

AUTOCONNECT

All-New **Silverado 1500** Launch Takes Nontraditional to the Max



An instant legend deserves a legendary reveal, and that's exactly what the folks at **Dyer Chevrolet** did recently for the all-new Chevrolet Silverado 1500. Owner Tatiana Dyer said she wanted a relaxed and welcoming environment for folks to meet the new Silverado — a truck that's bigger, stronger and lighter than the previous generation.

"We wanted to give the public a way to engage with the truck that was fun, casual and educational," said Dyer. So she chose a reception at the Walking Tree Brewery in the dealership's hometown of Vero Beach, Florida.

"The event reflected the essence of the new Silverado — work and play, brains and brawn, durable and comfortable," said Dyer. "We wanted people to interact with the truck in an enjoyable setting that also provided an opportunity to learn about Silverado's functionality."

Since the event was held at a brewery, no test drives were conducted; however, product specialists were on hand to provide one-on-one vehicle interactions and information to the more than 250 guests. A Chevrolet trainer also provided a full-product demo to give everyone an "up close and personal" experience with the truck. Soon after the launch, several attendees visited Dyer Chevrolet to learn more about the new Silverado.

In addition to hosting the event at a nontraditional venue, Dyer promoted the activity exclusively via social media. "We used our website and other social channels to create interest in the event," said Dyer. "And we streamed the event live on our Facebook page. We intentionally did things a little different, because this truck is very special."

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2019 SUMMER BUSINESS MEETING September 16-18 in Detroit

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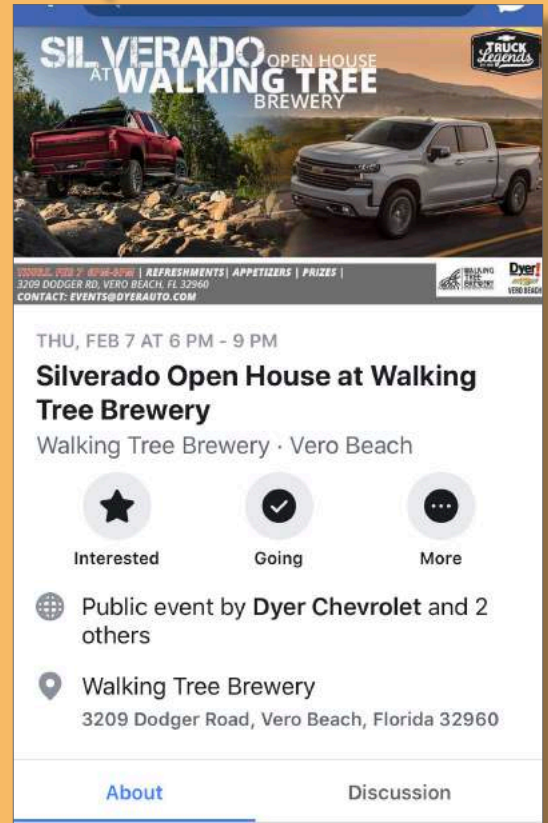
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The event featured refreshments, a raffle, a live band and a variety of prizes. Dyer also invited guests to bring vehicles representing 100 years of the Chevy truck brand. The all-new Silverado 1500 is currently on dealer lots and selling very well.



Tatiana Dyer with her husband, Will (r), children, Isla and Liam, and General Manager Jonathan Hardie.

FAST,
INEXPENSIVE
AND EFFECTIVE
SOCIAL MEDIA
PROMOTION



All-New Silverado 1500 BEST'S COMPETITION

When you combine a century of truck-building know-how with seven million miles of testing, you don't just get any ordinary truck — you get one that offers more choices and capabilities, and that's built on the legacy of the most dependable, longest-lasting full-sized pickups on the road.

Chevrolet Silverado is here to work, offering a more muscular presence on the road along with enhanced aerodynamics. It bests the competition in several categories:

- More cargo volume than any other truck
- Innovative features like an available industry-first power-up/down tailgate
- Six different powertrains
- Advanced trailering technology
- Spacious cabin pairing hardworking functionality with refined comfort
- High-strength steel safety cage and available active safety features



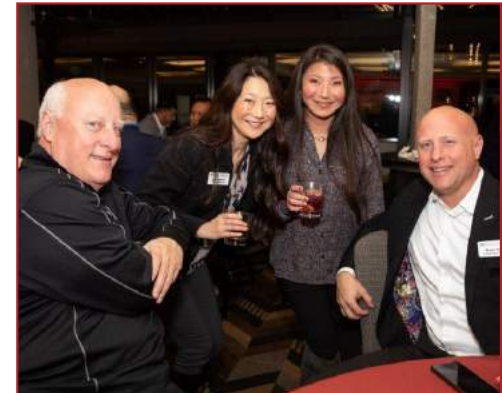
Product specialists provided information and one-on-one vehicle interaction.

Event Celebrates Elite Performing Dealers

SAN FRANCISCO, CALIFORNIA, was the host city in January for the 2019 GM Minority Dealer Recognition Reception and 20 Group discussions. The Minority Dealer Development team is laser-focused on the profitability, growth and retention of our dealers. This annual event provides the GM MDD department an opportunity to recognize and celebrate accomplishments of our Elite Performing Dealers that participate in a MDD 20 Group.

