



the Southlander

YOUR ASSOCIATION NEWS UPDATE



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August/September 2007

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SMCDA Presents ROP Students with Scholarships

Funds support high school students studies at Cerritos College



Eighteen high school students taking classes in Cerritos College's Automotive Technology Program through the Southeast Regional Occupational Program's (SEROP) Auto Careers Institute (ACI) received \$250 scholarships toward the purchase of MATCO tools from the Southland Motor Car Dealers Association (SMCDA) on June 7.

As part of the expanded Southland/Cerritos Center for Transportation Technologies and to help encourage more students to continue their studies in the automotive field, the scholarships are contingent upon the students continuing their automotive education

at the college level.

"The students only receive the scholarship, or in this case their tool credit, if they enroll in one of the four auto tech programs at Cerritos College," explained Todd Leutheuser, executive director at SMCDA.

So far it appears to be working, as 11 of the 18 have signed up. Now that the students are finished with their classes as high school students, they have the opportunity to apply and join the Import Technician Training Program (ITTP) or the Ford, Chrysler or General Motors corporate programs offered at Cerritos College.

"Dealers in our industry are eager

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To advertise in an upcoming issue, please contact
Todd Leutheuser at (562) 595-4326.

Message from the President

This issue of the *Southlander* could be called our "back to school" issue. Summer is winding down, new products will soon be hitting our show rooms and the Orange County Auto Show is right around the corner. You could say, for those of us in the auto industry, a new season is here and, as in our youth, it's time to start thinking about getting "back to school."

If you have been reading the *Southlander* during the past several years, you're well aware that education has been a significant focus of the SMCDA. As such, we have been fortunate in gaining significant support for programs that will strengthen our industry for years to come. Through our partnership with Cerritos College, our industry has been able to launch more than a half dozen programs that didn't exist several years ago.

Take, for example, the high school training program offered through the Southeast ROP; or, the series of week-long alternative fuels summer camps for junior high students; the Northwood University program at Cerritos College; the Cerritos College Alternative Fuels Training Center; and the Import Technician Training Program. We are currently in the process of working on an accredited automotive certificate program designed to allow dealership employees to take highly specific classes relating to the management of a dealership. This all takes funding and, with our help, our partners at Cerritos College have been able to secure more than \$1 million in grants to pay for these instructors and programs for the foreseeable future.

You, too, have been doing your share. Last month, our Scholarship Golf Tournament netted over \$35,000. All net proceeds from this tournament will go toward scholarships for students interested in pursuing a career in the auto industry. I personally thank you for your support.

And like any good back-to-school season, it wouldn't be complete without our auto show. The Orange County Auto Show will be held October 4-8, at the Anaheim Convention Center, and we are promoting a great marketing opportunity for you to consider. Take a look at page five to learn more about it. We are also pleased to announce the Charity Auto Show Kick-off Gala benefiting CHOC on Wednesday, October 3. You will be notified regarding details on these items via mail shortly, so take advantage of the opportunities, and I hope to see you there.

Sincerely,


John Dinsmore
SMCDA President



John Dinsmore
Penske Toyota



Continued from cover

to hire Cerritos College Auto Technology students through work study programs, and program graduates are highly sought as full-time employees. The students in this program receive excellent training,” said Leutheuser.

“When they finish the program, they are by far more prepared for college and ready for the challenge of working at a dealership.”

The student awards are actually worth \$500 because MATCO provides Cerritos College students—who purchase tools to use in their classes—with a 50 percent discount on purchases. Cerritos College

has offered automotive technology training since the college began in 1955. Nearly 1,000 stu-

“The students in this program receive excellent training. When they finish the program, they are by far more prepared for college and ready for the challenge of working at a dealership.” said Todd Leutheuser.

dents annually seek certificate degrees and special programs in the disciplines of automotive repair, advanced transportation technologies, auto collision repair, intelligent transportation

systems and alternative fuel and hybrids, making it one of the most comprehensive programs in the United States.

The program provides students with hands-on, nationally authorized training for GM, Ford, Chrysler and import vehi-

cles, and operates a California Advanced Transportation Technology Center partially subsidized by the state to encourage development of alternative fuel sources.

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OC Auto Show Joint Marketing Opportunity

2-for-1 Auto Show Ticket Giveaway Will Strengthen Your Customer E-mail Database

Are you sending out a service or sales mailer between September 15 and October 3? If so, the SMCDA and OCADA have an opportunity to 1) thank your customers; 2) increase your email data base; and 3) help get the word out to the public about the OC Auto Show!

The Orange County Auto Show (October 3-7 at the Anaheim Convention Center) is around the corner and, as a member of the Southland Motor Car Dealers Association, you have the opportunity to thank your customers for buying or servicing a car at your dealership. The program is simple and will help you build your customer email database for future communication. How does it work?

1. Sign up for the program with the SMCDA representative Eduardo Blocker.
2. Include pre-designed 2-for-1 Auto Show

Ticket coupon artwork (pictured) in your service mailers.

