

Presented by Terry O'Loughlin January 2015





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REYNOLDS AND REYNOLDS

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Introduction

- How can I be helpful?
- My Experiences.
- Two Rules:
 - Don't Get Noticed.
 - If You Get Noticed Have a Response Strategy.



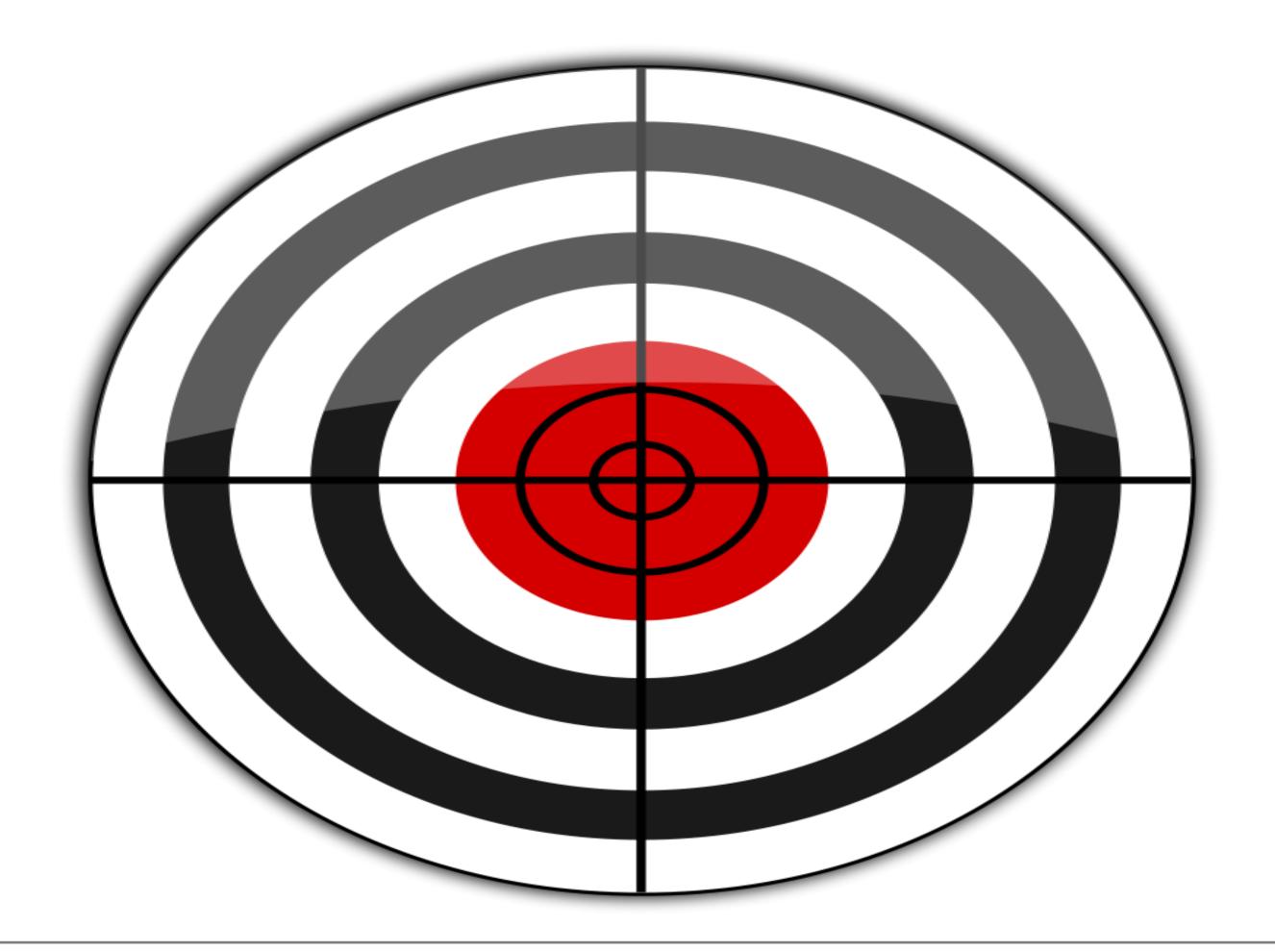
Agenda

- You are a big target.
- What is a complaint?
- History of a complaint.
- Where do regulators and attorneys get their cases?
- What else happens when consumers complain?
- Why care about complaints?
- Federal and State Agencies.
- What to Do How to address complaints.
- Potential costs of complaints.
- Specific BHPH issues.
- Other recommendations ynolds and Reynolds Company. All Rights Reserved.



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Dealers are a Big Target



Top 10 Consumer Complaints

August 2013

- 1. Automotive
- 2. Home Improvement/Construction
- 3. Credit/Debt
- 4. Utilities
- 6. Services
- 7. Home Solicitations
- 8. Landlord/Tenant
- 9. Internet Sales
- 10. Household Galactic and Reynolds Company. All Rights Reserved.



What is a Complaint?

 Association of Credit and Collection Professionals

 Consumer complaint is defined as a submission that expresses dissatisfaction with, or communicates suspicion of wrongful conduct by, an identifiable entity related to a consumer's personal

experience with a financial product of Reynolds © 2012 The Reynolds and Reynolds Company. All Rights Reserved.

What is a Complaint?

- For a government agency:
 - -Generally, a signed affidavit.
- For an attorney:
 - -Client visit.



History of a Complaint

- Consumer visits the store to buy or lease a car.
- During the sales or F&I process something goes wrong.
- Consumer complains to the dealer.
- If nothing happens:
 - Consumer complains to government.
 - Consumer complaint to a private attorney.



Where do Regulators Get Their Cases?

- What is the regulator charged with enforcing?
- Consumer Complaints
- Personal Agenda.
- The Press Public Media.



Where do Attorneys Get Their Cases?

- Complaints.
- Advertising for complaints.
- Public records requests.

 Over 1,000 consumer attorneys practice only car law in the U.S.



Consumer Complaints

It is a Ransom Notice.



































Why Care about Complaints?

- It's all about the money.
- How to avoid paying it.
- How to avoid being selected.
- If selected, how to minimize the pain.
 - Cost.
 - Bad Publicity.



