

LOOKING DOWN THE ROAD

LDR

A Publication Dedicated to Honda Dealers from the Parts and Service Division



MADISON HONDA LEADS THE WAY IN RECYCLING

Madison Honda's Empowered Employees Lead the Way

ARE YOU READY TO ROCK?

Honda Customer Appreciation Days are back!

IT STARTS WITH YOU

Sign up for the 2013 Accord accessories incentive



A MESSAGE FROM OUR SENIOR VICE PRESIDENT

Your service business is growing! With Honda new vehicle sales increasing at a record pace and your service and parts business recording a 15% increase in year over year net profit, our forecast for the future is quite promising.

But with elections just around the corner, it reminds us that, like our government, the auto market is a democracy. Customers vote with their hard-earned dollars! There's nothing mystical about a customer wanting a fairly priced oil change, or to expect the speed and convenience of Express Service. So, even with our positive momentum this year, our focus should remain on maintaining and increasing our service market share, and wooing those customers to spend their hard-earned dollars with you, not the IRFs.

American Honda continues to offer top-notch tools and support to further strengthen your parts and service business. As you know, the Express Service Certification process has been revitalized. To date, we've seen 357 dealers complete the rigorous requirements to become certified, and they have been awarded the newly designed Express Service plaque, suitable for displaying. And, through August, Express Service Customer Pay has grown at three times the rate of standard Customer-Pay Repair Orders. To support you with the marketing of your Express Service operation, we've revamped the point-of-purchase materials, extended our AHM-funded marketing campaigns, and have begun development of an Express Service commercial.

By now, you should be aware of one of the new and exciting programs we've launched to enhance customer loyalty – the Honda Owner Workshops. To support the all-new Accord launch, Honda Owner Workshops will include information boards that will help you explain some of the technologically advanced features, such as TPMS, Lane Departure Warning, Forward Collision Warning, and the Honda-exclusive LaneWatch™ blind-spot display. As we know, these features may be appealing while at the same time introduce a challenge. A Honda Owner Workshop is an exceptional opportunity to help curb these challenges, translating to higher J.D. Power Initial Quality Survey results, which in turn may boost customer loyalty.

To continue on the momentum of loyalty ... Honda has introduced new loyalty classes, and will debut a unique two-day Service Marketing workshop this fall. This workshop is designed for your Service and Parts Managers, and aims to lead them through the basics of marketing up to the most advanced levels. I am excited about this class and believe that every manager will leave with a plan that will help drive additional customers into his or her dealership.

As you read this, the Honda Customer Appreciation Days event will just be around the corner, happening the first two weeks of October. This is a great way to foster relationships with your Active customers, as well as those that are New to you. This year's HCAD theme, "Honda Rocks," is designed to help you make your customers feel like the Rock Stars they are. Almost 85% of you have enrolled this year, and I'm anxiously awaiting photo submissions of your fun-filled activities. Remember, submitting your rockin' photos may earn you a \$500 LCC marketing credit.

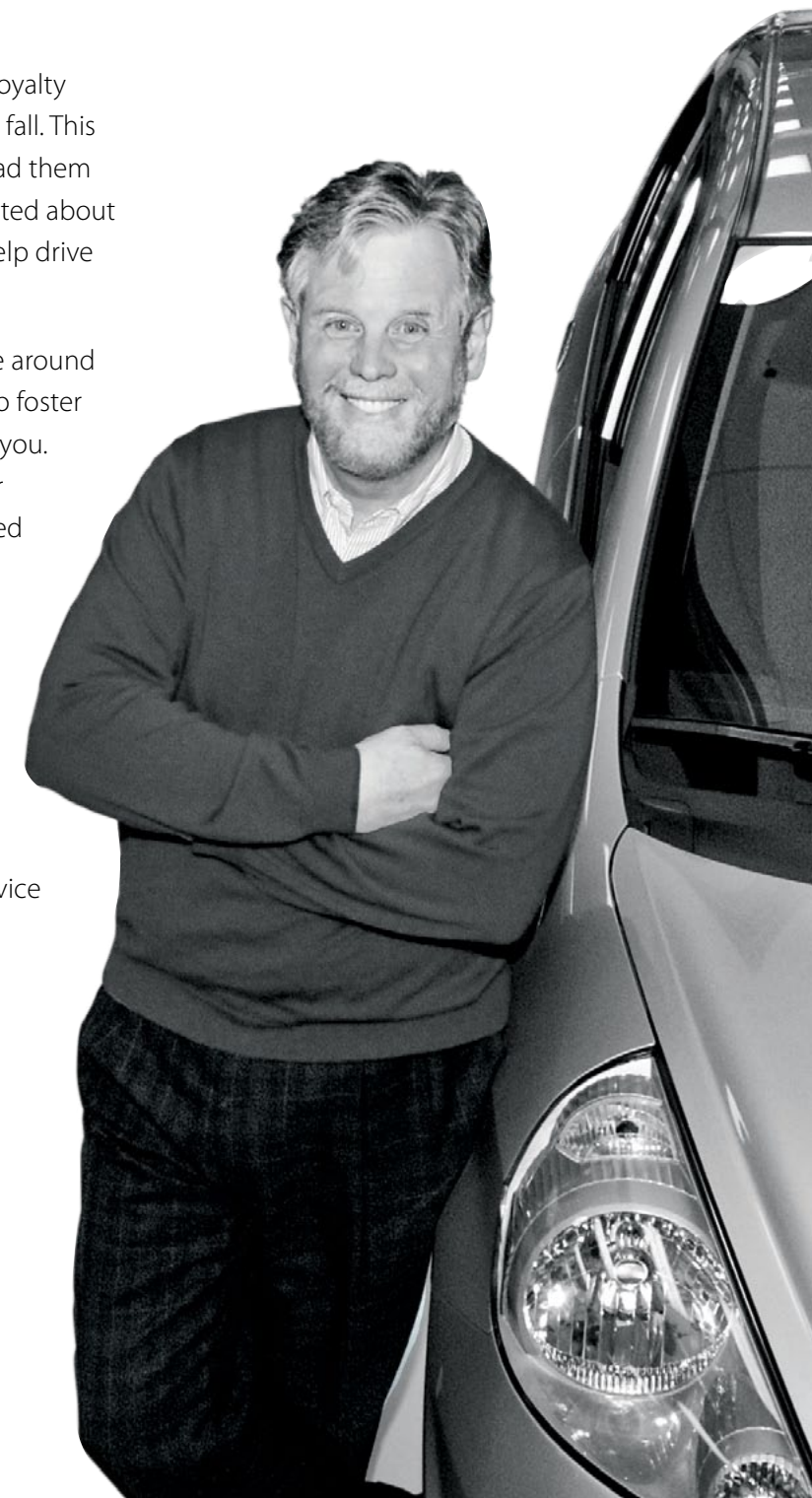
At American Honda, we know the clear choice for your service customers is you, the incumbent. Owner loyalty is up from 54.4% to 58.6%, which translates to nearly 6.4 million Active customers. While that's a lot of customers, we're aiming for 65% owner loyalty and, in doing so, customer repurchase intent should follow – but only if we offer a positive service experience.

Thanks again for partnering with us to create and maintain the perfect climate for your voting customers.

Sincerely yours,



Jim Roach
Senior Vice President
Parts and Service Division



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HONDA

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It's a New Day and a New Way of Training

Introducing the Building Lifetime Customer Loyalty Training Series

by Matt Bown



Taking everything into account – parts, service, and repeat vehicle purchases – the lifetime value of a loyal Honda customer can be worth thousands of dollars. When your dealership staff creates a high-quality, value-oriented service experience for your customers, it keeps them loyal and your Fixed Operations business profits grow as a direct result.

Loyalty is about more than just satisfaction. Now, don't take this the wrong way – satisfied customers are wonderful and essential to your business. But satisfaction is not a guarantee of loyalty. Satisfied customers may continue to buy from you, but loyal customers are buying and will continue to buy from you in the future. Plus, loyal customers are recommending your dealership to others and are your best advocates!

Parts and Service Dealer Development's Fixed Operations Training Group is sharpening the focus on loyalty with an entirely new lineup of training courses. This training is the result of three years of research and tremendous input from Parts and Service personnel from all across the country. We're proud to introduce the Building Lifetime Customer Loyalty 101 through 401 courses!

