BLING!
The Limited-Edition Mugen CR-Z

Profits Speak Louder Than Words

Alloy Wheel Core Return
Long-Term Thinking to Sell More Wheels!
**Happy New Year! And what a year it was!**

A very challenging business environment on the unit sales side certainly reinforced the fact that the Service and Parts business can be one sure way to help keep your stores profitable and maintain a positive relationship with your customers — even during a down market for new car sales. The numbers prove it.

Over the last 12 months, we’ve seen our customer-pay repair order count increase by 2.5%; customer service loyalty grew from 53.1% to 58.6%; dealer service and parts net profit grew 8% over the previous year. Not a bad report card. Also, during this time, you rated AHM’s support of your Parts and Service business through the NADA Dealer Attitude Survey and the Carlisle Parts and Service Survey. In both of these studies, we ranked very close to the top in the industry.

I believe these results are only a prelude to bigger things to come. My optimism stems from the fantastic potential of the toolbox American Honda has created for all of its dealers, designed to improve service sales, customer satisfaction, market share, and long-term loyalty. Keep in mind that Service Smarts, the FOC Tool, the Service Reminder System (SRS), the Service Prospecting System (SPS) and Collision Select form a core of sensible service and parts management enablers. If you are not using them, you are missing substantial opportunities to grow your business. If you are using these tools, rest assured that we will be continually upgrading and improving them to meet the needs of the market.

In the last few months, many of you attended Honda Zone grassroots meetings, where various members of Honda management provided you with a look at the vital signs associated with our business. At the meetings, we also shared what American Honda’s focus will be in the upcoming year. I had the opportunity to speak at many of these events, and I appreciate the interest demonstrated by many of you. But if you weren’t there: In a nutshell, the main thrusts for our direction in the year ahead will be to improve customer repurchase intent through a positive service experience, elevate owner loyalty to 65%, and improve dealer service and parts profitability. Ultimately, AHM will strive to help each dealer attain a Fixed Coverage level of 80%. In order to accomplish these goals, you will — now more than ever — need to set your sights on the best levels possible in customer handling and manage all of the elements of your service and parts business for success.

I like to think that the word “Partnership” characterizes the relationship that we have together. Even in this challenging financial environment, I’m convinced that we can make great strides by www...and Parts toolbox in the most effective way possible. Trust me...we’ll be there to help you do just that!

Sincerely yours,

**Jim Roach**

Senior Vice President
Parts and Service Division
INSIDE THIS ISSUE

The Core of the Matter
Alloy Wheel Core Return Program

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A win-win for West Loop Auto Body of Chicago, Illinois

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Selma Honda is making full use of their conquest funds

Stockton-to-Malone Honda Sees Dramatic Sales Gains
LDR speaks with Peggy Ellenberger, Parts Manager

Voice of the Dealer
Parts and Service Sub-Committee meeting update

Contents of each issue will be at the discretion of the editorial team.
Not all contributions can appear in the magazine.
Strengthening Your Relationship With Your Customers

Active Customers become loyal Honda owners for life.

Since its launch, implementation of the Fixed Overhead Coverage (FOC) Tool has been going well. This program is designed to identify opportunities to further develop our Parts and Service operation using benchmarks based on the profit data from participating dealerships. If you are not among those utilizing the FOC Tool, I highly encourage you to take advantage of this valuable resource, as it can help you improve your dealership’s operation – as well as that of the Parts and Service Division as a whole – in order to survive this harsh economic climate.

The new year is upon us; this presents a great opportunity to study your Parts and Service operation for ways to boost performance. Make sure not to overlook making contact with your customer base. In this crucial area, American Honda and its dealers have been working diligently to turn Lapsed Customers into Active Customers by paying attention to their specific needs. After all, Lifetime Owner Loyalty is based on the fundamental concept of the solid relationship that a dealership builds and maintains with a customer. You can nurture this foundation by focusing on the individual – it’s through this focus that your Lapsed Customers become Active Customers again, and your Active Customers become loyal Honda owners for life.

Shigeo Taguchi
Vice President
Automobile Technical Operations
Educating Consumers on Honda Genuine Parts

Getting the message out about quality and value.

