

REGIONAL ISSUES

WANADA Weighs in on Changes to Rockville Zoning Ordinance *City Plan is Part of Broader Rt. 355 Zoning Initiative*

In written comments to Rockville Mayor Susan R. Hoffmann and City Council Members last week, WANADA requested that officials consider a series of important changes to the pending draft of the Comprehensive Zoning Ordinance that significantly impacts land use along the Maryland Route 355 corridor. Proposed revisions to Rockville's zoning law dovetail with a zoning initiative Montgomery County is undertaking with land use along Route 355 at large. There are about ten WANADA dealerships situated in Rockville and as many as 40 along Route 355.

WANADA has retained zoning advisors to ensure that the automotive retailing industry in Rockville and beyond brings its concerted influence to bear on the process. As it has for many years in jurisdictions around the Capital Beltway, WANADA has involved itself in zoning initiatives that would have negatively impacted dealerships had the industry not been vocal.

The Rt. 355 initiative is not

unlike the zoning changes proposed for Tyson's Corner, Virginia, in which urban planners are considering makeovers of commercial corridors well into the 21st Century putting forth "mixed use" concepts and "quality of life centers." Last year WANADA was part of a conference spearheaded

by the Fairfax Chamber of Commerce at George Mason University where stakeholders in the Tyson's Corner plan had the chance to be heard.

Two years ago, WANADA was instrumental in defeating a "Dark Sky" initiative in

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VIPs at the groundbreaking ceremony included (from the left): Toyota District Manager Alex Sun; U.S. Green Building Council Executive Director Tom Mawson; President and GM of Central Atlantic Toyota Paul Holdridge; Congressman Chris Van Hollen; Jack Fitzgerald; Montgomery County Executive Ike Leggett; WANADA CEO Gerard Murphy; and Director of Montgomery County Dept. of Economic Development Pradeep Ganguly.

Fitzgerald Breaks Ground on "Green" Dealership Facilities

With a number of local and national VIPs in attendance, Fitzgerald Auto Malls broke ground last week, literally and figuratively, on their first LEED-Certified building. Located in Germantown, MD, the new automotive facility will be complete in early 2009 and will be the first Toyota LEED-Certified dealership east of the Mississippi.

"From selling energy efficient cars, to recycling waste, to

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ATAE SUMMER MEETING

ATAE Summer Meeting Spotlights National Issues, Auto Shows *Dealer Assns. Convene at Annual Summer Meeting To Focus on National and Auto Industry Issues*

In a year of change and turmoil, representatives from state and metropolitan auto dealer associations from the U.S. and Canada, including WANADA, gathered last week in San Diego, CA for the Annual Summer Conference of the Automotive Trade Association Executives (ATAE). Dealer associates representatives got updates on critical national issues and exchanged pragmatic ideas and initiatives.

Keynoting one of the general sessions was Mike Jackson, chairman of AutoNation and former WANADA member, who offered insightful strategies for today's challenging auto sales, in the context of high gas prices and the

need for a workable energy policy.

Dealer associations also heard from a distinguished industry panel on the global warming debate, consisting of Matt Godlewski, Alliance of Automobile Manufacturers, Andy Koblenz, NADA and David Regan of NADA.

Executive sessions featured overview reports from NADA Vice Chairman John McEleney and NADA senior staff on public affairs, legal, legislative and regulatory priority issues, a number of which tracked the topics agenda presented to WANADA members at the association's "State of the Union" meeting in June. The sessions also included reports from

the Dealer Election Action Committee and Automotive Retailing Today regarding dealer image in the media. Dealership career programming was also a major focus.

An additional highlight of the conference was a valuable meeting of the Auto Shows of North America (ASNA), an adjunct group formed under the auspices of ATAEE. The session brought together auto show producer representatives from the industry circuit, including WANADA which produces The Washington Auto Show, with automaker exhibitors and exposition contractors to discuss the latest developments in show programming and vehicle design trends.