Just like the Oscar and Grammy Awards, the dealer recognition reception was full of excitement, elegance and fun. Upon entering the reception, dealers and their guests were greeted with a “red carpet” theme that included a step-and-repeat banner, velvet stanchions and a professional photographer who captured each guest’s very special “red carpet” moment.

The awards reception was co-hosted by Dealer Diversity Relations Director Carlos Latour and Dealer Development Senior Manager Jackie Vessel, and they both came to the celebration sporting their red sequined matching attire. With 25 recipients, the Premier Elite Award, our most prestigious recognition, was earned by dealers that have exceeded \$1M net profit before bonus and tax in 2018. Additionally, we presented Performer Awards for each of the MDD 20 Groups’ top performers based on net-to-gross, personnel productivity and asset management. As the evening concluded, there was a surprise birthday cake celebration for retiring Minority Dealer Advisory Council Co-Chair, Ivette Dominguez, Dealer Alpine Buick GMC, and Maurice Williams, General Manager Sales Support.



GM MINORITY DEALER DEVELOPMENT
20 GROUP

MDD Celebrates



Nothing brings people together better than great food! On February 28, in honor of Black History Month, the GM Dealer Diversity team worked with GM’s “Fun Committee” to host a Soul Food Potluck for the Sales Support team at the Renaissance Center. This celebration gave GM team members the chance to showcase their diverse culinary talents, leaving everyone full of food and fun.

“Congratulations to the Fun Committee and all of our fabulous chefs for the Soul Food Potluck!” said Celeste Briggs, manager of Dealer Policy.

How did your dealerships pay homage to Black History Month this year? Share your special events with us for the chance to be featured in a future **AutoConnect** newsletter! For more information, please contact: jacqueline.vanleave@gm.com.

ALL-NEW BLAZER FAST FACTS

MARKET SEGMENT: Buyers seeking SUV functionality in a two-row midsize.

TARGET CUSTOMER: Focused on quality, looking for style.

STANDARD CONTENT: Impressive lineup, including HID headlamps, Teen Driver, sliding rear seat, 8-inch touchscreen, 4G LTE Wi-Fi hotspot and Apple CarPlay/Android Auto.

ULTIMATE IN COMFORT: Available heated and ventilated seats, available heated steering wheel and automatically controlled cabin temperature.

EVERYDAY CONVENIENCE: Convenience in a variety of available technologies, including Keyless Open, Rear Seat Reminder, available hands-free power liftgate, available Hitch Guidance, standard for RS and Premier Chevrolet-First Cargo Management System, reconfigurable space and flexible storage solutions.

ADVANCED SAFETY: Advanced safety from standard or available features, including Lane Change Alert with Side Blind Zone Alert, Rear Cross-Traffic Alert, Rear Park Assist, HD Surround Vision, Rear Camera Mirror, Adaptive Cruise Control — Advanced, Following Distance Indicator, Forward Automatic Braking, Forward Collision Alert, Front Pedestrian Braking, Lane Keep Assist with Lane Departure Warning and Safety Alert Seat.



2019
CHEVROLET
BLAZER

DRIVE GROWTH

Have you started utilizing Drive Growth at your dealership yet? **Take full advantage of the new GM resource** by participating in exclusive webinar training sessions designed specifically for WRN/MDD dealers. Launched in December 2018, the sessions provide additional support to field training and target both beginner, intermediate and advanced users. See past topics below, and mark your calendar for future sessions. For more information about the seminars, or to be added to the email distribution list, please contact nicole.mitchell@gm.com.

Find all 2019 MDD events here: www.gminoritydealer.com/calendar/

DRIVE GROWTH WEBINAR TOPICS

December 2018

WELCOME TO DRIVE GROWTH (*novice users*)
A Beginner's Overview of Drive Growth

SHOW ME THE MONEY! (*intermediate/advanced users*)
A Deeper Dive into New Vehicle Opportunities

January 2019

NAVIGATING DRIVE GROWTH TO DRIVE SALES:
A Look at the Funnel/Filter Function in the Drive Growth TCA Reports

February 2019

DAYS TO SALE REPORT
A Detailed Review of the Drive Growth Days to Sale Report and How to Best Utilize it to Provide Action and Measurable Results

March 2019

DRIVE GROWTH
Coaching and Performance Improvement Tool

Upcoming Dates

(*subject to change*)

Wednesday,
April 17, 2019

Wednesday,
May 15, 2019

Wednesday,
June 12, 2019

Controlling expenses is the first step in growing a profitable dealership. What follows is the first in four-part series featuring dealer best practices for successful cost cutting and belt tightening.



Part ONE in a Series:

COST CONTROL

GM dealer **CHARLES WINTON** knows perhaps better than most the secret to a successful store. After 30-plus years in the business — the first decade in dealership finance and accounting — the owner of three rooftops says profit comes not from sales alone, but rather from minimizing costs.

