

GREEN VEHICLE SHOWCASE

Md. Alt. Fuel Expo. Showcases Green Vehicles to State Lawmakers, Media

On the same day that President Bush acknowledged the need to head off serious climate change and called for a halt in the growth of greenhouse gases by 2025, MADA and WANADA were sponsoring an Alternative Fuel Vehicle Exposition at FitzWay Used Car City in Gaithersburg, MD that showcased advanced technology to Maryland public policymakers and the media. Eighteen alternative fuel vehicles were displayed, provided by 9 OEMs.

“Today is an important day for us in this county because we are on the cutting edge of many of the environmental efforts you see happening around the country,” said Montgomery County Executive Isiah Leggett. Leggett called the event a “model for other communities” and pledged that the goal of the Montgomery County government will be to work closer with the business community to “take advantage of the creativity that you bring to the job,” that improves the quality of life. “What I see here today – with all these vehicles on display – is an inspiration to all of us,” he said.

The event was attended by about 50 news people and Maryland lawmakers, including Speaker of the House of Delegates Michael Busch, Sen. Jennie Forehand, Del. Kumar Barve,

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Trying on a GM Equinox Fuel Cell Vehicle, Speaker of the House Michael Busch was among Maryland public policymakers and media attending last week's Alternative Fuel Expo, sponsored by MADA and WANADA.

BREAKING NEWS

Industry Unites Against State “Patchwork” of Fuel Standards

Auto manufacturer and dealer groups last week warned that overturning EPA’s denial of a waiver for California’s Low Emissions Vehicle program would subject the industry to a chaotic “patchwork” of 50 different regulatory regimes. *The National Journal* reports that if California were allowed to enforce its own emissions laws, it would effectively mandate an average fleet fuel efficiency standard of 42.5 mpg by requiring automakers to achieve a 30 percent reduction of greenhouse gases in the case of new models by 2016.

Leading the effort are the Alliance of Automobile Manufacturers, the National Automobile

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U.S. Joins Industry in Greenhouse

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BREAKING NEWS

U.S. Urges Court to Set Emissions Ruling Aside

The Bush Administration, in support of the auto industry, has urged a federal appeals court to set aside a ruling by a federal judge which sets forth that states have the authority to regulate greenhouse gas emissions from vehicles, The Associated Press reports.

The Justice Department, in a friend-of-the-court brief filed late Wednesday, said the ruling in Vermont should be dismissed because the case was dependent upon California receiving a waiver from the Environmental Protection Agency to reduce vehicle greenhouse gas emissions. The government argued that federal law pre-empts state rules in the regulation of fuel economy standards, and Vermont's rules were contingent upon EPA's granting California the exemption. Because the EPA rejected the California waiver in December, the lawyers wrote, Vermont "lacks authority to implement its proposed regulations."

Congressional Democrats and states supporting the waiver accused the EPA of denying the exemption "on the basis of politics, rather than science."

Industry Unites

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Dealers Association, the Association of International Automobile Manufacturers and the American International Automobile Dealers Association. Together, these groups pretty much represent the entire automobile industry, according to *Automotive News*.

"No state should set federal policy, and that is the predicament we may find ourselves in," said Mike Stanton, of AIAM, at a news conference in Washington last week.

Although NADA and AIADA support federal rules to decrease fuel consumption and greenhouse gas emissions, NADA said these efforts are in response to state attempts to set up separate fuel economy programs in more than a dozen states across the country. NADA supports the single, national fuel economy standard of 35 mpg by 2020 signed into law last year which balances consumer choice, vehicle availability

and passenger safety.

"By rejecting a confusing multi-state approach, the EPA recognized the need for a single national solution to address energy security, tailpipe emissions and global climate change. Dealers would face significant adverse consequences such as cross-border sales and disruptions to product mix under a state-by-state system," said NADA's Regan.

Cody Lusk of AIADA predicted that the adoption of the California program would lead to disruptions and delays in the delivery of cars and trucks to showrooms across the country and prevent buyers from "getting what they want" in many cases.

Both dealer groups strongly recommended that their members contact their elected officials in Congress to urge them to support the national fuel economy (CAFE) compromise signed into law, and reject efforts in Congress to implement multi-state fuel economy (S. 2555, H.R. 5560, S. 2806).

NEW Webinar from NADA:

"Breaking News Directly from The IRS on Dealer Tax Issues"

NADA is offering dealers an opportunity to get up-to-the-minute, practical information on IRS issues affecting the retail business through an innovative web-based seminar, "Breaking News from the IRS on Dealer Tax Issues" at 1 p.m. (EDT) on **Thursday, May 8**. The seminar lasts two hours. Dealer principals, CFOs, controllers, CPAs and others involved in tax planning for auto dealerships are invited to participate in the "webinar."

"This is a rare opportunity to learn directly from the IRS about dealer-specific tax developments that have occurred even since our last seminar update, held in February at the NADA Convention," says Paul Metrey, NADA director of regulatory affairs, who will moderate the online discussion.

The cost of the webinar is \$199 per computer connection.

Register online at www.nada.org/seminars. To register by phone or for additional information, call NADA at 800.252.6232, ext. 2. Questions can be emailed to seminars@nada.org.

GREEN VEHICLE SHOWCASE IN MARYLAND

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Del. Tawanna Gaines and Del. Galen Claggett. Additionally, Comptroller Peter Franchot and Del. Kirill Reznik stopped by and took the tour.