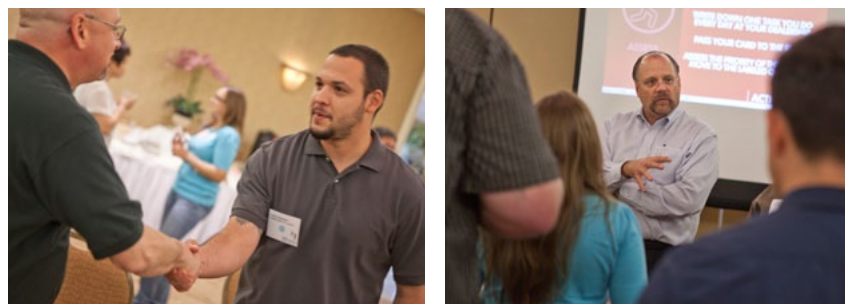
It all started in 2009, when we conducted a Fixed Operations Training assessment to see what you thought of the training and how well we were doing in terms of quality, value, applicability, and effectiveness. Our interviews included dozens of people for a broad sampling of perspectives. We spoke with previous workshop attendees, Honda Field personnel, Zone management, and our own facilitation team, and here's the feedback we received.

You said the workshops were too many days in length and kept you away from the dealership far too long. You wanted us to infuse the latest technology and include best-practice examples for optimizing your business. You asked for a faster-paced, more highly interactive experience, with content that addressed the challenges faced by both the Parts and Service departments. You asked for tools and resources to keep your learning fresh and help you sell at the spot. One of your favorite aspects you said to hold onto was the DiSC® Behavioral Workplace Profile.

So with research and feedback in hand, we set out to change the face of Fixed Operations training and bring a renewed focus on loyalty. You spoke. We listened. And here's what we changed.

STREAMLINING WITHOUT SACRIFICING

The new workshops are streamlined, single-day events, but without cutting any corners. One way we did this was by adding a prerequisite web-based training module to kick off each learning experience. Access to each web-based training module is available 14 days prior to the start of the workshop and only to those who are enrolled in the workshop to



Photos by Danny Tuccinardi

follow. This helps keep the knowledge recent in your mind before attending the workshop. Another way we streamlined is by leveraging two post-workshop learning opportunities – the Mobile Learning Environment (MLE) and In-Dealership Training (IDT). The result of all these streamlining efforts is a 55% reduction in out-of-dealership time – nine days to four days!

TECH-FORWARD LEARNING AT LIGHT SPEED

Keeping pace with today's customer requires technology, information, and speed like never before. The Building Lifetime Customer Loyalty training series is at the forefront of technology, with tech-forward, 100% paperless workshop environments. As it reduces paper consumption and aligns with Honda's environmental vision, at the same time it also supercharges and enhances your learning in new ways. At the workshop, you're assigned a specially equipped iPad for the day, with an array of amazing information at your fingertips. Through use of unique apps and websites, you deepen your Honda knowledge, strengthen your selling ability, and learn how to grow your loyal customer base. This isn't just some passing fad; it's technology-centric learning, designed to move at the pace of you and your business.

BALANCED, INTERACTIVE SKILL TRAINING AND BEST PRACTICES

You asked for more opportunities to practice your skills and pick up the latest best practices. That's exactly what we delivered. In fact, in each workshop, more than half your time is spent out of your seat, not glued down listening to lengthy lectures. You'll be doing team competitions (with prizes), interactive role playing, and exchanging ideas with Parts and Service personnel from other dealers about real-world experiences. All the activities are designed to make learning enjoyable, while helping you retain the information. You'll find the content is balanced to reflect the actual challenges you're facing in both the Service and Parts departments.

REINFORCEMENT AND SUSTAINMENT

After the workshop is over, what's your next step? There's a lot in store to boost your knowledge and help you remember the key learning points.

(Continued ...)

ELECTRONIC ACTION PLANNING

➤TURNING IDEAS INTO ACTIONS

During the workshop, you'll have opportunity to set goals and targets for making improvements. At the end of the day, all this information goes into an electronic action-planning form for you to later share with your management back at the dealership. This enables your manager to do a better job of engaging and supporting your progress.

IN-DEALERSHIP TRAINING

➤AT-THE-SPOT COACHING

After you make an action plan at the workshop your manager and/or District Parts and Service Manager may choose to conduct In-Dealership Training. This training provides at-the-spot coaching, guidance, and remediation on areas of improvement for topics you covered in the workshop and other subjects, for example selling batteries, tires, and brakes. The goal is to help address performance gaps and make the most of your dealership's people, processes, and selling abilities.

MOBILE LEARNING ENVIRONMENT (MLE)

➤WWW.HONDAMLE.COM

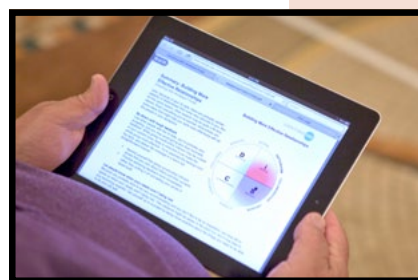
This is your personal portal for everything you need to continue learning after the fact. You'll find all sorts of resources, like DiSC® behavioral style cards and media content from the workshop. You'll also find selling aids to guide you through value-oriented product purchase conversations with customers. Access the site 24/7 through your computer, smartphone or tablet.

DISC® BEHAVIORAL WORKPLACE PROFILE

We learned the DiSC® Behavioral Workplace Profile was one of your favorite learning aspects. You said it was valuable because it had immediate application and resonated in both your work and personal life. And so it became the common thread throughout all four workshops in the Building Lifetime Customer Loyalty series. In each of the workshops, you'll use the DiSC® Behavioral Workplace Profile to understand your personality style and behavior, including motivations, responding to conflict and stress, and adapting to the styles of internal and external customers. Increased understanding of self and others leads to improved work productivity, teamwork, and communication.

DESIGNED FOR (AND WITH) YOU

Before national release, each workshop undergoes rigorous pilot testing with dealership personnel who provide specific feedback for updates and changes. This ensures we're delivering exactly what's of greatest benefit to you. Each training experience is designed from the ground up with both Parts and Service personnel in mind. We want you to walk away from each training experience with practical skills to use right away on the Service drive or at the Parts counter. You can expect the workshops to be highly interactive, featuring plenty of real-world skill practice, hands-on activities, all driven by cutting-edge technologies.



The workshop series is designed in a progressive learning path, starting with the introductory 101 course and ending with capstone 401. After you complete a workshop, you must wait 60 days before enrolling in the next one. This waiting period is designed to give you adequate time to internalize and implement the information you learned.

Now that you know the design behind the training, here's what you can expect at these workshops:

BUILDING LIFETIME CUSTOMER LOYALTY 101: ESTABLISHING THE RELATIONSHIP

In many ways, relationships with customers are like personal relationships – they take time, attention, and care. Earning the trust and loyalty of a good customer is something that starts with a great first impression and continues with strong relationship skills. In this first workshop, your focus is interpersonal behavior, and how you can leverage yours to build long-term customer loyalty. You'll get your hands on the DiSC® Behavioral Workplace Profile, which serves as the starting point for knowing yourself and knowing your customers. It's yours to use all the way through 401 . . .and beyond! Since you never get a second chance to make a first impression, why not learn the best way to kick things off right!

BUILDING LIFETIME CUSTOMER LOYALTY 201: BRANDING THE RELATIONSHIP

Building on what you learned in the 101 workshop, the 201 course takes a deep dive into the hallmarks of the Honda brand promise and how you build brand value in the eyes of the customer. You'll learn the difference between Honda Genuine, aftermarket, and gray market parts and see how to educate customers on the features, advantages, and benefits of Honda Genuine parts and services. Understanding emotional vs. necessity based buying decisions will help inform and sharpen your selling skills during key stages of the Honda 12-Step Service Transaction Process, including Active Write-up, Active Delivery, and Follow-up.

BUILDING LIFETIME CUSTOMER LOYALTY 301: GROWING THE RELATIONSHIP

Get ready to hit the ground running in this boot-camp style, Service Advisor-focused workshop. We take a heavy-duty, hands-on approach to selling service. The morning session includes interactive learning where you analyze the steps you can control to increase long-term customer loyalty for you and your dealership. In the afternoon, the rubber meets the road – literally. With actual vehicles on a simulated service drive, you'll do intense selling practice drills and learn real world, best practice "how-tos". Maximize your sales performance as you move from being an "order taker" to becoming a true "advisor".

BUILDING LIFETIME CUSTOMER LOYALTY 401: CEMENTING THE RELATIONSHIP

A firm foundation, with developed rapport and deep trust, is key to growing your customer base. In this capstone course, you'll practice using and reading DiSC® styles to sell, manage expectations, develop relationships, and turn satisfied customers into loyal brand ambassadors. By leveraging the combined knowledge, skills, tools, and resources you've accumulated in the first three courses with the power of DiSC®, you'll prove yourself worthy of your customers' repeat business now and always.

