

MADA News

Pledge Tests Candidates on California Car Issue

This past month, MADA released a campaign pledge regarding the proposed California Car rule and asked all candidates running for the State Legislature to sign on.

In a first for MADA, the pledge asks candidates to "... pledge to oppose efforts which would result in placing regulatory control over Minnesota constituents into the hands of a regulatory body of another state."

The pledge speaks directly to the California Car issue that puts control of Minnesota emissions into the hands of the California Air Resources Board (CARB).

Over 400 candidates from both the Republican and DFL parties running for seats in the Minnesota House and Senate have been presented the pledge and asked to sign on.

"People have to ask candidates for office," stated MADA President Scott Lambert, "that if they're asking for votes to hold a Minnesota Election Certificate, why are they okay with another state controlling a piece of our economy?"

Lambert encouraged dealers and dealership personnel to urge candidates in their area to sign the pledge, and if they are reluctant, ask them why they'd be in favor of another state's agency running affairs in Minnesota.

Dealers and dealership personnel should urge candidates in their area to sign the pledge.

inside

Get Ready for MNDRIVE

Using Fraudulent IDs to Steal

Lease Registration & Tax

upcoming events

- oct 14** Title Basics Virtual
- oct 20** Fraud Awareness Virtual
- oct 21** Certified Title West St. Paul
- oct 22** Fraud Awareness Virtual

visit

www.mada.org

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



Services News

Goodbye Ron, Welcome Ryan

After 30 years of dedicated service, Ron Gaebel retired as MADA Services Shipping Coordinator. Ron's sendoff included a who's who of former MADA staff who applauded his dedication over the years and recalled stories of his wily sense of humor. Ron is looking forward to his retirement and spending time with his wife and grandkids.

New Shipping Coordinator



Taking over for Ron as MADA Services Shipping Coordinator is Ryan Kelley.

Ryan lives in Richfield with his loving wife Erica and their three-year-old daughter Kennedy. Their

world revolves around their daughter who loves playing games, reading books and playing PAW Patrol. They are looking forward to Halloween, picking out a pumpkin and setting up the house.

Welcome Ryan!



Minnesota Automobile Dealers Association

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

Chair

Steve Whitaker, *Whitaker Buick GMC, Forest Lake*

Vice Chair

Gary Thibert, *Thibert Chevrolet & Buick, Red Lake Falls*

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Title & Registration News

Get Ready for MNDRIVE

The state is on schedule to roll out its new MNDRIVE system on November 16.

MADA is strongly recommending that dealerships get prepared.

MNDRIVE is the replacement plan for MNLARS, the state's \$120 million dollar Title and Registration System that took over a decade to build and didn't work. By contrast MNDRIVE was appropriated \$70 million, is under budget, and was built in less than a year.

MADA is more confident in the operational capabilities of MNDRIVE than MNLARS. Aly Quinn, MADA Title and Registration Manager, has been given extraordinary access to the new program and was tapped by the state to lead the dealer training during the run-up to the roll-out.

As some in the dealership community are aware, MNDRIVE will require much more inputting from the dealerships. The new system pushes work out to the point of sale and there are more screens and forms required to be filled out at the front end.

To assist dealers with this chore, MADA pressed the state to allow multiple Electronic Vehicle and Title Registration (EVTR) companies to interface with MNDRIVE. Dealers who work with an EVTR vendor that interfaces with their DMS companies will find dealing with the new system remarkably easier.

MADA will be hosting a number of training and educational opportunities to assist dealers with the transition and get introduced to EVTR vendors. See page 7 for upcoming events.

MADA News

Watch for Dues

2021 membership invoices for MADA and GMADA, where applicable, will be arriving in your mailboxes soon! Expect GMADA invoices beginning in October and MADA beginning in November. Be sure to pay early to ensure your spot in the 2021 Yearbook.

Title & Registration News

Process for Leased Vehicles Changing November 16, 2020.

When MNDRIVE launches on November 16, 2020, dealerships will experience many process changes. One of these changes will be how to register leased vehicles.

To align with Minnesota Statutes, 168.017, subdivision 5, MNDRIVE will no longer allow initial 13-month registrations for the title and registration of leased vehicles. All new registrations will follow the same guidelines as a retail sale, which is 12 months.

