

Oct 2023



Leaves Falling, Success Calling

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THE PRESIDENT'S CORNER



CMDA Members, Sponsors and Partners,

Let me say thank you to those of you who joined us at our 2023 CMDA Summer Meeting that took place in beautiful Amelia Island, Florida. It was a fantastic meeting as has become our standard. The Florida sunshine was great for everyone.

This meeting was another opportunity for us to continue to reach out to one another and spread the CMDA love. I am so proud to see the organization continue to grow and to bring new people into our group.

With the fourth quarter being upon us, we need to close 2023 in a strong way and start to build momentum for 2024. One of the best ways that we can do that is continuing to support each other so that we are all successful.

As most of you know, October serves as Hispanic Heritage Month. So I will end my remarks by recognizing and saluting all of our members who are of Hispanic descent. Bendiciones para todos ustedes! (Blessings to you all!)

Until we meet again, may you all be safe and continue to be successful!

Sincerely,
Gus Rodriguez
Gus Rodriguez



Members and Stakeholders of the Chrysler Minority Dealers Association,

This issue of our newsletter finds us back into the Fall season again. As many of us who live in the Midwest know, the Fall season is one where things start changing. The leaves on the trees start changing. The athletic season changes to football season. The weather starts changing. For those of you with kids, even your schedule starts to change as the kids head back to school.

Some of that change we look forward to, some of it we do not. That sounds just like the change we deal with in our professional lives as well. Some of it we look forward to, some of it we do not. What makes this change easier to face, is if we are prepared and if we have others that can support us and help us weather our changing times.

We pride ourselves here within the CMDA family of having members and stakeholders who love to support each other and strive to make each other successful.

In saying that, we will have another opportunity to lift each other up real soon. We are proud to announce that our **2024 CMDA Annual Meeting will be held in Las Vegas, Nevada on Jan. 31st – Feb. 1st, 2024. Our theme for this year's meeting is "Driving Diversity, Expecting Excellence"!**

I am looking so forward to continue my relationships with all of you and closing out 2023 on a high note together!

Mitch Mitchell
Mitch Mitchell
CMDA Executive Director
emitchell@chryslerminoritydealers.org

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CMDA
CHRYSLER MINORITY DEALERS ASSOCIATION

SUMMER

Meeting

AUGUST 23-25



POWER OF THE PRESENT, FORCE FOR THE FUTURE
RITZ-CARLTON AMELIA ISLAND - 4750 AMELIA ISLAND PARKWAY, AMELIA ISLAND, FLORIDA 32034

2023 CMDA Summer Meeting August 23 – 25, 2023 Amelia Island, Florida



Summer Meeting Photo Link

<https://timelesspresentphotos.passgallery.com/-CMDA2023SummerMeeting>





2023 CMDA Summer Meeting

August 23 – 25, 2023
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CMDA

CHRYSLER MINORITY DEALERS ASSOCIATION

SAVE THE DATE!!!

***2024 CMDA Summer Meeting
January 31st – February 1st
Fontainebleau Hotel
Las Vegas, Nevada***

(More Details Coming Soon!!!)

STELLANTIS MAKES GAINS IN MINORITY DEALER ROOFTOP NUMBERS

OVERALL MINORITY DEALER ROOFTOPS INCREASED AT IN THE INDUSTRY. STELLANTIS SITS AT #2 OVERALL

Upward swing

The number of minority-owned U.S. dealerships rose to 1,476 last year, a jump of 110 from 2021.

	Total at end of 2022	Change from 2021
GM	329	26
Stellantis	243	32
Ford/Lincoln	213	19
Toyota/Lexus	120	3
Nissan/Infiniti	113	17
Honda/Acura	89	8
Hyundai/Genesis	88	-8
Kia	67	5
VW/Audi	63	-1
Mazda	33	3
Jaguar Land Rover	33*	N/A
Subaru	31	3
BMW/Mini	25	0
Mercedes-Benz	22	3
Mitsubishi	7*	N/A

*2021 data shown because no 2022 update submitted

* - Information from 2022 NAMAD Census Count

MEMBERS IN THE SPOTLIGHT



CMDA Dealer Receives NAMAD Lifetime Achievement Award



Jay Rivchin
South Miami FIAT Alfa Romeo
/ Dadeland CDJR



Jay Rivchin, Dealer Principal at S. Miami Alfa Romeo Fiat and Dadeland Dodge Chrysler Jeep Ram received the Lifetime Achievement Award from the National Association of Minority Automobile Dealers (NAMAD) earlier this month at NAMAD's annual conference.

Jay has been in automotive retailing since 1979. Jay became part owner of Dadeland Dodge in 1995 and its sole owner in 2002. Jay continued to expand his holdings by acquiring his FIAT franchise in 2011 and his Alfa Romeo franchise in 2015.

Jay is extremely committed to the automotive retailing industry. Jay is currently appointed as a director on the board of the National Automobile Dealers Association (NADA), and the National Association of Minority Automobile Dealers (NAMAD). Jay also chairs NAMAD's NextGen committee.

Congratulations Jay, on your award and lifetime accomplishments!

MEMBERS IN THE SPOTLIGHT



CMDA Dealer Nominated For 2024 Time Dealer of the Year Award



James Davis
Gulfgate DCJR
Houston, TX



James Davis, President of Gulfgate Dodge Chrysler Jeep Ram in Houston, TX has been nominated for the 2024 Time Dealer of the Year Award. James was selected as a nominee from a population of over 16,000 dealers across the country.

