

MONTANA

Auto
Dealer

PUB. YEAR 1 — 2021 — ISSUE 1

A close-up of a car's side mirror. The mirror reflects a stunning landscape of green forests, a winding road, and majestic mountains with patches of snow. The mirror itself has a standard warning: "OBJECTS IN MIRROR ARE CLOSER THAN THEY APPEAR".

LOOKING BACK AT 2020

6 Join — and Engage —
with MTADA



Official Publication of the Montana Auto Dealers Association



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LIENHOLDERS
Lien 4 You
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 812 - APPLICATION FOR TITLE & REGISTRATION
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MONTANA AUTOMOBILE DEALERS ASSOCIATION

EVP'S MESSAGE



Bruce Knudsen
Executive Vice President



If you feel the same way we do, you want to retire the word “unprecedented” and all the unexpected events of 2020. Our dealerships are open and selling, online and in person, and we are taking every opportunity we have to provide for our families and strengthen our communities.

Some people talk about life sometimes changing on a dime. That poor dime got dizzy this year. We had our hands full implementing the mandates that keep our employees and our customers safe. What didn’t change was the importance of serving our communities, so we continue to look for ways to help our neighbors and friends.

Throughout Montana, I have seen our dealers do the seemingly impossible. The work hasn’t been easy, but our safety record is admirable. We are still selling cars, and we are doing it while reasonably managing risk. That is an accomplishment.

We have been impressed by our association’s leadership in our communities, and we know our dealer members will continue to do great work. Now that we know the basics of preventing the coronavirus from spreading, it’s time to look for the opportunities we have to solve our challenges. That means using the fundamentals that always sell cars. But it also means relying on longstanding relationships and working with the most sophisticated and effective technology we can find.

MTADA is committed to protecting dealer members, but the not-so-secret path to success is our need for all of you to be involved. Without that, we would not be able to accomplish much. We are always doing what we can to protect your businesses and foster strong relationships so that when you have a problem to solve, you also have good friends to support and advise you.

MTADA has an impressive reputation of working successfully with state legislators to influence the legislature to act in pro-dealer and pro-business ways. We do this for you, and we can’t do it without you.

We believe that every dealer should support the dealership-friendly candidates of your choice. No one likes to talk about money and politics, but candidates need money

to fund their campaigns and pay their staff while running for office.

Election results matter. Elected officials will ultimately vote on laws that dictate how you operate your business.

Nationally, some dealers see a growing trend of dealers doing less on the legislative front. Are you proactively reaching out to our elected leaders to engage on important matters concerning how our industry operates in Montana? If you don’t know who represents you, it’s past time to introduce yourself.

As an association, we want to remind you that previous generations knew their local legislators and invested time to develop relationships. Why? These are the people that are impacting your life and livelihood. They have the potential to harm your business if we don’t advocate for ourselves.

Being involved has never mattered more, and your contributions to MONCAR and NADA PAC are the most important things you can do.

We are also very proud of our health trust, the creation of which speaks directly toward the ability of some of our smaller dealerships to offer quality benefits to their dealership employees. We’re happy to provide additional information about the health trust in this copy of our magazine. As always, we are here to answer any questions that you may have.

Finally, I want to draw your attention to our upcoming 107th Family Convention, it is June 18th-June 20th in Helena. We are all looking forward to the opportunity to connect with all of you once again. Our lineup of speakers is exceptional, and we know that there will be something for everyone during the weekend. As always, please call me anytime 24/7 on my cell if I can ever be of service. See you soon! 

BRUCE KNUDSEN

EXECUTIVE VICE PRESIDENT GOVERNMENT RELATIONS
BKNUDSEN@MTADA.COM | 406.461.7680



JOIN – AND ENGAGE – WITH MTADA

Benjamin Franklin once wrote, “An investment in knowledge pays the best interest.” He was right, especially when it comes to practical knowledge. Gaining knowledge — useful knowledge — is a clear strategy for learning how to add value.

That’s one of the main reasons why joining an association is a good idea. Done right, it is an investment in yourself and your future.

You can find trade and professional associations with a local, state or national presence. You might even want to consider belonging to more than one; for example, you could consider a general association, such as the Chamber of Commerce, but you can also look for something specific to your industry. The federal government lists national and state associations; you can find them online. Enter “associations” or “consumer trade organizations” at www.usa.gov; one of the resources on this website is the Consumer Action Handbook — Trade Associations. Another option is talking with colleagues or other people in your industry, and asking them what they would recommend.

Put some effort into evaluating any associations you think you might like to join. Check the event calendar and see

what’s offered. Find some members, then contact them and ask them about their experiences.

Yes, it costs money to join. Sometimes people think that’s a reason not to join. If you join an association and you don’t take advantage of the many benefits that are offered in exchange for that membership fee, maybe they are right. Membership by itself does not justify the expense. Fortunately, however, there is more to joining an association than a membership card.

After you join an association, what are the main benefits you can expect? Read on.

Educational Opportunities

As mentioned above, an association’s educational opportunities are probably the most compelling reason to join. If you want to know what the best practices in your industry are, or the developing trends, membership in an association can give you a place to find out. You can learn new techniques, participate in training programs and conferences, and get written materials for yourself and (if people work for you) your employees. If attending national or international conferences is out of reach, you can still participate in webinars. Don’t forget the newsletters, either,

which are a valuable resource that can give you timely information that has been written with your specific interests and needs in mind.

It is wise to stay current in your field, whether you are involved in formal training or not. An association can help you keep your competitive edge sharp.

Pooled Resources

Many associations want to make sure they understand their specific industries. As a result, they research and analyze subjects and create white papers and reports to tell association members what they found out.

By yourself, it's unlikely you have the resources to pay for the kind, and quality, of research that most associations can commission. As part of an association, however, you do have the combined resources to make research possible. That's a large benefit. When the people in an association decide they need information on a particular subject and use their combined resources to get and share that information with everyone in the group, everyone benefits.

Pooled resources can also mean access to enhanced benefits programs,

certification and licensing programs, and discounts.

Advocacy

The U.S. is a complex society with many competing interests and needs. An association is an excellent way to work together as a group and to advocate for your industry. Can you imagine trying to hire a lobbyist to represent just your business? It would be expensive, and (worse) it would probably be ineffective, because one business by itself doesn't seem all that important to politicians. Get an association involved, though, and the situation changes at once. What is expensive for one person is reasonable for a group of businesses. And when politicians understand that your association represents, say, an entire industry filled with members who are also likely to vote in upcoming elections, suddenly you have the politicians' respect and potential support. Never underestimate the power of acting as a political group.

Relationships

We've gotten used to thinking of networking as a good way to advance a career, but what many people forget is that networking is nothing more than

the power of good relationships being put to work. The unspoken foundation is that a network is made up of people who are actually friends. It starts with directories of other association members, but who knows where those relationships might end?

An association gives you plenty of excuses to get together with others in the association and, while benefiting from other membership benefits, also becoming friends. You can learn from these association friends. You can create partnerships and alliances. You can help each other. Even if it turns out that some of the friends you make are business competitors, an association can help your relationship to be more collaborative and less adversarial.

Understanding other people is an important part of doing business with them. Associations are the place where you can gain that understanding.

Keep in mind, too, that networking is not necessarily just for your personal benefit. Associations give you an opportunity to do something for your community that you couldn't accomplish on your own. They offer a way to repay some of the kind efforts others have made to help you. 

JOIN MTADA TODAY



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membership-application](https://business.mtada.com/membership-application)



INCOMING PRESIDENT INTERVIEW – ERICK ANDERSON



How did you become a car dealer? Did you always aspire to be part of the automotive industry?

I was born into this business. I am the fourth generation and we are one of the oldest Subaru dealerships in the country. I think we might be the second.

So while it was never expected that I join the family business, for me, it was an easy choice to make. I am not a sitter; I like to be moving. I worked as a surveyor with the Montana Department of Highways for several years, and I sat a lot; I guess you could say that I got a bit bored and became more interested in the car on the road than surveying the roads. The getting bored part could run in the family, especially given the start of the family business.

My great-grandfather was the part-owner of a grocery store here in Montana. He got bored with the grocery business, and right at that same time, people started showing up in cars. He got excited about cars, so he boarded a train to Detroit, bought a car, drove it back to Montana, put it in front of the grocery store, and sold it. Almost right away. I think that's when the bug bit and the family car business started.

He decided to do it again, but this time, he gathered up enough people to go with him, so he could buy more than the one. He ended up buying 12 cars. Sadly only seven or eight made it back, the rest broke down, and they were



We've been fortunate. The business here is strong. We've not had the financial challenges. However, from the personnel side, we've had multiple people that got sick. I am one of them. We've lost a lot of work hours, and we've been short-staffed because of the virus.

either sold en route or abandoned. But the seven or eight that made it back were sold — in front of the grocery store — and pretty soon, trainloads of cars were being delivered, and my great-grandfather had outgrown the front of the grocery store.

Do you have family members in the auto industry?

I don't. My boys are 15 and 12, so too young. My wife Renee will help, certainly, but it's just me and my employees, who are pretty much like family.

Describe your educational background. What did you study?

I have a four-year degree in business from Carroll College. I have minors in finance, marketing and economics. I am not great at accounting, but my wife is.

Are there any specific individuals who had a major impact on your career?

My father, Dave Anderson. More than anything, he taught me that customers matter. Yes, they are our customers, but they are also friends and neighbors. This is a small town, so the people I sell cars to, I also run into at the post office and the grocery store. They need to be treated well.

My dad taught me the ins and outs of the business as well, and every now and then, I still call him for advice.

What is the most rewarding part of your career?

Knowing that my business takes care of not just my family, but my employees and their families and our community. It impacts a lot of lives, and that's the rewarding part.

What do you think will be some of the dominant trends within the auto industry in the next 5-10 years?

I think as dealers, we all see the waves of the future, electric vehicles and autonomous vehicles. I think it's coming, but it will take time, and it will vary in different parts of the country. Here in Montana, we need to drive to get to where we need to be. We don't have the kinds of public transportation systems that are available in the largest cities.

What is the greatest importance of being an MTADA member; what makes it beneficial?

As a member, MTADA has your back. The association has every dealer's back. They are proactive with legislative agendas that could harm us. Their efforts keep us healthy. The MTADA even proposes legislation. OEMs are not the most dealer-friendly as a rule, and as a small dealer, I don't have the resources to fight on my own.

An industry voice is important.

Also, the association helps smaller dealers, again like me. I can purchase options for benefits and other products that help me stay relevant as a small-business owner.

What inspired you to serve as a leader within the association?

I think we all need to do our part to keep our industry strong.

Are you involved in any civic or charitable organizations?

