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Don't Jump the Gun on Clunkers!

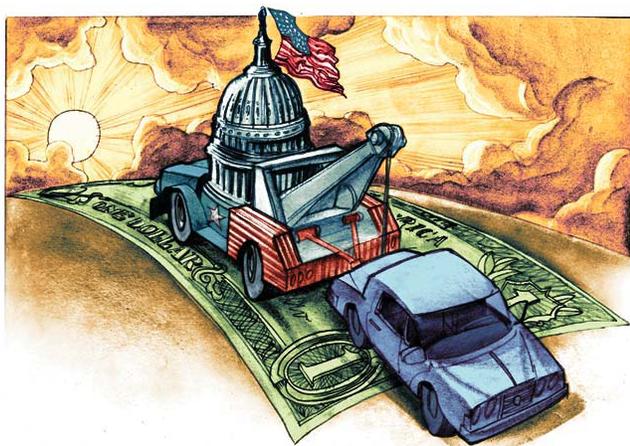
NHTSA Will Be Contacting All Dealers With The Rules

Dealers are reporting that “cash for clunkers” gurus are coming out of the woodwork, hot on the heels of Congress passing the legislation last week and the president signing it this week. The best advice for dealers right now: *don't* sign up with anyone. The National Highway Traffic Safety Administration (NHTSA) will be contacting all U.S. dealers with an invitation to participate in the program, premised upon a list provided by OEM franchisers. Yes, there will be a sign-up procedure with the government, and, yes, there will be a requirement for participating dealers to direct the qualifying “clunker” vehicles to the scrap heap.

But none of that is finalized yet, although NHTSA is scrambling to get ready. Now that President Obama has signed the bill into law, there is a 30 day implementation window, which should be about July 25.

Attached is a follow-up copy of NADA's chart explaining the various aspects of the bill, FYI. Additionally, a website with helpful Q & A on the legislation is accessed by going to <http://www.cars.gov>.

WANADA is planning a dealer member compliance seminar on the new federal stimulus which we'll have more to say about next week.



When implemented next month, cash for clunkers sunsets November 1, 2009, or when the funds appropriated for it are exhausted.

Onward and Upward for Dealer Rights Legislation

Distinctly Bipartisan Bill Is On A Fast Track In Congress

A message around Washington that is getting stronger and louder day by day is that dealer rights set aside in the bankruptcy proceedings of Chrysler and General Motors need to be restored. Indeed the legislation introduced just three weeks ago in the House of Representatives (H.R. 2743) to do just that now counts 189 co-sponsors from both sides of the aisle. The companion bill in the Senate (S. 1304), introduced by Chuck Grassley (D-Ia.) last week, is fast tracking along, also picking up co-sponsors the likes of Democrat senators John Kerry and Ted Kennedy from Massachusetts and Republican senator Sam Brownback of Kansas. Both Maryland senators Ben Cardin and Barbara Mikulski signed on to S. 1304 this week, while Virginia senators Mark Warner and Jim Webb have the legislation under consideration. Following the lead of Washington area congressmen and House Democrat leaders Steny Hoyer (D-Md.) and Chris Van Hollen (D-Md.), Northern Virginia congressmen Gerald Connolly and Jim Moran have signed onto the legislation.

NADA and dealer associations across the US affiliated with the Automotive Trade Associations (ATAE) and a separately established dealer task force, the Committee to Restore Dealer Rights (CRDR), are concertedly and tenaciously pushing the legislation, which should be poised for a hearing in the House anytime now. Although the White House Auto Industry Task Force has expressed opposition to the legislation, the mounting support in Congress and growing concern among state attorneys general that dealer state franchise laws have been subverted in the federal bankruptcy process is making it increasingly more difficult for the task force to ignore the dealers, which they've successfully done to date.

