



NEWS BULLETIN

March 2011

**Montana Automobile
Dealers Association**

501 North Sanders Helena, MT 59601 406-442-1233



Leslie Oakland

TIME AND GOOD- YEAR HONOR GREAT FALLS DEALER

**Leslie Oakland Wins National
Recognition for Community
Service and Industry Accomplishments at NADA Convention**

Leslie Oakland, Vice President/General Manager of City Motor Company, Inc., a Cadillac, Chevrolet and Toyota dealership in Great Falls, Montana, was recently honored for her nomination for the 2011 TIME Dealer of the Year award.

Oakland was one of a select group of dealers from across the country honored at the 94th annual National Automobile Dealers Association (NADA) Convention & Exposition in San Francisco. The announcement of this year's Dealer of the Year and finalists was made by Kim Kelleher, Publisher of TIME, and Johann Finkelmeier, Vice President & General Manager - Original Equipment N.A. Consumer Tire, The Goodyear Tire & Rubber Company, at the formal opening of the convention, which is attended by more than 15,000 individuals involved in the automobile industry.

The TIME Dealer of the Year award is one of the automobile industry's most prestigious and highly coveted awards for new-car dealers. Recipients are among the nation's most successful auto dealers, but they must also demonstrate a long-standing commitment to effective community service.

Oakland, was chosen to represent the Montana Automobile Dealers Association in the national competition--one of only 52 automobile dealers, from 17,000 nationwide, nominated for the 42nd annual award. The award is sponsored by TIME in association with Goodyear, and in cooperation with NADA. "Working alongside my father and my sister in the dealership has been a wonderful opportunity," says Oakland. "And it has been extremely rewarding to be able to share our success by helping others in our community."

Oakland graduated from Great Falls High, and attended the University of Montana, in Missoula. She began her career with Hagfeldt Investment Properties, a real estate broker in

Great Falls, and then moved to Bison Realty. But the family business called. "My father (Robert H. Oakland) moved to Great Falls in 1954 to work for the Chevrolet dealer as a sales manager," explains Oakland. "He had the opportunity to purchase City Motor Company in 1960." In the winter of 1985, says Oakland, "I attended my first NADA Convention in San Francisco, and I was hooked." That year, she started fulltime in the automobile business with City Motor Company. "This is the only dealership I have ever been associated with since working at the store after school in high school and during summer breaks," says Oakland, who attended the NADA Dealer Academy.

In the area of community service, Oakland has a distinguished record of dedicating her time, talent and resources to many civic and charitable enterprises, including: Great Falls Area Chamber of Commerce, McLaughlin Research Institute, First Interstate Bank Advisory Board; Great Falls Development Authority; Automotive T-TEN Advisory Board at Montana State University-Northern; Great Falls High Automotive Education Program sponsor; Muscular Dystrophy Summer Camp Counselor; Mercy Home of Great Falls, United Way and Special Olympics Montana. For her extraordinary efforts on behalf of the Special Olympics, in 1998, Oakland received the Spirit of Special Olympics Montana Award, which recognizes long-term commitment, dedication and unselfish efforts toward Special Olympics. "This award meant a lot to me," says Oakland, "because Special Olympics has always been important to me. I started volunteering back in high school. It's such a positive experience, seeing the athletes rise above their disabilities." And, in 2006, Oakland was inducted into the Special Olympics Hall of Fame, for "lifetime achievement" and "the highest service to the mission of Special Olympics." Since 2008, Oakland has also chaired the Road to a Cure capital campaign for McLaughlin Research Institute, a world-class bio-medical research and educational facility. "We have raised \$5.5 million through private contributions, grants and state matching funds," she says, all of it aimed at enhancing "the Institute's ability to find solutions to Alzheimer's, Parkinson's, multiple sclerosis and other diseases that touch all of our lives in some way." Leslie and her husband John, have three children, Bailey, Cooper and Aja.

**CONGRATULATIONS
LESLIE OAKLAND!**



Bill Underriner

Utah Dealer Stephen Wade Takes the Helm at NADA

In his first speech as chairman of NADA last month, Utah auto dealer Stephen Wade said he's looking forward to working with manufacturers, regulators and Congress to ensure that the nation's economic recovery continues as vehicle sales rebound this year. "It finally feels like we're

headed in the right direction," said Wade, a multi-franchise dealer from St. George, Utah, who took the helm of NADA at the annual Convention & Expo in San Francisco on Feb. 7. "Manufacturers are producing great product. Sales are picking up. And consumer credit is improving."

As NADA vice-chairman in 2010, Wade had a front-row seat for the many legislative and regulatory battles that NADA and its grass-roots network waged on behalf of dealers. Those successes, including NADA's fight to keep dealer-assisted financing affordable and available for consumers, have poised dealers to thrive in 2011, Wade said, as sales pick up and consumers who have put off new-vehicle purchases head back to dealerships. "When we are persistent ... all pulling together on the legislative front, marshalling our grass-roots efforts around the nation with one common goal, we can achieve the impossible," Wade said.

