



Newsletter - January 2023

A Message from Jason Wilson, KADA President



Dear Kentucky dealers,

I hope that all of you have had an excellent start to this new year. At KADA, we've been busy preparing for the 2023 General Session, meeting with legislators and preparing the issues that we plan to present on your behalf. Our top priorities this year (as always) involve strengthening and protecting the franchise system and advocating for the rights of dealers in the state. Stay tuned for updates.

Additionally, I am pleased to announce that we have welcomed several new members to our Board and Executive Committee, as well as our new Chairman, Joe Cummins. These individuals bring a wealth of experience and knowledge to our organization, and I am confident that their contributions will be invaluable. Welcome Ray Cottrell, Jr., Jennifer Scarbrough, Deborah Renshaw Parker, Tammy Coats, Kameron Huffman and Trey Blakley.

I recently came back from the NADA Show in Dallas where I was able to meet with my peers and hear from some incredible industry speakers. It was a great opportunity to learn about the latest trends and developments in our world, and these insights will surely help as we venture into a new year.

I look forward to seeing everyone at the Legislative Reception at the Buffalo Trace Clubhouse on Wednesday, February 8th from 5:30 to 8:00 pm. This is an opportunity to network and meet with the leaders in our communities who very soon will be making important decisions on our behalf. Your attendance is essential. Invite the legislators in your district to the event by sharing this [PDF invitation](#).

In closing, I want to remind everyone of the importance of being an active and engaged member of our association. Whether it's by participating in our events, attending our meetings, or simply staying informed about the issues that are important to our industry, every member has the power to make a difference. Together, we can work to ensure that the rights and interests of Kentucky's auto dealers are protected and advanced.

Thank you for your continued support.

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 with the names and emails of staff members you'd like to get subscribed.

FTC Amended Safeguards Rule: Are You Preparing?

As you have heard, the Federal Trade Commission decided to extend the December 9, 2022 deadline to comply with the Amended Safeguards Rule by six months, to **JUNE 9, 2023**. Although we are many months away, it's important that you get a head start on these new requirements as there are many.

The specific requirements of the Amended Safeguards Rule can be referenced in our [Winter is Coming Series accessible here](#).

We recommend utilizing the services of **KADA Preferred Partner, ComplyAuto**, to help with these new requirements. They can provide specific recommendations for ensuring your dealership's compliance. You can reach out to Sherryl Nens at (661) 210-3453 or by email at sherryl@complyauto.com



Kentucky Horsepower Podcast: Meet your 2023 KADA Chairman Joe Cummins!



Welcome back to Kentucky Horsepower, the official podcast of KADA! We're excited to have sat down with our 2023 KADA Chairman, Joe Cummins!

Joe is the General Manager at Don Franklin Chevrolet Buick GMC in Somerset, part of the Don Franklin Auto Group family. Born into the car business, he has worked in just about every position in the dealership over his 50 years in the industry. Joe has been an active member in our Executive Committee for 4 years now, and his dedication and commitment to the car business and community will undoubtedly lead us to great things in 2023.

Listen to learn more about your new KADA Chairman!

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



Kentucky Horsepower
Podcast

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

See you at our KADA Legislative Reception!



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

Please RSVP to Melissa Peach at mpeach@kyada.com

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 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

See below for the 2023 KADET levels and click to make your contribution online today.

[President's Club - \\$2,000](#)

[NextGen President Club \\$1,000](#)

[Senate Club - \\$1,500](#)

[House Club - \\$1,000](#)

[Patron Club - \\$800](#)

[Click here to donate today!](#)

Welcome New Allied Members

ABCofA/Deal Pack

Natalie McKinney
nmckinney@abcoa.com
800-526-5832

Adobe

Alexandria Haslam
cit46532@adobe.com
(408) 753-5826

[Visit KADA Preferred Providers](#)

Cox Automotive Industry Update



FOR IMMEDIATE RELEASE

Cox Automotive Forecast: Improved Inventory Levels, Higher Fleet Sales Expected to Support Improving January U.S. Auto Sales

- Annual vehicle sales pace in January is expected to finish near 15.6 million, up from December's 13.3 million pace and from last year's 12.7 million level.
- Improved inventory and fleet activity are expected to contribute to a stronger sales pace.
- January sales volume is expected to rise 2.7% from one year ago and reach 1.03 million units; forecast calls for a 19.8% decrease from December, which had three more selling days.

ATLANTA, Jan. 25, 2023 – New-vehicle sales in January are expected to show a surprising gain when announced next week, even though market conditions have not appreciably changed. The January 2023 auto sales pace, or seasonally adjusted annual rate (SAAR), is expected to finish near 15.6 million, a large increase from December's 13.3 million pace, according to a forecast released today by Cox Automotive. However, some of the gain is due to statistical adjustments that correct for expected fewer sales in January and February.

With inventories improving daily, sales in January will benefit, increasing the sales pace. Sales volume for the month is expected to rise nearly 3% over January 2022's inventory-constrained market but with the same number of selling days. January sales are expected to fall almost 20% month over month, largely due to three fewer selling days than December and the usual post-holiday drop in activity.

As we start 2023, high interest rates continue to hold back the new-vehicle market, while some concerns with inventory supply appear to be falling away. According to Charlie Chesbrough, Cox Automotive Senior Economist: "After a slow December, a return to 'normal' would be welcome. With inventories improving, and more fleet activity likely, we are expecting an increase in January new-vehicle sales activity. Though some dealer lots across the country have ample inventory, some Asian brands continue to have extremely limited availability. One of the key questions for the market this year is whether some brands – particularly American ones – will be forced to increase incentives to keep supply from getting too high."

January 2023 Sales Forecast Highlights

- Light new-vehicle sales are expected to rise 2.7% from January 2022 but fall 19.8% from last month.
- The SAAR in January 2023 is estimated to be 15.6 million, above last year's 12.7 million level and up from December's 13.3 million pace.
- January 2023 has 24 selling days, equal to 2022 but three fewer than December 2022.

January 2023 U.S. New-Vehicle Sales Forecast

Segment	Sales Forecast ¹					Market Share		
	Jan-23	Jan-22	Dec-22	YOY%	MOM%	Jan-23	Dec-22	MOM
Mid-Size Car	60,000	59,339	75,179	1.1%	-20.2%	5.8%	5.9%	0.0%
Compact Car	55,000	59,153	68,701	-7.0%	-19.9%	5.3%	5.3%	0.0%
Compact SUV/Crossover	155,000	159,510	187,978	-2.8%	-17.5%	15.0%	14.6%	0.4%
Full-Size Pickup Truck	165,000	147,254	208,849	12.1%	-21.0%	16.0%	16.3%	-0.2%
Mid-Size SUV/Crossover	180,000	195,130	222,595	-7.8%	-19.1%	17.5%	17.3%	0.2%
Grand Total²	1,030,000	1,002,739	1,284,862	2.7%	-19.8%			

¹ Cox Automotive Industry Insights data

² Total includes segments not shown

Financial Tips from Sqwire

What financial goals are you working on this year? The start of a new year is a perfect opportunity to reassess your budget and make adjustments based on your new goals. Not sure how to organize your budget? Try this: Allocate 50% of your cash to overhead, 20% to your reserves/savings, and 30% to your extras/discretionary expenses. 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/



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