Panning for Gold in the Streams of Financial Information

Fixed Overhead Coverage (FOC) Tool Updates

by Matt Bown

Like panning for gold, the Fixed Overhead Coverage* (FOC) Financial Health Assessment Tool provides the perfect place for you to sift through the streams of financial information to find precious gems and nuggets of opportunity. Dealers who are using the tool are finding it gives a revolutionary power to analyze your fixed overhead coverage and identify a multitude of profit opportunities for improvement. By making a few minor adjustments to key areas, you can immediately see how your adjustments (selling additional service and parts) may potentially help you generate a vast amount of what was previously unidentified additional gross profit. You can then create and track improvement goals in the integrated Action Planner feature to support and achieve these increased revenues and profits.

Through various channels of feedback from Fixed Operations personnel at dealerships and Honda Field DPSM associates, we're always seeking methods to refine and enhance the FOC Tool to make it even more useful. In the spirit of continuous improvement, we're excited to announce several new innovative changes to support your suggestions.

NEW CERTIFIED USED CAR TAB

Perhaps the greatest nugget of gold for a dealership lies in an often unknown or unnoticed area – the Certified Used Car customer. There is huge potential for you to earn tremendous dollars from these loyal customers. For many, a Honda Certified Used Car purchase is their first introduction to the Honda brand. They're in love with the brand so much that a used car just wouldn't do. It had to be a Certified Used Car. They're bought into the Honda brand promise right from the get-go. Here is the best part--- they're right in the sweet spot of the service curve, meaning they require more repair and maintenance work than a new car.

On average, a Certified Used Car customer spends \$100 to \$150 more per Customer Pay RO than a non-Certified customer. And on top of that, Certified Used Car customers make for real gems because they're more likely to repurchase another new or used Honda in their next consideration.



The Certified Used Car tab puts a wealth of information at your fingertips. Here's what you'll find in each new section:

- **Certified Used Car Variable:** Clearly see the loyalty picture by viewing subsequent sales of new, used, and Certified Used to any dealer, including repeat buyers to your dealership and lost (defected to another dealer) customer purchase types.
- **Honda Care Contracts:** This reports the number of AHFC Honda Care and used service contracts sold and the gross profit generated
- **Certified Used Car Reconditioning:** View total parts and labor sales gross profit that is contributed by Certified Used Car reconditioning.
- **Certified Used Car Customer Parts and Service Transaction:** See the number of current Certified Used Car Customer Pay ROs, current Certified Used Car Total Customer Parts & Labor Sales per RO, and Certified Used Car Active Market Share percentage.
- **Certified Income:** View the percent of your Total Operating Income derived from your total Certified Customer Operating Income.

(Continued ...)



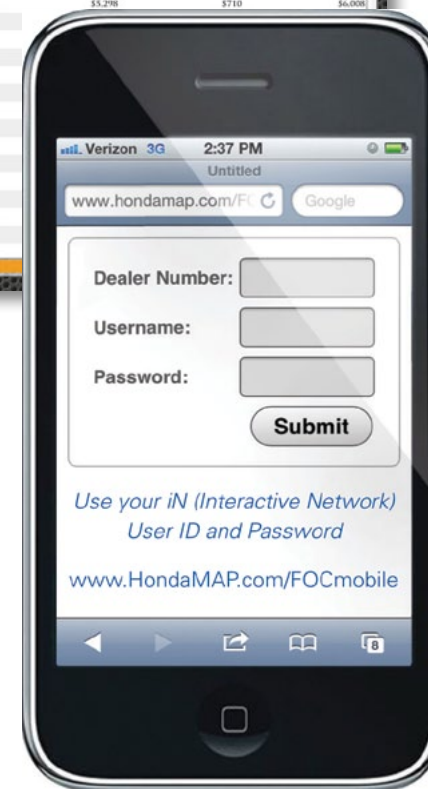
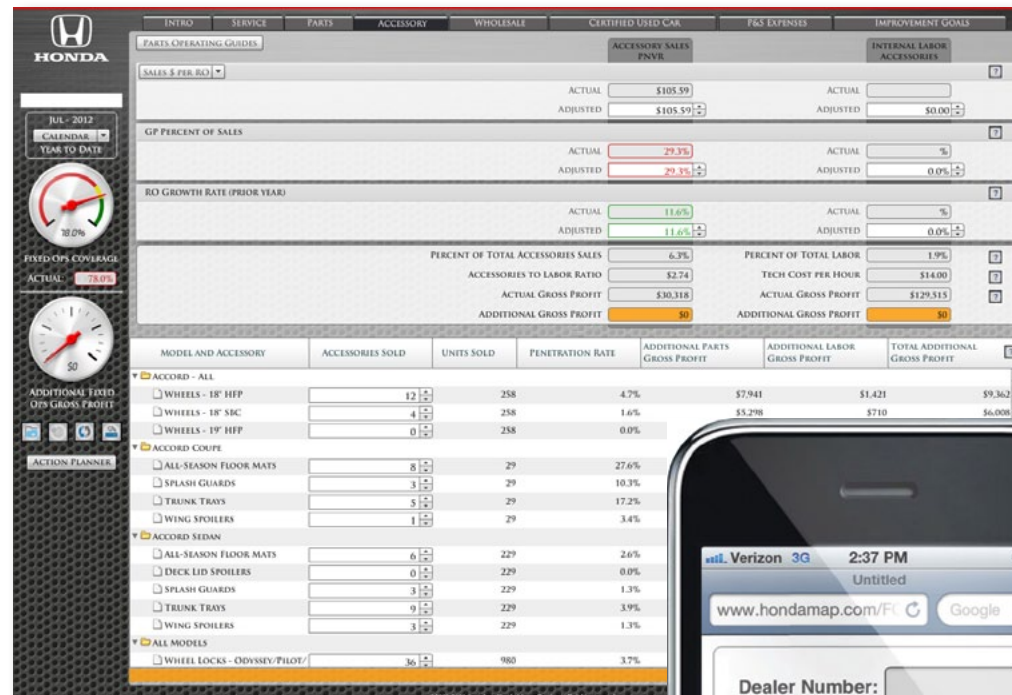
NEW ACCESSORY SALES TAB

Another gold nugget is your accessories business. When customers buy accessories, they're exercising a choice to personalize their Honda in a way that's unique, beneficial and meaningful. Each accessory makes a statement in the eyes of the customer as well as on your financial statement.

The Accessory Tab gives you the precise ability to determine the total gross profit opportunities from increased sales of model-specific accessories. It does this by tying in directly with your dealership's iN eStore pricing and profit margins. This precision by model and accessory segment gives you the benefit of monitoring your pricing to keep it competitive and value conscious. By understanding exactly what the potential is in netting you the most profit, you'll be able to make the essential adjustments to increase your sales.

The accessory tab on the FOC Tool makes uncovering the financial jewels of accessory selling a cinch. You'll find the following information in these sections:

- **Sales \$ or Hours per RO:** See the average accessory sale amount or hours per RO.
- **GP Percent of Sales:** View the percent of gross profit retained from sales.
- **RO Growth Rate (Prior Year):** This section shows the percent difference in ROs between the current and prior year selected. Observe the categorical percentages of total labor and/or parts sales and the ratio of accessory sales to labor sales. Determine the total additional gross profit from increased sales of model-specific accessories.
- **Accessories per Units Sold:** Determine the total additional gross profit available from increased sales of model-specific accessories.



FOC MOBILE –

ANYTIME, ANYWHERE ACCESS!

Did you know the FOC Tool is accessible from your mobile smartphone or tablet? Simply visit www.hondamap.com/focmobile from your Internet browser and sign in with your iN login credentials (dealer name, username, password). Now you can monitor your gross profit on the go!

FUTURE FOC TOOL ENHANCEMENTS

Like what you've seen? Well, stay tuned, because in the near future, the FOC Tool will contain these upgrades:

- Expanded time period selections to allow you performance measuring against previous years or months
- Expanded benchmark selections to include District, Zone, National, and Composite Group
- Individual trend graphing per metric to show a chart of performance for each value right on the tab (without having to switch over to the action planner)
- Daily data refreshing to give you the most up-to-date and relevant information
- Employee (Advisor and Technician) level performance

* Fixed Overhead Coverage (FOC) measures combined contribution of service, parts, and body shop departments toward profitability of the dealership.

Electric **FIT**

Looking under the hood of the new Honda Fit EV

The new Honda Fit EV (Electric Vehicle) is definitely something to be proud and excited about – an engineering marvel combining performance, technology, and utility into a smart car that is great fun to drive, while accommodating up to five people, with *zero emissions!* The advanced engineering and technology beneath its energetic blue exterior is what really makes the Fit EV special.

POWERTRAIN

A state-of-the-art coaxial motor and gearbox (derived from the FCX Clarity) delivers smooth performance and optimal efficiency. Peak horsepower is 123 and peak torque is 189 lb-ft. Only one forward gear is needed, since the motor provides enough torque over a broad rpm range.