NADA Convention Posts Double-Digit Attendance Increase

Record warm temperatures greeted more than 18,000 attendees during the three-day NADA Convention & Expo in San Francisco last month. That's about 16 percent more attendees than the 2010 event in Orlando, which drew about 15,200 total attendees. "This was one of the best all-around NADA conventions in recent memory," said NADA Chairman Stephen Wade. "Auto sales are up. Dealers are getting back to business. These are all signs the U.S. economy is recovering." The majority of attendees included U.S. dealers and their managers, international dealers, automaker executives and exhibitors and their staff. Total dealer and manager turnout at 101 workshop sessions covering 35 topics, presented by NADA University, was 13,400 attendees, a 15 percent increase over 2010. Many of the new "Online Presence" workshops were filled to capacity. All 2011 workshops are available through the [NADA U Store](#) after March 1, 2011.

The 2012 NADA convention will be held in Las Vegas on Feb. 4-6. For the first time, it will be held in conjunction with the American Truck Dealers (ATD) Convention and Expo.

In legislative and regulatory news...

SBA Launches Temporary Program for Commercial Real Estate Refinancing

Late last month, the Small Business Administration announced that small businesses facing maturity of commercial mortgages or balloon payments before the end of 2012 may be able to refinance their loans under a new program. The new loan refinancing program comes less than a month after the SBA rolled out a new dealer floor plan (DFP) loan guarantee program strongly supported by NADA. The refinancing loan program, also backed by NADA, is designed to respond to another financing need often expressed by dealers: the refinancing of commercial real estate. "The new refinancing loan is structured like SBA's traditional 504, with borrowers committing at least 10 percent equity and working with third-party lending institutions and SBA-approved Certified Development Companies in the standard 50 percent/40 percent split," SBA said. But a key feature of the new program is that it does not require an expansion of the business to qualify, SBA said. The administration began accepting refinancing applications on Feb. 28. The program, authorized under the Small Business Jobs Act, will be in effect through Sept. 27, 2012. Questions regarding either program can be directed to NADA Regulatory Affairs at 703.821.7040 or regulatoryaffairs@nada.org.

Fraud Alert: Dealers Targeted in Loan Marketing Scheme

NADA is warning dealers to be on the lookout for possible fraudulent activity related to dealers' retail loan portfolios. Certain individuals have recently targeted dealers with a scam involving a promise to "bundle a dealership's car loans and market them to investors," essentially selling the car dealers' collectible debt. The individuals then require dealers to pay car buyers' first two to three months' payments up front. These individuals collect the fees, but never market the loans. One such group of individuals in Washington state was recently sentenced in federal court for their role in such a scheme. This group operated under several names including Auto Credit Solutions, Sub-Prime Financial Services, Easy Credit Store, Instant Funding Systems, Great Northwest Financial Services and Western Empire Financial Services. Dealers are encouraged to be diligent in selecting business partners, and if a dealer suspects such fraud is being attempted, they should contact the Internal Revenue Service Criminal Investigation, U.S. Postal Inspection Service or their local police department.

In other NADA news...

Tonkin: Auto Dealers 'On the Way Back' With auto sales expected to reach nearly 13 million units in 2011, the

outgoing chairman of NADA said last month that the nation's auto dealers have a renewed sense of optimism about the auto industry. "We are on the way back," said Ed Tonkin, a multi-franchise dealer from Portland, Ore., who ended his term Feb. 7, passing the gavel to Utah dealer Stephen Wade at the NADA Convention and Expo in San Francisco. "Our challenge now is to do everything in our power to keep things moving forward," Tonkin said.

NADA Guide Analyst: Car Shoppers Will Benefit from High Trade-in Values in 2011 Rising consumer confidence, an aging fleet and greater access to credit are key factors that will increase consumer demand for used cars and trucks in 2011, said Jonathan Banks, executive automotive analyst for NADA Used Car Guide. "The used-car market is providing clear signs that the auto industry has entered a new phase," Banks said last month at a news conference on the sidelines of the NADA Convention and Expo in San Francisco. Banks highlighted five factors that will boost used-vehicle sales this year: 1. **Short supply leads to higher prices:** Banks said he expects to see a 4 percent reduction in the overall supply of used vehicles in 2011. Used-vehicle auction prices will increase 5 percent to 10 percent in 2011, he said. 2. **Rising trade-in equity:** "Consumers will benefit from high trade-in values in 2011, which will help facilitate a new-vehicle purchase," Banks said. "This should have a positive impact on consumers with trade-ins of all ages, conditions and types and aligns well with pent-up demand to replace vehicles." 3. **Aging fleet needs to be replaced:** Data on vehicle demand, U.S. scrappage rates and the median age of cars and trucks on the road "all point to consumers wanting and needing to replace their aging vehicles, which now average more than 10 years old," Banks said. 4. **Increased flow of credit:** According to a Federal Reserve Board survey in the fourth quarter of 2010, about 20 percent of participating lenders reported an increased willingness to lend while none reported a decreased willingness to make auto and other consumer loans. "We expect consumer lending to continue to improve in 2011," Banks said. 5. **Dealers, automakers managing inventory more effectively:** Dealer investments in staffing, technology and improved inventory management on the used-vehicle side of operations resulted in an 11 percent sales increase in 2010, Banks said. "The restructuring of the auto industry over the past three years has created many positive effects on how consumers, dealers and automakers view the used-vehicle market," he said. "We are now in an age of a more efficient, more intelligent and a more sustainable business model for the used-vehicle market."

