The legal path for Cal-LEV

How we got to where we are

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We believe that you deserve more than empty promises.

You deserve a relationship with your financial partner that isn’t just transactional. You deserve a partnership built on integrity and trust. You deserve someone who is accessible and responsive, someone focused on helping you achieve your goals. And for all of this you can depend on UMB.
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Elon Musk is banking on Colorado’s auto emissions regs to become California-ized?

Tesla and Elon Musk are in a bind. The company bleeds money.
Musk’s attempt to make Teslas more than status symbols for rich environmentalists has fallen far short as Tesla has proven incapable of delivering its mass-market Model 3.
As a result, car buyers who fell for Musk’s unmet promises are demanding refunds on their deposits.
As The New York Times columnist Brett Stephens noted: “Much of the blame for the Tesla fiasco goes to government, which, in the name of green virtue, decided to subsidize the hobbies of millionaires to the tune of $7,500 federal tax credit per car sold.”
Colorado adds another $5,000 in credits to electric car buyers, to supplement those federal perks.
Stephens added: “Would Tesla be a viable company without the subsidies? Doubtful. When Hong Kong got rid of subsidies last year, Tesla sales fell from 2,939 — to zero.”
Another automobile manufacturer might conclude that if consumers aren’t buying what it’s selling, it needs to go back to the drawing board and start making vehicles that consumers want.
Always looking for a bailout...
But that’s not Tesla’s way. Elon Musk, whose brother Kimbal lives in Boulder and serves on Tesla’s board, looks to government to provide a safety net when his speculative endeavors fall short.
So if generous federal and state tax credits – which dramatically discount the price ultimately paid by consumers for electric vehicles – aren’t enough to lure buyers, Musk and Tesla’s next question is: What other government bailouts are available?

...or a way to make money on the backs of manufacturers
In this case, Musk wants to combine those tax credit carrots for Tesla buyers with a stick that punishes those who don’t want to buy electric vehicles. The stick comes in the form of California’s zero-emission vehicle (ZEV) program.
The California standards require that by 2025, electric-only vehicles sales reach 10 percent of total new vehicles sold.
Electric-car promoters want to make Colorado the tenth state to adopt these standards and the first in America’s heartland between densely populated states on the coasts.
It would be quite a leap considering that electric-only vehicles and plug-in hybrids account for just 1.6 percent of current Colorado passenger vehicle sales.
Colorado auto dealers aren’t opposed to electric vehicles. We enthusiastically sell what people want to buy, including electric and hybrid vehicles — which are widely available from a variety of manufacturers here.

Colorado buyers like fossil fuel-powered vehicles
But we know firsthand that most new car buyers still want vehicles powered by internal combustion engines (ICE). In 2008, 58 percent of our new vehicle buyers chose light trucks, SUVs and other all-wheel-drive vehicles. At the end of first quarter, that number hovered around 74.8 percent. Compare that to California, which rose from 50 percent of buyers who chose light trucks, SUVs and other all-wheel-drive vehicles in 2008 to 53 percent at the end of the first quarter.
Why are our numbers so much higher than California’s? Colorado drivers buy those vehicles because they can carry heavy loads, navigate challenging terrain and feel prepared for unpredictable winter weather. In addition, Colorado drivers have range anxiety; they’re afraid they won’t be able to confidently travel long distances across sparsely populated lands that don’t have recharging stations.

Bottom line: The California standards would limit options for Colorado consumers and keep them from buying the new, safe vehicles they need for work, family and recreation.

If manufacturers don’t sell enough EVs, must pay fine — to Tesla
So what happens if Colorado adopts an electric vehicle quota and consumers don’t want to buy that many electric cars? Manufacturers that don’t meet their ZEV quota must buy credits from electric vehicle manufacturers — like Tesla — or pay a $5,000 fine for each credit they are short.
Considering the price for electric cars and their battery-range limitations, manufacturers will be forced by buy a block of credits every year to meet ZEV requirements. Naturally, that means those costs will be passed on to our buyers. It also means prices will go up on ICE vehicles, to help subsidize the more expensive electric cars.

What’s more, Tim Jackson noted that in addition to the higher-priced vehicles our consumers typically buy, Colorado’s vehicle owners would be subject to higher-priced fuels. That’s because Cal-LEV dictates different fuel mixes for summer and winter, as well as special additives that make fuels compatible, so they can achieve the Cal-LEV fuel and emission standards. Therefore, these
policies punish those who aren’t ready to jump on the electric car bandwagon.

Ironically, that could be worse for Colorado’s environment

As new car dealers, we know that every vehicle we sell — no matter what technology it uses — makes our state’s air cleaner.

The federal government reported that compared to 1970 vehicle models, “new cars, SUVs and pickup trucks are roughly 99 percent cleaner for common pollutants.” As a result, common air pollutants have declined across the United States by two-thirds, even as Americans drive more than twice as much.

According to the EPA, both cars and trucks also have reached record fuel economy, and that has translated into record low-carbon emissions.

Technology, like electric only and hybrid vehicles, have contributed to the auto industry’s environmental strides, but steady advances in gas-powered engines have been a huge part of it.

Why Clear the Air Foundation was started

That’s why we created the Clear the Air Foundation 11 years ago. We knew that selling new, cleaner vehicles would only help air quality if we could just take older, dirtier vehicles off the road, recycle what could be recycled and crush the rest, so they wouldn’t keep polluting Colorado’s air.

Colorado dealers stepped up in a big way, and have donated date more than 3,400 high-polluting vehicles. This remarkable accomplishment serves as an example of how the private sector can take the initiative to address environmental challenges, without onerous government mandates.

“By getting these older vehicles off the road, which can contribute 100 to 200 times the emissions of a new vehicle, we get a huge emissions benefit for ozone season.”

— Steve McCannon, Denver Area Regional Air Quality Council member

Ironically, environmental mandates like the California standards that raise the cost of new vehicles are a step backward for clean air. That’s because of the so-called “jalopy effect,” which keeps drivers in old, dirtier cars longer when the price of new cars increase.

Colorado drivers could be forced to drive vehicles California dictates

California mandate proponents claim that increased costs for the new cars they promote will be offset by long-term fuel savings. Yet they don’t trust Colorado consumers to do that basic math. They want Colorado to rubber stamp California’s car standards, which will push consumers into cars that the unelected California Air Resources Board thinks are best for them.

Tim Jackson explained in Colorado Politics that this is just as absurd as it sounds. He said, “Imagine if Colorado decided to cede its policymaking authority to California. The Colorado General Assembly could declare “whatever works for California works for us” and adjourn.

As ridiculous as this sounds, some are proposing that Colorado do exactly that when it comes to our vehicle emissions standards.

