

### MADA News

## MADA Arms Itself for CA Car Battle



As instructed by the MADA Board at its winter meeting, the Association has retained legal counsel and public relations consultants to assist us defeat Governor Walz's directive to adopt California Car emission standards.

We are now working to arm our best asset: you!

If the Walz Administration is successful in adopting CA emissions standards, dealers can expect to see the price of all new vehicles in Minnesota increase, by a minimum of \$800 per vehicle. Dealers can also expect to see the manufacturers deliver fewer light trucks, Minnesota's top-selling class of vehicles, to the state since they will be required to provide more electric vehicles.

MADA has resources to share with you, your employees, customers, and community partners to educate them about the adverse consequences of this misguided proposal. Please contact MADA VP of Public Affairs Amber Backhaus at 651-789-2949 to get a presentation scheduled in your area to help us bring new allies (e.g. Rotary, local chambers, etc.) to the fight.

In the meantime, you can also call the Office of Governor Tim Walz at 651-201-3400 or 800-657-3717 to express your opposition. Let him know you are a local business opposed to California Car emissions rules because you don't want California regulators controlling what you can sell your customers. Feel free to share your concerns about how increased vehicle costs will hurt your business, too.

### inside

Update on Title & Reg Rebuild

Look out for Cloned VINs

DVS Data Access for Towing Companies

## Call Governor Walz Now to Voice Your Opposition

### upcoming events

feb  
12 Title Basics  
West St. Paul

mar  
07 Twin Cities Auto Show  
Minneapolis

mar  
19 Certified Title and  
Registration  
West St. Paul

visit

[www.mada.org](http://www.mada.org)

for details, registration and  
a complete list of Upcoming  
Events and Training

## Legal News

# DVS Data Access: Dealers vs Towing Companies

The state maintains an electronic log of data accessed through MNLARS. This log includes the name of the user who accessed the data, the date and time the data was accessed, the IP address from which the data was accessed, and the data searched. The DVS Data Practices unit reports they've seen an increase in dealer transaction audits in recent months.

### Important information you need to know.

If you have a dealer license and are also a towing company, you should have two different contracts with the state for data access. One is a business partner web contract for your dealership and the other is a private entity contract for your towing business.

Licensed dealers have MNLARS access to complete title notification transactions such as "held for resale" and check records of vehicles they take in on trade. There is no fee for these actions.

If you are also a towing company, the towing company portion of your business has access to motor vehicle data to provide notice to owners of towed or impounded vehicles as provided in United States Code, Title 18, Section 2721, permissible use seven. There is a fee for a record query.

You cannot use your dealer access to lookup the records of vehicles you tow. You need to use the access granted to you as a towing company. Using your dealer access for towing company business is a misuse of the system. Misuse can result in permanent revocation of the user's access to DVS record information.



*The Minnesota Automobile Dealers Association is a non-profit trade association dedicated to the progress of the retail auto industry in Minnesota.*

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## MADA News

# Reminder: MADA Dues

In December, you should have received an invoice for your 2020 MADA member dues. Please note that this year's invoice includes a special assessment of \$100 on each rooftop for MADA's Legal Defense Fund.

The MADA Board of Directors approved this mandatory assessment to ensure sufficient funds are available for the Association to take legal action against the proposed California Car rule.

Thanks for your attention to this matter – and for trusting MADA to assist you with your advocacy and legal needs.

## Theft/Swindle Using Fake or Cloned VINs

The Minnesota State Patrol Vehicle Crimes Unit is charged with investigating stolen vehicles, among other things. The Unit is made up of six full-time investigative sergeants and is supervised by a State Patrol lieutenant. They work directly with dealers, citizens/victims, financial institutions, and other law enforcement and allied agencies. They also work closely with Minnesota Driver and Vehicle Services, including the Dealer Unit.