Castriota Named *TIME* Dealer of the Year Thomas Castriota of Castriota Chevrolet in Hudson, Fla., was named the 2011 national *TIME* Dealer of the Year, sponsored by the Goodyear Tire and Rubber Co. Castriota received this highest honor out of a select group of dealers from across the country recognized at the NADA Convention & Expo in San Francisco last month. Castriota graduated from Pittsburgh's Upper

St. Clair High in 1971 and from Duquesne University in 1975, where he majored in political science and history. In December 1975, Castriota was commissioned a 2nd Lieutenant in the United States Marine Corps, where he spent 26 years on active and reserve duty. After retiring as a Lieutenant Colonel in 2001, Castriota was recalled to active duty, at age 53, in support of Operation Iraqi Freedom from 2006 to 2007. "During that time," he says, "I saw the makings of a new democracy: Iraq. Today, I believe my contributions – to our country and Iraq – will bring about a more secure world and new hope to the Iraqi people." The *TIME* Dealer

of the Year award is one of the automobile industry's most prestigious and highly coveted awards for new-car dealers. Recipients are among the nation's most successful auto dealers who also demonstrate a long-standing commitment to effective community service.

Please stay involved and in touch.
Bill Underriner, NADA Director
(406) 255-2350





LEGISLATIVE REPORT

Submitted by:
Bruce Spencer
MTADA General Counsel

MADA's bills this session are so far fairing well.

HB 229 - permitting demonstration plates on tractor trailers has passed the house and had a good hearing in Senate Transportation. We expect that it will pass out of committee soon. Thanks to Mike Swanson, I-State Truck for appearing and testifying, personal contact makes all the difference.

HB 254 - fixes a service club registration issue that MADA discovered at a Chicago legislative meeting. For those selling cars with on-star type systems, the Insurance Commissioner states that state law requires you to register with her. This bill eliminates that registration requirement. It has passed the House and the Senate and will soon be on the Governor's desk for signature. Thanks to Don Kaltschmidt, Don "K" Whitefish for testifying for us in the Senate. Soon this regulatory burden on your business will be gone.

SB 211 - requires salvage titles for cars younger than 15 years; the current law is 6 years. This bill passed out of the house committee with little problem. Bob Depratu, DePratu Ford VW testified for us on the bill. However, on the final vote in the house, before the bill gets sent to the Governor, a representative who runs an auto body shop indicated that he objected and was going to have the bill pulled. After a blood pressure check, I shored up our support and convinced him not to try and pull the bill. He still voted against it, but it passed the house 88-9.

The budget HB 2 has passed the house and is currently having hearings in the Senate. General consensus is that it will not initially be amended a great deal and that a free conference committee will need to be formed to get the budget in final shape. The Senate should be through with the budget by the end of next week.

With the immediate repeal bill of medical marijuana stalled in the Senate (Senate Judiciary had a tie vote on the bill), we are concentrating efforts on getting HB 43 passed which places employer protections in the law regarding medical marijuana.

Finally, workers compensation reform continues to move along. HB 334 the remaining major reform of workers compensation is facing amendments in the Senate. While these amendments lessen the saving impact of the bill, they do lessen the impact on workers and hopefully make it palatable to the Governor so. Even with the amendments, the bill offers hope of significant savings on workers compensation premium.

INTRODUCTION TO PERSONAL FINANCIAL PLANNING

A personal financial plan serves as your playbook for organizing your personal financial goals and objectives in an easy-to-understand guide. Once a financial plan is in place, it is easier to focus on each individual goal and fully understand what you need to do on a continuing basis to reach it.

The purpose of developing your own financial plan is to prioritize each of your financial goals into needs, wants, and wishes. The financial plan should clearly show how all the goals are interrelated, yet prioritized. The plan should also address which goals you would only be able to partially fund if the resources are not adequate to fund them all. A properly constructed financial plan should complement and promote your strengths, while highlighting any shortfalls or deficiencies you may have. The plan should then provide clear, actionable items regarding how to make the necessary changes to achieve your goals within the appropriate period.

A comprehensive personal financial plan can enhance the quality of your life and increase your satisfaction by reducing the uncertainty about your financial future. It can help you build your personal financial resources during your working years and reduce the pressures on your dealership when you leave the business. A financial plan allows you increased control of your financial affairs. It can prepare you for the unexpected, guide you during economic downturn, and help you avoid dependence on others.

Retirement can cause you stress, fear, and insecurity. Developing a well-structured financial plan will not only give you peace of mind; it may even help improve personal relationships within your family structure as you define an economical way to transition the dealership that also allows you to meet all your financial goals. Knowing you will have the financial ability to achieve your goals in the face of the unknowns associated with longevity is well worth the time and effort of completing a plan.

