

THE WANADA BULLETIN

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

WANADA Bulletin # 3-09

January 20, 2009

2009 WASHINGTON AUTO SHOW JUST AROUND THE CORNER

2009 WAS Kicks Off with Public Policy Days, Feb. 2 & 3

Stefan Jacoby, president & CEO, Volkswagen Group of America, is keynote speaker



Stefan Jacoby

The 2009 Washington Auto Show “curtain call” is almost upon us and is shaping up nicely to fulfill our public policy show mission.

WAS Public Policy Days kick off with the Green Car Summit on Monday, Feb. 2, at the Rayburn House Office Building on Capitol Hill. (See article, inset, at right). Public Policy Day *Onsite* at the Walter E. Washington Convention Center rolls out Tues., Feb. 3, immediately followed by the Preview Reception & Special Showing.

Public Policy Day *Onsite*

Stefan Jacoby, president and CEO of Volkswagen Group of America, is *confirmed* as the mid-day keynote speaker for Public Policy Day *Onsite*.

Originally from Hanover, Germany, Jacoby joined VW in 1985 and worked his way up to

top management in sales, marketing and export divisions in Europe, America and Asia. From October 2001 to February 2004, Mr. Jacoby was president of Mitsubishi Motors/Europe, headquartered in Amsterdam. He subsequently returned to Volkswagen AG in Wolfsburg, Germany in March 2004, initially assuming responsibility for the Group Sales Strategy Department. He was appointed general representative of Volkswagen AG for the

Marketing and Sales Department in mid-2004. Last Fall, Mr. Jacoby, became president and CEO of Volkswagen Group of America, taking responsibility for VW sales in the U.S. Mr. Jacoby’s appointment coincided with VWoA’s relocation of their headquarters to Washington during the same time period.

Public Policy Day *Onsite* begins with a breakfast hosted by Mazda of North America.

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Green Car Journal’s **GREEN CAR SUMMIT™ 2009** WASHINGTON D.C. *Defining the Road Ahead*

On Monday, February 2, The Washington Auto Show (WAS) and the *Green Car Journal* will host the Green Car Summit, aptly titled “Defining the Road Ahead.” Held on Capitol Hill in the Rayburn House Office Building, the Green Car Summit brings together automakers and industry observers to discuss priority environmental issues, challenges and advanced technology.

Moderated by Green Car Journal publisher Ron Cogan and Washington Post automotive writer Warren Brown, the Summit will include a provocative conversation about the expanding role of innovative automotive design, the role of clean and alternative fuels, realistic pathways to bringing more advanced technology to the highway, and ways in which government and industry can work together to achieve environmental and energy diversity goals. This automotive dialogue will focus on the kinds of issues the new Obama administration will be facing in the days ahead.

The Green Car Summit boasts a distinguished panel of auto industry notables and experts from the OEMs, advocacy groups and the trade media. Several of the confirmed panelists include: Johan de Nysschen,

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2009 WASHINGTON AUTO SHOW PREVIEW

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Other highlights of the day include the release of findings from a comprehensive industry study by Automotive Retailing Today (ART); a joint industry announcement; presentations from the U.S Department of Energy and the Environmental Protection Agency; and presentations on advanced technology by Ford, General Motors, Mercedes-Benz, Toyota and Bosch.

The Green Car Vision Award from *The Green Car Journal* will follow in the afternoon, as well as SAE International's Plenary Session to their Government/Industry Conference, consisting of a panel of distinguished industry executives, scientists, and observers with the topic "Roadmap for the 44th President and 111th Congress."

The Preview Reception & Special Showing, or "Sneak Peek," will immediately follow Public Policy Day *Onsite* the evening of Feb. 3, from 5 p.m. until 8 p.m. Hosted by WANADA's dealer leadership and members, and sponsored by The Auto Alliance, AIAM, NADA, Bosch, Comcast Spotlight, The Washington Post, MEMA and Hargrove. This reception will include a 5:30 p.m. recognition presentation to longtime auto industry advocate and distinguished member of Congress Rep. John Dingell (D-Mich.) by Automotive News publisher Keith Crain.

Persons invited to the Preview & Special Showing include members of Congress; their senior staff; Obama administration officials; ambassa-

dors and foreign mission representatives from auto producing countries; and an array of Washington business community leaders.