This nomination recognizes James' successful journey in the automotive industry and his commitment to community service and engagement. As a matter of fact, James says "the most rewarding part of my retail automotive career is when I help others achieve their dreams or plant a seed to allow them to dream bigger than they ever did before".

James has been the owner of Gulgate since 2002 and attributes his success to one of his mentors who recommended him for the Gulfgate dealership and still remains a sounding board for him

Congratulations James on your nomination!



CHRYSLER MINORITY DEALERS ASSOCIATION

CMDA Partner Recognized For Commitment To Diversity



Erin Klepaski
Ally

Automotive News



Erin Klepaski, Senior Vice President of Ally's Sales Alliance Team and a long time supporter of CMDA, has been recently recognized by Automotive News as a 2023 Champion of Diversity.

As a female in the automotive industry, Erin places a high priority on diversity. She says "Seeing someone like you in the chair is valuable to a professional".

Erin has spearheaded Ally's efforts to cultivate minority dealer ownership in the auto industry through partnerships with organizations like CMDA, that include wholesale and auto finance educational sessions and increasing minority dealers' access to capital in today's market

CMDA congratulates Erin and thanks her for her continued partnership with our Association!

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.

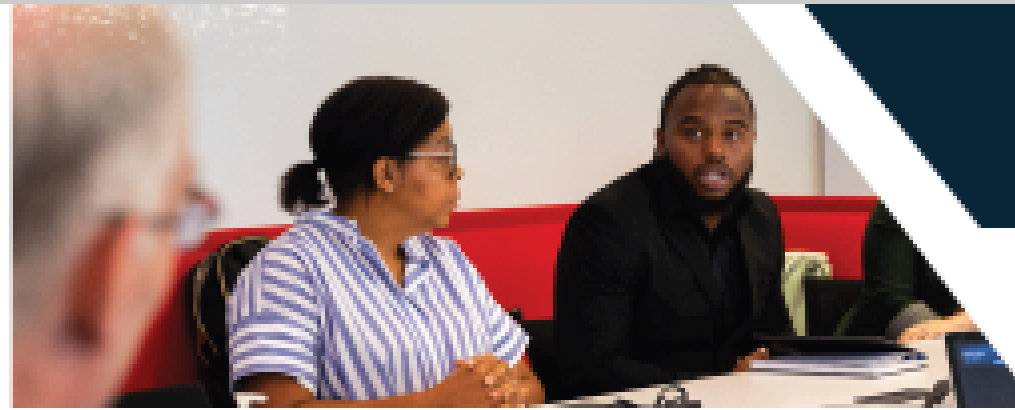
ally.com/dealer



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Celebrating a summer of success

CMDA interns share their experiences for growth

As college students across the country return to class, among them are bright young participants in the CMDA summer Internship Program, who, over 10 weeks, have gained valuable insight into the opportunities that await within the automotive industry.

Each year the CMDA, Chrysler Capital and Santander Consumer USA pave the way for minority students to

get real-world dealership experience that can introduce and foster a career in this area, as well as identify and train future leaders.

With another enriching internship season at CMDA dealerships now complete, we caught up with some of the students to share their thoughts and memories.



Juan Gonzalez | Dadeland Dodge Chrysler Jeep,, Florida

Having previously worked at a dealership before starting college, when the opportunity arose to further his industry knowledge through the CMDA, Juan Gonzalez went right ahead and took it.

His placement at Dadeland Dodge Chrysler Jeep in Miami, Florida, opened up a time of learning, development and impact that encompassed multiple areas of the dealership business.

Using his aptitude for math, Juan took on the task of creating new data sets for sales managers to easily sort wholesale transactions while calculating the numbers that mattered most to them. In another, he was able to work with an employee to help display information that identified her greatest profit areas.

On the road in another side of dealership life, a standout moment was a memorable conversation with the dealership owner in which he was given a high-level view of its operations and direction. In addition, Juan appreciated the chance to meet with CMDA members, intern peers and Chrysler Capital and Santander Consumer USA executives in Dallas, Texas.



Cashual Goldsmith | Northland Chrysler Dodge Jeep, Ram, Michigan

Over in Oak Park, Michigan, a highlight of Cashual Goldsmith's time with the Northland CDJR team was the chance to attend an auto show where he could network with many who were well-established in the automotive world. He recalls having a great time at the event and that this dynamic experience left him in no doubt that the industry was something he wanted to be a part of and enjoy.

Thinking about the future of the auto sector and pondering its path, Cashual believes that while research and development for electric vehicles gathers momentum, turning to hybrid vehicles can offer the best of both internal combustion and electric worlds.



Laura Baum | Watsonville Chrysler Dodge Jeep Ram, California

Laura Baum came away from her summer placement in Watsonville, California, having not just learned a lot about the dealership business but gained plenty of fuel for thought about its future, too.

When asked about challenges facing

dealers today, Laura points to the need for stores to distinguish themselves from a consumer-held stereotypical view of the dealership experience. Alongside, she believes that communicating dealership transparency and building trust are essential parts of growing a loyal customer base among these consumers.

Looking back on her internship overall, the business student outlines how visiting the Chrysler Capital offices helped her to learn more about the benefits of consistently supporting employees to retain talent and nurture the leaders of tomorrow.