You will need to gather and prepare the following information to begin your personal financial plan:

1. List of personal financial goals and their projected costs, with time horizons to achieve them
2. Personal and/or business financial statements
 - Personal budget (annualized savings and expenses)
 - Current copies of all investment accounts
 - Your current investment risk tolerance
 - Copies of insurance documents (life, disability, health, long-term care, property and casualty, and liability)
 - Copies of wills, trusts, medical directives, and powers of attorney

Once you have gathered the information, your financial planner should take you through a formal process to develop your plan. The following six-step financial planning process was developed by the Certified Financial Planner Board of Standards, Inc.:

- *Determine your current financial situation
- *Identify and prioritize your personal financial goals into needs, wants, and wishes
- *Confirm the achievement of your financial goals
- *Evaluate and identify alternative courses of action a necessary
- *Create and implement your financial plan of action
- *Review, monitor, and update your plan as needed to stay on track

This article is excerpted from *A Dealer Guide to Business Succession Planning*, NADA University's latest *Driven* management guide. Personal financial planning is only one of five elements that you need to consider in building a working business succession plan. Please sign in to www.nadauniversity.com and visit Resource Toolbox to access this and other *Driven* guides.

NADA UNIVERSITY LAUNCHES THREE NEW ONLINE COURSES

New offerings posted to the [NADA University](#) Learning Hub include courses in the legal and parts categories.

“Company with the FMLA” provides up-to-the-minute Family and Medical Leave Act compliance information for dealers, general managers, and HR personnel. The course explains the FMLA and its provisions, and covers regular FMLA leave and military family leave. **“Overcoming Obsolescence”** provides training in basic parts theory, and demonstrates how obsolescence occurs, how to stop it, and how to move obsolete parts. **“Unlocking Frozen Capital”** discusses how to free up cash and keep it flowing in all areas of the parts department. Parts courses are intended for dealers, general managers, department managers, and controllers. All three new courses are now available to NADAvt subscribers, who have access to all Learning Hub online courses, two years of paid webinars, and two years of NADA and ATD Convention workshops (2011 NADA workshops to be posted this month). NADAvt subscriptions as well as individual courses, workshops, and webinars may be purchased on at [NADA U Store](#).

Enroll Now for Spring Dealer Academy 2011 Classes

Spring 2011 classes include: - A TD Truck Dealer Academy, starting April 4 - Dealer Candidate Academy, starting May 9 or June 6 - General Dealership Management Academy, starting May 16. Individual Academy classes (e.g., Fi

nancial, Parts, Service and Variable Parts 1 & 2) are also open to department managers, who may attend a week of classes even if they don't have a student in the Academy program. You can call 800.557.6232, ext. 2, or e-mail academy@nada.org for an application.

Business Succession Management Guide Now Available

A Dealer Guide to Business Succession Planning has been posted to NADA University in the Resource Toolbox. Click Driven Management Guides, then Dealer/Executive. The guide defines successful business transition, explains the process behind it, and illustrates the benefits of planned business succession and the issues created if a dealer dies without a plan. The guide discusses the five elements of business succession planning and provides detailed definitions of the entities and trusts that dealers may employ to protect their assets. Driven Management Guides are provided to NADA and ATD members as a benefit of membership.

DrivingSales University is Newest NADA University

Partner DrivingSales University, helmed by DrivingSales.com founder and CEO Jared Hamilton, has joined the select group of automotive and HR trainers whose online courses are offered through NADA University. An expert on Internet marketing, processes, and structure—including social media—as applied specifically to automotive and truck dealers, Hamilton draws also on other experts in the online field to present up-to-the-minute, in-depth education designed to keep dealers ahead of the curve in their online operations. With the addition of DrivingSales University, NADA University reinforces its position as a one-source platform for the best training in the industry.



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If you are having a Memorial Day Sale this year contact MTADA. Only \$10 per pack of 50. Call while the supply lasts.

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Britani P. Laughery

WHAT'S IN A SAFETY ORIENTATION?

Safety orientations are activities that help employees and others get familiar with a workplace's safety and health programs. It also identifies hazards a worker, visitor, or contractor/customer may be exposed to at the workplace.

Orientation ensures that individuals are familiar with the company's expectations for safety and health; the role that the individuals have in the safety and health program; and, the hazards of the particular worksite.

Who Needs Orientation?

Depending on the workplace, it may be appropriate to give safety orientations to:

New hires;

Temporary Employees;

Seasonal Employees;

Fulltime employees returning from a leave of absence;

Outside contractors; and,

Visitors to the workplace (i.e. vendors).

Current employees who begin to work with new or unfamiliar work and/or equipment will also benefit.

Who is responsible for orientation?

The Occupational Health and Safety Act, as well as the Montana Safety Culture Act, require employers to inform workers of the hazards in their workplace and the procedures for doing the job safely. Many people within the organization will have a role to play in ensuring that individuals are properly prepared for entry into the workplace.

Different people can deliver different parts of an orientation program. For example:

The Safety Coordinator might deliver an overall orientation of the organization's safety and health policies/programs;

The HR manager might deliver an overview of the organization's wellness program;

The Supervisor might outline the specific safe work procedures for a particular job or change in a job/task.

What topics are usually covered?

Health and safety policies;

Roles and Responsibilities;

Safe work procedures;

Work refusal procedures;

Injury/illness/near miss /hazard reporting;

Specific hazard information

Emergency procedures;

Discipline policy;

Personal protective equipment;

Safety committee.

