

Dec 2023



Gifts of Success In The New Year

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THE PRESIDENT'S CORNER



CMDA Members, Sponsors and Partners,

The end of 2023 is upon us! Another year has passed and I have barely blinked. Saying that “time flies” is an understatement.

My term as President of our Association is coming to an end, and it has been an honor and a privilege to serve this organization and the Board in this position.

During my time in the President’s seat, I have watched our Association continue to grow. I have seen new relationships on the member side and the sponsor partner side be created and flourish.

It is through these relationships, that we continue to get through each year, and it is these relationships that have made 2023 a special year like other years in the past.

I am looking forward to greeting you as CMDA President for the final time at our 2024 CMDA Annual Meeting next month in Las Vegas. So please make certain that you attend. I am certain at that event, we will look back on the “special-ness” of 2023 and get 2024 kicked off with a bang!

Happy Holidays to all of you and I am looking forward to a fantastic 2024 for all of our members and all of our partners.

Sincerely,

Gus Rodriguez

Gus Rodriguez



Members and Stakeholders of the Chrysler Minority Dealers Association,

Unbelievably, it is time to flip the page on the calendar. We are saying Farewell to 2023 and Welcome to 2024! Time keeps marching on and so must we.

In 2023, our industry continued to evolve operationally, politically and “product-ly”. We were able to continue to evolve right along with it, exhibiting the true spirit, grit and resourcefulness that has ensured our success over the years.

One of the main ingredients that continue to enable our success year after year, is the strong relationships and bonds that are shared among our Association members and our partners. These bonds help to form the chains of achievement that are hard to break when we are faced with one challenge or change after another.

We want to ensure that we add new bonds to our chains and make them even stronger. As such, please join us for our **2024 CMDA Annual Meeting that will be in Las Vegas on Jan. 31st – Feb. 1st at the new Fontainebleau Las Vegas Hotel. Our theme for this event is “Driving Diversity, Expecting Excellence”**

As always, I am looking forward to sharing another great year with you all and meeting and beating all of the challenges that 2024 will bring!

Merry Christmas and A Happy New Year To You and Your Family!

Mitch Mitchell

Mitch Mitchell

CMDA Executive Director

emitchell@chryslerminoritydealers.org

CMDA

CHRYSLER MINORITY DEALERS ASSOCIATION

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ANNUAL

Meeting

JAN 31ST - FEB 1ST

Fontainebleau

Las Vegas, NV

**KING
DAYTONA**

FONTAINEBLEAU
LAS VEGAS

DRIVING DIVERSITY, EMBRACING EXCELLENCE

2 2024 CMDA 4 Annual Meeting Schedule

***All Events Will Take Place At
The Fontainebleau Hotel
2777 S. Las Vegas Boulevard
Las Vegas, Nevada***

Wednesday, January 31, 2024

<i>Board Meeting Breakfast</i>	<i>(Board Only)</i>	<i>8:00AM - 9:00AM</i>
<i>Board Meeting Morning Session</i>	<i>(Board Only)</i>	<i>9:00AM - 12:00PM</i>
<i>Board Meeting Luncheon</i>	<i>(Board Only)</i>	<i>12:00PM - 1:00PM</i>
<i>Board Meeting Afternoon Session</i>	<i>(Board Only)</i>	<i>1:00PM - 4:00PM</i>
<i>Membership Welcome Reception</i>	<i>(All Attendees)</i>	<i>6:00PM - 9:00PM</i>

Thursday, February 1, 2024

<i>General Meeting Breakfast</i>		<i>7:30AM - 8:30AM</i>
<i>General Meeting Morning Session</i>		<i>8:30AM - 12:00PM</i>
<i>General Meeting Luncheon</i>		<i>12:00PM - 1:00PM</i>
<i>Afternoon Business Session</i>		<i>1:00PM - 2:30PM</i>
<i>CMDA Members Only Session</i>	<i>(CMDA Members Only)</i>	<i>2:30PM - 4:30PM</i>
<i>CMDA Networking Reception</i>		<i>6:00PM - 7:00PM</i>
<i>CMDA Keynote Dinner Gala</i>		<i>7:00PM - 9:00PM</i>

CMDA

CHRYSLER MINORITY DEALERS ASSOCIATION

Driving Our Future

2 0 2 4
**RSVP / Reservation
Information**

Please RSVP for our meeting by January 5, 2024 to Mitch Mitchell, CMDA Executive Director at emitchell@chryslerminoritydealers.org or (248) 687-1088.

