

THE WANADA BULLETIN

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

WANADA Bulletin # 10-04

March 8, 2004

DEALERS IN THE SPOTLIGHT:

Steuart-Martens Family Celebrates 100th Anniversary in DC

It All Started with a Mule and a Cart

Martens Cars of Washington is having a very special celebration this year – 100 years of continuous operation in the Washington Metropolitan Area. It is a family business history that parallels the evolution of the American auto industry itself. And like many of the auto dealer family dynasties that became icons in our region, it is a rags to riches success story built on energy, ambition and vision.

It all started in 1904, when Leonard (L.P.) Steuart, assisted by his younger brother Guy, dropped out of school to support their family following the death of their father.

They scraped together enough “pocket change” to buy a two-wheeled wooden cart and a sturdy mule which they used to walk the streets of Washington selling coal in the winter and ice in the summer.

That same year, Theodore Roosevelt was elected to his first term, Baltimore had a disastrous fire that destroyed 2,500 buildings, the Washington baseball team finished last in its league, and 10,000 businesses failed in the U.S.

The name on that one-mule-power cart was LP Steuart & Brother, and as the District began to emerge as one of the world's



LP and Guy Steuart at the start of something big.

REGULATORY UPDATE

Feds Take Action on Telemarketing Rules

The NADA Legal & Regulatory Group recently informed state and metro dealer associations of several federal telemarketing developments in the past several weeks that should be brought to the attention of dealers.

- **Quarterly download requirement changed to monthly download requirement.** On January 23, 2004, the president signed the Consolidated Appropriations Act of 2004. The law includes a requirement that the Federal Trade Commission (FTC) amend the Telemarketing Sales Rule (TSR) to require sellers and telemarketers that are required to access the National Do-Not-Call (DNC) Registry to download an updated DNC list within **one month** of the date of any telemarketing call— instead of the three months current requirement.

The FTC must amend the TSR in this manner by March 23, 2004, although it may set a later effective date. NADA has submitted comments to the FTC urging it to establish an effective date that is no earlier than January 1, 2005. NADA also urged the FTC to clarify that sellers who have registered and paid the appropriate fee (if any) for using the National DNC Registry be excused from

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100th Anniversary

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great cities, so, too, did the Steuart brothers begin to expand their operation and make their mark in DC's business community as one of its leading fuel oil and coal distributors.

Always open to new opportunities, a big one came in 1916 when Henry Ford approached the Steuart brothers about selling his new 'horseless carriages' in DC. The brothers agreed and opened their first dealership at 135 12th Street, NW with 20 shiny black Model Ts. Their early customers were mostly friends who had to be taught how to drive these newfangled Fords.

By 1939, the company had evolved from a rolling mule cart to a company operating several different businesses with a fleet of 57 trucks at 21 locations in the metropolitan area and 500 employees. During World War II, the company survived by rebuilding car engines and establishing a taxi business.

The brothers separated their business interests in 1951, with LP taking the automobile business. Over the years, the family became one of the area's first true "mega" dealers, selling at one time or another BMW, Chevrolet, Chrysler-Plymouth, Citroen, Datsun, DeSoto, Ford, Hyundai, Jensen-Healey, Lotus, Mazda, Nissan, Packard, Pontiac, Subaru, Toyota, Volvo and Volkswagen.

In 1957, LP was reported to have traded 12 dozen seat covers to obtain the first Volvo dealership in Washington, which was located at Steuart's



Martens new stand alone, state-of-the art VW Service Center on Butler Rd. in Bethesda is the first in the nation. Martens VW currently services more than 3,000 VW vehicles each month,

original Chrysler-Plymouth-DeSoto store at 14 & P Streets, NW. In the late '50s, the Volvo franchise was moved to its current location on Wisconsin Ave, NW, the former cite of Wheeler Chrysler-Plymouth. The VW franchise was acquired in 1993.

Along the way, one of LP's daughters, Virginia, married Harry Martens Jr. and together they had five children – four of whom manage and work at Martens Volvo-Volkswagen today.

"Our grandfather believed that his business was in Washington to stay, and that he would not sacrifice his permanent reputation for a quick profit. Given the volatility of business today, that belief has clearly served as our bedrock business philosophy," said Steuart Martens, president of Martens Volvo-Volkswagen.

Martens is today an industry leader in servicing vehicles, handling over 44,000 cars annually. In 1981, they established the first – and at the time the largest – "stand-alone" Volvo Service Center in the country. On January 26 of this year, the family celebrated the grand opening of the

first stand-alone Volkswagen Service Center in the U.S.

With consistently high customer satisfaction scores, family members continue to follow the principle set down by Grandfather LP: "If we take good care of our customers in the service department, they will return to buy another car from us," said Steuart Martens. One local family currently owns five vehicles purchased at Martens, and another boasts of the 488,000 miles on his Volvo that he attributes to regular servicing at Martens.

"Just as our grandfather grew the business based on his friends, good customers and dedicated business associates, so do we," he added. "It is why new customers and loyal friends come back year after year. Our staff goes far beyond where our customers normally expect them to stop, and that makes our business a warm, friendly and enjoyable place to work. Business success just follows naturally," Martens added.

Maybe the real secret of success for this 100-year-old business is found in one of the elements of the company's mission statement: "Laugh often and have fun."

ICC Reaches Critical Phase, MCCC Urges Action NOW!