How is orientation delivered?

There are a lot of ways to share the information. Choose ones that best suit the workplace needs and the workers' learning abilities. Options include:

Classroom or individual training;

Computer based training;

Handouts;

Demonstrations;

Videos; and/or,

Site tours.

What makes orientation effective?

To make the training stick, these techniques have been proven to work well:

Reinforce the concepts on-the-job;

Repeat the training periodically;

Build knowledge of workplace safety over time, and teach what they need to know when they need to know it;

Follow-up with workers to ensure they are applying what they learned;

Reinforce the importance of the safety and health policies by management leading by example.

Submitted by:

By Britani P. Laughery,
CIC, CWCP, AU

THE AUTO AUCTION: BIDDERS' TIPS

Sometimes even the best auction bidders can stumble and fall into psychological traps. Two such traps are known as the winner's and loser's curse.

The Winner's Curse: Some people bid just to win. They overpay for a vehicle and erode or even eliminate any potential profit. In addition, if they overpay for a vehicle they are less likely to put money into appearance reconditioning or mechanical repair, thus making the vehicle less attractive to a retail customer.

The Loser's Curse: Some people habitually bid below what an optimal strategy would dictate and regularly lose a vehicle to another bidder. The habitual low bidder may be afraid of risks or simply conservative. Either way, he doesn't win.

The Cure: Search engines available on auction web sites, printed market reports, and guide books provide buyers with current auction values. An accurate appraisal of a vehicle's condition is also critical. If a buyer does his homework and determines a vehicle's actual value and the cost of the purchase before the auction, he is more likely to walk away with the vehicles he needs and make money when a vehicle is sold to a retail customer.

When Selling

Consign Early. The sooner your vehicles can be entered into the auction's database the better. Buyers can find them earlier and put them on their buy lists.

Know the Market. Study print and online auction Market Reports to determine a vehicle's worth. Take seasonal price adjustments into consideration—convertibles do better in spring and summer and SUVs in cooler months.

Build a Reputation. Although no eBay-style feedback rating at auto auctions exists, buyers quickly form an opinion of you as a seller. The better your reputation, the more bidders you'll have in your lane.

Appearance Matters. Reconditioning and detailing make a difference and can yield good returns.

When Buying

Do Your Homework. Take advantage of auction information systems. The night before the auction use the database search function on the auction's web site to create your final buy list. On auction day, check the database from the kiosk for last-minute consignments. Finally, download the consignment database to your PDA and take it with you in the lots and lanes.

Arrive Early and Walk the Lot. There's no substitute for doing a thorough preview of the vehicles you wish to purchase. Sort and prioritize your best picks and assign values to your favorites.

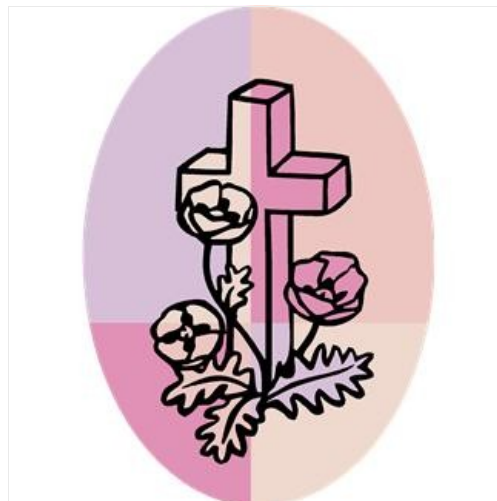
Make Yourself Known to the Auctioneer. It's important to let the auctioneer or ringman know you are interested in a vehicle. There are many styles of bidding and the auctioneer will take note of yours.

Don't lose the vehicle for the sake of \$100. One more bid might get you the car you need.

MTADA LOSES TWO SPECIAL FRIENDS

Joe Leskovar Jr of Leskovar Motors in Butte, Montana passed away on November 24, 2010.

Bob Smith of Bob Smith Motors in Billings, Montana passed way Monday March 21, 2011. Bob Smith served as president of MTADA in 1993. Bob was honored as the Montana Time Dealer of the Year in 1993



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Loss Prevention

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Binding arbitration for employment disputes

Arbitration is a way to resolve a legal dispute. When using arbitration, the parties involved agree to resolve their differences without going through the court system. Arbitration is considered "binding" when people agree in a contract to waive their right to the traditional judge and jury system of resolving legal disputes.

Arbitration has some similarities to the court system. Each disputing party gets to tell their side of the story to the arbitrator, who is a neutral third party. After hearing all sides of the story and reviewing any evidence, the arbitrator decides the matter. Unlike the court system, there is no jury in arbitration, and the arbitrator may be more flexible than a judge when considering evidence or testimony.

Even though it is less formal than going to court, binding arbitration is still a last resort for resolving a legal dispute. Every effort should be made to resolve employment disputes on an informal basis, without involving any third party. However, in those cases in which the employer and employee cannot agree to a solution, arbitration provides a good method for resolving the dispute.