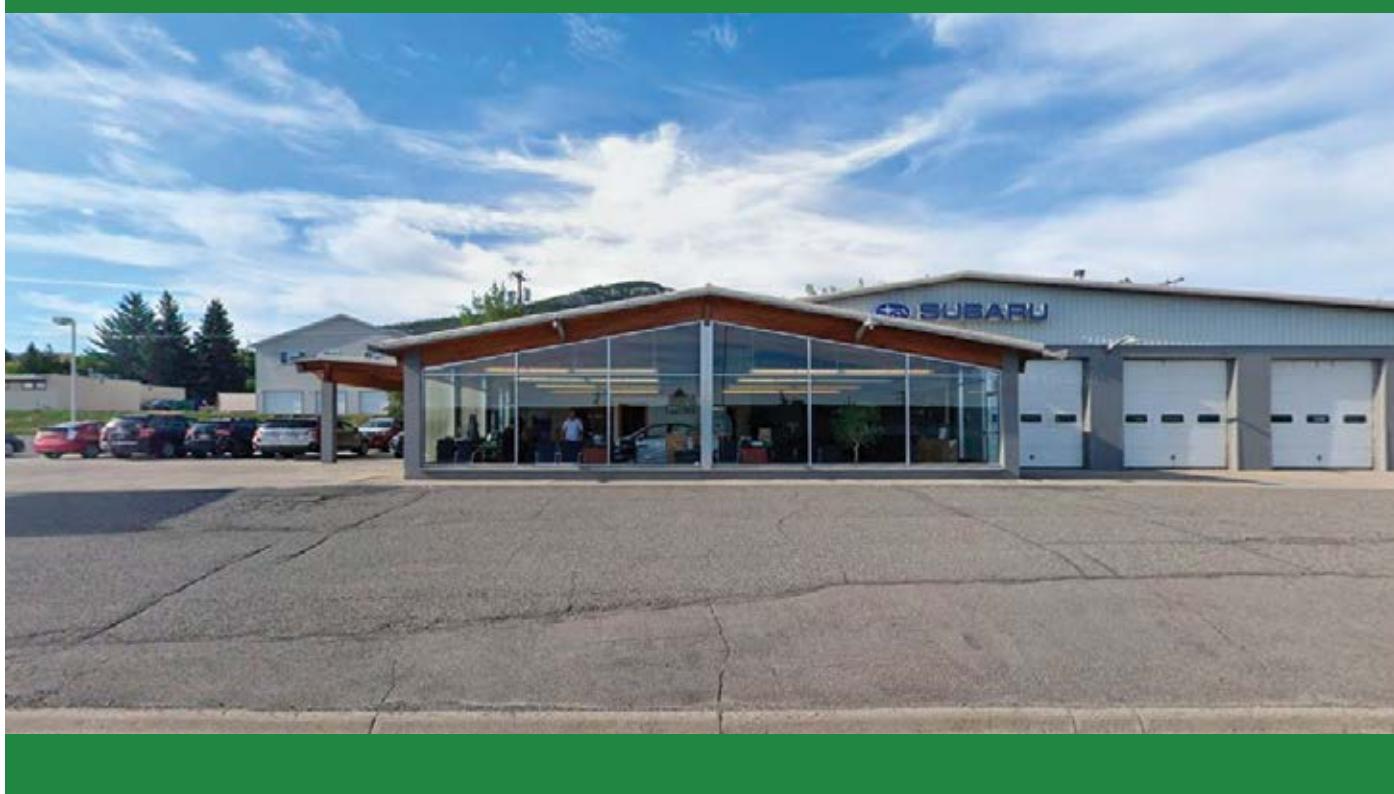
We donate a lot; for us, it's part of being a good corporate citizen. We support our community. But beyond that, I work — a lot. I have to; we're a small store, and I enjoy it, so that's good, right? My wife and I follow our sons' athletic pursuits, so we're pretty busy. Time doesn't allow for much more.

If you look back at your career and life, what would be three things that you have learned that you would pass onto a younger member within the auto industry?

I learned a really valuable lesson from the gentleman who bought my grandfather's brother's store — I guess that would be my great uncle's store. George was forced to sell the store after he bought it, and he was always a bit embarrassed about that. We met and became friends. At the time, I was sitting in my office, and I was a little irritated about another dealership in town that, in my mind, was using business tactics that reflected badly on all of us. George came into my office. I told him I was frustrated and why. Back then, you could smoke inside, something which George always took full advantage of. So, he lit a cigarette, took a big inhale — the cigarette was almost down to the butt — and then he said, "Sonny, he who shits big never shits long." This is true. Within two years, the source of my frustration was out of business.

I would also say that people don't work for you; they work with you. Treat your employees well, and they will treat your customers well. And finally, you will never please everyone,

CONTINUED ON PAGE 10



CONTINUED FROM PAGE 9

which throughout a career will cause some heartbreak. But, control what you can. Do what you can. And let the rest go.

If you could describe the best day in this business, what would it look like?

I just sold everything on the lot, and the truck is coming with more inventory tomorrow!

These are undoubtedly unprecedented times; what are you doing, as a small business, to weather the storm?

We've been fortunate. The business here is strong. We've not had the financial challenges. However, from the personnel side, we've had multiple people who got sick. I am one of them. We've lost a lot of work hours, and we've been short-staffed because of the virus.

We have some higher-risk employees, which is always a cause for concern, so we have exercised a lot of caution — and continue to.

What are you doing to support your employees?

When the virus first hit, I decided to divide the staff in two, so all of us were never here on the same day. Our DMS allows for our techs to communicate through their computers, so that helps distance people.

We're mindful of where we are in relationship with each other and customers. We want to slow the spread. I encourage all our employees to use common sense and to treat others how they would want their higher-risk family members to be treated.

What effect do you think this crisis will have on the auto industry going forward?

I do think that there will be some residual effects — maybe not long term — but I think there will be some effect. With something this big, there will be things lingering. I think that after COVID, people may be less inclined to take public transportation, such as getting on buses and planes. I think people will want to drive more, which, while it may not be based on a legitimate fear, I think people will operate on the side of caution. With people spending more money on cars, I think our industry will be the beneficiary.

Describe your all-time favorite vehicle (it can be one you've owned or something on your wish list). What are you driving today?

Right now, I drive a Subaru Ascent. I like it a lot. I used to drive a Subaru WRX — the sporty Subaru, and I loved it. About three months ago, I came into the dealership, and right after "good morning," I was told my ride was sold. Actually, it could have been before ...

Tell us about your family.

My wife, Renee, and I have two boys. Jack is 15, and Gunner is 12. They are both into sports, and Renee and I are into watching them. It keeps us busy.

What is your favorite way to spend your free time? Any unusual hobbies?

Nothing unusual, but I love to be outside. Our family is very active. I love to hunt, fish, ride motorcycles, golf, hike ... anything outside. I don't get to do it as much as I would like. 

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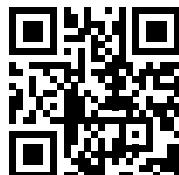
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SAFE AND CONVENIENT HEALTH CARE FOR YOUR ENTIRE FAMILY

By Teresa Liter, SCL Health Montana Region

SCL Health has been a partner of the Montana Auto Dealer Association Trust since 2015. We are proud to offer medical resources to ensure members can access the health care they need, when and where they need it. Last year, the where became more important than ever before. While we implemented rigorous safety measures in our three hospitals and more than 50 clinics across the state, we also made sure patients could access health care providers without leaving home.

Virtual Care From the Comfort of Home

When you can see your doctor as often as you need to, without the challenges of getting into a clinic, you can practice better management of your medication, lifestyle, and any chronic conditions you might have, leading to better health.

Virtual care, sometimes referred to as telehealth, is a way for patients to consult with their provider by online correspondence or video. SCL Health offers two virtual care options for patients — **e-visits** and **video visits**. They are available to any adult in Montana and are the most convenient way to get quick, affordable care for many common health issues, like allergies, coughs, rashes and pink eye. A patient can even be prescribed medication through virtual care.

For **e-visits**, the process is similar to when you come into your doctor's office. You'll start by answering an online questionnaire about your medical history. Then type in your symptoms, upload photos if needed, and receive a diagnosis or further recommendation in about 10 minutes.

For **video visits**, you will see an SCL Health provider from your smartphone or tablet, and you will receive care instructions as if you were in the office. Video visits can be scheduled with your established care provider, or you can get a video visit with the next available SCL Health provider.

Virtual care is available from 7 a.m.-7 p.m., 365 days per year. To learn more, visit SCLHealth.org/virtual-care.

Importance of a Primary Care Provider

If you haven't seen a doctor in a while or don't have a primary care provider (PCP), now may be a good time to select a PCP. Your PCP is the first person you go to for health questions and concerns. They get to know you and your family's history and health needs to provide optimal health care and guidance. With clinics located throughout Montana and virtual care from the comfort of your own home, SCL Health has brought together outstanding clinical professionals who can help you achieve and maintain your best health.

You can see your PCP for:

- Wellness check-ups
- Age-specific preventive screenings and tests
- Immunizations, such as flu shots or vaccinations
- Chronic condition management for conditions such as asthma, diabetes, high blood pressure and COPD
- Sports and school physicals
- Fevers, sore throats, earaches or sinus pain
- Care for colds, flu and other illnesses
- Sprains or strains
- Minor burns, rashes, cuts and scrapes
- Diet and exercise planning

Visit SCLHealth.org/Montana to select a PCP and schedule online 24 hours a day.

Thank you for trusting SCL Health with you and your family's health care needs. We wish you and your loved ones a healthy and happy new year. 

The Power to Help Protect Your Employees



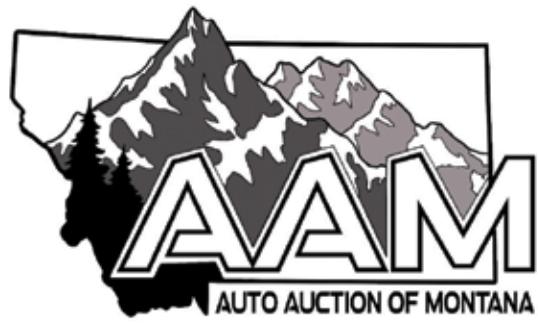
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**If you have any questions, contact Jake Gertsch,
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MTADA IS PLEASED TO ANNOUNCE OUR PARTNERSHIP WITH ACV AUCTIONS

From here on out, ACV's innovative online auction marketplace is our preferred, licensed vendor providing resources for the wholesale vehicle buyers and sellers. When you use ACV, you'll find excellent services, intuitive functions and great features that will help streamline your wholesale inventory process—saving you both time and money.

ACV has demonstrated their principles of trust and transparency with the array of their industry-leading practices and features, including thorough reports written on your lot by their Vehicle Condition Inspectors and AMP/Virtual Lift, and other mobile technology.

ACV's commitment to providing value ensures that buyers and sellers who use the online platform have everything they need; ACV and their team members will also provide MTADA dealer members with the highest standards and consistent service that MTADA expects of all its partners.

For sellers, ACV proudly touts sell-through rates over 50%, with lower transaction fees and associated costs. This means that dealers turn vehicles quicker, optimize their

cash flow and transform wholesale into a profit center. On top of that, your wholesale vehicle never leaves your lot, reducing exposure to theft or damage.

Buyers also benefit: On any ACV auction, bid from any device, 24 hours a day—and no matter what device you're on, see ACV's industry-leading condition reports. ACV runs thousands of front-line worthy vehicles weekly from national Fleet/Lease partners who use their Run List feature. With Run List, buyers have the ability to place proxy bids in advance of the auction launch.

With innovative and intuitive technology and product expertise, we're happy to announce this new opportunity for MTADA members dealers, as an exciting resource for wholesale inventory. Dealers should consider ACV Auctions as the preferred resource for all of their wholesale inventory.

For more information and improved results Contact: Kenny Mills

*Kenny's contact Information:
kmills@acvauctions.com
Cell :714-213-9957*



MONTANA AUTOMOBILE DEALERS ASSOCIATION GROUP BENEFITS TRUST

Montana automobile dealers have banded together to provide their employees with health insurance since the 1950s. Over the years, what this means and how it is done has evolved significantly. With the ever-increasing costs of new technologies and medical miracles combined with the for-profit and “fee for service” model adopted by most American hospitals, health care costs have consistently outpaced every other industry’s inflation.

Today, the dealership’s collaborative employee benefits solution is classified as a partially self-funded MEWA (multiple employer welfare arrangement). The official name is the Montana Automobile Dealers Group Benefits Trust. The trust is overseen by a board of dealers — five seats with lifetime appointments and two temporary seats filled by the association’s president and

chair. Notably, two families have had three generations serve on the trust’s board: the Olson family of Bison Motor Company and the Aadsen and Anderson families of Don Aadsen Ford.

As a partially self-funded MEWA, the premiums paid by the dealers and their employees are pooled and used to pay the administrative costs and the health care claims experienced by the participants. The risk retention and risk pooling aspect of the trust means the participating dealerships and their employees benefit from the strategic management of administrative partnerships and a healthier population.

In the past decade, the board’s primary strategy has been moving away from the broken PPO/carrier model, where the trust has to pay hospitals and health care providers based on a contract they cannot see and negotiate.

In 2015, the trust partnered with ELAP to reprice and pay hospital claims around either 120% of Medicare or the hospital’s reported cost for the service. With no contract to lean on, the hospitals’ abilities are limited when inflating their prices and forcing the trust to pay outrageous charges. For many Montana hospitals, this meant negotiating directly with the trust, leading to what has now become a narrow, transparent network. For other hospitals, it means they would balance bill the trust’s participants directly. However, ELAP provides defense and can often force the hospital and debt collectors to stop their actions. The hospitals that chose to provide fair, transparent pricing with the trust are proudly promoted. Members can find them on the MTADA website.