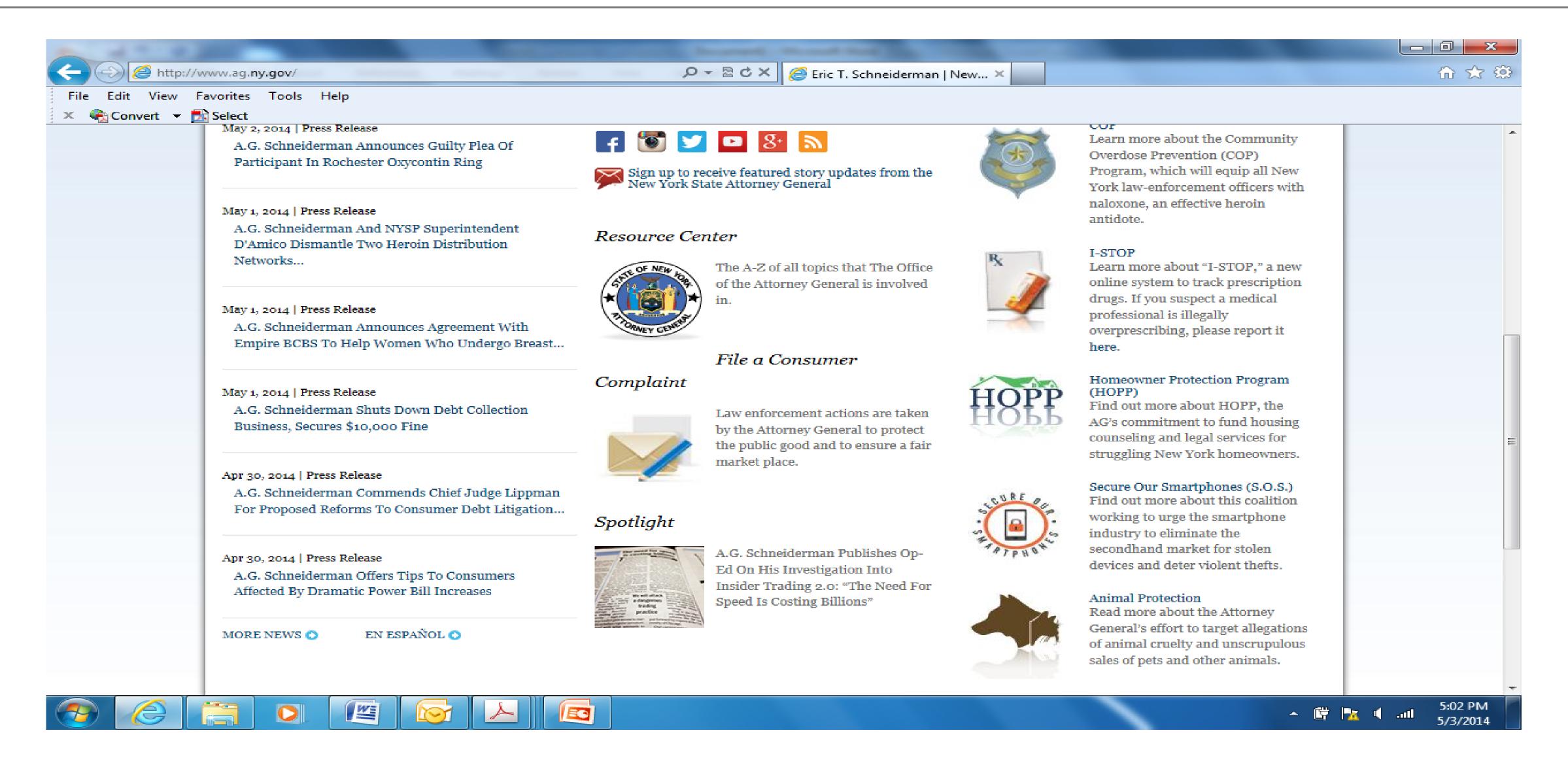
Complaint Websites

- CFPB
- www.Consumerfinance.gov/complaint
- FTC
- www.consumer.ftc.gov/articles/0341-file-complaint-ftc
- New York Attorney General
- www.ag.ny.gov/complaint-forms
- Florida Division of Consumer Services
- www.freshfromflorida.com/Divisions-Offices/Consumer-Services
- Others







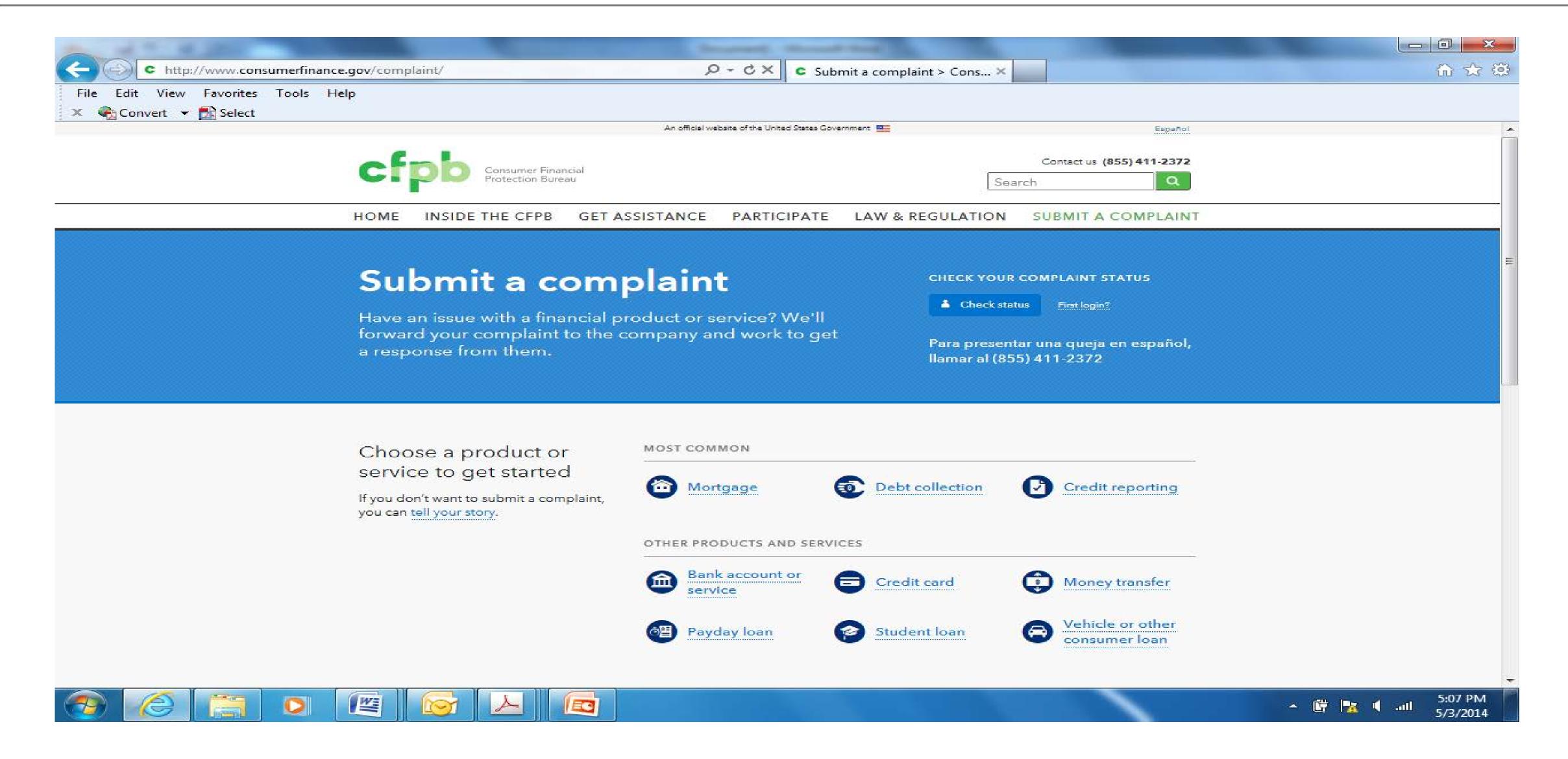


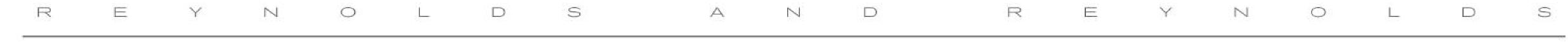


New York Complaint Forms

- We welcome your complaints. For consumer type complaints, we offer a mediation service if we believe our intervention might assist in resolving disputes. Patterns of complaints involving the same company or a new issue often help us in allocating our law enforcement resources. We also try to assist members of the public in locating the government agencies that can best address their problems. For this purpose, we refer complaints that do not belong with us to the right agency.
- We need complaints in writing. We prefer that you use our complaint form but you are free to put your complaint in a letter. Please remember the following:
- For consumer type complaints, we encourage you to try to resolve the dispute with the company or individual before filing a complaint with us.
- Please state your complaint clearly and concisely. You should enclose copies of all relevant documents.
- Do not send us any original documents.
- Please understand that in order to resolve your complaint we *may* send a copy of your letter to the person or firm you are complaining about.
- If you have questions concerning your individual legal rights or responsibilities you should contact a private attorney.
- Filing a false complaint is punishable as a Class A Misdemeanor.
- Complaint forms are available in Printable PDF. Complaints regarding price gouging (i.e., increased costs of essential items and services) or Internet-related matters (e.g., online transactions, Internet service provider issues, online privacy concerns, website or email complaints, etc.) may also be filed online.
- Online Forms
- Submit your information online and upload supporting documents. Please see list of Printable PDF forms for complaints on matters not identified below.
- Top of Form
- Internet Bureau Online Complaint Form
- Internet Bureau Online Tip Submission Form