During the final year of the lease term, it will be up to the customer to apply for a lease extension for the remaining months of the lease term, which will be done at a Deputy Registrar office. MNDRIVE will allow an extension of up to 11 months.

DEADLINE: The last day to run 13-month initial lease registration at a dealership is 10/15/2020. All 13-month initial registrations must be processed into MNLARS prior to the MNDRIVE roll-out. After 10/15/2020, dealerships should start issuing 12 month leases with the knowledge that lease extensions will be handled at the end of the lease term when the lease end is more than 12 months and less than 24 months away.

More information about how MNDRIVE affects the registration of leased vehicles will be covered in DVS's regularly-scheduled MNDRIVE Minute sessions. Or email dvs.dealerquestion@state.mn.us if you have additional questions surrounding this change.

Legal News

Car Thieves Use Fraudulent Temporary Drivers Licenses

While dealerships continue to adhere to COVID-19 protocols mandated by the governor, car thieves continue to exploit these protocols to steal vehicles. The latest game being played by the crooks is through the use of temporary driver's license. A temporary driver's license is a single page printout from the DMV. These temporary licenses are easier to fake and harder to authenticate. These print outs are presented to the dealership as valid ID, along with fraudulent proof of insurance, and the dealership in turn allows the customer to take a solo test drive. The customer then fails to return.

Dealers are reminded to be extra vigilant when evaluating the documentation presented by

customers requesting a test drive, particularly when the customer presents only a temporary license. Dealerships should always obtain a copy of the customer's driver's license and proof of insurance. If the dealership suspects that the documentation is not legitimate, ask to see a different form of ID. The mere act of politely asking questions when you suspect something is just not quite right is an effective tool for preventing theft. Reasonable people tend to understand the dealership's need to protect themselves. Thieves tend to look for the nearest exit when their fraudulent ID is being questioned.

Minnesota Auto Outlook

Released by:
Minnesota Automobile
Dealers Association

Covering the Minnesota automotive market

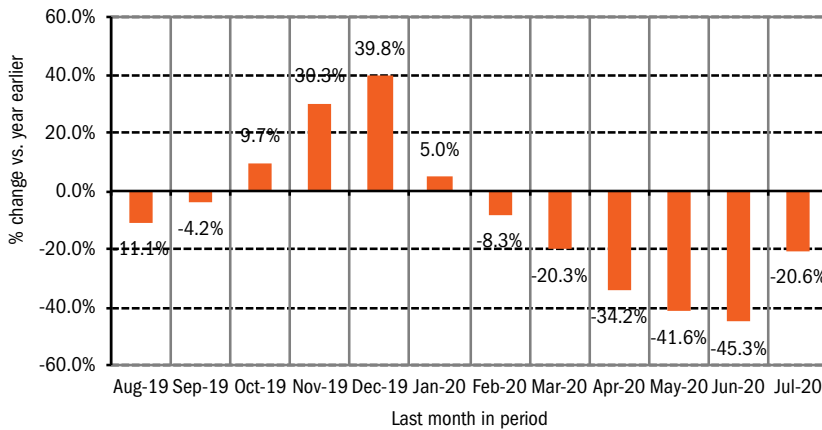
Data thru July 2020

Minnesota New Retail Car and Light Truck Registrations

	Most Recent Two Months			YTD thru July			YTD Market Share		
	6/19 and 7/19	6/20 and 7/20	% change	YTD '19	YTD '20	% change	YTD '19	YTD '20	change
Industry Total	39,086	33,974	-13.1%	137,029	102,771	-25.0%			
Cars	6,958	4,841	-30.4%	23,966	14,181	-40.8%	17.5	13.8	-3.7
Light Trucks	32,128	29,133	-9.3%	113,063	88,590	-21.6%	82.5	86.2	3.7

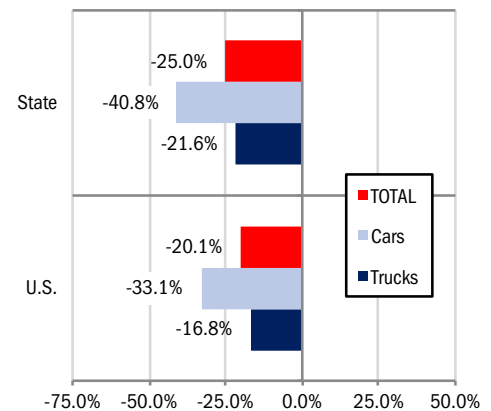
Data Source: AutoCount data from Experian. Some figures estimated by Auto Outlook.