Tre Harnesberry | Courtesy Motors, Illinois

Tre Harnesberry is a CMDA intern who knew little about the auto industry and applied for his internship to begin learning more.

Joining Courtesy Motors, a significant moment that will surely live vividly in Tre's memory was selling his very first vehicle – a preowned SUV – to one of the Danville store's customers.

Besides the thrill and sense of achievement that

goes with a debut sale, he learned about the work that takes place between customer interactions, how to prepare for the next deal and the 10 steps of being a sales representative.

Along with his fellow interns featured here and across the CMDA Internship Program, the summer of 2023 looks set to drive him onto great things in the future.

A world of opportunity

Above and beyond all else, the CMDA Internship Program is opening doors – to both participating students and CMDA dealerships. By offering internships in the auto industry, we welcome students who may have never considered an automotive career to explore the possibilities and see everything we have to offer across all aspects of our industry.

CMDA dealerships that participate and host interns not only benefit from having the intern learn/work in various departments over a 10-week period, but also from having a new voice and fresh ideas to add to momentum, as needed.

We wish all of our 2023 Interns continued success!



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Charge Up Your Inventory with Chrysler Capital

Take advantage of the Electric Charging Station Program

Add electric charging stations and the associated infrastructure to your dealership with term financing through Chrysler Capital.

- » All FCA US dealers are eligible to apply
- » Up to \$1,000,000 in financing
- » Personal guaranty of dealership owner(s)
- » Fixed and floating rate options available
- » Repayment terms of up to 5 years

Chrysler Capital is charged up to Make it Count for our dealers by providing the high-voltage products and programs they need to succeed as the industry evolves.

Contact your Dealer Relationship Manager for more details about this electrifying new program.

For informational purposes only; not a commitment to lend



Why You Should Address Customer Satisfaction During Your F&I Presentation



“People want to be taken care of and treated with respect; that’s not hard to do. Be honest and genuine and you will always do better than those who aren’t.”

Adam Yoder
Sr. Regional Director, EasyCare

Most F&I managers don’t bring up the customer satisfaction survey during the F&I presentation. In fact, many steer clear of it. In their defense, the focus is to get the customer in and out quickly while selling as much product as possible. This is a valid worry, but not one that should dissuade managers from having the conversation. Begin by following the steps below during your next F&I presentation. It will likely feel awkward at first, but get a few of these conversations under your belt and you’ll get the hang of it — along with increased overall customer satisfaction.

- 1.** After you’ve completed some basic preprinted paperwork, ask customers if their salesperson told them about the factory survey they will be receiving from the manufacturer via email within the next week. Some customers are aware; some aren’t.
- 2.** Explain to them how important it is they take the time to complete it and that a perfect score on the survey can help the dealership and yourself. Also explain how it’s graded, and that anything less than a perfect score is a failure from the manufacturer’s perspective. Be sure to tell them you want honest feedback and that you are not coaching them.
- 3.** After explaining how it’s graded, ask them directly if there is any reason why they might feel they couldn’t give you a perfect score, and if so, if they wouldn’t mind explaining their experience. They may say things such as the length of time it took to go through the buying process, or maybe they felt their trade was worth more money than what they received. This is the time to respond by being empathetic and apologetic if they’ve expressed those concerns. You cannot give them their time back or more for their trade, but you can let them vent and be heard by you in person rather than on the survey.
- 4.** Wrap it up by thanking them for their feedback and reassuring them you will communicate their concerns with upper management. Remind them you appreciate their business and hope they will have the best experience they have ever had owning their new vehicle. Tell them you know the happier they are while owning it, the more likely they will come back and buy their next vehicle from you and send their friends and family your way. Give them your business card and ask them if they will contact you with any concerns. When they say yes, you know you have a customer who trusts you more than they did five minutes ago.

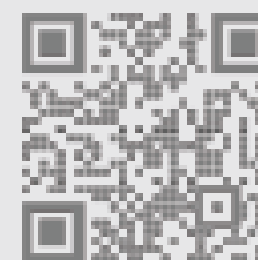
This is an excerpt of an article authored by Mr. Yoder which originally appeared in *Automotive News* on July 28, 2023

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By following this process with the customer satisfaction survey, here’s what will happen: When customers receive the survey a week or so later, they won’t blast you like they potentially would have. They will remember the genuine conversation you had with them and how important a perfect score is to you. Since you already let them vent and be heard, they will give you a much better score, if not perfect across the board. People want to be taken care of and treated with respect; that’s not hard to do. Be honest and genuine and you will always do better than those who aren’t. Implement and watch your customer satisfaction scores rise.

Check out the EasyCare Resource Hub for more tools to sharpen your industry knowledge.

easycare.com/resource-hub



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FOR IMMEDIATE RELEASE

Cox Automotive Forecast: Despite Ongoing UAW Strike, U.S. Auto Sales Pace in October Expected to Increase from September

- Cox Automotive forecasts annual vehicle sales pace in October to finish near 15.8 million, up 1.1 million from last October's 14.7 million pace and up slightly from September's 15.7 million level.
- October's sales volume is expected to rise 3.8% from one year ago and reach 1.23 million units; volume is forecast to decrease 7.7% from September due to one less selling day in October.
- The expanding United Auto Workers (UAW) strike has yet to materially impact overall new-vehicle sales.

ATLANTA, Oct. 25, 2023 – Despite economic and political uncertainty throughout October, new-vehicle sales remain remarkably stable, according to a forecast by Cox Automotive released today. New-vehicle sales volume in the U.S. is expected to rise nearly 4% over October 2022, a market that was in the early stages of recovery from severe product shortages.

