



It is unfortunate that a small number of dealers have hailed the existence of the Blue Oval Program for their own reasons. Perhaps they currently find themselves in the good graces of the Ford Motor Company or perhaps the competitive situation in their market is favorable and, therefore, they do not risk going out of business if decertified. However, the word “currently” is key because no dealer is untouchable to having favorable or competitive situations change negatively. We have seen this happen time and time again. Then...what?

It may be true that for many Ford dealers' profitability has improved during the first year of Blue Oval Certification. Massive dealer dissent forced Ford to make the first year a no-brainer to get certified. It is the first year Blue Oval payments that Ford is serving up as the cocaine to the dealer body to get us hooked. In the next few years we will see new vehicle grosses drop as they have with other-make dealers with similar programs. Ask your friendly Volvo dealer how far into the holdback he or she sells to get the cocaine. Then...what?

Furthermore, we are already seeing Ford ratchet up the requirements for Blue Oval Certification. This year and next Voice of the Customer minimums are being raised by a total of four points. How would we feel if our VOC target were already at 64, as some dealers? How would we feel if our store were decertified because of an unsatisfactory warranty audit? The warranty process is so convoluted that it is virtually impossible not to incur charge backs on a warranty audit. How would we feel if one of our salespeople did not get “sales certified” on time or if J. D. Power determines that our store was not as “pretty” as 2 of our 4 competitors? How confident are we that Ford will not dream up a number of other ways to decertify dealers. Then...what?

What happens then? We will have gone a long way to contributing to our own demise by endorsing a program that negates existing franchise laws. We will have gone a long way to turning our Sales and Service Agreement into a one-year contract – enabling our manufacturer to eliminate those dealers it no longer perceives as viable without it costing Ford a dime. Besides, improved customer satisfaction can be achieved without a program as divisive as Blue Oval.

We have to see beyond the short-term gratification of the “cocaine” and recognize the long-term inherent dangers of the Blue Oval Program to the vast majority of the Ford dealer body, who judging by the recent NADA Dealer Satisfaction Survey results, agree with this position. For the very vocal “minority” of dealers who approve of relinquishing control of their dealership to the Ford Motor Company, be careful what you ask for – you might just get it.



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