3. Customers are directed to Auto Show Web site 2-for-1 discount section.

4. Customers type your dealership name as a password.

5. Customers buy ticket online and check "opt-in" button.

6. 2-for-1 ticket is e-mailed to customer.

7. All email addresses collected under your dealership name will be forwarded to you.

To explain this more clearly, we have recruited the services of Eduardo Blocker, a data and process consultant, who will be calling you to schedule a time to meet. Please make some time to meet with him and get this joint marketing effort moving.

If you have any questions, please call the SMCDA office at (562) 595-4326.



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Tune Up Your Employee Benefits

In the automotive industry, you are aware of just how difficult it is to stay abreast of the latest technology, provide quality service to your customers and still stay ahead

of your competition. You also know that it is extremely challenging to attract, and keep,

quality employees. In order to attract and retain these quality employees, your benefits package needs to have "new millennium" content. Now is the time for you to complete a total maintenance check on your employee benefits package, both direct and supplemental benefits. Also, it is essential that your employees fully understand all of the components of the package.

In order to attract and retain these quality employees, your benefits package needs to have "new millennium" content.

Communicating the advantages of your employee benefits package will nurture an appreciation for the investments that are made for your organization.

save costs?"

Are you capable of "streamlining your benefits enrollment process" and also "simplify your benefits administration, before, during and even after the enrollment?"

And most importantly, are you aware that you can "help your employees pay for what their health insurance won't?"

Great news! These employee ben-

A few questions concerning your current benefits package will jump start the check-up.

Can you "expand your employee benefit offerings, but still

efits queries have solutions. And these solutions are at "no direct cost to you." That's correct. Solutions that can have a positive effect on your bottom line! Give your employee benefits package a tune-up, so your organization can focus on your business challenges - the selling and servicing of vehicles. The changing lifestyles of your employees dictate a diversity of needs.

"New Millennium Benefits Check-Up" provided by Michael J. Lancaster, District Sales Manager, Colonial Insurance, a Supplemental Benefits provider. To schedule a convenient time for us to "check under the hood" of your employee benefits package, please feel free to contact Lancaster at (949) 837-3540, (949) 212-1925 or michael.lancaster@sbcglobal.net.

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SMCDA Joins Cerritos College in Hosting Unique Summer Camp

Middle and High School Students Learn About Energy, Power, Transportation, and the Environment

On July 9, the Cerritos College Southland/Cerritos Center for Transportation Technologies (SCCTT) launched its new and innovative "Summer Camp, 2007" program. There were a total of four Camps held, each Camp one week in length.

The program was funded by a grant from Nissan North America, Inc. and is a collaboration between the SCCTT, the college Foundation office, the college Community Education office, and the Southland Motor Car Dealers Association.

Students were taught by SCCTT instructors in the fine points of clean and renewable energies and alternative powered vehicles and fuels. The students then experimented with advanced transportation model vehicles using hydrogen-, solar- and battery-powered systems.

"We were thrilled to welcome these students to our campus," said Eli Jaramillo, director of the Advanced Transportation Technology and Energy Initiative for the SCCTT.

"As a college, we're honored to be a part of educating the next generation about Energy, Power, Transportation, and the Environment. These students represent an important link in the future of the advanced transportation industry as a whole."



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International Student Pursues Auto Tech Career

Gerardo Oka, Originally of Lima, Peru, Travels to U.S. for Specialized Training

Ever since he can remember, Gerardo Oka has spent most of his time immersed in Jeep bodies and transmissions. After spending the past two years at Cerritos College, Oka graduated this summer from the CAP Program with certification in servicing Dodge, Chrysler and Jeep vehicles. Oka grew up observing and helping his father, who owns a repair shop in Oka's native Lima, Peru. As he grew older, Oka felt it was time to pursue even further experience--and most importantly, certification--in his automotive specialty.

Only a few select programs in the U.S. offer Chrysler's College Automotive Program (CAP), which provides technicians with specific corporate training on Chrysler and Jeep vehicles, and Cerritos College is one such institution. He says he found early on that Cerritos

College's Automotive Technology Program was the best program on the West Coast.

"The best class was the one that focused on drivability and fuel systems," said Oka.

Oka, 29, came to the U.S. on a student visa and began legally working part time at Long Beach Chrysler Jeep with Tom Bonnstetter, who urged Oka to pursue a certification program at Cerritos College.


Oka enrolled at Cerritos College as an international student. CAP allows students to take advantage of a work-study program, and that's just what Oka did. He continued working part time--after qualifying for curricular practical training--at Long Beach Chrysler Jeep while attending the program, which provided him with even further specialized training in servicing



Dodge, Chrysler and Jeep products.

Now that he's finishing the Chrysler corporate program, Oka plans to pursue an optional practical training and become a full-time technician at Long Beach Chrysler Jeep.

In spring 2007, Oka finished the semester at the top of his class. He was honored by Cerritos College's Automotive Technology Program as the "Most Outstanding Student" for his overall academic achievement. He earned the highest grade point average of 3.93. Most of all, Oka is proud to be finishing the program, and he looks forward to becoming a master technician--completely, and most importantly, certifiably, versed in the nuances of Dodge, Chrysler and Jeep vehicles.