They are urging Colorado to adopt California’s Low Emission Vehicle regulations, which are based on the air quality in cities like Los Angeles, which is among the nation’s most polluted.”

This isn’t the first time this idea of adopting California standards has been floated in Colorado. In 2007, then-Gov. Bill Ritter proposed the idea, but it quickly ran into stiff opposition from automobile dealers.

Bottom line: Cal-LEV will boost car and gas prices

Colorado already has cleaned up its vehicle emissions by 99 percent. Moving beyond today’s tax incentive system into an unfunded mandate to promote zero emissions vehicles ignores Colorado residents’ thoughtful conservation efforts. Even if it fulfills the state’s short-term political goals, it will come at the cost of Coloradans’ autonomy, resulting in pricier cars and gas, in exchange for no discernable environmental benefit.

We’ll keep you posted as this issue evolves. And please keep the donations coming to the Clear the Air Foundation. Your generosity makes a big difference for Colorado’s air.

To learn more or donate a trade-in vehicle to be recycled, please contact Clear the Air Foundation Manager Mark Zeigler at mark.zeigler@colorado.auto or 303-775-8896.

Best regards,

Todd Maul, Chairman
A two-fer: Using CADA for insurance helps on the CADA legislative front

As a dealer, you know your business is complicated. Few things about being in business are more complicated than employee insurance. It has its own vocabulary, complex rules and more options than a luxury automobile.

In the automobile business, customers rely on your sales team to guide them through the thicket of options and paperwork. As an employee health insurance customer yourself, you call on your advisors. Besides your staff, such as your HR director or controller, you also can rely on CADA to help you.

And there are two ways CADA can help. First, we have an in-house, full-service insurance agency, led by Craig Gordon, which offers a variety of competitive insurance options that are tailored to your business's and employees' needs. Craig does more than just sell insurance; with more than 26 years' experience in the health care industry, he can review your current coverage and provide expert advice. He can even offer a second opinion on insurance you want to buy from another vendor.

CADA Insurance Services goes beyond insurance alone

Using CADA Insurance Services actually has a huge additional benefit: It supports the association’s legislative efforts.

Our legislative team is widely regarded as being one of the most effective at the state capitol. It includes Mike Feeley and Melissa Kuipers-Blake from Brownstein Hyatt Farber and Schreck, dealers who volunteer their time to serve on the Legislative Policy Committee and me. We organize scores of legislative grassroots meetings to foster personal relationships between dealers and CADA reps, and every legislator. It’s a huge, and expensive, undertaking.

It’s also been very effective. In the last three years, we’ve scored several major legislative victories. During the 2016 legislative session, we persuaded legislators to continue the alternative fuel tax credit and beat back an effort to allow Sunday sales.

The 2017 session ended with a successful 10-year Sunset Review that again included blocking Sunday sales, ensured dealers remain on the Motor Vehicle Dealer Board and sales people continue to be tied to dealerships. We also shepherded through an expansive, seven-part franchise protection bill (SB17-298) that leveled the playing field between manufacturers and dealers.

One part of SB17-298 that we were unsuccessful in passing would have ensured full retail reimbursement for warranty work. We regrouped and went for it during this year’s session — and again claimed a victory, despite stiff opposition from manufacturers.

So it would be more than fair to say that insurance you buy from CADA also helps insure Colorado dealers against the kinds of laws and regulations that would harm your business.

Survey says...

CADA recently commissioned an analysis of our insurance component by an independent market research firm, 1st Resources. We wanted to understand what criteria underpin our members’ insurance decisions. What we do to successfully keep insurance clients we have, and how we can tailor our offerings so more dealers will turn to CADA’s insurance brokerage. We learned a lot.

While reviewing the results, Craig Gordon said, “It comes down to service. We visit dealer clients’ offices when they need help with enrollment and claims — and with whatever their employees need.

21st Century client service

Leading communications technology also makes it easier for Craig to offer the kind of on-demand service that helps you feel secure. After all, it’s tough to overcome perceptions that a broker in your community will give you better service than Craig.

“They might know a local agent for a long time and they barely know me,” Craig observed, “but often, while the local guy is a good guy, he can’t compete with what CADA does overall.”

This is backed up by what 1st Resources learned. “If you have any questions, you can just go to the broker and he always gets back to me right away,” one dealer client said.

Another renewing dealer said CADA was “responsive, accessible and proactive in providing information and answering questions in a timely manner,” as well as traveling to their remote dealership to meet with them. “They did an outstanding job.”
Cost still rules
Craig noted that the cost of employee insurance is almost always dealers’ most important consideration when looking at coverage options. “All agents usually bring the same numbers for the same products,” he said. “That’s where it comes down to service and perception. I pride myself on taking every creative opportunity I can and genuinely interview to see what a dealer’s tolerance level is. As we have our conversation, I go through multiple options.”

CADA’s Insurance Services offers you the whole spectrum of insurance products, and Craig will tailor a package specifically for your employee group. “We can get you any ancillary product,” he said. “Dental? We can get you a program. Life insurance? I can shop that, too, AND go for the same anniversary dates.”

This approach works. For example, one dealer that considered a competing agent, and renewed with CADA, said, “CADA was proactive” in recognizing that rates would increase with his current carrier and brought in another option, along with an in-person meeting with the new carrier. He also mentioned that he understood his insurance business helped to bolster CADA’s legislative advocacy — and that was important to him.

Analyzing costs and benefits
And here’s something different: Profits from CADA’s insurance products don’t go to Craig, but to our legislative efforts. “That’s pretty rare for an agent...the fact it doesn’t go to me,” Craig remarked.

“When I go out on a sales call, it’s free,” Craig noted. “Dealers don’t have to open their check book to get a second opinion on a competing offer. What’s wrong with letting CADA take a look? If I can’t come up with something better, we can talk again next year.”

Oh, and you’ll help support CADA’s efforts at our state legislature. What might that be worth to you?

Colorado’s new car and light truck registrations jumped 31% in April

New vehicle registrations up during the first four months of 2018

New car and light truck registrations in Colorado saw double a double digit increase — 30.8 percent — in April versus April 2017. New vehicle registrations also increased 4.2 percent during the first four months of the year.

According to registration data compiled by Experian Automotive, 19,253 new cars and light trucks were registered in April, versus 14,724 in April last year, for a 30.8 percent increase.

CADA President & CEO Tim Jackson said, “Colorado new car vehicle registrations rebounded to double digits in April, while nationally, auto sales declined an estimated 5 percent.”

He added, “Consumers statewide continue to favor SUVs, crossovers and light trucks. Although Colorado’s economy and low unemployment figures remain strong, we’ll continue to monitor if creeping interest rates and auto loan rates play a factor in borrowing and purchasing of new vehicles.”

Used vehicle registrations were up 11.8 percent in April 2018. This includes vehicles seven years old or newer.