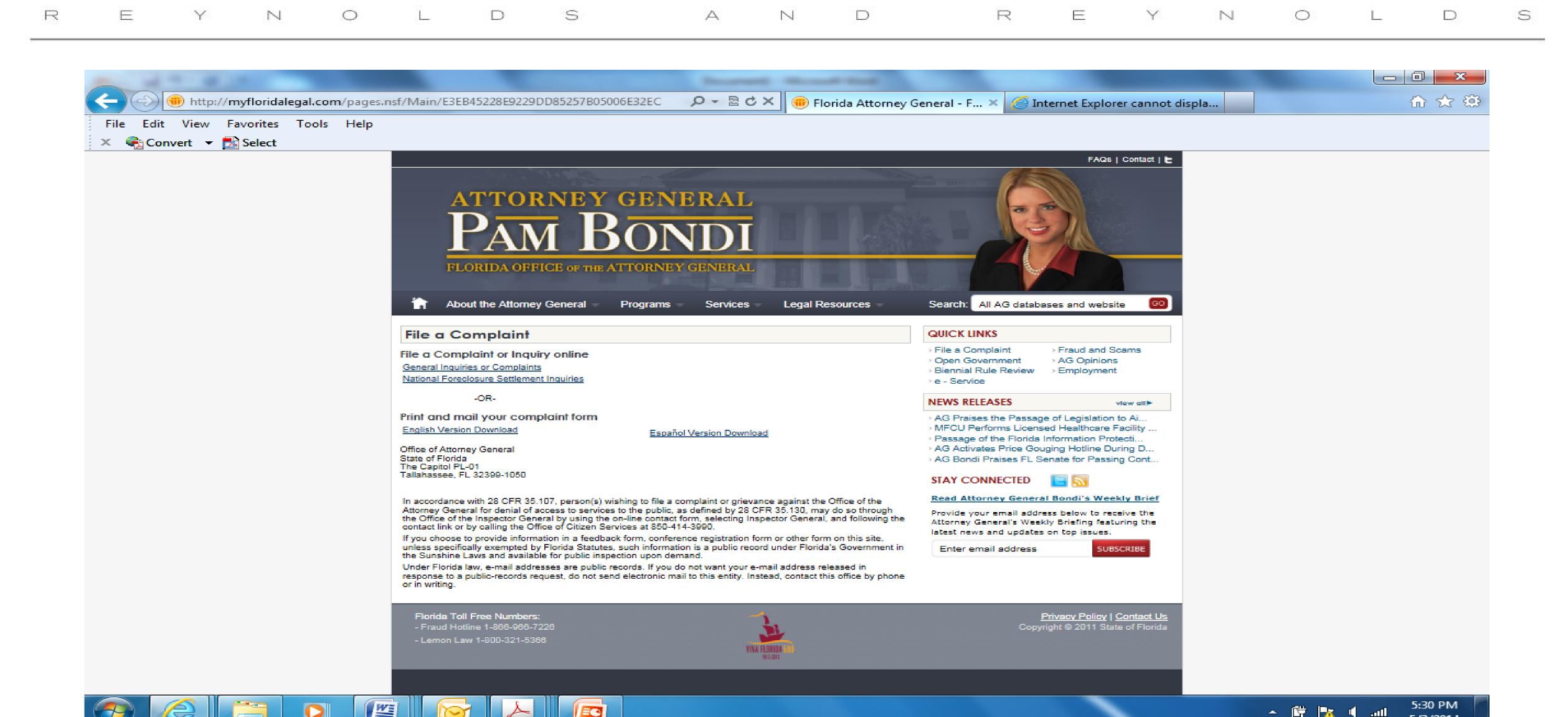










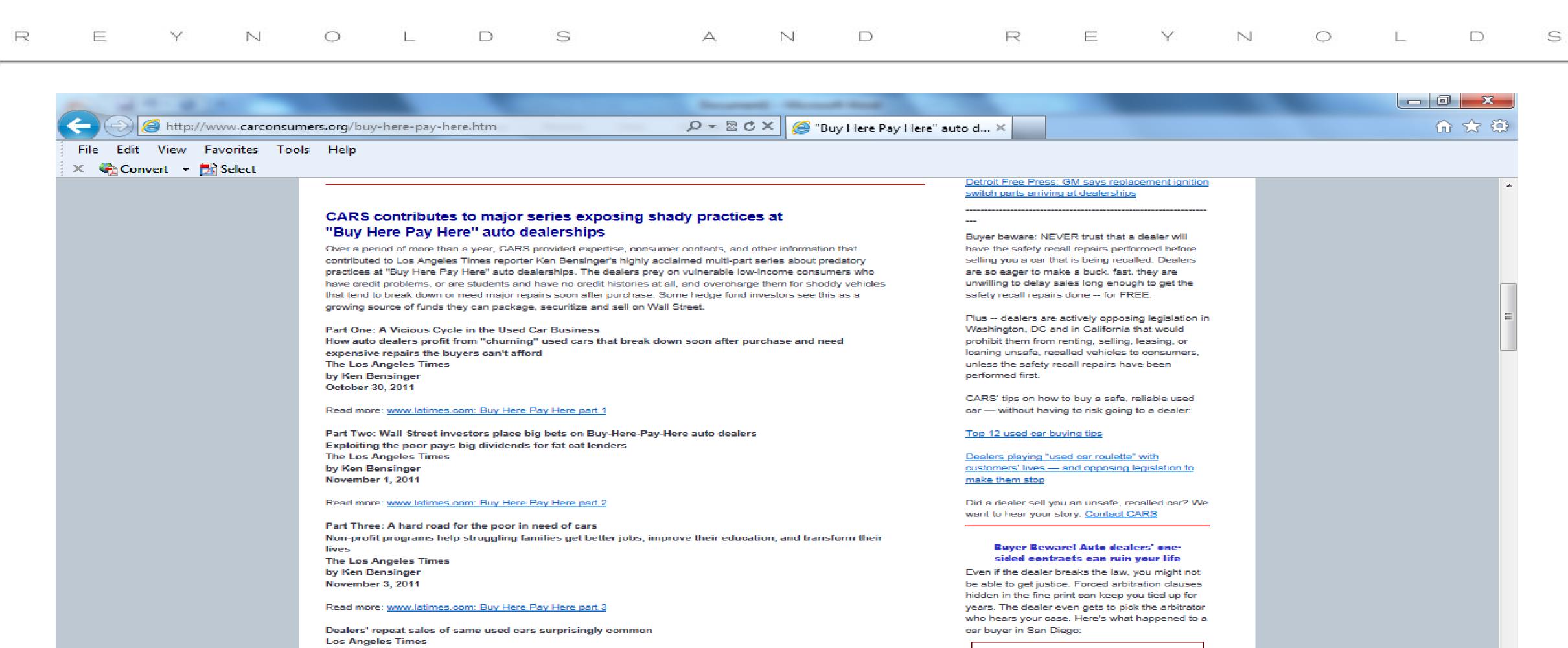












August 15, 2012
by Ken Bensinger

"The practice of selling the same car multiple times, known as "churning," was explored in a series of Los

turns out to be a surprisingly common practice in the state.

From mid-2008 to this April, 862 licensed used-car dealers — about 1 in 8 statewide — sold at least one vehicle.

Angeles Times articles last year. Now, a comprehensive analysis of California vehicle sales shows that churning





What to Do

- Treat consumer complaints as ransom notes.
- Establish a dedicated telephone line.
- One upper-management person should handle all complaints.
- Documents are your major defense treat them accordingly.



If You Receive a Complaint from an Agency

- Respond diplomatically immediately promising to cooperate.
- Request the written complaint and any supporting document.
- Study the deal jacket and records to determine if the complaint is valid.



If You Receive a Complaint from an Agency:

- Has a salesman or F&I Manager engaged in fraud or deception?
- Is there a pattern or practice of inappropriate behavior?
- If the matter is a minor one offer a resolution, without being asked.
- If the matter is more serious, contact your

attorney.



If You Receive a Complaint from an Attorney:

• Forward it to your attorney.



Other Suggestions

- Monitor government agencies and websites for complaints.
- Use technology to increase your efficiency and reduce costs.



What Are Those Costs?

- FTC
 - \$16,000 per infraction
- State UDAP
 - Up to \$25,000 per infraction. legal fees, costs, and restitution depending upon the state.
- Class Actions and Individually
 - Actual Damages, Nominal Damages,
 Consequential, Punitive, Legal Fees and Costs.



What Are Those Costs?

- Dodd Frank Act
 - \$5,000 for each day of the violation.
 - Reckless violation: \$25,000 for each day of the violation.
 - Intentional violation \$1,000,000 for each day of the violation.



Specific BHPH Issues

- Advertise financing for all comers and then turn a consumer down.
- Same salesmen who sell cars at very different prices – hidden finance charges.
- Requiring aftermarket products in order to qualify a consumer for financing.
- Failure to provide adverse action notice.



Specific BHPH Issues

- Violation of credit repair act.
 - May trigger 3 day right to cancel.
- Failure to post sales price.
- Revolving repossession schemes.
- Failure to observe the used car rule.
- Specific BHPH Issues.



Other Recommendations

- Name a Compliance Officer who will also be the Privacy Officer as part of your Compliance Management System.
- Take Advantage of Free Sources of Compliance Information and Support.
 - NADA.
 - State Dealer Associations.
 - Government Sources.
 - FTC, FRB, State Attorneys General, State DMV's and their websites.
- Rely upon Reputable Vendors Who Can Substantiate Their Reynolds Due Diligence Regarding Compliance.

Other Recommendations

- Use Standardized Documentation.
- Know what the minimum legal and regulatory requirements are.
- Have someone internally audit the transactions and conduct regulatory reviews at the direction of the Compliance Officer.
- Review the Document Management Procedures.
 - Coordinate them with the Safeguards Rule.
 - Each file should have a checklist of its contents.



R E Y N O L D S A N D R E Y N O L D S

Other Recommendations

- All products should be discussed with each and every consumer.
- Subscribe to *CARLAW* and *SPOT DELIVERY* or other periodicals.
- Have the Compliance Office become AFIP Certified (Association of Finance and Insurance Professionals).



Other Recommendations

- Invest in ongoing training.
 - On-line and in-house training on a regular and continuous basis.
 - New employee orientation and training.
 - Training should be documented and attendance should be mandatory.
- Protecting against rogue employees.
 - Accurate job descriptions.
 - Update employee manual.
 - Fire when appropriate and Reynolds Company. All Rights Reserved.



Recommendations

- Hire an attorney who understands car law.
- Use a good consultant routinely.