How binding arbitration works

The goal of any arbitration is to resolve a dispute fairly and efficiently. An arbitration proceeding is started by one party completing an arbitration claim form and sending it to an arbitration administrator, such as the National Arbitration Forum (NAF). After a claim is filed and an arbitrator selected, the other party files a response to the claim.

In some cases, usually when the issues are straightforward and not complex, the parties can request a document hearing. The arbitrator will study the information submitted by each party and make their decision.

On the other hand, the parties may ask for a live, participatory hearing. Each side will have an opportunity to tell the arbitrator its view of the dispute, and submit evidence including the testimony of witnesses. The arbitrator will study the evidence and make their decision.

Any binding arbitration award is legally enforceable by the courts.

Binding arbitration vs. court cases

Court cases usually are time consuming, disruptive, complex and expensive. In many cases, arbitration of employment disputes is relatively inexpensive, fast and simple to use for both sides.

Also, courts follow a complex set of formal rules. Arbitrators work under the guidance of a code of procedure published by the arbitration organization, a copy of which can usually be obtained by visiting the arbitration administrator's website. Arbitrators often are lawyers, retired judges or other persons skilled in resolving disagreements.

Benefits of binding arbitration

- **Reduced costs** – Arbitration is usually much less costly than taking the same dispute to court. Transaction costs are typically higher in litigation – experts, depositions, expenses and general costs are significantly higher in a multi-year lawsuit. In addition, there is no requirement that a lawyer be utilized, which itself can result in significant cost savings.
- **Privacy** – As disputes are resolved outside the court system, the process is private. Binding arbitration typically does not generate the publicity that court cases can.
- **Fewer delays** – The average civil case takes two and one-half years to resolve, while the average binding arbitration case is resolved in less than nine months. The NAF says most binding arbitration cases can be completed within three to six months.
- **Rational decisions** – In binding arbitration, an experienced arbitrator, instead of a jury panel, will resolve the dispute according to substantive law.

Best practice guidelines for employment agreements

- Decide whether you will implement binding arbitration for current employees and new hires, or for new hires only. If you are considering adopting this for current employees, consult your legal counsel for advice. Courts in several states have ruled that implementation of this on current

employees is a reduction in the employment agreement and would require an equitable benefit advancement equal or greater to this reduction. You can avoid this risk by implementing binding arbitration on new hire employees only.

- Advise new employees that this is a condition of hire before making an offer for employment. It is best to present this condition during the application or interview part of the hiring process.
- Adequately train employees involved in the hiring process on binding arbitration's benefits and processes.
- Develop internal procedures for handling a new hire that is reluctant to sign the agreement.
- Update business procedures to ensure that a signed agreement is made a part of an employee's permanent record, and update internal control procedures to reflect this process.
- Consult with your legal counsel before implementing a binding arbitration program for your employees.

Loss prevention information

For questions about this loss prevention topic, contact the Zurich Risk Engineering Department at 800-821-7803.

Not a customer?

For more information on any of Zurich's products or services, visit www.zurichna.com/zdu or call us at 800-842-8842 ext. 7449.

Already a customer?

Contact your Zurich Account Executive or agent about sample forms and other arbitration materials available from Zurich.

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Dealers Association**

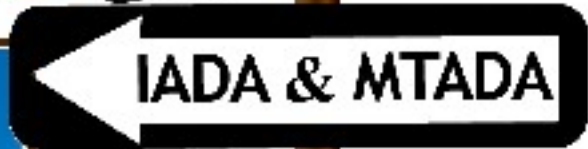
Clear Skies Ahead



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Calendar!**



The
Coeur d'Alene





SUNDAY JUNE 19TH

3:00-6:30pm
1:30-3:00pm
3:00-5:00pm
6:00-7:30pm

Monday June 20th

7:00-9:00am
9:00-12:00pm
8:00-9:00am
9:00-11:45am
9:00-12:00pm
12:00-1:30pm
1:45-2:25pm
2:35-4:30pm
5:30-7:00pm

TUESDAY JUNE 21ST

7:00-12:00pm
8:00-2:00pm
10:00-2:00pm
7:00-9:00am
5:00-8:00pm

WEDNESDAY JUNE 22ND

9:00-10:30am
9:00-10:00am
10:15-11:45
10:15-11:45
12:00-1:15pm
1:30-4:00pm
4:00-5:30pm
5:30 – 8:00m

Tentative
Schedule of Events

Registration & Information
Montana Dealers Re Meeting
MADA Insurance Trust
Welcome Reception with Heavy Hors d' Oeuvres)

MTADA Executive Committee Meeting
MTADA Board of Directors Meeting
IADA Executive Board Meeting
IADA Board of Directors Meeting
Registration & Information
Opening Luncheon (Governor & NADA Stephen Wade)
Education Speaker (NADA Paul Metrey)
Motivational Speaker
Cocktail Reception with Heavy Hors d' Oeuvres)

Registration & Information
Golf Tournament at the CDA Golf Course
Motorcycle Ride
Breakfast Buffet
Tradeshow Expo (Cocktails & Heavy Hors d' Oeuvres)

Registration & Information
Sponsor Recognition Light Breakfast
Idaho Members General Session Meeting
Montana Members General Session Meeting
Presidents' Luncheon TIME Presentation
Manufacturer Speakers (Subaru, Chrysler, etc)
Networking/Free time
Lake Cruise Banquet w/ Cocktails & Entertainment
(Kid's Klub Available 5:15-8:45pm)