One economic indicator that American Honda Parts Operations watches is the amount of miles driven on U.S. roads. Each state is required to calculate the miles driven by cars and trucks, which is reported and rolled up into a national number. With the economic downturn, we saw a significant drop in miles driven – which, of course, has an impact on vehicle crashes and required maintenance.

In the latter half of 2010, we saw the number of miles driven recover to 2007 levels, and it looks like the final numbers for 2010 will be higher than any previous year. This is good news and gives us some confidence that our parts business will increase.

Unfortunately, there’s another aspect that’s working against us: the drop in unit sales we’ve seen over the last couple of years. This drop means that the units in operation have dropped for the cars that are one to two years old, and this creates a reduction in vehicles that are prime repair and maintenance candidates for our Honda dealerships. We’re planning for this and know that we have to create programs that help get the cars that are on the road back to your dealership for repair and maintenance with Honda Genuine parts.

One program we’re working on is the education of consumers about their rights and the value of original-equipment parts. The quality, performance, and safety of aftermarket parts, as well as whether they are compatible with our vehicles, are unknown. The only way consumers can be assured that the parts will work together to provide optimum performance, safety, and system integrity is to have Honda Genuine parts installed on their vehicle.

We’ve also done some focus group studies in this area, and it’s clear that consumers come to Honda dealers with the expectation of receiving knowledgeable service with genuine parts. This is a trust that consumers have with the Honda brand, and one for us to build upon. We must keep this trust and do a better job in getting the message out about the quality and value of Honda Genuine parts and service.

Watch for more information about Honda Genuine parts to come your way!

Bruce Smith
Vice President
Parts Operations
More than any other collision-related part (except perhaps radiators and A/C condensers), wheels lose more of their OE market share more quickly and deeply than any other.

In 2008, we analyzed wheel sales for the then-most recent full-generation Accord, covering model years 2003–2007. As would be expected, in the first year, the OE market share for replacement OE wheels was 94.6%. A very small amount of the market went to aftermarket or recycled. Remanufactured wheels weren’t even yet “on the radar.”

But, as you can see from the chart, by year two, OE market share was cut by almost half while remanufactured wheels gained 35 percentage points. By the end of the generation cycle in 2007, OE market share dropped by almost 60% and remanufactured wheels captured almost half the market. And, by year six, OE market share dropped below 30%. The Alloy Wheel Core Return Program should reverse this trend over time by removing more wheels from the pool of wheels available for remanufacture.

Moreover, no nationally recognized safety standard exists governing the remanufacture of wheels. Remanufacturers are free to use whatever means necessary to repair a wheel. And those wheels that are not remanufactured usually end up in landfills, consuming space and possibly adding to ground pollution.

The core of the matter is, the Alloy Wheel Core Return program provides a better alternative to the current business model for dealing with collision-damaged wheels. It’s a win-win situation – good for the dealer because more wheels will be sold, good for the environment by keeping more wheels out of landfills and repurposing the raw materials, and good for consumers because they will get a better, potentially safer repair.

Upon hearing an explanation of the program, Gabriel Pedroza, Parts Manager for Benson Honda in San Antonio, Texas, noted: “Long term, this program will sell more wheels. The current loss will begin trending the other way, probably in a few years. Thanks for the long-term thinking.”
Recognition: A Shop’s Perspective

A win-win for West Loop Auto Body.

We had an opportunity to talk with Ed Kowalski, marketing manager for West Loop Auto Body in Chicago, about the Body Shop Recognition program. At the time, his shop had been a part of the program for about six weeks. Here's what he had to say about it:

In the first month our shop was on the American Honda Recognition Program shop locator site, we received two calls from customers which resulted in two jobs – both were heavy-hitters which resulted in sizeable parts sales for our local Honda dealer.

We also play up the fact that we are recognized by American Honda to promote ourselves to the insurance agents we do business with, resulting in more Honda jobs. This program is a win-win for everyone!

Well said, Mr. Kowalski! Thanks for the kind words, and thanks for your continued purchase of Honda Genuine parts.