There are always new schemes related to vehicle theft and fraud. Most recently, the unit has seen a surge in out-of-state stolen vehicles making their way to Minnesota and being titled and registered here. The vehicles are “re-VINed” with a fictitious VIN or a cloned VIN (a legitimate VIN “stolen” from another similar vehicle elsewhere). There is currently no law, policy, mandate, etc. that requires every vehicle presented for title in Minnesota to have its status checked. A fake or altered out-of-state title is presented here in order to get a Minnesota title issued for the vehicle. There are a number of ways this fraud may be identified after the fact, but in many cases the Minnesota title has been issued, and the vehicle has changed hands one or more times already.

As you can imagine, the majority of these stolen vehicles are being sold to private parties after they receive a Minnesota title. However, some have been purchased by licensed dealers, oftentimes in a “curb-buy.” The party selling the vehicle may or may not know the vehicle’s status.

There are some simple things you can do to help protect your business from taking in these vehicles:

1. Inspect the vehicle for the existence and legitimacy of the public VIN, the vehicle safety certification label, a permanently stamped VIN, and any other known VIN or VIN derivative labels for that make and model.
2. Run a CARFAX and/or AutoCheck report and thoroughly review these reports for inconsistencies.
3. Scan the vehicle and compare the VIN displayed in the vehicle’s computer with the other VINs displayed.
4. Pay attention to those vehicles that have been “owned” by the party selling or trading the vehicle for very short periods of time.
5. Ask questions. If there are inconsistencies or red flags, there is oftentimes a problem.
6. Call the Vehicle Crimes Unit:  
Vehicle Crimes Unit  
Main Phone 763-279-4000  
Main Email [patrol.VCU@state.mn.us](mailto:patrol.VCU@state.mn.us)

In an effort to help dealers better protect against these crimes, MADA is hosting a training session on February 19 to discuss, in depth, how this and other crimes like it work, and the best practices dealers can employ to minimize their risk of becoming a victim of these crimes. For more information and to register for this training, contact MADA’s Training Manager Alice Morse at (651) 789-2956 or [alice@mada.org](mailto:alice@mada.org)

### TITLE AND REGISTRATION

#### NEW! TITLE BASICS NOW OFFERED EVERY MONTH!

#### TITLE BASICS

Designed as an introduction to the title and registration process, this interactive workshop will broaden the understanding of state forms, their proper application, and fee location. This class also prepares title clerks for the Certified Title Profession program.

This class is recommended for new title clerks and any dealership employees involved in the title and registration process.

WED, February 12, 2020 | 9:00 – 11:30 a.m.  
MADA Headquarters

WED, March 11, 2020 | 9:00 – 11:30 a.m.  
MADA Headquarters

WED, April 8, 2020 | 9:00 – 11:30 a.m.  
MADA Headquarters

WED, May 13, 2020 | 9:00 – 11:30 a.m.  
MADA Headquarters

#### CERTIFIED TITLE AND REGISTRATION PROGRAM

Consisting of three separate classes: **Sales Tax, New to Fleet, and Minnesota Titles and Transfers**. Each class provides vital skills and knowledge for optimal performance in title and registration. Certification is mandatory to utilize electronic titling and registration.

*Certification is awarded by attending all three classes and passing each test with a score of 70% or higher.*

THU, March 19, 2020 | 9:00 a.m. – 3:00 p.m.  
MADA Headquarters

THU, May 21, 2020 | 9:00 a.m. – 3:00 p.m.  
MADA Headquarters

THU, July 16, 2020 | 9:00 a.m. – 3:00 p.m.  
MADA Headquarters

### MARKETING

#### CUT RUNAWAY DIGITAL MARKETING SPENDING

*Successfully measure and eliminate waste in digital marketing spend.*

US dealerships spend an average of \$27,000 per month (according to NADA-DATA 2018) on digital marketing, but don't have a good framework for measuring success. This webinar will provide dealers with knowledge and powerful tools to measure success and eliminate waste in digital marketing spend.

Recommended for dealers, general managers, sales managers, marketing managers and anyone who handles digital marketing spend at the dealership.

