



Tom Cross, President

A Message From Tom Cross

Welcome to the February issue of *The Black Book Business Success Letter*. We're just getting back from the NADA Convention and Expo, where attending dealers were laser focused on finding workable answers to pressing marketplace challenges. The overall atmosphere was one of guarded

optimism and the topic of greatest interest was how best to maximize used car operations.

Though this year's expo was not filled with some of the

exuberant celebrations of previous years, the ever present entrepreneurial spirit of car dealers added energy to the show. We were inspired to see both dealers and vendors come together to work towards reinvigorating the auto industry.

At Black Book, we're more committed than ever to providing you with the resources you need to profitably buy, sell, and lend. In that spirit, you'll find we've brought you another newsletter chocked full of important and timely information.

As always, if you have any thought or comments for me on this newsletter, or anything else, please feel free to email me at news@BlackBookUSA.com. Have a great month, enjoy the newsletter and, as always, thank you for your continued business.

Play Offense And Win More Sales - By David Kain

The most commonly asked 'help question' we receive is how to overcome price as an objection. Surprisingly, as long as dealers have been selling and consumers have been buying, this still remains a big obstacle to success for a lot of salespeople. The Internet has reduced the issue to some degree but we still see a great deal of stuttering and stammering when a prospect asks the simple question – "What's your best price?" My recommendation is to **not** let the prospect bring up price first. Play offense instead of defense and you'll see better results.

Confidence Is Convincing

As soon as we as salespeople start to evade price we tend to appear shifty. We have found that when you approach your pricing with confidence, you can reduce the number of times the customer objects to the purchase due to price. Notice that I said "reduce" instead of eliminate. It is impossible to eliminate all price objections with words, but I want to provide you some insight on what we have seen work.

A recent study by the Cobalt Group indicated that 39% percent of consumers who purchased over the Internet suggested that they did so because the price was "competitive," not the lowest, not the cheapest, but the most competitive. This gives some insight into the mind of the consumer. Most consumers just want to make sure they do not get taken or pay more than what others would pay. Even with all the transparency and information available today, consumers rely heavily on the dealer to come through with a fair deal. **As a result, the way you present the price is going to make all the difference.**

Consider This Approach: After you review the vehicle specs and build rapport during a phone conversation with

an Internet customer, suggest to them that "when it comes to pricing, your dealership does a daily review of the leading consumer sites as well as in-market comparisons to ensure you get the best price available. When you come in for your appointment, we'll show you the data and then present you with your Internet special price." **This should diffuse the price bomb to a large degree and allow them to know you will be transparent in your approach.**

When you say this with confidence and conviction it comes across extremely persuasive even to the most hardened of shoppers. Should they rebel and demand a price, then by all means give it to them. You should always feel comfortable that you have done your best, and if you have built value in your presentation, around the vehicle as well as your dealership, you will receive a better response.

Why Offense Is Better Than Defense

When listening to phone conversations where a salesperson is speaking to a prospect, the typical script goes something like this: "Hello – I received your request for information on an 'x'...have you ever driven one? When can you come in?" The customer may say they don't want to come in – they just want to get the price. Asking if they have ever driven one is the lazy approach and is also very risky. What if they say 'yes they've driven one' and see no value in the appointment? Step up, build value in the car, in the dealership, and in yourself and this scenario will play out much better than you expect.

It's Not Just The Words - It's How You Say Them

In my college dorm we had a few false fire alarms each



Continued on Page Two...

Continued from Page One...

week. As a result, we seldom worried when we heard the alarm go off. The resident advisor would walk the floor and casually tell people to clear the building. We would slowly and grudgingly walk out. The one day we had a legitimate fire; his approach was much more direct. We all sensed the danger immediately and hurried out of the building. He essentially said the same thing but his approach was much different. You have the same ability every day you talk to a customer – if you are casual and lack confidence you will likely receive a mirrored response from your prospect. I recommend you play offense, be

confident, and lead the customer to the conclusion that you are the right place and the right person to sell them a vehicle.

Hope you have a great sales month! If you have any questions or if I can ever be of assistance to you, please feel free to contact me anytime.