The Montgomery County Chamber of Commerce (MCCC) is alerting the business community that the Transportation Planning Board (TPB) of the Washington Area Council of Governments (COG) will be voting on Wednesday, March 17th on whether to include the ICC in the long-range plan for the region. Including the ICC in the Region's official transportation plan is a key step in moving this desperately-needed road forward and making it eligible for federal funds.

"The ICC has never, after 40 years of study and debate, moved this close to reality, and now is the time to act to keep it on track," said MCCC President Richard Parsons. "Opponents remain well funded and well organized, and the majority of us who support the ICC need to be vocal as well, so that a fair and balanced public record of support can be established before the TPB. With your help, we can win this fight and take an historic step forward towards real traffic relief."

Parsons urges supporters of the ICC to send an email, letter, or fax to Chris Zimmerman, chairman of the TPB, no later than Friday, March 12, by the close of business. Send to: Honorable Chris Zimmerman, Chair, Transportation Planning Board, Metropolitan Washington Council of Governments, 777 North Capitol Street, N.E., Suite 300, Washington, DC 20002-4290; Email: cogdtp@mwkog.org; Phone:

202-962-3200

Fax: 202-962-3202.

Supporters of the ICC are also encouraged to attend the public hearing and voting session of the TPB taking place on Wednesday March 17, at 777 North Capitol Street, three blocks north of Union Station, at noon. For more information, contact the MCCC at (301) 738-0015 or www.montgomery-chamber.com.

Telemarketing Rules *(continued from page 1)*

the initial download and subsequent monthly download requirements if they use the National DNC Registry's single number look-up feature to screen their outgoing, nonexempt telemarketing calls.

- **Requirement to transmit Caller ID takes effect.** Dealers are reminded that the FCC and FTC rules that require telemarketers to transmit (and prohibit them from blocking) their Caller ID information when initiating a telemarketing call took effect on January 29, 2004. These rules require dealers to transmit their phone numbers and, when available by their telephone carrier, the name of their business. The phone number they transmit may be any number that allows the consumer to identify the dealership. This includes a number assigned to the dealership by its telephone carrier, the specific number from which a sales representative placed a call, or the dealership's customer service number. Any number provided must permit an individual to make a do-not-call request during regular business hours. The FTC has stated in a press release that the use of calling equipment that cannot transmit Caller ID information "is no excuse for failure to transmit the required information." There are no exemptions to this requirement. For more information, see NADA's "A Dealer Guide to Federal Telemarketing Restrictions."

- **Challenge to national DNC rules rejected.** In October 2003, the U.S. Court of Appeals for the Tenth Circuit granted the FTC's request to stay an order of the U.S. District Court for the District of Colorado that had halted the FTC from enforcing the National DNC rules. The Tenth Circuit's stay order permitted the FTC to enforce the National DNC rules while it considered the merits of the underlying lawsuit. On February 17, 2004, the Tenth Circuit issued its long-awaited decision on the merits. In that decision, the Tenth Circuit rejected each of the plaintiffs' challenges to the National DNC Registry. Accordingly, the FTC and the FCC may continue their enforcement of the National DNC rules.

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REGISTRATION DEADLINE: MARCH 26, 2004
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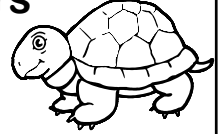
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FOOTNOTES**UM Terps Football Program Looking for a Few Good Cars**

The University of Maryland needs a couple of cars for its football coaches. In addition to “an equity stake in the Terrapin football program and the knowledge that your contribution directly benefits the Maryland Football program,” the benefits of “Working Together,” as the U of M puts it, are many, including season tickets to all home football *and* basketball games (with preferred parking), two sideline passes for one football game of your choice, membership in the Maryland Gridiron Network (MGN), tickets and invitations to banquet events, and lots of recognition as a sponsor in various university publications and events. For more information, interested dealers should contact WANADA board member Tony Santy at Chesapeake Petroleum, (301) 948-3150.

**St. Patrick's Day *SoberRide* March 17**

The Washington Regional Alcohol Program's St. Patrick's Day *SoberRide* campaign will operate from 4:00 p.m., March 17, 2004 through 4:00 a.m., March 18, 2004. On one of the biggest drinking holidays of the year, the WANADA-sponsored program will offer free cab rides up to \$50 for would-be impaired drivers 21 years old or older.

Users of the service *cannot* reserve a *SoberRide* or schedule a pickup in advance. To receive a ride, call 1-800-200-8294 (TAXI) or #8294 (TAXI) on your AT&T telephone during the program hours.

REMINDER: DC DMV Dealer Training, March 15.

If you missed the March 8 session, the DC DMV will be conducting another “Dealer Training” session on Monday, March 15, 2004, at 301 C Street, NW, Room 1157, from 2:00 p.m. to 4:00 p.m. Although this training will be mandatory for all DC dealers, it also will be beneficial to Virginia and Maryland dealers who do high volumes with the DC DMV. A representative from the Department of Consumer and Regulatory Affairs will be on hand to answer questions as well. Dealers planning to attend should notify the DC DMV by email at dcdmvdealerinfo@dc.gov.

POSITION WANTED: CFO

An individual with twelve years of dealership experience is seeking a position as a chief financial officer. He has a B.S. in accounting and is a certified public accountant. The individual, who is from this area, presently resides in Florida, but wants to relocate to the Washington area. For more information, contact Tom Mann at WANADA, (202) 237-7200.

Staying Ahead...

If you don't have enemies, you don't have character.

—Paul Newman

Enclosure

SoberRide posters