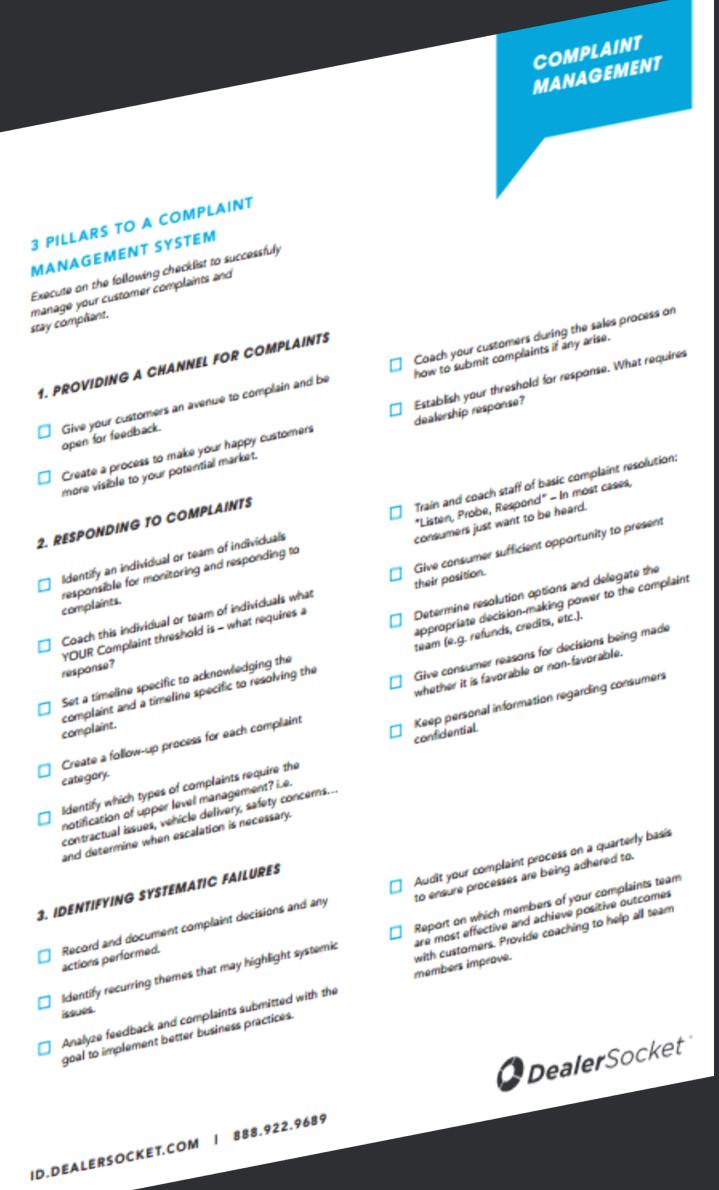
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Thank You



Complaint Tracking





- 1. Providing a Channel for Complaints
 - 2. Responding to Complaints
 - 3. Identifying Systematic Failures

1. PROVIDING A CHANNEL FOR COMPLAINTS

- Give your customers an avenue to complain and be open for feedback.
- Create a process to make your happy customers more visible to your potential market.

- Coach your customers during the sales process on how to submit complaints if any arise.
- Establish your threshold for response. What requires dealership response?

2. RESPONDING TO COMPLAINTS

- Identify an individual or team of individuals responsible for monitoring and responding to complaints.
- Coach this individual or team of individuals what YOUR Complaint threshold is – what requires a response?
- Set a timeline specific to acknowledging the complaint and a timeline specific to resolving the complaint.
- Create a follow-up process for each complaint category.
- Identify which types of complaints require the notification of upper level management? i.e. contractual issues, vehicle delivery, safety concerns... and determine when escalation is necessary.

- Train and coach staff of basic complaint resolution: "Listen, Probe, Respond" – In most cases, consumers just want to be heard.
- Give consumer sufficient opportunity to present their position.
- Determine resolution options and delegate the appropriate decision-making power to the complaint team (e.g. refunds, credits, etc.).
- Give consumer reasons for decisions being made whether it is favorable or non-favorable.
- Keep personal information regarding consumers confidential.

3. IDENTIFYING SYSTEMATIC FAILURES Audit your complaint process on a quarterly basis Record and document complaint decisions and any actions performed. to ensure processes are being adhered to. Identify recurring themes that may highlight systemic Report on which members of your complaints team are most effective and achieve positive outcomes issues. with customers. Provide coaching to help all team members improve. Analyze feedback and complaints submitted with the goal to implement better business practices.

Benefits to Complaint Tracking

Manually track complaints through your CRM

- Solve problems before they reach the public domain
- Document, document, document...

Automatically track complaints through eSurveys

- Receive feedback from customers and prospects
- Email surveys to customers after each sale or service
- Escalate customer complaints and low scoring surveys to managers for immediate resolution
- Guide your "Happy" customers to online review websites

Track customer complaints from conception through resolution. View complaint trends through effective reports





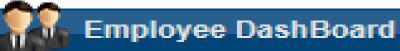
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Contacts

Social

\$12,800.00

\$12,800.00

11/21/2013

0

5.00

\$.00

Not Available

Not Available

11/21/2013

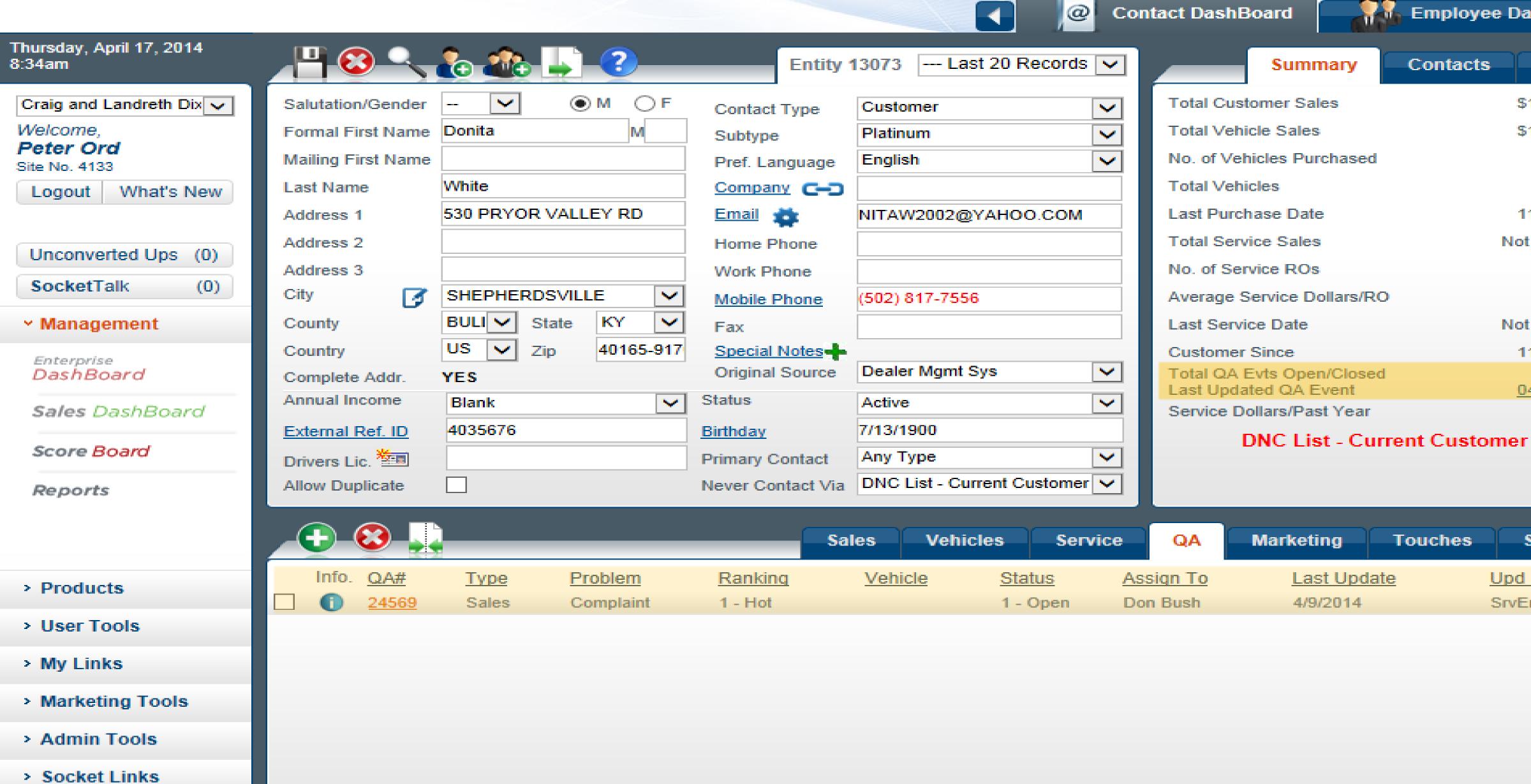
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04/09/2014

