

THE WANADA BULLETIN

NEWS AND INFORMATION FOR AND ABOUT FRANCHISED NEW CAR DEALERS IN THE WASHINGTON AREA

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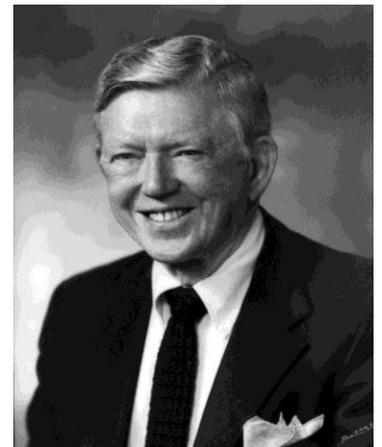
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Staying Ahead...

Maryland Auto Dealers to honor former WANADA CEO, Mike Murphy

Recognition to occur at MADAF Annual Gala, Nov. 4, Columbia Country Club

WANADA's esteemed sister organization, Maryland Auto Dealers Association, has announced that its Foundation has selected former WANADA chief executive officer Maurice J. (Mike) Murphy as its 2016 honoree to be admitted into the MADAF *Legends Hall* at its Annual *Unforgettable Gala*, Nov. 4, 2016, at Columbia Country Club, Chevy Chase, Md. The MADAF *Unforgettable Gala*, now in its 7th year, has as its mission to spotlight and preserve "the name and memory of Maryland automobile industry leaders and pioneers." The list of former inductees is impressive, starting with last year's honoree, Jerry Fader, founder of MileOne Automotive in Towson; the year before that longtime MADA CEO Cab Darrell, Mike Murphy's colleague for 25 years; preceded by Fred Bowis of Chevy Chase ChevyLand; Bob Bell of Bob Bell Automotive in Baltimore; Bob Suddith, Hoffman Automotive, Hagerstown; and Wilson Howes, Wilson Pontiac and Honda, Silver Spring, and later Hagerstown Honda.



Maurice J. Murphy
WANADA CEO, 1955-82

Mike Murphy was the second of three Murphy family members to head up the staff at WANADA, a position he held for 27 years, 1955-82. Mike's father, Dick Murphy, preceded him as WANADA's CEO from 1932-55, and his son, Gerry Murphy, succeeded him as CEO in 1982, running WANADA until 2014. Mike passed away in 2004, having stayed active with WANADA as a consultant on The Washington Auto Show until 2000.

Tickets are available for \$250 per person. Register for the *Unforgettable Gala* by clicking [here](#). As noted above, arrangements are set for Friday, Nov. 4 at Columbia Country Club (*black tie optional*). Questions about the event or registration can be directed to Ethel Biensach, ebiensach@mdauto.org, or (301) 271-1717.

WANADA Annual Meeting and Luncheon with Scott Brown

Wed., Nov. 2, Ritz Tysons



Former Senator Scott Brown

The WANADA Annual Meeting and Luncheon on Wednesday, Nov. 2, is just around the corner, so be sure and get your tickets now. The event is at the Ritz-Carlton Tysons Corner, VA, with keynote speaker the former U.S. senator, Scott Brown. Members and their guests will surely want to hear Sen. Brown's views on the election, which will then be only days away.

The meeting also includes a WANADA association update and 2016-17 Board elections. The reception starts at 11:30 a.m. and the meeting will adjourn at 2 p.m. The Annual Luncheon presents a great opportunity for networking, catching up with old friends and colleagues, and gaining new ones.

Our keynoter, Sen. Brown, spent many years in the Massachusetts Legislature before acquiring Ted Kennedy's seat as the first Massachusetts Republican elected to the U.S. Senate in more than 40 years. In the Senate, he was a member of the Armed Services Committee, the Committee on Homeland Security, the Veterans Committee and the Committee on Small Business. In addition to his Congressional career, Sen. Brown is a popular contributor to Fox News and a *New York Times* best-selling author for his book *Against All Odds*.

WANADA attends Capital Business Forum with area leaders

WANADA representatives attended the Capital Region Business Forum recently with the top state-level executives from the three Washington area jurisdictions: DC Mayor Muriel Bowser, Maryland Gov. Larry Hogan and Virginia Gov. Terry McAuliffe. WANADA representatives were among a big crowd of business executives and civic leaders at the meeting.