You may also book your room by January 5, 2024, at the Fontainebleau Hotel by using the link below :

<https://book.passkey.com/go/CMDAJan2024FBLV>

*or by calling (833) 702-7272
and mentioning "Chrysler Minority Dealers Association
2024 Meeting"*

CMDA

CHRYSLER MINORITY DEALERS ASSOCIATION

Driving Our Future

2024 CMDA Annual Meeting
Dinner Gala Event
Keynote Speaker



Shiza Shahid

*Founding CEO – Malala Fund
Silicon Valley Venture Capitalist
Named One of Time’s “30 Under 30 People
Changing the World”*

CMDA

CHRYSLER MINORITY DEALERS ASSOCIATION

Driving Our Future

OPENING DOORS TO OPPOR TUNITY

As 2023 draws to a close, it's worth taking time to reflect upon recent accomplishments before looking forward to opportunities ahead. And, a highlight of the last 12 months has certainly been the success of the latest, impactful CMDA interns.

This summer, participants in the 10-week Internship Program returned to colleges having picked up invaluable real-world experience at CMDA dealerships across the country. To complement the students' dealership experience, they visited the Chrysler Capital corporate offices in Dallas, Texas, where I had the pleasure of meeting with them, listening to their comments and seeing first-hand the potential for the development and growth of the auto industry.

Chrysler Capital is extremely proud to support the CMDA Internship Program and, on behalf of the wider team, I congratulate the class of '23 on their achievements.

Besides students gaining knowledge from their placements, another benefit of the Internship Program is the chance for dealerships to tap into emerging talent in our fast-paced, ever-changing auto world, and 2023 has been no exception when it comes to change. So, next, let's take a look at today's auto financing market including both headwinds and tailwinds, and how Chrysler Capital can support CMDA stores in taking advantage of the available opportunities in 2024.

Today's auto financing market

Current headwinds

Headwinds can exist in a range of different auto financing markets and, right now, a significant factor is the average price of used vehicles. While prices have followed a normalizing trend over the last 12 months, they remain above pre-pandemic levels, dampening demand among price-conscious consumers.



On the other side of demand lies supply and the recent United Auto Workers union strike reduced the number of new vehicles reaching dealerships for major U.S. automakers, including Stellantis. Thankfully, that dispute has been resolved yet the market, dealers and consumers are still feeling the effects.

Added to that picture, the industry's inventory mix is lacking affordable vehicles, plus we're seeing a slowdown in the demand for electric vehicles.

The interest rate environment, characterized now by higher rates, is also making it costlier to buy a vehicle and auto lenders have seen a rise in loan delinquencies as some financing customers face challenges making their payments on time.



Tailwinds toward sales

While the macroeconomic environment is challenging, Chrysler Capital continues to excel in the areas that we can control. What's more, the Chrysler Capital team has extensive experience operating in many different market conditions and is positioned to help you succeed.

On a broad level, a positive condition is the overall state of new vehicle supply. After a long period of limited supply, new inventory is increasing, adding more attractive cars, trucks and SUVs to dealership lots as we close out the year and prepare for the new one.

Beyond this, Chrysler Capital offers numerous competitive advantages and program enhancements for the current market. First of all, we are offering a competitive and sustainable credit policy that you can rely upon – a major plus in making more deals. In addition, our updated Dealer Portal means adjusting and rehashing those deals, where needed, and getting them over the line is now easier than ever.

In a similar vein, we're providing complete digital contracting capabilities to deliver greater convenience and speed when it matters.

Furthermore, we have recently realigned our sales organization to enhance your dealer experience. With a unified strategy across Santander Consumer USA sales teams, Chrysler Capital Sales will be reporting to **Johanna Golding, Senior Director, Dealer Sales**, enabling us to bring even greater value to the way we serve your needs.



Our path forward

With these developments in place, and a new group of internship candidates to welcome in 2024, we look forward to helping your dealership grow and drive profitability as we approach the future together with confidence.

From all of us at Chrysler Capital, happy holidays and best wishes for the new year.

Betty Jotanovic
President, Chrysler Capital
and Auto Relationships

COUNT ON *Gratitude*

This holiday season, Chrysler Capital is Making it Count by reminding everyone to stay safe and enjoy their time with their friends and family. We've enjoyed spending 2023 with all of you and hope to make our best-in-class brands and programs work even better for our world class dealers. Remember Chrysler Capital for all of your automotive finance needs. We hope you have a wonderful holiday season.