Surveys

Upd By

SrvEntity





Socket Links

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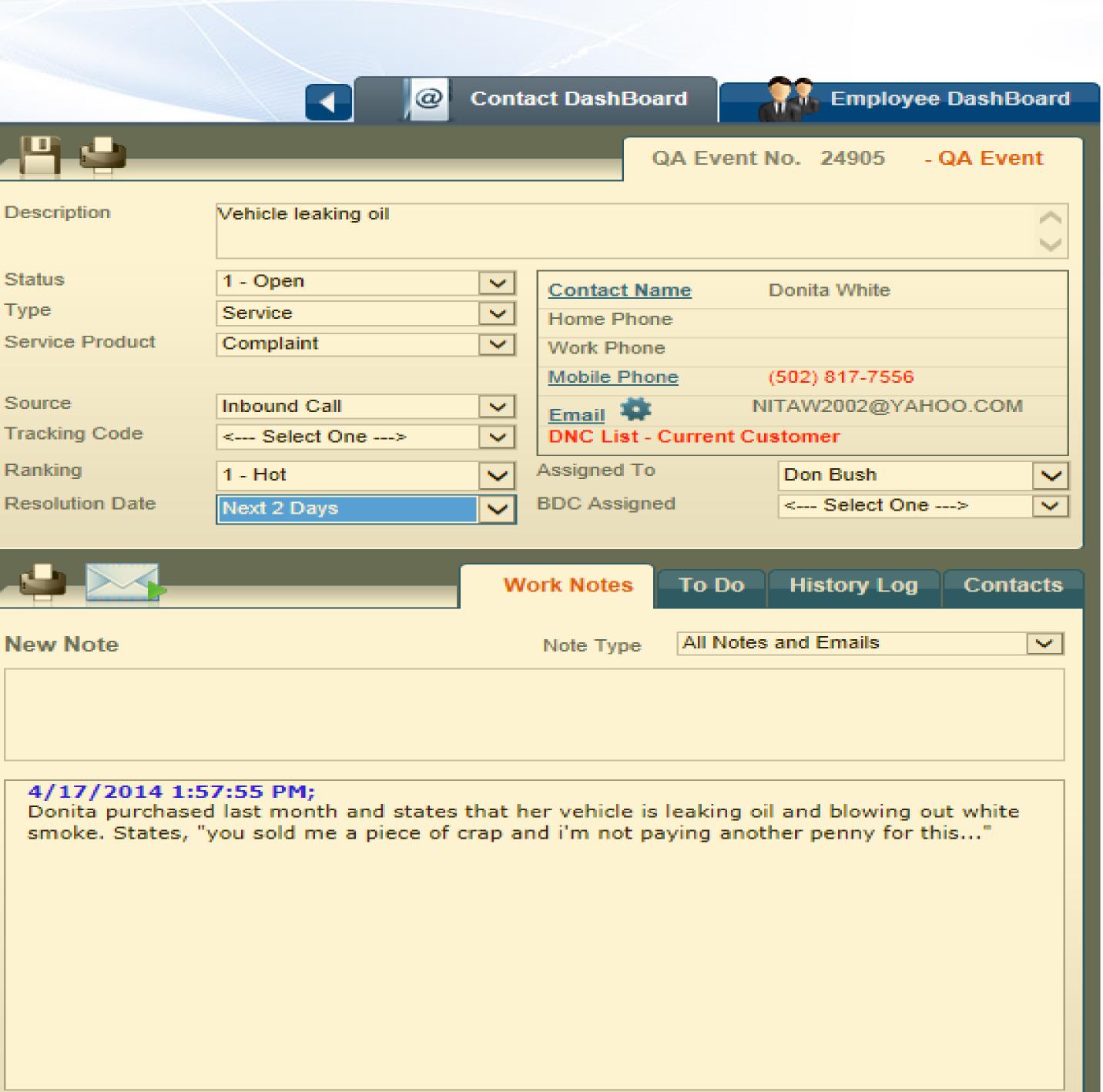
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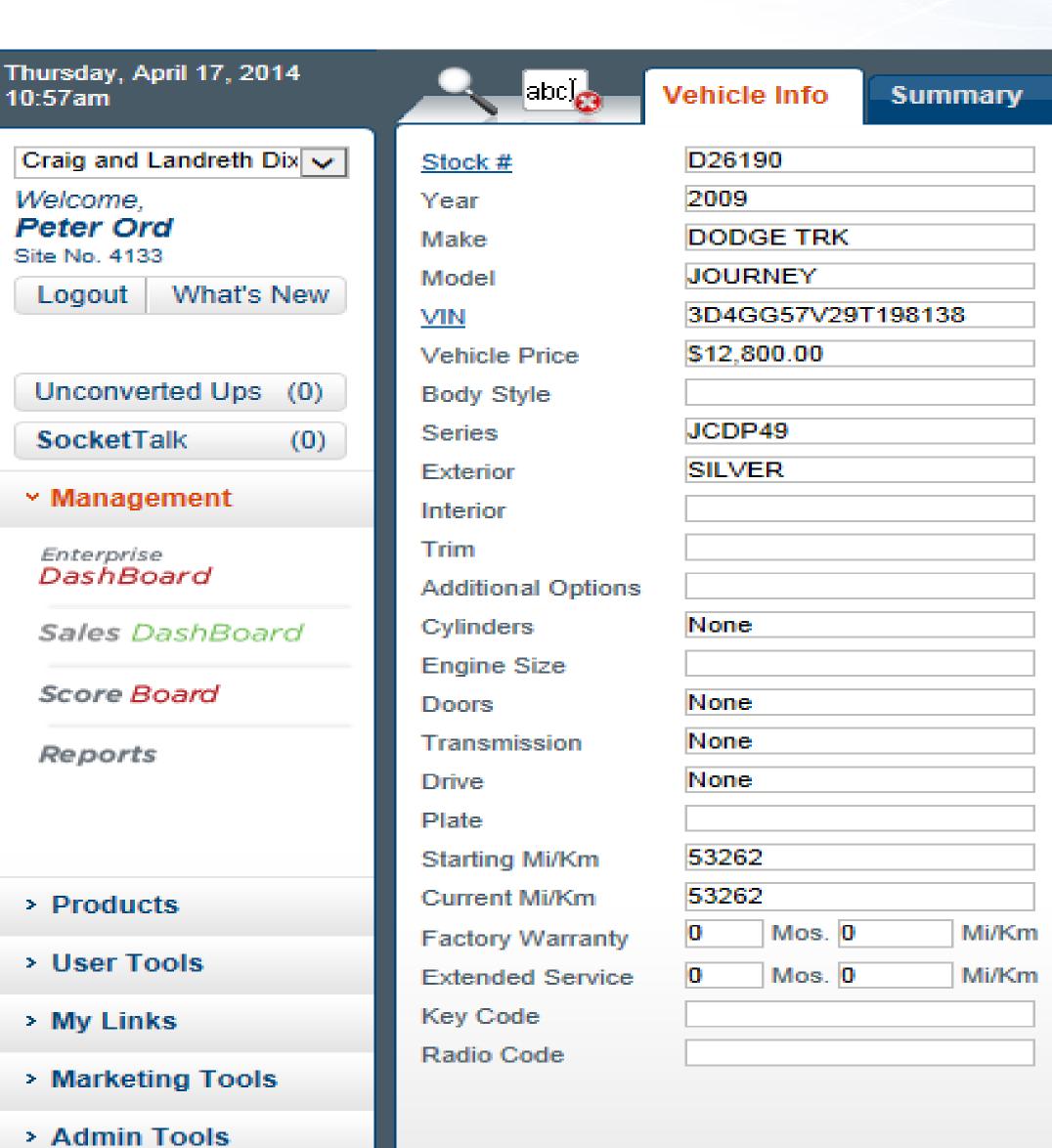
Status

Source

Ranking

Type









Appointment To Dos

Unsold Traffic

Internet Traffic

Notes

Lost Opportunities

Sold Opportunities

Quality Assurance (CSI)