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Kelly's Korner | Add Products to Increase Profits

By Jan Kelly, president of Kelly Enterprises

In many dealerships, customers are beginning to trade in their vehicles just prior to end of the factory warranty period. When this trade cycle occurs in the marketplace, the sale of service agreements slows, as customers recognize their vehicles will still be in warranty at trade-in. No matter how skillful your F&I producers are at selling, they will find it difficult, if not impossible, to sell service agreements on short term leases (which, by the way, are currently advertised nation-wide).

If you are a dealer who continues to rely upon reserve and service agreements as your sole source of F&I income, now is the time to look to additional products to increase your F&I income stream.

One recourse is to proactively support the factory prepaid maintenance program or develop one of your own. Either way, you will add a profit center at the time of the vehicle sale and offer a service that

brings the customer back to the shop as long as they own the vehicle. Is it a huge moneymaker? No, but it is something, and something is better than the nothing that many dealers are looking at now.

Prepaid maintenance represents value to the customer and guaranteed business for the shop. The discounted rate is offset by not giving up the work to an independent shop down the street in your own hometown. Prepaid maintenance also provides an opportunity to forge a strong business relationship between the shop and your customers. People buy from those they like and trust and will keep returning to spend additional dollars on products and services that are not covered by the prepaid maintenance.

Accessories give your customers an opportunity to customize their vehicles, and open the way for F&I to make a profit on a item that can be included in the amount financed.

If the traditional F&I profit areas are not being utilized due to lack of value, funding, or presentation, then depart from the ordinary and find something your F&I managers can excel in. Just by giving a customer a list of customizing options to review while the F&I manager is completing data entry can add \$10K-\$40K a month to your bottom line.

As you will see from the example that accompanies this column, you can offer your customers a list of items that can be installed and added to the loan, or paid with cash or credit card. Show them a retail price, then show them a "today" sales price and ask for the order.

The advantage is yours when you profit from the product alternatives that prepaid maintenance and accessories offer.

"Kelly's Korner" column, Oregon Dealer News, February 2007. Visit Jan Kelly online at www.jlkelly.com.

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Marketing Used Vehicles Online

Make the Most of Your Dealership Website as a Resource for Selling Used Inventory

One of the greatest marketing tools available to modern dealerships is the Internet. More and more, customers are going online to research the pricing, features, and availability of the vehicles they're interested in.

It stands to reason that you should devote more time, attention, and budget to marketing your vehicles online. Here are key points to help you make the most of this resource:

Your dealership web page should be current. It's frustrating for a customer to select a vehicle online only to be told that it's no longer available. Think seriously about having an outside vendor or a dedicated Internet salesperson to

keep your website up to date.

Your web page should be user-friendly. Design your website with customers in mind, and don't let technology can get in the way of your primary goal—selling vehi-

“Your walk-in traffic will likely increase if you post at least ten to 12 good photographs, taken from consistent angles.”

cles. The fancy font and advanced animation won't please customers whose systems aren't equipped to handle them. Be sure the site has clear instructions and easy-to-follow links to such features as monthly specials, help for credit-challenged customers, and directions to the dealership. Also be sure the site

allows customers to see vehicles they're interested in within one to two clicks.

There should be multiple photographs of each vehicle. Customers savvy enough to shop online won't be satisfied with just one view of a vehicle. Your walk-in traffic will likely increase if you post at least ten to 12 good photographs, taken from consistent angles. Also, don't be afraid to show dents, scratches, or other unrepaired physical flaws in your photos—showing (and describing) any blemishes helps build trust with your customers and reduces unpleasant surprises when they come to see the vehicle in person.

Your website should be prominently featured in all your marketing. Use your print and broad-

Continued on page 10

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- Miscellaneous Services

Continued from page 9

cast advertising to promote your website—which should have, if possible, a short, memorable address. The website can contain a lot more detail than the other advertising.

Your website should have current contact information, including your dealership phone number. Although the Internet is a valuable tool for reaching out to potential buyers, the ultimate goal is to get them into your dealership. Including your phone number increases your chances of establishing direct contact and setting up an appointment with the customer.

This article is adapted from *A Dealer Guide to Used-Vehicle Strategies and Solutions* (SL15). The guide can be ordered at www.nada.org/mecatalog or by calling 800-252-NADA, ext. 2.

Chrysler-Jeep Tech Featured in Cerritos College Ad Campaign

Jimmy Nguyen, a Chrysler-Jeep technician, is currently featured in a series of ads in local newspapers and on MTA, Norwalk and Long Beach Transit buses.

Nguyen is a student in the corporate CAP program at Cerritos College and received the Jeannie M. T. Yang Scholarship from the Cerritos College Foundation in November 2006. Dr. Jeannie M.T. Yang, was a community college professor who had a great love for education. The award was established in 2004 by Peter Leutheuser, Yang's longtime friend and brother of Todd Leutheuser.

After completing the CAP program, Nguyen plans to pursue his bachelor's degree in automotive management from Northwood University.

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