**MAKING
IT COUNT**

MEMBERS IN THE SPOTLIGHT



CHRYSLER MINORITY DEALERS ASSOCIATION

CMDA Dealer Doing Good In The Community



Tony T CDJR in Orangeburg, South Carolina Sponsors Annual Thanksgiving Event



Tony T Chrysler Dodge Jeep Ram in South Carolina, led by dealer principal and CMDA member Tony "Tony T" Thomas, sponsored their annual "Day of Thanks" Thanksgiving Community events last month on Nov. 11th and Nov. 19th.

During the events, Tony T and his dealership team were able to help feed over 1,000 families in the Orangeburg area.

Congratulations to Tony T and his team for doing good while doing well!

Drive dealership success with claim efficiencies



What we'll cover:

- How to maximize operational efficiencies
- Why dedicated Finance & Insurance support is essential
- Benefits of efficient claims processing

As an auto dealership, selling cars is just one facet of your business. You're also offering F&I and vehicle protection products like **vehicle service contracts** and Guaranteed Asset Protection (**GAP**) to better serve your customers as well as diversify your revenue streams. And let's not forget your service department which can be a significant profit center and opportunity to drive customer retention and satisfaction.

While comprehensive offerings make your business stronger, they can also lead to inefficiencies within your organization and leave it vulnerable to more risk. You can combat this by going under the hood of your business and looking for ways to optimize your F&I claims processing and back-end operations.

Why streamlining claims processing matters

Efficient claims processing is a vital component of your back-end operations and can benefit your business in major ways.

Ease of claims

Ally is proud to resolve 95% of its F&I claims within the first call, and in 2022, we paid 93% of claims within 24 hours. In total, we pay more than 90% of claims submitted to us. When your claims are processed ASAP, you don't have to spend hours conducting follow-ups or chasing down the appropriate paperwork. Instead, you can focus on what's important – serving customers and ensuring your business runs smoothly.

Increased customer satisfaction

The need to file a claim could be a stressful situation for a customer, so a smooth, quick claims process that gets them back in their vehicles as soon as possible will go a long way toward building loyalty. Happy customers are usually repeat customers who recommend your business. Ally customer claims have a 95% satisfaction rate.

In 2022, Ally paid 93% of claims within 24 hours.

How to improve your back-end operations

Beyond efficient claims processing, it's equally important to have smooth operations throughout the back end of your store. **Ally Fixed Operations Consulting** provides best-in-class training to empower your team to deliver an exceptional customer experience when managing factory warranty claims.

First, we evaluate your dealership's operations, interview key team members and identify your business needs and improvement opportunities. Then we provide you with a customized report with recommendations to help achieve your performance goals. Lastly, your team receives hands-on coaching and training to put the improvement strategies into action.

Our consulting services cover every area of your service drive, including:

- Warranty reimbursement review
- Service drive advisor and manager training
- Financial statement analysis
- Warranty consultation service, focused on manufacturer compliance and reducing warranty exposure to chargebacks that include technician and management compliance training or audit mitigation

Our fixed operations consultants add value to your entire business, but when it comes to your service drive, our impressive results prove our worth*:

- *An average of \$242,000 increase in overall labor and parts sales year over year*
- *Up to an average of \$29 increase of effective labor rate*
- *33% increase with customer satisfaction index scoring*

Leverage digital tools

These days, online processes make business easier and faster. Ally's fully digital portal for submitting GAP claims includes all support documentation and real-time tracking progress and can be used by customers anytime, anywhere.

Also, our remote claims adjudication process utilizes mobile video technology and provides flexibility with adjustable claims empowerment levels. That means you could have the autonomy to approve claims up to a certain amount. If you need to adjust those levels, you can modify them to support your specific program, depending on your loss experience.

Capitalize on efficiencies

A more efficient dealership is most likely a more successful business. Take advantage of optimized processes to drive business success.

**Average results. Actual results may vary by dealer.*

personally

It's not just business. It's personal.

Our dedicated Account Executives work hand in hand with you because we care about your business as much as you do. Plus, it's always a good time when we're working together. That's the kind of joyride we live for.

We're all better off with an ally.

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Become a CMDA Member



**Chrysler Minority Dealers
Association**

Driving Our Future



Being a Chrysler Minority Dealers Association Member has its benefits. If you are looking to become a part of this great organization, please contact Mitch Mitchell, the Executive Director, at the CMDA office at (248) 687-1088 or emitchell@chryslerminoritydealers.org for more information or completing a DAP-7 dealer application.