The October seasonally adjusted annual rate (SAAR), or sales pace, is expected to finish near 15.8 million, up 1.1 million from last year's pace and a slight gain over last month's 15.7 million level. The sales strength continues to be remarkable, given the current economic climate and the fact that average new-vehicle auto loans are flirting with 10%. However, some of these sales gains and good news can be attributed to seasonal adjustments, as October has one less selling day than both October 2022 and last month.

According to Charlie Chesbrough, senior economist at Cox Automotive: "Though there are many headwinds in the market today, new-vehicle sales continue to show gains over last year's supply-constrained market. Concerns about high interest rates, a potential economic recession, and the ongoing UAW strike are all likely holding back some potential vehicle buyers. However, there are still enough individuals and businesses with the need and ability to buy vehicles, which has helped sustain the sales recovery."

New-Vehicle Inventory Levels Continue to Grow

A key driver of new-vehicle sales strength has been growing inventory levels across the industry. Despite the ongoing UAW strike slowing production across the major Detroit-based automakers, estimates from vAuto in mid-October suggest industry-wide, new-vehicle inventory in the U.S. was at 2.3 million units, up from 2.1 million in mid-September, when the strike began, and well above the estimate of 1.5 million for mid-October 2022. Days' supply in mid-October reached 62, the highest point since the spring of 2021. A year ago, days' supply was at 48.

Toyota and Honda continue to have the lowest measure of days' supply, at under 23 days. Of the Detroit brands, where production is being negatively impacted by the UAW strike, Chevrolet and Cadillac had the tightest supply in mid-October, both below the industry average of 62. Ford had 90 days' supply in the same timeframe, while Lincoln and the core Stellantis brands had inventory levels well above 100 days' supply.

Added Chesbrough, "While the UAW strike is certainly slowing down production at select assembly plants across the U.S., the impact has not yet fully materialized for consumers in the showroom. Compared to this point last year, industry inventory levels are much higher, which is helping support—to this point at least—relatively healthy new-vehicle sales."



October 2023 New-Vehicle Sales Forecast

Segment	Sales Forecast ¹					Market Share		
	Oct-23	Oct-22	Sep-23	YOY%	MOM%	Oct-23	Sep-23	MOM
Mid-Size Car	75,000	79,181	79,301	-3.3%	-3.7%	6.1%	6.0%	0.1%
Compact Car	80,000	63,770	86,634	25.5%	-7.7%	6.5%	6.5%	0.0%
Compact SUV/Crossover	200,000	182,410	214,747	9.6%	-6.9%	16.3%	16.1%	0.2%
Full-Size Pickup Truck	170,000	163,187	179,569	4.2%	-5.3%	13.8%	13.5%	0.4%
Mid-Size SUV/Crossover	200,000	198,242	217,039	0.9%	-7.9%	16.3%	16.3%	0.0%
Grand Total²	1,230,000	1,185,463	1,333,158	3.8%	-7.7%			

¹ Cox Automotive Industry Insights data

² Total includes segments not shown

All percentages are based on raw volume, not daily selling rate. There were 25 selling days in October 2023, one less than September and one less than October 2022.

About Cox Automotive

Cox Automotive is the world's largest automotive services and technology provider. Fueled by the largest breadth of first-party data fed by 2.3 billion online interactions a year, Cox Automotive tailors leading solutions for car shoppers, automakers, dealers, retailers, lenders and fleet owners. The company has 25,000+ employees on five continents and a family of trusted brands that includes Autotrader®, Dealertrack®, Kelley Blue Book®, Manheim®, NextGear Capital™ and vAuto®. Cox Automotive is a subsidiary of Cox Enterprises Inc., a privately-owned, Atlanta-based company with \$22 billion in annual revenue. Visit coxautoinc.com or connect via [@CoxAutomotive](https://twitter.com/CoxAutomotive) on Twitter, [CoxAutoInc](https://facebook.com/CoxAutoInc) on Facebook or [Cox-Automotive-Inc](https://linkedin.com/company/Cox-Automotive-Inc) on LinkedIn.

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CDK GLOBAL

EV

**Confusion
Carries On***

** - The following pages represent an excerpt of the full study / article.
To read the full article please go to: [evconfusion \(cdkglobal.com\)](https://evconfusion.cdkglobal.com)*

Overview

The electric revolution is at a pivotal pit stop in the U.S. market. Tesla is charging ahead at full speed with massive cuts in prices and sales accelerating to match. Other automakers are rolling out competitive electric vehicles that seem to go toe-to-toe with Tesla's models, except for their sticker price.

Complex federal tax incentives favoring vehicles made in the U.S. are also boosting the now Texas-based EV maker. And just recently, some of the largest automakers — including Ford, GM and Nissan — have decided to use Tesla's charging standard as their own, hoping to make public charging more accessible to all EV owners.

Tesla's dominance looms large but each day there are new EV models introduced and sold from nearly every automaker, and their plans seem loaded with electrified lineups just over the horizon.

This dizzying array of change, from new models and incentives to new ways of charging, has made an impact on car shoppers. CDK Global surveyed over 1,200 car shoppers and found that the state of electrification has put them in a state of confusion. The most astounding part is that the EV shopper seems just as confused as those ready to buy a gas guzzler.