Registration Form

IADA & MTADA 2011 Convention | June 19-22 | Coeur d'Alene, ID

Attendee Information		Attendee Name(s) <small>Print name(s) as you wish them to appear on convention badges</small>		Rate Code	Sun.	Mon.	Tues.	Wed.	Golf	Motorcycle Ride	Kid's Klub	Child's Age
Contact Name:												
Title:												
Company:												
Address:												
City, State, Zip:												
Phone:												
Email:												

Please Check Days That Will be Attended

Add-Ons

Children

Mail, Fax or Email form to IADA by June 3rd Note: *Guests & children attending meal functions will be billed at the individual day rate, plus a \$50.00 if not registered in advance.* Entire Convention Registration Fees - include all scheduled events and meals Sunday through Wednesday except golf. Individual Days include all events scheduled for the day except golf.

ENTIRE CONVENTION RATES:

RATE CODES

- M** - Member Rate
- N** - Non-member Rate
- R** - Sponsor Rate
- S** - Spouse Rate
- C** - Children (ages 3-17)

ADD-ONS:

- Golf \$125 / per adult
- Motorcycle Ride \$30 / per bike (must show motorcycle endorsements)

INDIVIDUAL DAY RATES:

- Sunday \$50 - Member / \$100 - Non-Member
- Monday \$100 - Member / \$150 - Non-member
- Tuesday \$75 - Member / \$125 - Non-member
- Wednesday \$125 - Member / \$175 - Non-member

All registration forms must be accompanied by full payment. See the Registration & Information brochure for cancellation policy.

PAYMENT: _____ Enclosed is a check made payable to IADA

_____ Please charge my credit card

Name on Card: _____ Card No.: _____

Expiration Date: _____

Signature: _____

TOTAL \$ _____

\$25.00/person x No. _____ = \$ _____	\$25.00/person x No. _____ = \$ _____
\$500.00/person x No. _____ = \$ _____	\$25.00/person x No. _____ = \$ _____
\$25.00/person x No. _____ = \$ _____	\$225.00/person x No. _____ = \$ _____
\$15.00/person x No. _____ = \$ _____	\$125.00/person x No. _____ = \$ _____
\$30.00/bike x No. _____ = \$ _____	\$30.00/bike x No. _____ = \$ _____
\$ _____ person x No. _____ = \$ _____	\$ _____ person x No. _____ = \$ _____
\$ _____ person x No. _____ = \$ _____	\$ _____ person x No. _____ = \$ _____

Bill Type - Number	LC Number	Primary Sponsor	Status	Status Date	Short Title	Note
HB 31	LC0097	Ken Peterson	(H) Tabled in Committee* -- (H) Transportation	01/11/2011	Prevent providing vehicle to person who does not have driver's license	
HB 43	LC0296	Gary MacLaren	(S) Hearing -- (S) Business, Labor, and Economic Affairs	03/02/2011; 10:00 AM, Rm 422	Clarifying employer's rights related to employee use of medical marijuana	
HB 161	LC0118	Mike Milburn	(S) Committee Vote Failed; Remains in Committee -- (S) Judiciary	03/14/2011	Repeal medical marijuana law	
HB 175	LC0624	Keith Regier	(H) Hearing -- (H) Human Services	03/21/2011; 3:00 PM, Rm 152	Submit repeal of Montana Medical Marijuana Act to voters of Montana	
HB 201	LC0707	Wendy Warburton	(H) Missed Deadline for General Bill Transmittal*	02/24/2011	Allow employees to keep firearms in vehicle in workplace parking lot	
HB 229	LC0105	Walter McNutt	(S) Committee Executive Action--Bill Concurred -- (S) Highways and Transportation	03/17/2011	Revise laws pertaining to commercial vehicles	
HB 249	LC1095	Steve Fitzpatrick	(S) Hearing -- (S) Business, Labor, and Economic Affairs	03/17/2011; 9:00 AM, Rm 422	Limit shareholder liability for corporation's acts and debts	
HB 254	LC1870	Gordon Vance	(H) Sent to Enrolling	03/18/2011	Revising motor club service laws	
HB 264	LC2026	Gordon Vance	(S) Tabled in Committee -- (S) Business, Labor, and Economic Affairs	03/17/2011	Allow any person to file complaint with insurance commissioner	
HB 265	LC2025	Gordon Vance	(S) Hearing -- (S) Highways and Transportation	03/10/2011; 3:00 PM, Rm 405	Prohibit insurer from disregarding cost item identified by estimating system	
HB 274	LC0542	David Howard	(H) Hearing -- (H) Appropriations	03/08/2011; 8:00 AM, Rm 102	Provide that employment of an unauthorized alien is unlawful	
HB 306	LC1172	Tom Berry	(S) Hearing -- (S) State	03/16/2011;	Eliminate requirement	

