



Newsletter - December 2022

## A Message from Jason Wilson, KADA President



Dear Kentucky dealers,

It's hard to believe yet another year is coming to a close! As we take time to reflect and spend time with loved ones, I hope you have enjoyed the warmth of the season and the spirit of joy that comes with it.

The past couple months have been filled with activity for us at KADA. We have been actively preparing for the 2023 General Session, mapping out each of the priorities for our dealer body. Please be on the lookout for updates from us regarding franchise laws and many other important legislative issues.

We've also been busy hosting educational webinars alongside various KADA Preferred Partners. It's our goal to provide you with resources and content that benefit your business and your staff, and these webinars are an excellent opportunity to learn about the latest products and services in the market, grow your team members, and take your dealership to the next level. Not only that, but supporting our partners means you are supporting our association and our industry as a whole.

Recently, we hosted our final Board and Executive Committee Meetings of 2022. With that, I'd like to take this opportunity to thank each one of our Board and Executive Committee members for their support and participation this past year. I'd like to especially recognize Chairwoman Nancy Sparks who has been an instrumental leader in our association and dealer body. Aside from her continuous engagement and service, she helped take Clerk's Modernization Bill (HB 284) over the finish line and was crucial to setting up meetings with incoming legislators. Thank you, Nancy.

I look forward to working alongside our new Board members for next year as well as our incoming Chairman, Joe Cummins of the Don Franklin Auto Group.

As we look ahead to 2023, I'm excited for what the year will bring. As an association, we aim to continue to increase membership, increase participation and increase the tools and resources we provide to you. There will be several hurdles to face in next year's General Session and we look forward to representing the Kentucky dealer body and to achieving more legislative victories.

As always, thank you for your support and participation.

## KADA News

### 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.

### Important Changes to Your Sales Tax Obligations

As you have heard, due to legislative changes to Kentucky's tax code, dealers will need to begin charging sales tax on sales of ALL extended warranty contracts beginning **January 1, 2023**. You can [read more about this here](#).

Recently we hosted a webinar with KADA legal counsel Sarah Bishop and Bowden and Wood's Nick Schaefer to discuss these changes and how they may impact your business. Please find the recording of the webinar below as well as the presentation discussed.

Webinar Recording

Presentation

### Kentucky Horsepower Podcast



In case you missed it, we recently sat down to chat with KY Transportation Secretary Jim Gray. We discussed the million dollar **EV Infrastructure Plan in Kentucky, the rollout and what it will look like in the coming years**.

The first phase involves the interstates and parkways, with **30-32 charging stations projected to be deployed by 2024**.

Listen to hear Secretary Gray explain more about the plan, the challenges it faces and the **revolutionary shift** taking place. With the Transportation Cabinet projecting that **in Kentucky by 2045, 58% of new-vehicle sales will**

**be electric vehicles**, the details of this plan are essential to the KY dealer body.

*One correction in the episode is that of the \$86.9 million set to be received by the Commonwealth, \$70\* million is comprised of federal funding.*

As always, you can listen or watch our podcast on the below channels.



Kentucky Horsepower  
Podcast

## Your Support Matters & Here's the Proof

One hundred percent of your KADET contributions go into the hands of legislators who support our industry and the franchise system. Check out this video slideshow of our dealers handing out PAC checks to these very legislators.



Next year is a big election with the Governor's race, so it's as important as ever to make PAC donations. Please consider contributing if you haven't already, or become a member of our KADET President's Club by contributing the maximum \$2,000.

Contribute Now

# KADA Events

## Save the Date! KADA Legislative Reception



**Wednesday, February 8, 2023**  
**5:30-8:00 pm**  
**Buffalo Trace**

## 2023 NADA Show

# NADA



NATIONAL  
AUTOMOBILE  
DEALERS  
ASSOCIATION

**JOIN US AT THE 2023 NADA SHOW**  
**January 26-29, 2023**  
**Dallas, Texas.**

With our very own Dan Renshaw as NADA Show Chair!

[Register Now](#)

## 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!



**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 elections are underway, our KADET PAC fund is raising money right now to help elect dealer-friendly candidates.

**We need every member of KADA to contribute to our PAC, as well as their family members and dealership staff; to include Dealership Owners, General Managers, Dealer Operators, Parts and Service Directors, Finance and Insurance Managers, and Used/New Car Managers.** This

election heavily impacts those dealership leaders and everyone who reports to them. Some dealers have already contributed to our PAC, but many have not. Please invest in the future of our industry by contributing today.

Melissa Peach

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  
James Haynes  
Mike Tewell  
Joe Cross  
Tim Kanaly  
Joe Cummins  
Josh Cummins  
Dwain Taylor  
Kim Huffman  
Mark Pogue  
Rob Marshall  
Carl Swope  
Shane Collins  
David Moore  
Dan Renshaw  
Ray Cottrell Jr.  
Thomas Gill  
Dan Glass  
Jeff Eickholz  
Jack Kain  
Gary Haupt  
Matt Brady  
Steve Pinkham  
David Jagggers  
Tammy Coats  
Bob Hook III  
Fred Tolsdorf  
David Daunhauer  
Ed Hyde  
Shea Barth  
Chris Mitchell  
Craig Simon  
Bruce Krone  
Bill Cole  
John Zimmer  
Steve Gates  
Larry Craig  
Kevin Collins  
Coby Sweeny  
Mike Hyde  
Duke Brubaker  
Tim Short  
Todd Justice