Broadly stated, the legislation is designed to defeat federal level action, judicial or otherwise, from setting aside state franchise laws. More directly, the legislation is designed to assist Chrysler and GM dealers who have been told they have lost their franchises, no less than those who have been invited to continue with the reorganized companies, with revised and radically different franchise agreements.

Dealers interested in learning more about the Committee to Restore Dealer Rights and how they can support it can go to <http://www.hometownautodealers.org>.

Stay tuned on this developing story.

The Race Down America's Most Famous Hill

Soap Box Derby In Washington Marks Its 68th Year

In a town where most people go up to Capitol Hill, young Soap Box Derby competitors were going down, it literally racing down, last Saturday, June 20, 2009. This uniquely American summertime tradition of young derby competitors building their own go-cart racers and then competing against each other, logged its 68th year in Washington, the last dozen or so occurring on Capitol Hill by way of an act of Congress. In spite of morning showers that threatened to dampen the spirits of the 8-17 year olds who had gathered to show off their racing prowess, the afternoon sun ensured that the 2009 Greater Washington Soap Box Derby (GWSBD) came off without a hitch. Here are the winners:

- Stock: Emma Munsey, Annapolis, MD
- Super Stock: Bryan Remmers, Arnold, MD
- Masters: Justin Rayle, Mechanicsville, MD

WANADA extends hardest congratulations to this year's GWSBD winners and wishes them Godspeed, literally and figuratively, when they compete in the 72nd All American Soap Box Derby in Akron, OH next month. The Washington winners have a history of success at the nationals, as the champs of the GWSBD have gone on to win the national competition two years running. Kacie Rader and Courtney Rayle, both of Mechanicsville, have claimed the national title for Washington in the Masters division for '07 and '08, and now Courtney's brother, Justin, looks to keep the crown here for '09.



The winners of the 2009 Greater Washington Soap Box Derby pictured here with their trophies. From left, Justin Rayle, Bryan Remmers & Emma Munsey.

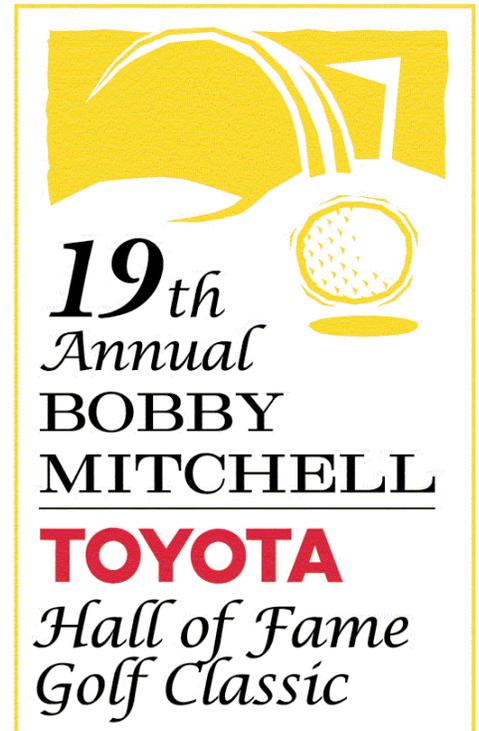
The Bobby Mitchell Classic Is Coming Up

The Region's Premier Summer Fundraising Event for Leukemia & Lymphoma Research Set for July 11

The Bobby Mitchell/Toyota Hall of Fame Golf Classic (BMC), sponsored by WANADA, will happen on Saturday, July 11 at Lansdowne Restort in Leesburg, VA. Now in its 19th year, the tournament brings together about 40 NFL and NBA legends from the past to play golf with BMC supporters, who then network with one another in a grand evening reception and awards banquet. This eminently successful summertime event for the benefit of the Leukemia & Lymphoma Society (LLS) raised \$660,000 for the cause last year. With the steadfast commitment of former Redskin Bobby Mitchell, who turns out the Hall of Famers, and event leadership of WANADA Chairman Tamara Darvish of DARCARS and Co-Chairman Todd Heavner of Enterprise-Rent-A-Car, this year's event should be equally as successful.

