AUTOCONNECT



imed at helping dealers grow their operations and bottom lines, the **GM Minority Dealer Development Business Meeting** was held in September at the Detroit Marriott at the Renaissance Center. The three-day meeting featured 20 Group discussions, networking, GM leadership presentations and access to new tools and expert advice about programs to drive profitability.

The special awards ceremony was a highlight of the event, where GM presented **Premier Elite Awards** to the highest performing minority dealerships across the country. Maurice Williams, general manager, Sales Support, along with Carlos Latour, director of Dealer Diversity Relations and Jackie Vessel, senior manager GM Dealer Development, thanked each of the winners for their achievement.

"GM recognizes the power of diversity and the role it plays in sparking ingenuity and creativity", said Latour. "As we continue to face new challenges and innovate new solutions, we know the diversity among our retail network will give GM a competitive advantage in the global marketplace."

GM's annual Premier Elite Award is based on dealer profitability exceeding \$1 Million in net profit before bonus and taxes (NPBBT). For 2017, the top one-third of the Premier Elite were repeat winners, which moved them into the Platinum Elite category. A third award — the Performer Award — was also given to one dealership in each MDD 20 Group with the highest DPS score.



"We Say Yes"

MDD Dealer Bill Perkins is known for saying, "Yes!"
That is just one of many positive traits shared by the MDD 2017 Premier Elite winners. Award recipients described themselves as passionate about customer experience, putting the customer at the center of everything they do. Latour said they demonstrated high standards of excellence, dedication to continuous improvement and a commitment to their communities.









GM SEEKING TOP CANDIDATES FOR MINORITY DEALERSHIPS

GM is proud to have the largest minority dealership network in the U.S. To maintain this honor, and to continue to expand diversity in our retail operation, GM is constantly pursuing new talent for future ownership opportunities.

If you know of a qualified candidate, please contact Alicia Boggs <u>alicia.d.boggs@gm.com</u> or visit <u>www.gmminoritydealer.com</u> for more information.











arlos Latour, director of GM Dealer Diversity Relations, is pleased to announce Jackie Vessel as GM's new senior manager, GM Dealer Development. Mark Rainey, formerly in the position, is now Chevrolet zone manager, Boston Metro.

"Jackie is a GM pro with 25 years' experience working with dealers in the field," said Latour. "She understands the demands on today's dealers, as well as the growing importance of minority and female customers. We're confident that Jackie will deliver value-added tools that will allow our women and minority dealers to better service their customers, grow their sales and profitability, and attract more minority and female dealers into GM's retail network."

Vessel started in Chevrolet's Customer Assistance Center, a job she calls pivotal in developing her passion for delivering customer satisfaction. During her career Vessel has held a variety of cross-divisional field assignments. After a time in Detroit opening the Dealer Business Center, she moved back out into the field. She was appointed a zone manager in 2010, and has since worked in Dallas, Syracuse, Cleveland and, most recently Boston. Latour said Vessel's career success is a direct result of attention to building relationships, developing an empowered team and focusing on process improvements.

"I couldn't be more thrilled at the opportunity to work more closely with minority and female dealers," said Vessel. "Over the last several years, I've seen the presence of women and minorities in the auto industry evolve — as both dealers and customers. GM, MDD and WRN are industry leading

in growing female- and minority-owned dealerships as a way to increase diversity and provide customers with stores that reflect their neighborhoods. Our job is to ensure those dealers are successful, satisfy their customers and provide access to those interested in joining the GM retail network."

Vessel graduated from Southern University of Baton Rouge with a degree in Broadcast Journalism. She also attending the Harvard-GM Emerging Leader Program. Throughout her career, Vessel has worked to increase opportunities for women. This includes involvement in mentoring programs, customer outreach initiatives and marketing strategies.

"I'm honored to lead an extremely talented team," Vessel said, "and look forward to building upon great successes and strengthening relationships across WRN and MDD."

GOALS MOVING FORWARD

Strengthen the

relationship between MDD and WRN. That includes more shared resources and collaborative training. Increase participation in 20 Groups with like-minded members who want to be successful and are willing to share advice and best practices.

Increase focus on mentoring as a way to grow MDD and WRN networks, and increase dealer sales, service and profitability.

Provide dealers with tools that add value in a measurable way and improve their bottom line.

Continue the WRN Drive to Succeed Scholarship program that Vessel calls a "gateway" for women to have the opportunity to become dealers.