ON DEMAND | WEBINAR

### COMPLIANCE

#### WAGE THEFT LAW SEMINAR - RECORDING

*Ensure your dealership complies with Minnesota's new Wage Theft Law.*

This seminar details the provisions of Minnesota's new Wage Theft Law. It highlights the changes to the regulations and the steps dealerships should take to come into compliance with criminal wage and theft sanctions that went into effect on August 1, 2019.

This class is recommended for dealer principals, general managers, controllers, and HR.

ON-DEMAND | EVENT RECORDING



When you utilize MADA Education and training, you are investing in your dealership's success AND your industry's success!

We offer trusted, comprehensive, and topical educational opportunities that serve to improve dealership operations. Each course is designed to provide solutions and empower your staff to successfully manage the evolving situations that your dealership faces.

The revenue generated from MADA's training program is reallocated to legislative efforts at the Capitol, your legal counsel, and to fund the activities that strengthen our representation of YOU!

# Minnesota Auto Outlook

Released by:  
Minnesota Automobile  
Dealers Association

Covering the Minnesota automotive market

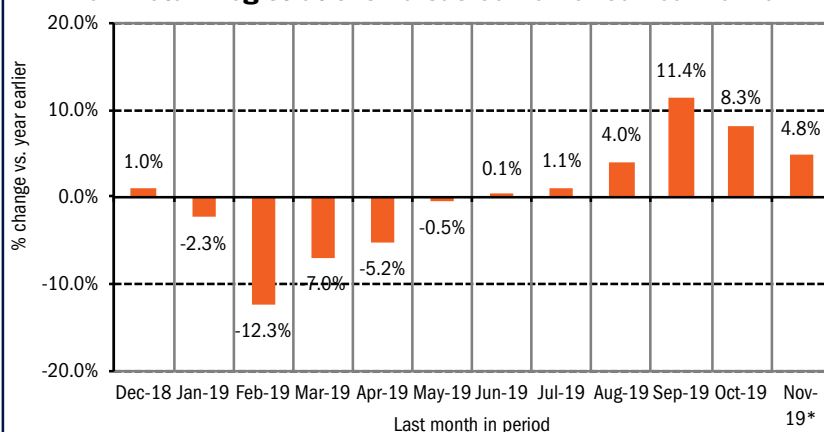
Data thru November 2019

## Minnesota New Retail Car and Light Truck Registrations

	Most Recent Two Months*			YTD thru November*			YTD Market Share		
	10/18 & 11/18	10/19 & 11/19*	% change	YTD '18	YTD '19*	% change	2018	2019	change
Industry Total	38,324	37,107	-3.2%	195,417	197,254	0.9%			
Cars	6,622	4,891	-26.1%	38,377	31,593	-17.7%	19.6	16.0	-3.6
Light Trucks	31,702	32,216	1.6%	157,040	165,661	5.5%	80.4	84.0	3.6

\*Figures for November, 2019 were estimated by Auto Outlook. Data Source: IHS.

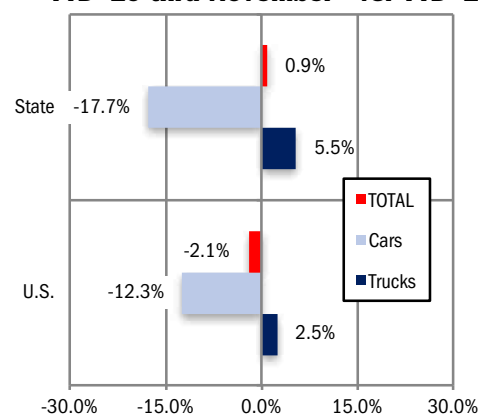
### Percent Change in Three Month Moving Average of New Retail Registrations versus Same Period Year Earlier



The graph above provides a clear picture of the trending direction of the state market. It shows the year-over-year percent change in the three month moving average of new retail light vehicle registrations. The three month moving average is less erratic than monthly registrations, which can fluctuate due to such factors as the timing of manufacturer incentive programs, weather and title processing delays by governmental agencies.

\*Figures for November 2019 were estimated by Auto Outlook. Data Source: IHS.