For more information, Auto Outlook begins on page 22.
Greetings. Having just returned from our NADA Board meeting in New York City, I wanted to share with you some interesting data that was commissioned by the NADA Public Affairs office.

Frank Luntz, from Luntz Global, surveyed two atypical audiences. One of tech types in LA and the other, Millennials in Boston. The goal was to explore the value of personal car ownership; gauge consumer perceptions, priorities and expectations; and identify the most effective language for discussing shared vehicles.

**Ten key findings on ownership & perception**

1. Personal car ownership is still PARAMOUNT to all Americans - including Millennials
2. The two greatest benefits of personal car ownership are: FREEDOM and CONVENIENCE
3. Most Americans are deeply SKEPTICAL about autonomous vehicles (AVs) and nearly 90 percent would choose their own car over an autonomous vehicle
4. The greatest concern about AVs: SAFETY
5. Ride sharing is COMPLEMENTARY to personal car ownership, not a replacement
6. Communicate an “all of the above” approach to our evolving transportation future
7. The CONVENIENCE of personal cars outweighs the utilization argument
8. Rideshare wait time is the biggest consumer complaint
9. Retaining personal CONTROL is more important than achieving near-perfect safety
10. Focus on how AV technology benefits DRIVERS, not cars

There are 41 pages of data that slices and dices the survey responses. Find them here: [https://bit.ly/2yyM5LW](https://bit.ly/2yyM5LW)

**Sample questions from the survey:**
Greatest benefit from owning a car?

- **48%** Freedom
- **46%** Convenience
- **29%** Control
- **28%** Flexibility
- **12%** Affordability
- **10%** Safety
- **7%** Enjoyment
- **6%** Personalized
- **4%** Personal milestone
- **5%** It’s more convenient for me NOT to own a car

“**CONVENIENCE outweighs the utilization argument**

“IT’S PROVIDING FREEDOM, FLEXIBILITY, AND PEACE OF MIND - EVEN WHEN PARKED, MY CAR IS STILL PROVIDING ME WITH THE VALUABLE OPTION TO INSTANTLY GO WHEREVER, WHENEVER I NEED OR WANT TO, AND MAKING MY LIFE EASIER.”

“I’M WASTING MONEY BECAUSE IT’S GOING UNUSED. MY CAR’S VALUE IS DIMINISHED BECAUSE IT GOES UNUSED SO OFTEN. I’M MAKING CAR PAYMENTS EVEN WHEN MY CAR IS JUST SITTING IN MY GARAGE OR A PARKING SPOT NEAR MY OFFICE.”
WAIT TIMES and PRACTICALITY remain TOP concerns.

Greatest weaknesses of ridesharing services
- 44% Wait times
- 35% Impractical
- 28% Inconsistent pricing
- 26% Lack of privacy
- 25% City-centric
- 24% No quality controls
- 17% Children’s safety

Consumers WON’T trade their time for ride-share savings. Research suggests that ridesharing in the future will be far more affordable than owning a car. While the average household might save approximately $15 a day, they might lose an hour to rideshare wait times.

How much money would you need to save to justify an extra hour of waiting for ridesharing each day?
- 19% $15 or less (net)
- 9% $16-24
- 14% $25-39
- 8% $40-49
- 6% $50-74
- 4% $75-100
- 5% More than $100
- 35% I would not trade my time for any sum of money

If forced to choose, nearly EVERYONE would continue to “own and rely on your car.”

After all that we’ve discussed, if you had to choose,

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I hope you found these samples interesting and remember: These are not average consumers; these are the least likely to embrace personal transportation. So don’t listen to the naysayers!
Maximizing benefits at the lowest cost on any health care plan

With all health care benefits, whether you are enrolled in an Health Savings Account or an HMO, understanding and using your benefits wisely can save you hundreds of dollars. In some cases, thousands of dollars can be saved.

Here, we’ll examine the best places to get care when needed, and avoid some very costly decisions when you need care. In descending order, here’s how to make good decisions for — and managing costs — for health care. All health care plans include these features. Deductibles, co-insurance and co-pays will vary from plan to plan.

Virtual Visits

In most cases, insurance companies are placing little or no cost to utilize. Many people don’t even know that this is included in their health care plan. This benefit is an email or through a web based portal conversation between patient and doctor. The doctor diagnoses your condition through various questions, and even prescribes medication. This saves you a trip to the doctor or even urgent care center — and it is often no cost to use.

Preventative Services

All health care policies include a feature that is required by the Affordable Care Act, which gives you an annual wellness visit. This is at no cost to you, and it is highly recommended that you take advantage of this benefit, as many symptoms of a serious condition can be discovered then. When serious conditions are discovered early, the treatment and possible cure is almost always better than discovering the conditions later. Examples include high blood pressure, high cholesterol and even cancerous cells can be detected. These examination are provided by your primary care physician (PCP), OB/GYN, lab and X-ray preventative services in your PCP’s office come at no cost to you. Age, gender and family history can apply, as well.

Primary Care Physician

In most cases, your primary care physician (PCP) should be your first stop for something minor, such as a severe cold, flu-like symptoms or general aches and pains. Most PCPs can — and will — do treatments for you to avoid another co-pay or payment for high-deductible plans to another provider. These additional cost are always higher that what you will pay at your PCP’s office.

Specialty Care

While you should almost always see your PCP first, sometimes it makes sense to directly go to a specialist. You can avoid the co-pay or payment to your PCP if you already know what treatment is needed. An example would be if you have an already-diagnosed condition, such as a heart condition, chronic ear infections or chronic skin condition (such as eczema), it makes sense to go to the cardiologist, ENT or dermatologist. Make sure your benefit plan does not require a referral for these visits. The co-pays or payments to a specialist are always higher than your PCP, but generally lower than urgent care centers and most certainly, emergency centers.

Urgent Care Center

Most health plans I see are making the urgent care co-pay or payment much lower than in the past. It is a response to the very high cost associated with emergency room visits. Urgent care means exactly what is says: Urgent. They are best utilized if your PCP’s office is closed or you have a condition that is not life threatening. Examples can be a twisted ankle, broken “pinky” toe or maybe just feeling very poorly in the evening hours. Going to an urgent care center will likely save hundreds, if not thousands, of dollars in co-pays and other emergency room payments.

Make sure the urgent care center is in your network! And if you think you can wait for your PCP, the costs will be even lower.

Emergency Room

This is the most expensive care in any outpatient care situation. Most insurance plans are taking the “flat” co-pay feature away and adding deductibles, co-insurance or co-pays — or all three — for this benefit. Emergency rooms are designed for life-threatening conditions, such as heart attacks, strokes or even broken limb(s). These conditions require immediate attention and the emergency room should be used.