(Note: In the ensuing days that it took to exchange information for this article, Ed noted that they received yet another job from a customer checking the shop locator site – resulting in more parts sales for his local Honda dealer).
Since it was formed by the collision industry in 1979, I-CAR – the Inter-Industry Conference on Auto Collision Repair – has been the premier training organization for collision repair technicians in North America. It is a not-for-profit organization focused on helping the industry achieve a higher level of technical training. The I-CAR vision is that every person in the collision industry, current and future, has the necessary knowledge and skills relevant to their position to achieve a complete and safe repair.

At the recent NACE Expo in Las Vegas, I-CAR unveiled its latest training class, and a first for American Honda. Collision Repair for Honda and Acura Vehicles (HON01) is an instructor-led, classroom course in which participants will learn about vehicle identification, construction, and technology, construction materials, repair procedures, and more. The course was developed in cooperation with American Honda’s Technical Training Operations group and the Wholesale Parts Marketing department.

The 4-hour training course earns one point toward the I-CAR® Gold Class Professionals™ business designation or the I-CAR® Platinum Individual™ designation. Classes are being offered throughout the United States and are open to all collision repair technicians. For more information, visit www.i-car.com.

I-CAR’s primary funding is derived from student tuition and services. This assures that I-CAR can remain unbiased in developing programs and services on an industry wide basis. I-CAR also provides OE-specific training for several other automobile manufacturers, including Audi, Chrysler, Ford, and General Motors.
The Collision Select program is almost 18 months old and really gaining steam since more conquest funds were made available to participating dealers. In fact, we recently received a comment card from Selma Honda, in Selma, California.

Assistant Parts Manager Trenton McHenry thanked “the entire parts marketing team that put together the collision program.” He noted that he had recently spoken to a large body shop in his area with which his dealership does business.

The body shop manager mentioned that they had been visited by a large aftermarket parts supplier asking why the shop’s purchases had recently been cut considerably. The body shop manager told the aftermarket parts representatives that they only use aftermarket parts “when dictated by the insurance company.” Otherwise, they use Honda Genuine parts and utilize the Collision Select program to help conquest those parts where a price barrier can be overcome.

Trenton also wrote: “Congratulations on recent budget increases, because without them this would not be possible to penetrate aftermarket to the degree that we have.” Dealers earn conquest funds based on a percentage of their prior year’s collision parts purchases. Recently, that number went from 1.5% to 4% and then to 6%.

Trenton also said that using CollisionLink has helped him sell some older parts that otherwise would have been returned via SRA.

In a follow-up phone interview, Trenton noted that efforts by American Honda along with other OEs who utilize the same CollisionLink software and similar programs finally have the aftermarket suppliers “on the ropes” and wondering where to go next!

Thanks, Trenton, for those kind words. And keep selling those Honda Genuine parts...We’ll make more!
The CR-Z will join that elite group of Mugen vehicles – Honda will offer 300 limited-edition Mugen accessory kits for the CR-Z beginning in spring 2011.

Fully loaded Mugen CR-Zs include the Mugen body kit, front grille, rear wing spoiler, 17-inch XJ aluminum wheels, sport mats, a unique black aluminum shift knob, and a billet aluminum oil filler cap. An extra-special bonus for Mugen CR-Z customers is that each owner will receive a unique serial number plaque designating his or her vehicle as one of 300 kits.

This limited-edition kit will be available in all five CR-Z colors, and pricing details will be made available closer to the on-sale date.
A new Action-Planner Tool is set to debut with one goal: Fixed Operations Profits

It is human nature to pay attention to the words of brilliant people when they speak of success. Their words inspire us to fly higher, to stand strong against our challenges, and to take bold action. If there is a single thread running through the fabric of success, it is this: Success requires a plan. Your dealership plan for Fixed Operations success starts with the new Web-based Action Planner, set to debut early 2011.

Dealer Development launched the Fixed Overhead Coverage (FOC) Tool in February 2010 to support the efforts of your entire team: Service Managers, Parts Managers, Dealer Principals, General Managers, DPSMs, and your Zone Management are all stakeholders in the plan for success. Since its launch, Dealer Development has received—and continues to receive—overwhelming response from Honda dealerships nationwide.