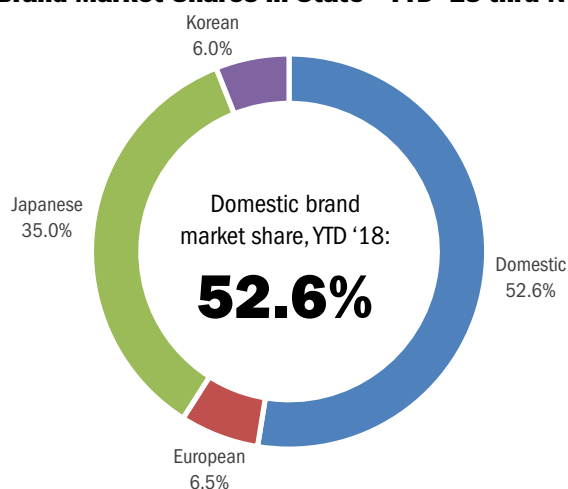
### Percent Change in State and U.S. New Retail Light Vehicle Markets YTD '19 thru November\* vs. YTD '18



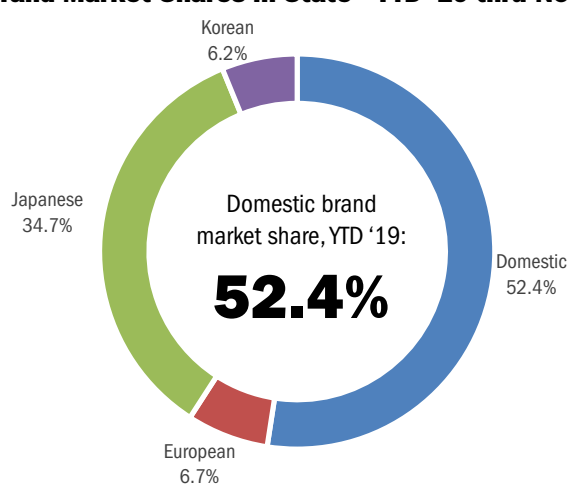
The graph above compares the change in new retail car and light truck registrations in both the state and U.S. markets. \*Figures for November, 2019 were estimated by Auto Outlook.

Data Source: IHS.

### Japanese, Domestic, European, and Korean Brand Market Shares in State - YTD '18 thru Nov.



### Japanese, Domestic, European, and Korean Brand Market Shares in State - YTD '19 thru Nov.\*



Data Source: IHS.

## Data Information

All data represents new vehicle retail registrations in Minnesota and excludes fleet and wholesale 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.

Data Source: IHS.



Minnesota New Retail Light Vehicle Registrations					
	Registrations			Market share	
	YTD '18 thru Nov.	YTD '19 thru Nov.*	% change	YTD '18 thru Nov.	YTD '19 thru Nov.*
Acura	1,293	1,191	-8%	0.7%	0.6%
Alfa Romeo	186	103	-45%	0.1%	0.1%
Audi	1,914	1,956	2%	1.0%	1.0%
BMW	2,030	2,595	28%	1.0%	1.3%
Buick	3,500	3,665	5%	1.8%	1.9%
Cadillac	1,026	1,112	8%	0.5%	0.6%
Chevrolet	30,489	31,145	2%	15.6%	15.8%
Chrysler	2,087	1,442	-31%	1.1%	0.7%
Dodge	3,658	3,005	-18%	1.9%	1.5%
FIAT	128	78	-39%	0.1%	0.0%
Ford	28,997	26,053	-10%	14.8%	13.2%
Genesis	82	124	51%	0.0%	0.1%
GMC	7,650	7,990	4%	3.9%	4.1%
Honda	17,325	17,757	2%	8.9%	9.0%
Hyundai	5,733	6,106	7%	2.9%	3.1%
Infiniti	719	519	-28%	0.4%	0.3%
Jaguar	175	135	-23%	0.1%	0.1%
Jeep	14,537	15,408	6%	7.4%	7.8%
Kia	5,946	5,964	0%	3.0%	3.0%
Land Rover	462	392	-15%	0.2%	0.2%
Lexus	2,088	2,083	0%	1.1%	1.1%
Lincoln	958	999	4%	0.5%	0.5%
Maserati	54	44	-19%	0.0%	0.0%
Mazda	4,873	5,042	3%	2.5%	2.6%
Mercedes	1,709	1,743	2%	0.9%	0.9%
MINI	356	296	-17%	0.2%	0.2%
Mitsubishi	1,854	1,582	-15%	0.9%	0.8%
Nissan	7,628	7,216	-5%	3.9%	3.7%
Other	64	52	-19%	0.0%	0.0%
Porsche	346	373	8%	0.2%	0.2%
Ram	8,552	10,736	26%	4.4%	5.4%
Subaru	11,606	12,574	8%	5.9%	6.4%
Tesla	1,226	1,866	52%	0.6%	0.9%
Toyota	20,942	20,459	-2%	10.7%	10.4%
Volkswagen	4,076	4,251	4%	2.1%	2.2%
Volvo	1,148	1,198	4%	0.6%	0.6%