To say all car shoppers aren't the same is an understatement. And when looking closely at the differences between gas, hybrid and EV shoppers, there were some distinct variations that surfaced.

The EV shopper was typically a millennial with a higher level of education and annual salary than either gas or hybrid shoppers. Gas shoppers were a broader group of ages from Generation Z to Generation X, while hybrid shoppers bridge millennials and baby boomers.

But what's perhaps most interesting about EV shoppers is that they drive considerably more than their gas or hybrid shopping counterparts.

A third of EV shoppers say they put between 15,000 to 20,000 miles on their cars every year, with the longest average commute distance of 20 miles. [According to the U.S. Department of Transportation](#), that's significantly more than

the average 13,500 annual miles driven, with most of the workforce (Gen Z through Gen X) driving the most.

These ultra-commuters are the optimal fit for EV's promise of zero emissions and lower fueling costs. When the first EVs hit the market, like the Nissan Leaf, they only had enough range — around 80 miles — to be commute cars. But even then, the concept of limiting what a car could do hampered sales, especially as \$4 gas prices began to evaporate.

Today's EVs almost all claim over 200 if not 250 miles of range and some form of rapid charging capabilities so they can more reasonably handle a road trip as well as a commute. This clearer focus

EV SHOPPERS TRAVEL MORE COMPARED TO NON-EV SHOPPERS

DAILY COMMUTE DISTANCE



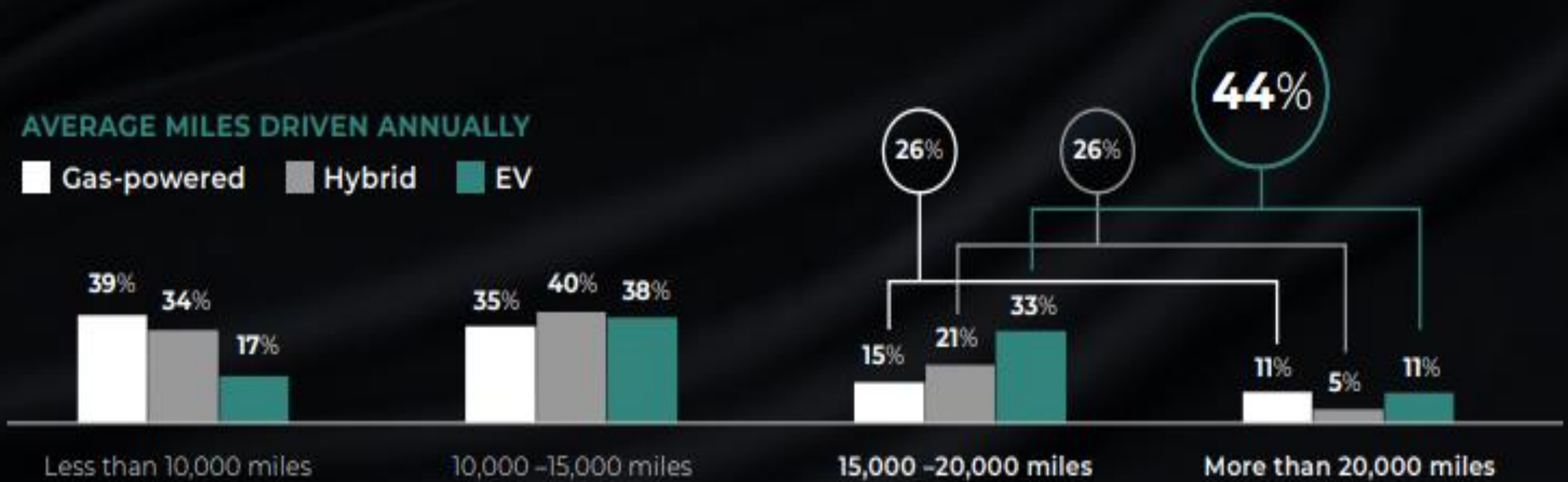
on longer drives and commutes also surfaced in a recent [J.D. Power survey](#), which found that among those commuters who travel more than 45 minutes each way, 35% say they are “very likely” to consider an EV.



A third of EV shoppers drive 15,000 to 20,000 miles every year

EV shoppers also have clear perceptions of which brands build the best EVs, with an overwhelming 49% pointing to Tesla. On the hybrid side, Toyota, with its long dominance with the Prius and newer, more popular RAV4 and Corolla hybrids, came out on top.

A prime consideration for an EV shopper to choose Tesla could be the fact that range is so important. Nine out of ten (90%) EV shoppers said they would buy from the brand that offered a longer driving range. Currently, the Hyundai Ioniq 6 is the only non-luxury model that can claim a longer range with 361 miles compared to Tesla's popular Model 3 at 358 miles and Model Y at 330 miles.



Car Shopper Confusion

The most startling findings in our survey spread across all types of shoppers. They were all fundamentally confused or unsure about EVs. Even those shoppers looking specifically for an EV simply didn't understand their costs, benefits, or how tax incentives would be applied.