A measure of that response has been the number of suggestions for improvements to the FOC Tool. Some of these suggestions have included the ability to compare your dealership to select groups, select time periods, a more detailed level of accessory sales opportunities, and much more.

The suggestion we felt had the highest level of priority to your needs was an update to the FOC Tool Action Plan functionality. We heard you loud and clear, and have addressed the current inability to easily share your Action Plans.

That will change with the introduction of the Web-Based FOC Tool Action Planner. Now each and every one of your collaborative team members will be able to share in the creation, tracking, and success of Action Plans developed by any user—anywhere.

For example, you may have generated a plan to improve your profitability via a sales transaction. Each month, as new numbers are reported, every team member will be able to see the financial impact of the plan. If the numbers aren’t improving, appropriate action can be taken. Ideas can be shared, improvements and setbacks charted, and successes can be built upon.

Utilizing the new Action Planner, your team will be able to work together as never before, with results available at the fingertips of your whole team, when and where each team member needs them. The FOC Tool is here to help you plan, track, check, and act, all designed to be efficient and productive. Our goal is your goal: profitable fixed operations.

Begin the process of realizing that goal today by watching an introductory video detailing the new Web-Based Action Planner available when you launch the FOC Tool from the iN. Then, try it for yourself and start planning your own success.
Thanks to your feedback, here is what’s “Around the Corner” for the FOC Tool:

### Instant Feedback Form
- Got an idea? See a problem with data? Let us know immediately from within the FOC Tool.

### Frequently Asked Questions (FAQ)
- You’ve looked at the Help feature, but still have a question about the FOC Tool. This updated resource answers some of the most common FOC Tool questions.

### Certified Used Car Tab
- A deep dive into the effect of the HCUC program on your Fixed Operations Profits.

### Parts Accessory Tab
- Parts Penetration/100 metrics for accessories.

### Mobile FOC
- The Power of the FOC Tool on your smartphone.

### Custom Comparison
- Compare your data against more than just the benchmark – choose your zone, district, or a custom group. Then move beyond calendar and fiscal year – and look at your numbers across any custom time period.

A new chart function will follow and automatically graph the monthly changes in the metric your Action Planner follows.

The ability to see the starting point of the metric and adjusted as well as the adjusted value difference for each Action Item.

An easy-to-use drop down menu with filtering to organize and retrieve any Action Plan.

The ability to send a read-only version of the Action Plan to any E-mail address to share with whomever you deem necessary.

A comment feature that enables your team to have an on-line conversation that speaks to the entire Action Plan team.

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**AROUND THE CORNER: FOC EDITION**

Thanks to your feedback, here is what’s “Around the Corner” for the FOC Tool:

- **Instant Feedback Form** – Got an idea? See a problem with data? Let us know immediately from within the FOC Tool.
- **Frequently Asked Questions (FAQ)** – You’ve looked at the Help feature, but still have a question about the FOC Tool. This updated resource answers some of the most common FOC Tool questions.
- **Certified Used Car Tab** – A deep dive into the effect of the HCUC program on your Fixed Operations Profits.
- **Parts Accessory Tab** – Parts Penetration/100 metrics for accessories.
- **Mobile FOC** – The Power of the FOC Tool on your smartphone.
- **Custom Comparison** – Compare your data against more than just the benchmark – choose your zone, district, or a custom group. Then move beyond calendar and fiscal year – and look at your numbers across any custom time period.
Back in the days when Honda Customer Appreciation Days (HCAD) was a one-day event, Manchester Honda in Manchester, Connecticut, fired up the barbie, blew up balloons and inspected customer vehicles from 8 a.m. to 4 p.m. and continues that tradition today.

“We still invite customers into our dealership for a free, multi-point inspection and have some customers calling us before the invitation even goes out,” said Tom Graham, Manchester Honda’s service director.

“In the morning, we offer danishes and coffee and then switch over to flipping burgers and dogs in the afternoon,” Graham added. “The customers find it’s a relaxing way to get their vehicle inspected, leisurely survey the new and used cars and mingle with our entire dealership staff – from our sales department to our human resources and naturally our service and parts departments.”

