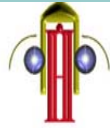


MAY 2009



HADA Today

A publication of the Houston Automobile Dealers Association

Motorvating our Dealers and Associate Members

PO Box 16550 | Sugar Land, TX 77496-6550 | P.281.980.3434 | F.281.980.2608 | E.info@houstoncardealers.com

INSIDE HADA

As our industry begins the journey into 2009, we recognize that you face the most challenging times experienced by a generation of new car dealers. Mac DeLaup, 2009 HADA Chairman and HADA staff feel that there's never been a more important time for involvement in your association and be better informed as to the many services that your association provides. Through **HADA Today**, we hope to provide a communication tool of best practices from which our members can learn from each other. We would also like to inform you about what is going on at HADA; spotlight a dealer in our community, update you on Legal and Legislative News, Calendar of Events and any other important news that affects the local Houston area franchise dealer.

As an HADA member, you will start to receive this publication on a regular basis with helpful tips from fellow dealers and important issues that affect your dealership. We welcome any of your comments, ideas or suggestions at info@houstoncardealers.com

CHAIRMAN'S CORNER



I am honored to be your chairman for 2009 and it is going by so very fast....We are nearly at the half way point of the one year chairmanship and I can tell you that I have met more great Houston dealers in the last 6 months than I had in my entire 25 years with the John Eagle companies. It has truly been a pleasure at the half way point.

At the beginning of the year I was accused (for lack of a better word) of being "highly optimistic" on the state of the Houston automotive economy.

The internet blogs went crazy when I said "Houston was the last to enter the recession and we will be the first to come out of it". Well, that's me folks....in a nutshell.....very optimistic, very Houston and very very Pro Texan. Yes, sometimes my "highly optimistic" state of mind gets me in trouble....but I have done more with a positive outlook than any pessimist will ever do. Oh yes, business is down and not what it was a year ago, but it has made me a better dealer as it has with so many of my counterparts. I did what I think any positive thinking dealer should do....I talked up the business, I developed better habits both in business and personal and stuck to a plan. I hired instead of firing and right sized instead of down sized.

People are still buying cars, still servicing cars, still buying parts and smart dealers are focusing on getting a larger piece of the pie instead of sticking our heads in the sand and hoping it will all pass. I circled the wagons and fought the negatives. Had I listened to all the negative press and believed it, I would be looking for a rope and a tall tree by now instead of focusing on more opportunities. This generation of auto dealers is learning from this slow down and we are better for

it. So, I will say it again with just a slight twist, "Houston was the last to enter this recession and the first to come out of it...and we're better for it". There, you can quote me on that.....Now, what was the name of that blog again?....I'd like to thank those fine folks.

My best to you and yours.....

Mac DeLaup

Email us your Best Practice Ideas or Comments to
info@houstoncardealers.com

If you have a dealer that you would like to nominate on our dealer spotlight, for our next issue of HADA Today, please email your suggestion to
info@houstoncardealers.com



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DEALER SPOTLIGHT

Jim Janke of Tommie Vaughn Ford



Jim Janke is a native Texan, born and raised in Houston. Jim graduated from the University of Texas with a BBA in marketing in 1976. He was president of the ATΩ fraternity, and was a member of the Texas Cowboys. He loves football and played running back and defensive end in high school. He married his long time best friend, Jeanie Vaughn, straight out of college and went straight to work at Tommie Vaughn Ford. Jim learned about dealership operations from the absolute bottom up. He began in the wash rack and eventually moved through make-ready, rental, parts, and sales departments. Jim moved to the front office in the late 80's and has operated the store in the roles of General Manager, President and Dealer Principle for 25 years. Jim and Jeanie's sons, Kyle and Kirby, also work at the dealership. Kyle is the service manager and Kirby is the new car sales manager.

Jim has served as the Chairman of the Houston Automobile Dealers Association, the Chairman of the South Texas Ford Dealers advertising group, on the Board of Directors of the Greater Heights Area Chamber of Commerce, and on the Board of Directors on Better Business Bureau. Tommie Vaughn Motors, Inc. has been ranked in the top twenty in Ford parts sales since 2001, a top ten selling Ford Motorsport parts dealer since 1988, and has won the Ford President's Award six times. In 2006, Tommie Vaughn Auto Country and Tommie Vaughn Chrysler Jeep Dodge opened for business in Columbus, Texas, expanding the family business to include another manufacturer and location.

Tommie Vaughn Ford is the only franchised dealer in the greater Houston area that is open for business at 6:00 a.m. on weekdays. Jim starts his business day at his desk at 5:30 a.m. each morning.

BEST PRACTICES

DO YOU EXCEED YOUR CUSTOMERS' EXPECTATIONS?

By Jim Janke

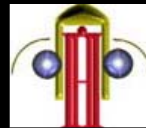
Customer loyalty is important. What is your store doing to build on and maintain its customer base? Delivering service beyond the scope of what the customer expects and above what the competition offers is a key means of insuring folks come back again and again. One simple factor in delivering excellent customer service is when that service is available.

If service and parts departments only operate during standard business hours, customers are put in the troublesome position of missing work in order to fix and maintain their vehicles or to purchase parts. Facilitating face to face one on one interaction with the customer by opening well before the standard business day begins and staying open past the dinner hour is one key way to fulfill the customers' needs and exceed their expectations.



What are you doing at your dealership to exceed your customers' expectations?

