

INSIDE OUR BELTWAY

Automakers and Dealers Press Congress for Fair CAFE *Dealers from Everywhere on Capitol Hill Last Week*

WANADA dealers were among dealers from across the U.S. in Washington last week to take the industry's plea for fair and reasonable CAFE standards to members of Congress who are currently considering legislation to that would radically hike up average fuel economy levels on new vehicles.

The automakers, in conjunction with NADA, tapped representative dealers to call on Members of the House of Representatives, who now have before them legislation that the automakers believe proposes unreachable levels in an unreasonable time frame. A bill adopted by the Senate in late June mandates 35mpg *across the board* for cars and trucks by 2020.

Problematically, mirror legislation with tougher provisions has been introduced in the House in the form of the Markey Bill, HR. 1506. Problematically, too, Speaker Nancy Pelosi supports the Markey Bill.

The good news for the industry is that a measured approach is also in front of the House in the form of the Hill-Terry CAFE Alternative,

HR 2927. Hill-Terry would boost fuel economy by 30% over current standards taking the level up to 32 to 35mpg by 2022. While this level might not seem much different from Markey, things like consumer demand, employment, and compliance costs are factored in to guard against CAFE mandates that prove to be unrealistic.

NADA's legislative office, which is working shoulder to shoulder with the automakers on CAFE, is hopeful the Markey approach doesn't get passed in the overall energy bill that Speaker Pelosi seems determined to pass before Congress recesses in August. Hill-Terry has indeed

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2008 WASHINGTON AUTO SHOW

Opportunity, Partnerships Underlie WAS Media Day



Planning for The 2008 Washington Auto Show (WAS) continued last week with a Media Day presentation at the Renaissance Hotel in which WANADA rolled out its expanded plans and many new opportunities for its advertising media partners.

Auto Show Promotions Manager Barbara Pomerance reviewed the success of last year's WAS in the context of the Congressional Auto Show, which included 30 concept and new production vehicles on display; a keynote presentation that featured Dieter Zetsche, chairman of the board of management, DaimlerChrysler AG; and important announcements by the EPA, DOE, NADA, Toyota, VW, Ford and GM; a German government symposium on alternative fuels; and more promotions and car giveaways than ever before.

All of this, Pomerance reminded media reps, resulted in paid and earned media and promotional value equaling \$20 million.

"Obviously, we can't get that kind of media value without the support of everybody in this room," said Pomerance, as she recognized representatives from the DC Lottery and their vehicle giveaway with Chevrolet and WJLA-TV. "We encourage you to create

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KINDRED KORNER

Travelers Offers Tailored Coverage Expressly for Auto Dealers

Building on its considerable experience with auto dealers over the years, The Travelers Indemnity Company and its property casualty subsidiaries and affiliates ("Travelers") solidified their long term commitment to this market in 2006 by introducing a new insurance product specifically for Franchised Auto and Truck Dealers. The customized product, called IndustryEdgeSM Insurance for Fran-

chised Auto Dealers, offers a broad range of coverage, including garage liability, auto, property, umbrella, Dealer's Errors & Omissions, workers compensation and Employment Practices Liability.

The coverage offering is supported by local service, including 100% Travelers field-based risk control and claim employees knowledgeable in the auto dealer industry. The team approach takes into account each individual dealer's unique operation and capabilities that lead to comprehensive and competitive program implementation, as well as facilitating problem solving and helping to reduce losses.

Bill Curtis, VP Travelers Sales, and David Stevenson, VP Travelers Product, have been working with WANADA to better understand the needs of auto dealers as Travelers continues to enhance their product. In addition, Travelers places great emphasis on getting to know their clients and inter-

acting closely with WANADA provides them an excellent opportunity to offer a forum to auto dealers. "We're pleased to collaborate with strong trade associations like WANADA when developing our products. It's just another way we keep close to the auto dealer marketplace," said Dave.

Travelers notes that the information contained in this article does not amend or otherwise affect the terms, conditions or coverage of the policies being discussed. Coverage depends on the facts and circumstances involved in the particular claim or loss, all applicable policy provisions and applicable law.

Fred Campau, Travelers Regional Vice President for the mid-Atlantic region, is available to provide specific coverage details or answer any questions you may have on Travelers IndustryEdge Franchised Auto Dealer's product. Give him a call at (704)540-3102.

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CAFE Blitz

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picked up momentum in recent days, as Markey has lost steam; 120 sponsors are now signed on to Hill-Terry. And the bipartisan character of Hill-Terry bodes well for holding energy legislation over until the fall since CAFE is a major part of the package.

Dealer visits with members of Congress definitely advanced the cause for reasonable CAFE, but next week is important if the Hill-Terry advocates are to be successful in holding off the energy bill.

Washington Area dealers, who didn't have to "fly in" as did their colleagues from elsewhere, included: Tamara Darvish, DAR-CARS; Chip Doetsch, Apple Ford; Gil Hofheimer, Euro Motorcars; Ron Kody, Koons of Manassas; Bob Ourisman, Ourisman Automotive; Geoff Pohanka, Pohanka Automotive; Karen Radley, Radley Acura; and Jack Taylor, Jr. Alexandria Toyota.

Stay tuned.



Warren Brown "On Wheels" and On Radio Starting July 30th, WMET 1160 AM



Washington Post auto writer and talkshow host, Warren Brown (left) vets new radio program with John O'Donnell of WANADA.

Longstanding auto industry journalist, Warren Brown of the Washington Post is expanding his news and commentary beat to WMET 1160 AM, a world radio station here in Washington.