Understanding the strategy mentioned above creates a unique value proposi-



The Trust proudly serves 34 dealerships and over 1,100 individuals across the state of Montana.

tion in the marketplace, the board also chose to develop a strategic partnership with Erin Jimison of Aligned Business Solutions. Jimison has been involved with the trust since 2014 in various roles and capacities. Most notably, she has played an integral role in establishing partnerships with hospitals and negotiating patient-specific contracts to ensure access to health care is possible for all the trust's participants. Within her duties, Jimison is responsible for working alongside each Montana dealership to educate them on the available employee benefits options.

Scrutinizing charges do not end with hospitals, however. The cost of prescription drugs in the United States has been climbing for decades. We are currently experiencing a considerable spike with the development of high-cost, high-value drugs under the category known as specialty prescriptions. Again, the increasing cost of health care services and treatments directly increases the costs the trust must charge the dealerships and their employees. With this, the trust has partnered with prescription experts at Scrippoint to negotiate the PBM (pharmacy benefit manager) contract and audit the prescription claims.

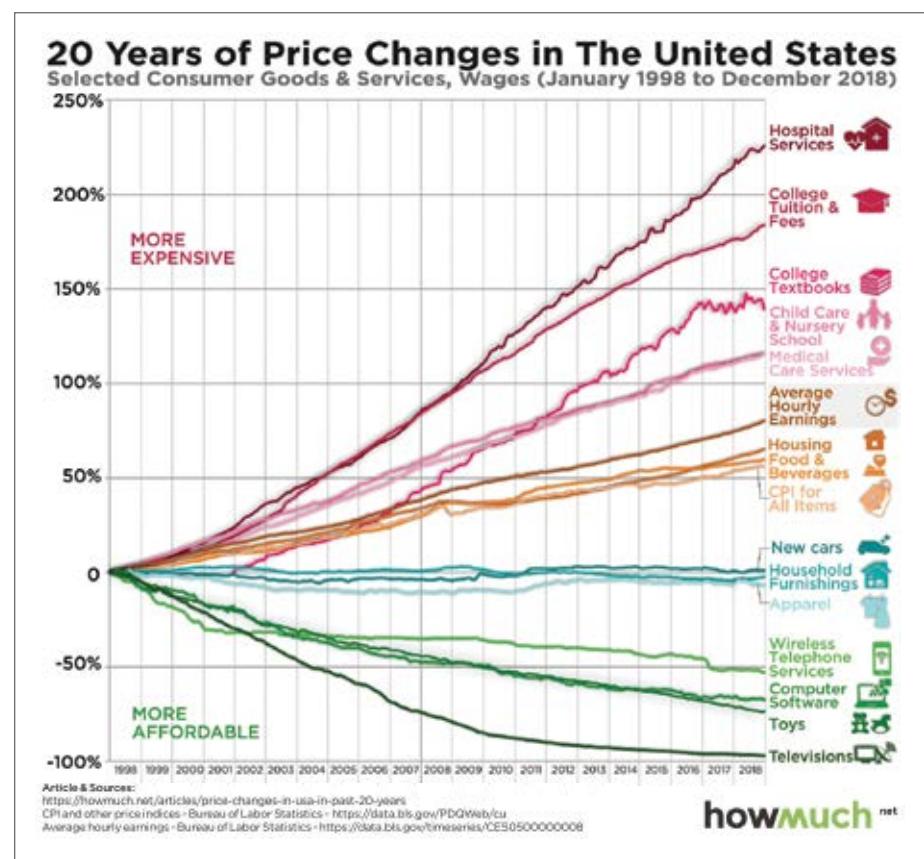
Last, the health of each participant and their dependents is a top priority for the trust. Healthy individuals are integral in creating and sustaining healthy businesses and communities. The trust provides its members with services and support from two organizations: It Starts With Me and VezaHealth.

- It Starts With Me provides annual comprehensive health screenings with no out of pocket cost to the participants. The screenings include a comprehensive metabolic panel, a lipid panel, complete blood count, TSH, PSA, blood pressure check, body composition, and a personal health report and an easy-to-read lab report for each individual to have for their understanding and records. By participating in the health screening, adult participants avoid a \$60 monthly premium penalty.

- VezaHealth provides remote second opinions from elite physicians, nurse coaching and travel support and benefits when clinically necessary. Health care waste comes from unnecessary treatments, less than high-quality providers, ineffective procedures and misdiagnosis. By providing its participants with the wisdom and insight of some of the nation's leading physicians, the trust hopes to not only improve the health outcomes of the most at-risk participants but also reduce financial waste. Much like the services provided by It Starts With Me, participants have no out-of-pocket expense with the service, and they receive a \$100 incentive payment for their diligence in health care decision-making.

Year after year, these programs and strategies have resulted in minimal premium increases. While double-digit increases every year have become standard across the country, participating Montana dealerships have been experiencing increases between 0-9.8% over the past six years. Additionally, the trust retains its financial stability with nearly five months of claims expense in assets.

Yet, there is still more work to be done. To find greater stability and to mitigate risk further, the trust needs to grow. With the addition of a sophisticated underwriting process, the trust could grow beyond car dealerships and serve similar organizations. Adding healthy participants will further the trust's stability and ensure high-quality, affordable health insurance for dealership employees into the future. 



Attributed to: "HowMuch.net, a financial literacy website"



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MTADA



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Please join us for the 107th Annual Family Convention! There are great opportunities to make connections and learn from our wonderful sponsors, exhibitors, and members. Registration started February 15th.

We also have some great speakers including William L. "Bill" Wolters, Michael Burger, and Dr. Nathan Mellor. For sponsorship opportunities please contact Bruce Knudsen at 406-461-7680.

TO GET MORE INFO AND TO REGISTER, PLEASE VISIT OUR WEBSITE MTADA.COM



WHAT IS NADA PAC?

FIVE THINGS YOU NEED TO KNOW



The textbook definition of a political action committee is a tax-exempt 527 organization that pools donors' contributions to direct funds into campaigns for or against candidates, ballot initiatives, or proposed legislation. But in reality, NADA PAC is actually a contribution towards the future of the franchise system here in Montana.

NADA PAC makes a difference by working on issues that matter now and into our industry's future, making your contribution invaluable. Here are some things to know:

1. It's All About Developing Advocacy for the Industry

NADA's sole political fundraising arm provides access to and influence on state and federal legislators to benefit our industry. NADA PAC supports automobile franchise-friendly legislators and offers opportunities to speak on issues that impact the profession, your dealerships, and your ability to service your customers.

2. NADA PAC Is Powered by Individual Contributions

Voluntary contributions by current MTADA members are what makes the PAC possible — that's why every dollar counts. Like all political action committees, NADA PAC is subject to federal laws and regulations. Those laws and regulations prohibit the use of MTADA dues to support the PAC — instead, it's up to individual members who understand the value NADA PAC brings to the profession.

3. NADA PAC Builds Connections That Make an Impact

NADA PAC focuses its efforts on building relationships with Congress members and their staff — the crucial component in being able to deliver advocacy that will be listened to and acted on.

4. NADA PAC Is Among the Top Influencers in Grassroots Politics

In a large field of associations competing for attention on Capitol Hill, NADA PAC is a standout. Just this past fall, our state raised 1,203.7% of goal,

\$39,000 in contributions. We ranked number one on the NADA PAC Summary Report.

5. NADA PAC's Champions Are Carefully Selected

NADA PAC's donation decisions are backed up by thorough research and evaluation. Our association staff and board of directors analyze candidate voting records, current relationships with our dealer members, current or potential leadership roles, and a host of other factors to ensure the best fit with our industry's advocacy goals.

By informing our legislators about important industry issues, it becomes easier to involve them in making changes. Most people suffer from information clutter — there is simply too much going on for people to thoughtfully consider every piece of information that comes their way, and it can also be hard to know who to trust.

A grassroots organization, like our NADA PAC, can solve these problems, extract the most important parts and decide where effort can be made to maximize results, and then give that information to those interested. The result? People who are informed and know they can make a difference are much more likely to become engaged.

Why is grassroots activism effective? It's simple. That's where you can cause the most change. 

STATE SUMMARY

Thank you to the dealers that donated to the NADA PAC

In 2020, Montana dealers contributed a total of \$39,000 to NADA PAC from 26 individuals. Among NADA districts, Montana finished first in fundraising as a percentage of NADA PAC goals, raising 1203.7% of goal, \$39,000 in contributions. NADA PAC raised more than \$2.5 million from dealers across the country.

NADA PAC helps to elect to Congress qualified individuals who understand the needs of new car and truck dealers. In the 2020 election cycle, NADA PAC was credited as being

one of the nation's top five largest trade association political action committees in terms of both total fundraising and contributions to federal candidates. NADA PAC supports candidates for Congress based on the recommendations of the NADA PAC dealer leadership for each state.

The 2021 NADA PAC leadership team for Montana consists of NADA Director Don Kaltschmidt, MTADA President Erick Anderson, NADA PAC State Chairman Jim Stanger, and MTADA Executive Vice President Bruce Knudsen. 

The following individuals from Montana were contributors to NADA PAC in 2020.

Erick Anderson
Joe Billion (Presidents Club)
Peder Billion (Presidents Club, NextGen Leadership Club)
Garry Brayko (Presidents Club)
Robert L. DeMarois
Eric Henricksen (NextGen Leadership Club)
Gordon Henricksen
Kris Houtonen
Don Kaltschmidt (Presidents Club)
Kevin Kaltschmidt (NextGen Leadership Club)
Jennifer Keane (Presidents Club, NextGen Leadership Club)
Denny Menholt (Presidents Club)
Richard Olson
Tony Pierce
Randy Point (Presidents Club)
Gary Schoepp
Jim Stanger (Presidents Club)
Steve Stout (Presidents Club)
Cooper Thomas (NextGen Leadership Club)
Craig Tilleman
Cary Toepke
Bill Underriner (Presidents Club)
Blake Underriner (Presidents Club, NextGen Leadership Club)
Kyle Underriner (Presidents Club, NextGen Leadership Club)
David Wallin
Stephen A. Zabawa



HOW TO DESIGN YOUR DEALERSHIP SUCCESSION STRATEGY

Succession planning is an essential business activity for dealer owners, whether you own an auto or truck dealership, implement dealership or heavy equipment dealership. This strategic approach is essential to estate planning and helps ensure sustainable business continuity after you've left the dealership business, be that through retirement, an unexpected life event or even death. A documented, approved and well-understood plan increases the likelihood the transition will go to the successor you choose and happen how you want.

1. Build your team. To start building out your succession plan, you must first create a planning team. This team might include your CPA, financial planner, estate planner or business attorney, insurance representative, any necessary business counselors or advisors, and relevant family members and/or key management, including your chosen successor, once you've determined who this will be. Your team might evolve to include (or exclude) certain individuals over time.

2. Develop your crisis plan. Next, you must develop a crisis plan. Your crisis plan should outline next steps should something happen to you, the dealership owner, unexpectedly. It assigns a management team and outlines responsibilities, and it also includes pertinent documents like loan information and other financial resources.

3. Align plans. You must also align your estate plan with your succession plan. Oftentimes, great estate planning doesn't equal great succession planning. For example, your

estate plan may give ownership of your business to all of your children equally—even those who aren't involved or interested in the business. This could be detrimental to succession planning.

4. Start training. By this point in the process, you've likely identified your successor or your plans to sell. For a successor, start the training process and integrate them into dealership operations. If they're already involved, gradually expand their responsibilities with the goal of preparing them to take over entirely. You want them to understand the ins and outs of your business so they're able to carry on the relationships you've built with employees, the community, the factory and any relevant third parties.

5. Document everything. Documentation is key to every step of this planning process and beyond. To give your successor a guidepost for business success, it's helpful to document a strategy they can follow even years after you've exited. Your years of experience will greatly inform this strategy and can help you feel more confident in the transition.

