your entire inventory. In most cases, the majority of your digital marketing spend goes towards a handful of VINs, leaving the majority of your inventory underexposed. The underexposed inventory then has increased holding cost, marketing spend, and increased markdowns making it less profitable. We recommend a regular review of your digital ad spend to be sure that all of your sources are well balanced across your entire inventory.

SHAWN MERCER
Bass Sox Mercer



Use the warranty reimbursement law to receive retail (customer pay rates) parts markup and labor for warranty, factory maintenance and recall work. Ask your dealer lawyer for the details. The difference in the fixed operations bottom line can be hundreds of thousands of dollars per year!

AMBERLY JOSEPH
Dealer Merchant
Services



Get a second opinion on your current Credit Card Expense since the laws have changed in North Carolina. You can recapture this huge expense, much like shop supplies, and working with a partner that trains your employees on HOW to tell your customers that they have payment choices is the key to saving up to 75% WITHOUT disrupting CSI.

JAY LOWE
Gallagher



Are you still providing benefits to employees who no longer work at your dealership? You could be spending thousands of dollars each month on employees who are no longer eligible for benefits. Make sure you have a process in place to audit your benefits billing statements throughout the year. You don't want to continue paying the premiums of employees who are no longer with you.

MARK MOTSIFF
KPA



The secret to maximizing profitability in 2022 is staying compliant and avoiding potential litigation. This is by far the easiest and most important way to not only maintain and grow revenue in 2022 but to save time and money.

BARB CRISCIONE
ACV



Vehicle Inspections with new technology add to accuracy. Every car has a value just what is it? Think about promoting an event at your dealership to value a customer's car with a real auction ACV's Live Appraisal is a solution. These staffed events happen every weekend across the US. Dealers on average buy six units directly from consumers and sell some new as well.

DAVID TIFFT

David Tiftt And
Associates LLC



Okay so now that we have learned to do what we never thought possible; "Forget what you thought you knew and focus on what you can do" 1. Focus your people daily to work "ON" the Business. 2. Do not work for what has been, work for what can be. 3. Be the Kind & Caring Culture that your Customer & Employees desperately Need & Desire.



JUSTIN WARD
Brady Ware & Company

We have seen that dealerships with successful digital marketing platforms are structured around Match-Back sales, live dealer dashboards, and weekly communications to allow for changes in real time or as needed. Build in accountability, flexibility, and certainty by finding an authority in digital marketing who delivers measurable ROI.



DEAN POPOVICH
Crystal Clean

By allowing an environmental service provider to handle your dealership waste, they will keep you compliant with local and federal regulations. They can help you compile and maintain your mandated on-site books.

**HUNTER HOUCK**

Marsh & McLennan
Agency LLC

Employers and Employees struggle to find a work experience that benefits them both, and few have found lasting success through the pandemic. They seem to be misaligned in their perceptions of what makes a "great work experience". As a result, human capital investments aren't seeing a return and turnover remains high. Employees crave experiences that FEEL MORE HUMAN and engaging, and that enrich their lives as a whole. One primary way to increase your chances for a long-term fit and reduce costly turn-over, lies with your Employee Benefits Consultant. Intimately partner with them throughout the year to identify individual needs in YOUR people, your dealership, customize your benefits to make them unique, and operate to function as a "Health & Welfare Arm" of your business.

**CHAMP RAWLS**

The Rawls Group

Before thinking you must either Get Big or Sell Out, invest time into getting informed. Succession planning creates the foundation for sound decision-making and keeps events from driving your strategic timetable. If you feel the pressure of GBGO, first determine what you want for your future and then challenge your advisors for how to get there.

**TED BRADLEY**

First Benefits
Mutual Insurance

The Experience Modification Factor on your workers' compensation policy will either increase or decrease your workers' comp premium. Claims and their cost have a direct result on your experience modification factor. Two ways you can keep your claims costs as low as possible and save your dealership money: 1) Impress upon your employees and managers to report claims as soon as possible; delays in claim reporting drive claims costs up. 2) Employees with minor injuries should be sent to nearby Urgent Care centers – Not to Emergency Rooms. Emergency Room visits can be 5x's more expensive than a visit to an Urgent Care office.



2022

NCADA PREMIUM PARTNERS & ASSOCIATE MEMBERS



Dealer
Services



COX AUTOMOTIVE™



Grandall
STRATEGIC COMPLIANCE



ACV Auctions
ADG/EasyCare
Ally Financial
Assurant (AFAS)
Atlantic Union Bank
Auto/Mate Dealership Systems
Automotive Mastermind
AutoPoint / Title Tec
Bank of America
Bass Sox Mercer, Attorneys
BDS Dealer Pros
Better Car People, LLC
Brady, Ware & Schoenfeld Inc
Broadway Equipment Company
Buyer's Value Printing
Cardinal Business Forms
Carfax
Caudle & Spears, PA
CBS17 Nextstar Broadcasting
Charlotte Insurance
CliftonLarsonAllen LLP
Cox Automotive
Curtis Media
David Tift and Associates LLC
Dealer Merchant Services
Dealership for Life

Dixon Hughes Goodman, LLC
Dominion DMS
Federated Mutual Insurance Co.
Fifth Third Bank
First Bank
Fourth Elm Construction
Gallagher
Greensboro Auto Auction
Greenville Auto Auction, Inc.
Gulf States Financial Services, Inc.
Henderson Hutcherson & McCullough, PLLC
Hendrick Autoguard Inc.
Heritage - Crystal Clean
IA American Warranty Group
IHeart Media
Ikonic Digital Marketing
JM&A Group
Johnson, Hearn, Vinegar, & Gee PLLC
KPA, LLC
LotLinx
Manheim Statesville / Cox Automotive
Marsh & McLennan Agency
MetroTech Automotive
NADART
Naked Lime Marketing
Parker Poe Adams & Bernstein LLP

Penney Design Group, LLC
Phelps Digital
PNC Bank
Porter & Company, P.C. CPA's
Proactive Dealer Solutions
Proton Technologies
Resources Mgmt. Group
Reunion Marketing
Reynolds & Reynolds
Risk Theory Dealers Advisors
Sinclair Communications dba WXLV
SpinCar
The Rawls Group
The Sterling Group
TradePending
Truist Bank
United Tranzactions
US Bank
UVeye Ltd.
Visibility Workflow
WebBuy
Wells Fargo Dealer Services
Williams Overman Pierce, LLP
Zurich Insurance Co.

UPCOMING EVENTS

For additional information regarding upcoming events or how to register please visit ncada.com/events

TITLE CLERK SEMINAR

CHARLOTTE - FEBRUARY 22

TITLE CLERK SEMINAR

WILMINGTON - MAY 19

ANNUAL FAMILY CONVENTION

PONTE VEDRA - JUNE 19-22

CONTROLLERS SEMINAR

AUGUST 17

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Director of Events and Member Engagement

Bridget Johnson

Member Services Manager

Kyle Kimbro

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Kobe Fike

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MISSION

To use its collective power to proactively preserve, protect, and enhance the economic life, relationships, and image of its members and the association itself.

WWW.NCADA.COM

Flashes

A PUBLICATION OF NCADA