New Jersey Dealer Is a Business "MASTERMIND" Thanks to 20 Group Participation



avid Ferraez is part dealer and part philosopher. The 11-time winner of GM's Dealer of the Year award is quick to attribute his success to a 100-year-old principle called the Law of the Mastermind.

Those not familiar with philosopher Napoleon Hill's work might know this concept by another name — the 20 Group.

"When two or more people get together, a third mind, or 'mastermind,' is created," said Ferraez. "This is the basis for the 20 Group. Like-minded leaders come together with the vision of elevating their businesses. Through shared experiences and in-depth discussions, participants find business solutions that are transformative."

Ferraez is such an advocate of the process that he's a member of two 20 Groups. He joined his first 20 Group more than 25 years ago as the manager of a Cadillac dealership in Tennessee. He's still a member of that group, as well as a minority 20 Group associated with his New Jersey Buick GMC dealership.

"Twelve months after joining my first 20 Group, our dealership experienced a 100-percent increase in net profits without an increase in sales volume," he said. "I adopted just about every suggestion I heard, from pay plans to expense structure."

"If you show up and do the work, 20 Groups work without fail."

Need more proof? Ferraez's Green Brook Buick GMC store is consistently a GM Top 20 dealership. He has since added a Chevrolet dealership.

"Situations that may seems insurmountable as an individual become achievable when you put together a group of business leaders with common goals," he said. "Without the 20 Group, I wouldn't have had the knowledge to save my store in the economy crash of 2008."

Ferraez said his 20 Groups discuss some 40 operational categories, in addition to best practices, personnel, goals and attitudes. Today, he and his peers are tackling issues that didn't even exist when he first started, like the composite for Internet performance. Ferraez said that 20 Groups are evolving with the times and are empowering dealers to grow with technology and changing buying habits.

Despite his enormous success, Ferraez said he is not interested in leaving his 20 Groups.

"I still communicate with dealers I met at my first 20 Group," he said. "We have gone through highs and lows together, and made each other stronger. The Law of the Mastermind goes beyond just numbers. It is about being the best you can be."



GM minority dealers who've not yet joined a 20 Group are encouraged to do so to begin experiencing the tremendous benefits so many GM dealers have had as members. Whether it's sharing best practices, finding innovative solutions or increasing dealership performance, Carlos Latour, director of Dealer Diversity Relations, said there's no more affordable or effective tool to boost your business.

"With the next meeting scheduled for January in San Francisco, now is the perfect time to join a MDD 20 Group," said Latour. "Make a yearlong commitment to the process. I guarantee you will see results. There's no more impactful way to help your store achieve its potential."

MDD NCM 20 Group membership is free to all GM minority dealers, as are meeting expenses. Members are only responsible for travel, hotel and incidental costs.

MDD 20 Group topics may include:

- Maintaining proper inventory levels
- Best ideas for managing factory incentive programs
- Marketing in today's environment
- Office efficiencies
- Employee productivity
- HR best practices
- Developing a Wholesale Parts business

Visit www.gmminoritydealer.com for more information, and contact Nicole Mitchell at <u>nicole.mitchell@gm.com</u> to sign up today!



MINORITY DEALER DEVELOPMENT

20 GROUP

DRIVE GROWTH DEALERS ALREADY REAPING **DATA BENEFITS**

Data is king in the world of automotive retail. Knowing which data to target and, especially, how to connect it to the sales process, has remained baffling to many dealers ... UNTIL NOW!

GM's Drive Growth initiative, launched in June, is giving dealers a fail-safe way to collect, review and, most important, act on data in ways that benefit sales and customers. While it does not replace RSI, it's another opportunity to help dealers improve their RSI and profitability.

More than 3,000 dealers have joined the Drive Growth movement — meaning they have signed a data share agreement with GM. Partnered with CVI, GM uses this dealer-specific information to provide two types of analysis:

Operational analysis — This report is available just days after the sales-month close. It identifies the top three model opportunities for a dealership.

Traffic conversion analysis — Also known as the TCA report, it is available on the first day of each month and updates on a daily basis. It combines dealer data with industry sales data to identify purchases and defections.

According to Hector Flores, Jr., GM Drive Growth manager, TCA is the heartbeat of Drive Growth. "TCA is the money report," Flores said. "It tracks leads — phone, walk-in, Internet and other — for 90 days by source, model, geography and more."