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



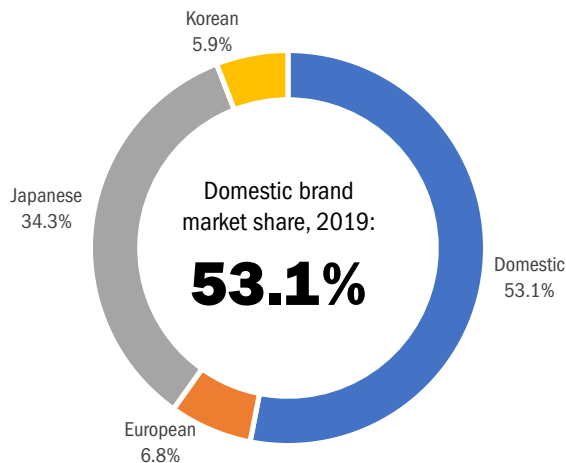
The graph above provides a clear picture of the trending direction of the state market. It shows the year-over-year percent change in the three month moving average of new retail light vehicle registrations. The three month moving average is less erratic than monthly registrations, which can fluctuate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

Percent Change in State and U.S. New Retail Light Vehicle Markets YTD 2020 thru July vs. YTD 2019

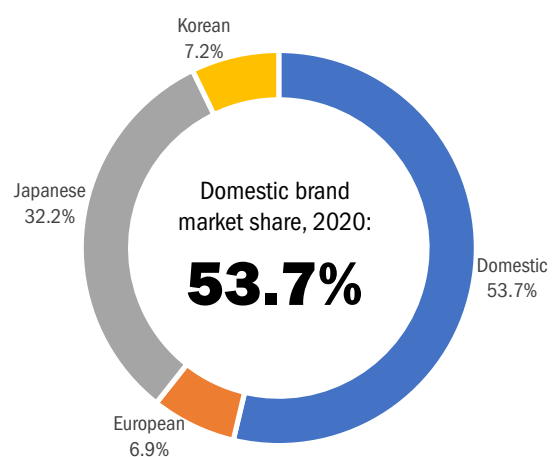


The graph above compares the change in new retail car and light truck registrations in both the state and U.S. markets. Data Source: AutoCount data from Experian. Some figures estimated by Auto Outlook.

Japanese, Domestic, European, and Korean Brand Market Shares in State - YTD '19 thru July



Japanese, Domestic, European, and Korean Brand Market Shares in State - YTD '20 thru July



Data Source: AutoCount data from Experian.

Data Information

Data presented in Auto Outlook measures new retail vehicle registrations in Minnesota. Monthly recording of registrations occurs when vehicle title information is processed, which July differ from date of sale. Title recording can occasionally be subject to processing delays by governmental agencies. For this reason, the year-to-date figures will typically be more reflective of market results.