Cost associated with ER visits are skyrocketing, especially with the freestanding facilities. More legislation is being implemented to advise patients of costs associated with ER visits. What’s more, many networks are not consideration on payments and costs, as you should visit the closest ER facility. Insurance companies will pay whether in or out of network. This would be minus your cost, and the costs are normally more than $1,000.

Health care is becoming more confusing, yet with a little pro-action and education, you can keep your costs down.
Auto Dealer Claim of the Month – June 2018

Federated Insurance’s “Claim of the Month” – Could it happen to you?

An auto dealer loans a vehicle to a customer, but fails to check the customer’s license and insurance. The customer had a suspended license for six months, as well as being uninsured. The customer was involved in an auto accident resulting in injuries to a third party. The customer was sued for negligence, and the dealership was sued for negligent entrustment for the resulting injuries.

CLAIM AMOUNT: $352,000

What policies are in place to help prevent this from happening at your dealership? Do you know who’s driving your vehicles? Federated Insurance recommends several best practices to help protect your business and manage risks, such as:

- Implement a procedure that requires a customer provide a valid driver’s license and a proof of insurance before using a vehicle.
- Check license and insurance, if possible, for accuracy.
- Keep copies of drivers’ licenses and insurance cards in a secure area, away from the general public.

These are just a few loss control recommendations you can use to help protect your dealership. To learn more, contact your local Federated Insurance representative and request a copy of our auto dealer risk management packet “Who’s Watching Your Vehicles? – Keys to Inventory Control.” Federated Insurance is recommended by 18 state and national auto dealer associations just like yours for customized insurance programs and value-added risk management services, such as Federated’s Shield Network®, the Risk Management Resource Center, and the Federated Employment Practices Network®. Visit federatedinsurance.com to discover resources you can use to create or enhance your own risk management program, or to contact your local representative.

This article is for general information regarding risk prevention and should not be considered legal advice. The claim example is only a basis for discussion and illustrates only one possible scenario. Coverage for actual claims will be determined solely by individual policy terms and facts of the claim. The recommendations presented are not guaranteed to reduce or eliminate any risk of loss. Seek qualified counsel regarding questions specific to your circumstances. © 2018 Federated Mutual Insurance Company.
Change is in the air!

WE have new leadership at Clear The Air Foundation. My name is Mark Zeigler, and I have been working for CADA for the past five years.

I am an Ohio Buckeye and have lived in Denver for more than 10 years. My passions are skiing, camping, golfing, exploring this wonderful state and meeting the great people who call Colorado home. I bring more than 25 years of professional experience to the foundation, including startup, process improvement, business development sales and leadership.

Some of the items on my to-do list include streamlining the donation process to make it as easy as possible for you to donate high-polluting vehicles to this cause. Additionally, I want to get the word out about all the good the Foundation does, both for our air and for our industry. This includes a refreshed, updated website and visiting your dealership(s) at least once this year. So please let your used car managers know that they will be hearing from me soon!

I plan on personally awarding as many scholarships as possible, so we can help get more auto technicians in the field. We hope for every dealership in Colorado to donate at least two vehicles to the Foundation this year, which will meet our goal of removing at least 800 high-polluting vehicles from our roads — and giving 20 scholarships to auto tech students! The more vehicles we get the more good we can do.

I am excited about working with you! If you have a vehicle to donate, suggestions about how to increase donations or improve the process, let me know.

Mark.zeigler@colorado.auto
303.775.8896

Mark Zeigler
Manager,
Clear the Air Foundation

Goal: 800 old, high polluters

2018 contributions to date: 217
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If you attended the Innovative Dealer Summit, you can stream all the breakout session recordings FREE through July 4. AND you can share your on-demand Fast Pass with everyone in your dealership, so start streaming today!

Didn’t make it to the Innovative Dealer Summit?
You can stream or download just the sessions you want from the Innovative Dealer Summit — such as digital marketing sessions, or the HR/Hiring track.

Or, order the Season Pass or Works package and save even more on all breakout sessions, and more than 29 hours of presentations!

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Your options

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PlaybackIDS.com
The legal path for Cal-LEV

By Matthew Groves
Vice President of Legal, Regulatory and Compliance

If you are within earshot of CADA’s communications, you have surely heard about Colorado’s progression toward adopting the California Low Emission Vehicle (Cal-LEV) standard. Here, we take a more focused look at the legality of the standard and how other states have adopted it.
In 1963, the United States Congress developed the Clean Air Act to strengthen and accelerate programs that prevent and abate air pollution. Back then, states varied on what made clean air ripe for federal regulation. The Act was modified many times, notably with the Motor Vehicle Air Pollution Control Act in 1965, which placed automobile emissions under the purview of the law. Then in 1970, President Nixon created the Environmental Protection Agency (EPA) to oversee and enforce the law.

Fast forward 20 years: The 1990 Clean Air amendments addressed certification of a national standard to control automobile gasoline emissions. While the federal government created a federal standard, California already had a standard that was more stringent than the federal one. These amendments allowed for the tighter standard under Section 177. A state could certify compliance with the federal standard or apply for a ‘Section 177 waiver’ to adopt California’s standard. However, the waiver requires adopting California’s standard in its entirety, without modification.

To understand why California can do this, a brief refresher on constitutional law may help. When the Congress enacts a law, that federal law serves as the supreme law of the land. Contradictory state law or federal regulations will be struck down, or pre-empted, by the law. However, from a regulatory standpoint, the federal law sets the floor. If a state law or regulation wants to create a stronger standard, it may do so, as long as it does not contradict federal law.

The Clean Air Act let California seek a waiver and establish the California standard, consistent with the federal mandate. Any state that wanted to follow California did not need permission from the EPA, because the initial waiver was granted. However, since the exemption only covers California’s program, when it changes, every state that has adopted the standard changes with it. The program may go even beyond the California standard to remediate California’s poor air quality.

Much like any facet of the law, the Clean Air Act holds an exception. If the EPA Administrator finds that California’s standard is not needed to meet “compelling and extraordinary conditions” or is inconsistent with the Clean Air Act itself, he may revoke the waiver under which the California standard exists. This revocation would be considered a regulatory rulemaking, requiring publication in the Federal Register and a notice and comment period for the public.

Back to today’s reality. This rulemaking would be vigorously challenged in court by California and environmental groups. They would seek to prove that the EPA’s decision violated the Administrative Procedures Act (by which all rulemakings must abide) and that the decision was arbitrary and capricious, which in this case, could be a fancy term for politically motivated.

Another possible outcome is a settlement between the EPA and California (as a representative of the 177 exception). Under this scenario, a negotiation would let the California waiver exist, while potentially freezing the federal standard for motor vehicles in model years 2022-2025. However, this modification also likely would be considered a rulemaking. So, even if California agreed not to challenge in court, other environmental advocacy groups could.