Joining the stellar line up of Hall of Famers from last year's event who will be returning are NFL greats Bruce Smith and Thurman Thomas of the Buffalo Bills; John Hannah of the New England Patriots; Jack Youngblood of the LA Rams and Randall McDaniel of the Minnesota Vikings. The Redskins, which are always well represented at the BMC, will include the ever popular and admired Darrell Green, Art Monk, Ken Houston, Sam Huff, Sonny Jurgenson and Charley Taylor.

This unique event, besides offering a fabulous golf experience on the state-of-the-art Lansdowne courses, provides a lively receptions, great networking, world-class celebrities and an interactive banquet second to none. Lansdowne has been named one of the "top ten courses you can play" by Golf Magazine. For more information on the BMC, contact Kristina Henry at the WANADA office (202) 237-7200, kh@wanada.org or go onto the LLS website at http://www.leukemia-lymphoma.org/all_page.adp?item_id=29805.



WRAP Gears Up for Independence Weekend

As a direct response to Independence Day being that U.S. holiday when nearly half (44%) of all traffic deaths are alcohol-related, the Washington Regional Alcohol Program (WRAP), will be offering free taxi rides to would-be drunk drivers throughout the Washington-metropolitan area this Fourth of July.

The Independence Day SoberRide program will be in operation beginning at 4:00 pm on Saturday, July 4th and continue until 4:00 am the following day July 5th as a way to keep regional roadways safe from impaired drivers during this traditionally high-risk holiday period.

During this 12-hour period, area residents celebrating with alcohol may call the toll-free SoberRide phone number 1-800-200-TAXI and be afforded a no-cost (up to a \$50 fare), safe way home (sorry, advance reservations for SoberRide taxis will not be accepted).

AT&T wireless customers can dial #-TAXI for the same service. Local taxicab companies throughout the Washington region provide this no-cost service to local residents age 21 and older who otherwise may have attempted to drive home after drinking.

“Even during last year’s rainy Independence Day holiday, 166 persons in Greater Washington did the right thing and availed themselves of this potentially lifesaving service rather than driving home possibly impaired,” said Kurt Erickson, WRAP’s CEO. “For SoberRide’s hours of operation last July 4th, this translated into the removal of a would-be drunk driver from Greater Washington’s roadways every four-and-a-half minutes.”

SoberRide is offered in the District of Columbia, throughout the Maryland counties of Montgomery and Prince George’s and throughout the Northern Virginia localities of Alexandria, Arlington, Fairfax, (eastern) Loudoun and Prince William.

Sponsors of this year’s Independence Day SoberRide program are AT&T, Anheuser-Busch, Diageo, Enterprise Rent-A-Car Foundation, ExxonMobil, GEICO and Red Top Cab of Arlington.

Participating taxicab companies include: Alexandria Yellow Cab, Barwood, Fairfax Yellow Cab, Loudoun Yellow Cab, Manassas Cab Company, Red Top Cab, Silver Cab of Prince George’s County, Yellow Cab of D.C. and Yellow Cab of Prince William County.

Since 1993, WRAP’s SoberRide program has provided 43,789 free cab rides home to would-be drunk drivers in the Greater Washington area.