For more information visit EideBailly.com or reach out to the Eide Bailly Billings Office:

*Dennen Gamradt, CPA
Partner
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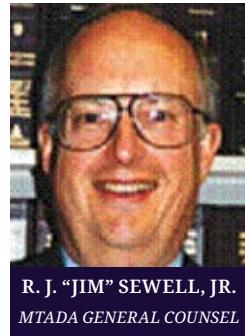
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HOW TO RESPOND TO YOUR LENDERS DEMANDS REGARDING LIEN PERFECTION AND REGISTRATION

By R. J. "JIM" SEWELL, JR., MTADA General Counsel



R. J. "JIM" SEWELL, JR.
MTADA GENERAL COUNSEL



It goes without saying that perfection of the lender's lien on vehicles financed is a big deal. As we've stated in this column in the past the process is very simple. Always put the lien on the TRP. In most cases once the TRP is issued with the lien included and the fee is paid by the charge to the dealer's account the job is complete and your contractual obligation to the purchasing lender has been accomplished. Bruce and I confirmed this fact during a conference call with the DMV just recently.

Over the past couple of months multiple dealers have contacted Bruce and me about correspondence or telephone calls from their lenders demanding that the dealer see to it that "... the title is issued with the lien shown ..." for a financed vehicle and in some cases demanding the Retail Installment Sale Contract be repurchased if it is not.

It is important to understand exactly what your contract with the lender says you must do. Those I have read, like Ally, FIB, and most others I believe, require that the lien be perfected by the dealer. So the first step is to find your agreement with the lender and understand what the language of that contract requires. Those that I have read all have similar language to the following taken from a current Ally Retail Plan Agreement:

Section 4. Registration and Titling. Dealer shall promptly register and title vehicles sold pursuant to a Contract *in a manner sufficient to perfect in Ally's favor a valid and enforceable first priority security interest in the vehicle*. Dealer shall promptly complete the necessary forms and documents at the time of sale and forward them together with the appropriate fees to those public officials who are responsible for issuing the certificate of title or registration. If a first priority security interest in the vehicle is not perfected within ninety (90) days of Contract consummation, Dealer shall accept reassignment of the Contract and pay the full amount of the unpaid balance under the Contract to Ally upon demand.

You will see that the Ally contract language mentions "register and title" but the important language is the *reason for the requirement* – to perfect Ally's first priority security interest. Although a lender may say that the dealer must see to it that the vehicle is registered, in Montana (other states where the

lender uses the same agreement form may be different) registration *has nothing to do with perfection of the lien* or the lender's security interest in the vehicle and it is a task totally out of the dealer's hands. Under MT law the owner must register the vehicle. It is **not** something the dealer can or must do. Here is the statute:

61-3-303. Original registration — process — fees. (1) Except as provided in 61-3-324, a **Montana resident who owns a motor vehicle**, trailer, semitrailer, or pole trailer operated or driven upon the public highways of this state **shall register the motor vehicle**, trailer, semitrailer, or pole trailer in the county where the owner is domiciled.

The lien is perfected when the electronic file with the lien on it is transmitted and the fee is paid as a part of issuing the TRP. These steps are described in the statute:

61-3-103. Filing of security interests — perfection — rights — procedure — fees. (1) (a) Except as provided in subsection (2), the department, its authorized agent, or a county treasurer *shall, upon payment of the fee required by subsection (8), enter a voluntary security interest or lien against the electronic record of title* for a motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile upon receipt of a written acknowledgment of a voluntary security interest or lien by the owner of a motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile on a form prescribed by the department.

(b) After the voluntary security interest or lien has been entered on the electronic record of title for the motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile, *the department, its authorized agent, or a county treasurer shall issue a transaction summary receipt to the owner and, if requested, to the secured party or lienholder, showing the date that the security interest or lien was perfected.*



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10/19/2019

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Vehicle Number:	3754241
Year:	2016
Make:	FORD
Model:	FES
VIN:	[REDACTED]
Transaction Date:	10/19/2019
SI Tracking Number:	3X0866064
SI Priority:	Time: 11:49:48
SI Customer Number:	3956950

This letter is to inform you that a security interest was perfected against the record of the vehicle listed above executed on 10/19/2019.

The security interest has the following name(s) recorded:

ANTONIO [REDACTED]

If you have questions about this security interest perfection or how to release the security interest, contact the Motor Vehicle Division using the contact information supplied above.

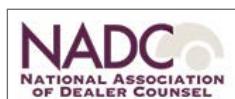
Once the security interest is satisfied you will need to submit the Notice of Security Interest or Lien Filing (form 37A) with the security interest section filled out.

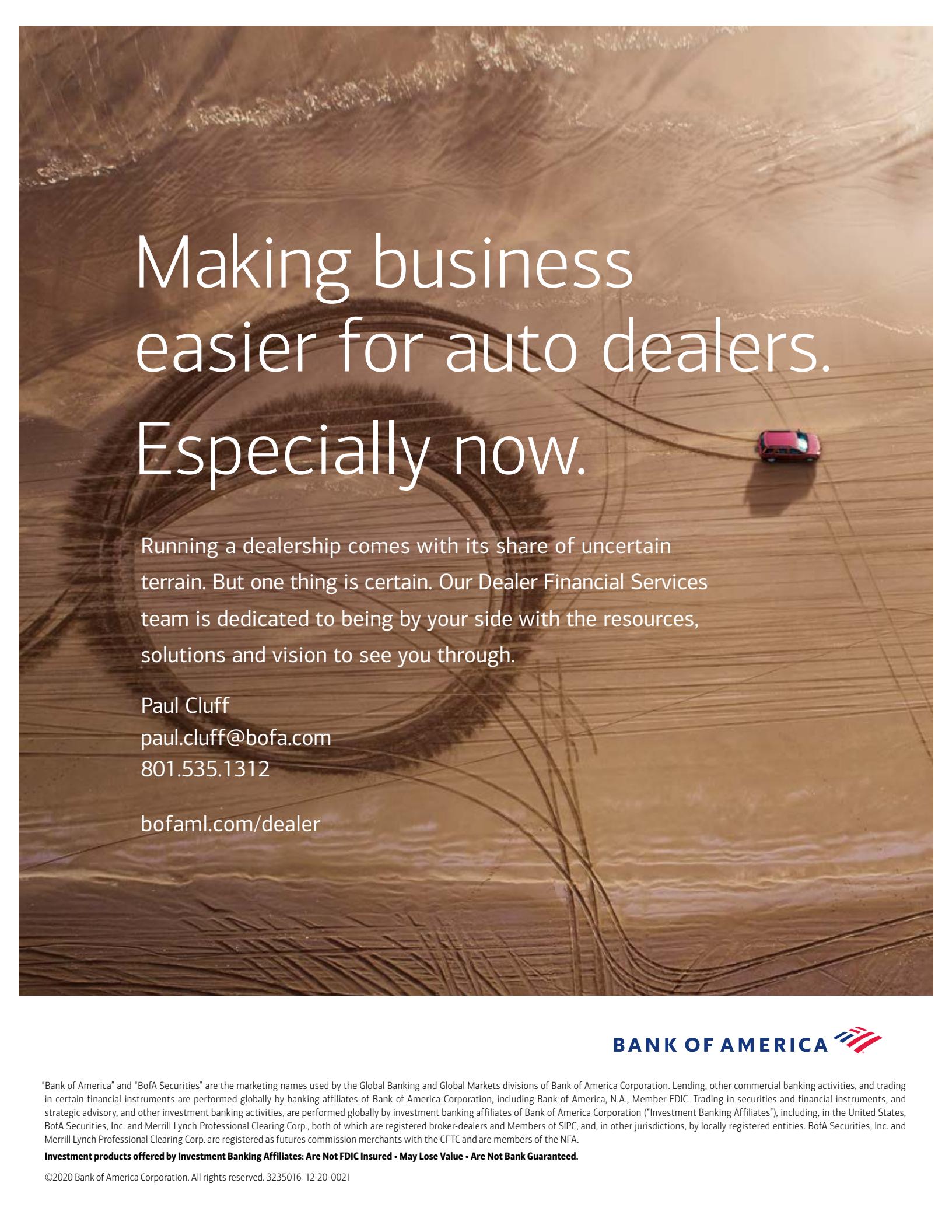
The Notice of Security Interest or Lien Filing (form 37A) will be sent to you once the current title transaction has been approved.

(c) A voluntary security interest or lien is perfected on the date that the department, its authorized agent, or a county treasurer receives the written acknowledgment of the voluntary security interest or lien from the owner of the motor vehicle, trailer, semitrailer, pole trailer, camper, motorboat, personal watercraft, sailboat, or snowmobile.

Acknowledgement that this step has been completed is the letter from DMV sent to the lender stating the date the lien was perfected and noting that fact on the DMV electronic record. Here is a sample of the DMV letter. Note that the letter is sent directly to the lender and states the date that the lien was perfected just as required by part (b) above. You can obtain a copy of this letter from the DMV electronic records if it becomes necessary for you to send it to the lender representative that has contacted you.

As you can see from the referenced statutes, once you have issued the TRP with the lien included your obligation to your lender to perfect the lien has been satisfied. If demands that you see to it that the vehicle is registered persist, I suggest you write the lender sending them a copy of the lien acknowledgement letter from the DMV as proof that you perfected the lien and a copy of Section 61-3-103 and 61-3-303 which makes it clear that you have done your part, the owner is required to register the vehicle and that you as the dealer have no role in the registration process. ☘





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TIME DEALER OF THE YEAR NOMINEE – **JIM STANGER**



How did you become a car dealer? Did you always aspire to be part of the automotive industry?

I didn't grow up in the industry, and I didn't even work in it as my first career. Getting into the auto industry was really a function of wanting to move, and I needed a job — little did I know that I would find my future and a career that I absolutely love when I answered the ad from a Ford-Mitsubishi dealership.

My wife Suzi and I were living in Oregon, and I worked for PacifiCorp as a CPA. I saw an ad for a controller position in a dealership in Twin Falls, Idaho. I answered the ad, and the dealer, Roy Raymond, was clearly not impressed with my lack of automotive background. But Roy underesti-

mated my motivation in moving, and I kept asking for an interview. I could tell he was speaking with me just to be polite, and I finally suggested that we make a deal; if he would tell me exactly what he needed in the person he hired, I would tell him honestly if I felt that I could do it. I mentioned that as an auditor for PacifiCorp, I had audited 250 subsidiaries, and I was really good at picking up on business nuances and business specifics. I am not sure if I impressed him or just wore him down, but Roy Raymond hired me, and we moved to Twin Falls. That was my first encounter with the auto industry, and I loved it right from the start.

We were in Twin Falls for three years. Roy passed away in 1997

CONTINUED ON PAGE 30

“

The auto industry is fantastic, as pretty much every person from sales to the service bay can be an entrepreneur of sorts. You can do well and build your own clientele, a business within a business, if you will, without the overhead. The sky is literally the limit when it comes to income.

CONTINUED FROM PAGE 29

in an airplane crash on his way to a Ford Motor Company show and dealer meetings.

After Roy's passing, Suzi and I moved to Great Falls and partnered with Dick Olsen — another outstanding individual. I was able to buy into the Great Falls store, and eventually, we moved to Helena, and I was able to purchase this dealership, Helena Motors. We have Ford, Toyota, Lincoln and Honda. We've been here for 20 years, and it's been amazing.

Do you currently have family members in the auto industry?

Suzi handles our special projects. Both my kids spent some time at the dealership while going to school. My daughter has a career working with the federal government on water quality here in Montana, and my son is a software engineer. So, no. No family is working in the industry.

Describe your educational background. What did you study?

My educational background is in accounting. I went to BYU in Utah, and I took the CPA exam.

Are there any specific individuals who had a major impact on your career?

I have been fortunate. I have had quality people guide me, mentor me, and support me along the way.

Roy Raymond, who hired me into the auto industry, was one of the finest people I ever met. He taught me the car business, and in return, I worked hard to learn the business and safeguard his investment — which, as it is for most dealers, was substantial. One of my best memories of Roy came early on in working for him. He had an offset account that hadn't been audited in a long time, which I set about doing. I found some missing credits, went to the bank, and got a check, which I presented to him. That was fun. I felt like I earned my start in the business. Roy was very appreciative, and he was generous with his knowledge.