			Administration	3:00 PM, Rm 335	for notary public to keep and maintain a journal
HB 325	LC0637	Keith Regier	(H) Hearing -- (H) Taxation	02/02/2011; 9:00 AM, Rm 152	Eliminate class 8 business equipment property tax
HB 334	LC0305	Scott Reichner	(S) Hearing -- (S) Business, Labor, and Economic Affairs	03/23/2011; 9:00 AM, Rm 303	Generally revise workers' compensation
HB 357	LC0689	Gary MacLaren	(H) Hearing -- (H) Appropriations	03/15/2011; 3:00 PM, Rm 102	Provide tax credit for employer contribution to employee health savings account
HB 358	LC0690	Gary MacLaren	(H) Hearing -- (H) Appropriations	03/08/2011; 3:00 PM, Rm 102	Revise Montana medical savings account contribution limits
HB 439	LC0443	Galen Hollenbaugh	(H) Hearing -- (H) Appropriations	02/16/2011; 3:00 PM, Rm 102	General obligation bonds for state government
HB 440	LC1536	Daniel R Salomon	(H) Missed Deadline for General Bill Transmittal*	02/24/2011	Require all public and private employers to use E-Verify program
HB 445	LC0020	Cary Smith	(H) Hearing -- (H) Appropriations	03/09/2011; 8:00 AM, Rm 102	Allow health care choice thru out-of-state policies
HB 543	LC1528	Steve Fitzpatrick	(S) Referred to Committee -- (S) State Administration	03/02/2011	Revise law on administrative rules adopted by reference
HB 601	LC1672	Champ Edmunds	(H) Hearing -- (H) Business and Labor	03/11/2011; 8:00 AM, Rm 303	Revise business and labor law to limit use of credit history in employment
SB 45	LC0150	Dave Lewis	(S) Missed Deadline for General Bill Transmittal*	02/24/2011	Revise notary laws
SB 57	LC0394	Gene Vuckovich	(H) Committee Vote Failed; Remains in Committee -- (H) Judiciary	03/08/2011	Enhance penalty for consumer protection violations
SB 60	LC0404	Kim Gillan	(S) Transmitted to Governor	03/14/2011	Amend security credit freeze law to protect certain persons
SB 70	LC0242	David E Wanzenried	(S) Tabled in Committee* -- (S) Taxation	02/01/2011	Eliminate net operating loss carryback provisions

SB 82	LC0402	Bradley Hamlett	(S) Tabled in Committee* -- (S) Highways and Transportation	02/11/2011	Provide for a primary seat belt law	
SB 145	LC0791	Bob Lake	(S) Missed Deadline for General Bill Transmittal*	02/24/2011	Require administrative rules to be approved by interim committees	
SB 163	LC1783	Bob Hawks	(S) Missed Deadline for General Bill Transmittal*	02/24/2011	Clarify municipal authority to regulate outdoor lighting	
SB 196	LC1828	Jonathan Windy Boy	(S) Missed Deadline for General Bill Transmittal*	02/24/2011	Address bullying in the workplace	
SB 211	LC2074	Rowlie Hutton	(S) Transmitted to Governor	03/16/2011	Revise salvage title law	
SB 372	LC0648	Bruce Tutvedt	(S) Committee Report-- Bill Passed as Amended -- (S) Taxation	03/14/2011	Lower business equipment tax -- phase more reduction on state economic growth	
SB 380	LC2017	Kim Gillan	(S) Missed Deadline for General Bill Transmittal*	02/24/2011	Generally revise laws regarding employer conduct regarding politics, religion	
SB 387	LC2181	Edward Buttrey	(S) Missed Deadline for General Bill Transmittal*	02/24/2011	Change factors for considering employee totally unemployed	
SB 396	LC2064	Kim Gillan	(S) Hearing -- (S) Taxation	03/16/2011; 8:00 AM, Rm 405	Provide for nonresident and resident tax equity on business interest sales	

Montana Automobile Dealers Association
501 North Sanders
Helena, MT 59601
(406) 442-1233
Fax (406) 449-0119

2011 MTADA Board of Directors

President:	Don Kaltschmidt	Don "K" Chevrolet Subaru Chrysler Dodge Jeep Ram	Whitefish	406-862-2571
President-Elect:	Ken Fichtner	Fichtner Chevrolet	Laurel	406-628-4618
Vice President:	Jim Stanger	Helena Motors	Helena	406-442-6310
Chairman:	Gary Schoepp	Action Auto	Sidney	406-433-2312
NADA Director:	Bill Underriner	Underriner Motors	Billings	406-255-2350
DEAC Chairman:	Don Kaltschmidt	Don "K" Chevrolet Subaru Chrysler Dodge Jeep Ram	Whitefish	406-862-2571
Exec. Vice President:	Marilyn Olsen	MTADA	Helena	406-442-1233
Directors:	Cari Yturri	Bennett Motors	Great Falls	406-727-2100
	Garry Brayko	Archie Cochrane	Billings	406-656-1100
	Ed Leipheimer	Discovery Buick	Anaconda	406-563-5256
	Tim Hubbard	University Motors	Missoula	406-721-4900
	Tom Simpson	Simpson Honda	Bozeman	406-587-0761
	Fred Morris	Courtesy Ford	Conrad	406-278-5533
	Craig Tilleman	Tilleman Motors	Havre	406-265-7865