As a result, GM is already learning more about dealer behavior, and dealers are learning more about themselves.

"Our biggest takeaway so far is that dealers must follow leads longer," he said. "GM dealers are great at communicating with leads for about a week. After that, contact drops off. Data shows that customers remain in the market longer than dealers are staying in communication with them. In most cases, customers remain well beyond seven days and often in the 60-90 day range. GM Dealers need to extend their follow-up process to mirror this buying behavior."

To participate in Drive Growth, dealers must first join GM's Essential Brand Elements. The next enrollment for the 2019 EBE program will open up in December. Dealers are encouraged to reach out to their zone teams now for more information on EBE enrollment.

Webinar Series

To support Drive Growth, the Dealer Development team will be providing additional support that complements the Field Zone team's Drive Growth initiative process. All minority dealers and Women's Retail Network dealers will have an exclusive opportunity to take part in monthly Drive Growth webinar sessions. These webinars will allow participants to learn about DRIVE GROWTH in targeted increments, which will be easy to retain and designed to improve specific parts of their sales operations, especially following leads in the market.

We will launch the pilot in early December to dealers that currently have access and have started utilizing the Drive Growth tool. All pilot dealers will receive an invitation from Nicole Mitchell in November with more details.

For more information on the seminars, please contact <u>nicole.mitchell@gm.com</u>.

Skype sessions help improve Fixed/Variable bottom lines

GM is now expanding the quarterly Fixed Operations forums to include Variable Operations as well. The interactive Skype sessions are aimed at helping dealers improve profitability, growth and retention. The forums are open to all GM dealership Fixed and Variable Operations employees — especially at minority- and female-owned GM dealerships.

Inventory Balancing is the topic of the first Variable Operations forum, which will be held on December 4, 2018. Following the formal presentation, each session is open for Q&A.

"These forums are great opportunities to better understand or reinforce a program and really bore down into best practices on topics that can positively impact a dealership's bottom line," said Yvonne McKee, Regional service manager (NER) and one of the Skype hosts. "Individuals can ask specific questions to learn the nuances of a program.

We've received very positive feedback from participants."

McKee stressed the importance of field input on topic selection.

"We're asking the dealers and their staffs to tell us what they need help with," she said.

"These folks are on the front lines. It's our job to deliver the resources they need to do their jobs."

Past Fixed Operations forums include:

- Digitally Driving Traffic
- Leveraging Service Leads to Increase Revenue and Retention
- Good, Better, Best Service, Including Multi-Point Vehicle Inspections
- Business Development Centers

Contact holly.martin@gm.com, yvonne.mckee@gm.com or nicole.mitchell.com to register or for more information. Email notices will be sent prior to each quarterly session, including the dial-in number and participant code.

2019

Fixed and Variable Operations Forum CALENDAR

Fixed Operations Forum

Tuesdays

- February 12th
- May 14th
- August 13th
- November 5th

Variable Operations Forum

- March 12th
- June 11th
- September 17th
- December 10th

What's more profitable, new or pre-owned sales? VEHICLES

According to NADA, the majority of dealerships generate more gross profit from pre-owned vehicle sales than from new unit sales.

That's good news to dealers with an effective used strategy. Unfortunately, GM's female dealers are underperforming the market in pre-owned sales. Today, GM women dealers sell roughly nine pre-owned vehicles for every 10 new sales. The national average is approximately 1:1 — a more profitable mix for dealerships.

While there's no silver bullet for increasing these sales, practicing the basics is a good place to start to get your pre-owned units online and off your lot ASAP.

Check out these five must-dos for increasing pre-owned vehicle sales:

- **1.** Be realistic about each unit's potential using data and competitive pricing tools. With these insights, a dealership can chart a market-informed, time-sensitive retail course for every unit.
- **2.** Eliminate inefficiencies by getting vehicles ready more quickly. Some dealers can prep a car for sale in 24 hours; three days is the max.

- **3.** Get descriptions, photos and even videos ready quickly for online posting with a clear call to action. Every day lost waiting to promote a pre-owned vehicle online slows sales velocity and diminishes the prospect for full gross profit potential.
- **4.** Price a vehicle competitively from day one. The initial asking price should reflect a vehicle's value in relation to competing units on the market.
- **5.** Hold to a firm 45-day retail timeline.

Dealers who consistently adhere to these best practices will typically find that they are able to stock fewer cars while selling more units every month. That results in more inventory turn — up to 13 times annually.

