

## Montgomery Cracks Down on Curbstoning

At WANADA's urging, the Montgomery County Consumer Affairs Office circled back and took action this week against illegal used car sales operators (a.k.a. "curbstoners") they've pursued for years. The current scofflaws work out of Mid Pike Plaza in Rockville, MD.

Montgomery County Executive Doug Duncan was on hand at a press conference he called to post signs banning curbstoning and to warn violators that the county would be towing vehicles on and after April 16. Eric Friedman, chief of the county's Division of Consumer Affairs (DCA), added that violators would face fines up to \$500 and unlicensed dealers could be fined as much as \$5,000 or one year in jail.

The recent law enforcement, which included Montgomery County Police, was a result of repeated complaints by dealers situated near the make-shift car sales lot on Rockville Pike. The curbstoners, many of whom are from DC and Virginia, often defraud buyers and take sales from legitimate dealers.

For the past two weeks, DCA officials have posted large signs in the parking lot and placed bold-faced flyers on every car with a "For Sale" sign on it notifying curbstoners that they were in violation of state laws, and that repeat offenders will have their cars towed. This week, the towing begins in earnest, and Duncan promised tough county-wide enforcement in the future.



Appearing with Montgomery County Executive Doug Duncan (second from left) at the curbstoning press conference on Rockville Pike were (from left) John Creel and Eric Friedman of the MC Consumer Affairs Division, WANADA's John O'Donnell, MC Police Commander Betsy Davis and WANADA CEO Gerard Murphy.

### SIGN UP TODAY!

#### All Dealers are Invited to WANADA Apprentice Training Kickoff Meeting April 27

One of the biggest problems facing dealers today is the critical shortage of skilled auto technicians. For Washington area new car dealers, WANADA's Apprentice Training Program is the solution! The program — *now open to dealerships of all brands* — has been refined and improved over the past four years to be one of the most successful auto tech apprentice programs in the country. To date, nearly 100 students have either completed or are participating in the program and working as line technicians at dealerships throughout the area.

To find out more about this highly successful program and to sign up to sponsor apprentice trainees (who will begin work this summer and school in the fall), all area dealers are strongly encouraged to attend WANADA's fifth annual kickoff meeting on Wednesday, April 27, 2005, from 9:30 am to 11 am at Kenwood Country Club in Bethesda. Coffee and danish will be served prior to the meeting.

Dealers will hear first hand of the success of fellow dealers, fixed operations managers, educators, and, of course, technicians who have been involved

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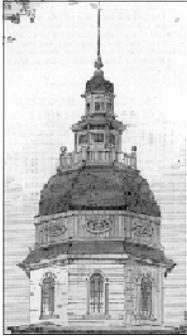
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## STATE LEGISLATIVE WRAPUP

## Dealers Dodge Bullets, Fare Well in '05 MD Legislature

### *California Cars, Finance Bills Defeated*



The Maryland General Assembly wrapped up its 2005 legislative session last Monday in much the same way it began – with partisan rancor and hard feelings over

hotly contested issues ranging from slot machine gambling and real estate taxes to stem cell research and gay rights. But for dealers, it was time to light up the victory cigar. Thanks to a coordinated industry effort and an active and committed dealer body, there will be *no* California emission vehicles and *no* draconian regulation of dealer financing.

“Maryland dealers faced several critical challenges in this legislative session,” said Mike Johansen of Rifkin, Livingston, Levitan & Silver, government relations counsel for MADA and WANADA. “The Cal-car issues and regulatory challenges received a tremendous amount of consideration by the state lawmakers and, in the end, the dealers were successful in getting other people in the industry involved and making their voices heard.”

The top priority was the defeat of the **Maryland Clean Cars Act (SB 366/H)**, which would have forced Maryland to adopt California emission standards, even though none of the surrounding states have this rule. The auto industry – both dealers

and manufacturers – argued convincingly that California emission rules would increase the cost of new vehicles, hurt cross-border vehicle sales and do little, if anything, to improve Maryland’s air quality. The measure failed to emerge from the Senate Judicial Proceedings Committee after an unfavorable 6 to 5 vote, and was withdrawn from consideration by the House.