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Rockville Zoning Plan & Rt. 355 Initiative

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Montgomery County that would have required dealers and other businesses to retrofit outdoor lighting at great expense so stargazers would have a better view.

In its letter concerning the latest Rt. 355 initiative, WANADA said, "Our members are principally concerned that the proposed revisions to the Zoning Ordinance do not adequately take into account the nature and limitations of the automobile business. We believe land use for dealerships requires a special focus in Rockville's zoning policy analysis since auto dealerships differ from other businesses in many ways."

WANADA pointed out that the "ten existing dealerships in Rockville collectively employ 1,000 people and generate more than \$1million in real estate tax

assessments along with the myriad of other state and local taxes that benefit Rockville."

With limited additional auto dealership locations available in these areas, as well as franchise agreement limits on territory, "Rockville dealers, many of whom have operated in the city for years, fervently believe that the retail auto industry must be permitted to remain where it currently is located," the association said.

"The auto industry is a pivotal part of Rockville's economy [and] land use proposals should accommodate this reality. It would be poor planning and contrary to the concept of Smart Growth to force the relocation of these long-standing operations to green field locations or sites outside the city," said WANADA.

On point with ordinance provisions, WANADA requested that "Motor Vehicle Uses be a permitted by right in all non-neighborhood mixed use zones. Although most dealers are located along Rockville Pike/Frederick Road, other opportunities in the future might be possible in future mixed use locations." The letter enumerated additional concerns specific to the proposed zoning initiative that could be problematic to dealers.

A number of Rockville dealers along Route 355 have already been engaged in the zoning plans and have been meeting with elected officials and planners for some months.

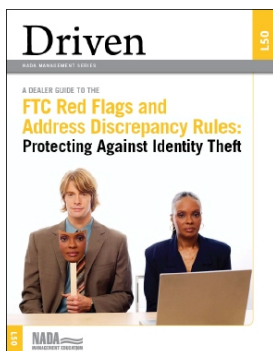
Questions about the proposed Rockville zoning and/or 355 Initiative can be directed to Gerry Murphy or John O'Donnell, gm@wanada.org or jod@wanada.org, respectively or (202) 237-7200.

REGULATORY UPDATE

NADA Provides Guidance on Red Flags Rule on Identity Theft

Under the new federal "Red Flags Rule," most dealers and other creditors must develop and implement a comprehensive Identity Theft Prevention Program by Nov. 1. To assist with compliance,

NADA has issued *A Dealer Guide to the FTC Red Flags and Address Discrepancy*



Rules: Protecting Against Identity Theft. The Guide explains the requirements under the new Rules, and includes detailed, step-by-step guidance on developing the written program required under the Red Flags Rule, as well as a sample written program, worksheets, and other helpful materials.

All members will soon receive one free copy of the full Guide in the mail. The sample written program is also being made available upon request as a Word document — free to members — to aid dealers in developing written programs specific to their dealerships in advance of the compliance deadline. Issued by NADA Management Education, the Guide also will serve as the basis for two virtual seminars on the Red Flags Rule, on Aug. 26 and Sept. 23.

Federal Minimum Wage Goes to \$6.55 This Week *Keep Your Posters Current*

The federal minimum wage increased from \$5.85 per hour to \$6.55 per hour on July 24, 2008, and will increase to \$7.25 on July 24, 2009. Every business with employees subject to the Fair Labor Standards Act's minimum wage provisions must post, and keep posted, a notice explaining the Act in a conspicuous place in all of their establishments so as to permit employees to readily read it, according to the Department of Labor. The content of the notice is prescribed by the Wage and Hour Division of the Department of Labor. An approved copy of the minimum wage poster is made available for informational purposes or for employers to use as posters at <http://www.dol.gov/esa/regs/compliance/posters/flsa.htm>.