NextGen President Club \$1,000

Phillip Gill  
Tyler Jagggers  
Alex Pogue  
Kevin VanHimbergen

Senate Club - \$1,500

Lucinda Hughes

House Club - \$1,000

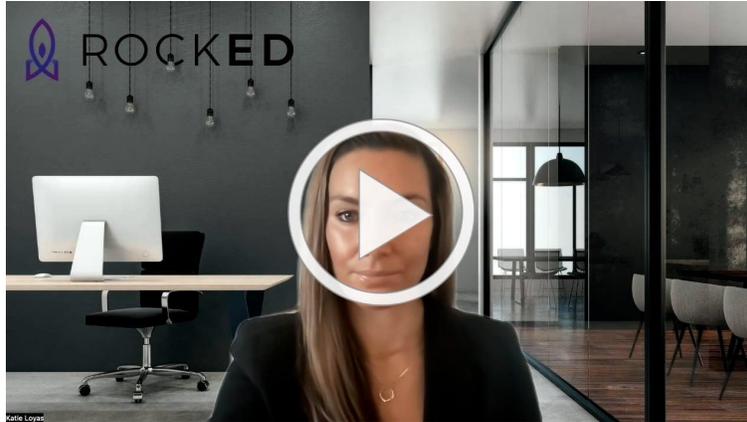
Bob Hook Jr.  
Travis Flaherty  
Todd Justice  
Vickie Fister

Patron Club - \$800

Patti Powell

[Click here to donate today!](#)

## Check out RockED at the NADA Show



Be sure to visit KADA Preferred Partner RockED at the NADA Show next month! Learn more about their innovative mobile learning platform and how you can turn training into growth management. They'll be at booth 6448. Set up an appointment with Katie Loyas by clicking the link below.

[Set up a Meeting](#)

[Visit KADA Preferred Providers](#)

## Cox Automotive Industry Update

FOR IMMEDIATE RELEASE

**As the Clock Winds Down on a Year Steered by Tight Inventory and Rising Loan Rates,  
Cox Automotive Offers 10 Predictions for 2023**

**ATLANTA, Dec. 19, 2022** – With the start of the New Year just weeks away, the Cox Automotive Industry Insights team offers its expectations for the U.S. automotive market in 2023. By nearly all measures, 2022 was a difficult year for both the industry and the consumer, marked by historically low new-vehicle inventories, high prices, and stubborn inflation chipping away at monthly budgets. A relatively strong jobs market was a tailwind, but all the while, a hawkish Federal Reserve pushed rates higher, essentially ridding the brakes as the auto industry struggled to gain momentum.

“This past year was challenging not only to forecast but for the industry to manage,” said Cox Automotive Chief Economist Jonathan Smoke. “As we look forward into 2023, we see one set of challenges being replaced by another. We expect the year ahead to be one of transition, as both the consumer and the industry move past the remnants of a global pandemic and set a new course for mid-decade growth.”

Guided by recent research, intelligence capabilities powered by DRiVEQ, the largest breadth of first-party data in the automotive ecosystem, and an unmatched team of analysts and experts, Cox Automotive posits 10 trends that will shape the auto business in 2023.

**#1: A Slow-Growing Economy Will Place Pressure on the Automotive Market.**

While the risk of recession in 2023 remains, Cox Automotive expects the economy to see at least slowing or very weak growth as the Federal Reserve tightens monetary conditions and consumers continue to wrestle with high interest rates. A job-wrecking recession is a worst-case scenario for the auto industry, but hope for an economic soft landing remains. Either way, a sputtering economy will hold back the auto market in the year ahead.

**#2 New-Vehicle Inventory Levels Will Continue to Increase.**

New-vehicle production challenges are beginning to ebb, and inventory levels are measurably improving. While lingering supply chain and labor challenges will remain, and capacity will not return completely to pre-pandemic levels in the foreseeable future, stronger production levels and softer demand will lead to higher days' supply and, ultimately, more vehicle options for shoppers in 2023.

**#3: Total Retail Vehicle Sales Will Fall in 2023, as New-Vehicle Sales Grow, Used Sales Decline.**

With new-vehicle inventory levels improving as demand slows, Cox Automotive forecasts 3% year-over-year new-vehicle sales growth in 2023, with the market hitting 14.1 million units. Increasing fleet sales will help the absolute number. A lack of nearly new supply, declining affordability, and a shrinking pool of buyers will challenge the used-vehicle market. Overall retail sales will decline in 2023, adding competitive pressures to the market, especially in used.

**#4: Sales of Electric Vehicles in the U.S. Will Surpass 1 Million Units for the First Time.**

The battery-electric vehicle market continues to outpace the overall market in sales, and a new milestone is on the horizon: 1 million EVs sold in the U.S. in 2023. With expanded product availability coming and a fresh round of government-backed incentives to motivate buyers, the Cox Automotive team is forecasting continued good news in the electrified vehicle market.

## Welcome New Members

### **Cronin Hyundai of Nicholasville**

Chevas Sparks

csparks@croninautos.com

(859) 885-1000

### **Indian Motorcycle of Northern Kentucky**

Mike King

mike@indianofnky.com

(859) 534-2240

### **Mercedes-Benz of Louisville**

## Financial Tips from Sqwire

This year, give your team the gift of financial freedom by providing them with a comprehensive financial wellness program as an added benefit. Studies show that employees who are not stressed over finances are more productive and satisfied in their work which results in big gains for your entire organization! Reach out to the team at Sqwire, one of our Preferred Partners, to claim your members-only discount on a financial wellness plan for your team.  
[www.getsqwire.com/kada/](http://www.getsqwire.com/kada/)



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