All Open QA Events

Age

8

13

23

31

33

<

Update

7

8

13

23

31

33

Full Name

Donita White

Robert Poe

Tim Turek

Sherry

Cooper

Angela

Bessie

James

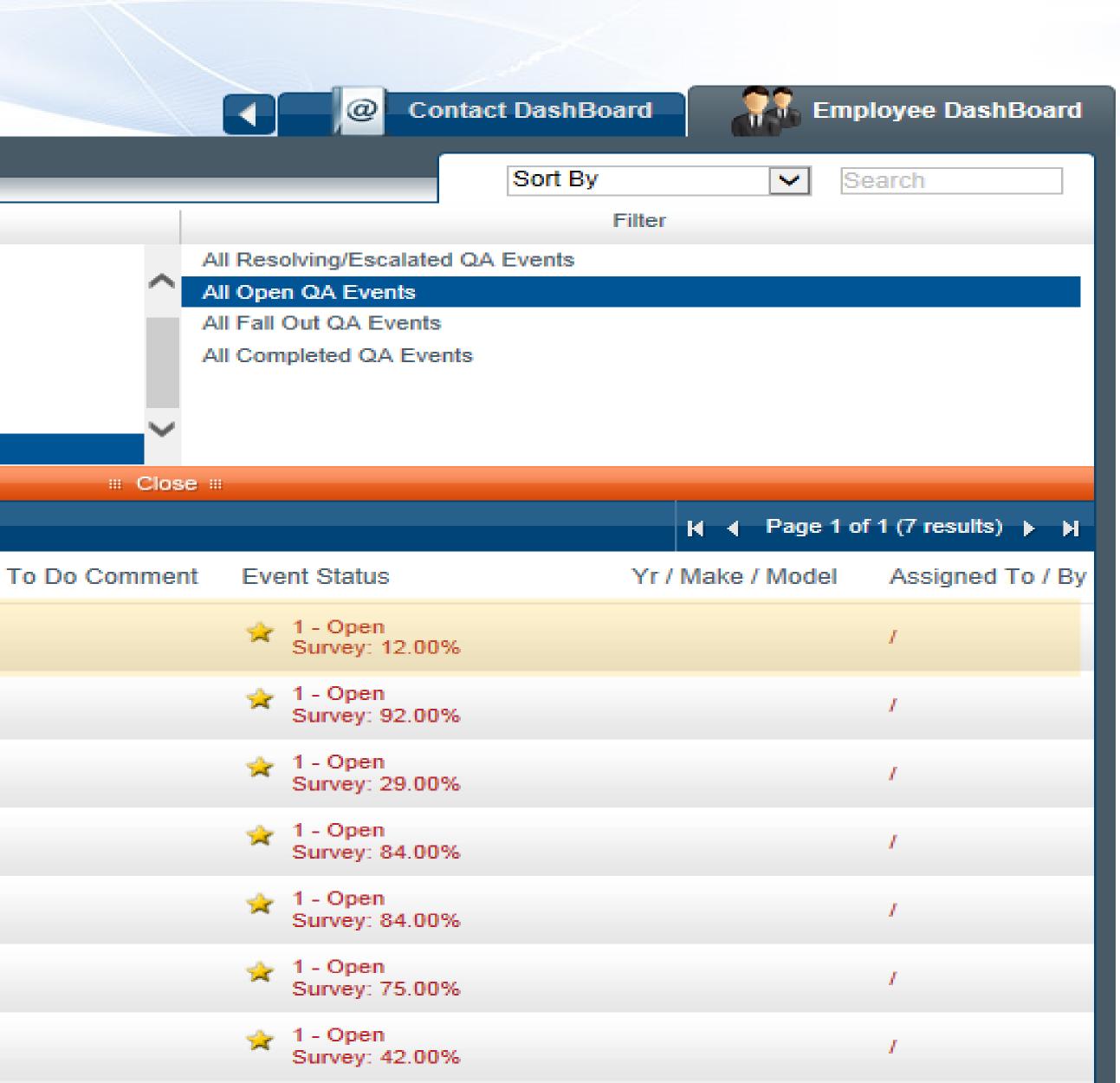
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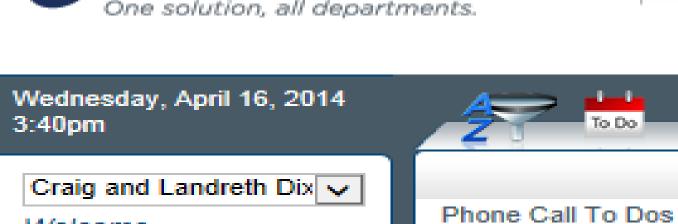
Joe Gaston



Category

To Do / Date Time





Welcome, Peter Ord Site No. 4133

> What's New Logout

Unconverted Ups

SocketTalk (0)

Management

Enterprise DashBoard

Sales DashBoard

Score Board

Reports

- > Products
- > User Tools
- > My Links
- > Marketing Tools
- > Admin Tools
- Socket Links

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6 Keys to Managing Your Reputation by Martin Zwilling

1. Your Reputation is your responsibility.

The first step is to recognize that you alone are responsible for managing the reputation of your business and your life. Doing nothing, or counting on more laws, is not an answer. Due to First Amendment rights, offensive content, once entered, is often untouchable, and the sources are immune from liability.

2. Actively Monitor what people are saying about you.

You may assert that monitoring the entire Internet space is an impossible problem. Fortunately, there are already tools out there, like Google Alerts (free) and ReputationDefender, which can do the work for you, and send you a daily email report of every link where your name or brand appears.

3. Proactively build a positive reputation.

Maintaining a good reputation means you have to build one early and maintain it. There is a big difference between no reputation with one negative comment, versus 1000 indications of a positive reputation and one negative. Most people accept that no person or organization is perfect.

4. Quickly Address every negative.

Many negative customer experiences can actually be turned into positives, if you quickly and unemotionally acknowledge the problem, resolve it, and spread the positive message before the negative one gets amplified.

5. Push negative content out of view.

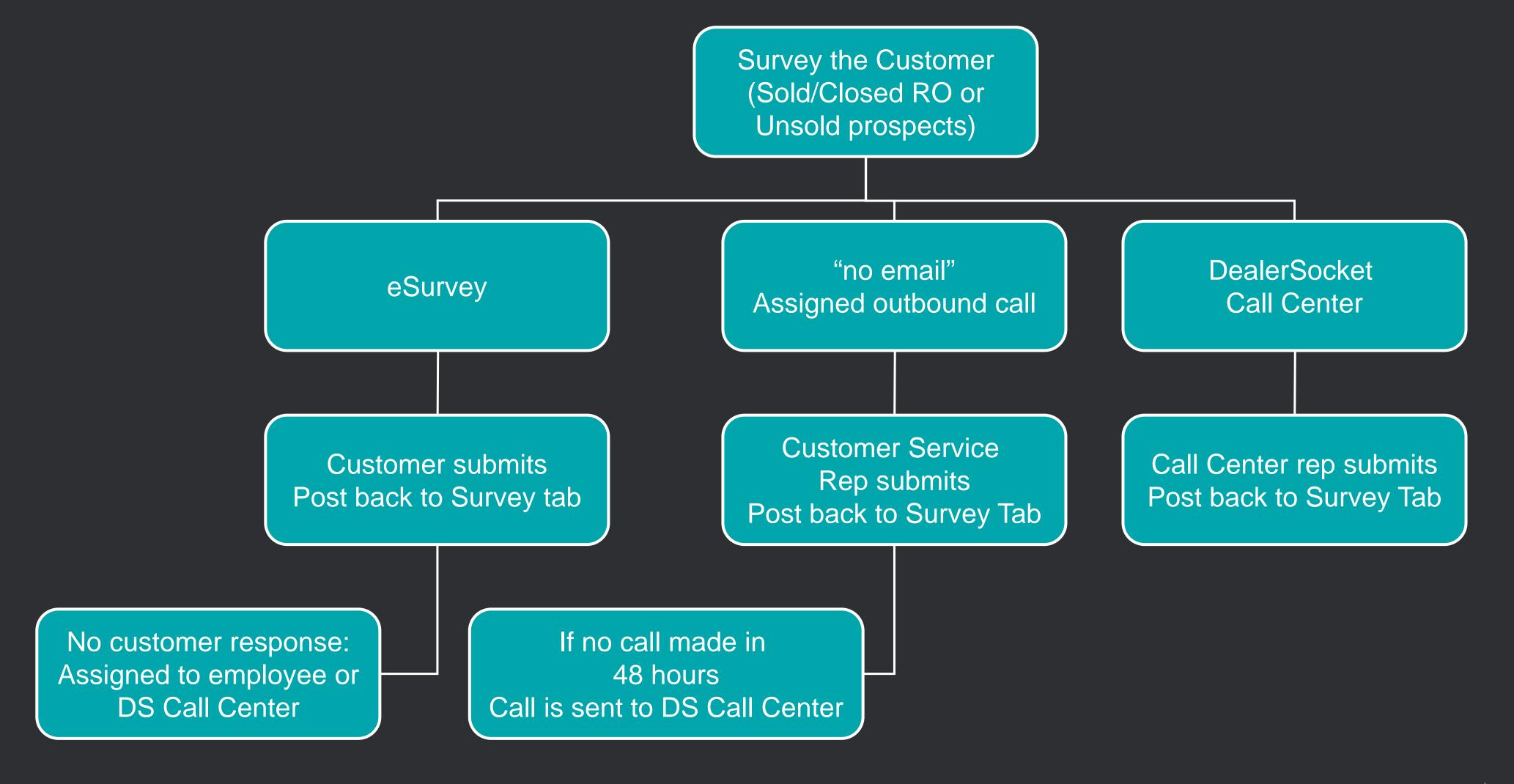
In reality, most people will never find negative content, unless a link appears on the first page of search engine results.

6. Remove unwanted content where possible.

Removing your content from the Web is not as easy as canceling your accounts, nor is it completely impossible. You can easily remove content you own (comments on your site or accounts)



What are you doing to KNOW your customers/prospects?