Any comments, thoughts, ideas or suggestions are welcomed at info@houstoncardealers.com



CALENDAR OF EVENTS

<u>DATE:</u>	<u>EVENT:</u>
JUNE 1, 2009	Marks End of Legislative Session
JUNE 2009	HADA Scholarship Recipients Notified Via Mail
JUNE 2009	HADA Board Meeting (location TBA)
AUGUST 1, 2009	Red Flags Rule Enforcement Federal Trade Commission (<i>delay</i>)
OCTOBER 2009	HADA Luncheon (location TBA)
DECEMBER 2009	HADA Christmas Gala & HADA Board Holiday Lunch (location TBA)
JANUARY 29, 2010	Auto Show Sales Rally Breakfast & Auto Show Preview Night Reliant Center
JAN. 30–FEB. 7, 2010	Houston Auto Show Reliant Center

LEGAL NEWS

By Karen Phillips



The Federal Trade Commission announced on, April 30, 2009, that it will delay enforcement of the new "**Red Flags Rule**" until **August 1, 2009**, in order to give creditors and financial institutions more time to develop and implement written identity theft prevention programs.

The identity theft prevention program at your dealership should be designed to identify, detect, and respond to patterns, practices, or specific activities, aka "red flags," that could indicate identity theft.

This delay in enforcement is limited to the Identity Theft Red Flags Rule (16 CFR § 681.1) and does not extend to the rule regarding address discrepancies applicable to users of consumer reports (16 CFR § 641).

If you have any questions, please call Karen at TADA (1-800-749-8232).

LEGISLATIVE NEWS

By Rob Brazier



On Monday May 11, the House passed HB 3621, the TADA supported Doc Fee bill, by a vote of 146-0 with 3 present not voting. HB 3621 will allow for an adjustment of the documentary fee for handling and processing the documents associated with the sale and financing of a motor vehicle.

Under the terms of HB 3621 as passed by the House, the parties to the transaction would determine the amount of the fee but the fee charged must be reasonable. The fee charged would not have to be reviewed or approved by the Office of the Consumer Credit Commission (OCCC) prior to implementation, and no rule could be adopted by the Finance Commission to require a dealership to submit its fee for prior approval by the OCCC. If the OCCC elected to review a fee for its reasonableness it could consider the resources required under state and federal law to handle and process documents relating to the sale and financing of a motor vehicle. Enforcement under the statute would lie exclusively with the OCCC, and no private right of action would exist. In addition, HB 3621 reduces the possibility of potential litigation over the unauthorized practice of law by clarifying that the documentary fee is not for the preparation of legal documents.

Thanks to those of you who called your Texas Representatives in response to our alert last week to support HB 3621. HB 3621 will now move to the Texas Senate for further action.

HADA WELCOMES NEW MEMBERS

Cox Radio, Inc.

1990 Post Oak Blvd, Suite 2300
Houston, TX 77056
Contact: Mark Krieschen
Business:
Radio Station

Ethos Group

202 Lattice Gate
The Woodlands, TX 77382
Contact: Lee Smith
Business:
Dealership Income Development

GSFS Group

13201 NW Freeway, Ste. #801
Houston, TX 77040
Contact: Robert Walton
Business:
F&I Products & Services

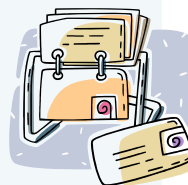
Cross Check, Inc.

PO Box 6008
Petaluma, CA 94955
Contact: Charles Dortch, III
Business:
Check Approval & Guarantee Co.

Freed Advertising

1650 Highway 6, Suite 460
Sugar Land, TX 77478
Contact: Gerald Freed
Business:
Advertising Agency

Please note: If your contact information changes or you have updates on mailing addresses or emails, please send us an update with any changes to info@houstoncardealers.com



HOUSTON AUTOMOBILE DEALERS ASSOCIATION

35th Annual Golf & Tennis Classic
held at Sweetwater Country Club on May 4, 2009

Congratulations to all Winners!

CYPRESS COURSE

1st Place

Dana Rowlings
Terry Tiller
Kenny Melton
Chuck Smith



2nd Place

Brian Kelledy
Glenn Lillie
Jay Jenkins
Robert Todd



3rd Place

Paul Edmunds
Ron Goodwine
John Heine
Mark Haas



PECAN COURSE

1st Place

Joe Wolken
Shane Gay
Bert Brocker
Scott Tibbitts



2nd Place

Chad Saunry
George Feltus
Mike Saunry
Trevor Saunry



3rd Place

Chris Poulus
Bob Cesca
Gary Lacroix
Todd Reynolds



SPECIAL CONTEST WINNERS

Closest to the Pin - Cypress #4

Jeff Haas

Longest Drive - Cypress #3

Pete Harvey

Closest to the Pin - Pecan #7

Jonas Wolfe

Longest Drive - Pecan #11

Trevor Saunry

Putting Contest

Sterling Deshazo

Raffle/Mulligan

Ritch Wheeler

TENNIS WINNERS

1st Place

Ben Keating

2nd Place

Lenni Olfindo

3rd Place

Brent Christiansen

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Comerica Bank

Ethos Group

First Community Credit Union

GSFS Group

HADA Services, Inc.

Houston Auto Show

Houston Chronicle

J.A.M. Distributing Company

Jones Oil, Inc./High-Tech Equipment/
Kendall Motor Oil

KHOU-TV (Channel 11) / Cars.com

Property Tax Service Company

SACU of Houston

Service Group (Insurance & Financial Services)

Svadlenak, See & Company, P.C.

Teal Construction Company

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