

# THE WANADA BULLETIN

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

WANADA Bulletin #16-02

April 22, 2002

## LABOR ALERT:

### Machinists Union Organizing Local Membership Drive *MNCTDA to Hold Special Workshop, Wednesday, April 24*

As reported in a "Special Bulletin," faxed to all WANADA dealer members on April 11, the International Association of Machinists (IAM) is actively trying to recruit new members from the ranks of auto technicians throughout Maryland and DC. Pairs of IAM reps have been particularly active in Montgomery and Prince George's Counties recently, speaking with dealership technicians and leaving invitations to a union meeting held at the Holiday Inn in Laurel, MD last Sunday, April 14.

In response to this recent IAM recruitment drive, MNCTDA will be conducting a special "Union Activity Seminar" at the BWI Airport Marriott, Wednesday, April 24, 10:00 a.m. – 12:00 noon. The seminar, reported in a follow-up notice faxed to

members last week, will be conducted, free of charge, by Shawe & Rosenthal, a Baltimore law firm which specializes in labor law. All area dealers are invited and encouraged to attend.

Mark Swerdlin of Shawe & Rosenthal updated the WANADA Board of Directors

last week on the recent union activities, which have been reported across the country in places as far away as Las Vegas, NV.

As recently as May 2000, IAM organizers petitioned the National Labor Relations

(See Union, page 2)

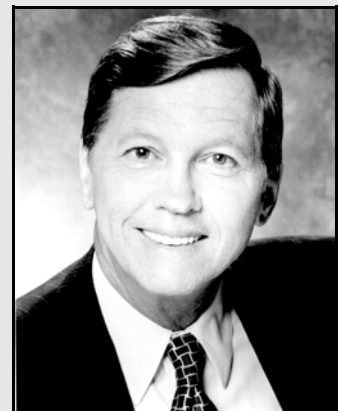
## WANADA OPEN UPDATE:

### Johnny Holliday to MC WANADA Open Dinner

You heard his radio broadcast of this year's riveting National Championship game for Maryland Basketball...and the Orange Bowl for Maryland Football. You may have even seen him this past October doing "Music Man" at the new Clarice Smith Performing Arts Center at the U of M. Now you can see Washington's most versatile broadcaster — now in his fourth decade in our area — in person as the MC at the WANADA Open dinner, Monday, May 13 (the day after Mother's Day) at the Indian Spring Country Club in Silver Spring, MD.

The annual golf and tennis outing is expected to be the best ever this year with other invited celebrity guests we hope to announce shortly. Dinner has also been moved up a half-hour to 6:00 p.m. Unchanged will be the opportunity for fellowship and fun, a chance to win valuable prizes, and a round of captain's choice golf, where everyone enjoys the day irrespective of their level of talent.

Sponsorship opportunities are available for kindred-line members and supporters. A WANADA Open registration form and flyer — with prices and times — is enclosed with this WANADA Bulletin. For more details, call Trish Frisbee at the WANADA office, (202) 237-7200, ext. 14.



Johnny Holliday

## Inside...

NADA to hold election for  
Metro DC Director.....p.2  
Regulation Z Clarification...p.3  
NADA Applauds New  
OSHA Ergonomics Plan..p.3  
Kidney Foundation  
Chili Cook-Off.....p.4  
Register Now for AIADA's  
Automotive Congress....p.4

**NADA ELECTION:**

## NADA to Hold Election for Director for Metro D.C.

### *Geoff Pohanka Stands for Reelection*

On May 3, NADA will be mailing nomination ballots to all Washington area NADA members in good standing to elect a NADA Director for Metropolitan Washington, D.C. The ballots must be returned by May 24.

Geoff Pohanka, who is serving out the term of retired Metro D.C. Director Lou Kairys, has said that he will seek the office for his own three-year term.

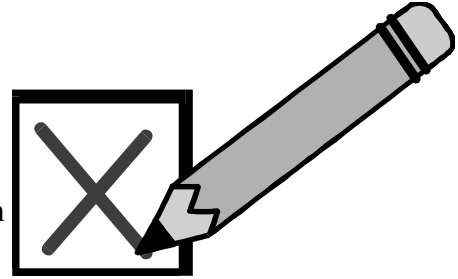
Candidates must receive 10 percent of the total votes cast to qualify as a nominee. Should only one qualified nominee agree to serve if elected, then the nominee shall be declared

elected without further balloting.

The director elected or reelected from Metro Washington will be

seated at the second NADA board meeting held in conjunction with the NADA Convention, February 1-4, 2003, in San Francisco.

Details on the nomination process will be included with the ballots sent out from NADA.



## Union Organizing *(continued from page 1)*

Board (NLRB) for an election to be held at dealerships in Prince George's County and Baltimore. Those petitions were withdrawn in January 2001 for an apparent lack of support among technicians for union memberships. However, with headquarters in Prince George's County – but no union representation in the county's auto dealerships – the IAM has renewed its efforts to recruit auto technicians.

The union is pitching techs on how they can gain higher wages and better benefits, job security, fairness on the job and good pensions through IAM membership. Employers, therefore, need to know what to do and not do to counter the union and not violate the labor law. Here are some pointers:

- Employees have a right to organize in a union under federal law and this right can't be limited by "unfair labor practices" by the employer. An example here would be an employer "spying" on or trying to sneak into a duly organized labor union meeting such as the one that occurred last weekend.
- If (when) organizers come onto the dealer-

ship property to hand out or drop leaflets, don't over react – simply ask them to leave. If they persist, particularly if they're in "employee only" areas or disturbing the peace, call the police. Make sure no literature is lying around on the floor or other public areas.