Unhappy customer

Survey is submitted "response" is below Desired result

QA event is automatically Started and assigned

Instant complaint notification via email/text

Assigned person resolves customer issue

No customer follow "escalated to Manager"

> Customer concern Is resolved



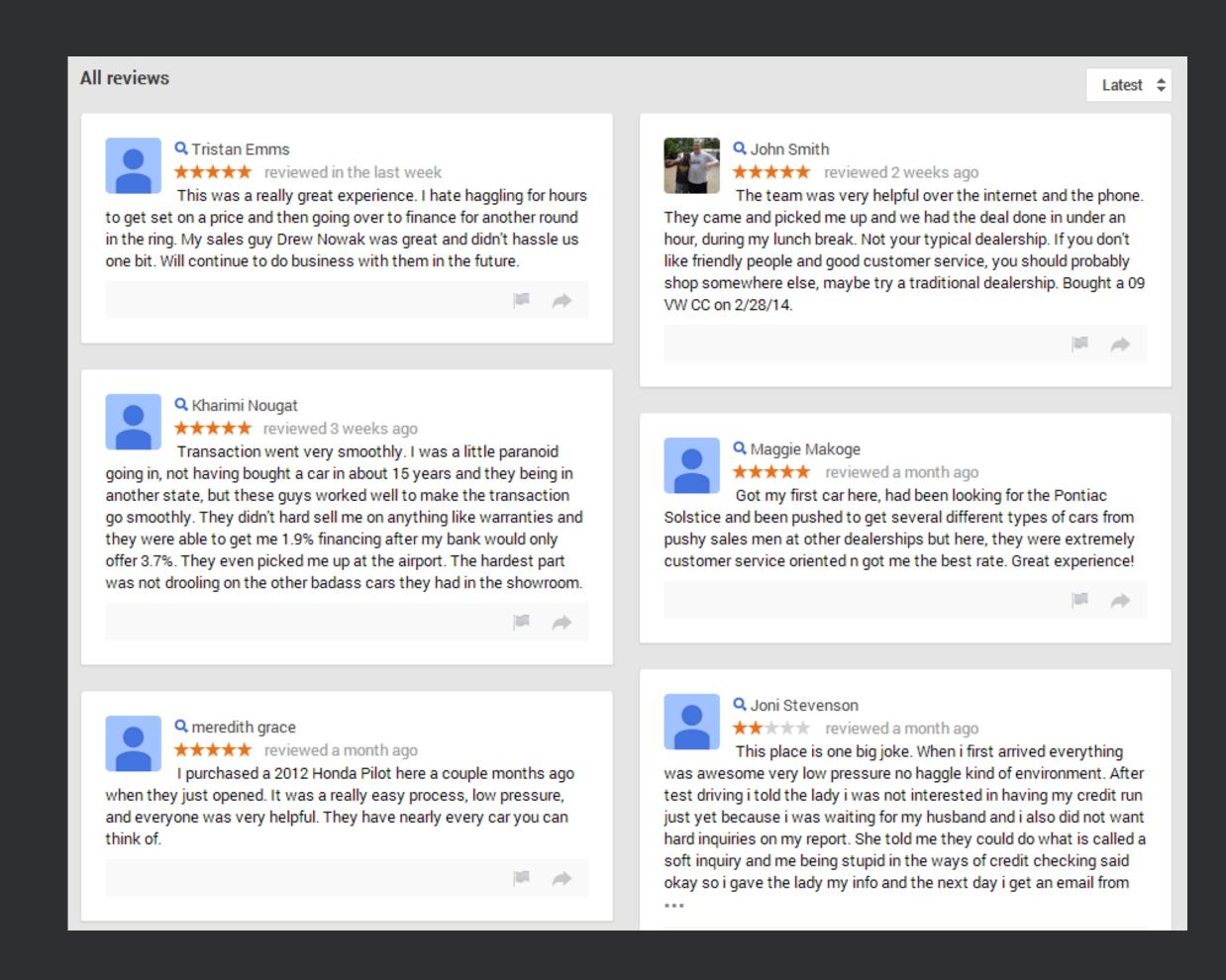
Happy customer

Survey is submitted "Response" is Satisfactory

Customer is automatically enrolled in Happy Customer Process

Email generated to encourage customer to leave feedback on desired "Review Site"

Only happy customers leave feedback on your desired "review site"



REPUTATION













Dear Peter,

Just a note to thank you personally for choosing Craig and Landreth Dixie for your automotive needs. We trust you are enjoying your vehicle.

A large part of Craig and Landreth Dixie 's success is making you happy and to continue serving you well. One way you can help us better serve your needs is to take a moment to complete a brief three question survey about your recent experience at Craig and Landreth Dixie.

Please take our survey:



Again, thank you. We appreciate your business!

Thank You for purchasing

WE ARE AUTOMOTIVE Dealer Socket





Please rate your satisfaction based on your experience at this dealership.

rease rate your satisfaction oased on your experience at this dealership.		
Do you feel you received an over positive delivery experience with your new vehicle?	Yes	No
Were there any problems with your vehicle that were not previously discussed before delivery?	\circ	\circ
Based on your experience, would you recommend us to a friend? If not, please tell us how we can be better in the box below.	0	0
Are there any additional comments you would like to share with us?		
		^
		~

Submit

BHPH Specific Survey





Sales Survey

Please rate your satisfaction based on your experience at this dealership.				
How do you feel you were treated at Craig and Landreth?	Excellent	Good	Fair	Poor
How would you rate the overall sales experience?	0	0	0	0
Did the salesperson review the Craig and Landreth VIP Customer Care Benefits Packa	ige with you	1?	Yes	No
How likely are you to recommend Craig and Landreth to your friends and family?	iomewhat	Likely	Not Very Likely	
Are there any additional comments you would like to share with us?				
				^
				~

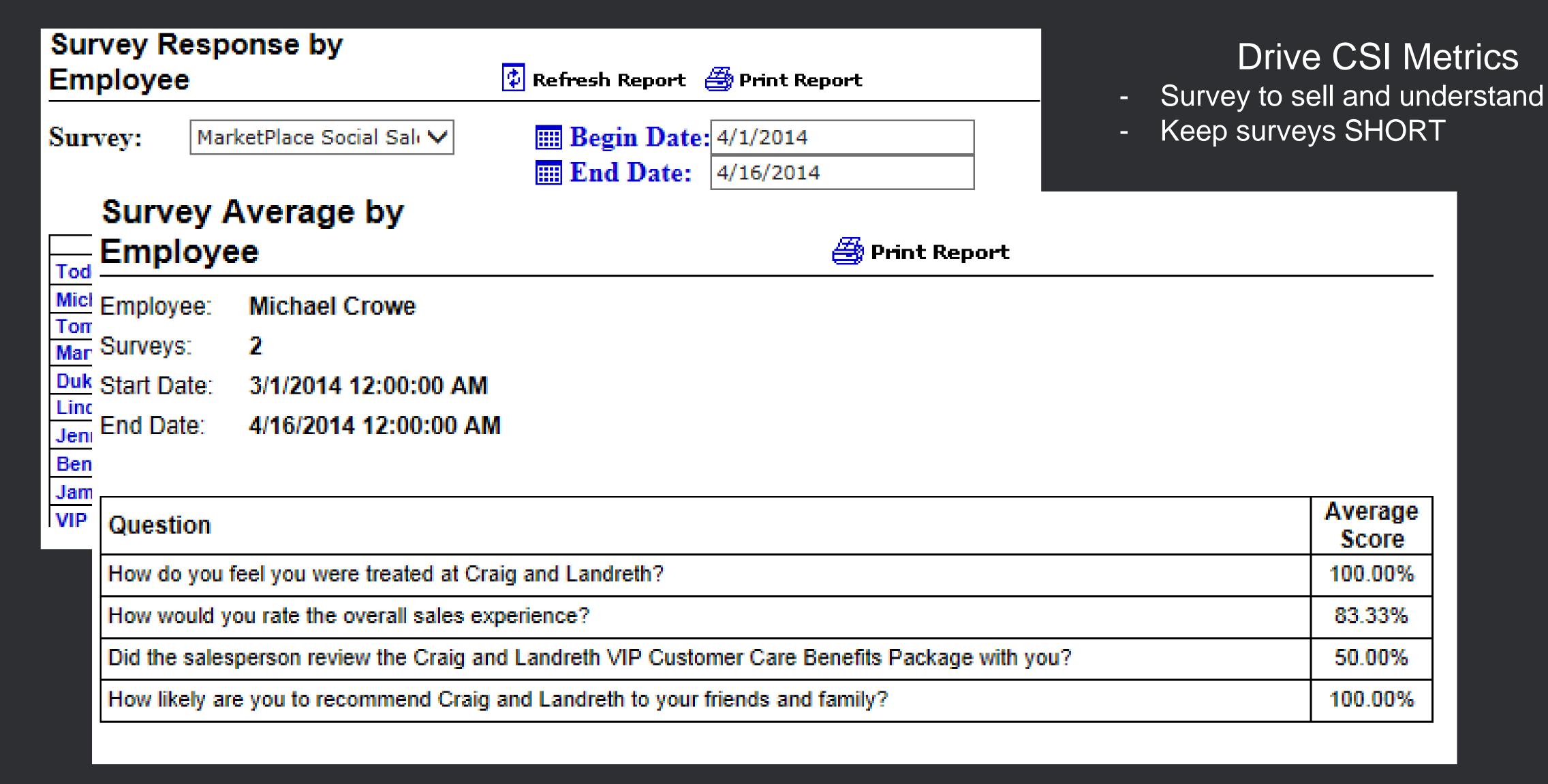
Submit

Retail Specifc Survey





Manage with Information





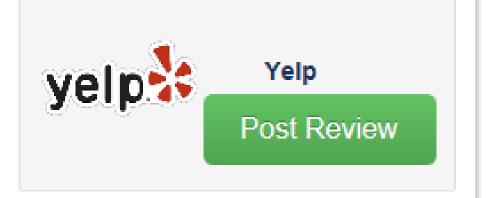
Thank You

Thank you for your feedback! We truly appreciate your business, and we are grateful for the trust you have placed in Craig and Landreth Dixie. If you would like to share your experience with others, we've listed several popular rating sites below to make it easy for you to spread the word. Please click one of the links below to post a short review about your visit.