The colleagues I have met in my 20 Group involvement has been invaluable.

What is the most rewarding part of your career?

For me, it's able to see my business get better and better — working together, accomplishing goals, and seeing my employees do well.

We're goal-oriented. I think that makes us successful. We set goals at the end of the year, and then we meet monthly to see how we are doing. We work hard as a team. Most employees have been here a long time — we have very little turnover, so it's rewarding to see us get better and better at doing what we do, year over year.

What do you think will be some of the auto industry's dominant trends in the next 5-10 years?

If I look back even five years, it's not the same industry as it is now. The thing I find so fascinating, though, is how regardless of the changes in efficiencies and high tech, it's still a people business.

Even during this last year, during a pandemic, people still wanted to come into the dealership. Now granted, we needed to do our part to make sure we followed safety protocols, but our customers wanted the engagement.

I think it's essential to have the online purchase options available — it needs to be seamless — but I still believe that at some point in the process, people want to know that there is someone behind the process who they can turn to for help, follow up service and after-sales support.

So yes, I see changes. This industry is continually changing and evolving, but I don't see it moving away from the people aspect.

What is the most significant impact of being a MTADA member? What makes it beneficial?

Many of us, especially those with single stores, are not big enough to get quality health insurance for an affordable price, for instance. Through MTADA, we get great benefits that make us more competitive in attracting talent to our businesses. We have the best health care for the price.

As a group of dealers, we can band together and accomplish things that we never could alone.

There's a wealth of knowledge. Take 20 Groups, for instance. I have been active in those for years, and I am still learning and gaining new and better perspectives.

When we have an organization, like MTADA, behind us, focusing on how to make our lives as dealers easier, it's a good thing.

Are you involved in any civic or charitable organizations?

Suzi and I are on a lot of boards within our community. We sponsor many positive initiatives, particularly in edu-

cation. We also serve in our church. I think that we all have a responsibility to make our communities better.

If you look back at your career and life, what would be three things that you have learned that you would pass onto a younger member within the auto industry?

I am not sure that I can come up with three things. Still, I will say that if you understand responsibility and accountability, you will be successful in any field, including the auto industry. I think it's really easy to make excuses or come up with internal justifications as to why things are not going well. For instance, blaming the economy for lack of sales is easier than digging in and figuring out what to do with the circumstances at hand.

The auto industry is fantastic, as pretty much every person from sales to the service bay can be an entrepreneur of sorts. You can do well and build your own clientele, a business within a business, if you will, without the overhead. The sky is literally the limit when it comes to income. So I suppose I can add the willingness to work hard and seize the opportunities as they come. Is that three?

What are some professional moments that make you the proudest? What does the TIME Dealer of the Year nominee mean for you?

We've won many awards over the years; Helena Chamber of Commerce awards, Best of State awards, several OEM awards, and of course, this most recent Time Dealer recognition — and they all mean so much because it speaks to the efforts of all of us here at the dealership working as a team. It really does take a village to get this right. I am grateful for the acknowledgments.

Was there an "aha" moment in your career that defined you?

I am not sure there was a specific moment, but when I became clear on what motivated me personally, that was defining for me. I like advancement opportunities; I need to know that there's a path where I can grow and accomplish goals — either my own or group goals.

I believe that we all need internal motivation to succeed, and when we know

what this is, success in any given endeavor becomes easier and a lot more fun.

Describe your all-time favorite vehicle (it can be one you've owned or something on your wish list). What are you driving today?

I drive an Explorer ST, which is the SUV. It's the Ford code for "souped-up," and I love it. It's really fun to drive. It's actually my second one — the first was sold out from under me — but now I have another one, so it's good.

The most fun car I have ever driven was the Mustang Cobra — they are amazing. I got to drive one at a Ford event in Las Vegas. It was one of those events where you get to drive the car with a race car driver supervising you. So there I was, driving this Mustang, and the race car driver was urging me to ramp it up — I guess I was a little too conservative — so I decided that I was going to accelerate a bit.

The race track we were on is located next to Nellis Air Force base, and at the time, they were doing F14 flybys. I pushed on the accelerator of that Mustang Cobra, just as an F14 went roaring by, and yes, I thought that it was the car, not the plane. I had my own Top Gun moment. The race driver realized that I thought it was the car, and pretty quickly, I realized it wasn't, and we both had a good laugh.

But, even if the Mustang Cobra didn't actually sound like an F14, it's still a pretty amazing car, and I had a great time driving it!

What is your favorite way to spend your free time? Any unusual hobbies?

Nothing unusual, but my favorite way to spend free time is with my family. We're really active; we hike, bicycle, canoe and kayak. We love the outdoor lifestyle of Montana.

Tell us a little about your family.

Suzi and I have two children, my daughter, Jerin, and our son, Blake. They both have dogs, so we have grand dogs: two Australian Shepherds and a German Shepherd. Suzi ad I have two Scotties, Maggie and Stuart. 





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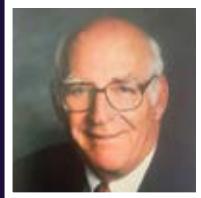


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— Billings Chamber
of Commerce

Born in Minneapolis April 9, 1929, George Selover attended and graduated from The Blake School and Princeton University, where he earned a degree in theoretical economics. He met his wife, Patty, in Minneapolis, and they married in 1951 after graduation. Although Patty's father owned dealerships in several states, Minnesota was his home base. He talked the couple into moving to Billings in 1955, so George could run a Buick dealership for him. In 2006, George told The Gazette that the move "was undoubtedly the best move we ever made." George was 26,

and he soon felt extremely fortunate to be living in Billings. Ten years later, he bought the dealership and renamed it Selover Buick.

George and Patty also became the parents of three daughters: Sally Brucker, Mary Underriner and Lucy Walton. More recently, they welcomed seven grandchildren who called him Poppie. Like so many dealers, they valued family and loved the community where they lived. Becoming active in the community was a natural result. George sold his dealership to his daughter Mary and Mary's husband, Bill, in 2001, when George decided to retire.

In 2006, five years after his retirement, George was included on a "most influential" list.

George enjoyed solving problems, and he often used his skills to sell cars, run his business and serve the community. He added new franchises, had more than 50 employees and was deeply involved in making his community a better place to live. He soon had a reputation for getting things done, but George viewed his service as reciprocal. He said, "Billings has done a lot for me; I feel I should give Billings something in return." He was often referred to as "Mr. Billings."

George served as a board member and chair for many organizations. A partial list includes:

- The school district
- Rocky Mountain College
- The Chamber of Commerce
- The Billings Clinic Foundation
- The Federal Reserve Board.

George was a board member of the Helena Chapter of the Minneapolis Fed and the Montana Auto Dealers Association. He was a founding member of the insurance trust and was selected as Montana's Time Dealer of the Year. Also, he was the chair and Citizen of the Year of the United Way.

In 1988, George received the Phillip F. Fortin Philanthropist of the Year Award, and in 2019 Montana State University's Business Hall of Fame inducted him for his professional work and community service. A partial list of his community service included the Billings Jaycees, the Downtown Billings Rotary Club and the YMCA. George also supported organizations that included the American Cancer Society, Billings Public Library and Montana State University Billings.

George died Monday, April 20, 2020, in Billings. He was 91.

TRIBUTE – ROBERT “BOB” OAKLAND



His thought was always that the community always supported him and his business so it was his duty and his pleasure to give back when and where he could.

— Cooper Thomas

Robert “Bob” Oakland decided his future was in the U.S. instead of Saskatchewan, Canada, during the summer of 1943. Bob’s father had died on Pearl Harbor Day when Bob was 15. The family had a wheat farm, and although Bob gave farming a try, he felt that the U.S. offered better opportunities for him than spending his days, sun-up to sun-down, hauling wheat on a bundle

wagon and a team of horses for \$3.50 per day. “I wasn’t going to do that,” Bob said. At 17, he talked to his mother, and he moved to the U.S. with his mother and younger brother. Bob’s uncle sponsored him, and he graduated from Fort Benton High School in Fort Benton, just north of Great Falls. Later, Bob served in the U.S. Navy and proudly became a U.S. citizen. He eventually settled in Great Falls, Montana, after attending Montana State University. He liked the town and the people who lived there.

Bob lived a good life. He enjoyed working, captaining his marlin boat, fishing, telling stories, traveling and camping. He met Gladys Campbell in 1947, and they married Sept. 25, 1949. They were almost inseparable and spent 70 years together before her death. They were also loving parents to two daughters, Kris and Leslie. Both daughters followed him into the family business, along with a grandson, but Leslie passed away due to cancer Dec. 10, 2018. She was 61.

Bob said his daughter Leslie, who was the general manager and president of City Motors for the last 15 years of her life, encouraged him to be extremely

generous. Like her, he found it rewarding and was glad to have a chance to give back to the community.

Bob first worked for a Chevrolet business in Bozeman while going to school. Later, he worked at Harry Ettinger’s City Motors located in Deer Lodge. After two years in Deer Lodge, the company expanded, and Bob moved to Great Falls. Bob began working at the downtown location. When Harry Ettinger had a stroke and passed away in 1961, Bob bought the company. It was already the biggest Chevrolet dealership in the state. He wanted to expand and moved the business to 10th Avenue S. Six years later, in 1967, the dealership had the largest Chevrolet showroom west of Chicago.

Bob built and cultivated good relationships with employees and customers as if they were family. That attitude and tradition continue. He also loved his community and believed in giving back to it generously by supporting and contributing time, money, pickup trucks and raffle prizes. As a Mason, he especially enjoyed contributing to the Scottish Rite Language Disorders Clinic in Great Falls so it can help treat some children for free. Bob was also a member of the Rotary Club and helped the McLaughlin Research Center, the C.M. Russell Museum, Special Olympics of Montana, Great Falls Public Schools, and many other organizations.

In June 2019, he and his family donated \$500,000 to upgrade the new CTE center at Great Falls High with state-of-the-art equipment. A bond issue financed the building itself, but the money did not include equipment upgrades. Bob was happy to contribute money to the program, which trains students for good jobs in automotive mechanics, carpentry, welding or woodworking.

Bob passed away from natural causes Monday, June 15, 2020. He was 94.

TRIBUTE – MIKE TILLEMAN



“He was always a very intelligent guy. He always pretended to be the dumbest guy in the room, and he was probably the smartest. Just a genuinely great guy that was shrewd in business, charitable, and one of those guys you want on your team.

— **Bobby Hauck**

Michael Tilleman grew up on a farm. His father once said that he was as dumb as a cow, something that Mike disagreed with, noting that cows always knew the right gate when it was time to come home.

Mike told those he knew that he got his sense of humor from his father, Hank, and his business sense from his mother, Irma. Both his parents taught him the value of hard work, something he never shied away from. “Montana, where I grew up, it was all about work ethic. I did 20,000 hay bales in the summers,” said Mike.

He attended grade school in a one-room school. During his seventh grade year, Mike told the teacher he knew everything about the eighth

grade and wanted to jump right into his freshman year. She told him he would have to pass the end of year exam to skip eighth grade; he passed. In a high school essay, he later stated he would not recommend it to anyone, nor do it again, because he thought he could have learned more had he finished his seventh grade with his class.

He wanted to play professional baseball, but baseballs were in short supply on the farm. Never one to let a small obstacle stand in his way, he practiced pitching with rocks. Mike would run miles to move tractors and trucks, often completing the task so quickly his dad wouldn’t believe it had been done. He would wear weights on his arms and legs and run beside the hay wagon bucking bales. Not



surprisingly, he received recruitment offers from the University of Georgia, Naval Academy, University of Washington and Montana State (now University of Montana), which he accepted.

While at the University of Montana, he played hard, made friends, and made a name for himself.

Some of his favorite activities included tossing people in the air and catching them while sitting on a stool in the Mo' Club and studying geology. Mike graduated in three years with a B.S. in Business Administration and held the record for a number of years for the most credits taken in one quarter.

He accepted his first job with the Minnesota Vikings, and soon after, met the love of his life, a Northwest Airlines flight attendant named

Gloria Thorvaldson from Winnipeg, Manitoba. He saw her sitting next to his soon-to-be best friend and said, "That is the lady I am going to marry."