The large-capacity lithium-ion battery is located beneath the Fit EV's floor – this design provides good passenger and cargo space, while maintaining excellent front-to-rear balance for enjoyable, predictable cornering performance. Rated at 20 kWh, the battery has a very good energy density.

THREE DRIVING MODES

- **Normal** – for the best balance between responsiveness and range (limited to 100 hp)
- **ECON** – for greater driving range (limited to 63 hp)
- **Sport** – for greater responsiveness (up to 123 hp)

REGENERATIVE BRAKING

During deceleration, the motor actually turns into a generator, helping to recharge the battery. Regenerative braking can be increased by moving the shift lever from D to B (suited for long downhill).



Photos by Danny Tuccinardi



Technicians from designated Battery Electric Vehicle dealerships received special training at the Western Training Center in Torrance, CA.

CHASSIS HIGHLIGHTS

- MacPherson strut front suspension design
- All-new multi-link rear suspension design (accommodates the battery pack)
- Electric power steering (EPS) system
- Front disc/rear drum brake setup

TECHNOLOGY

- **Honda Satellite-Linked Navigation System with Voice Recognition**
- **Interactive Remote** (Range: 100 ft. inside a structure or just over 300 ft. with no walls or obstacles)
- **HondaLink™ Telematics** (Includes the HondaLink™ Fit EV smartphone app for iPhone® and Android®, which requires both car and smartphone to be receiving cellular signal)

TECHNOLOGY BENEFITS INCLUDE:

- Map display shows an estimate of how far you can drive (one-way and round-trip) on the current battery charge, and location of nearest charging stations [Navi, Smartphone app]
- Monitor battery charge level [Remote, Smartphone app]
- Monitor interior temperature [Smartphone app]
- Activate battery charging & climate control system [Remote, Smartphone app]
- Schedule battery charging (during non-peak utility hours for lower cost) [Smartphone app]
- Contact Roadside Assistance with one click [Navi, Smartphone app]

It's clear that the Fit EV is a very special vehicle, and definitely worth being proud and excited about!



Bringing Learning to Life

A behind-the-scenes look at how your technical training modules come to life

by Nolan Tamashiro

“Lights...camera...action!” With a creative and technical staff working with storyboards, illustrations, animation, and programming, creating a technical training module today is quite a production. How are these training modules brought to life? We took a behind-the-scenes look at how they are created, and the team behind it – the Technical Training Curriculum Production team – which is comprised entirely of in-house talent.

Previously, all training modules were developed by vendors. In-house development started in 2005 with a small group of illustrators and developers, and by 2006, all training modules were being developed in-house. Cost control, quality, and efficiency improved, which allowed more opportunity to innovate – leading to more new features and improvements, and opportunities to support areas beyond training (service information and other media production).

One of the key innovations is the core technology, which enables training modules to be customized and delivered cost-effectively by Honda partners worldwide. Language translation is easier,

developing content for both Honda and Acura brands is more efficient, and using generic-appearance characters allows the training modules to be easily used with different cultures.

Three talented groups work closely together during the development process: Instructional Designers, Illustrators, and Developers. Instructional Designers provide the automotive technical information and the storyboard script, which is brought to life by the Illustrators and Developers. The Illustrators and Developers apply their creative expertise to determine the best way to present the information.

“I’m very proud of my team,” said Stephenie Chung, Assistant Manager of the Technical Training Curriculum Production team. “They work very well, [and] they always bring new things to the table.” She encourages the team to continuously think of fresh ideas and ways to improve, using their creativity and researching the latest technology. “We’re always ready for new opportunities in training and beyond.”

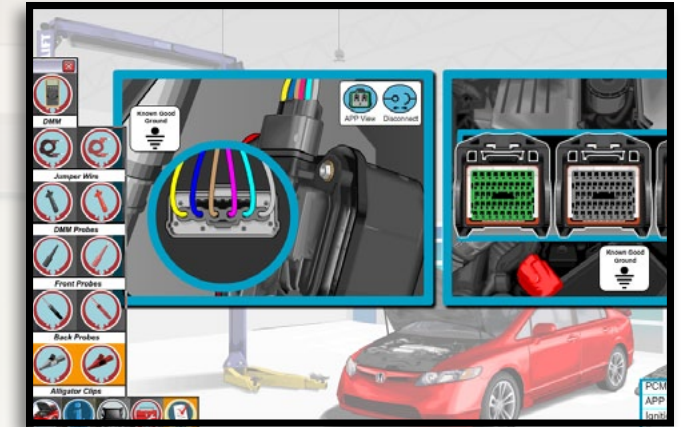
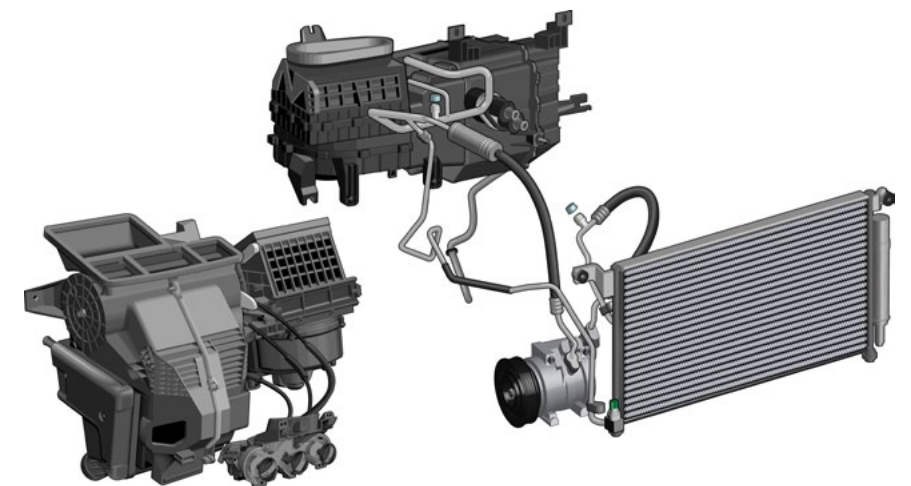
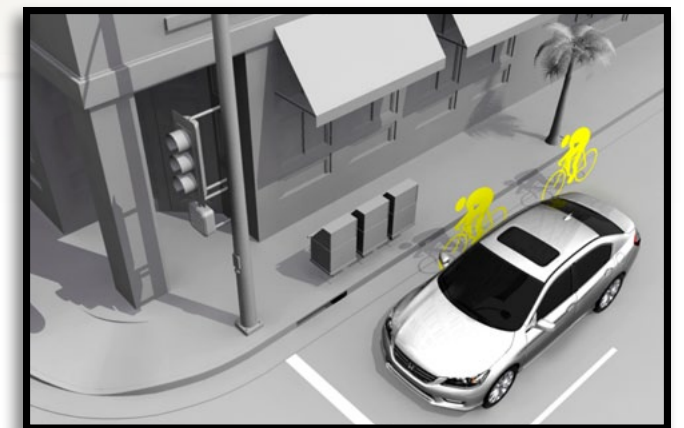


Photo by Danny Tuccinardi



Rewarding Improvements

New improvements for the Honda Professionals program

by Nolan Tamashiro

The Honda Professionals program continues to improve, and a new video on the Interactive Network (iN) provides a quick overview of the program and its new improvements.

The video summarizes a recent presentation of the Honda Professionals program to the Honda National Dealer Advisory Board, and features Jim Roach, Senior Vice President of the Parts and Service Division.



Jim Roach

Senior Vice President - Parts & Service Division

HONDA

KEY HIGHLIGHTS OF THE PROGRAM:

- **Strong participation.** 86% of all Honda dealers are currently enrolled.
- **Large amount of awards.** About 12,000 awards are earned annually.
- **Lean program administration allows more awards.** The program runs very lean, with 95.5% of program revenue going toward awards.
- **Website is well used.** Most program information can be found on the Honda Professionals website, which received 3,000–15,000 hits per month from January through April.
- **Award Status can be viewed online 24/7.** “The Professionals Recognition Status Report,” a customized award status report for your dealership and its staff, is updated daily on the iN Online University.

NEW PROGRAM IMPROVEMENTS BASED ON YOUR FEEDBACK

Based on Dealer Advisory Board feedback, a new award for technicians was added this year (General Course Certification Award), and a custom Lucite plaque has been added to the Tenure awards. In addition, Honda Professionals award packaging has been redesigned to impart a higher-quality image for your award winners.

Please see the video on the iN Online University (on the “Service Management” and “Parts Management” landing pages).

