

# Automotive News

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## BEIJING AUTO SHOW

Although 147 electric vehicles and plug-in hybrids were on display in Beijing, there is much skepticism about China's ballyhooed EV boom. Full show coverage on **PAGES 4, 6, 34, 35, 36**



Lynda Nelson and John Patterson of OC Auto Team sprang to action on the bad review.



## Attempted murder? How store struck back

Monitoring, legal action put an end to fake review

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**S**windling, attempted murder and elder abuse.

Those were the accusations a woman made against Huntington Beach Mazda in a review posted on Google and Yelp on Aug. 16.

Lynda Nelson's phone started buzzing that day with an email alert from the dealership's software system. Nelson is director of customer affairs at OC Auto Team in Tustin, Calif., which owns Huntington Beach Mazda in Huntington Beach, Calif., and two stores in Tustin. She gets an alert every time a customer posts a review on Google, Yelp or DealerRater.

As Nelson read the review on Yelp, she was stunned. The review accused employees of blocking an elderly woman's medical help as she suffered a heart attack at the dealership. It equated the staff's action to attempted murder and urged customers not to shop at Huntington Beach Mazda.

**"I was in such disbelief. I must have read that review five times before I could even react."**

Lynda Nelson

"I was in such disbelief," Nelson said. "I must have read that review five times before I could even react. That's how shocking it was."

The review was a lie. The woman who wrote it had not been to the dealership. What happened next shows the value of a rapid and full-bore response to a review that could potentially devastate a store's reputation.

Nelson, who has worked at OC Auto Team

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## JOE HINRICHS HAS FORD HUMMING

North America drives 3 record quarters in last 4

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**D**ETROIT — Since 2011, Ford Motor Co. has earned pretax profits totaling \$45 billion in North America. It lost \$1.8 billion in the rest of the world.

And North America's position as Ford's profit driver keeps getting stronger. In an interview at the automaker's global headquarters Friday, April 29, Joe Hinrichs, Ford president of the Americas, noted that the region has achieved record profits in three out of four quarters. Its first-quarter operating margin, announced last week, was an unprecedented 12.9 percent.

A great deal of that traces back to a smooth launch of the redesigned aluminum-bodied F-150, a high-stakes reworking of manufacturing processes that Hinrichs oversaw. Having a surging industry didn't hurt, he said, but the F-150 is a major factor.

"That shows you the strength of the industry, the strength of our product portfolio broadly speaking and the strength of the F-150 after we got the new one launched," Hinrichs said.

Ford has greatly improved its international business in recent years, halting the flow of red ink in Europe and growing quickly in China. But North America is still indisputably where almost all of the action is. It's responsible for 93 percent of Ford's total pretax profits since Hin-

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■ Ford to add to China mix after CUV blitz  
**PAGE 4**

■ Fields: Record first quarter starts a "strong year"  
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**"That shows you the strength of the industry, the strength of our product portfolio broadly speaking and the strength of the F-150 after we got the new one launched."**

Joe Hinrichs



## In Texas: 'Everyone is in hail mode'

Heavy storms test dealers in San Antonio and Dallas

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**DALLAS** — Texas auto dealers are turning to "hail sales" and "storm chasers" to try to make the best of a bad situation: the Lone Star State's worst run of hail damage in years.

San Antonio is the latest victim, with a storm last week piling on more damage after one in mid-April that the Insurance Council of Texas declared the costliest hailstorm in

state history.

More than 110,000 vehicles throughout the storm zone were pelted by large hail, causing about \$560 million in damage, the group said. The April 25 storm was less intense, but that was no comfort to dealers already scrambling to deal with thousands of dented vehicles.