Held in conjunction with the Alliance of Automobile Manufacturers, NADA, AI-ADA, and the Association of International Automakers (AIAM), the Expo featured a range of hybrids, flex-fuel, fuel cell and plug-in electric vehicles and Smart Cars from Toyota, Lexus, General Motors, Ford, Chrysler, Mercedes-Benz, Volkswagen, Subaru and Hyundai. There was also an aftermarket vehicle from A123 Systems that boasted 150 mpg.

“Automakers appreciate the opportunity to work with dealers and share with policymakers and the media all of the alternative fuel automobiles currently being offered,” said Alliance Director of Communications Charles Territo. “This event was a tremendous success and wouldn’t have occurred without the efforts of the Washington Area New Automobile Dealers Association, the Maryland Automobile Dealers Association, and Jack Fitzgerald.

“Manufacturers are aware of the concerns that consumers have about energy security, rising gas prices and greenhouse gas emissions,” Territo added. “We want to be part of the solution. And the vehicles you see here today offer solutions”

He noted, additionally, that in the year 2000 there were only 11 alternative fuel vehicles available. This year, Territo said, there are 70 models accounting for 12 million vehicles, and that number will continue to grow each year. Since 2000, the number of hybrid electric models available has grown from 2 to 24, and E85 flexible fuel vehicles from 11 to 35.

“Auto manufacturers believe that there is no one technology, no silver bullet, for reducing our



The Expo (top) featured 19 green vehicles at FitzWay Used Car City in Gaithersburg. Above left, from left, Jack Fitzgerald receives a Certificate of Appreciation from Montgomery County Executive Ike Leggett. Above right, from left: Alliance's Charles Territo, Del. Charles Barkley, Sen. Jennie Forehand, Jack Fitzgerald, House Speaker Michael Busch, and George Doetsch, Apple Ford. Below, Forehand test drives the electric three-wheeler Sparrow Car.



dependence on foreign oil,” he concluded. “We believe there need to be diverse technologies, and that’s what you see here today. For offering his facility to host the event, Jack Fitzgerald of Fitzgerald Auto Malls, was presented a Certificate of Appreciation by Leggett “in recognition and appreciation of being one of Montgomery County’s outstanding corporate citizens.”

REDUCED PRICE! \$250 = \$150 SAVINGS**WANADA & MADA Present****NADA's Lifeline to Profit\$ Workshops*****May 7 & 8, BWI Marriott***

The cost of the NADA workshop is being reduced from \$399 to \$250 for a savings of \$150. Now there is no excuse to miss this highly acclaimed workshop that will help your dealership's profitability. It is an intensive, hands-on, two-day workshop, that will go through every aspect of dealership operation, taking a candid look at the store to develop a detailed action plan to implement within the company to achieve the dealership's full profit potential.

An NADA 20 Group program, this seminar is providing industry-leading trainers to conduct the workshop. Each has retail experience and will offer critical insight to help the company.

"The whole concept is how a dealer organization can be more efficient and increase profitability without increasing sales. I've heard glowing reports from dealers and managers who have attended these fantastic workshops, and I would strongly encourage WANADA member dealers to attend." said Geoff Pohanka, NADA director for Metropolitan Washington.

DO NOT MISS OUT! SIGN UP TODAY! A registration form is enclosed with this Bulletin. For more information on the Lifeline program, go to <http://www.nada.org/ProductsServices/Lifeline/>, or call Kristina Henry at WANADA, (202) 237-7200.

2008 WANADA Open***Monday, June 2, Lansdowne Resort***

Time to think green... as in the perfectly manicured greens at Lansdowne Resort's professionally designed Robert Trent Jones Jr. and Greg Norman golf courses in Leesburg, VA.! Once again, Lansdowne is the venue for the annual WANADA Open, Monday June 2. Join us at Lansdowne's spectacular Golf Club for an extraordinary day of golf, cocktails, dinner and awards. Registration will begin at 9:00 a.m. with an 11:00 a.m. shotgun start. But note: registration this year will be restricted to the first 256 golfers who register so sign-up early! Cocktails will commence at 4:00 p.m., followed by the awards dinner at 5:00 p.m. For golfers and non-golfers alike, the WANADA Open provides unparalleled fellowship and a great day of entertainment and prize drawings, so get on board today!

Details and registration sheets are enclosed with this WANADA Bulletin. Or participants may register online at www.wanada.org. For more information, call WANADA Events Director Kristina Henry at (202) 237-7200.

Dealer Alert: Beware of Subpoena Email Scam

NADA is warning its members to be aware of a recent e-mail "phishing" scam that involves an email with an official-looking subpoena sent from subpoena@uscourts.com requesting your appearance in front of a grand jury. This is not a legitimate message and should not be opened. Once opened, it asks the recipient to click a link and download the case history and associated information. **DO NOT CLICK ON SUCH LINKS.** If you do, you will have downloaded "malware" which may crash your computer and do untold amounts of damage to your system! Be advised that federal courts do not effect service of subpoenas via e-mail. If you have any doubts about a subpoena, call the clerk of the court, or your attorney.

Thought for the Week

[People everywhere] should move forward with firm resolve to use wisely the blessings of freedom in order to build a future of hope for coming generations.

-Pope Benedict XVI, in remarks at the White House last week

Enclosures:

- NADA *Lifeline To Profits* Registration and Information Sheet
- WANADA Open Registration and Information Sheet, June 2, Lansdowne Resort