Honda Professionals Program website:
hondaprofessionals.com



Jay Doucette (left) and Gabe Llantin

Lia Honda Finds Success With Collision Select

by Ted Maresh / Collision Select Market Manager / Zone 9

Lia Honda in Enfield, Connecticut, has been utilizing OEConnection's CollisionLink and Honda's Collision Select program to conquest aftermarket crash parts sales from their body shop accounts since late 2009. Parts Manager Jay Doucette and Gabe Llantin, Assistant Parts Manager, share some of their best practices and insights from growing the Collision Select business through their existing body shop accounts.

Jay, tell us about your background with Honda.

I have been with Honda since 1984. I've been the parts manager since 1987. I have completed all of my MAP training as well as all of the online training modules. I believe it's very important to be fully trained in all aspects of the parts department – not only for myself, but for my countermen also.

How do you monitor your Collision Select business to make sure you are notified of orders in a timely manner?

We are notified via e-mail that there is a "new" order to be processed on the CollisionLink website. Gabe is notified on his iPhone, so even if he is away from his desk, he immediately receives notification and can process the order. I am notified via e-mail and can process the orders if he is unavailable. We generally process all orders within 10 minutes of notification.

Do you do anything to prepare prior to contacting a body shop for an order that was sent to you via CollisionLink?

Before contacting the body shop, we review the order in its entirety. We review all conquest parts as well as non-conquest. We check availability on all the parts in question so we can give the shops an accurate ETA. We also check accuracy of the whole order. We understand that CollisionLink "VIN-scrubs" all orders, but we check nonetheless to absolutely ensure complete accuracy.

What are some of your techniques for successfully converting a potential sale on a "conquest" aftermarket part?

The first thing we do is look at the "list price" of the aftermarket part. We understand that most shops are receiving a 30 to 35% discount from the aftermarket. We know that the shops would rather use a genuine part as opposed to an aftermarket part, so if we can get close to their cost we can make the sale. Sometimes we can beat

the price on the aftermarket part, and at that point it sells itself. Usually, if we can get within 10% of the cost of the aftermarket part we can get the sale.

If we cannot get close on the price and lose the sale we still inform the shop of all details associated with the part, i.e., their price, availability, and an estimated delivery date and time. We do this because a lot of times the aftermarket parts DO NOT fit and they ultimately need the OEM part to complete the job.

Gabe, do you ever have to help body shop personnel use CollisionLink software effectively?

Yes, it is an ongoing process to educate body shop personnel on how to use CollisionLink. For basic operations we can usually help the body shops on our own. For more detailed questions and for new users to the system, we direct them to the OEConnection people, who answer all their questions quickly and professionally.

What type of body shops do you target for Collision Select enrollment?

Everyone and anyone. It is not up to us to determine if a body shop is right for CollisionLink, it's up to them. They know their business better than we do. We make it available to all of our shops, explain all of its functions and benefits, and let them tell us if they think it's right for them.

What are some of the techniques you use to present Collision Select to a potential target body shop?

No hard sell. We try to educate a potential customer on the CollisionLink process, and try to explain its benefits without being too pushy. We as dealers get calls all day from pushy salespeople trying to sell us everything. I don't want to be compared to them. We build a relationship with our

customers first, then explain the CollisionLink process to them in a way that they understand. Usually it sells itself.

What has been most successful for you?

Face-to-face visits have been very good for us. It is a lot easier to try to win over a customer when talking to them in person rather than on the phone. We make a point of trying to get out for personal visits as much as we can.

How do you get the majority of your stores "installed" and trained on the CollisionLink software?

Most of our existing and potential customers by now are aware of the CollisionLink program. When we get a new customer to agree to be signed up, we contact OEConnection directly have them talk to one of their trained representatives. These guys are pros and have always done a great job helping our customers get set up and trained on the CollisionLink software.

Do you do anything to follow up or support the use of CollisionLink once it's installed?

No. Once it's installed it pretty much runs itself. If we know that a shop has signed up and we keep hearing from them via the telephone we will follow up with an inquiry as to why they are not using the system.

Are there any body shops in your opinion where Collision Select just isn't a good fit?

No. Every shop is different. Just because they are a small one or two-man operation does not mean that they can't also see the benefits of the CollisionLink system. We let the shops decide if it's good for them or not.

Driving Excellence in San Antonio

by Gary Ledoux



Photo by Danny Tuccinardi

"Driving Excellence" was the theme for the 2012 I-CAR Industry Event held in San Antonio, Texas, on July 18-20, 2012 in conjunction with the Collision Industry Conference and several other collision repair industry events. And, for an hour during the event, Leigh Guarnieri, Manager of American Honda's Wholesale Parts Marketing department, was in the "driver's seat" as he made a presentation to shop owners and industry leaders on behalf of American Honda.

On July 19, Guarnieri presented some of the changes that are coming with the 2013 Accord, the increased use of high-strength steel, and what that could mean to repairers. He also discussed the Acura RLX concept car and some of the innovations it will feature.

Guarnieri's presentation centered around the support American Honda

presently provides for the industry, in terms of repair information, recently released Parts Information Updates, field support, and Honda's work with PACT schools.

He also shared with the group that American Honda is currently assessing the present level of support offered the industry, and what may be possible in the near future.

I-CAR is the Inter-Industry Conference on Auto Collision Repair, the premier training arm for the collision repair industry.



Photo by Matthew Emmons



Start Saving Today

Bump Up Tire Order Discount Program

by Ruth Harper

Want to get discounts every time you order tires? Want the chance to get more discounts? Want a profit-building tool that works for your dealer, regardless of how many ROs you write every day? Want to see tire discounts on your invoices now?

Look no further. Allow us to remind you about the **Bump Up Tire Order Discount Program**, which launched in April.

Now, you have control over the amount of discount you receive. The more tires on your order, the better the discount can be. Rather than order tires several times a day or week, combine those orders to maximize the discount you receive.

For example, any order of less than eight tires does not qualify for a discount. Combine smaller orders into a single larger order of eight or more tires and you will receive a discount as outlined in the table:

# of Tires on Order	Discount Level
0 to 7 Tires	No Discount
8 to 19 Tires	1.0% of Dealer Net
20 to 49 Tires	2.5% of Dealer Net
50+ Tires	4.0% of Dealer Net

Notice the volume discounts are up to 4% of dealer net – that's over \$7 per tire on \$180 tires! And these discounts are in *addition* to any promotional discounts, such as Stock Up & Save or Smokin' Hot, that may be active at the time you order!

How is this possible? Basically, the larger the tire order, the lower the average per tire cost to ship those tires to you. American Honda passes those savings on to you! Cash in on these discounts by Bumping Up your orders and start saving today!

For complete program terms and conditions, visit the Authorized Tire Center page on the iN (Parts > Parts Marketing > Authorized Tire Center).

Honda Genuine Parts Brand Awareness and Education

by Karen Trim

In this and past issues of *LDR*, Bruce Smith, Vice President of Auto Service and Technical Operations, shared with you the ongoing issues and concerns with counterfeit parts and their role in putting your dealership, our customers, and American Honda at risk. Awareness and education about Honda Genuine parts are important in helping your dealership staff understand the impact and pitfalls to your business and the brand when parts other than Honda Genuine parts are used.

Education about Honda Genuine parts began with the ***Selling Genuine Honda Parts with iN*** Webinar. Since its launch in 2007, over 11,600 parts and service staff have attended the course and successfully completed a mastery test that confirms their knowledge of Honda Genuine parts. The overall objective of this class has been to train parts and service staff on what makes a Honda part a Honda Genuine part, how to explain to customers in the service drive and at the parts counter why they should insist on Honda Genuine parts, and how to make use of the array of Honda Genuine parts resources located on iN.

Awareness and education will continue with a new, advanced parts class, the ***Honda Genuine Parts – Brand Education & Protection***. This webinar is a new training course that will not only examine counterfeit (black market) parts, it will also discuss the gray market and aftermarket parts arenas in relation to Honda Genuine parts. The class is designed to educate your dealership's staff on

what occurs in these markets and what it means for your dealership's business, our customers, and American Honda.

The only way to ensure that repairs completed on Honda vehicles will maximize the likelihood of system integrity and optimized performance is to install Honda Genuine parts. The only source of Honda Genuine Parts is American Honda. Warranted in their design, with a guarantee of value and quality, Honda Genuine parts help provide customers peace of mind for their future safety and the safety of other vehicle occupants.

As economic issues continue and the ease of obtaining parts through secondary markets via the Internet grows, so can the temptation to use alternatives to Honda Genuine parts. By attending this course, parts and service personnel will learn how yielding to this temptation can be detrimental not only to the customer but also to the dealer. American Honda's efforts to inform are ongoing as we scrutinize the unknown as it relates to quality, performance, and safety of gray market and aftermarket parts, as well as whether they are compatible with Honda vehicles.