State minimum wage laws affecting WANADA employers track the federal minimum wage of \$6.55 this year in Maryland and Virginia. DC is always \$1 more than federal, or \$7.55 in 2008. In July of 2009, Maryland will be higher than federal, at \$8.25, \$1 more than the federal at that time, like DC. Virginia will track the federal in 2009 as it does this year.

For more information on the new federal minimum wage, visit <http://www.dol.gov/esa/whd/>. For general information on federal wage and hour laws, see NADA publications L.1 and BM30, which can be found at <http://www.nada.org/publications/managementeducationcatalog>.

DEALERS IN THE SPOTLIGHT

Fitzgerald Breaks Ground for Green Building

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adopting green power, we are focused on preserving our environment now and for generations to come," says Fitzgerald Auto Malls chairman Jack Fitzgerald. "Developing a LEED-Certified building means we will create a healthy environment for our customers, employees, neighbors and global partners," he said.

The Leadership in Energy and Environmental Design (LEED) Green Building Rating System™ is the nationally accepted benchmark for the design, construction and operation of high performance green buildings. LEED certification focuses on such goals as reducing waste sent to landfills, conserving energy and water, reducing harmful greenhouse gas emissions and creating a healthier and safer environment for occupants. According to Tom Mawson from the U.S. Green Building Council, there are currently 9,000 registered green buildings in the U.S. and 23 LEED buildings in Maryland.

ANNOUNCEMENT

WANADA Dealer Employee Flu Shot Program

Sign Up Before Aug. 15 for Fall Inoculations

Preventative medicine is always a tough sell, particularly in the peak of the summertime. But the up-coming flu season next fall is an ugly reality, and it's just around the corner. Just in the USA, seasonal influenza infects 35-50 million individuals, is responsible for over 250,000 serious hospitalizations and kills almost 40,000 Americans every year! The average duration of the illness and recovery is approximately one week. Influenza is highly contagious through airborne inhalation as well as direct contact. A seasonal flu immunization/prevention program can reduce lost employee time by 70%. Providing your employees a seasonal flu shot program increases employee satisfaction as well as your bottom line.



WANADA has again negotiated with Norvar Health Services to provide on-site seasonal flu immunization programs and the order of enough flu vaccine (assuming no production/CDC issues) to be on hand this fall for registrants prior to August 15th at a guaranteed price per shot of \$23 – the same as last year.

As part of this arrangement, **dealerships must indicate their desire to participate in this fall's on-site flu shot program by August 15, 2008** in order to receive immunizations at the guaranteed price per shot. A minimum of 20 participants at each location is required to schedule an on-site flu shot program. After this date, the price and availability may be subject to change based on the availability and price of flu vaccine.

A fax-back registration form is enclosed. Don't delay! Registrations are on a first come, first served basis. Please complete the enclosed form and fax it back to the flu shot fax line where it will be forwarded to Norvar Health Services. If you have multiple locations requiring on-site programs, please forward an addendum listing the address and information for each location. **A representative from Norvar Health Services** will then contact your designated point of contact about this coming fall's flu shot program.

Note: This registration is for the seasonal flu shot NOT an H5N1 Avian flu or pandemic flu program.

For more information, contact Martha Kowalski, director of WANADA Insurance Programs at (202) 237-7200 or mk@wanada.org.

Correction: In last week's Bulletin coverage of the Bobby Mitchell Hall of Fame Classic, we inadvertently omitted last minute contributors: **American Service Center, Mercedes of Alexandria, PNC Dealer Finance Corporation** and **Sport Chevrolet**. We regret the oversight.

Staying Ahead...

If you have nothing nice to say about anybody, come sit next to me.

-Alice Roosevelt Longworth,

daughter of Theodore Roosevelt, married to Nicholas Longworth, Speaker of the House (1925-1931), for whom the Longworth House Office Building is named.

Enclosures:

- WANADA Flu Shot Vaccination Fax Back Sheet