Attendees to the Preview/Special Showing, which are expected to number between 2,500 and 3,000, will be treated to a WAS show floor that will be up and operating in all exhibits. The evening will include beverage bars, light hors d'oeuvres and lively music. Each WAS OEM exhibitor is invited to "entertain at will" in their displays via their Washington-based executive leaders.

During WAS public days, Feb. 4 – 8, WANADA's Automobile Dealer Education Institute (ADEI), is hosting public high school students from across the region who will be treated to a "Careers in the Automobile Business" presen-

tation on Thurs., Feb. 5 at the Auto Show. At least six school systems are participating, which are expected to turn out about 1,000 students. The program will commence with a general session panel of industry professionals, followed by an exposition segment, now comprised of 16 education and training contractors.

See the enclosed WAS Timeline for details on the foregoing. *VIP* and *Guest Passes* to the Auto Show are coming in the mail to WANADA members and others. For more information on comp passes, contact Ralph Frisbee at (202) 237-7200 or rf@wanada.org.

All WANADA members are encouraged to attend Public Policy Day and the Preview Reception/Special Showing, Tues., Feb 3, 5-8 pm at the Convention Center. Use the enclosed RSVP to register or contact Kristina Henry, kh@wanada.org.

Green Car Summit 2009

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executive vice president, Audi America; Andrew Littlefair, CEO, Clean Energy Fuels; and Alan Niedzwiecki, president & CEO, Quantum Fuel System Technologies. Niedzwiecki brings more than 25 years of experience in the alternative fuels industry in product and technology development and commercialization relating to mobile, stationary power generation, and refueling infrastructure solutions.

The Summit will run from 11:30 a.m. until 2:00 p.m., with lunch provided. Members of Congress, their senior staff and the media will be invited to the Summit which will act as a precursor to Public Policy Day *Onsite*, commencing the following morning at the Walter E. Washington Convention Center.

The heart of the WAS will be the Green Car Pavilion, a showcase of the industry's newest and most-innovative hybrid and alternative fuel vehicles, including hybrid race cars and new battery-powered technology that enables vehicles to reach up to 100 mph.

"We expect the Green Car Pavilion to be a great draw, given the urgency of environmental concerns," explains Kevin Reilly, Alexandria Hyundai, one of the Preview Reception co-chairs. "For our Preview audience, the Pavilion will be the first stop!"

EXIGENT REGULATORY REMINDER**Cash Reporting Notices for '08 Transactions Due Jan. 31**

WANADA again reminds dealers that the IRS has been strictly enforcing the filing of Form 8300 cash reports and continues to conduct audits on dealers, including some in our area, for compliance with Form 8300 requirements. A failure to report cash transactions over \$10,000 could result in a minimum \$25,000 fine.

Under IRS regulations, dealers must notify each person identified for transactions of \$10,000 or more during 2008. The FinCEN Form 8300 general instructions and the IRS definition of "cash" are available on the IRS Web site at <http://www.irs.gov/publications/p1544/ar02.html>

Such notices must be in writing, furnished to the purchaser no later than Jan. 31, 2009.

The notification statement must include the name and address of the dealership, the total amount of cash reported to the IRS during 2008 for that person, and a statement that the information was reported to the IRS. The statement should go to the person's last known address. Dealers are encouraged to review 2008 transactions carefully to be certain that all affected customers are notified in writing and to record a copy of the notice furnished to the customer.

To soften the surprise that some customers may get from receiving this notice, it is recommended that dealerships include a short letter along the following lines:

Dear (customer name):

We are required by the Internal Revenue Service to report transactions involving more than \$10,000 in cash and "cash equivalent" under the provisions of 26 U.S.C 60501. (Name of dealership) has filed a Form 8300 with the IRS on (month, day, year) indicating that you provided us (\$ amount) in connection with the purchase of your (year, make, model). We wanted you to know that we have complied with this federal requirement. Again, thank you for your patronage.

(dealership name)

NOTICE**Immigration Law Alert for Certain Hispanic Workers**

The U.S. Citizenship and Immigration Services (CIS) announced an automatic 6-month extension of work permits for certain Hispanic workers whose work permits are set to expire on January 5, 2009 (Hondurans and Nicaraguans) and on March 9, 2009 (Salvadorans), according to Shulman, Rogers, Gandal, Pordy & Ecker, a law firm in Rockville, MD and WANADA Kindred-Line member. Auto dealer and repair facilities are among those industries employing high numbers of Hispanic Workers likely to be affected. Shulman-Rogers points out that:

- Only certain work permits are covered by this automatic extension.