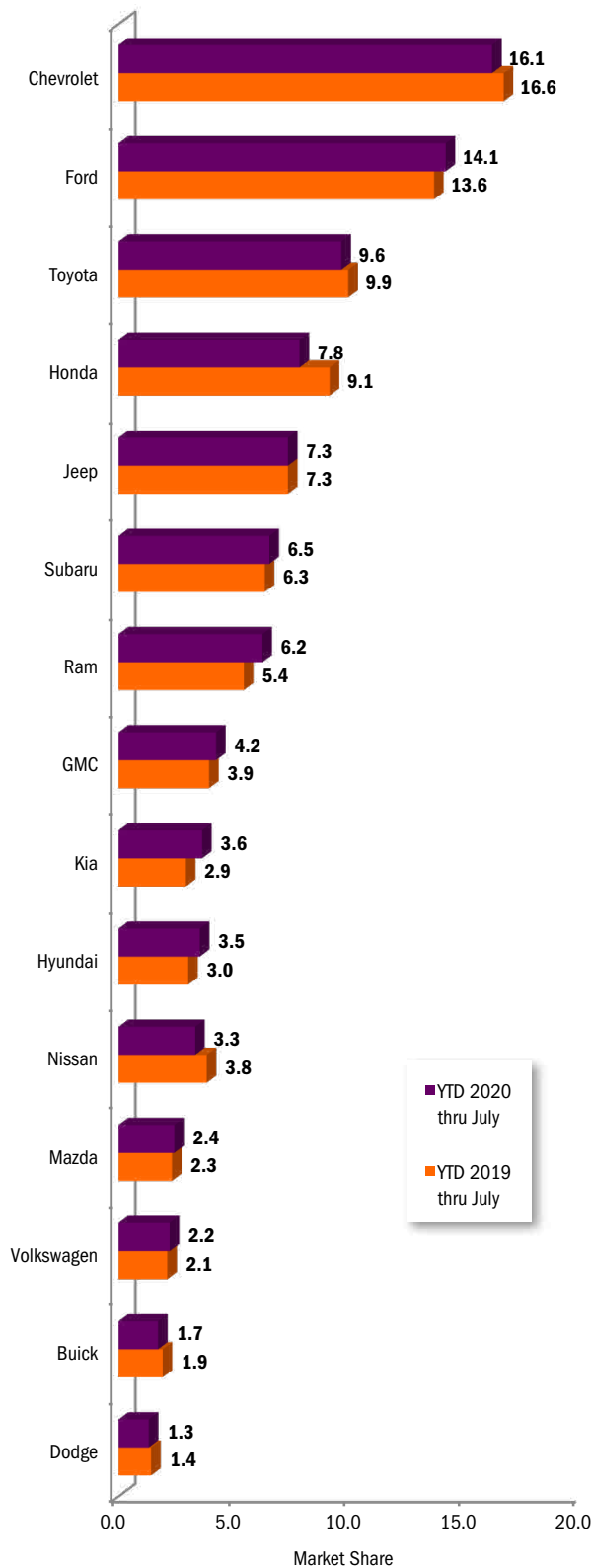
Minnesota New Retail Light Vehicle Registrations					
	Registrations			Market share	
	YTD 2019 thru July	YTD 2020 thru July	% change	YTD 2019 thru July	YTD 2020 thru July
Acura	857	605	-29%	0.6%	0.6%
Alfa Romeo	103	78	-24%	0.1%	0.1%
Audi	1,665	1,047	-37%	1.2%	1.0%
BMW	1,875	1,318	-30%	1.4%	1.3%
Buick	2,537	1,733	-32%	1.9%	1.7%
Cadillac	796	671	-16%	0.6%	0.7%
Chevrolet	22,801	16,527	-28%	16.6%	16.1%
Chrysler	1,043	607	-42%	0.8%	0.6%
Dodge	1,981	1,345	-32%	1.4%	1.3%
FIAT	56	25	-55%	0.0%	0.0%
Ford	18,693	14,500	-22%	13.6%	14.1%
Genesis	65	52	-20%	0.0%	0.1%
GMC	5,391	4,266	-21%	3.9%	4.2%
Honda	12,475	8,064	-35%	9.1%	7.8%
Hyundai	4,070	3,633	-11%	3.0%	3.5%
Infiniti	450	172	-62%	0.3%	0.2%
Jaguar	108	73	-32%	0.1%	0.1%
Jeep	10,070	7,512	-25%	7.3%	7.3%
Kia	3,937	3,710	-6%	2.9%	3.6%
Land Rover	280	274	-2%	0.2%	0.3%
Lexus	1,396	1,033	-26%	1.0%	1.0%
Lincoln	678	737	9%	0.5%	0.7%
Maserati	28	23	-18%	0.0%	0.0%
Mazda	3,220	2,511	-22%	2.3%	2.4%
Mercedes	1,133	988	-13%	0.8%	1.0%
MINI	168	128	-24%	0.1%	0.1%
Mitsubishi	1,194	664	-44%	0.9%	0.6%
Nissan	5,152	3,423	-34%	3.8%	3.3%
Other	30	59	97%	0.0%	0.1%
Porsche	206	135	-34%	0.2%	0.1%
Ram	7,428	6,367	-14%	5.4%	6.2%
Subaru	8,685	6,673	-23%	6.3%	6.5%
Tesla	1,311	925	-29%	1.0%	0.9%
Toyota	13,528	9,906	-27%	9.9%	9.6%
Volkswagen	2,921	2,308	-21%	2.1%	2.2%
Volvo	698	679	-3%	0.5%	0.7%

Top ten ranked brands in each percent change category are shaded gray.
Data Source: AutoCount data from Experian. Some figures estimated by Auto Outlook.