- If the organizers offer you paper or "enrollment cards" to examine, don't accept or touch them. To do otherwise has been interpreted by the courts to have commenced union negotiations.
- Make sure employees know the door is open for any workplace matters. Don't hesitate to have supervisors remind employees about why the dealership is a good place to work and why a union isn't necessary.
- Keep WANADA informed as to any union activity or further developments.

While dealers don't want to over react to the union organizer, you can't under react either. Labor union activity is best handled by specialists like Shawe & Rosenthal, (410) 752-1040. Additional tips on "What To Do When the Union Knocks," are enclosed with this *WANADA Bulletin*.

**REGULATORY UPDATE: GOOD NEWS FOR DEALERS**

## Clarification to Regulation Z Requires Only One Copy of RISC to Customers

As dealers well know, since June 2000 the *Polk v. Crown Auto* decision has been a troubling one for dealers. Consumer lawyers have contended that the decision requires a dealer to give two copies of the Retail Installment Sale Contract (RISC) to a customer, an un-executed version the customer can keep and an executed version after the deal is consummated.



WANADA has been alerted by its government relations advisors, Charapp, Deese & Weiss, LLP, that the Federal Reserve Board issued a clarification to Regulation Z on April 9, 2002, effective immediately, which makes clear that creditors *are not* required to give the consumer two separate copies of the RISC before consummation. It is enough if the creditor gives a copy of the RISC containing the disclosures to the consumer to review and sign, and the consumer receives a copy when the consumer becomes obligated.

The revision makes several additional issues clear:

- It is not enough merely to show the document to a consumer. The consumer must have a chance to review it.
- The consumer must be free to take possession of the RISC to review it before signing. This means that if the customer requests a copy so that the customer can leave and review it, he or she must be given an opportunity to do so.
- Finally, the commentary emphasizes that it is not enough to send a copy of the contract to the consumer sometime after execution. The copy must be given to the consumer upon consummation. Questions about these requirements can be directed to Michael G. Charapp, (202) 463-9100.

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## NADA Applauds New OSHA Ergonomics Plan

NADA is praising the recently unveiled OSHA ergonomics plan that it says mirrors a proposal advocated by the association.

“This plan is a major improvement over the rejected old rule because it will prevent ergonomics injuries before they occur,” said Labor Secretary Elaine Chao. The “comprehensive four-pronged plan” to reduce workplace musculoskeletal (ergonomic) disorders will target high-hazard industries and violators, provide extensive outreach and assistance to small businesses and be based on scientific research. OSHA is unlikely to focus on dealerships or employers making good faith efforts to reduce ergonomic hazards.

The components of the plan are nearly identical to those NADA advocated in testimony and comments to the agency. “The plan should provide dealers access to up-to-date information on best practices designed to achieve effective results, and will give them the flexibility they need to implement innovative workplace safety programs,” said Douglas Greenhaus, NADA director of environment, health and safety.

**"HOT" NEWS:****Kidney Foundation Chili Cook-Off, May 18**

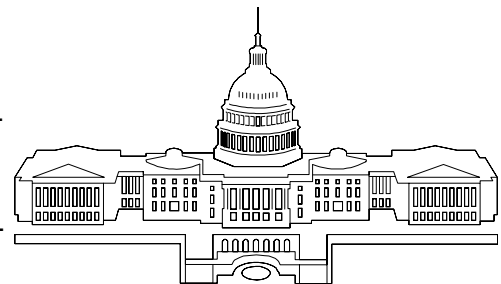
Auto dealers are invited to participate in the 23<sup>rd</sup> Annual DC Championship Chili Cook-Off, to be held on Saturday, May 18, along Pennsylvania Avenue in Washington, DC, between 14<sup>th</sup> Street and the FBI Building. The National Kidney Foundation of the National Capital Area sponsors the annual event, which, last year drew over 25,000 people and raised a record \$725,000 to help fund medical research into kidney disease and treatment, patient and community services, professional and public education, and organ donation programs. The goal this year is to be the first chili cook-off in history whose goal is to raise over \$1,000,000 in a single day.

An added attraction this year will be automotive racing and design legend Carroll Shelby, who will serve as Grand Marshall of the event. Shelby, a heart and kidney transplant recipient, founded the concept of chili cook-offs back in 1967. He also founded the Carroll Shelby Children's Foundation, a tax-deductible fund to help indigent children with heart or kidney problems. His professional accomplishments are many: the only American ever to have won the prestigious Le Mans race in 1959; designer of the fabled Cobra in the 1960s, "Shelbyized" Ford Mustangs and Dodge Chargers and, more recently, Chrysler's sensational performance car, the Viper – all of which will be on display at the chili cook-off. In 1992, Carroll Shelby was inducted into the Automotive Hall of Fame, and is still making automotive history with his new Shelby Series 1 sports car.

For more information, contact event organizer and long-time dealer, community and WANADA

**REGISTER NOW FOR AIADA'S AUTOMOTIVE CONGRESS**

Register today for AIADA's Automotive Congress, May 21-22 at the JW Marriott in Washington. Confirmed speakers headlining this year's event include former Speaker of the House Newt Gingrich and consumer advocate Ralph Nader, who will offer their differing perspectives from the right and the left. Former Miami Dolphins coach Don Shula is the keynote speaker for the All-Star Dealer Awards Banquet, sponsored by the Washington Post and Newsweek.



For more information, visit AIADA on the Internet at [www.aiada.org](http://www.aiada.org) or call 1-800-GO-AIADA.

**Thought for the Week...**

*Before you criticize someone, you should walk a mile in their shoes.  
That way, when you criticize them, you're a mile away and you have their shoes.*

—Anonymous

**Enclosures:**

- 2002 WANADA Open flyer and registration form
- "What To Do When the Union Knocks"