

Federal Trade Commission Blocks Acquisition of Auto/Mate Dealership Systems by CDK Global

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[/EINPresswire.com/](http://EINPresswire.com/) -- The Federal Trade Commission (FTC) has blocked Auto/Mate Dealership System's pending acquisition by CDK Global. In April 2017, the two companies signed an agreement outlining terms of a sale that was subject to FTC approval. After an extensive 11-month review, the FTC decided that it was in the best interest of auto dealers to have Auto/Mate remain as a strong competitor in the marketplace.



“It seems that the FTC thought we were too unique and too well positioned to grow and compete, and that allowing CDK to acquire us would take out the only viable competitor to them outside of R&R,” said Larry Colson, Auto/Mate’s Managing Partner. “Our story has always been one of David vs. Goliath and now we are back to doing business as usual, much to the delight of our customers and employees.”



With the deal behind us, we can double down on our primary focus, delivering the market’s best software and best support to our dealers.”

Mike Esposito, President & CEO, Auto/Mate

Late in 2016, Auto/Mate’s shareholders were alerted by Presidio Technology Partners, its financial advisor, that a potentially attractive valuation for the company might be possible in the market. During the sales process that followed,

CDK Global made an offer that could not be ignored. Subsequently, the parties reached a definitive agreement that was subject to FTC approval. That approval was not granted.

“While we are disappointed to have spent so much time and money on the now abandoned transaction, we look forward to the future with renewed vigor and passion,” Colson said.

“It’s no secret that in recent years we had made substantial inroads into the customer bases of both CDK and Reynolds & Reynolds, switching several large auto groups that have been their bread and butter onto our system,” said Mike Esposito, Auto/Mate’s President and CEO.

Auto/Mate has a 97 percent customer retention rate, a customer satisfaction score after conversions of 93 percent and has won multiple dealer ratings awards from DrivingSales. Its DMS is a robust, user-friendly and highly scalable solution suitable for dealerships of all sizes.

“With the deal behind us, we can double down on our primary focus, delivering the market’s best software and best support to our dealers,” Esposito said.

Auto/Mate is no longer for sale, and the shareholders are not considering any other offers. “This decision and the governmental review process we just completed was arduous, and quite frankly, we don’t have the stomach to go through it again,” Esposito added. “Auto/Mate’s senior management team and I will remain at the helm.”

“We are back to doing business differently and are happy to remain a disruptor in the DMS space,” Colson said. “I want to thank all of our customers, employees and partners who have offered their opinions and support during this time of uncertainty. Our way forward is clear and we are charging ahead.”

For more information, visit www.automate.com or stop by Booth #3483C at the NADA Convention & Expo in Las Vegas, NV, March 23-25, 2018. Schedule an appointment today at <http://www.automate.com/nada>.

About Auto/Mate

Auto/Mate Dealership Systems is a leading provider of dealership management system software to retail automotive dealerships, typically saving dealers thousands of dollars per month from their current provider. AMPS® is a user-friendly, feature-rich DMS in use by more than 1,350 auto dealers nationwide. Auto/Mate has received consecutive DrivingSales Dealer Satisfaction Awards.

Auto/Mate’s employees have more than 1,200 years of combined experience working in franchised auto dealerships, the foundation of its By Car People, For Car People™ slogan. Auto/Mate is committed to winning its customers’ business each and every month with no long-term contracts and free software upgrades.

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