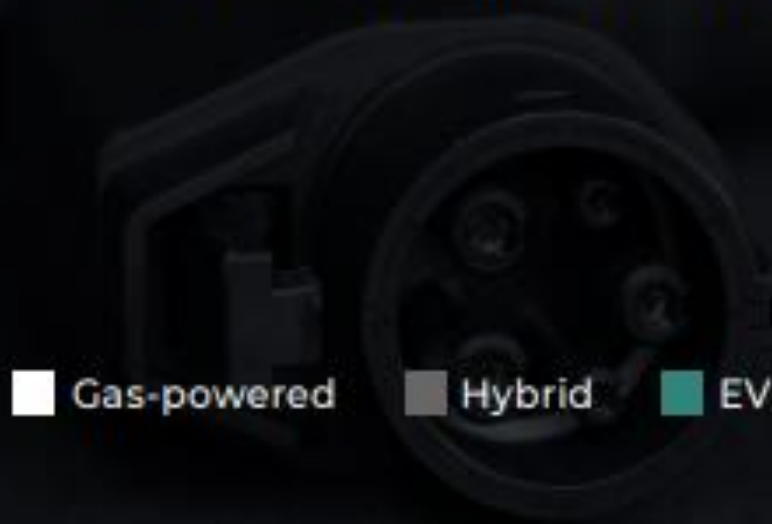
One thing they did agree on was that EVs have the most expensive purchase price. This is generally true across all EV shoppers and their hybrid or gas counterparts, but Tesla's Model 3 and Model Y have seen drastic price cuts paired with federal incentives that can put them on par with a traditional gas sedan or SUV from a mass-market Japanese brand, for example.

Repairs and Maintenance

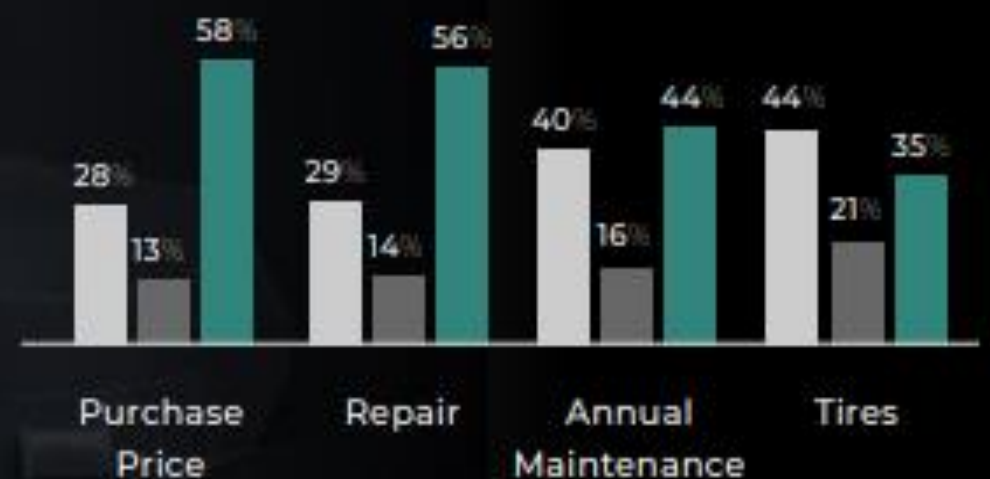
The most interesting divergence with reality came from the cost of maintenance and repairs. Those in the automotive industry have made it almost common knowledge that EVs will require less maintenance than a gas-powered vehicle, most notably because there's no oil to change every 3,000 miles or even 10,000 miles.

But respondents across the board had annual maintenance costs highest for EVs.

SHOPPERS BELIEVE EVS ARE THE MOST EXPENSIVE CARS TO OWN AND MAINTAIN



Which vehicle is more expensive as per Gas-powered shoppers?





Both 44% of gas shoppers and EV shoppers thought these costs would be higher, with 39% of hybrid shoppers agreeing. All also believed hybrids would cost the least to maintain. Similarly to EVs, most hybrids use regenerative braking, allowing traditional brake pads and rotors to last far longer than in a gas car. However, that's basically the only difference.

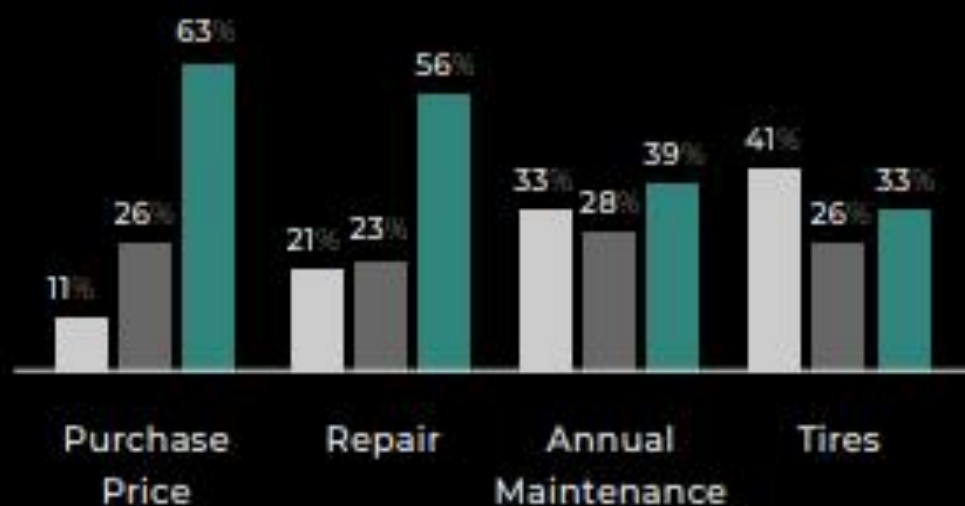
EVs should have far fewer maintenance costs and it's surprising so many shoppers are misinformed. The study even pulled the cost of tires out of the maintenance question, asking it separately.