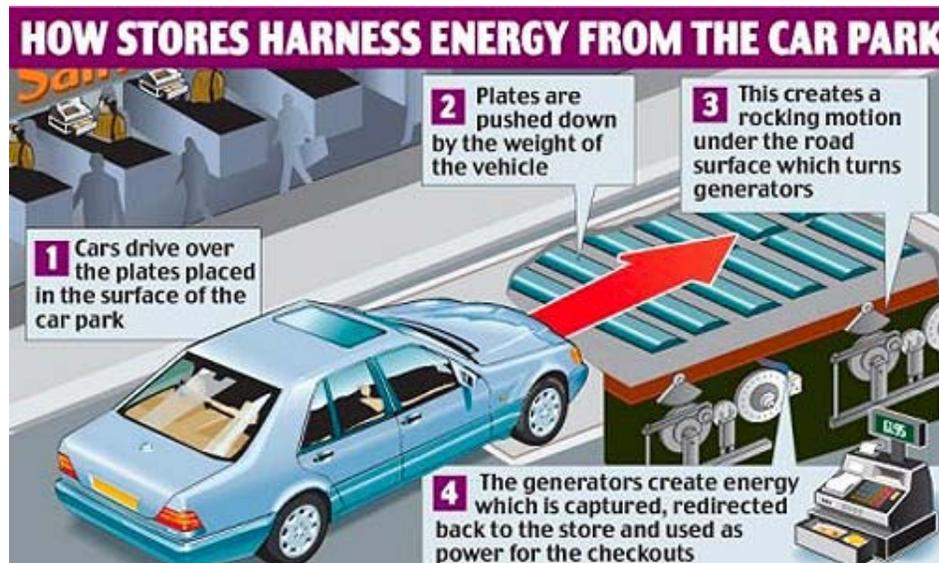
Founded in 1982 by WANADA and other business organizations, the Washington Regional Alcohol Program is an award-winning public-private partnership working to prevent drunk driving and underage drinking in the Washington-metropolitan area. Through public education, innovative health education programs and advocacy, WRAP is credited with keeping the metro-Washington area’s alcohol-related traffic deaths consistently lower than the national average.

For more information, visit WRAP’s web site at www.wrap.org.

Your Car Can Power the Supermarket

Now when you shop, your car can be responsible to power the supermarket tills. The weight of vehicles running over the road can be harnessed to generate power. How? Well, at the Sainsbury's store in Gloucester, UK, kinetic plates embedded in the road are pushed down every time a vehicle passes over them. A pumping action is initiated through a series of hydraulic pipes that drive a generator. These plates can make up to 30kw of green energy in one hour, which is enough to power the store's checkouts.

The system uses the same type of technology Formula 1 cars use to convert kinetic energy created during braking into speed. This system, if used on a larger scale on the roadway into theme parks, could even run roller coasters. The possible uses for this type of technology are only limited by the imaginations of the scientists who will be working on its further utilization, so be looking for greener grocery stores in the Washington Area in the years to come!



WAS Officials Visit Manufacturers in Los Angeles



Representatives of The Washington Auto Show (WAS) had a series of candid and productive meetings with automakers headquartered in LA last week. Meetings ranged with executives from Honda, Hyundai, Kia and Toyota to discuss Washington's preeminent role as the "Public Policy Show" on the industry show circuit. Pictured from the left are Gerard Murphy, producer, The Washington Auto Show; Kevin Reilly, WAS Committee, of Alexandria Hyundai; Grace Morgan, dealer

marketing and resource mgmt, Hyundai; John Bomarito, director of exhibitions and promotions, Innocean Worldwide; Chris Hosford, vice president, corporate communications, Hyundai; and Bob Yoffe, WAS manager.

WANADA Office Gets A Facelift

In the spirit of *Extreme Makeover: Home Edition*, the WANADA office is undergoing renovations this summer to give the facilities a much needed facelift. Don't be alarmed if your calls are filled with background noise of contractors swinging hammers and doing their thing because, as the saying goes, "no pain, no gain." WANADA business operations will proceed as usual with the renovations for the most part going forward during business hours. The work is expected to commence in earnest after the July 4th holiday to be concluded by the middle of August.

The 3rd of July

No, the 3rd of July is not a printing error but a reference to the federal holiday being observed the Friday before Saturday, July 4th, which marks Independence Day 2009. The 233rd anniversary of American Independence will go off with the traditional fireworks and celebrations in Washington and across the land, not on Friday July 3rd but on Saturday July 4th. Because it's a federal holiday, most government offices will be closed and there will be no mail delivery. WANADA sent members optional closing signs for Independence Day, which dealers can customize with holiday hours and post in various parts of the dealership.