After the joint meeting at the Washington Hilton, Bowser, Hogan and McAuliffe met privately and heard a presentation about the future of Metro and discussed possible sources of funding. DC Chief Financial Officer Jeffrey DeWitt offered three funding options: a regionwide 1-cent sales tax, an annual increase in rider revenue of 13.5 percent, or an annual increase of 8.2 percent in subsidies from the three jurisdictions.



At the forum (from left): Maryland Gov. Hogan, Virginia Gov. McAuliffe and DC Mayor Bowser

Hogan has made it clear he will not support a sales tax, and the other two options appear unrealistic. It's *Catch-22*: No one wants to give more money to Metro until safety and scheduling problems are improved, and those cannot improve without more money. DeWitt said economic growth in the region would likely slow without more funding for Metro.

In the public part of the forum, the three leaders discussed cooperative efforts to bolster the regional economy. Other than transportation, topics included economic development and diversifying the regional economy, and the outlook for growth and cross-border cooperation. Each of the chief executives has called for a renewed focus on job creation and new company formation.

CFPB structure ruled unconstitutional by 3-judge panel

A three-judge panel has dealt a severe blow to the Consumer Financial Protection Bureau (CFPB). The panel for the U.S. Court of Appeals for the District of Columbia Circuit said that too much power is invested in the agency's director and laid out a remedy: The president will be able to fire the director at will. Currently, after the director is nominated by the president and confirmed by the Senate, he or she serves a five-year term and can be removed only for cause.

"The CFPB therefore will continue to operate and to perform its many duties, but will do so as an executive agency akin to other executive agencies headed by a single person, such as the Department of Justice and the Department of the Treasury," the court wrote. In creating the CFPB under the 2010 Dodd-Frank Act, Congress gave the director "more unilateral authority than any other officer in any of the three branches of the U.S. government, other than the president," the court wrote. All three judges on the panel were appointed by Republican presidents.

The agency has said it disagrees with the ruling, but has not yet said whether it will challenge it.

NADA has fought the power and the directives of the CFPB for several years. The most controversial action against dealers was one where the agency accused captive finance companies through dealers of discrimination against minorities in the way they approved consumer auto loans. Although the agency does not have the power to regulate auto dealers as credit arrangers, dealers have felt the impact of CFPB's directives as lenders adjusted their practices under regulator pressure.

Chicago dealer Mark Scarpelli is new NADA chairman

NADA's Board of Directors has elected Chicago area dealer Mark Scarpelli as its 2017 chairman.

"I plan on continuing with many initiatives, which include promoting the consumer benefits of the franchise system, working with auto manufacturers and advocating our issues on Capitol Hill, as well as getting the next generation of dealers involved with NADA," Scarpelli said.

Scarpelli is president of Raymond Chevrolet and Raymond Kia in Antioch, IL, and co-owner of Ray Chevrolet and Ray Chrysler-Jeep-Dodge-Ram in Fox Lake, IL. His dealerships employ more than 350 people and have been in business for 56 years.

Bill Willis, president of Willis Automotive Group (Chevrolet-Buick-Ford) in Smyrna, Del., was re-elected as secretary. Brian



NADA's 2017 chairman, Mark Scarpelli (right) and vice chairman Wes Lutz.

Hamilton, president of Midway Chevrolet-Cadillac-Buick and Midway Chrysler-Dodge-Jeep in Kearney, Neb., and Beardmore Subaru in Bellevue, Neb., was elected treasurer.

The new chairman and other officers commence their terms at the 2017 NADA Convention and Expo in New Orleans in January.

How to help dealers cleaning up from Hurricane Matthew

Hurricane Matthew, the latest malevolent storm to hit the Eastern U.S., did not cause as much damage as many expected. But, for dealerships in its violent path, it no doubt seemed like more than enough. Many lost power, and others were trying to clean up from the torrential rains, according to *Automotive News*.