2023 MEMBERSHIP

BENEFITS



Members, please remember that our Association provides you with the following benefits:

- Interaction with leading OEM, vendor and other stakeholder executives and influencers*
- A collective voice within the automotive industry and with automotive OEM's and executives.*
- A viable way to network, interact and mentor with dealers who share similar experiences.*
- Participation in business and educational meetings that promote ethnic minority dealers and their businesses*
- The opportunity to contribute to the growth and development of ethnic minority dealer candidates*
- The opportunity to be a direct contributor in strengthening our partnership with Stellantis*

DEALERS HELPING DEALERS!!! WE NEED YOU!!!

2023 MEMBERSHIP

BENEFITS (FINANCIAL)



Additionally, CMDA members are entitled to the following financial benefits as well:

NADA Dealer Academy Minority Candidate Support – (\$32,000)

Total funding (tuition, lodging, travel) for ten (10) ethnic minority candidates from CMDA dealerships to attend the NADA Dealer Academy. This will assist in the development of the next generation of minority dealers in the automotive industry.

Training Support – (\$10,000)

- A \$10,000 reimbursement for training and operational support activities, including 20 Group activities, Stellantis' Performance Institute training expenses and Degrees@Work Program.

CMDA Member Meetings Participation Incentive – (\$7,000)

- Annual attendance incentive of \$3,500 for attending the CMDA Annual Meeting and Summer Meeting. A total possible incentive of \$7,000.

Facility Electric Vehicle Assessment Support – (up to \$5,000)

- Reimbursement of 50% (up to \$5,000) of the assessment fee for having your CMDA dealership assessed by Future Energy or other certified EV assessment provider approved by Stellantis

Dealer Association Membership / Conference Attendance – (\$2,000) - **New For 2023***

- An annual reimbursement of up to \$2,000 for dealer association(s) membership (i.e. NAMAD, NADA, state dealer association,, etc....) and/or expense for registering/ attending a Dealer Conference (i.e. NAMAD conference, NADA convention, etc....).

Charitable Event / Donation Support – (\$2,000)

- An annual \$2,000 reimbursement to assist CMDA members with their local charitable endeavors and emphasize the importance of community support.

NAMAD Membership Dues Payment – (\$500)

- Membership and payment of annual dues in the National Association for Minority Automobile Dealers (NAMAD). **This is paid for members directly CMDA.**

Preferred Pricing – CMDA Membership

- Financial and operational benefits and preferred pricing from our sponsors

2024 Industry Trends to Watch



“The industry must stay vigilant and responsive to various market conditions and trends.”

Tony Wonderon
CEO, APCO Holdings

As we near the end of 2023, it's crucial to look ahead and anticipate what 2024 might bring. With the rise of electric vehicle (EV) sales, inflation, and potential roadblocks stemming from strikes and parts shortages, the industry must stay vigilant and responsive to various market conditions and trends.

EVs and Hybrid:

- EVs have been gaining momentum with a strong first half in 2023, up by 55% compared to the same period in the previous year.¹
- Today, four out of ten Americans are seriously considering an EV for their next vehicle purchase.²
- Higher than anticipated upfront costs, home charging, and the availability of free or for fee charging stations prove to bring some challenges to consumers today and into 2024.

Emerging Technology

- Vehicles are evolving from mere means of transportation to fully connected devices, prompting a shift in the overall vehicle experience.
- This digital shift is fostering personalized user experiences, enabling over-the-air updates, and leading to the development of more sophisticated infotainment systems.
- Connected vehicles can increase the risk of data breaches and cyberattacks rises,³ necessitating that dealers offer robust training and comprehensive protection solutions to safeguard customers.

Supply Chain Disruption

- The pandemic unleashed widespread supply chain disruptions, from which the automotive industry is still recovering.
- Supply chain disruptions have broad-reaching implications, affecting dealerships and consumers alike.
- While vehicle prices are beginning to stabilize as inventory levels recover, dealerships must remain vigilant and prepared to adapt to potential operational changes.

The Takeaway

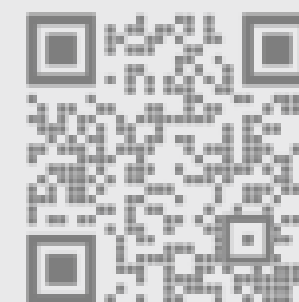
The automotive industry is subject to rapid changes driven by technological advancements, regulatory shifts, market demands, interest rates and global events. The past has shown that the world can change in an instant, underscoring the importance of resilience and staying well-informed as the automotive industry navigates the uncertainties of the coming year.