The HCAD program has been transformed from a one-day event into a month-long event primarily due to dealer concerns that they couldn’t accommodate all the customers who wanted to attend. Offers have changed over the years, but dealers still have the ability to customize their events as Manchester Honda has in order to appeal to their particular customer base.

“We’re usually booked up the Tuesday before our Saturday event and continue taking five to 10 customers per day throughout the remainder of the month,” said Graham. “Our customers are usually not upset they won’t get a burger when their appointment is on another day, but are merely looking forward to the opportunity to have their vehicle inspected.”

Manchester Honda held its HCAD event last year in October and inspected 348 vehicles which translated to various parts sales, repair and maintenance services and even some body repair work. The dealership also continues to hold a similar event in April, in conjunction with Spring National Car Care Month.

“Technically, it’s a Parts and Service event, but everybody in the dealership gets involved and it’s win-win for all,” said Dan Enderle, District Parts and Service Manager for District 9E.

In all the years Manchester Honda has been holding these events, they’ve never had an unsuccessful event – even when faced with inclement weather.”
The Crosstour on Steroids!

Honda Factory Performance (HFP) accessories visually distinguish a car from its stock brethren and can even offer more performance-oriented suspension and plus-sized wheels on some models.

When the Accord Crosstour went on sale for the first time last year, we immediately wondered what it would look like with a HFP kit installed. The result is the Accord Crosstour HFP Concept. This vehicle features 19-inch HFP wheels, a special sport suspension, and a blacked-out body kit. The HFP Accord Crosstour makes you take a second look!!
Collision Select Dealers See Dramatic Sales Gains

Peggy Ellenberger explains the benefits.

We looked at dealer purchases of Collision Select qualifying parts for March through August of 2010, and compared it against purchases of the same parts for the same period of the prior year. We then compared those figures against Collision Select conquest funds used by each dealer.

**The results were dramatic.**

Dealers who used at least 50% or more of their conquest funds realized a 6.6% increase in sales of program parts. Dealers who used at least 75% or more of their funds saw a 9.5% increase in sales. And dealers who used at least 95% or more of their funds realized almost a 17% increase in sales of program parts!

**Peggy Ellenberger** is the parts manager for Stockton to Malone Honda in Sandy, Utah, one of the top performing program dealers. Peggy says, “Dealers need to work this program and not waste their funds. We like the Collision Select program because it helps us compete. The shops know we want to help them and that’s important. Plus, it’s the customer’s car in the end, and it is nice to be able to put the car back to Honda Genuine parts after an accident.”

In a follow-up e-mail Peggy noted that she always recommends the shops that use the program.

In an era where many economic indicators are either down or flat, there are a few bright spots: Many participating Collision Select dealers are seeing dramatic sales gains in program parts.
Vendor Sponsored Industry Events – On occasion, an industry provider such as a paint company or estimating service provider will sponsor an industry event in which Honda participates. Most recently, American Honda participated in the Mitchell Auto Physical Damage Advisory Council sponsored by Mitchell International, one of three main suppliers of collision estimating software in the US.

Multiple-Level Interface – Members of the department also interface with dealers, Honda and Acura Field staff as well as industry vendors and industry leaders to answer questions, gather industry intelligence, and promote the Honda brand and dealer sales efforts.

Wheel Program – The Wholesale Parts Marketing Department was responsible for gathering data and conducting the research and analysis necessary to determine the viability of the new Wheel program.

And speaking of new programs…what many do not realize is, while members of the department are managing current programs, the same people also work on creating new programs or revising / updating existing programs – usually a rather lengthy process. Creating a new marketing program can take a year or more, depending on the complexity or resources required.

Most dealers, especially those in the collision parts business, know American Honda’s Wholesale Parts Marketing Department as the people who manage the Collision Select and Body Shop Recognition programs. But there are many other initiatives that the department is engaged in that, although not readily obvious to or seen by dealers, helps support dealer’s collision parts sales efforts. Here are just a few:

Collision Kits – The department manages the collision kit program including the creation of new kits and updating information on existing kits.