Mike and Gloria raised three children Craig, Suzanne and Christopher.

Mike and Gloria moved all over the country as Mike pursued his sports career, culminating in Atlanta, with The Falcons, where he received the Brian Piccolo award in 1973. In Atlanta, working his offseason job, he was quite proud of getting the first approval of PVC pipe in a major construction project, Atlanta Hartsfield airport.

After 12 years, Mike was ready to come home to Montana and the place he loved, the Hi-Line Ranch. Once settled, he called a friend, Bob Inman from Chinook, who told him Taylor Chevrolet was for sale, and shortly

after that, Mike bought the store. Typically, people without auto experience are prevented from owning dealerships, but like many things, Mike was able to sell the idea to the manufacturer. He later expanded into agricultural equipment as well.

His employees were like family to him. If you worked hard, you got along with Mike just fine. His businesses continue, now successfully run by the next generation. Mike was given many awards in all aspects of his life, such as Time magazine auto dealer of the year for his philanthropic activities. Still, he was most proud of the self-proclaimed title "Cribbage Champion of the World." He won many games throughout his life, several of them during his last weeks at home playing with his children, grandchildren and friends.

After spending the first half of his life trying to escape the ranch, Mike went back to farming and ranching in the latter half. He operated a large commercial and registered Red Angus herd on his family's farm, and he loved his small "hobby."

Mike was a father figure to many and a best friend to even more. His sense of humor and jokes are legendary.

Mike believed in the power of learning and wanted to encourage and help others to achieve their educational aspirations. He dedicated much of his philanthropy to higher educational opportunities. Mike was a proud University of Montana Grizzly and supported MSU-Northern Lights. He loved children and supported their goals through 4-H, Hockey and many other youth activities. The Northern Lights Athletic Scholarship Foundation, started by Mike, continues its important work today.

Mike was a creator of jobs and enjoyed building many things. Gloria and Mike were a team in building businesses and networks of friends. However, the creation they were most proud of was building a loving family.

Mike's was a well-lived life as a University of Montana student-athlete, professional football player, successful business owner, generous philanthropist and loving family man. 



ENCOURAGING CAREERS IN THE AUTOMOTIVE FIELD

If you live in the U.S., you already know what most people want for their children: a university education followed by a high-paying white-collar job. The decision to earn a four-year academic degree has also traditionally been encouraged by the high school that the students attend, as most are focused on academics and getting students ready for college. Unfortunately, adults generally don't prepare good students for anything other than college.

That is an unfortunate mistake, because the career path of a four-year degree is not for everyone. This is something that teachers have long known. In 20/20 hindsight, so do parents and students themselves. But economists are now weighing in as well because millions of good-paying jobs are opening up in the trades. And some pay better than what the average college graduate makes.

The reality is that it is possible for just about anyone to get a particular skill in a particular field and make more than a college graduate. According to www.salary.com, the salary range for an automotive mechanic is between \$34,102 and \$44,764, and while that may seem less than the salary for a fair number of jobs that require a college degree, starting salary also doesn't take into account what's possible once someone gains experience and credentials. According to NADA, a master technician can earn \$69,703. A service advisor can earn \$62,333. Down the road, in as little as five years, a six-figure salary is completely achievable.

So why has the PR for trade careers not been as glowing as that of college graduates?

Part of the problem is that "averages lie." Also, according to Anthony Carnevale, the director of the Georgetown University Center on Education and the Workforce, the averages often quoted with salaries of those in skilled trades, when compared with college graduates, tend to lump people who work at RadioShack or Target in with master carpenters and electricians. That skews the numbers.

Sometimes, of course, getting a college degree makes sense. But it isn't the automatic right choice that so many people think it is. According to Carnevale, "The baby-boom workers

are retiring and leaving lots of openings for millennials, many of which are in the trades."

Student debt is widely referenced as this generation's top financial concern. Tuition costs, especially during the last decade, have increased to the point where most students have a hard time paying off the loans they had to take out if they wanted to get a university degree.

Pushing students in the direction of something they aren't 100% committed to, don't want or can't afford is not just short-sighted; it is wasteful. A better alternative is to encourage students to use the last couple of years of high school as a time to explore the skilled trades. Using the time this way increases the options students have after graduation. No one is hurt by learning how to work at something that is purely practical. If they want to return to a university later in life, they can. In addition, many workers later in life start their own businesses within the field, using their knowledge and experience to create more jobs for others. In the meantime, they have real-world skills that can make going back to school much easier when and if that becomes something they want for themselves.

When weighing a career in the trades as opposed to four-year college career path, too many people have overlooked the obvious: trade school costs less, takes less time and can be the foundation for a good, well-paid career. Those who take up a trade can work for someone else or start a company. It's a stable career path.

Consider the automotive industry. It does not currently have anywhere near enough people to fill its empty technician jobs. Charlie Gilchrist, a dealer and the former NADA chairman, gave a keynote speech in January 2019 at the NADA show in which he said his industry is experiencing what he called "a dangerous shortage of technicians." Why is the shortage dangerous? Technicians are either retiring or quitting faster than they can be replaced, and training programs sponsored by automakers have empty seats in them. The demand for entry-level auto technicians has gotten worse instead of better, according to Greg Settle, the national initiatives director for TechForce Foundation.



Significantly, the U.S. Bureau of Labor Statistics estimates the industry will need approximately 46,000 more auto techs by 2026.

Why aren't more people interested in an automotive career? Some of the shortage has undoubtedly been caused by the social pressure to go to college instead, even though that pressure results in truly staggering amounts of toxic debt and a delayed entry into the workforce. But that doesn't account for all of it. Dealerships themselves could do a great deal to make their companies more attractive.

Adam Robinson, CEO of a company named Hireology, which is located in Chicago, lists three key factors that have caused the tech shortage: an unclear career path, variable pay plans, and working hours that are not great. Technicians also often spend a large amount of money (\$5,000 to \$50,000) on their own tools.

Any dealership that addresses these problems upfront will have a competitive advantage. That is something to keep in mind, considering the fact that each technician in a shop creates \$1,000 per work day in gross revenue. An Automotive News survey, conducted in 2016, found that dealers think they could increase revenue in fixed ops by 17 percent if they had as many techs as they wanted.

In other words, young people who are interested in becoming mechanics in the automotive industry right now have a very bright future. 

Consider this:

- **Americans owe more than \$1.4 trillion in student loan debt**
- **The average student loan is \$38,000**
- **The average repayment time is 21 years**
- **Forty percent of students in four-year college programs drop out**
- **One in 4 college graduates are unemployed or underemployed**



THE BENEFITS OF

AUTOMOTIVE TECHNICIAN CAREERS

HOW TO GET STARTED AS AN AUTOMOTIVE SERVICE TECHNICIAN

Achieving the highest level of technical expertise is a process; there are no shortcuts. But while formal training programs can be important, on-the-job experience and a general mechanical interest and ability are critical. Computer skills are increasingly valuable as well.

A good place to start is an entry-level position in the service department or body shop of an auto or truck dealership or an auction, even without any training. The dealership will often oversee and pay for your training and certification on the vehicle brands they sell and service. (Many manufacturers have their own training programs and criteria, available only to dealership-sponsored students.)

Once you're in the door, a continuous interest in advancing to the next level and acquiring the skills to do that will help

you achieve success; well-run dealerships will constantly make you aware of your progress and help you move up.

While some organizations — most notably ASE, or the National Institute for Automotive Service Excellence — have established testing and certification procedures, there is no industry-wide standard. The same is true for recognized levels of skill and knowledge.

In many shops, techs must supply their own tools, although, increasingly, some dealerships provide some tools as incentives to recruit and retain talented technicians.

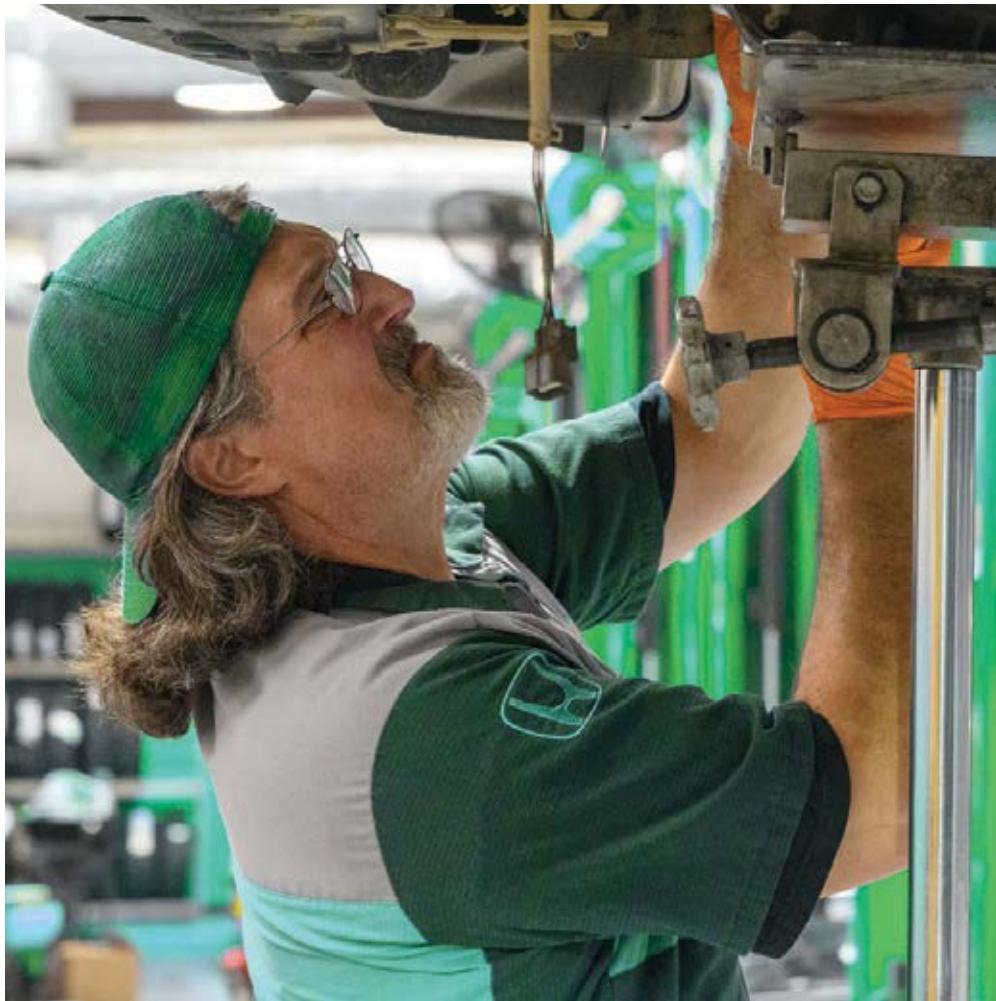
Experienced, well-trained technicians will always be in demand and able to earn top-dollar. If you enjoy the work, putting in the time and effort to complete training and certification will virtually always pay off.