This report is sponsored by the Minnesota Automobile Dealers Association and produced by Auto Outlook (610-640-1233). Any material quoted must be attributed to Minnesota Auto Outlook, published by Auto Outlook, Inc. on behalf of MADA. Data source must also be shown as "Data Source: AutoCount Data from Experian." Please contact the Association with any questions or comments regarding the publication.

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State Market Share for Top 15 Selling Brands
YTD 2020 thru July vs. YTD 2019



Data Source: AutoCount data from Experian.

Member News

The Eide Automotive Group, based in Bismark, North Dakota, has purchased **Zumbrota Chrysler, Jeep, Dodge, RAM** from **Steve Johnson**. The dealership's new name is **Eide Chrysler Zumbrota** and is the second Minnesota dealership for the group joining **Eide Chrysler Pine City**.

FAQ

Q: Is there a handy resource I can use to confirm how to calculate tax on leases?

A: Yes. The Minnesota Department of Revenue provides straightforward information on how to calculate lease tax on its website: <https://www.revenue.state.mn.us/guide/leases>

The below table also shows the basic formula used to calculate lease tax:

Vehicle value
- Rebates
- Residual value
- Trade-in allowance
+ Taxable add-ons
+ Interest/finance charges
<hr/>
= Total lease price
x 6.875% Minnesota general
sales tax rate and any local
sales taxes that apply
<hr/>
= Sales tax

Note: the applicable local sales tax is based on where the vehicle will be principally garaged (almost always the customer's home address) and not the location of the dealership.



Endorsed Service & Vendors

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

Delta Dental

Medica

Voya Life

Hole-In-One Insurance

Hole-In-One-USA

Office Supplies

Innovative Office Solutions

Online Marketing Services

Conversica

Dealer 1-2-1 / JMG Marketing

LotLinx

PureInfluencer

OSHA, EPA & DOT Compliance/Training

ComplyNet Corporation

Pre-Paid Legal, Jim Gavin

Identity Theft Shield &

Pre-Paid Legal Services

Out-of-State Titling and Registration

Vitu Interstate

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

TRAINING FOR THE TIMES

Trending the Wrong Way (Part 2): How to Prevent Social Media Posts from Tainting your Dealership's Reputation

Prepare, prevent and manage your dealership's reputation during these challenging times. Katie Jackson-Richter, VP & COO at Cuneo Advertising, will discuss and share the tools and tactics to uphold your dealership's reputation during crisis and what to do in the event your dealership's reputation comes under attack.

Available ON-DEMAND

Pivoting your Digital Marketing during Covid-19

The crisis brought on by COVID-19 has affected automotive retail in a unique way. Dwindling new vehicle supply, bouncing used vehicle wholesale prices, and fearful shoppers all require that dealers pivot their digital marketing strategies accordingly. This webinar will outline the questions dealers need to ask, and the recommendations they should follow, to maximize their return on investment from paid search, paid Facebook, third party classifieds, email marketing and more.

Available ON-DEMAND

The Nuts and Bolts of PPP Loan Forgiveness

On June 5, Congress dramatically changed the PPP program and the rules to be used for forgiveness. Join Attorney Ron Gardner to learn more about the **Updated Loan Forgiveness Application in Response to the PPP Flexibility Act**.

Available ON-DEMAND

Managing Cybersecurity Risk for Auto Dealers

Auto dealerships are prime targets for cybercriminals because of the vast quantity of customer data they collect and the volume of financial transactions that they execute. In this session, Jeff Olejnik, Wipfli's CyberTech Practice Leader, shares information on the current cyber threat landscape to dealerships and provides a list of the top tips you can implement to reduce your risk of becoming a victim of a cyberattack.

Available ON-DEMAND

FRAUD AWARENESS

The news is reporting more and more instances of fraud happening throughout various consumer and business transactions. In this course, you will learn about the prevalent fraud taking place in the retail automotive space and ways dealerships can help protect themselves.