Position Statements – From time to time a Position Statement is required to clarify a business point that is not covered elsewhere. The department writes and distributes all Position Statements.

Press Releases – From time to time when a new parts-related initiative is launched, the department will produce and distribute a Press Release to key industry publications, organizations and key industry figures.

NACE Show – Once each year in October, the department represents American Honda at the International Autobody Congress and Exhibition, the country’s largest collision industry trade-show, attracting thousands of shop owners. At the 2010 show, members of the department joined forces with OEConnection to promote the Collision Select and Body Shop Recognition programs.

Collision Industry Conference – Once each quarter, members of the department attend and participate in the Collision Industry Conference. Members of the Conference form committees to work on various issues affecting the collision industry to try to find solutions and promote the proper and safe repair of a vehicle.

OE Collision Roundtable – Once each quarter, members of the department attend a meeting of the OE Collision Roundtable, an industry group consisting of members of wholesale parts sales departments from other OE’s. The main purpose of the group is to discuss and possibly find solutions to common issues.

(Left to right) Bertita Yonathan, Kenny Kawaguchi, Mark Booher, Leigh Guarnieri and Gary Ledoux
Update on the latest issues discussed at the December, 2010 Parts and Service Sub-Committee meeting.

The Parts and Service Sub-Committee of your National Dealer Advisory Board meets two times per year in winter and summer. Nine dealer members represent the interests of all Honda dealers. They are joined at the bi-annual meetings by senior executives of American Honda’s Parts and Service Division. Every dealer has an opportunity to use their Zone’s grassroots process to illuminate issues and have them elevated to American Honda through the National Dealer Advisory Board. Here are just some of the issues discussed along with American Honda’s responses.

AHM would like to thank Rick Blakemore and Stan Cardinal for their dedicated service to the Subcommittee. We would also like to welcome our newest members Saul Rosen and Bill Woest.

(left to right) Front: Jim Roach. Middle: Shigeo Taguchi, Tom Laymon, Jenny Gilger, Bill Smith, Ron Theis, Tammy Elliott, Scott Demasso, Rick Kramer, Mike Snyder and Jeff Brindley. Back: Bill Woeste, Saul Rosen, Steve Osborne, Stan Cardinal, Bruce Smith, Ron Lybrook and Rick Blakemore
DAB Recommendation:
All of the new models require 0w-20 synthetic blend oil. Dealers feel it is absolutely necessary to have point of purchase materials such as posters, stands or anything that help explain why their vehicle now needs more expensive oil and how it benefits them.

AHM Response:
AHM agrees. American Honda has developed a consumer hand-out that explains the reasoning behind the transition to 0w-20 oil. A reasonable quantity was shipped to all Honda Dealers in June 2010. Reorders are available through Honda eMall (Resolve) at no cost to the dealer (part #: 0w-20 Fact Sheet). By the end of February we will update this consumer hand-out with 2011 model application information. At that time, we will also provide dealers the 0w-20 Oil poster that was shared with the Sub-committee in December.

DAB Recommendation:
Dealers recommend AHM improve the process for SRA and core returns by reducing paperwork and the time it takes to receive credit. In addition, credit should be issued together and itemized on one page on the balance forward statement.

AHM Response:
American Honda agrees fully with the need to address OAR/SRA/warranty/core return credit processes and create a more streamlined system. This project has been given high priority for the upcoming year. It will require significant resources and time and we promise to keep the DAB apprised of our efforts.

DAB Recommendation:
AHM needs to streamline tire orders by shipping them DSO. This will also keep us from competing with Tire Rack, our supplier.

AHM Response:
In FY12, AHM will study possible options to streamline the tire order process, including the possibility of shipping them DSO.

DAB Recommendation:
Dealers request that Honda investigate instituting a wholesale mechanical parts programs as follows:
- Identify target accounts in dealer PMA
- Develop solicitation materials
- Institute incentives as needed

AHM Response:
AHM’s current wholesale parts sales focus is on Collision parts. We believe this is the best growth opportunity area, given current resources. We will continue to monitor emerging mechanical wholesale programs in the market to evaluate their impact.

DAB Recommendation:
Dealers ask AHM continue to expand the CollisionLink program both with additional parts and funds.