- Employers cannot terminate a current employee based on an expired work permit if it is covered by the automatic extension.
- Employers cannot refuse to hire a job applicant who presents an expired work permit covered during this automatic extension period.
- Employers who do not comply with the law may be liable for wrongful termination or refusal to hire claims from Hispanic workers with expired work permits who are actually employment-authorized.

Why this is important—
We are in an era of increased Immigration enforcement. Companies and individuals face civil and criminal penalties for I

-9 and Employment Compliance violations.

U.S. Immigration and Customs Enforcement (ICE) is increasingly raiding local employers and holding company management responsible. Employers must identify work permits covered by the automatic extension as well as related employment eligibility verification and I-9 compliance procedures. For more information, contact Michael Kabik, chair of the Immigration, Nationality and Consular Practice Group at 301-231-0937 or mkabik@srgpe.com.

DEALER OPS. SEMINARS @ THE 2009 WASHINGTON AUTO SHOW**WANADA/NADA Seminar Program, Feb., 4, 5 & 6, 2009**

- Wednesday, February 4, 2009, 8:00 a.m. – 9:00 a.m, *State of the Economy/Industry*. Paul Taylor, NADA Industry Analysis, followed by *General Managers Roadmap for the Financial Statement*
- Wednesday, February 4, 2009, 9:00 a.m. – 4:00 p.m, *General Managers Roadmap for the Financial Statement*. Brad Lawson, NADA Dealership Operations
- Thursday, February 5, 2009, 9:00 a.m. – 4:00 p.m, *(Variable) New & Used Vehicle Sales*. Steve Emery, NADA Dealership Operations
- Friday, February 6, 2009, 8:00 a.m. – 4:00 p.m, *Putting the Wheels Back on the Service and Parts Departments*. Brad Lawson, NADA Dealership Operations

F&I Professional *Recertification* for MD & VA Dealers***Wednesday, Feb. 4, 9:00 am - 5:00 pm***

In light of the new Red Flags Rule that takes effect in May, 2009, this seminar is designed to *recertify* F&I managers and directors to reinforce the legal compliance skills taught during the initial WANADA F&I course, as well as introduce any new laws or changes to existing laws that impact the F&I department to ensure that attendees are solidly up-to-date for their yearly certification requirements.

Annual WANADA Regional Tag & Title Seminar, *Thursday, Feb. 5, 10 am -12 Noon*

Get the latest motor vehicle rules and regs for your market! This Titling Seminar will cover the entire Washington Region. The program targets tag and title coordinators, and all dealership staff involved in motor vehicle agency relations.

Sign-up *online* at www.washingtonautoshow.com. Contact Kristina Henry at WANADA for more information: (202) 237-7200, ext 18, kh@wanada.org.

WAS Reminders WANADA Members

- **Entertain Friends and Business associates at the WAS Preview Reception & Special Showing**, Tues, Feb 3, \$125/pp, F.B.O. the Automobile Dealer Education Institute (ADEI). To register use the enclosed RSVP form or for more information, contact Kristina Henry, (202) 237-7200, kh@wanada.org.
- **Attend Public Policy Day *Onsite Tues, Feb 3, 9:00 a.m. to 5 p.m.*** See the enclosed Public Policy Days Timeline. For more information and to register, contact Kristina Henry, (202) 237-7200, kh@wanada.org.
- **See the WAS website for the latest on 2009 Auto Show events and activities:**
www.washingtonautoshow.com
- **MD, VA Sales Reps Must Register for 2009 Washington Auto Show:** Sales representatives from MD and VA dealerships who plan to be working at The 2009 Washington Auto Show, Feb. 4 – 8, 2009, must register with the D.C. government through WANADA in order to receive a waiver from D.C. automotive sales licensing law requirements. Please fill out the registration form enclosed with this Bulletin with the names and sales license numbers of the dealership and all dealership representatives who will likely work at the show, and fax it to the WANADA office, (202) 237-9090, *immediately!* Reps who do not register may trigger regulatory scrutiny not only for themselves but for the Auto Show as well. Contact Ralph Frisbee at rf@wanada.org.

Thought for the Week...

I believe that unarmed truth and unconditional love will have the final word.

—Martin Luther King, Jr.

Enclosures:

- WAS Public Policy Days Timeline of events and presentations
- Member Invitation Letter & RSVP for WAS Preview Reception & Special Showing, Feb 3
- MD and VA sales rep. registration form for The 2009 Washington Auto Show