The radio program on WMET, aptly titled "On Wheels with Warren Brown," will air Tuesdays at noon featuring "unbiased discussions of wide-ranging automotive issues."

The program launches next week, July 30, 2007. Having hosted automotive radio programs for a number of years on other stations here, Brown is no stranger to the airwaves, nor is he a stranger to the Washington scene and its far reaching impact on the auto industry.

Listeners can also join in live by calling (866) 369-1160 or online at www.wmet1160.com, www.onwheelsinc.com or www.automotive-radio.com. For archived programs, and for more in-depth discussion of show topics, log on to www.onwheelsinc.com.

NADA MONTHLY DEALER OPERATIONS COMMENTARY

Marketing Used-Vehicles on the Internet: Your Website

One of the greatest marketing tools available to modern dealerships is the Internet. More and more, customers are going online to research the pricing, features, and availability of the vehicles they're interested in.

It stands to reason that you should devote more time, attention, and budget to marketing your vehicles online. Here are key points to help you make the most of this resource:

- **Your dealership web page should be current.** It's frustrating for a customer to select a vehicle online only to be told that it's no longer available. Think seriously about having an outside vendor or a dedicated Internet salesperson to keep your website up to date.
- **Your web page should be user-friendly.** Design your website with customers in mind, and don't let technology get in the way of your primary goal—selling vehicles. The fancy font and advanced animation won't please customers whose systems aren't equipped to handle them. Be sure the site has clear instructions and easy-to-follow links to such features as monthly specials, help for credit-challenged customers, and directions to the dealership. Also be sure the site allows customers to see vehicles they're interested in within one to two clicks.
- **There should be multiple photographs of each vehicle.** Customers savvy enough to shop online won't be satisfied with just one view of a vehicle. Your walk-in traffic will likely increase if you post at least ten to 12 good photographs, taken from consistent angles. Also, don't be afraid to show dents, scratches, or other unrepaired physical flaws in your photos—showing (and describing) any blemishes helps build trust with your customers and reduces unpleasant surprises when they come to see the vehicle in person.
- **Your website should be prominently featured in all your marketing.** Use your print and broadcast advertising to promote your website—which should have, if possible, a short, memorable address. The website can contain a lot more detail than the other advertising.

Your website should have current contact information, including your dealership phone number. Although the Internet is a valuable tool for reaching out to potential buyers, the ultimate goal is to get them into your dealership. Including your phone number increases your chances of establishing direct contact and setting up an appointment with the customer. Also, be sure to log all customer calls for research and callback purposes. And remember: It's vital to respond professionally and quickly—ideally, within 30 minutes—to any phone calls or emails your publicity may generate.

This article is adapted from *A Dealer Guide to Used-Vehicle Strategies and Solutions* (SL15). The guide can be ordered online at www.nada.org/mecatalog or by calling NADA at 800-252-NADA, ext. 2.



Kudos to Kacie

First National Soap Box Derby Winner from DC!

Wow! DC's very own competitor, Kacie Rader, 17 of Mechanicsville, MD, was the national winner in the top Masters Division at the 70th All American Soap Box Derby, July 21, in Akron, Ohio. Kacie, at left with her trophy, won this past June in the Greater Washington, DC Soap Box Derby. She was one of 597 Champs from 43 states and 6 Nations competing at the event.

Over 10,000 kids have raced in the Greater Washington, DC Soap Box Derby in the last 66 years, and Kacie is our first National Champ. WANADA's hardest congratulations go to Kacie and all the kids that competed in the DC and National Soap Box Derby events. Mike Harrigan, director, Greater Washington DC Soap Box Derby, also adds his sincere thanks to WANADA for their ongoing support of this truly all-American event.

2008 WASHINGTON AUTO SHOW

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promotions that bring more value to the show and yourselves.”

The focus of the 2008 WAS will again be on “things green,” such as alternative fuels. Advanced technology and safety will also figure prominently in the WAS, and there will be a wide array of family oriented events, displays, and celebrities, with more emphasis on pop culture. “We welcome new ideas and we emphasize the opportunities available to you for outside-the-box special events that we can help you make happen,” said Pomerance.

As part of the vast strategic marketing and promotional support for the 2008 WAS, *The Washington Post* and *The Washington Times* will again have feature special sections. Exhibitors and media partners also were encouraged to utilize and link with the WAS website, www.washingtonautoshow.com, which receives millions of hits before, during and after the show.

Deborah Cover-Lewis of Media Vision, who will again manage the show’s media buy, urged media reps to “consider dealer groups and become aware of what is being done to support them.” You should “tie-in promotions that resonate with your audience and work for you and the auto show to maximize your WAS connection.” She suggested more third party tie-ins, celebrities and sports stars, along with greater use of “new media” to motivate your audiences to come to the world class auto show. “Give something back to the new auto dealers because they do a lot for you,” said Cover-Lewis, who asked for media promotional ideas by the end of August.

The 2008 WAS will be held Jan. 23 - 27, 2008 at the Washington Convention Center. Media Preview Day will be on Jan. 22, followed by the annual Congressional VIP and Charity Preview, which will benefit numerous Washington-based charities and draw many Washingtonian notables. For more information on The 2008 Washington Auto Show, contact Barbara Pomerance at (800) 697-7574.



Deborah Cover-Lewis of Media Vision will negotiate the show’s media buy.

Staying Ahead...

The saying "Getting there is half the fun" became obsolete with the advent of commercial airlines.

—Henry J. Tillman