To register for the ***Honda Genuine Parts – Brand Education & Protection*** Webinar, access Online University, click iN Training, then Enrollment. Enter Parts in the Keyword field and click Search.



How We're Helping to Keep Our Customers' Eyes on the Road!

by Richard Guerra

As you're likely aware, U.S. Secretary of Transportation Ray LaHood has been focusing a lot of attention on the issue of distracted driving. As a result, the National Highway Traffic Safety Administration (NHTSA) is in the process of drafting voluntary guidelines on the operation of in-vehicle electronic devices (telematic and navigation systems).

The NHTSA guidelines are based, in part, on those developed by the Alliance of Automobile Manufacturers for in-vehicle devices, which limit the amount of time that drivers' eyes are off the road.

American Honda has already agreed to adopt the Alliance's guidelines and, as a result, we've restricted some HFL and navigation system operations on the 2012 Civic, CR-V, Fit, and Insight that previously could be done while driving.

If a vehicle arrives on your service drive with a complaint that some HFL or navigation system functions aren't working while driving, the service advisor or technician should first find out what the customer was trying to do. It could be that the system was working as designed; if so, the service advisor will need to educate the customer – explain that we've taken these steps to help ensure they keep their eyes on the road while driving. Here are some things the service advisor can do:

HFL SYSTEM

- Explain how to save and use voice tags to place calls.
- Suggest using Call History for recently placed or received calls.

NAVIGATION SYSTEM

- Suggest setting the destination and the navigation system presets (Go Home, using Previous Destinations) before driving.
- Explain how to use voice commands.

As new models are released, they'll likely come with similar restrictions in place. However, as our in-vehicle telematics and communications systems evolve, our goal is to help maximize the amount of time that drivers' eyes are on the road, while still letting them use those functions they want and need.

Function	Restriction Level While Driving
HFL System (Without Navigation)	
10-key dial	Restricted
Phonebook	Not restricted
Speed dial	Restricted
Speed dial setup	Not restricted
Call history	Not restricted
Call history scroll	Not restricted
Redial	Restricted
Connect to a new phone	Not restricted
Connect to a previously paired phone	Restricted
Manual dial tones	Restricted
Read text	Not restricted
Reply to text	Not restricted
HFL System (With Navigation)	
10-key dial	Voice command only
Phonebook	Voice command only. Limited
Speed dial	Not restricted
Speed dial setup	Restricted
Call history	Not restricted
Call history scroll	Voice command only. Limited
Redial	Not restricted
Connect to new phone	Restricted

Function	Restriction Level While Driving
Connect to a previously paired phone	Not restricted
Manual dial tones	Restricted
Read text	By voice only
Reply to text	Not restricted
Navigation System	
Address	Voice command only
Place category	Not restricted
Place category scroll	Voice command only. Limited to three screens
Place name	Voice command only
Go home	Not restricted
Previous destination	Not restricted
Previous destination scroll	Voice command only. Limited to three screens
Address book	Not restricted
Address book scroll	Voice command only. Limited to three screens
Place phone number	Voice command only
Coordinate	Voice command only
Intersection	Voice command only
Map scroll	Limited use
Map point set as destination	Restricted
Destination list edit	Restricted
Route avoid street	Restricted
Route add waypoint	Restricted

The accompanying chart shows which system functions are restricted and to what extent.



EXCITING NEW LINEUP

by Nina Bryson

Your new 2013 Honda Merchandise Catalog should have arrived at the beginning of September. If you haven't browsed through it yet, please check it out. This year, you'll find a more robust and exciting lineup designed to appeal to your diverse customer base. Just a couple of the new items that are included this year are:

**Vintage T-shirts • Baby Bodysuit • Youth T-shirt
Oakley Sunglasses • G-Shock Men's Watch
Men's and Ladies' Skagen Watches
Coleman Luggage Set • Picnic Basket**

Exciting? You bet, because there are also some great additions to the current apparel, golf, headwear, key tag, and drinkware collections. Just as there is a Honda vehicle to appeal to the individuality of your customer base, there is also Honda merchandise.

Make sure your dealership is ready to launch the merchandise in a big way! Display your items in various locations throughout your dealership. A great way for customers to see the merchandise – and want it – is to use it in your new vehicle displays. For example, open the tailgate of the CR-V and lay out the Honda blanket behind it with the picnic basket set up. The display will catch your customer's eye and your dealership might be able to sell all three – the CR-V, the Honda blanket, and the picnic basket.

Don't forget to have merchandise displayed in your customer waiting areas. Having the Honda teddy bear where the youngest members of the Honda family can see it is a great chance for a sale. The more your customers see the merchandise, the better your chance to increase your sales.

In addition to all of these items for your retail customers, there are also dealer imprint items available for you to customize with your dealership name and address such as coffee mugs, ice scrapers, key chains, and water bottles. These items are ideal for your new-owner clinics and as a thank-you to customers for their patronage.

You'll notice another new aspect to the 2013 Merchandise Catalog: MSRP is included in the dealer version of the catalog, along with dealer net prices.

Ordering Honda merchandise is easy – go to eMall or call **(800) 328-1551** to speak with a Client Service Representative.



You will receive additional discounts when you hit these order minimums and use the following promo codes by **October 12, 2012**:

- Receive a **10% discount** when you order a minimum of **\$500** worth of merchandise when you use promo code **SAVE10**
- Receive a **15% discount** when you order a minimum of **\$1,000** worth of merchandise when you use promo code **SAVE15**

Order today so you can start selling the 2013 Honda Merchandise!



2013 Accord

by Nina Bryson

The new Accord is amazing, and accessories make it even more eye-catching. When your customers see the way the dynamic accessories accentuate the lines of the car, they will definitely want them. The successful launch of the 2013 Accord and its accessories begins with your dealership. We have some great tools to make sure that you are ready:

- Your District Sales Managers will be presenting a great opportunity to add accessories at a discount. DSMs will sell a demo package that includes the Aero Kit, Sport Grille, and either a Wing or Decklid Spoiler at a 15% discount. Make sure your dealership takes advantage of this special opportunity. There are a limited number of these packages available, so don't delay – call your DSM today.

- Your sales consultants are vital to Accord sales and accessory sales. There is a new incentive to reward their efforts*.

Your sales consultants can win between \$25 and \$300 on the “It Starts With You” incentive when they have verified claims for selling the following accessories:

- Sports Grille
- Body Side Moldings and Decklid Spoilers
- Aero Kit (front, side, and rear)

“It Starts With You” will launch with the 2013 Accord on September 19 and run through December 31, 2012.

- In addition, your dealership should have received the collateral materials to share the accessory message with your customers. Please make sure your material is displayed throughout the dealership to help customers with ideas on how to personalize their new Accord.

Use these opportunities to make sure that everyone – your team and your customers – see the 2013 Accord and its amazing accessories. It really does all start with you.

**Dealerships must qualify to participate by enrolling in Accessory Excitement III, purchasing a minimum of \$600 on the Accord Preorder, and providing the invoice file through parts data extraction.*

App 2.0 is Just Around the Corner!

by John Fowler

We have been hard at work updating the Accessory App for the Honda Information Center Display. We listened to your suggestions and incorporated several of them, and a few of our own, in the new and exciting Accessory App 2.0!

Be sure to download the update as soon as it's available so you can take advantage of all these benefits. For those of you who may want to update your displays with the iPad enclosure, log on to the iN (Parts > Accessory Marketing > Sales & Merchandising Materials) and look for the order form to update your display.



While you're in Sales and Merchandising Materials in the iN, be sure to visit the recently added link on how to access MacMall®, where you can order an iPad easily and conveniently with free nationwide shipping! Also, there's a new link for easy, step-by-step instructions on how to download or update an App on the iPad. And look for even more exciting Accessory App updates coming in an iN message later this year!



WHAT'S NEW IN VERSION 2.0

- A new landing page with tabs to show both 2012 and 2013 vehicles
- A redesigned Beauty Section that employs the "swipe" feature to change the viewing angle
- A revised "View All Accessories" section with much larger images
- Updated Accessory Videos for all vehicles
- Updated Design Philosophy video
- A new Wheel Section
- Dealer-specific social media links
- Dealer-specific Sell Sheets

One more fabulous feature of the Accessories App is the ability to display the vehicle image with and without accessories, by a user-controlled sliding bar.



Honda Dealer Recycling Initiative

Being Green Starts at the Roots

by Kevin Shimohara

On April 25, 2012, American Honda's Parts and Service Division introduced a new strategy to help unify the corporate "Blue Skies for Our Children" initiative among the 1,000-plus dealer network.