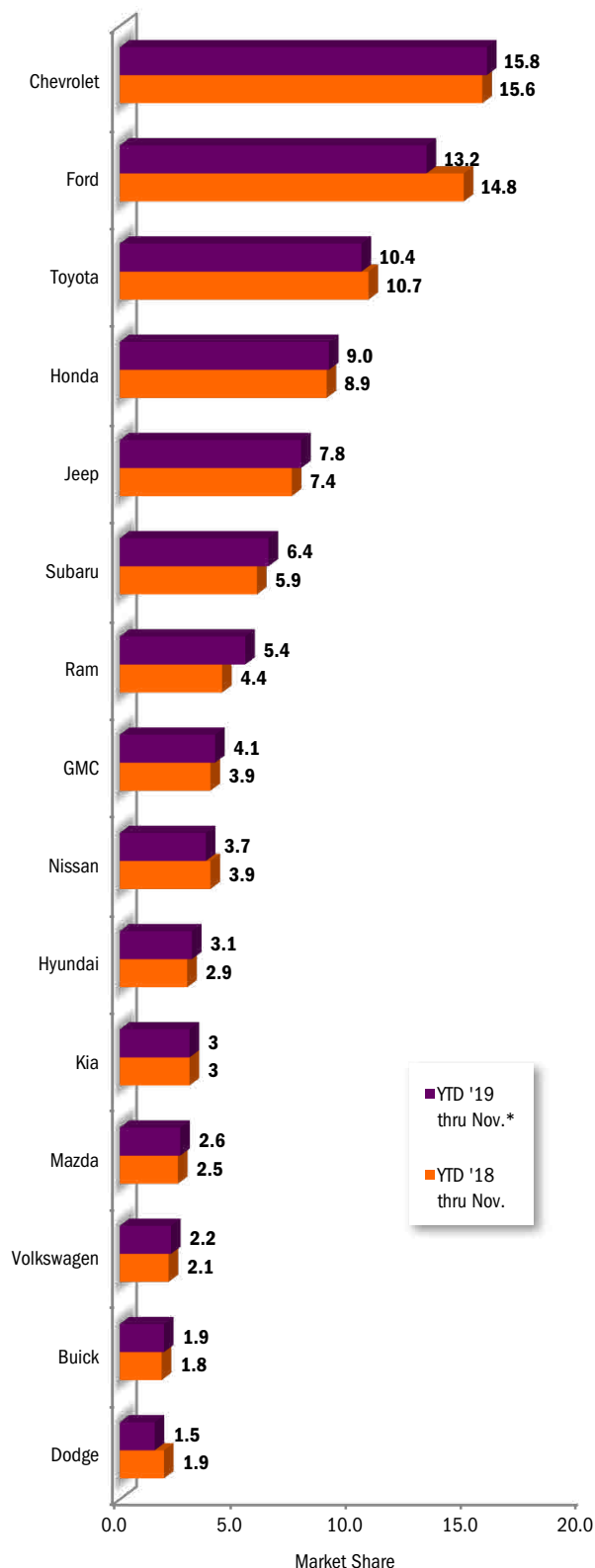
Top ten ranked brands in each percent change category are shaded green.  
Data Source: IHS.