While there are other political considerations in this debate, what’s clear is that there’s no certain road forward. Any number of outcomes could emerge from the government’s discussions with stakeholders. Adopting the California standard, however, would have pervasive effects for Colorado dealers, making it impossible to sell ‘federal standard’ cars that were accepted on trade — because they are not ‘California compliant.’ Also, it would generate significant implementation costs for a standard that could exist for a matter of months or a number of years. Perhaps most offensively, however, would be Colorado joining its future to California’s, letting the air quality in Los Angeles dictate the control the car market in Denver.

No doubt: We all want cleaner air. In Colorado, the auto industry has taken significant strides toward accomplishing this goal with programs like the Clear the Air Foundation. Yet Coloradans have made it clear with their wallets that they want to drive trucks — 71 of them out of every 100 vehicles sold. Fortunately, today’s trucks have cleaner emissions than our parents’ cars, and perhaps even our first cars.

We are already moving in the right direction. Government regulation does not advance our solution. Handing control over to the California Air Resource Board would be a typical government overreaction. Our regulators cannot be so brazen as to believe that they can control consumer demand by mandating the supply of zero-emission vehicles.
The practical side of Cal-LEV

Other western states have shown us how adopting the California standard can fail. Arizona adopted the California standard in 2008; it took just four years to realize the strain it added to the automotive industry. The governor promptly withdrew in 2012. Also, New Mexico was an early adopter of Cal-Lev, only to withdraw when it proved untenable.

By contrast, five state legislatures have established laws that prohibit their governor from adopting the California standard (or one more stringent than the federal standard).

What are the biggest impacts for dealers?

First, the California standard must be adopted without modification. When California’s regulators update their program, all states that follow must accept those updates. In other words, Colorado is handing its regulatory authority to the California Air Resource Board.

For example, it’s fairly well known that the EPA has threatened to revoke the 177/California exemption, where 14 states abide by this exemption. However, the EPA is only negotiating with California. The other 13 states are held hostage by whatever California and the EPA negotiates.

So if Colorado adopts the California standard, whatever Sacramento decides will bind Colorado. This limits the recourse that Coloradans have against outright hostile decisions. Denver only misses the EPA’s ozone standards by a small margin.

So if Colorado adopts the California standard, whatever Sacramento decides will bind Colorado. This limits the recourse that Coloradans have against outright hostile decisions. Denver only misses the EPA’s ozone standards by a small margin. Almost all the ‘moderate non-attainment zones,’ or places where air is particularly bad, are in California.

Second, this decision will limit a dealer’s ability to sell vehicles taken on trade. If a customer buys a new car, and trades one in during the transaction, that car will not be eligible for resale in Colorado if it is not ‘California compliant.’ The net effect will be fewer trade-ins, making new cars loans more expensive in Colorado. With rising prices, it becomes more likely that a consumer would cross the border to Wyoming, Kansas or New Mexico to buy a vehicle.

Still, problematic as the Low Emission Vehicle standard would be for Colorado, it is not the end of the discussion. Along with nine other states, California has gone beyond the exemption to adopt the Zero Emission Vehicle program (“ZEV”).

Like Cal-Lev, the ZEV program is managed by the California Air Resources Board. Designed to accelerate the development of electric vehicle technology, ZEV sets up a credit system. Based on the range of the vehicle, it can receive anywhere between one and four ZEV credits, based on a complicated formula. In 2018, the ZEV calculation across all models under the same manufacturer must amount to 4.5 percent. This calculation must meet 22 percent by 2025.

What this means for dealers is that 2.5 percent of this year’s sales must be electric vehicles. That number rises to 8 percent by 2025. Electric vehicles made up about 1 percent of Colorado’s sales in 2017. And that was in a year when the $7,500 federal credit and $5,000 state tax credits were in effect. Both of those credits were legislated to be temporary measures, and expire before 2025.

Of course, under the ZEV program, if you fail to meet the ZEV calculation, you can buy credits from manufacturers that have more credits than they need. The largest-volume seller of ZEV credits today is Tesla. So under this system, selling a Nissan Leaf would earn you 1.8 credits, while selling a Tesla model Z would earn you 3.3. This becomes a significant revenue stream for Tesla, which then pays taxes to the state of California.

The ZEV program is a separate decision from Cal-Lev, and has fewer participants, which include California, Connecticut, Maine, Maryland, Massachusetts, New Jersey, New York, and Oregon, Rhode Island, and Vermont. Clearly, these states are all on a coast, near large urban areas, and significantly closer to sea level.

I could go on about the negative repercussions and unforeseen consequences that would follow this decision. But given the differences between California and Colorado, and the extraordinary steps that Colorado’s auto industry has taken to clean up its air quality, this regulation would be a drastic overreach to address the problem it claims to solve. We encourage you to join CADA in our opposition to Cal-Lev and preserve Colorado’s environmental autonomy.

Matthew Groves is CADA’s VP of Legal, Regulatory and Compliance. Reach him: matthew.groves@colorado.auto or 303.882.1449.
Register now for the 12th Annual CADA Golf Event

Join us Monday, July 23, 2018

8 a.m. Shotgun start

The day’s schedule
7 a.m. Check in, Breakfast, Practice
8 a.m. Shotgun start
Immediately following play Awards luncheon

- There will be a hole-in-one $10,000 cash prize; awards for first-, second- and third-place teams; challenge holes and many great door prizes!
- Mulligans are $20 each before play. All mulligans benefit Clear the Air Foundation!

Registration Deadline:
Tuesday, July 17, 2018

Three ways to register:
E-mail: RSVP@Colorado.auto
Phone: 303.831.1722
Fax: 303.831.4205

Fill out the form below and fax to the number above.

Dealers play free!

Questions?
303.831.1722

Submit ONE form per golfer:

Company Name ________________________________________________________________
Golfer Name ___________________________ Title _______________________________
City ___________________________ Best Phone (please indicate which) __________
Fax ___________________________ Email ________________________________
Preferred golf partner(s) ________________________________

Note: While CADA can’t guarantee putting you with your preferred partners, we’ll do the best we can.

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Polly Penna: polly.penna@colorado.auto
303-945-6426 mobile
New satellite radio adapter uses reverse engineering to enhance car radios. SiriusXM® satellite radio is a popular service with millions of subscribers, yet nearly 25 percent of new cars do not have SiriusXM® as an option. VAIS Technology has reverse engineered the interface for millions of car radios, creating a device that can add satellite radio to the factory radio, LCD screen or infotainment system on these vehicles.