Other big wins for Maryland dealers included:

- Defeat of **Maryland Motor Vehicle Financing Disclosure Act (HB-1201)**, which would have required dealers to make a separate disclosure to their customers on the financing obtained, and would have capped the financing profit for dealers at \$150 or 1.5%. The House Economic Matters Committee voted 24 to 1 to kill the bill, sponsored by Del. Elizabeth Bobo (D-Howard).
- Defeat of **SUV Annual Registration Surcharge (HB 424)**. Early in the session, dealers responded with gusto and were able to stop legislation introduced by Del. Bronrott (D-Montgomery) that called for a specific registration fee of \$750 per year for SUVs with a shipping weight of over 6,000 pounds.
- Defeat of **Motor Vehicle Buyer’s Bill of Rights (SB – 959)** requiring finance rate and mark-up disclosure as well as prohibiting vehicle delivery

before lender financing is complete. Despite the demands of bill sponsor Sen. Alex Mooney (R-Frederick Co.), for a hearing before the Senate Finance Committee, the bill failed to go forward.

- Passage of **Wiretapping and Electronic Surveillance - Vehicle Theft (SB-548/HB-610)**. MADA and WANADA supported this bill to allow for wiretapping and additional in-vehicle electronic surveillance by police to provide another tool for law enforcement to prevent vehicle theft. This is consistent with local Prince George’s dealer efforts to stop rampant car theft there.

Despite the dealers’ success in 2005, Johansen also cautioned that, “It’s fair to say that some of these issues are likely to return next year.”

### Kickoff Meeting

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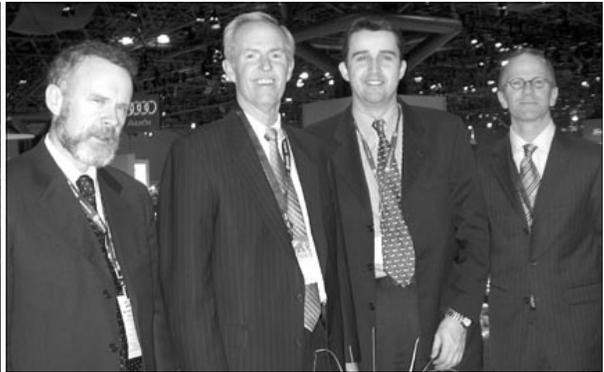
in this training program.

Become part of the solution to the tech shortage crisis and attend our April 27 meeting to hear more about sponsoring apprentices! For more information, see the information sheet and registration form enclosed with this WANADA Bulletin or call Barbara Martin at WANADA, (202) 237-7200.

**NEW YORK AUTO SHOW HIGHLIGHTS**

**Checking Out the “Big Apple” Show**

As the grand finale event on the auto show circuit, the New York International Auto Show is the major venue for automakers to showcase new models, concept cars and the latest in vehicle features. Joining the many industry groups, a WANADA delegation visited the Big Apple to swap notes, and establish valuable contacts for future Washington Auto Shows. Among the WANADA delegation were dealers Jack Fitzgerald and Fred Frederick, along with CEO Gerard Murphy, PR director Barbara Pomerance and show manager Bob Yoffe.



**Fred Frederick of Fred Frederick Chrysler in Laurel, MD (upper, left) visits with Chrysler Group CEO Dieter Zietsche at the New York Auto Show. Above right, from left, WANADA CEO Gerard Murphy and Mike Stanton of the Alliance of Automobile Manufacturers discuss auto show plans with Helmut Lob, VW team leader for auto shows, and Kevin Boyle, who is responsible for Volkswagen Shows and Exhibits, Promotions and Dealer Advertising.**



**WANADA Tech Team Takes On National Competition**

Although they didn't take top honors, WANADA's student tech team of Steve Johnson (center left) and Miguel Sanchez (center right), competed gamely at the annual National Automotive Technology Competition held in conjunction with the New York Auto Show. The team, selected from top students in Montgomery County's Automotive Career Technologies (ACT) Foundation program at Thomas Edison School of Technology, succeeded in getting their Scion started and running smoothly, which is no small feat. Johnson and Sanchez are shown here with ACT's Rick Gangloff (left) and Steve Boden(right). Not pictured are WANADA organizers Bill Belew and Tom Mann.

