

THE WANADA BULLETIN

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

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Headlines...

WANADA Annual Meeting and Luncheon coming up

Ritz Tyson, Nov. 2

Maryland Auto Dealers to honor former WANADA CEO, Mike Murphy

Industry/Media Days at the Washington Auto Show, Jan. 24-25: MobilityTalks International

VIP Tours, Ask the Expert offered at 2017 Auto Show

Lawsuit shows dealers why they should fix ad mistakes quickly

Wholesale used car prices fall, likely to fall again in October

Switch to mobile viewing of automaker sites shows missed results

Staying Ahead...

WANADA Annual Meeting and Luncheon coming up

Ritz Tyson, Nov. 2



Former Senator Scott Brown

The WANADA Annual Meeting and Luncheon takes place next week, on Wednesday, November 2. The event is at the Ritz-Carlton Tysons Corner, VA, with keynote speaker former U.S. Senator Scott Brown. Members and their guests will no doubt want to hear Senator Brown's views on the historic presidential election taking place a few days later. He will speak on the subject "Where is America Heading?" –a timely topic to be sure.

Sen. Brown spent many years in the Massachusetts Legislature before being elected to 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 ranking member on the Armed Services Committee and the Committee on Homeland Security and Governmental Affairs, and was a member of the

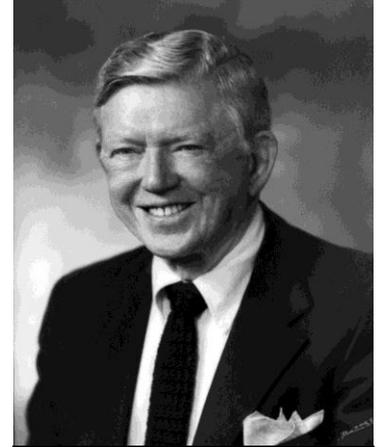
Veterans Committee and the Committee on Small Business. In addition to his Congressional career, Sen. Brown was a popular contributor to Fox News and a *New York Times* best-selling author for his book *Against All Odds*.

The meeting will include a state of the industry and regional automobile business report from WANADA's leadership. Members will also elect WANADA's 2016 Board of Directors. WANADA members and dealer community friends are cordially invited to attend the Annual Meeting and Luncheon. To make reservations click [here](#). Questions can be directed to Kathy Teich, kt@wanada.org, 202-237-7200.

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.

Industry/Media Days at Washington Auto Show, Jan. 24-25: MobilityTalks International®

In keeping with the widespread interest in autonomous and connected vehicles, the 2017 Washington Auto Show will host a pre-show symposium, MobilityTalks International. The event, on Tuesday, January 24, and Wednesday, January 25, will address the challenge of meeting government regulatory best practices in new mobility while allowing innovation to flourish.

The program will include a full-day peer-to-peer exchange with multiple breakout sessions in cybersecurity, legal liability & insurance, spectrum sharing, standards cooperation, human-machine interface and smart cities. It will be followed by a networking reception and a Capitol Hill forum. Geared toward those working in government, industry and media, MobilityTalks International will also feature the Interactive Mobility Experience Ride & Drive at RFK Stadium, with vehicles furnished by the U.S. Department of Transportation and several OEMs.

Among those addressing the gathering are leaders from government and industry, including enterprises and major manufacturers:

- U.S. Senator Gary Peters (D-MI), co-chair of the Senate Smart Transportation Caucus, who will offer welcoming remarks;
- Ian Yarnold, who leads the International Vehicle Standards Division of the United Kingdom's Department for Transport;
- Doug Patton, executive vice president of engineering and chief technical officer of Denso International America and president-elect of SAE International;
- John Maddox, CEO of the American Center for Mobility, an Ann Arbor-based center for research and testing of automated vehicle technologies;
- Dan Galves, Senior VP and chief communications officer of Mobileye, which is mapping driver assistance and automated technologies;
- Sascha Simon, founder and CEO of Driversiti, an award-winning startup organization charting a mobile safety platform;
- Matthew Eggers, executive director for cybersecurity policy in the U.S. Chamber of Commerce's National Security and Emergency Preparedness Department;
- Jack Pokrzywa, SAE's manager of ground vehicle standards global program;
- Robert Puentes, president and CEO of the Eno Center for Transportation, a Washington, DC-based think tank promoting innovation in transportation policy; and
- Brad Miller, director of legal and regulatory affairs at NADA



Sen. Gary Peters (D-MI) will offer opening remarks at MobilityTalks International.

Joe White, transportation editor, Reuters, will be the moderator for the Wednesday Capitol Hill panel.

The Washington Auto Show, known as the “public policy show” on the auto industry circuit, will be open to the public from Friday, January 27 through Sunday, February 5.

VIP Tours, Ask the Expert offered at 2017 Auto Show

Four longtime automotive journalists will offer an in-depth look at the products on display at the 2017 Washington Auto Show through their individualized two-hour VIP tours. John Davis, Les Jackson, Alvin Jones and William West Hopper will offer their automotive insights during these tours throughout the Auto Show.

At the outset of their visit to the Auto Show, consumers can get an insider's perspective on what they've come to see. *Washington Post* automotive columnist Warren Brown will host the “Ask the Expert” booth at the main entrance to the Auto Show, where he will discuss the trends and technologies shaping the industry.