The strategy is to launch a voluntary nationwide recycling effort to recycle six commonly used items:

- Cardboard • Aluminum cans
- Paper/newspaper • Light bulbs
- Plastic bottles • Small batteries

The main objective is to improve the recycling activity for non-warranty products and materials that your dealership's service department uses while repairing and maintaining our customers' vehicles. This would enable Honda and your dealership to divert recyclable waste from landfills, save money by recycling these items, and provide you with the opportunity to promote your recycling efforts to your customers and community.

Since the launch, we are pleased to announce that, within three months, 100% of the dealer network has signed up for the initiative. We thank you all for your dedication and

commitment for this important step in ensuring that Honda remains the automotive leader in promoting reduce, reuse, and recycling processes!

Before we implemented this initiative, we conducted a nationwide survey to better understand the current recycling activity at our dealerships. Based on that survey, we visited the top 10 recycling dealers across the nation and talked to employees who were invested in their recycling efforts.

One of the dealers we visited was Madison Honda, in Madison, New Jersey. Brian Parente, Service and Parts Director, told us how the dealership became a leader in resource conservation.

How did Madison Honda get started in recycling?

We got started about two years ago in recycling from a grassroots movement from my Express Service and Loaner Car managers. They came to me one day and said this (recycling) is something they wanted to pursue and thought the dealership could do more to be green and helpful to the environment.

I had personal views along the same line and told them to go for it, and empowered them to pursue. They came back with a lot of results and recommendations that made it very easy to recycle. We were surprised how easy it was. For example, from our waste management system, we were able to do single-line recycling where everything could go into one dumpster and they would take it away and sort it. It was very affordable and efficient.

From there we moved onto other material. For example, we found ways to recycle paper and we eliminated aerosol cans for brake cleaning. It really became more healthy for the technicians, and it became very financially beneficial for the dealership as well by reducing the use of aerosol cans. So what we thought was going to be a cost to the dealer actually became a cost savings to the dealership and more profitable to us.

How much waste do you think you divert from the landfills?

I would say about 50-60% of our waste is diverted from the landfill.

How do you think your dealership is different from other Honda dealers in terms of recycling?

I think our dealership is different from others when it comes to recycling because it started with the employees, and the employees have bought in and realized this is something

important to our environment. We are a family-owned dealership, and all the employees are the ones that really made the difference.

Do you do any events promoting recycling?

We don't have any events but we do try to promote it when we can. About two years ago we joined the New Jersey Green Certified Automotive Repair Program and became certified. We promote this everywhere and it's in all of our advertising. It also promotes to the local community that we are participating in saving the environment. By doing this, I think there is also a financial benefit as well; I think it helps lead to customer retention.

Any closing thoughts you would like to share?

We are constantly open to new ideas, and a lot of times, things we improved on came from our employees that say we should try things to either reduce waste or recycle better. They know it's an open-door policy and any employee can come to us with any idea they have, and we will try to make it a benefit to the dealership.

As part of the recycling team, your commitment is crucial in ensuring the success of this initiative and we ask you to embrace it by taking steps to "Reduce, Reuse, and Recycle" at your dealership, where your customers can be inspired by your environmental commitment.



Photo by Jesse Graves Photography



Honda Dealer Recycling Initiative

Green Is a Smart Business Decision for Rossi Honda

by Greg Propes



Ron Rossi is a visionary, with not only the business skills to do what's right for the environment, but to also make savvy investments within his dealership. Ron is very proud to say that his dealership is the first to install solar panels that offset the amount of electricity used in his operation, located in Vineland, New Jersey.

Over the last month, he has showcased his achievements to Honda executives Jim Roach, SVP of the Parts and Service Division, and Tammy Elliott, AVP of Parts Operations. Management were inspired to see the operations because Rossi's actions support Honda's green vision of "Blue skies for our Children".



Ron explained how his \$1.2 million investment will bring a significant return to his financial bottom line. He said the tax credits lowered his total investment to just over \$500,000, and the annual return based on sunny days is averaging \$40,000 to \$60,000 per year in reduced energy bills, with June, July, and August averaging zero usage cost.

Ron has taken his green initiative further by installing two electric charging stations, one of which he's offering free public access to charge a vehicle. His next vision is to be the first dealer to make parts deliveries in green Honda vehicles. He also plans to remove security fencing from his property and replace it with barbed rose plants, which will protect his property and be more attractive than security fencing. As we walked into the dealership, Ron shares with us how he is changing out the standard lighting fixtures with high efficiency models that Honda has recommended to all Honda and Acura dealers. Just when you think there is not much left, he shares his plan to reduce water usage by landscaping with only drought resistant plants. Ron says "he wants to be known as the greenest dealer in the country" and after our visit, it appears he is well on his way.

Great job, Ron!

Enhancements Abound for Express Service Point of Purchase

by Lynda Sakamaki-Shepard

The Express Service program recently received some fresh updates in the point-of-purchase materials available through eMail on iN.

“Having the right tools to market services within a dealership is essential,” said Dax DeRop, manager of Honda’s Service Marketing department. “We’ve revitalized the look of the Express Service program with clean, straightforward graphics that are not only eye-catching, but many of them are also fully customizable.”

The new POP look coincides with American Honda’s renewed focus on Express Service as a program. A well-run Express Service operation is one that provides convenience and value to customers and is an essential strategy for Honda dealers as independent repair facilities become more aggressive in today’s market.



Once “Operational,” the process of becoming a “Certified” dealer has been redefined. A dealer’s DPSM will conduct a certification visit with the goal of ensuring that consistent Express Service processes are followed to exceed customers’ expectations of awareness, speed, and value.

“The certification process will now cover six key aspects we feel are important to maintaining an exceptional Express Service experience,” said Bryan Morris, Senior Manager, Western Region Field Operations. “Visibility to customers is first and foremost, which is why we’ve fortified the point-of-purchase selection and appearance.”

American Honda has also redesigned the plaque dealers receive commemorating their achievement of becoming certified. At the time this was written, 419 dealers have been honored as certified Express Service dealers.

“After becoming certified, dealers may begin a quest for an AHM-funded OnDemand marketing campaign targeting NEW and LAPSED customers,” said DeRop, “Service Marketing will be happy to fund a campaign once a dealer achieves benchmark status.”

The benchmark criteria will be based on customer response from the Customer Service Excellence (CSE) e-survey. The key questions and targets to attain are Question 7a, “Time to Complete,” with a score of 90.0 or greater; Question 9c, “Fairness of Charges,” with a score of 85.0 or greater; and Question 9f, “Received Multi-Point Inspection,” with 65% or more of customers saying “yes” to this question.

Additionally, dealers will need to attain these scores for three consecutive months, beginning with April. This means that the earliest dealers could qualify for benchmark status would be with the June-through-August reporting.

“Nothing makes us happier in Service Marketing than to see dealers successfully attracting customers into their dealerships,” said DeRop, “and if our POP items or direct-mail pieces help in that equation – that’s the Joy of Selling for us.”

ARE YOU READY TO **ROCK** THE SERVICE DRIVE?

Honda Customer Appreciation Days (HCAD) will be held **October 1–15** at more than 875 dealerships nationwide, and many are taking the **“Honda Rocks”** theme to new decibels.

“During HCAD, we’re holding events that we hope will appeal to a wide range of customers,” said Keith Tilley, Assistant Service Manager at Russell Honda in Zone 3. *“The first Saturday, we’ll have Bob Robbins from our local country music station out to broadcast remotely and we’ll raffle off Brad Paisley tickets, then on the following Saturday, another remote broadcast by ‘The Edge’ alternative rock radio station with a raffle for tickets to see the Red Hot Chili Peppers,”* added Tilley.

To assist dealers with event planning, American Honda’s Service Marketing department has created a micro site that includes daily reporting, setting up, and monitoring CoupeHonda offers, as well as ordering point of purchase (POP) items.

“We’re really excited about this year’s HCAD event,” said Keith Manning, DPSM for the Eastern New York dealers in Zone 9, *“Music – especially rock ‘n’ roll – touches just about everyone. Whether young or old, new to the Honda family or on their fifth Honda vehicle, the ‘Honda Rocks’ theme is infectious and conjures up good memories for not only myself, but dealers and I’m sure customers alike.”*

Some of the customer giveaway items included in the merchandising kit include sun visors, rock gem pencils, rock candy, Silly Bandz in the shape of instruments, and rear window static clings. Other POP items dealers can use to liven up the amphitheater or service drive are dealership posters and large floor clings. Also, dealers can purchase T-shirts or polo shirts depending on the audience.

Honda wants dealers to emphasize how well their customers are appreciated by holding events that are clever and outside of the boxed CD set. Dealers can submit pictures – even short video clips – for a chance to win \$500 in LCC marketing credit.