AHM Response:
We agree to continue the expansion of the successful Collision Select program. Current growth strategies are focused on increasing the available dealer funds and to growing the number of participating body shops. In November 2010, AHM increased the potential available dealer funds to 6% of prior year collision parts purchases – Doubling the amount of funds available! With these new terms, AHM will again significantly increase conquest funds. Please consult your DPSM for complete fund eligibility details.
The best of the best.

DEALER RECOGNITION

Looking Down the Road

EXPRESS SERVICE ACES
These dealers reported the highest average sales $ per Express Service RO CYTD September 2010 (min 1000 ES R.O.s)

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ACCESSORY CHAMPIONS
These dealers achieved the most Accessories Sales through Dec. 31, 2010.

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</tbody>
</table>

BRICKELL HONDA
Chandler Nelsen – Parts Manager

What is the secret to your dealership’s success with Express Service?

“Address what the customer is there for first.”

“Our first direction is the relationship with the customer. We want to develop a rapport because when it comes down to the suggestion it makes the sale much easier.”

“Each technician has a checklist, and they all do the process the same way. If everyone does the same thing the same way, your results are going to be a lot more positive.”
**LDR TOP 10**

LDR Top Ten will be a regular feature in each issue of Looking Down the Road.

We will spotlight dealers who are in the top ten in key fixed operations areas at Honda dealerships.

Watch for this page in the next issue of LDR to see the dealers who are using a challenging spirit to exceed our customers’ expectations.

### DEALER LOYALTY PERCENTAGE

**Dealer Loyalty Rate:** The percentage of owners returning to market and acquiring a new Honda from your dealership as their most recent previous acquisition. These dealers had the highest dealer loyalty rate of all Metro dealers, September 2010.

<table>
<thead>
<tr>
<th>Dealer</th>
<th>Zone</th>
<th>Dealer Name</th>
<th>Loyalty %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2084944</td>
<td>E</td>
<td>Terry Lee Honda</td>
<td>64.7%</td>
</tr>
<tr>
<td>2084468</td>
<td>G</td>
<td>Walser Honda</td>
<td>60.5%</td>
</tr>
<tr>
<td>2067474</td>
<td>F</td>
<td>Rouch Honda</td>
<td>59.5%</td>
</tr>
<tr>
<td>2068058</td>
<td>G</td>
<td>Luther Brookdale Honda</td>
<td>59.3%</td>
</tr>
<tr>
<td>2067925</td>
<td>F</td>
<td>Curtiss Ryan Honda</td>
<td>58.5%</td>
</tr>
<tr>
<td>2084788</td>
<td>G</td>
<td>Inver Grove Honda</td>
<td>58.2%</td>
</tr>
<tr>
<td>2076418</td>
<td>F</td>
<td>Napleton’s River Oaks Honda</td>
<td>58.2%</td>
</tr>
<tr>
<td>2081339</td>
<td>G</td>
<td>Kelly Honda</td>
<td>56.6%</td>
</tr>
<tr>
<td>2085025</td>
<td>J</td>
<td>Hamilton Honda</td>
<td>56.4%</td>
</tr>
<tr>
<td>2084235</td>
<td>F</td>
<td>Honda of Westport</td>
<td>55.9%</td>
</tr>
</tbody>
</table>

### PERCENTAGE OF ACTIVE CUSTOMERS

These dealers had the highest number of Active customers as a percentage of total customers, September 2010.