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Staying ahead.....

A scratch golfer from the 1940s who enjoyed life to the fullest, reputedly would show up to play from time to time in the tuxedo and tails he'd donned the evening before. In this spirit, he coined this famous phrase that we pass along in its unabridged form:

"We're only here a short time, so don't hurry, don't worry and don't fail to stop and smell the roses along the way."

-Walter Hagen

Attachment/

NADA Chart detailing the features of the new "Cash for Clunkers" law.

Cash for Clunkers Program Eligibility Chart June 18, 2009

Eligible Trade In Vehicle “Clunker”	New vehicle requirements for \$3,500 credit	New vehicle requirements for \$4,500 credit	Effective Dates and Limitations	Scrappage Requirements/ Trade In Value of Old Vehicle
<p>Car, light truck, or large light duty truck:</p> <ul style="list-style-type: none"> • With combined (hwy/city average) fuel economy of 18 mpg or less, which can be found by visiting www.fueleconomy.gov • Manufactured less than 25 years since the date of the trade-in. <p>OR</p> <p>Category 3 Work Truck</p> <ul style="list-style-type: none"> • An 8,500 to 10,000 lb GVW work truck model year 2001 or older. 	<p>New Passenger Car: Must achieve a combined (highway/city) fuel economy improvement of at least 4 mpg (minimum of 22 mpg) above the trade-in.</p>	<p>New Passenger Car: Must achieve a combined (highway/city) fuel economy improvement of at least 10 mpg (minimum of 22 mpg) above the trade-in.</p>	<p>Effective July 2009 through November 1, 2009*</p> <p>*The National Highway Traffic Safety Administration (NHTSA) must finalize detailed rules and create an online system for dealers to complete these transactions. NHTSA has to complete the final rule 30 days after the bill becomes law.</p> <p>No customer income limitations under this program.</p> <p>New vehicle must be \$45,000 MSRP or less.</p> <ul style="list-style-type: none"> • Limit 1 voucher per customer. • Not more than 1 voucher may be issued for the joint registered owners of a single eligible trade-in vehicle. • Excludes leases less than 60 months. 	<ul style="list-style-type: none"> • Dealer must certify the old vehicle will not be resold for reuse as an automobile or truck in the United States or any other country. • Dealer must transfer the old vehicle to an entity that will ensure the vehicle is crushed, shredded, and not returned to road use.
<p>Ownership Requirements</p> <ul style="list-style-type: none"> • Is in drivable condition. • <i>Continuously insured</i> consistent with applicable State law. <p>AND</p> <ul style="list-style-type: none"> • <i>Registered to the same owner for a period of not less than 1 year</i> immediately prior to such trade-in. 	<p>New Light Duty Truck: Must achieve a combined (highway/city) fuel economy improvement of at least 2 mpg (minimum of 18 mpg) above the trade-in.</p>	<p>New Light Duty Truck: Must achieve a combined (highway/city) fuel economy improvement of at least 5 mpg (minimum of 18 mpg) above the trade-in.</p>		
	<p>New Large Light Duty Truck (6,000-8,500 lbs GVW): Must achieve a combined (highway/city) fuel economy improvement of at least 1 mpg (minimum of 15 mpg) above the trade-in.</p>	<p>New Large Light Duty Truck (6,000-8,500 lbs GVW): must achieve a combined (highway/city) fuel economy improvement of at least 5 mpg (minimum of 15 mpg) above trade-in.</p>		
	<p>Category 3 Work Trucks (8,500-10,000 lbs GVW): No fuel economy requirement. Vehicle must be model year 2001 or older.</p>	<p><i>No \$4,500 work truck voucher</i></p>		
				<p>These are the general guidelines as written in the bill. NHTSA must finalize specific rules for this process, which will be sent to dealers as soon as it is complete.</p>