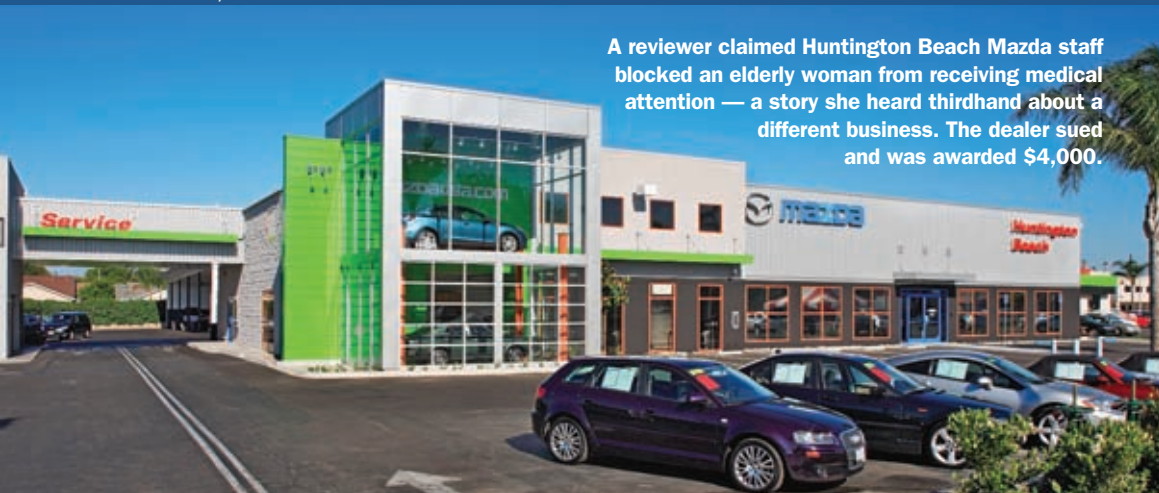
"I've been in San Antonio all my life and I

see **HAIL**, Page 37



So far this year, storms have caused \$3 billion in property damage in Texas.





A reviewer claimed Huntington Beach Mazda staff blocked an elderly woman from receiving medical attention — a story she heard thirdhand about a different business. The dealer sued and was awarded \$4,000.

## REVIEW

### Dealership investigated the claims, then posted a denial

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for nine years, immediately called the sales manager at Huntington Beach Mazda.

"He kept saying, 'There's no way! There's no way!'" Nelson said.

At that point, the review was posted on Google, too, she said.

#### BEST PRACTICES

Nelson called dealer John Patterson, president of OC Auto Team, at his home. They began calling every employee asking if any incident such as the one described in the review might have happened at the store, ever.

"Everyone agreed there was nothing even remotely like that having happened," Nelson said.

#### Quick action

Patterson and Nelson posted a response to the review denying any such incident occurred. Then they contacted Google and Yelp to ask that the bad review post be removed. The sites replied that they would investigate the review before complying, so it would be at least five to 10 business days.

In the meantime, Patterson contacted paramedics and the fire department. They said they never responded to any such incident at Huntington Beach Mazda, Patterson said.

#### Review and retaliation

When an online review accused Huntington Beach Mazda staff of attempted murder and elder abuse, dealer John Patterson hired a private investigator and successfully sued the author of the false review.

He said his employees were outraged and urged him to seek justice.

"This is malice," Patterson said. "She didn't just tell a lie, but she said, 'Do not shop there — they promote abuse of the elderly.' That's outrageous. It sends the wrong message to everyone looking at our organization."

So Patterson anted up \$1,400 to hire a private investigator to find the reviewer's identity. His lawyers sent the woman a letter demanding she remove the review, which she did Aug. 22.

Patterson said those were the longest seven days of his life. "It was extremely long, very frustrating and very distracting," he said.

Patterson credits DealerRater's 360Connect reputation monitoring software, which he had installed in early 2015, for immediately alerting staffers to the review.

The software costs Patterson about \$150 a month per store, but he said it saved him thousands in damages in this instance by allowing staff members to investigate the review and get it off Google and Yelp as quickly as possible.

Before the software, staffers had to manually check each review site. A bad review might sit on a site for 24 hours before being addressed.

"That speed was important because it was so incredibly damaging," said Nelson. "That review can be a customer's first impression of us."

Patterson estimated the false review cost him about \$500 a day in reputational damages, plus his

#### Yelp: Review or libel?

A woman posted the following review of Huntington Beach Mazda on Google and Yelp. In court, it was determined that the woman had never been to the dealership and had heard the story thirdhand and mistakenly ascribed the behavior to the store's staff.

*"The Mazda employees are nothing short of human garbage. Trying to swindle an old lady into a car deal she told them she couldn't afford to the point where she started getting chest pains. She later had a heart attack at the dealership. The daughter tried to call 9-1-1 on their phone lines. The EMPLOYEES DISCONNECTED the line and wouldn't allow the daughter to call for MEDICAL ATTENTION. What kind of monsters do that? That is not customer service that is borderline attempted MURDER. To make matters worse when paramedics arrived they made the poor women walk out to the paramedics. Paramedics and the fire department WERENT ALLOWED TO GET HER TO GIVE HER THE NECESSARY MEDICAL ATTENTION?!?! PLEASE DON'T SHOP HERE. by shopping here, you are condoning the mistreatment of senior citizens and supporting terrible customer service."*

attorney fees and private investigator costs.

Patterson said the factory even heard about it.