David Kain is president of KainAutomotive.com, an automotive training and consulting firm that specializes in Internet marketing and sales training. David can be reached by email at david@kainautomotive.com or by phone **1-866-546-3428** or visit his website at www.kainautomotive.com

Black Book's Latest Gadgets Revealed

Our *Used Car Gadget* was well received when we launched it back in November of 2008, so we're exceptionally excited to introduce you to our three new gadgets. Now available, the **Powersports, Heavy Duty Truck, and Cars of Particular Interest (CPI)** gadgets!

All provide you with quick and easy access to the vehicle information and data you need, *without having to log on to the Black Book website*. With a single click, our newest gadgets, just like our Used Car Gadget, provide real time values straight from the Black Book database. These are fun - each gadget is customizable with a unique "skin" that represents your personality.

What's even better, they're very reasonably priced. If you have a current Black Book Internet subscription, you can add on any of



Left to Right: Used Car, Heavy Duty Truck, CPI, Powersports

these gadgets for just \$69 each. And even if you're not a current Internet subscriber, they're all available `a la carte! For more information, please contact the Black Book subscription sales team at **800-554-1026**.

More Chances To Win!

Did we miss you at this year's NADA Convention and Expo? One of the high points for us was giving away a brand new **Dell E5500 Laptop Computer with Black Book for life installed!** Congratulations to this year's winner, **Ben Leman of Leman's Chrysler City in Bloomington, IL.**

We understand that not everyone could attend the show, so some did not get a chance to enter our drawing for the laptop. If we missed you, here's a second great opportunity to WIN! This month we're going to **give away a second Dell laptop, completely identical to the one we gave away at the show.** This one comes loaded with Black Book for life too!

How do you enter to win? Easy. Simply send an email to **news@BlackBookUSA.com** with the subject line "laptop giveaway". Make sure you provide your full and complete contact information including name, company name, address, and phone number. We'll draw a second lucky winner at the end of the month and announce it in our March newsletter!

For official drawing rules, please visit our website at **www.BlackBookUSA.com**.



Black Book Vice President Martin Silver (R) awarding the laptop to Ben Leman (L).

Signs Of Better Times - By Ricky Beggs, Managing Editor

As I put these thoughts on paper we have almost completed the first month of 2009. Contrary to the tumultuous memories of the market and economy throughout 2008, today's vision is one that is exciting, upbeat and very active. Auction activity, attendance, and sales conversion rates are already improving. It is no longer a case of begging for one bid to get a vehicle sold. Now numerous bidders can be seen on many vehicles and on most every auction lane. Dealers are restocking, there seems to be an uptick in consumer and dealer confidence, and there is at least talk of an increase in available credit with slightly more lenient requirements to qualify for a loan.

Some segments not only have seen more activity but increased values when the hammer falls as well. Some 2007 full size pickups have increased as much as \$1,950 from mid-December until mid-January, with some diesel models going up \$2,750. Can you remember when the ¾ ton diesel would not bring any more than a ½ ton gas model? There are some full-size SUVs up from \$1,100 to \$1,550 during the same time period. With gas prices remaining significantly under \$2.00 a gallon, the interest on pickups and



Continued on Page Three...

Continued from Page Two...

SUVs is increasing. Sedans and more economical units have final bids just holding the line or continuing to fall in value even more. Both trends are a result of corrections of the overreactions that occurred when gas prices had peaked and settled at the magical and painful \$4.00 level.

We have just returned from a few days at the 2009 NADA Convention and Exposition in New Orleans, and as expected, the attendance was not at record levels. But the dealers and industry personnel who were there were all looking at fresh solutions to

grow their businesses. It was informative to have some in-depth discussions and see the consistent outlook in making 2009 a much improved year. So far, the wholesale auction activity that we have seen substantiates their drive and optimism.

For timely updates on the industry and market conditions, I invite you to view the *Beggs on the Market* videos posted on the Black Book home page at www.BlackBookUSA.com. As always, our editors and survey personnel look forward to seeing you on the auction lanes.