Go Rate Us!







Positive Survey Splash Page

WE ARE AUTOMOTIVE Dealer Socket

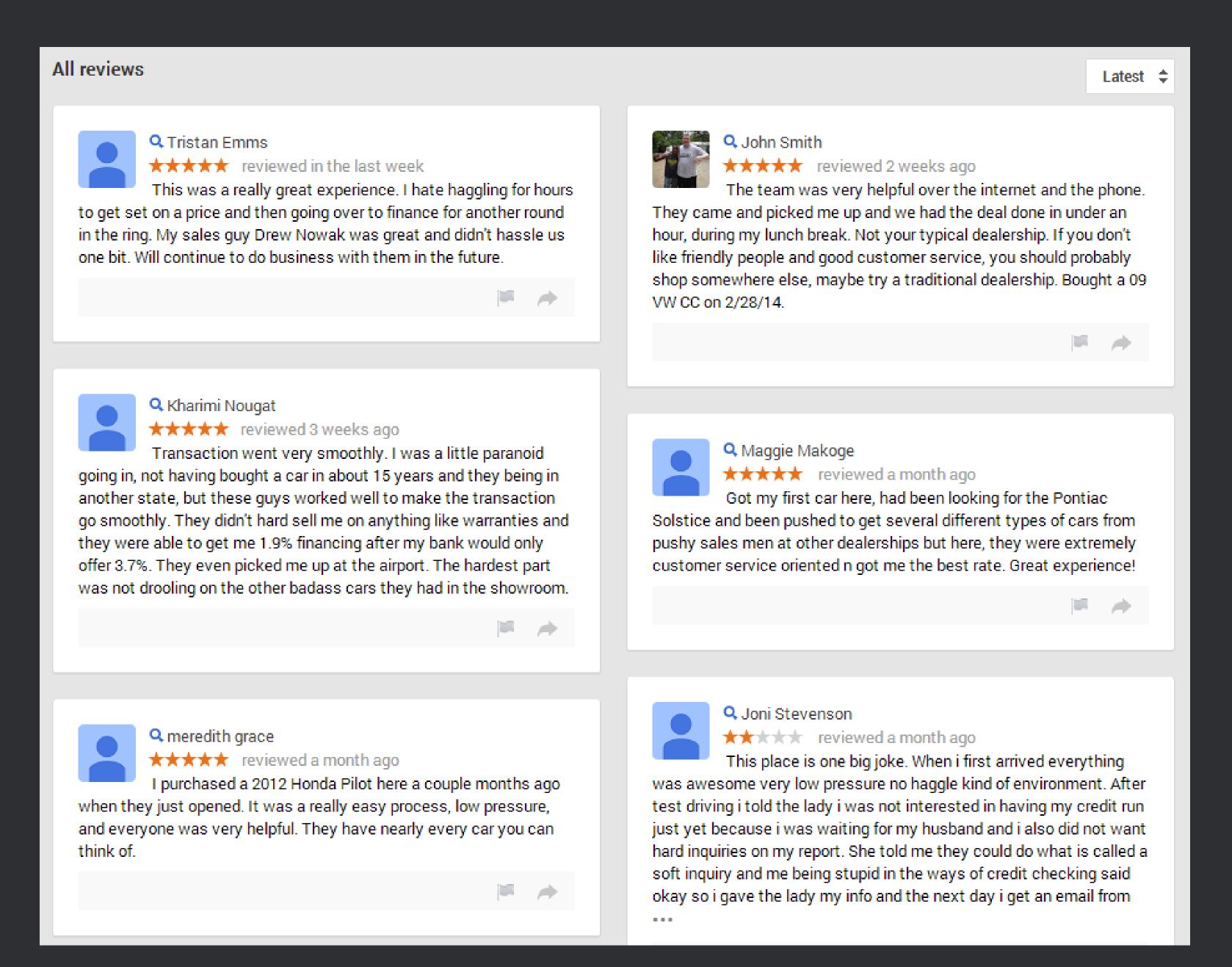


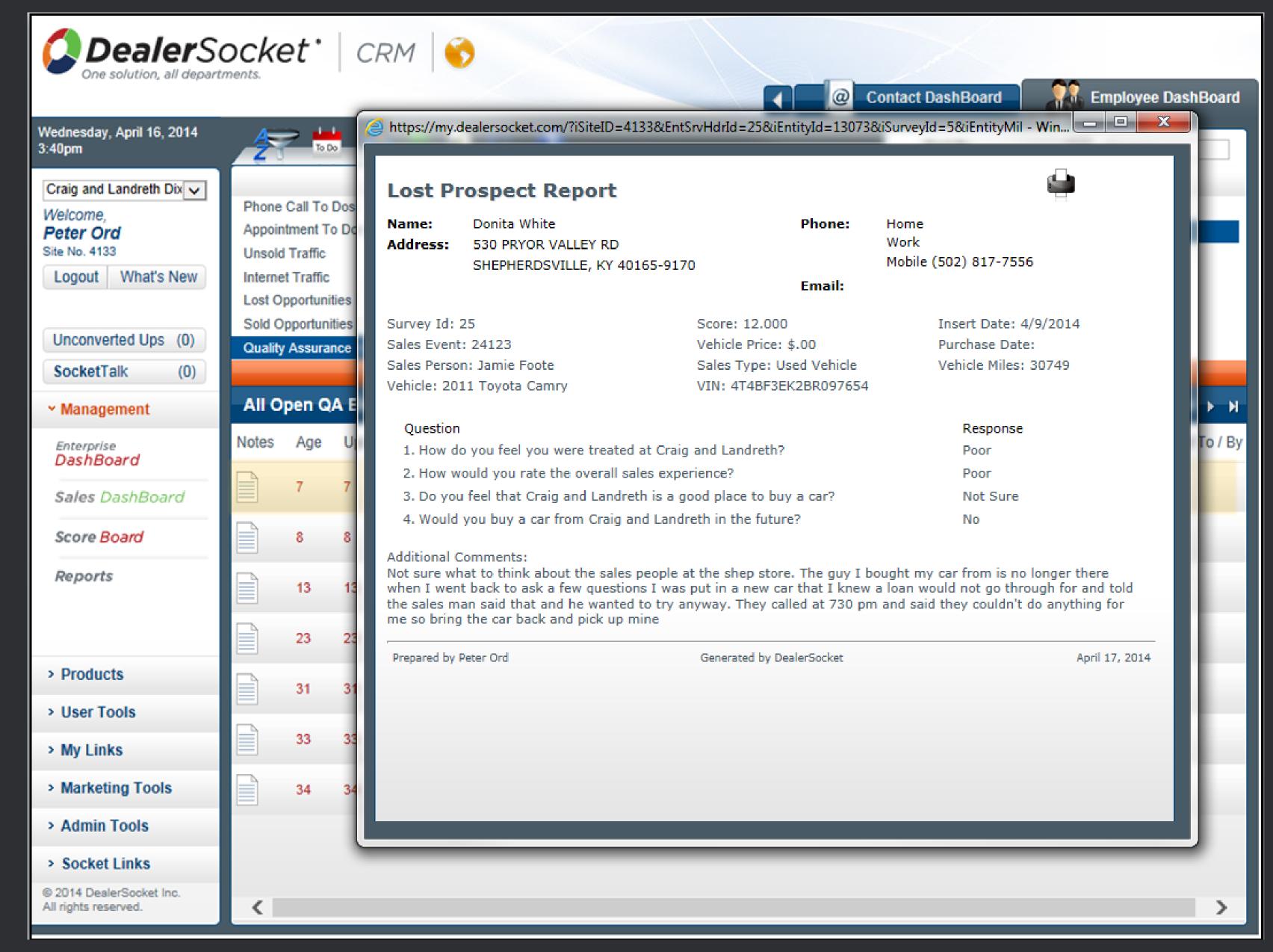
Thank You

Thank you for your feedback! We greatly value your business with us, and we hope to see you again soon.

Negative Survey Splash Page







Thank you!

Questions?

pord@dealersocket.com 949.232.6815 @builtordtough

