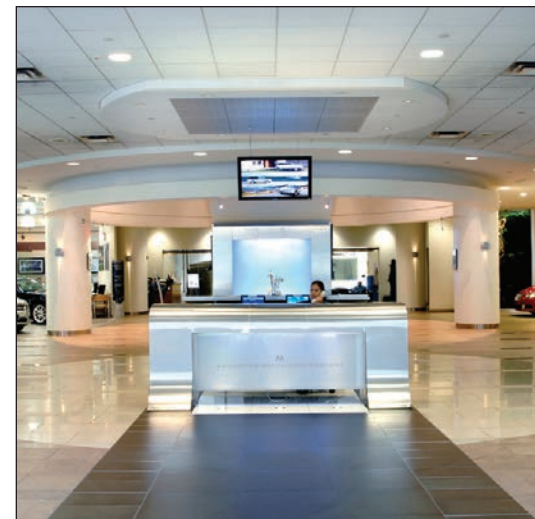




# Delighting the Customer

**An Interview with Gary Flom,  
President and Chief Executive Officer,  
Manhattan Automobile Company**



Gary Flom (left); Manhattan Automobile Company showroom

**EDITORS' NOTE** Gary Flom is also the President and CEO at the Bay Ridge Ford dealership in Brooklyn, New York. A former financial analyst at Gulf & Western, he is a two-time recipient of Ford Motor Company's prestigious President's Award and a four-time recipient of the "100 Leaders" Award. Prior to joining Manhattan Automobile Company, Flom built a distinguished track record as an executive manager working with brands like Mercedes-Benz, Lexus, and Porsche. Born in Russia, Flom served in the United States Marine Corps from 1983 through 1987 where he was awarded the Navy Achievement Medal. He graduated from the University of Maryland with a degree in Business Management.

**COMPANY BRIEF** Manhattan Automobile Company ([www.manhattanauto.com](http://www.manhattanauto.com)) is a premier automotive retailer in New York City's Automotive District. In 2002, the company completed an \$18-million redesign with the express goal of complementing customers' lifestyles to perfection. The showroom's intricate design and features were innovative and started the renovation trend in Manhattan's Automotive District. Acclaimed features include a unique rooftop off-road test track for Land Rovers and amenities such as Café 11 with Starbucks coffee and a business center for customer use. In addition, Manhattan Automobile Company completed a comprehensive company-wide transformation that consisted of several mutually interdependent components such as the facility, personnel, processes, high technology, and training.

**What has contributed to the success of Manhattan Automobile Company year after year?**

What makes the company so special is our constant desire to delight the customer. Whether it's a purchase or lease of a vehicle, service of a vehicle or purchase of parts, we have to deliver excellent service to our customers at every phase of our business, because if not, we fail.

**How deep are your training policies and how do you continually offer that consistent experience?**

We have a consistent training policy, not just on product, vehicle, certifications, and general knowledge of the vehicle, but also on processes. Every organization with customer-facing personnel has to have a process to follow – it eliminates the unknowns and the chance of making errors.

We train our showroom traffic coordinators in the proper greeting of the customer, making sure the customer is attended to within one minute of the visit, and in the proper ways of answering phones and e-mails; we train our sales personnel in customer handling and presentation of our products; we train our sales managers; and we train our service advisors – every customer-facing person is trained, sometimes by the manager, and sometimes we have outside consultants who come in and conduct team-building exercises.

**Which brands do you offer?**

Our mainstay now is Ford, which has led the market in products itself. We currently offer some of the most innovative vehicles in the marketplace, including the new Fusion that came out this year – the styling resonates with our customers right now, which is evidenced by the sales; in both of our Ford stores. We're practically sold out of Fusions. It competes extremely well with the imports like Honda and Toyota. Consumers are happy to buy a domestic car that really competes with the imports and they don't have to sacrifice anything that imports have been known to offer.

Our Ford quality now is second-to-none in terms of driveability and the choice of powertrains, specifically on Fusion. This year, Ford sales are up around 21 percent year over year.

Lincoln is reinventing itself and there is a significant commitment from Ford Motor Company not just financially but product- and personnel-wise to redevelop the brand to be a true luxury American brand.

The first all new vehicle is the Lincoln MKZ, which we started to sell two months ago. It has been very well-received by our customers. The new engines, such as the 2.0L EcoBoost, 3.7L V6 or the 2.0L Hybrid, offer a wide range of choices that meet the needs of every consumer.

We're up 40 percent this year with Volvo. It has great products that fit well into our Manhattan market.

The only Range Rover is the All-Aluminum vehicle now, again with different powertrains for 2014 including a six-cylinder supercharged engine and an eight-cylinder engine. But the vehicle is much lighter than the one it replaced

and has been received extremely well in our market. We are currently sold out for 10 months of production of new Range Rovers.

I have been with Jaguar since 1996 and I have never seen better products than they have now. The flagship sports car, the F-Type, which was recently launched, competes with cars like Porsche 911, and every automobile magazine is giving it accolades. The new XJ is the flagship sedan; it's a full-size, large sedan and is available in all-wheel drive, which we lacked while our German competitors had it for many years. The medium-sized sedan just received additional powertrain choices, two-liter engines, six-cylinder premiere engines, and all-wheel drive.

**Is it surprising how much innovation has taken place within the U.S. auto industry?**

I'm not surprised about the turnaround because companies, like people, perform well under pressure, when there is no choice. So I never doubted Ford would come back strong because I knew there was a plan and financing available, as well as great leadership at the top. Ford leads the domestic manufacturers in products and technology, and is now the best domestic automobile manufacturer.

This is the factor that resonates with our customers, who primarily come from Manhattan where the cost of living is extremely high. They choose to live in Manhattan and choose to lease or buy a car that they really want. They can afford to have any car but they more often choose Ford because of its technology, because of new cars like the Ford Fusion, and because it's a domestic car, they don't have to feel they are compromising in buying a car and they want to buy it because they respect what Ford has done.

**How critical is the Web site to your sales and how much information do people gather online before coming in?**

In our market, almost 100 percent of our customers do extensive research online before coming to the dealership. Customers today know what they would like, especially in Manhattan, where the pace of life is so hectic and there is a chronic lack of time. We strive to deliver convenience and make it part of our competitive advantage. So our site is extensive and our personnel in the development business center are trained well. Many of our customers prefer to conclude a transaction online without even coming in except to pick up the vehicle. So it's imperative that we have cutting-edge technology and tools available. ●