¹ Global EV Outlook, [IEA](#)
² "How Americans view electric vehicles," [Pew Research Center](#)
³ Global Cyber Security 2023 Study, [World Economic Forum](#)

Do you have the right partner heading into 2024?

Hear what dealers are saying about their success with EasyCare.

easycare.com/cmda



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Protecting What Moves You[®]

AN APCO HOLDINGS BRAND

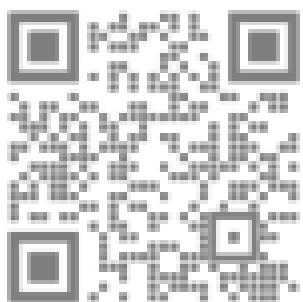
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“They help us achieve our goals.”

“We’ve experienced a great deal of growth over the years and we’re grateful to EasyCare.”

NEAL JENNINGS

Vice President & CFO, #1 Cochran Automotive Group
Partner since 2008



When it comes to F&I,
the right partner is key.

easycare.com/cmda

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Strategic | Experienced | Connected

IRS offers a withdrawal option to businesses that claimed ERTCs

Recent IRS warnings and announcements regarding the Employee Retention Tax Credit (ERTC) have raised some businesses' concerns about the validity of their claims for this valuable, but complex, pandemic-related credit — and the potential consequences of an invalid claim. In response, the IRS has rolled out a new process that certain employers can use to withdraw their claims.

Fraudsters jump on the ERTC

The ERTC is a refundable tax credit intended for businesses that 1) continued paying employees while they were shut down due to the pandemic in 2020 and 2021, or 2) suffered significant declines in gross receipts from March 13, 2020, to December 31, 2021. Eligible employers can file claims until April 15, 2025 (on amended returns), and receive credits worth up to \$26,000 per retained employee.

With such potentially large payouts, fraudulent promoters and marketers were quick to rush in with offers to help businesses file claims in exchange for fees in the thousands of dollars or for a percentage of any refunds received. The requirements for the credit are strict, though, and the IRS has found that many of these claims fall short of meeting them.

Invalid claims put taxpayers at risk of liability for credit repayment, penalties and interest, in addition to the promoter's fees. And promoters may leave out key details, which could lead to what the IRS describes as a "domino effect of tax problems" for unsuspecting employers.

The IRS responds

The wave of fraudulent claims has produced escalating action from the IRS. In July 2023, the agency announced that it was shifting its ERTC review focus to compliance concerns, with intensified audits and criminal investigations of both promoters and businesses filing suspect claims. Two months later, it imposed a moratorium on the processing of new ERTC claims.

The moratorium, prompted by "a flood of ineligible claims," will last until at least the end of 2023. The processing of legitimate claims filed before September 14 will continue during the moratorium period but at a much slower pace. The IRS has extended the standard processing goal of 90 days to 180 days and potentially far longer for claims flagged for further review or audit.

Strategic | Experienced | Connected

According to the IRS, though, the moratorium isn't deterring the scammers. It reports they've already revised their pitches, pushing employers that submit ERTC claims to take out costly upfront loans in anticipation of delayed refunds.

Now, the IRS has unveiled a new withdrawal option for eligible employers that filed claims but haven't yet received, cashed or deposited refunds. Withdrawn claims will be treated as if they were never filed, so taxpayers need not fear repayment, penalties or interest. (The IRS also is developing assistance for employers that were misled into claiming the ERTC and have already received payment.)

The withdrawal option is available if you:

1. Claimed the credit on an adjusted employment return (for example, Form 941-X),
2. Filed the adjusted return solely to claim the credit, and
3. Requested to withdraw your entire ERTC claim.

The exact steps vary depending on your circumstances, including whether you filed your claim yourself or through a payroll provider, have been notified that you're under audit, or have received a refund check that you haven't cashed or deposited.

Regardless of the applicable procedure, your withdrawal isn't effective until you receive an acceptance letter from the IRS.

Taxpayers that aren't eligible for the withdrawal process can reduce or eliminate their ERTC claim by filing an amended return. But you may need to amend your income tax return even if your claim is withdrawn.

Seek help

Throughout its warnings about potential ERTC pitfalls, the IRS has continued to urge taxpayers to consult "trusted tax professionals." If you're having second thoughts about your ERTC claim, we can help you review your claim and, if appropriate, properly withdraw it.

© 2023

C M I D A

CHRYSLER MINORITY DEALERS ASSOCIATION

S E A S O N ' S G R E E T I N G S



From The
Chrysler Minority Dealers Association

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*Thank You For Your Support
of Our Association*

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