John Davis is the Emmy-award winning producer, host and creator of *MotorWeek*, television's original and longest running automotive series. Davis can be seen and heard throughout the country on PBS and the Velocity cable networks. As host of *MotorWeek*, Davis has the opportunity to put all of the new car models through extensive road tests and to judge their practicality for buyers. Davis and *MotorWeek* have worked in recent years with the U.S. Department of Energy to promote public awareness of alternative fuels.

A professional automotive journalist who test drives and reviews approximately 100 new vehicles from all manufacturers yearly, **Les Jackson** is intimately familiar with the operation and

engineering specifications of every one of the hundreds of vehicles available in the U.S. His new-vehicle reviews and how-to articles have appeared in prominent publications for more than 25 years. Jackson is currently co-host and technical expert on “Cruise Control,” a nationally syndicated radio program devoted to all aspects of the automotive world.

As a host of “Planet Vehicle” and the “Women’s Business Report” on Washington, DC’s News Channel 8, **Alvin Jones** is a multimedia commentator who knows how to reach his audience. Jones is also well known in the DC area for his jazz background as host of the hit shows “Slow Jam” on WKYS-FM and “The Quiet Storm” on WHUR-FM. A former media personality with BET, Jones created the persona “The Unseen VJ” and hosted and produced several music video programs for the network.

William West Hopper is sought after for his in-depth automotive knowledge as well as his knowledge of local history, interior design, art and antiques. A lifelong automotive enthusiast, Hopper currently serves on the board of the Washington Automotive Press Association and has served as a director for the Mercedes-Benz Club of America, overseeing club publications, website and social media. Called a “consummate consumer with a nose for a bargain” by the *Washington Post*, Hopper produces the Queer4Cars blog, which focuses on automotive reviews, with a special interest in road trip destination travel.

For more information including scheduled times of tours, see www.washingtonautoshow.com.

Lawsuit shows dealers why they should fix ad mistakes quickly



When a dealership makes an error in an advertised price, the dealer can end up in court. Photo by Karen Neoh.

A recent case in Illinois reminds dealers why they should act quickly and decisively when they make a mistake in advertising.

The dealer advertised a vehicle for \$19,991. When the customer came to buy it, she was told the real price was \$36,991. When she complained, the dealership said the ad was a mistake and offered to sell the customer the vehicle at cost, approximately \$35,000. But the customer refused and sued.

The trial court entered summary judgment for the dealership, finding that the mistake did not constitute a valid offer of sale.

On appeal, the customer presented several bait and switch cases and said the court should have granted damages for wrongful activity. But the court said the evidence of the error was so clear that the dealership was entitled to summary judgement.

The case highlights the idea that when dealers make a mistake, they should investigate and be open in saying that it was an error made without an attempt to deceive. The court’s distinction between this case, in which there was ample evidence of clear error by the dealership, and bait and switch cases where there was an intent to deceive, is a reminder that decisive action and transparency are important.

So what should a dealership do about errors in advertising?

- Recognize that an error can be costly even if the dealer ultimately prevails. In this case, the dealer was prepared to sell the vehicle without profit and ultimately had to defend a legal action. The case reminds dealers of the importance of proofreading ads to be sure that pricing, savings and conditions are correct.

- If an error occurs, immediately investigate and be prepared to explain why the error occurred.
- If the error is in an advertised price, post a prominent notification in the showroom that the error was made.
- When a customer seeks the advertised price, make the error clear and describe candidly what happened.
- Be aware of multiple errors. If there is a pattern of errors, someone may think it is being done intentionally. The difference between intentional mispricing and a mistake can be very costly.

Thanks to attorney Michael Charapp of Charapp & Weiss, LLP, for providing this information.

Wholesale used car prices fall, likely to fall again in October

As auctions are seeing the effects of increased off-lease volume, wholesale prices of vehicles up to eight years old fell by 3.6 percent in September, according to the NADA Used Car Guide. Prices are forecast to fall again in October, by 3.2 percent to 3.7 percent.

The September drop was the largest recorded yet this year. The loss was led by mainstream small cars, as subcompacts and compacts lost 4 percent each. Large cars saw a loss of 3.7 percent. Compact and large utility vehicles lost 3.2 percent and 3 percent, respectively.

As they have been for several months, pickup price losses were again very light, with midsize pickups losing just 1.6 percent and large pickup prices falling 1.3 percent.

Switch to mobile viewing of automaker sites shows mixed results

More automakers are providing websites that automatically reformat to fit the device on which they are viewed, but their satisfaction rate still trails traditional sites overall, according to the J.D. Power Automotive Mobile Site Study.

Nearly three-fourths of automakers now offer such websites, called responsive sites, in part because overall mobile usage for auto shopping continues to increase.

“Automotive manufacturer and third-party websites are increasingly being accessed via smartphones by new-vehicle shoppers,” said Deirdre Borrego, senior vice president and general manager of data and analytics at J.D. Power. The study shows that consumers who are satisfied with a website are more likely to take a test drive than those who are disappointed with it.

Satisfaction with manufacturers’ mobile websites is much higher among millennials than baby boomers, who tend to be less tech-savvy overall.

Infiniti ranks highest in overall manufacturer website satisfaction, followed by Jeep, Dodge and Lincoln. Among third-party sites, the top three are Cars.com, TrueCar and U.S. News Best Cars.

Staying Ahead...

The secret of getting ahead is getting started.

--Mark Twain