“We estimate that 20 to 25 percent of new vehicles are sold without any built-in compatibility for SiriusXM® satellite radio,” observed Dennis Hopper, VP of Sales at VAIS Technology. “For years, consumers have had to hack together a bunch of different devices to add satellite radio to these vehicles. This device directly connects with the car radio or infotainment system software, integrating satellite into the native user interface, with near universal fitment.”

There are many ways to add SiriusXM® satellite radio to a car radio that doesn’t have a built-in tuner. One of the most common methods is to use an external satellite tuner that mounts on the vehicle dashboard alongside an FM modulator. While this setup is popular, it does not integrate into the factory stereo system and sound quality is compromised.

“When someone wants to add satellite radio to their car, they usually end up with a somewhat clunky setup,” Hopper said. “First, the satellite radio signal is transmitted to the factory system over FM radio. Then, to control the satellite radio station, a standalone controller usually is mounted on the dash. This setup has a lot of problems, but the biggest is that consumers can’t use their factory radio and steering wheel controls to browse channels, categories or presets.” This presents a safety issue, as well.

The GSR-U01 satellite radio adapter directly integrates with the factory radio or infotainment unit on most new vehicles. Because the GSR-U01 interfaces with the OEM radio, consumers can control satellite radio using the factory radio, LCD screen and steering wheel controls.

Currently, the GSR-U01 is compatible with most vehicles from Fiat-Chrysler America, GM, Ford, Toyota, Honda, Mercedes Benz, Volkswagen, Subaru, Porsche, Nissan, Land Rover and Mazda. “The GSR-U01 leverages a simple firmware update system, which ensures that we can stay on top of the software updates as automakers roll out new models with new radios, Hopper noted. VAIS Technology covers almost 100 percent of all new vehicles with this unit.

The new GSR-U01 device does require professional installation, so it is currently only available from VAIS Technology dealers and/or new car dealerships.

More info: vaistech.com or vaistech.com/dealer-map for your local VAIS Technology dealer.
2018
CADA
ANNUAL CONVENTION

NOVEMBER 11-14
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Resort and Spa
Koloa, Hawaii

Discover the fun

REGISTRATION NOW OPEN
The end of the 2018 Legislative Session has not slowed down things on the CADA legislative grassroots front. We are still meeting with legislative and statewide office holders and candidates on a regular basis. Being proactive is a must, and CADA is making sure to stay on top of all that’s politically developing in Colorado.

The office of the Colorado Attorney General has more of an impact on new car dealers than any other statewide position. Currently, George Brauchler is the only candidate on the Republican ticket, while Phil Weiser and Joe Salazar are fighting it out in the Democratic primary, in hopes of making it to the general election ballot in November.

We separately met with Phil Weiser and George Brauchler over lunch. The topics of conversation were all over the spectrum and gave us the chance to learn more about each as individuals, as well as the direction they want to take the AG’s office.

In particular, we asked about issues that are most important to Colorado new car dealers, including Guaranteed Asset Protection (GAP Insurance) and the Colorado Uniform Consumer Credit Code (UCCC).

As you may know, GAP coverage is becoming increasingly tough for new car dealers to offer to customers because of the growing costs versus cap that it can be sold by dealers.

Decades ago, the UCCC set a cap that limits how much dealers can charge for this coverage. Colorado has the lowest in the country, while many states don’t regulate this coverage at all. The UCCC, under the Colorado Attorney General’s Office, is responsible for regulating how much dealers are allowed to charge for a GAP coverage. (It’s just one of the many reasons why we need to stay ‘in the know’ about candidates’ positions.)

We requested a formal position from the campaigns of Phil Weiser and George Brauchler. While Mr. Brauchler did not get back to us in time for publication, what follows is Mr. Weiser’s statement:

“Phil Weiser is committed to ensuring that consumers are protected and informed of relevant risks, as well as businesses that act irresponsibly are held accountable. He emphasized that, by holding irresponsible businesses accountable, he would protect and build trust for legitimate businesses that follow the rules.

Weiser understands economics and is committed to operating a professional, transparent, and accessible AG’s office. In previous positions, he always was accessible and straightforward in working with businesses and consumers.

Weiser also is committed to bringing an innovation mindset to ensure that the office does its work in an effective way and not simply perpetrates the status quo.”

At CADA, we remain dedicated to keeping you informed, by bringing you the most up-to-date information in local and statewide elections. Stay tuned to see who we’ll be meeting with next and find out their positions on the issues that are so important to Colorado’s new car dealer.
New Colorado franchise law: SB-219

Warranty Reimbursement at Retail

How to add revenue to your Service & Parts departments

The most significant piece of legislation ever passed for Colorado’s auto dealers got the green light in early May. The Warranty Reimbursement at Retail bill levels the playing field between the manufacturer and the dealer for warranty and recall vehicle repairs.

In short, the bill lets you receive warranty parts and labor reimbursement rates that more closely match those charged for non-warranty work. This new law means a significant boost to your bottom line.

The law goes into effect October 1. And you’ll need to understand how to navigate a complex formula to obtain these higher warranty and recall reimbursement rates.

Please join CADA as Michael Dommermuth, dealer attorney from Fairfield & Woods, P.C., leads this important seminar about the new law, what it can do for your dealership and how to navigate the calculations so you’re reimbursed for warranty work at current market rates.

You’ll learn

• Politics of warranty reimbursement
• The dos and don’ts of warranty submission
• How to increase service and parts revenue
• How to submit a claim
• Formulas and exclusions to establish retail
• How to select qualified support to maximize gains

AND

• Service department compliance issues
• Repair order and invoice essentials
• Shop charges
• Storage charges
• Service collection issues

About our presenter

For more than 30 years, Michael J. Dommermuth, director of Fairfield & Woods, P.C., has represented motor vehicle dealers throughout Colorado and the Rocky Mountain West. His firm provides full-service representation of motor vehicle dealers, including buy/sell agreements, franchise, manufacturer and consumer disputes, dealer succession, class actions and federal and state compliance.
Colorado Auto Outlook

Comprehensive information on the Colorado automotive market

Quick Facts

New retail car and light truck registrations in the state increased 30.8% in April 2018 versus year earlier. Note: monthly recording of registrations occurs when the data is processed by the DMV. This can impact the measurement of registrations in individual months. Year-to-date figures are more reflective of market results.

New registrations in the state were up 4.2% during the first four months of this year versus the same period a year earlier. Passenger cars declined by 4% while Light Trucks were up 7.3%.

Used vehicle registrations were up 11.8% so far this year. (Only includes vehicles seven years old or newer.)

Volvo, MINI, Land Rover, BMW, Audi, and Honda had the largest increases in ytd new vehicle registrations (see page 4).