Again, common wisdom in the industry is that the torque-laden EV will shred through rubber faster than other cars. This time, though, EV shoppers did land on the correct path, with 49% saying EV tire costs would be highest as opposed to just 35% of gas shoppers and 33% of hybrid shoppers.

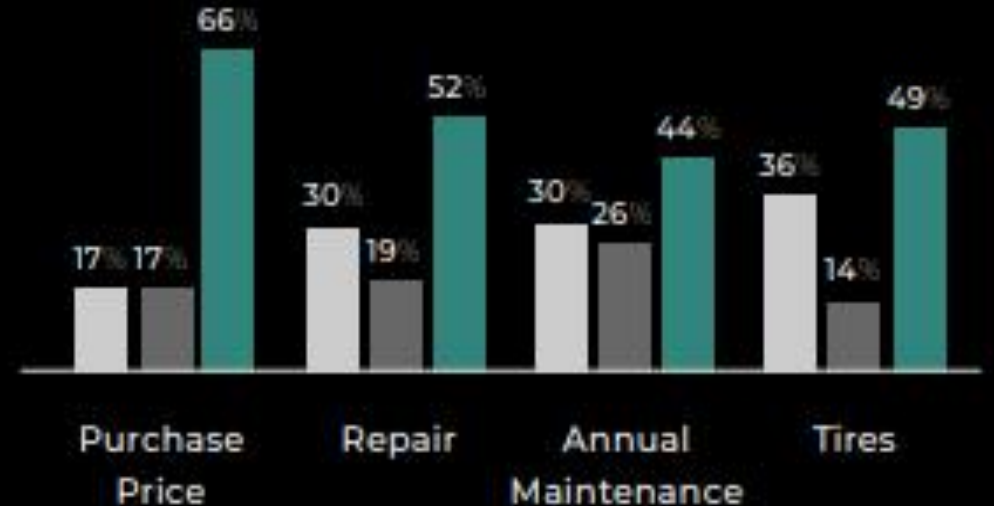
However, the added weight of EVs may indeed impact not just tire costs but possibly suspension components — like bushings and struts — more than a comparable lighter gas car. Those costs, when applied to the total ownership of an EV, are unlikely to tip the balance one way or the other.



Which vehicle is more expensive as per Hybrid shoppers?



Which vehicle is more expensive as per EV shoppers?



CAR SHOPPER CONFUSION

On the repair side, numbers also stacked up against the EV once again. No matter if it was a gas (56%), hybrid (56%) or EV shopper (52%), a majority believed that EVs would cost more in repairs. And while we as an industry are at an early stage of adoption, there's been no evidence EVs would cost more to repair over their lifetime for the owner with the notable exception of recall and other warranty work. For dealers, that may lead to an offset in the anticipated drop in Service revenue since the cost for those fixes would come from the automaker, not the customer.

Some of the most expensive repairs a car owner is likely to face are related to the engine and transmission. Those clearly aren't an issue for EVs, which feature an electric motor with far fewer parts than a gas engine and no transmission. Another generally overlooked benefit of EVs is that the motor and battery are typically in a sealed system, greatly reducing the risk of water damage from flooding. Of course, no one should drive an EV through high standing water.

“No matter if it was a gas, hybrid or EV shopper, a majority believed that EVs would cost more in repairs.”



82%

of EV shoppers believe that **tax incentives** will make an EV **more affordable**

Tax Incentives

The confusion around car basics, like maintenance and repairs, spread to the very EV-specific, very new realm of tax incentives. While the previous round of tax incentives for EVs had mostly expired, the latest round of incentives enacted in 2023 are unique with different guidelines around where the vehicles are assembled, how much the vehicles cost, and how much a buyer lists as income on their annual taxes.

When asked, four out of five EV shoppers said they were both aware (83%) and understood how to claim tax credits (80%). Also, they believe that tax incentives will make an EV more affordable (82%), while only 66% of hybrid shoppers and 48% of gas shoppers feel the incentive would make an EV closer to their financial reach.

All these rules can be confusing to shoppers — especially when it comes to leasing. There's currently a loophole in the federal tax incentive rule that allows any EV leased to anyone to receive the full \$7,500 tax credit — no matter their income. This is the mechanism many automakers and dealers are promoting for vehicles built outside of the U.S.

Yet, our EV shoppers had the exact opposite understanding of the new incentive.

Nine out of 10 EV shoppers planned to purchase versus lease, but a vast majority (78%) would consider leasing if they could take advantage of tax incentives in the lease deal.

This disconnect could be even more harmful to EV adoption curves because a lease provides a bit of a security blanket for those unsure if an EV will fit their lifestyle or living/charging situation.