**DEALERS IN THE SPOTLIGHT**

**Sheehy Sells “One-Millionth” Nissan**

Nissan history was made at Sheehy Nissan in Annapolis last Wednesday as Michelle Merson unknowingly purchased the automaker's one-millionth vehicle of the fiscal year, the first-time the automaker has reached one-million in U.S. sales in its 47-year history. As Merson drove off the Sheehy lot around 10 p.m. Wednesday night in her new Altima SE-R, little did she know that Nissan executives were monitoring the transaction.



**Vince Sheehy, Michelle Merson, Troy Bekel, (Michelle's fiancée), and Mike Matson, general manager, Sheehy Nissan, stand in front of the millionth vehicle sold, an Altima SE-R that was given to Merson, (no charge).**

According to AIADA's *Car Buyer's Notebook*, "After calling Sheehy to verify the deal, a Nissan exec told Matson they were going to do "something special" for Merson. Sometime Thursday evening, Merson found out Nissan was giving her the Altima for free." According to Sheehy Nissan general manager Mike Matson, Merson was "over the moon" with the unexpected good news. "All the stars were in alignment for her," he added.

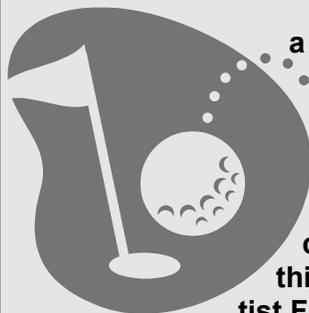
## REMINDERS

### Time to Check Out WANADA's Property & Casualty Insurance Program

Universal Underwriters, which provides 40 percent of property and casualty insurance to U.S. franchised automobile dealers (and a much higher percent in the DC area), has been sold by its parent corporation, Zurich Financial Services Group, for \$1.1 billion to Hellman & Freeman LLC, a private equity investment firm based in San Francisco. The deal should close in the 3rd quarter of 2005 subject to regulatory approval.

While it is unknown what effect the sale will have on Universal's many DC area policy holders, WANADA Executive Vice President John O'Donnell reminds members that, "WANADA has been developing a property and casualty insurance program for dealers and now may be the time to take a serious look for your store. Our goal is to offer competitive rates *and stability* to our members. As with employee benefits, we're *here* for our Washington area dealers." Contact John O'Donnell and the WANADA Insurance Department at (202) 237-7200.

### Sign Up Today for the 2005 WANADA Open, Monday, May 9



Can you imagine the horror of being left behind on a perfect day in May when all your industry colleagues are golfing at the spectacular Lansdowne Resort? Don't let that happen to you! Sign up *today* for the *springtime* event all Washington area dealers look forward to: the annual WANADA Open, Monday, May 9, at Lansdowne. In addition to a hotly competitive golf tournament, dinner entertainment this year will be provided by the popular comic hypnotist Flip Orley, who has appeared on the *TODAY SHOW*,



*Entertainment Tonight*, *The Martin Short Show*, *Comic Strip Live*, *Rikki Lake*, *Maury Povich* and *Space Ghost*. Orley will be followed by a fun evening of fabulous prizes and giveaways!

*Comic hypnotist Flip Orley will provide dinner entertainment.*

This is a great opportunity to get some exercise, beat the competition (on the links), socialize and have plenty of time for unparalleled camaraderie before dinner. Don't miss the golf and the fun! Register today. A WANADA Open information sheet and registration form is enclosed with this WANADA Bulletin. For more information contact Barbara Martin at (202) 237-7200 or [bjm@wanada.org](mailto:bjm@wanada.org).

### Staying Ahead...

*Man is the only animal that laughs and has a state legislature.*

—Samuel Butler

#### Enclosures:

- WANADA Open information sheet & registration form
- WANADA Apprentice Training Spring Meeting information sheet and registration form