Data Information

All data represents new and used vehicle retail registrations in Colorado and excludes fleet and wholesale transactions. Used vehicle data only includes vehicles seven years old or newer and excludes private party transactions. Please keep in mind that monthly registration figures can occasionally be subject to fluctuations, resulting in over or under estimation of actual results. This usually occurs due to processing delays by governmental agencies. For this reason, the year-to-date figures will typically be more reflective of market results.

Green shaded areas in tables represent the top ten ranked brands. Data Source: AutoCount data from Experian.
New Vehicle Market Brand Registrations

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</tbody>
</table>

Change in New Vehicle Segment Market Share - YTD 2018 thru April versus YTD 2017

Data Source: AutoCount data from Experian.
### Used Vehicle Market Brand Registrations (only includes vehicles seven years old or newer)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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<tbody>
<tr>
<td>TOTAL</td>
<td>17,754</td>
<td>24,622</td>
<td>38.7%</td>
<td>51,726</td>
<td>59,602</td>
<td>15.2%</td>
<td>70,599</td>
<td>78,923</td>
<td>11.8%</td>
<td>1.3</td>
<td>1.0</td>
<td>-0.3</td>
</tr>
<tr>
<td>Acura</td>
<td>232</td>
<td>243</td>
<td>4.7%</td>
<td>699</td>
<td>614</td>
<td>-12.2%</td>
<td>919</td>
<td>826</td>
<td>-10.1%</td>
<td>1.3</td>
<td>1.0</td>
<td>-0.3</td>
</tr>
<tr>
<td>Audi</td>
<td>324</td>
<td>484</td>
<td>49.4%</td>
<td>939</td>
<td>1,266</td>
<td>34.8%</td>
<td>1,272</td>
<td>1,653</td>
<td>30.0%</td>
<td>1.8</td>
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<tr>
<td>BMW</td>
<td>496</td>
<td>665</td>
<td>34.1%</td>
<td>1,439</td>
<td>1,610</td>
<td>11.9%</td>
<td>1,936</td>
<td>2,113</td>
<td>9.1%</td>
<td>2.7</td>
<td>2.7</td>
<td>-0.1</td>
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<tr>
<td>Buick</td>
<td>180</td>
<td>336</td>
<td>86.7%</td>
<td>528</td>
<td>797</td>
<td>50.9%</td>
<td>755</td>
<td>1,043</td>
<td>38.1%</td>
<td>1.1</td>
<td>1.3</td>
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<tr>
<td>Cadillac</td>
<td>244</td>
<td>283</td>
<td>16.0%</td>
<td>743</td>
<td>744</td>
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<td>1,011</td>
<td>984</td>
<td>-2.7%</td>
<td>1.4</td>
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<td>-0.2</td>
</tr>
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<td>Chevrolet</td>
<td>1,898</td>
<td>2,606</td>
<td>37.3%</td>
<td>5,361</td>
<td>6,224</td>
<td>16.1%</td>
<td>7,233</td>
<td>8,224</td>
<td>13.7%</td>
<td>10.2</td>
<td>10.4</td>
<td>0.2</td>
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<tr>
<td>Chrysler</td>
<td>316</td>
<td>341</td>
<td>7.9%</td>
<td>830</td>
<td>762</td>
<td>-8.2%</td>
<td>11,40</td>
<td>1,026</td>
<td>-10.0%</td>
<td>1.6</td>
<td>1.3</td>
<td>-0.3</td>
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<tr>
<td>Dodge</td>
<td>1,314</td>
<td>1,901</td>
<td>44.7%</td>
<td>3,812</td>
<td>4,269</td>
<td>12.0%</td>
<td>5,205</td>
<td>5,671</td>
<td>9.0%</td>
<td>7.4</td>
<td>7.2</td>
<td>-0.2</td>
</tr>
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<td>Ford</td>
<td>2,642</td>
<td>3,362</td>
<td>27.3%</td>
<td>7,409</td>
<td>8,116</td>
<td>9.5%</td>
<td>10,161</td>
<td>10,740</td>
<td>5.7%</td>
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<td>GMC</td>
<td>567</td>
<td>888</td>
<td>56.6%</td>
<td>1,744</td>
<td>2,197</td>
<td>26.0%</td>
<td>2,402</td>
<td>2,940</td>
<td>22.4%</td>
<td>3.4</td>
<td>3.7</td>
<td>0.3</td>
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<td>Honda</td>
<td>763</td>
<td>951</td>
<td>24.6%</td>
<td>2,289</td>
<td>2,502</td>
<td>9.3%</td>
<td>3,133</td>
<td>3,379</td>
<td>7.9%</td>
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<td>4.3</td>
<td>-0.2</td>
</tr>
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<td>Hyundai</td>
<td>694</td>
<td>1,036</td>
<td>49.3%</td>
<td>2,038</td>
<td>2,519</td>
<td>23.6%</td>
<td>2,797</td>
<td>3,283</td>
<td>17.4%</td>
<td>4.0</td>
<td>4.2</td>
<td>0.2</td>
</tr>
<tr>
<td>Infiniti</td>
<td>218</td>
<td>320</td>
<td>46.8%</td>
<td>590</td>
<td>777</td>
<td>31.7%</td>
<td>803</td>
<td>995</td>
<td>23.9%</td>
<td>1.1</td>
<td>1.3</td>
<td>0.1</td>
</tr>
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<td>Jaguar</td>
<td>17</td>
<td>17</td>
<td>0.0%</td>
<td>40</td>
<td>50</td>
<td>25.0%</td>
<td>51</td>
<td>63</td>
<td>23.5%</td>
<td>0.1</td>
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</tr>
<tr>
<td>Jeep</td>
<td>1,126</td>
<td>1,727</td>
<td>53.4%</td>
<td>3,555</td>
<td>4,155</td>
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<td>4,982</td>
<td>5,463</td>
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<td>7.1</td>
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<td>-0.1</td>
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<td>611</td>
<td>816</td>
<td>33.6%</td>
<td>1,693</td>
<td>1,863</td>
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<td>2,244</td>
<td>2,451</td>
<td>9.2%</td>
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<td>-0.1</td>
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<td>Land Rover</td>
<td>112</td>
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<td>445</td>
<td>408</td>
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<td>0.6</td>
<td>0.5</td>
<td>-0.1</td>
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<td>316</td>
<td>411</td>
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<td>974</td>
<td>4.2%</td>
<td>1,229</td>
<td>1,277</td>
<td>3.9%</td>
<td>1.7</td>
<td>1.6</td>
<td>-0.1</td>
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<tr>
<td>Lincoln</td>
<td>80</td>
<td>122</td>
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<td>251</td>
<td>267</td>
<td>6.4%</td>
<td>342</td>
<td>360</td>
<td>5.3%</td>
<td>0.5</td>
<td>0.5</td>
<td>0.0</td>
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<tr>
<td>Mazda</td>
<td>280</td>
<td>349</td>
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<td>783</td>
<td>796</td>
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<td>1,082</td>
<td>1,076</td>
<td>-0.6%</td>
<td>1.5</td>
<td>1.4</td>
<td>-0.2</td>
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<tr>
<td>Mercedes</td>
<td>303</td>
<td>385</td>
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<td>959</td>
<td>1,026</td>
<td>7.0%</td>
<td>1,258</td>
<td>1,391</td>
<td>10.6%</td>
<td>1.8</td>
<td>1.8</td>
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<tr>
<td>MINI</td>
<td>109</td>
<td>164</td>
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<td>301</td>
<td>381</td>
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<td>390</td>
<td>489</td>
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<td>0.6</td>
<td>0.1</td>
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<tr>
<td>Mitsubishi</td>
<td>128</td>
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<td>-28.6%</td>
<td>452</td>
<td>347</td>
<td>-32.3%</td>
<td>0.6</td>
<td>0.4</td>
<td>-0.2</td>
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<tr>
<td>Nissan</td>
<td>1,613</td>
<td>2,221</td>
<td>37.7%</td>
<td>4,535</td>
<td>5,309</td>
<td>17.1%</td>
<td>6,143</td>
<td>6,940</td>
<td>13.0%</td>
<td>8.7</td>
<td>8.8</td>
<td>0.1</td>
</tr>
<tr>
<td>Other</td>
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<td>84</td>
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<td>255</td>
<td>227</td>
<td>-11.0%</td>
<td>337</td>
<td>309</td>
<td>-8.3%</td>
<td>0.5</td>
<td>0.4</td>
<td>-0.1</td>
</tr>
<tr>
<td>Porsche</td>
<td>40</td>
<td>56</td>
<td>40.0%</td>
<td>116</td>
<td>163</td>
<td>40.5%</td>
<td>158</td>
<td>234</td>
<td>48.1%</td>
<td>0.2</td>
<td>0.3</td>
<td>0.1</td>
</tr>
<tr>
<td>Subaru</td>
<td>912</td>
<td>1,362</td>
<td>49.3%</td>
<td>2,809</td>
<td>3,464</td>
<td>23.3%</td>
<td>3,926</td>
<td>4,675</td>
<td>19.1%</td>
<td>5.6</td>
<td>5.9</td>
<td>0.4</td>
</tr>
<tr>
<td>Toyota/Scion</td>
<td>1,729</td>
<td>2,455</td>
<td>42.0%</td>
<td>5,131</td>
<td>6,169</td>
<td>20.2%</td>
<td>7,091</td>
<td>8,142</td>
<td>14.8%</td>
<td>10.0</td>
<td>10.3</td>
<td>0.3</td>
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<tr>
<td>Volkswagen</td>
<td>325</td>
<td>669</td>
<td>105.8%</td>
<td>1,020</td>
<td>1,491</td>
<td>46.2%</td>
<td>1,360</td>
<td>2,018</td>
<td>48.4%</td>
<td>1.9</td>
<td>2.6</td>
<td>0.7</td>
</tr>
<tr>
<td>Volvo</td>
<td>73</td>
<td>114</td>
<td>56.2%</td>
<td>238</td>
<td>316</td>
<td>32.8%</td>
<td>342</td>
<td>403</td>
<td>17.8%</td>
<td>0.5</td>
<td>0.5</td>
<td>0.0</td>
</tr>
</tbody>
</table>