Dealers who make pre-owned vehicle sales a top priority discover that all departments benefit — F&I, parts and service. Higher-performing pre-owned operations drive net dealership profits way past the sale.

See how Krystal Roberts and her team are putting these best practices into action (below).

Pre-owned sales gives dealership heartbeat

Ask **Krystal Roberts** for one solid recommendation for improving pre-owned vehicle sales and she's quick to reply, "Be fast to market."

Roberts, Variable Operations director at Advantage Chevrolet of Hodgkins, said being slow on the draw loses sales and costs the dealership money.

"The quicker you get a vehicle selling online, the quicker you'll find the right buyer," she said. "If it's taking more than three days to start marketing a vehicle, you need to fix your process."

Roberts is a stickler for process. She believes in organization, no matter what specific tools your dealership may be using.

"We use the vAuto pre-owned vehicle inventory appraisal and management software," she said. "It helps us better understand what's in the market, how to manage our inventory, and increase sales velocity and profitability. It doesn't matter which inventory management tool you use, the important thing is to follow a process — every time."

Roberts speaks from experience and success. Advantage Chevrolet stocks up to 180 pre-owned vehicles in inventory and turns nearly all of on a 30-day cycle. She makes velocitizing the inventory a top priority.

"There are 58 Chevy dealers in the Chicago market, so we know what real competition is," Roberts said. "We get the right mix of vehicles on



our lot, we price them to move, and we use social media in smart ways. It takes accountability, the right staff and constant vigilance."

Roberts and her team meet weekly to track the status of every unit. While the pre-owned market is highly competitive, she finds it rewarding.



Cancer foundation drives awareness and hope in Dayton

TENELL ROSS has two full-time jobs: she's the very successful dealer principal at Bob Ross Buick GMC, outside Dayton, Ohio, and the very successful founder of the Norma Ross Foundation.

Ross started the foundation after losing her mother to cancer in 2010. She uses her dealership as a platform to create awareness of the devastating disease and to raise funds. Recently, her Pink Ribbon Driven campaign celebrated nine years as the title sponsor of the American Cancer Society's Making Strides event in Dayton. It's just one of the many activities Ross organizes to help fight cancer.

"Our mission is to support youth in our community, sponsor programs that aid cancer patients, and fund and advocate for organizations that continue to do breast cancer research," said Ross. "The Norma Ross Foundation and Pink Ribbon Driven support the American Cancer Society as well as two major medical centers in our area."

To date, Ross and her team have raised about \$275,000 for the American Cancer Society and approximately \$400,000 for the Norma Ross Foundation — all of it dedicated to breast cancer awareness, research, support services and early detection.

Her biggest annual fundraiser is the Making Strides event — a noncompetitive walk that creates awareness and raises money. For many years, Ross' Pink Ribbon Driven team, at 100 members strong, has won top fundraising honors.

Ross said that Pink Ribbon Driven merchandise is a huge driver of her fundraising activities. There is a Pink Ribbon store within her Buick GMC dealership as well as one online at: www.pinkribbondriven.org/shop/. She also does pop-up appearances at related events. Ross says that merchandise has the added benefit of increasing awareness year-round and is a very effective way to keep the fight against cancer top of mind.

During the month of October — Breast Cancer Awareness Month — Ross donates a portion of every new vehicle sold at her dealership to the American Cancer Society. That's also when her stores, and her employees, can be found decked out in pink from head to toe.

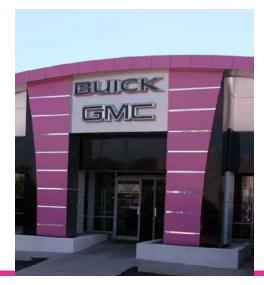
Pink Ribbon Driven has become a part of the fabric of the Dayton community. Ross says she often partners with other businesses on awareness initiatives, such as taking the message to schools and local civic events.

"The message I hope to send is that the Bob Ross Auto Group is committed and engaged to making a difference in the Dayton Region," said Ross.

"

My goal is to be good stewards of our community and represent it well through targeted philanthropy.

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MINORITY DEALER DEVELOPMENT

GM Minority Dealer Development is comprised of GM minority dealers and next-generation talent. Through the MDD program, GM and its dealers work to actively recruit, train and place minorities as dealers and in all service, sales and management careers.

www.gmminoritydealer.com

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