MEDIAN NATIONWIDE SALARY

\$ 61,067

PLUS BENEFITS





**750,000 total
auto service techs**

1M

**AUTOMOTIVE
SERVICE TECHS**

**250,000 TOTAL
DIESEL TECHS**

Source: Bureau of Labor Statistics

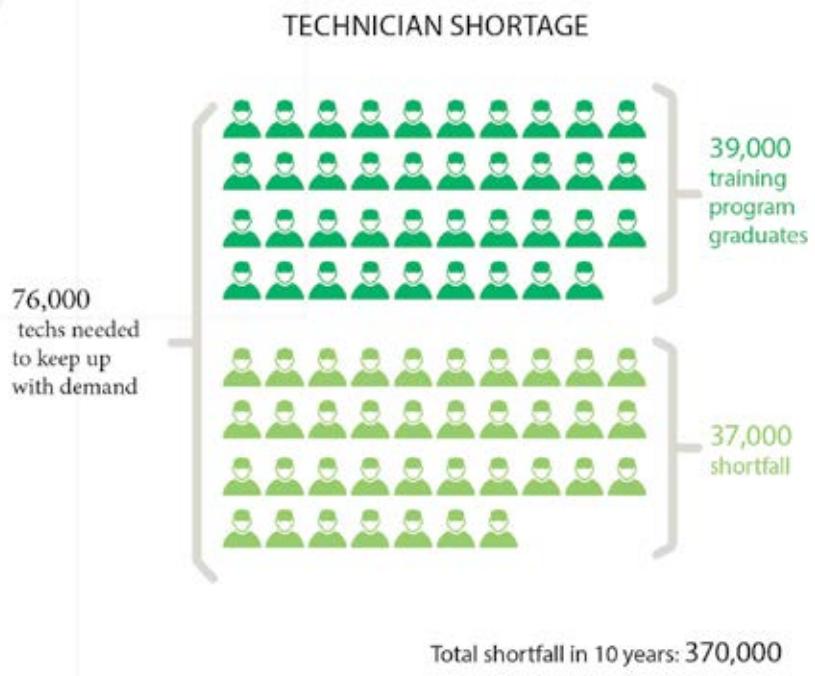
WHY BECOME AN AUTO TECHNICIAN?

These days it's not easy to find a high-quality, good-paying job that offers someone without a four-year college degree the ability to advance into management and even ownership positions in a company.

But today, automotive technicians at new car and truck dealerships have all of these opportunities.

The average compensation of an automotive service technician at a new-car dealership is over \$54,000 per year (including health and retirement benefits). Top technicians can make over \$100,000 per year, and managers can make even more.

And with a projected shortage of 37,000 auto service technicians through the year 2026, these jobs are in high demand at local dealerships in all regions of the country. Technician jobs are also available at America's car and truck auctions, where millions of used vehicles are serviced before sale every year.



CONTINUED ON PAGE 42

JOBS EVERYWHERE, TRAINING EVERYWHERE

Local dealerships that service new cars and heavy trucks exist in virtually every community across America, from Miami to Anchorage and everywhere in between.

While some service jobs with on-the-job training are available at dealerships, more complex service work must be done by certified technicians. Prospective technicians can find state-of-the-art training in dynamic, two-year programs at community colleges or technical schools. Training and certification can also be achieved at some high schools.

After an apprenticeship or training at a community college or technical school, technicians can receive ASE (Automotive Service Excellence) certifications, the standard automotive industry certifications.

More than 610 training programs exist in facilities across America in every state.

NUMBER OF TRAINING CENTERS BY STATE



Source: ATE

SERVICE TECH JOBS ARE HIGH-TECH JOBS

Years ago, “technician” took the place of “mechanic” in the automotive vocabulary, as cars and trucks — and the skills needed to service them — became increasingly complex.

Today’s new cars and trucks take this to a whole new level. They are intricate systems combining computers, mechanical and software elements with precision cast parts.

This means much of today’s service work involves the use of computers and high-tech diagnostic equipment. Working on these machines involves problem solving and can be both challenging and rewarding.



I spend almost half of my time on a computer. We have a lot of software running, a lot of electrical in the vehicles. There are multiple networks running, so it's not just nuts and bolts anymore, it's understanding how all of the systems and components work together.

— Todd Parker, Master Technician Colorado



ADVANCEMENT OPPORTUNITIES

It's not uncommon for automotive technicians to advance significantly within a dealership over the course of their careers. Common ways to advance are through increasing certifications to perform more complicated work — starting as a level 1 technician doing maintenance work and advancing eventually to become a level 4 master technician certified to service virtually all systems in the vehicle.

On a separate career track, some technicians transition to the customer service side and become service-writers, working with customers to identify their needs and schedule service and maintenance.

Others progress into management, some moving into the parts department of a dealership, and some managing entire service operations. Service operations at some dealerships can involve managing dozens of technicians and hundreds of service and maintenance orders each day.

Modern car and truck dealerships provide a wide variety of unique and challenging careers to meet the interests and skill levels of almost anyone. These careers offer responsible individuals competitive salaries, great benefits, and excellent opportunity for advancement.

Montana is host to 97 new car dealerships, employing more than 4,000 people. Demand for employees is high, which translates into job security. Many jobs are high-tech and challenging as well as rewarding. Job-seekers can find vital information on training opportunities and scholarships below. Jump start your career today. Visit <https://www.mtada.com/auto-technicians/>

CAR DEALERSHIPS

TOTAL CAR DEALERSHIP JOBS

4,016

\$54,392 Average Annual Salary	97 Total Number of Car Dealerships	\$3.2B Total Car Dealership Sales
\$615M Income Taxes Paid	41 Employees per Dealership	\$218M Annual Car Dealership Payroll

TRUCK DEALERSHIPS

1,091

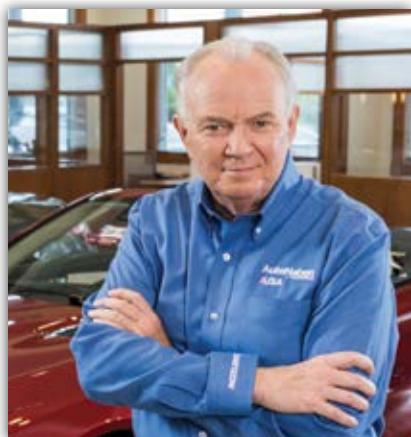
Total Truck Dealership Jobs

\$61M Annual Truck Dealership Payroll	17 Total Number of Truck Dealerships	\$730M Total Truck Dealership Sales
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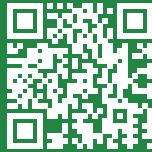


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TRAINING CENTERS

Helena College – AAS Automotive Technology



Phone: 406.447.6912

Email: muscas@liaisoncas.com



<http://helenacollege.edu/academics/programs/auto/default.aspx>

City College – CAS and AAS Automotive Technology



Phone: 406.247.3000

Email: CCadmissions@msubillings.edu



<https://www.msubillings.edu/citycollege/programs/ProgAutoTech.htm>

Highlands College – AAS Automotive Technology



Phone: 785.442.6000

Email: Admissions@highlandcc.edu



<https://highlandcc.edu/pages/automotive-technology2-yr>

Miles Community College – CAS Automotive Technology



Phone: 1.800.541.9281

Email: Admissions@milescc.edu



<https://www.milescc.edu/DegreesPrograms/Automotive/CASAutoTech.aspx>

MUS Northern – AAS and BS Automotive Technology



Phone: 800.662.6132

Email: Admissions@msun.edu

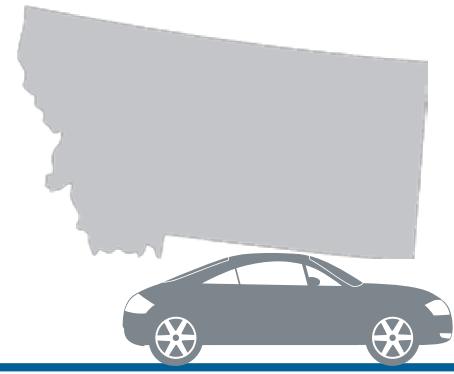


<http://www.msun.edu/academics/cots/program-AutoTech.aspx>

Driving Montana's Economy

Annual Contribution of Montana's New-Car Dealers

Numbers reflect annual economic activity during 2019.



97
DEALERSHIPS
(new car)



8,962
TOTAL JOBS
(created by dealerships)

Includes 4,017 direct jobs and
4,945 indirect and induced jobs.



41
EMPLOYEES
(average per
dealership)



\$3.2B
TOTAL SALES
(all dealerships)



\$218M
PAYROLL

\$54,392
Average Annual
Earnings

\$615M
State and Federal
Income Taxes Paid

Includes income taxes paid for direct,
indirect and induced jobs.



0.3%
REGISTRATIONS

Montana's Share of Total U.S.
New-Vehicle Registrations

N/A

**STATE SALES
TAX PAID**

Sources: Center for Automotive
Research, IHS Markit, NADA,
Taxfoundation.org, U.S. Bureau
of Labor Statistics.



NATIONAL AUTOMOBILE DEALERS ASSOCIATION

NADA Industry Analysis | 8484 Westpark Drive, Suite 500, Tysons, VA 22102 | 800.557.6232 | economics@nada.org
NADA Legislative Affairs | 412 First St. SE | Washington, DC 20003 | 800.563.5500 | legislative@nada.org

GETTING TO KNOW LAURIE BAKRI, MONTANA MOTOR VEHICLE DIVISION ADMINISTRATOR



Laurie Bakri, a Helena native, taught middle school for several years until she moved on to New Jersey where she took a role in the private sector with a supplemental education provider. For 19 years, she worked her way through different roles all working with quality service, efficiencies, and profitability. Her last role there was as the VP of Education in the Gulf area, Dubai, Abu Dhabi, Doha, Bahrain, and Kuwait. Most recently, Bakri was the Business Services Supervisor in the Montana Secretary of State's Office.

Ms. Bakri assumed her new position with the Montana Motor Vehicle Division January 4 of this year.

This is a new appointment for you. Was this something part of your career plan?

Actually, no, it wasn't in my game plan, but I am loving it. Most of my career path has resulted from someone saying, "Laurie, come fix this!" It's worked well for me, I like new opportunities, and I am into quality and efficiency as it relates to the customer experience.

I was the business services supervisor in the Secretary of State's Office, and we received emails, thank you cards, and even gifts commenting on our excellent customer service, which is something that I was and still am very proud of.

What are your plans for the Montana Motor Vehicle Division in the short-term and long term?

We're focused on driving customer service for both the short-term and long term.

In the immediate future, we've started and plan to complete a customer service improvement project, which includes a customer survey to get a feel for what is going on. Reaching out to the public will help us plan for improvements – and I am not sure they have ever been asked what we can do to improve their experience.

We can determine what needs to happen beyond our immediate plans of improving our customer service when that project is more in hand. I expect that better and improved use of technology will be part of our long term vision.

Everyone needs licenses and titles, and the faster and more responsive we can be, the better for everyone.

How do you plan to work with the dealers?

I just recently met with Bruce Knudsen and the entire board of the Montana Automobile Dealers Association via Zoom. We have a great relationship with our dealers; the partnership is very strong.



In the immediate future, we've started and plan to complete a customer service improvement project, which includes a customer survey to get a feel for what is going on. Reaching out to the public will help us plan for improvements – and I am not sure they have ever been asked what we can do to improve their experience.

I have also worked with Bruce, Jim and their customers on legislation that will benefit everyone.

We have some ideas to make titling and liens more efficient. Again, the goal is to work with organizations like the MTA-DA to make our dealers' lives easier.

What do you see as some of the more significant challenges in your position?

Like all organizations, we have our challenges. One is that we have a large base that is rural, so reaching our customers in an efficient way is a big challenge and one that we are working on.

What have you learned from your past positions that will help you in your new position?

I think the biggest thing I have learned is how to build and motivate a team. The reality is that you can't go it alone. It takes a team to create and maintain the momentum of change.

Getting a group of people on board with a vision and then implementing that vision requires an investment in people.

I have also learned – and embrace – that no matter what industry you are in, when you focus on doing what's right for the customer, it trickles down to being right for the organization and right for the employees. It makes things easier all the way around.

In our case, if a customer receives their title faster, it's easier for everyone.

What are your steps in building a team?

The first step is to build relationships. Spend time with people. Communicate your vision and gain buy-in. I am a big believer in compassionate accountability and measured results. So far, I have inherited committed professionals which I am grateful for.

What do we expect? Twenty seconds to answer incoming calls? Appointments to last no longer than 10 minutes?

People will naturally drive toward higher standards when those standards are clear.

Any good advice for the dealers as we continue to navigate the pandemic in the coming months?

Please continue to communicate with us – if there is an issue, we will figure it out. I believe that the dealers have done a great job. As a critical business, they were on the front lines keeping their employees and the customers safe while keeping their businesses open. I really admire them and their efforts.

How do you think the pandemic has changed the industry?

I am one of the people that say they want things to go back to the way they were before the pandemic. However, I am doubtful that will happen. I think we've fundamentally changed in some ways, including utilizing technology and remote staff – this was a big hurdle to navigate on so many levels.

I think some things related to how we do business will have changed for good, and that may not be a bad thing.