### Change in Used Vehicle Market Share by Age of Vehicle

#### YTD 2018 thru April v. YTD 2017

Data Source: AutoCount data from Experian.

Three year old vehicle market share has increased, while one year old share is down.
How healthy is your employee benefits plan?

If it could use a makeover — or even a little boost — CADA Insurance Services can help get it in shape.

What’s more, when you opt for employee benefits from CADA Insurance Services, you help new car dealers win important victories at our state capitol!

How healthy is THAT?!!

Craig Gordon
303 • 457 • 5118
craig.gordon@colorado.auto

Colorado Automobile Dealers Association
INSURANCE SERVICES, INC.
## New Vehicle Market Percent Change in Brand Registrations

**YTD 2018 thru April v. YTD 2017**

*(Top 30 selling brands)*

<table>
<thead>
<tr>
<th>Brand</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volvo</td>
<td>39.0%</td>
</tr>
<tr>
<td>MINI</td>
<td>26.1%</td>
</tr>
<tr>
<td>Land Rover</td>
<td>23.8%</td>
</tr>
<tr>
<td>BMW</td>
<td>22.8%</td>
</tr>
<tr>
<td>Audi</td>
<td>19.0%</td>
</tr>
<tr>
<td>Honda</td>
<td>15.3%</td>
</tr>
<tr>
<td>Chevrolet</td>
<td>13.4%</td>
</tr>
<tr>
<td>Kia</td>
<td>12.2%</td>
</tr>
<tr>
<td>Jeep</td>
<td>10.7%</td>
</tr>
<tr>
<td>Buick</td>
<td>10.6%</td>
</tr>
<tr>
<td>Hyundai</td>
<td>10.5%</td>
</tr>
<tr>
<td>Porsche</td>
<td>9.8%</td>
</tr>
<tr>
<td>Mazda</td>
<td>9.0%</td>
</tr>
<tr>
<td>Mercedes</td>
<td>8.6%</td>
</tr>
<tr>
<td>Acura</td>
<td>6.8%</td>
</tr>
<tr>
<td>Toyota/Scion</td>
<td>6.2%</td>
</tr>
<tr>
<td>Volkswagen</td>
<td>5.7%</td>
</tr>
<tr>
<td>Ram</td>
<td>5.3%</td>
</tr>
<tr>
<td>GMC</td>
<td>2.1%</td>
</tr>
<tr>
<td>Lincoln</td>
<td>-0.6%</td>
</tr>
<tr>
<td>Ford</td>
<td>-3.2%</td>
</tr>
<tr>
<td>Subaru</td>
<td>-4.9%</td>
</tr>
<tr>
<td>Lexus</td>
<td>-7.2%</td>
</tr>
<tr>
<td>Cadillac</td>
<td>-8.3%</td>
</tr>
<tr>
<td>Dodge</td>
<td>-9.4%</td>
</tr>
<tr>
<td>Chrysler</td>
<td>-9.4%</td>
</tr>
<tr>
<td>Mitsubishi</td>
<td>-10.6%</td>
</tr>
<tr>
<td>Nissan</td>
<td>-10.9%</td>
</tr>
<tr>
<td>Infiniti</td>
<td>-20.1%</td>
</tr>
<tr>
<td>Jaguar</td>
<td>-31.8%</td>
</tr>
</tbody>
</table>

Data Source: AutoCount data from Experian.

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**Colorado Auto Outlook**

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