Vintage Buick Riviera - What's It Worth? - By Eric Lawrence

The Riviera was one of the industry's first true "personal luxury" cars. Introduced in 1963, it came fully loaded with features that were usually considered options on other models. The standard engine was a 401 cubic inch mill that produced 325 horsepower, but for a few dollars more you could opt up to a 340 horse 425. The 1964 Riviera was essentially a carryover from 1963, however, there was some good news under the hood – the 425/340hp engine was now standard and Buick added an optional 2 x 4 bbl 360 horse motor. The 1965 Riviera looks essentially the same as the earlier models, with a few minor styling differences. While the 1963-64 Riverias have dual side-by-side headlights, the 1965 has them stacked vertically and hidden behind clamshell doors. Also, the taillights were moved into the rear bumper. Currently, first generation Riverias are trading in the \$13,000 - \$15,000 range for a nice car, with exceptional examples approaching \$27,500.

The second generation Riverias were produced from 1966 - 1970. They were totally redesigned and exchanged the crisp lines of

the earlier cars for a much smoother look that was described as "sweeping," "swooping," and "flowing." 1966-1967

models run from \$8,000 - \$10,000 for a nice car, with truly excellent ones bringing \$16,000 - \$18,000. 1968-70 models were slightly restyled, and generally bring \$1,500 - \$2,000 less. The GS option will typically add from \$1,500 - \$3,000 to the car's value.

The third generation Riviera ran from 1971-1973. These models feature the same "boat tail" styling treatment that was used on the 1963-1967 Corvette. These years trade in the same price range as the 1966-1967 models.

Data provided courtesy of the Black Book CPI Collectible Vehicle Guide. More information on the CPI Value Guide is available at www.BlackBookUSA.com or at 800-554-1026.



'What's In Your Garage?' Winners Announced

Over the last year, we've asked you to share your stories about your "pride and joy". Many people were kind enough to send in photos and descriptions of their restoration project, or the car they always wanted as a kid and were finally able to purchase.

We've showcased several of these special classic cars in our newsletter. Now we're proud to announce three winners of our *What's In Your Garage Contest*. Each of these unique automobiles will be featured on an upcoming cover of the Black Book CPI Value Guide. Congratulations to all of our winners!



1955 Ford Thunderbird – owned by Sandra and Mike Jones of Tennessee, this restored beauty is complete with the original Y-Block 292 V-8 rated at 198 horsepower and the original Fordomatic 2-speed transmission.



1968 Ford Mustang – owned by Dave Tedesco of Indiana, this fully restored Highland Green GT390 Fastback has 4-speed transmission, factory A/C, power disc brakes, tilt wheel, AM radio, fold-down rear seat, and power steering.



1972 Mercury Cougar – owned by Steve Boeh in Ohio, this restored XR-7 convertible Mercury features the original 351 Cobra Jet engine, FMX transmission, air conditioning, tilt wheel, AM/FM stereo and console.

Will You Be At Dealer Expo 2009?

If Dealer Expo is in your plans, please drop by and see us there. Once again, Black Book will be participating in the largest motorcycle and powersports industry trade show.



This year's AMA Dealer Expo takes place February 13-16 in Indianapolis. The industry's top vendors and dealers will convene for three days of seminars, exhibits, and discussions. We'll even be giving away a Spot GPS Satellite Personal Tracker. For more information on this year's event please visit www.dealerexpo.com.

Mark Your Calendar

Valentine's Day, Feb. 14

A day to celebrate friendship and love. One of the most widely observed unofficial holidays.



President's Day, Feb. 16

Observes the birthdays of George Washington, Abraham Lincoln and all former U.S. presidents.



AMA Dealer Expo, Feb. 13 - 16

Join Black Book at the biggest motorcycle and powersports expo in the nation. This year's show will be held at Lucas Oil Stadium in Indianapolis.



In Our Subscriber's Words

“Black Book is my partner in buying used cars right. We know exactly what a trade is worth based on the most recent auction information. Black Book is like a business partner for me.”

Al Wintringham, Owner
Ventura Toyota, Ventura, CA

Quotable

On Progress

“The greatest thing in this world is not so much where we stand as in what direction we are moving.” *Johann Wolfgang von Goethe*



On Will Power

“The will must be stronger than the skill.”
Muhammad Ali



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The Black Book Business Success Letter

Inside this month's issue:

- ◆ **Play Offense And Win More Sales**
- ◆ **Black Book's Latest Gadgets Revealed**
- ◆ **Signs Of Better Times**

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