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June 1, 2009

## **National Auto Dealers Say Chrysler-Fiat Alliance is an Important Step Toward the Automaker's Recovery**

*The following is a statement from the Chairman of the National Automobile Dealers Association (NADA), John McEleney, in response to the ruling by the bankruptcy court in favor of an alliance between Chrysler and Fiat:*

The ruling by the bankruptcy court late yesterday should allow Chrysler to move forward. It restores a sense of certainty about Chrysler's future which, in turn, helps restore some stability to the entire auto industry.

It is certainly our hope that the alliance between Chrysler and Fiat will lead to a new company that's highly competitive and profitable. The nearly 2,400 dealers that will be part of the new company are encouraged by the prospects of a much-stronger Chrysler.

However, we remain concerned about the 789 dealers that have been left behind. NADA does not agree with mass cuts in the dealer network. Drastic and rapid closures of dealerships on this scale are not good for the industry or the U.S. economy. Furthermore, the treatment of the Chrysler dealers who are not part of the new company has been unconscionable and outrageous. By any measure, their treatment does not even meet minimal standards of fairness. NADA urges Chrysler and the Obama Administration to move quickly to provide these dealers with fair and equitable consideration, especially when it comes to buying back vehicle and parts inventory and providing a reasonable amount of time for an orderly wind-down period. The bankruptcy court also should take special care not to trample on recognized rights under state franchise laws. These are independent business owners, men and women who have invested millions in their facilities and are the cornerstones of the economies in their local communities. They deserve much better treatment.