



Newsletter - February 2023

## A Message from Jason Wilson, KADA President



Dear Kentucky dealers,

I hope you all have been enjoying this nice break from winter – I know I have. It has been a busy month for us at KADA and I'm pleased to share with you some of the highlights from the past few weeks.

The 2023 General Session has been our priority, and we are proud to report that our House Bill 150 passed the House by unanimous vote of 93-0. This bill strengthens the current language regarding franchise dealer rights, providing further protection against issues such as manufacturer direct sales and reservation models. You can find the [key points of this bill here](#).

This week it is being seen in front of the Senate, and we need your support in contacting your state Senators to ensure that this bill continues to move forward. You can find your Senator by [clicking here](#). You may call the General Assembly at 502-564-8100 requesting to speak to each Senator from your district. Please also reach out to members of the [Senate Transportation Committee found here](#).

This month, we hosted our Legislative Reception at Buffalo Trace. The event was a great success – thank you to the legislators and dealers who came out. The opportunity to meet and chat with the very legislators who decide the laws that affect our business is monumental. Your attendance truly makes a difference.

Looking ahead, we have our online Spring Dealership Workshop with KADA Legal Counsel, Stoll Keenon Ogden next month. I strongly encourage you to attend or send someone from your team to learn more about the legal issues that could impact your business.

We are also preparing for our Annual Convention coming up in June, where we will be celebrating the 85th birthday of the association. We will be joined by dealers from Virginia, West Virginia, and Maryland. Below in the newsletter you can find more information and registration details. It's going to be an incredible event – I urge you to attend!

As always, we appreciate your support and participation.

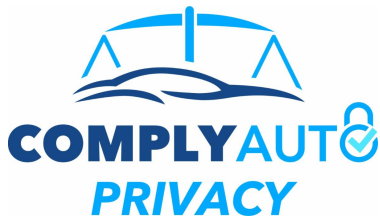
Onward!

## Subscribe your staff to our newsletter!

Make sure your staff stays up-to-date and involved by having them subscribed to our newsletter. It's important that the key members of your dealership, like General Managers, CFO's, Fixed Operations and Controllers, receive our communications.

Send an email to Team KADA at [kadanews@kyada.com](mailto:kadanews@kyada.com) with the names and emails of staff members you'd like to get subscribed.

## A Delay in the Safeguards Rule, But Dealers Should Not Wait



Read this article from KADA Preferred Partner ComplyAuto as they discuss the Federal Trade Commission's ("FTC") delay of the effective date of the revised Safeguards Rule ("Rule") and its practical impact to your dealerships.

They explain why **you should not wait to implement data protection and cybersecurity safeguards** at your dealership because the FTC can still come after you under another section of the FTC Act that gives them broad authority.

[Read Full Article](#)

## Now Open: 2023 NADA Dealership Workforce Study



Conducted annually since 2012, the NADA Dealership Workforce Study is the only authoritative and comprehensive examination of car and truck dealership employee compensation, benefits, turnover, retention, demographics, hiring trends, hours of operation and more. This study provides the latest workforce trends nationally and regionally as well as non-luxury vs. luxury brands. In addition, you can also see data across various sales volume ranges from low,

medium, and high-volume stores. **Deadline to participate: March 31, 2023.**

[Enroll Now](#)

## KADA Events

### SKO Spring Dealership Workshop

Join us next month for our online Spring Dealership Workshop hosted by KADA legal counsel, Stoll Keenon Ogden, LLC. They will be covering a host of important issues such as data sharing, employment law, the agency model and more. See the full list of topics below.

**When: Wednesday, March 29, 2023 from 9:30 am to Noon (EST) or 8:30 am to 11 am (CT)**

**Who Should Attend:** Dealer Principals, General Managers, CFOs, Office Managers, F&I Managers, Sales Managers, Service Managers

**Price:**

\$150.00 for dealership registration (includes first attendee); and \$10.00 for each additional staff member from the same rooftop

**Deadline to sign up: March 24, 2023**

*Webinar materials and meeting link will be sent prior to the workshop.*

[Register Now](#)

**Topics include:**

- Federal Trade Commission zealots
- Proposed new vehicle sales issues
- Federal Trade Commission advertising actions – a movie coming to a theatre near you
- Update on data sharing agreements
- The use of CSI and incentives – latest Manufacturer attempt to defraud dealers
- Concierge Service Agreements – again to dealer detriment
- Update on Employment Law – new pro-labor Biden administration rules and actions
- Doc Fee Update
- New Vehicle Finance Issues
- Consumer Craziest
- Agency Model and Suits against Manufacturers

**Speakers:** Ron Smith, Donn Wray, Sarah Bishop, Amy Miles, Cam Bosak

## KADA Legislative Reception

We had a great time meeting and chatting with local legislators at our Legislative

Reception this month at Buffalo Trace! Thank you to all the dealers and legislators who attended. Participating in events like this is just one of the ways that we are able to have our voice heard as the automotive community.



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## 2023 KADA Convention

Join us as we celebrate the **85th birthday** of the Kentucky Auto Dealers Association at our 2023 Convention. We'll also be joined by dealers from Virginia, West Virginia and Maryland – it will surely be an unforgettable event!