<table>
<thead>
<tr>
<th>Zn District</th>
<th>Dealer</th>
<th>Dealer Name</th>
<th>Loyalty %</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>C</td>
<td>208405 Rivertown Honda</td>
<td>73.7%</td>
</tr>
<tr>
<td>4</td>
<td>C</td>
<td>206733 Don Ayres Honda</td>
<td>73.2%</td>
</tr>
<tr>
<td>5</td>
<td>M</td>
<td>207794 Ebersole Honda</td>
<td>67.1%</td>
</tr>
<tr>
<td>9</td>
<td>A</td>
<td>208472 Williams Honda</td>
<td>66.0%</td>
</tr>
<tr>
<td>2</td>
<td>F</td>
<td>206876 Vern Eide Honda</td>
<td>64.3%</td>
</tr>
<tr>
<td>5</td>
<td>M</td>
<td>207745 Bobby Rahal Honda</td>
<td>64.2%</td>
</tr>
<tr>
<td>4</td>
<td>G</td>
<td>208313 Classic Honda</td>
<td>63.8%</td>
</tr>
<tr>
<td>10</td>
<td>D</td>
<td>208011 Arrowhead Honda</td>
<td>63.8%</td>
</tr>
<tr>
<td>8</td>
<td>K</td>
<td>206773 Don Wessel Honda</td>
<td>63.4%</td>
</tr>
<tr>
<td>3</td>
<td>J</td>
<td>207549 Patty Peck Honda</td>
<td>63.3%</td>
</tr>
</tbody>
</table>
What's Happening!

**SUCCESS**
Zone 2 scores high!
We are ranked #1 in Honda for Accessories Per New Vehicles Retailed FYTD at $256! We are the only Zone over $200. Much of this success is driven by Protection Packages and SUV Accessory Sales.

**ENCOURAGE**
Zone 8 would like to thank the dealers for their partnership with American Honda. We have some of the most competent DPSMs in the industry who enjoy working with dealers to help grow their business for our mutual benefit.

**ACHIEVEMENT**
Zone 4, Honda Center Zone
In the Midwest, we have had the highest year over year parts sales increase in the country - we’ve achieved this by focusing on use of the multi-point inspection form and improving participation in all the service marketing programs.

**ZONE STRATEGY**
Zone 12 marketing strategies
100% of its dealers participate in the last five SPS quarterly conquest mailers, and have also met or exceeded mailing depth goals during these periods. Our DPSMs were also quick to see the advantages of the Introduction Mailer, Transitional Mailer, and segmentation and led the nation in enrolling dealers in these programs. As a result, Active market share has increased from 43% to 45% in the last 12 months, despite poor economic conditions.

**PRIORITY**
Zone 9 has prioritized the development of the skillset for our dealers fixed operations personnel through the support of our training programs. Zone 9 has achieved the #1 position in the completion of Self Study modules for our Technicians, Service Advisors and Overall Service Administration work groups.

**GOALS**
Zone 5 increasing customer retention
Lifetime Customer Care marketing efforts, as well as having over 70% of their dealers participate in Express Service Metro Market Campaigns, is leading to increased customer retention in Zone 5.

**ACHIEVEMENT**
Zone 6 Parts and Service Operations
The most profitable Parts and Service departments in the nation
The highest fixed overhead coverage in the nation
This has been achieved through aggressive marketing activities, maximizing parts and service sales opportunities and intelligent expense control.

**TEAMWORK**
Zone 10 team
has worked hard on Collision Select and typically has very high performance in conquest sales and funds usage. In addition, we pride ourselves on using the Lifetime Customer Care offerings such as Service Prospecting enrollment and depth to drive market share improvements.

**PRIDE**
Zone 7 is proud of:
our Fixed Operations Conference that was held in Orlando last October. With the support of our National departments, Zone, vendors and Honda dealers, we had 225 in attendance for a spectacular two-day event. In addition to the dedicated resource room, breakout training sessions and general sessions, the event generated just over $925,000 in parts and accessory sales!

**FOCUS**
Zone 3’s continual focus on CSE and Service Advisor Training has led us to be the perennial leader in CSE over the years.

**PRIDE**
Zone 1 is proud of:
- Fixed Right First Time score (tied for first — September 2010)
- High customer contact rate through SPS
- Excellent Parts, Service, Sales and EXCELL teamwork
- Great DPSMs

**ZONE 3**
continual focus on CSE and Service Advisor Training has led us to be the perennial leader in CSE over the years.
The Dealer Services Group (DSG) is here to help support the Lifetime Customer Care (LCC) Program: Service Reminder System (SRS), Seasonal, Transitional, Introduction and OnDemand mailers. Are you utilizing DSG to its full potential? Contact your Marketing Consultant today at 1-800-466-1810. They’re waiting to help you.