TUE, October 20, 2020 | 9:00 - 11:30 a.m. | Virtual

THU, October 22, 2020 | 9:00 - 11:30 a.m. | Virtual

MOTOR VEHICLE & TITLE REGISTRATION

CERTIFIED TITLE AND REGISTRATION PROGRAM

This program is designed to provide the vital skills and knowledge for optimal performance in title and registration. In addition, attendees participating in this program and passing the administered tests are awarded certification. Certification is mandatory to utilize electronic titling and registration.

WED, October 21, 2020 | 9:00 a.m. - 3:30 p.m. | MADA Headquarters

All social distancing and CDC guidelines will be observed for this training – each class will be limited to EIGHT attendees per session.

TITLE BASICS

Designed as an introduction to the title & registration process, this course will broaden your understanding of state forms fees.

WED, October 14, 2020 | 9:00 - 11:30 a.m. | Virtual

PREPARE TO TAKE YOUR DEALERSHIP FOR A MNDRIVE (Part 2)

With the upcoming launch of the MNDRIVE e-Services for Business portal it is imperative for dealerships to familiarize themselves with the new processes and changes that will affect their title & registration. Join MADA VP of Public Affairs Amber Backhaus and Title Manager Aly Quinn as they discuss the upcoming changes and how dealers can prepare, improve processes, and ultimately ensure a seamless transition for both their staff and customers.

WED, November 11, 2020 | 10:00 - 11:45 a.m. | Virtual

TITLING FOR F&I

F&I Managers play an integral part in the Title & Registration process. With the November roll out of the MNDRIVE eServices for Business portal, their role has become even more vital to the success of that process and ultimately top-tier customer service.

This special training session will focus on the components and procedures that F&I Managers need to know to successfully begin the title & registration process. In addition, they will receive hands on training for the MNDRIVE eServices for business portal.

WED, November 18, 2020 | 9:00 - 11:00 a.m. | MADA Headquarters

WED, December 16, 2020 | 9:00 - 11:00 a.m. | MADA Headquarters

MNDRIVE E-SERVICES FOR BUSINESS

This live training is designed to familiarize attendees with MNDRIVE's e-Services for Business platform that will be used to process title and registration transactions.

WED, November 18, 2020 | 10:00 - 11:00 a.m. | MADA Headquarters

WED, December 16, 2020 | 10:00 - 11:00 a.m. | MADA Headquarters

All social distancing and CDC guidelines will be observed for this training – each class will be limited to EIGHT attendees per session.



DRIVE SUCCESS

PREPARE TO TAKE YOUR DEALERSHIP FOR A MNDRIVE

PART 2

WEBINAR
WEDNESDAY,
NOVEMBER 11, 2020
10:00 A.M. – 11:45 A.M.

WITH THE UPCOMING LAUNCH OF THE MNDRIVE ESERVICES FOR BUSINESS PORTAL, IT IS IMPERATIVE FOR DEALERSHIPS TO FAMILIARIZE THEMSELVES WITH THE CHANGES THAT WILL AFFECT THEIR TITLE & REGISTRATION PROCESS.

Join MADA VP of Public Affairs Amber Backhaus and Title Manager Aly Quinn as they discuss the upcoming changes and potential challenges. And how dealers can prepare, improve processes, and ultimately ensure a seamless transition for both dealership staff and customers.

This webinar will address:

- Specific statute and process changes.
- Difficulties dealers can anticipate and ways to overcome them.
- Best practices for efficiency in the Title & Registration process.

At the conclusion of the webinar, attendees will have the opportunity to 'virtually breakout' and learn more about the participating EVTR providers allowing for participants to identify solutions that would work best for their dealership.

YOUR PRESENTERS



Amber Backhaus
MADA Vice President
of Public Affairs



Aly Quinn
MADA Title Manager

REGISTER TODAY AT WWW.MADA.ORG

Let MADA Services help make your **HOLIDAYS BRIGHT!**

Let Us Help You With Custom Holiday Gifts for Your Employees or Clients!

- Sweatshirts • Polo Shirts • Jackets • Pens • Calendars • Greeting Cards
- Coozies • Bluetooth Speakers • Drinkware • Key Chains • Kites and More!!!!!!

Jack Kohls, Director of Services
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MADA
Services Incorporated