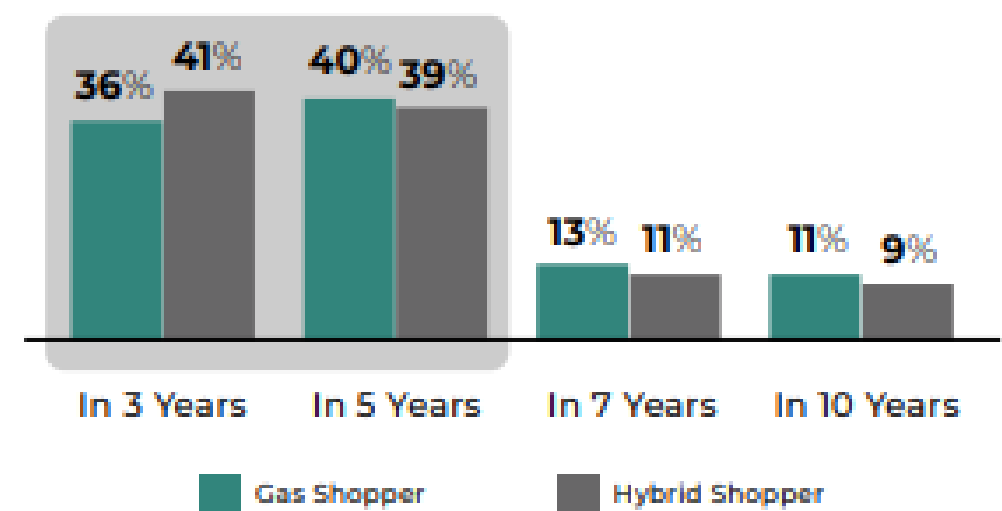
The Dealer's Role

As confusion runs rampant about both the technology and costs of EVs, the dealership sits as a crucial lynchpin in swaying shoppers toward — or away — from going electric.

More EV Shoppers Are On the Way

From helping them to understand tax incentives to test drives, car shoppers overwhelmingly said the dealer is who they want and trust answers from. And while the number of EV shoppers today may be relatively small, many of the gas shoppers (76%) and hybrid shoppers (80%) we surveyed said they would buy an EV in the next five years.

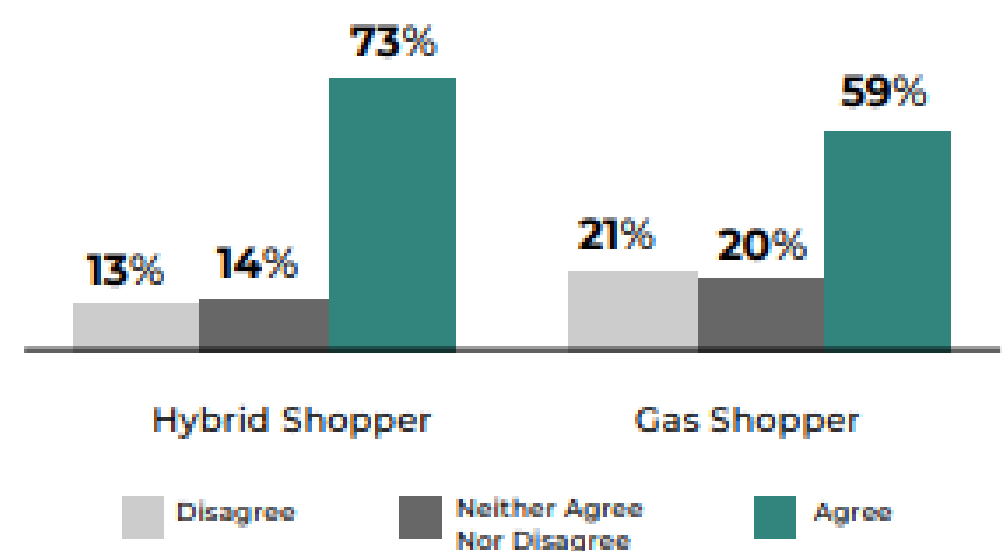
When in the future will they be purchasing an EV?



Reconsider the Test Drive

Because owning an EV is a change in lifestyle, a traditional test drive is unlikely to reveal the benefits of ownership. Nearly three out of four hybrid shoppers (73%) said an EV loan for a day or more would help them decide if it was the right purchase for them. It was lower for gas shoppers at 59%, but that still seemed to be more positive than other responses from that group.

Loaning an EV from a dealership for a day or more would help me decide if I want to consider purchasing one.



89%



of **EV shoppers** want the salesperson at the **dealership** to **explain** how they can claim their **tax incentives**



Incentive Education Falls to the Dealer

It was clear too that EV shoppers want the dealer to navigate the landscape of tax incentives. Most shoppers said they knew how to claim the incentive, but the nearly nine out of 10 (89%) who didn't know want the salesperson at the dealership to explain the incentive process.

The salesperson is also in a terrific position to explain maintenance plans offered in the Service department since this was such a source of confusion to shoppers of all types. While some automakers, like Volkswagen, offer complimentary maintenance for the first few years of ownership across their lineup, most automakers and dealerships offer prepaid plans that are rolled into the car loan. These may alleviate the concerns on cost of maintenance even if those concerns may be somewhat exaggerated.

In previous EV studies, we recommended that dealers create a map of charging stations in their communities. Just having a total number to cite could sway those EV and hybrid shoppers concerned about not having enough access to charging if their homes lack easy access. If they understood how accessible it is in their areas — or on common road-trip routes like Los Angeles to Las Vegas and Miami to Orlando, etc. — EVs will seem like less of a trade-off.

And most of all, a salesperson should understand the shopper's lifestyle. If the vast majority are looking for a car to do extensive daily driving and they own a home, the stars should be aligned to purchase an EV. If they're buying an EV as a second car to a gas or hybrid vehicle already in the garage, then the decision should become that much easier.

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

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.

Chrysler Minority Dealers Association

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*Thank You For Your Support
of Our Association*

C M I D A

CHRYSLER MINORITY DEALERS ASSOCIATION

Driving Our Future