

Ward's Dealer Business
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By Gordon M. Maynard
Ricart sings praises of own ad jingles

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COLUMBUS, OH - Near dealer Fred Ricart's modern office is his own recording studio in which he regularly makes his own commercials. It's a high-tech facility for Mr. Ricart to produce his homespun stuff such as he and his wife, Lynne, singing and appearing in many of the TV spots.

He credits such advertising with helping to put Ricart Ford in a dominant No. 2 position on the Ward's Dealer Business Top 500.

The TV and Internet commercials and print ads are all done and placed in-house by a savvy crew on the 66-acre Ricart "MegaMall" in southeast Columbus, OH.

"We monitor public tastes daily," says Mr. Ricart. "We can change our commercials frequently on the three top Columbus TV stations. Surveys show we're the best-liked business in Columbus, with the best-liked ads. I can't say enough about how that has contributed to our sales volume through the years."

Ricart Ford was edged from the overall No. 1 spot on the Ward's 500 this year by Galpin Ford. That dealership had been runner-up to Ricart Ford for the last three years. Ricart came within \$8 million of the top spot this year.

Galpin, located in metropolitan Los Angeles, trailed Ricart in last year's survey of 1996 sales by less than \$20 million overall, 11,678 to 10,490 new-vehicle units. In new vehicle sales, Galpin for this year's survey of 1997 business outsold Ricart, 12,121 to 10,451 units.

But Ricart sold more than three times as many used vehicles than Galpin (11,039 to 3,689), and did three times the F&I business (\$31.7 million to \$10 million).

The Columbus dealership sold a record 21,490 new and used vehicles in 1997, topping Galpin's 15,810 by 36% and beating its own 1996 total by 1,387 units. Mr. Ricart's 1997 split was 11,039 used units and 10,451 new.

"Sure, we sold more used than new in 1997," says Mr. Ricart. "But that's no crime these days, and we're still number one going away in combined sales by a landslide."

"I'm very proud of our F&I lead. We handle a lot of F&I in-house, and we're expanding our own subprime company - Central Ohio Credit - but still rely heavily on providers like Ford Credit, JM&A and Bank One. No part of the business is more responsible for giving us our loyal-customer rate than our strong F&I department."

A student of market trends, Mr. Ricart, compares today's auto business to a big chess game "in which pieces have to be moved constantly on board squares like brand loyalty, marketing, dealer image, pricing and personnel."

To Mr. Ricart, staying as a dealer with high closing and delivery ratios means "being in the finance business, not the car business."

He adds, "We target niches continuously, so that our ads can interactively reflect what we find the viewers would rather watch that night or the next. We use our website (WWW.Ricart.com) to show where to spot our ads.

"It's a never-ending challenge to decide what will work the next day, and what isn't working today, like a \$9,000 Escort or a 'mystery car.'"

Personnel is a major concern for Mr. Ricart's chief operating officer, Gregory M. Dryden who learned "dealering" in Detroit and has worked for Fred and his brother Rhett Ricart since 1993.

"We have 850 employees at all our locations, and insist that every one has an upbeat attitude," says Mr. Dryden. "That's also essential in our hiring process, keeping the enthusiasm on the positive side in every area of the business."

The Ford dealership is the centerpiece of Ricart's big mall. The complex includes six Japanese and Korean brands with lower-priced vehicles: Hyundai, Isuzu, Kia, Mazda, Mitsubishi and Nissan.

Elsewhere, Chrysler-Plymouth-Jeep and Kia dealerships, plus a van-conversion center and three other used-car locations, enhance Mr. Ricart's dominance of the overall Columbus market. At times it reaches 60%.

Ricart customers come from as far away as Dayton and Mansfield, OH, as well as Indianapolis and Portsmouth, WV. "We're the biggest Ford dealer in West Virginia," says Mr. Ricart.

Many customers can hum one of the country tunes Mr. Ricart composes and sings on the commercials as he strums a guitar.

The Ricart ad studio room is set up for instant TV commercial production on digital cameras, and Mr. Ricart can grab a guitar and sing a new vocal spot into the mike in a flash.

"I was inspired to do my own ads by Jim Moran, who became the No. 1 dealer at Courtesy Ford in Chicago in the 1950s through his own pitches on the late-night movies," Mr. Ricart says. "I still talk cars with Mr. Moran once a year or so, and he's as sharp as they come."

Mr. Moran owns the JM&A financial-services company that Mr. Ricart uses for F&I training and products like Gold-Check certified used cars.

Lynne Ricart, following in the footsteps of the late Victor Potamkin's wife Luba, "draws 50% higher rating scores than her husband when she does our TV spots," admits Mr. Ricart.

He adds, "That's all right with me, because she appeals to all the women customers and the girlfriends and wives of the guys."

The Ricart brothers are active in other pursuits that help broaden their appeal, especially to younger buyers. Rhett is a mountain climber, skydiver and skier. Fred races cars regularly at the Columbus Speedway. It's a pastime that reminds him of his first task as a teenager for his father's suburban Columbus Ford dealership purchased for \$5,000 in the mid-1950s.

He recalls, "We had our own finance company and I was sent out to repo a '66 Fairlane convertible in northern Kentucky. First the key stuck in the door and after I filed it down, with the owner coming after me, it stuck in the ignition.

"I finally got it to start. The owner was hanging on the trunk as I sped away. There's never a dull moment in this business. That's the way we like it."