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# 2023 KADA Annual Convention



**When: June 19-22, 2023**  
**Where: The Greenbrier**  
**White Sulphur Springs, WV**

[Register Now](#)



Your Support Drives  
Industry Forward

## Make your KADET Contribution Today



As we embark on a new year in our ever-shifting industry, we look ahead to the changes and challenges we can expect to see in 2023 and beyond.

**In order to have a unified presence and voice to face these together, we need your support and participation.**

Building and maintaining relationships with the legislators that represent you in each of your districts is how we are able to protect pro-business and pro-dealer rights. Which is why we ask that you consider donating to our KADET fund today.

**[Click here](#)** to see how your contributions have paid off just over the past two years with this list of our legislative accomplishments.

Melissa Peach  
KADET Treasurer

Below is a list of KADA's President, Senate, House and Patron Club members

as of the distribution of this newsletter.

President's Club - \$2,000

Nancy Sparks  
Tim Sparks  
Kim Huffman  
David Moore  
Joe Cross  
Vickie Fister  
Dan Renshaw  
Bill Cole  
Dwain Taylor  
Ray Cottrell, Jr.

NextGen President Club \$1,000

Senate Club - \$1,500

House Club - \$1,000

Patron Club - \$800

Tasarla Tudor

[Click here to donate today!](#)

## RockED Video: Answering Customer Objections

### KEY TAKEAWAYS:

THIS IS WHAT YOU CAN SAY:  
"WE HAVEN'T SUBMITTED YOUR CREDIT TO ANY PARTICULAR BANK YET BUT BASED ON YOUR CREDIT SCORE, THERE WILL BE TWO QUALIFIED BANKS COMPETING FOR YOUR BUSINESS WHICH COULD SAVE YOU A POINT OR A POINT AND A HALF."



In the current economic environment, many dealers fall short in thinking of ways to equip their teams to face new client objections, such as helping sales associates handle new customer questions on high interest rates.

**For more on mobile learning with RockED, contact:**

Katie Loyas  
Head of Partner Engagement  
917-396-6334

[Katie@RockED.us](mailto:Katie@RockED.us)

# Cox Automotive Industry Update



## FOR IMMEDIATE RELEASE

### **Cox Automotive Forecast: February New-Vehicle Sales Expected to Increase Year Over Year, Thanks to Improving Inventory, Fleet Sales Gains**

- Annual new-vehicle sales pace in February is expected to finish near 14.4 million, up 0.7 million from last February's 13.7 million pace but down from January's 15.7 million level.
- Improved inventory is expected to contribute to a true volume gain compared to February 2022's supply-constrained market.
- February sales volume is expected to rise 4.0% from one year ago and reach 1.105 million units. This is also a 3.9% increase from January, which also had 24 selling days.

**ATLANTA, Feb. 22, 2023** – New-vehicle sales in February are forecast to show a modest gain when announced next week, an improvement over last February's supply-constrained market. Sales are expected to increase nearly 4% from last year and last month – a true volume gain by comparison since there are 24 selling days in each month. However, the February 2023 auto sales pace, or seasonally adjusted annual rate (SAAR), is expected to reach 14.4 million, a decline from January's surprisingly strong 15.7 million level. With elevated auto loan rates and persistent inflation, a sales pace decline from January was expected.

Affordability is a growing headwind for vehicle buyers but is impacting new and used sales differently as the spring season approaches. According to Charlie Chesbrough, senior economist at Cox Automotive: "We have diverging markets today. New-vehicle prices remain high while used retail prices are now in decline. New inventory is slowly stabilizing while used supply is falling. However, I wouldn't be surprised to see this situation change later in the spring. With many affordability-seeking vehicle buyers leaving the new market for the used, dealers may find they have too little used inventory, and price declines may reverse. And, OEMs may find they have too much new-vehicle inventory and be forced to be more aggressive with incentives to boost sales."

#### **February 2023 Sales Forecast Highlights**

- Light vehicle sales are expected to finish near 1.105 million, a 3.9% rise from last month and a 4.0% increase from February 2022.
- The SAAR in February 2023 is estimated to be 14.4 million, above last February's 13.7 million level but down from January's 15.7 million pace.
- Fleet sales are expected to show strong year-over-year gains over February 2022's inventory-limited market.
- February 2023 has 24 selling days, equal to both February 2022 and January 2023.

## Financial Tips from Sqwire

Time to check on your investments and if you don't have investments, now would be a great time to get started. Remember, the earlier you start investing, the better off you'll be in the future. Even as little as \$3/day can make a big difference if done consistently for the rest of your working life! But, always make sure to speak to a financial expert before investing your money to make sure you're maximizing your efforts. This tip was brought to you by our

Preferred Partner, Sqwire. Don't forget, you can save big with a members only discount on Sqwire's financial wellness platform for your team! Learn more by visiting [www.getsqwire.com/kada/](http://www.getsqwire.com/kada/)



## Preferred Partner Spotlight: MOC Mid-Atlantic



MOC Mid-Atlantic is a leading provider of innovative products and resources to the automotive-dealer industry. They offer a wide range of dealership products and solutions tailored to fit your specific needs.

KADA Preferred Partners are an integral part of our organization. Please support those who support your association.

For more information, contact: Robert Buffington  
[rbuffington@mocmidatlantic.com](mailto:rbuffington@mocmidatlantic.com)  
859-240-2989

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