"I was at a seminar, and one of the Mazda executives said, 'What happened with that review? That was terrible,'" Patterson recalled. "Plenty of people saw that, so not only is our reputation being threatened with our customer base, but with the manufacturer as well."

#### Crossing the line

Patterson sued the reviewer in small-claims court.

He cited a case from a New York civil court in which a flooring company sued a customer for making false statements online, he said. In that case, the judge said the online rant crossed the line from opinion to libel when the false statements referenced criminal wrongdoing.

In court, it was revealed that the woman who wrote the false review of Patterson's store had heard the story thirdhand about a different business allegedly committing such acts and mistakenly ascribed the behavior to Huntington Beach Mazda's staff. She offered no apology, Patterson said.

In March, the judge awarded Patterson \$4,000. He plans to donate it to charity.

"For me, it was about letting someone know that if you're going to be writing something entirely false online, you should be held accountable for it," Patterson said.

"I owe the 50 employees that work in [Huntington Beach Mazda] a great workplace. That means doing everything we can to generate traffic to the dealership and not allow people to tell false things about us," he said.

Patterson said nearly 1,000 people a day view Google and Yelp in Orange County. That's why it's important to him to have a mechanism that alerts him to reviews.

For him, this was a learning experience.

"Now we have a history of what to do if something is a total lie." He added: "It was a pain going through the process of filing a small-claims case. But it was a victory for the small business." **AN**

# autonews

the week on the web  
04.25.16

**Most-read story:** What FCA employees need to hear from their leaders

#### > Mitsubishi: No mpg tampering in 2013-17 U.S. models

Mitsubishi, embroiled in a scandal over inflated fuel economy ratings for small cars sold in Japan, said that an internal audit has found no testing problems with vehicles sold in the U.S. in the 2013-17 model years. The company disclosed last week that it had used testing methods since 1991 that did not comply with Japanese fuel economy regulations.



#### > Ford to idle F-150 line for a week

Ford will idle the F-150 line at its Kansas City Assembly Plant for one week in May to fix mechanical problems that had been hindering the plant's output. The shutdown comes as F-series inventory reaches its highest level in nearly a decade. The downtime will not affect Transit full-size van production.



#### > GM to invest in Spring Hill, Bay City engine plants

General Motors plans to spend \$789 million to prepare its Spring Hill, Tenn., plant for production of an unspecified new engine program, creating nearly 800 jobs. The automaker also said it will invest \$118 million in its Bay City Powertrain plant in Michigan, which makes a range of engine and transmission parts.

#### by the numbers \$539 million

Fiat Chrysler's record first-quarter global net income, aided by strong Jeep sales. Net global revenue climbed 3 percent to \$30 billion. Total shipments declined 1 percent to 1,086,000 vehicles.

#### on our radar

**05.03:** April U.S. auto sales released

From Automotive News

## Fields: Ford EV will have range near 200 miles

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DETROIT — Ford Motor Co. is developing an electric vehicle with range comparable to the Chevrolet Bolt, Tesla Model 3 and next-generation Nissan Leaf, CEO Mark Fields said.

Fields, asked whether the automaker intended to offer an EV with a 200-mile range, said Ford wants to be "among the leaders or in a leadership position" as more automakers introduce long-range battery-powered cars.

"Clearly that's something we're developing for," Fields said last week during Ford's first-quarter earnings conference call.

Fields' comments, while lacking details, are the first time a top executive with the company has acknowledged plans to directly challenge Tesla Motors and the Bolt.

Fields didn't say how soon such a vehicle could go on sale. Ford is expected to call it the Model E and assemble it starting in 2019 at a new plant in Mexico that the company announced last month.

The Model E likely would be of-

fered as a traditional hybrid, a plug-in hybrid and EV, according to research firm AutoForecast Solutions. Ford has a pending trademark application on the Model E name.

Ford sells the Focus Electric with a 76-mile range. It's increasing that to 100 miles this fall, but even that is just half the advertised range of the Bolt, which General Motors says will arrive this year, and the Model 3, which is expected to go on sale within two years. In addition, Nissan North America plans to offer a redesigned Leaf that goes at least 200 miles in 2018.

At the SAE World Congress last month, several speakers said a range of at least 200 miles per charge is needed to alleviate consumers' range anxiety about battery-powered cars. But Kevin Layden, director of Ford's electrification programs and engineering, said the Focus is enough to satisfy.

"I think right now with the launch of the Focus Electric at 100 miles, it is going to satisfy a big chunk of the population," Layden said. "It's going to be really affordable and a step up from where we are now." **AN**



**Fields: Seeks "a leadership position."**