There are some things that organizations implemented because we had to that actually work better. For instance, before the pandemic, we had roughly 700 license renewals online. As of the end of the year, we had 22,000. I suspect that most of those will continue to use our online services because it's more time-efficient.

Any interesting hobbies?

I have three great-nieces who take up a lot of my life with sleepovers and playdates. Also, I live in Montana, where the outdoor life is amazing, so I do some hiking and fishing.

Tell us about your family?

All of my family are here in Montana, my parents, my brothers and their families. There are lots of family gatherings when we can, which has been tough this past year, but we're a close family. 



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\$170,604

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ANNUAL WARRANTY LABOR RATE INCREASE: STATUTORY OR FACTORY SUBMISSION?

By Jordan Jankowski, Armatus Dealer Uplift

Every year, as dealers begin to work on their annual labor rate submissions, many are quick to grab their policies and procedures manuals to get started. For most, it's a process that may involve filling out a competitive survey, producing a certain amount of consecutive qualified repair orders, or a combination of the two. Does this process yield as much of an increase as the dealership wants or is entitled to? Many times, the answer is no.

Most dealers are surprised to learn that a factory submission isn't their only choice. In fact, 48 states have some type of legislation in place that allows dealers to perform a statutory labor submission. The purpose of a statutory submission is for a dealer to achieve warranty labor compensation at its retail rate, which is a market-driven rate based on its warranty-like customer-pay repair transactions. Any dealer who is submitting for a labor rate increase should be evaluating its factory protocol and its statutory protocol to determine which is most advantageous.

Factory Submissions

The guidelines for a factory labor submission are different for each manufacturer and can typically be found in your policies and procedures manual. The process can be as simple as filling out a competitive survey or as arduous as producing 100 sequential qualified repair orders; most manufacturers will require a combination of a survey and a certain amount of qualified repair orders. In some cases, it's a quick and simple process to request your rate and wait for a response. While this process may seem enticing, there are some pitfalls to filing a factory submission. First, your manufacturer is not required to respond in a certain time frame; many dealers have told us they have waited months for a response, only to receive a significantly reduced offer. If this occurs, it is typically a "take it or it leave it" proposition. It is also possible that you'll be afforded no increase, as to which you'll likewise have no recourse. Although some factory protocols allow you to submit fewer total ROs than a statutory submission, following your state law may yield a greater increase for a variety of reasons.

Statutory Submissions

A statutory submission will give the dealer more control over the process and possible outcomes. Although a statutory submission involves more complicated protocols and can be more work than a factory submission, the benefits usually make the additional work worth it. Most states require 100 sequential qualifying ROs that have been closed in the last 180 days and prescribe how the rate is to be calculated and what type of services can be excluded from the sample. Once the submission is complete, the manufacturer must respond within a specific time frame (usually 30 days), and most statutes will outline a rebuttal process if the manufacturer approves a reduced rate or offers no increase at all. To further expound on the benefits, let's focus on three reasons why a statutory submission may be more advantageous than your factory protocol and what services are available to help dealers through what might be an unfamiliar process.

1. Dealers Are Better Protected

One of the biggest benefits of a statutory submission is the state laws in place that protect dealers from their manufacturers having unilateral control over the resulting labor rate. Although the factory protocols often require less work, it's often advantageous to submit statutorily to put the dealer in control of the outcome, not the manufacturer.

If you disagree with the outcome of your submission, most statutes have a rebuttal process in place that allows a dealer to dispute a rejection or reduction of its rate-increase submission. Simply put, a factory submission is controlled completely by the manufacturer and ultimately gives them the upper hand, while a statutory submission is controlled by state law to help dealers obtain a fair market rate from their labor submissions.

2. States Exclude Certain Repairs

Many state laws have specific excluded repairs that are designed to eliminate from the sample non-repairs and non-warranty-like repairs to help you achieve your "true"

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retail rate. For example, the manufacturer's rules may require that you include battery replacements or wheel alignments in your labor submission. This type of competitive routine maintenance work typically has a low effective labor rate and does not represent what you charge your customers for warranty-like repairs. Certain state laws allow you to exclude this type of work, as well as other non-retail repairs such as those paid for by service contracts/insurance companies or repairs for fleets or government agencies. All of these exclusions are placed in the law to protect dealers from having to include non-warranty-like work in their labor rate calculation.

3. The Resulting Numbers Are Often Higher

As previously mentioned, you should be evaluating both a statutory submission and a factory submission every year when contemplating a labor-rate increase. In most states, a statutory submission will have different rules than your factory protocol based on a number of specific nuances in the law. We've often had dealers ask why they would complete a statutory submission when their factory protocol required less work. Let's say a manufacturer requires 20 consecutive qualified ROs that have closed in the last 30 days, which is far less than the 100 qualified ROs that most statutes require. You may wonder, how can a dealer get a larger increase providing five times the amount of ROs? One answer is that you can use the last six months of data in most states, rather than the limited timeframe prescribed by most factories. The larger data set for a statutory submission makes sure that your increase is indicative of your typical retail pricing policies, while a truncated period of time may be far less representative or be subject to an unfavorable work-mix. The extra work can seem daunting to a dealer who has only ever performed factory submissions, but it usually pays for itself.

How Do I Get Started with My Statutory Submission?

The next time you are due to perform a labor rate increase submission, think twice about automatically submitting your factory RO sample or survey.

A statutory submission can seem overwhelming to already overworked dealership personnel trying to focus on selling and servicing cars, but that's where a qualified and well-referenced third-party vendor comes into play. A third-party vendor that is familiar with statutory submissions can guide you through the unfamiliar process and perform it for you seamlessly.

Before you decide to engage a vendor, you should ask yourself some key questions to make sure you are achieving the optimal result with the least disruption to your business:

Exactly how much work will the vendor be completing for your submission? The process between a vendor and dealer can be very different depending on who you work with. If you're working with a best-in-class vendor to perform your submission, it should be completing all the work for you. If the vendor is asking you to complete tasks like pulling thousands of repair orders, you may be better off completing the submission yourself.

Does the vendor evaluate which submission type is best for you? Many vendors simply provide one form of submission over the other, without much thought given into which submission is right for the dealer. However, other vendors have processes in place that allow them to review a dealer's data in a way that can identify the most profitable submission type. Most often, this is a statutory submission, but it is possible that a factory submission could be better — you won't know for sure unless your vendor evaluates both opportunities.

How is the vendor ensuring you get the best result?

Working with a best-in-class vendor means it will have software built specially to ensure the best labor rate submissions, based on both state and manufacturer guidelines. If a vendor says it can produce the best result, ask it how; get specific; there are lots of loose claims out there. Attempting to use spreadsheets or DMS reports may help avoid some unfavorable repairs but will make it nearly impossible to identify the optimal range to submit within the prior six months. Most of the time, you can only submit one time per year, so missing the best possible rate will cost you for at least the next 12 months.

Next Steps

A statutory submission doesn't have to be as complex as it sounds; that's why third-party vendors immerse themselves in state laws and factory behaviors in order to give dealers the industry knowledge and tools needed to get you the best labor rate increase possible. With no commitment necessary, there's really no reason not to take a look at working with a third-party vendor to see just how much you could be adding to your bottom line. 

Jordan Jankowski is the Director of Operations of Armatus Dealer Uplift, a Hunt Valley, Maryland-based firm specializing in retail warranty reimbursement submissions. Starting as an auditor, Jordan built his knowledge base from the ground up, and today is recognized as an expert in this highly technical arena. Jordan manages a team of 45 people, which produces thousands of retail-warranty submissions each year.

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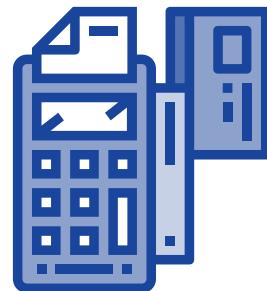
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AMERICAN FIDELITY



The Montana Auto Dealers Association (MTADA) has endorsed a handful of partners like American Fidelity that can significantly and positively impact your business. American Fidelity can work as an extension of your human resources department.

Why is it useful to have a company that can help with human resources? Maximizing profits consists of two strategies:

- Focusing on tasks that will make you money. For a dealership, the obvious focus should be on selling cars.

- Delegating work that can be handled better by professionals at other companies.

Dealerships in the automotive industry sometimes have high turnover. That high turnover is a problem for the following reasons:

- High turnover costs your dealership money. If your employees are happy, they are more likely to continue working for you.
- It can be challenging to keep up with ongoing education about benefits, never mind enrollment

and administration tasks. It is often hard for sales or service employees to break away from their work because dealerships are focused on customers and potential customers.

American Fidelity knows how to work with different departments in a dealership to review benefits and enroll at convenient times that don't slow down productivity. It also has a department to help you stay compliant with benefits laws such as those for the Department of Labor, the Patient Protection and Affordable Care Act (ACA) and Section 125 Plans. This service is useful because the laws are always changing.

- Account managers give your dealership updated guidance and support about benefits every year by providing targeted education about compliance issues.
- Administrative service professionals look for ways to save you money on benefit plans for health and welfare. They have expertise in providing information about benefit plans and reviewing compliance for all dealership employers, both small and large.

American Fidelity has been working with dealerships for more than 60 years. It has established relationships with 40 different automotive associations that endorse it, and it has served more than 2,800 separate dealership employers. The company also maintains an A+ business rating. If that isn't enough, American Fidelity appears regularly on Fortune's 100 Best Places to Work list.

Because American Fidelity is an expert in human resources for dealerships, it can deliver tailored plans with the right service level for your dealership. Account managers can:

- Help new employees learn about their benefits when they are hired, including ones that don't require asking employees to answer medical questions
- Offer multiple ways for employees to enroll
- Enroll new hires in benefit programs throughout the year
- Provide ongoing education for employees

American Fidelity provides the following services for no additional charge:

- A web-based platform for enrollment, communication and administration

- Pre-enrollment education and individual benefit reviews for employees
- Administration of flexible spending accounts, health savings accounts and Section 125 plans
- Reviews to verify dependents

Popular compliance topics include:

- Wellness incentives: Encouraging healthy behaviors seems like an obvious win-win for employers and employees until you consider whether your workplace wellness programs comply with current federal law. AFAS can help you ask the right questions to evaluate any programs that encourage your employees to change behaviors and improve their health. That way, you won't run into problems with, say, the ACA, the Americans With Disabilities Act (ADA) or the Genetic Information Nondiscriminatory Act (GINA).
- Health Insurance Portability and Accountability Act of 1996 (HIPAA): Do you know your responsibilities are under HIPAA? American Fidelity's administrative services professionals can help you identify potential privacy issues. Also, they can write a plan to deal with those issues correctly.
- Family and Medical Leave Act (FMLA): The rules and procedures for the FMLA are challenging. Are you a covered employer? Do you know when an employee can take a protected leave? American Fidelity can help you decide on the appropriate policies and procedures you need for your dealership.

Still not convinced? The following stories about customers are taken from the American Fidelity blog.

- When Danny was 34, he was the first member of his family to be diagnosed with stage 2C colon cancer. His Limited Benefit Cancer Insurance from American Fidelity allowed him to focus on recovery instead of paying for treatment. What would he have done without the insurance? "I would probably have had to sell my car, sell my belongings, I don't know," he said.
- Lisa's first pregnancy was in 2019. Her water broke during her second trimester, and she had an ambulance ride that cost about \$2,800, six weeks of bed rest in the hospital, and an additional six weeks for her daughter in the Neonatal Intensive Care Unit. She had disability insurance from American Fidelity that covered expenses her health insurance wouldn't, such as her ambulance ride and \$500 in parking tickets that Lisa incurred while visiting her daughter. The money was also useful for paying other necessary expenses while Lisa was unable to work. Filing claims was "crazy easy," said Lisa. 

To read more stories, visit americanfidelity.com/blog/stories.

Many dealerships thrive because the owners value their employees. They know that they wouldn't succeed without having high-quality employees to sell cars and provide financing and service to their customers.

Companies like American Fidelity protect employees. The coming months are likely to be eventful, but the dealerships that work with American Fidelity will be better prepared for whatever happens next.



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