\*November figures estimated by Auto Outlook.

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State Market Share for Top 15 Selling Brands  
YTD '19 thru November\* vs. YTD '18



Data Source: IHS.

## Member News

**Todd Penz** and **Dan Penz** have acquired both Lupient Buick GMC and Lupient Nissan in Rochester. The dealerships have been renamed **Buick GMC of Rochester** and **Nissan of Rochester**. Todd and Dan also own **Subaru of Rochester**.

## Services News

### New Doc Fee Takes Effect July 1, 2020

A friendly reminder from MADA Services: when you reorder your custom buyer's orders, don't forget to take into account the new doc fee starting July 1, 2020. Beginning then, dealers will have the opportunity to charge as much as \$125.00 to cover their costs associated with processing a sales transaction. MADA Services staff will also be reminding you of the increase when you place your orders.

## Regulatory News

### MADA Involvement in Title and Reg Rebuild Continues

MADA continues to have a seat at the table as the state moves away from MNLARS and works with FAST Enterprises to build MnDRIVE, its new motor vehicle titling and registration system.

As of January 6, MADA Title Manager Aly Quinn is working with Driver and Vehicle Services and FAST on a part-time basis to ensure MnDRIVE meets the needs of Minnesota dealers in terms of basic functionality and electronic vehicle titling and registration (EVTR) capabilities.

And speaking of EVTR, MADA has also been collaborating with DVS to reinstate the stalled program when MnDRIVE launches in late November 2020. To date, discussions have been underway to determine how dealers qualify to use EVTR and how inventory will be handled. A showcase with interested EVTR vendors was held in mid-December, as MADA succeeded in passing language last legislative session to ensure that any qualified vendor has the opportunity to provide the service and prevent a repeat of the state picking the vendor with the worst-track record, as happened in the last go-around.



#### Check Guarantee/Credit Card Processing

FIS / Certegy

#### Dealer Bond Program

Ensure Agency

#### Disability Income Insurance & Section 125 Cafeteria Plans

American Fidelity Assurance

#### Employee Placement

Hireology

#### F&I Products

Protective

#### Fleet Fueling Program

Speedway

#### Group Health Insurance

Blue Cross Blue Shield of MN

Delta Dental

Voya Life

#### Hole-In-One Insurance

Hole-In-One-USA

#### Office Supplies

Innovative Office Solutions

#### Online Marketing Services

Conversica

Dealer 1-2-1

LotLinX

PureInfluencer

Purple Cloud

#### OSHA, EPA & DOT Compliance/Training

ComplyNet Corporation

#### Pre-Paid Legal, Jim Gavin

Identity Theft Shield &

Pre-Paid Legal Services

#### Uniforms and Linen Services

AmeriPride Linen & Apparel Services

#### Warranty Reimbursement

Bellavia Blatt

#### Workers Compensation

Ensure Agency



MADA Services sells a wide variety of products directly to the dealers including business forms, clothing and promotional items. For a full review of options, contact your sales representative at 651-291-2400 or go to [www.mada.org](http://www.mada.org).



## MADA NEWS ▪ JANUARY 2020

### FAQ

**Q:** Do I need to comply with the Minneapolis wage theft ordinance if I do not own or operate a business within city limits?

**A:** Maybe. The city ordinance applies to all employers physically located in Minneapolis and to all employees who work 80+ hours in Minneapolis in a one-year period. Dealers are encouraged to evaluate employees that frequently work outside of the dealership to see if they meet the 80-hour annual threshold requiring compliance with the Minneapolis ordinance.

The ordinance requires disclosure over-and-above the new Minnesota wage theft requirements including: (1) the date when employment begins, (2) a notice regarding sick and safe time rights (both in a pre-hire notice AND earnings statement), (3) a statement that tip sharing is voluntary under state law (where applicable per state law), and (4) the overtime policy applicable to the employee's position, if any (including the rate or rates of pay and when it applies).