Just as dealers here and nationwide recently helped flood-stricken dealers in Louisiana, dealers who want to help fellow dealers who fell victim to Hurricane Mathew may donate to the National Automobile Dealers Charitable Foundation's Emergency Relief Fund by clicking [here](#) or calling 703-821-7233. Personal or corporate checks may be mailed to NADCF Emergency Fund, c/o NADCF, 8400 Westpark Dr., MS 7, Tysons, VA 22102. Donations to the NADA Foundation are generally tax-deductible; contributors should consult their tax advisors for details.

New study shows consumers excited about driverless cars

The vast majority of consumers are enthusiastic about the benefits driverless vehicles can offer, and almost two-thirds want to swap their current cars for completely self-driving vehicles, according to research from the Consumer Technology Association. Seventy percent of consumers have a strong interest in testing a driverless car for themselves. Those findings are in direct contrast to other surveys that indicate consumer hesitancy toward the technology.

The report also found that 93 percent of drivers who use existing driver-assist features such as parking assist, adaptive cruise control and collision avoidance appreciate the usefulness of those innovations.

Consumers are most interested in self-driving technology's ability to do the following:

- Reduce accidents caused by aggressive driving or driving under the influence of drugs or alcohol;
- Provide savings on car insurance;
- Prevent up to 90 percent of driving-related accidents and injuries on U.S. roads; and
- Offer new mobility options to people with disabilities.

Next president will formalize self-driving rules, says DOT chief



Self-driving car in Uber's Pittsburgh fleet.

The next president will likely make mandatory the self-driving guidelines proposed by the Department of Transportation this summer, said DOT Secretary Anthony Foxx, according to the *Detroit News*.

The 15 guidelines ask automakers and technology companies to report autonomous car safety testing to the National Highway Traffic Safety Administration (NHTSA) before the cars are driven on public roads. The rules were set up to avoid a patchwork of state laws. The proactive approach is unusual

for NHTSA, which is accustomed to making regulations after a car's safety system fails.

California has already said it would require companies to comply with the 15-point checklist in the voluntary guidelines. Toyota's director of technology and innovation policy, Hilary Cain, told a Capitol Hill forum the state requirement is "preposterous" and that it would halt or delay testing, according to Reuters.

Other critics have complained that the guidelines are too vague and have no enforcement mechanism. The guidelines are currently in a 60-day public comment period.

Pennzoil's synthetic motor oil made from natural gas

Pennzoil has introduced a process that converts natural gas into synthetic base motor oil. PurePlus Technology is the first major development in motor oil in more than 40 years, the company said.

"PurePlus Technology starts with a base of pure, crystal clear base oil made from natural gas with fewer of the impurities found in crude oil, which is the traditional base for many other conventional and synthetic motor oils," said Chris Hayek, global brand director, Shell Lubricants Passenger Car Motor Oil.

Pennzoil Platinum full synthetic motor oils are designed to cover engines in five areas that consumers deemed most critical for motor oil performance: Cleanliness, fuel economy, conservation of horsepower, wear protection and performance in extreme temperatures. The benefits of piston cleanliness, fuel economy and wear protection are derived from the combination of Pennzoil additive chemistry with PurePlus Base Oil.

PurePlus Technology is used by Pennzoil motorsports partners across NASCAR, IndyCar and the Tudor United SportsCar Championship Series.

For more information, visit www.MotorOilReimagined.com.

Tougher penalties for distracted driving move forward in DC

The DC Council has moved ahead with a bill that would toughen penalties for driving while using a cell phone, reports the *Washington Post*. The measure would impose stiffer fines for repeat offenders and temporarily suspend the person's driver's license after the third offense within 18 months.

But the bill, set for a final vote next month, would not have funds for enforcement until 2020. Another problem is that police do not yet have the ability to check previous offenses on the spot.

Under the current version of the bill, a driver would pay \$100 for the first offense, \$150 for the second and \$200 for the third. Third-time offenders could have their license suspended for 30 to 90 days.

DC handed out 100,000 distracted driving tickets between 2004 and 2014, according to AAA Mid-Atlantic.

Staying Ahead...

Elections belong to the people. It's their decision. If they decide to turn their back on the fire and burn their behinds, then they will just have to sit on their blisters.

--A. Lincoln