“In these times of compressed new car margins,” Winton said, “focusing on expenses is crucial. Not just spending on supplies and vendors, but also on salaries. The complexity of what we do makes it essential that we have processes in place so that we know our true cost of sales.”

It’s labor-intensive for sure, but Winton makes it a priority each month to analyze controllable expenses — fixed and variable. His stores also have strict policies regarding spending — who can authorize, for what and how much. He looks at

monthly spending — not averages or year-to-year comparisons — including purchase orders, check requests and even employee pay plans.

“Keeping a keen eye on what is spent is a dealer’s top priority,” Winton said. “I have great controllers who prepare the reports, and I look at the details. We’re in a tough business with low margins. If you don’t control your store’s spending, you will not achieve your maximum ROI.”

That goes for personnel as well. Winton is continuously reviewing pay plans to ensure they are fair and equitable for the dealer and the employees. “So many people are paid on production,” he said. “You must prove that a specific pay plan is driving the desired performance. Making sure the right people are in the right jobs is an ongoing process.”

In addition to watching the numbers at his own stores, Charles Winton reviews his performance with comparable dealers in his 20 Group. These biannual meetings are a must-attend event for Winton and the executive managers of his Estero Bay Chevrolet, South Charlotte Chevrolet and Rock Hill Buick GMC stores.

“It is a requisite of employment for each of my executive managers to attend 20 GROUP meetings,” said Winton. “They see the value and never want to miss a meeting.”

Despite a lifetime in the business, Winton said he is constantly learning from other 20 Group dealers, be it new and used sales, employee compensation or other cost-cutting practices. “Sharing your numbers makes you accountable to your peers,” he said. “Other members call you out if they see that you’re not addressing your deficiencies. Being a car dealer is so specialized that it’s imperative to meet with others over comparative statistics.”



“In these times of compressed new car margins, focusing on expenses is crucial.”

U.S. SALES HIGHLIGHTS

1ST QUARTER 2019



GENERAL MOTORS

GENERAL MOTORS announced that it delivered 665,840 vehicles in the first quarter of 2019, with a selling mix of trucks, SUVs and crossovers above 80 percent. GM's focus on these vibrant segments helped it earn the highest average transaction prices for any first quarter in the company's history.

The Chevrolet Trax, Equinox and Colorado all set GM first-quarter sales records and the GMC Acadia posted its best quarter ever. The all-new Cadillac XT4 was the best-selling vehicle in its segment and the Buick Enclave was up 28 percent versus a year ago.

The all-new full-size pickups from Chevrolet and GMC are also off to a very strong start.

"Our production launch was very smooth and crew cab sales are brisk, especially those with premium trims," said Kurt McNeil, U.S. vice president, Sales Operations. "We look forward to improving availability of our wide-range of cabs, trim series and powertrains."

- Combined sales of the 2019 Chevrolet Silverado 1500 and GMC Sierra 1500 crew cabs — the first of the company's all-new full-size pickups to launch — were up 20 percent year over year.
- Crew-cab production mix is currently running above 70 percent to meet strong customer demand, up 10 percentage points on average from the previous-generation trucks.
- More than 95 percent of the all-new GMC Sierra 1500 crew cab sales are high-end trims including SLT, AT4 and Denali.

Availability of all-new regular-cab and double-cab pickups was very limited during the quarter due to launch timing, but full production of all cab styles started in March and they currently are arriving in dealer showrooms.

GM will begin the next phase of its full-size pickup truck launch in the second half of the year with the all-new 2020 Chevrolet Silverado HD and GMC Sierra HD.

"We are bullish on pickups and expect to gain sales momentum throughout the year," said McNeil. "We are installing capacity in Flint to build more HD pickups in total, more crew cab models, more dualies and diesel models, too, all in response to dealer and customer demand."

Other new models launching this year include the XT6, Cadillac's first three-row crossover, and the CT5, Cadillac's new luxury-sport sedan. The all-new Chevrolet Blazer is also gaining momentum, and the brand will begin national advertising for the vehicle during the second quarter as production ramps up.

Solid U.S. Economy, Strong GM Operating Discipline

GM sales in the first quarter of 2019 were down 7 percent year over year compared to a very strong first quarter of 2018.

"After a slow start to the year, the retail SAAR has risen each month since January," said Elaine Buckberg, GM chief economist. "Consumer sentiment continued to recover in March and the other key drivers of auto sales like employment, wage growth and household balance sheets are healthy. The Fed paused in raising interest rates, which eases a headwind facing auto sales. Overall, the U.S. economy is in solid shape, which bodes well for the industry outlook."

GM's Commercial deliveries, which are another barometer of economic strength, grew at an average annual rate of more than 7 percent from 2012 to 2017 and were up 11 percent year over year in 2018. Commercial deliveries were close to flat to a very strong first quarter a year ago, even with limited availability of regular light- and heavy-duty pickups, and heavy-duty crew-cab pickups.

GM Dealer Diversity
would like to give a big
THANK YOU to our
2018 MDAC representatives
and a warm WELCOME to
our new 2019 GM Minority
Dealer Advisory Council!

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.gminoritydealer.com

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