“For every customer who comes in and creates an RO, Honda will send them a Rockpack Sling Bag, which has built-in speakers so they can listen to their music while at the beach or strolling through the park,” said Dax DeRop, manager of Honda’s Service Marketing department. *“The customer simply visits the HondaServiceGift.com website and enters their RO number as well as verifies their customer information.”*



Honda Owners Swarm Dealer at Workshop

by Lynda Sakamaki-Shepard

Since the launch of Honda Owner Workshops (HOW) at the beginning of this year, Honda dealers have seen overwhelming response from customers attending the 100-plus workshops that have been held nationwide.

“It was a tremendous event,” said Matt Morrison, Service Manager at Millennium Honda in Long Island, New York. “We had about 80 people show up for our first event, and the customers were just ecstatic about the time they were given to ask questions.”

With more onboard computing power than the first Apollo spacecrafts, Honda vehicles have been engineered to encompass technologically advanced features like navigation systems with Song by Voice®, HandsFreeLink®, rear DVD entertainment systems, safety features like Tire Pressure Monitoring System (TPMS) and Electronic Brake Distribution (EBD) as well as maintenance features such as “the wrench” – all of which can be overwhelming to customers not accustomed to so much industrial science. Honda Owner Workshops are offered to allow customers the chance to ask questions about their vehicle, service intervals, or the dealership that may have been forgotten or overlooked during the delivery process.

“We could’ve held a six-hour-long workshop and the customers would’ve kept coming up with more questions,” added Morrison.

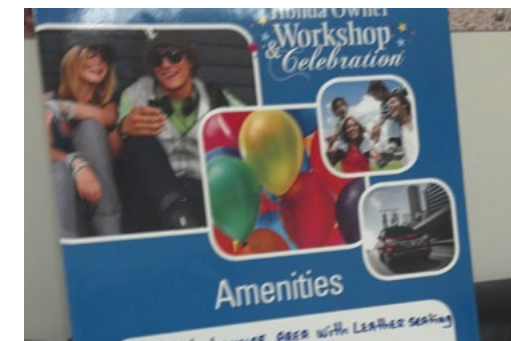
“Millennium Honda wanted each attendee to receive a raffle prize, so they employed a novel technique for their prize drawing,” explained Russell Berse, DPSM for the Long Island area in Zone 5. “They gave each customer five tickets as they walked in the door, and had a basket placed in front of each prize, then the customers walked around and put tickets in the various baskets and later they pulled out a winning ticket from each basket.”

The HOW program, which assists dealers in planning an event, sending out customer invitations, and providing merchandising materials and giveaways, can be accessed through the Lifetime Customer Care page on iN. The planning site pre-populates a date that’s about a month out, allowing adequate time to execute the event, but dealers have the ability to choose a more distant date that may be more practical or ideal.

“Customers were able to ask questions and hear answers in one big group,” said Morrison, “and then they were divided into groups based on models that allowed customers to ask questions that might be specific to their particular vehicle.”

The Millennium HOW event included a tour – as recommended – of the facilities and allowed customers to meet key service and parts associates.

“For the next HOW event, we plan to build some displays for Honda Genuine Accessories, which will provide an opportunity for the dealership to not only sell some products, but also instill pride of ownership,” concluded Berse.



Imitation Is the Greatest Form of Flattery

Except When It Comes to Honda Parts!



Photo by Travis Honda

In the last couple of editions of *Looking Down the Road*, I wrote about counterfeit parts and what we're doing to aggressively address their illegal sale. Following is the latest update.

Our first initiative is to educate dealers and customers that counterfeits are real and often times dangerous. Our educational website is now up and running and can be accessed at collision.honda.com. We believe that

an educated and informed Honda owner is the best advocate for the use of Honda Genuine Parts. We'll continue to add content and I encourage you to inform yourself and use the information to educate your customers.

We also invested in sophisticated software that informs us of Internet sales that violate Honda's intellectual property rights. This software works during the day and at night and gives us information that we can use. The initial results are very encouraging. After only 60 days, we removed over 700 listings that could potentially damage our brand. We've put associates on this and given them the tools to successfully attack such violations.

Included in this issue of *Looking Down the Road* is an overview of the new webinar we will launch, titled **Honda Genuine Parts – Brand Education & Protection**. I really encourage you to sign up for this new course, and I welcome your feedback. I think you will find this very educational and that it will help you understand the detriments to you and the customer if non-genuine parts are installed on customer vehicles.

I continue to write about this subject because of the serious implications to our safety. In a report to Congress, the Motor and Equipment Manufacturers Association (MEMA) stated that many counterfeit parts fail to meet U.S. Federal Motor Vehicle Safety Standards (FMVSS) and that these parts may be produced with dangerous, inferior materials. The use of these parts may result in a sudden and catastrophic engine failure, brake failure, or other system malfunction, endangering the driver and all motorists traveling on the same roads with these vehicles. Protect yourself and use only Honda Genuine parts purchased from American Honda.



Bruce Smith
Vice President
Auto Service and Technical Operations





Photo by Travis Honda

Bigger Sales, Better Future

With Happy Customers

In this post-quake and post-flood market, the automakers are releasing their latest models, boosting their sales significantly. Honda's year-to-date sales as of July boasts an 18% improvement over the same period from last year. A comparison to the same month from last year shows a rise of 57.4%, in a clear upward trend. I'm sure you welcome this change as much as I do.

Competitiveness is also on the upswing. The crowded mid-size sedan market – which includes our Accord and the Toyota Camry, Nissan Altima, Chevy Malibu, Ford Fusion, and Hyundai Sonata – fuels the fierce competition every day between the manufacturers, and even between area dealerships. The all-new 2013 Accord was released on September 19 and will give your dealership a strong edge in beating the competition, increasing our market share, and continuing our growth..

But, how long will this trend continue? Can new-vehicle sales be sustained forever? Where do we place our business emphasis? The answer lies after the sale. After new vehicles are sold, our service business continues the cycle by providing service that exceeds our customers' expectations.

When you provide excellent customer service, you are sure to increase the number of satisfied Honda customers. The service marketing activities we've been working hard together to implement has evolved into a program that has brought 14 million customers back to the dealerships. We will continue these efforts by expanding the program and bringing more customers back to the dealerships.

However, we should never forget that achieving this big picture is possible only if each customer receives good service and leaves your dealership satisfied. Let's take a look at a couple of calls that American Honda's Automobile Customer Service recently received to identify what we might be missing.

Case 1

This customer states that he was overcharged for labor at a certain Honda dealership. He said he brought in his vehicle at 8:30 a.m. and waited as his vehicle's starter was replaced. The car was delivered to him at 10 a.m. and he said he was charged just over \$658. The customer did not understand why he was charged so much since, according to the invoice, the labor rate was \$98 per hour and the starter cost \$196. He feels his bill should have been \$392 plus tax, but he was charged about \$462 for two hours of labor. The service advisor explained it was a "book price," but the customer did not understand what that meant and asked American Honda to assist him in obtaining a reimbursement.

Case 2

This customer said that when he took his car to a Honda dealership for Maintenance Minder oil change code A1, the service advisor told him he needed \$400 worth of maintenance done. The customer reviewed his owner's manual and found that some items were not required until 100,000 miles, and he felt the dealer was trying to recommend service not yet needed. The customer said he has his car serviced regularly at this dealer and knows when he should get certain things done. The customer called American Honda to seek a resolution.

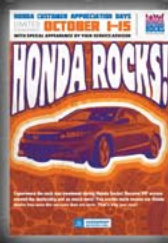
As you well know, customers are very observant. Some unsatisfied customers will voice their opinion, while others walk away silently and never come back. There are many websites such as Yelp where customers can post their comments and list the prices they have been charged. These instant posts can be compared with other dealers and other manufacturers, influencing our customers. Providing our customers with reliable repairs, maintenance, accurate communication, and fair pricing is the only way to ensure the continued expansion of our service business.

Bigger profit will not come true without satisfied customers.

Shigeo Taguchi
Vice President
Automobile Technical Operations

HONDA CUSTOMER
APPRECIATION DAYS
OCTOBER
1-15

ROCK IN ROLL



Rockin' service. Rock star customers.

Get Ready to Rock Out During HCAD 2012!

Honda Customer Appreciation Days (HCAD) starts October 1st and will help convert New customers to Active and show Active customers how much they're appreciated through October 15th at participating dealers.

For those dealers with a CoupeHONDA offer, their fans who purchase a CoupeHONDA voucher will be automatically enrolled to win an iPod.

Customers that attend HCAD will be sent a Honda Rockpack Sling bag when they create an RO of any amount.

To visit the HCAD Planning site:
Via iN, click, Service > Marketing > LCC > HCAD > Reports > HCAD Planning
Or view the Events page at www.mylchonda.com



**customer
appreciation days**