

**May 18, 2009**

***For Immediate Release***

**Contact Barbara Pomerance**

**800.697.7574**

**404.557-7200 (c)**

**bp@pomeranceassociates.com**

**Here's the Deal on Dealers of GM Products in Metropolitan Washington, DC**

About one in five retail dealers of General Motors products received word last week (Friday, May 15, 2009) that the corporation was considering canceling their GM franchise for a variety of dealer network reasons. This was hot on the heels of Chrysler announcing from its bankruptcy reorganization that they were canceling a percentage of their dealer network, amounting to about one in four. The difference between the Chrysler action and the GM action, of course, is that GM is not now in bankruptcy, meaning that they appear to be reorganizing themselves without the applicability of the bankruptcy laws and judicial oversight.

Accordingly, GM hasn't officially canceled any in their dealer network as Chrysler did. At a minimum, however, GM's action last week represents a full-fledged effort to rally and focus their dealer franchise holders on where the corporation is and where it means to head with the involvement of the Obama administration's Auto Task Force. Consequently, there is no dealer franchise holder cancellation list available like the one Chrysler published.

"General Motors is widely recognized as an American corporate icon and is clearly working to reorganize itself internally to the extent that it can meet the competitive rigors of the 21<sup>st</sup> century automobile business head on," said Gerard Murphy, president of the Washington Area New Automobile Dealers Association. "Many Washington Area automobile dealers now sell GM products along with other brands and do business in multiple locations in and around the Capital Beltway," Murphy said. "A number of these dealer operators have successfully handled GM vehicles for many, many years, some for several generations, and are unequivocally committed to remaining with GM and being automobile business leaders."

Murphy, who has headed WANADA for 25 years, went on to say that he has never seen a time in the automobile business that presents any more of an opportunity for consumers to buy new vehicles. "These automaker reorganizations only enhance the recession stress that has created an unprecedented time for car buyers to come out on top in the auto purchasing process," he said.

WANADA represents franchised new automobile dealers in the Metropolitan Washington, DC market consisting of DC; the suburban Maryland counties of Frederick, Calvert, Howard, Montgomery and Prince Georges; the Northern Virginia counties of Arlington, Fairfax, Loudon and Prince William and the city of Alexandria. Gerard Murphy, as president and CEO of WANADA, can be reached at (202) 237-7200 (o), (202) 236-4646 (c) or gm@wanada.org.

###