For a complete FAQ on the matter, dealers can review a memo published by the City of Minneapolis here: <http://bit.ly/MADAMinw>.



NEW YEAR. NEW SCHEMES.

# VEHICLE THEFT AND FRAUD SEMINAR

*Protect your dealership  
from the latest vehicle theft  
and fraud trends*

**MADA**  
EDUCATION AND TRAINING

**Wednesday, February 19, 2020**

**9:00 a.m. - 10:30 a.m.**

**MADA Headquarters**

*MORE INFORMATION ON THE BACK*



# VEHICLE THEFT & FRAUD SEMINAR

There are always new schemes related to vehicle theft and fraud. Most recently, a surge in out-of-state stolen vehicles have been making their way to Minnesota and being titled and registered here. With no current law, policy, or mandate that requires every vehicle presented for title in Minnesota to have its status checked, a fake or altered out-of-state title is presented here in order to get a Minnesota title issued for the vehicle.

While there are a number of ways this fraud may be identified after the fact, in many cases, the Minnesota title has been issued, and the vehicle has changed hands one or more times already.

## PROTECT YOUR DEALERSHIP FROM THIS LATEST VEHICLE AND FRAUD TREND!

Join us for an in-depth discussion on how this and other crimes like it work, and the best practices dealers can employ to minimize their risk of becoming a victim of these crimes.

### PRESENTED BY

**Sergeant Andrew DeRungs**

*Minnesota State Patrol - Vehicle Crimes Unit*

**Sergeant Wade Erickson**

*Minnesota State Patrol - Vehicle Crimes Unit*

**Dan Louismet**

*MADA Legal Counsel*



**Wednesday, February 19, 2020**

**9:00 a.m. - 10:30 a.m.**

**MADA Headquarters**

**REGISTER TODAY AT [WWW.MADA.ORG](http://WWW.MADA.ORG)**

# Multi-Point Inspection Forms

Stock Items

Great way to improve customer satisfaction and generate additional repairs

- 8-1/2" x 11"
- Packaged 250 per pack
- \$29.00/pack

2 Part Form • Carbonless - White, Canary

This is a detailed multi-point inspection form for Ford vehicles. It includes sections for engine, transmission, suspension, steering, brakes, tires, and body. Each section has a checklist of items to inspect, with color-coded indicators (green for good, yellow for fair, red for poor) to track the condition of various components.

Ford - QC2

This is a multi-point inspection form for Kia vehicles. It features a checklist of inspection items organized by system, including engine, transmission, suspension, steering, brakes, tires, and body. The form uses color-coded indicators to provide a visual summary of the vehicle's condition.

Kia - QC

This is a multi-point inspection form for Honda vehicles. It includes a comprehensive checklist of inspection items across various vehicle systems, with color-coded indicators for status tracking. The form also includes a section for the technician's signature and date.

Honda - QC

This is a multi-point inspection form for Nissan vehicles. It provides a detailed checklist of inspection items, categorized by vehicle system. The form uses color-coded indicators to denote the condition of each component.

Nissan - QC

This is a multi-point inspection form for Mazda vehicles. It includes a checklist of inspection items with color-coded indicators. The form also features a section for the technician's signature and date.

Mazda - QC

3 Part Form • Carbonless - White, Canary, Pink

This is a multi-point inspection form for Toyota vehicles. It includes a checklist of inspection items with color-coded indicators. The form also features a section for the technician's signature and date.

Toyota - QC

This is a multi-point inspection form for Chrysler vehicles. It includes a checklist of inspection items with color-coded indicators. The form also features a section for the technician's signature and date.

Chrysler - QC

This is a multi-point inspection form for GM vehicles. It includes a checklist of inspection items with color-coded indicators. The form also features a section for the technician's signature and date.

GM - QC

Dealership: \_\_\_\_\_

Contact: \_\_\_\_\_

Item Number

Quantity

FAX YOUR ORDER TO: **651-291-2894**

**MADA**  
Services Incorporated

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