

WANADA Bulletin # 30-10

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Headlines...

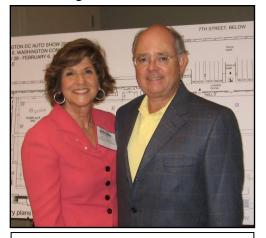
WAS leadership meets with major media reps in the region for step one of building 2011 Auto Show buzz Auto Industry sees 11 million as the new benchmark DC mayor Fenty wants federal OK for hybrid taxi fleet "Right to repair" fight establishes a beachhead in Massachusetts Nissan Sells 500 Leaf EVs to Enterprise A very expensive Chrysler Staying ahead...

WAS leaderships meets with major media reps in the region for step one of building 2011 auto show buzz

Washington Auto Show (WAS) organizers gathered representatives from the regional media companies recently in the first step of its plan to build a dynamic advertising and marketing campaign for the 2011 WAS that will run for a full ten days beginning the end of January.

The representatives, more than 100 in total, came together at the GeorgeTown Club in Washington, DC to hear a presentation launched by WAS chairman Charles Stringfellow, Brown Automotive, followed by a discussion on the promotional opportunities and tie-ins the show is looking for from its promotions director Barbara Pomerance.

"Working with our advertising agency, White+Partners, we have developed a very detailed view of our target audiences and how best to approach them, so it is critical that we get our media



WAS promotions director Barbara Pomerance (L) and WAS chairman Charles Stringfellow, Brown Automotive

partners lined up early and effectively if the 2011 WAS is going to be a success," said Ms. Pomerance, adding, "and we have every confidence that it will be."

The 2011 WAS, which already has sold out nearly all available space in the Washington Convention Center with commitments from all the major manufacturers, is shaping up to be the major event the Washington area enjoys annually. Commenting on the media and marketing plan for the show, WAS producer Gerard Murphy said it will reflect the best of the new directions in consumer promotions and advertising. "We will be employing a dynamic multi-media approach to build a massive audience for this show and we fully anticipate that our media partners are up to the task and on top of their game," he said. There are well over five million consumers in the Washington metropolitan region and it is considered to be one of the strongest, most important auto markets in the U.S., with average household income and educational levels among the highest anywhere.

The 2011 WAS Committee was on hand at the media reception and stayed on for a working dinner and committee meeting. Besides Mr. Stringfellow, committee members include, Robert Fogarty, Sport Automotive, Daniel Jobe, Capitol Cadillac, Kevin Reilly, Alexandria Hyundai, Mark Zetlin, American Service Center and George Doetsch, WANADA chairman, Apple Ford.



WAS producer Gerard Murphy briefs the Washington regional media on plans for the 2011 WAS

The 2011 WAS runs from January 28 through February 6, 2011.

Auto Industry sees 11 million as the new benchmark

Automakers selling new vehicles in the U.S. are tailoring their business model around a new-vehicle sales volume of 11 million units per year, a significant four to five million units less than the 15 or 16 million previously considered the norm, but an improvement over 2009.

The lower benchmark is having a marked impact across the industry, with auto dealers in particular having to adopt more rounded business operations to achieve profitability, while consumers are coming to recognize that pricing discounts will be far fewer than in years past.

This change is being reflected in average MSRP for new vehicles climbing 7.39 percent yearover-year and actual transaction prices jumping an even heftier 16.8 percent, according to data gathered by CNW Marketing, which tracks this information.

CNW notes that incentive levels continue to trend downward and are now about 20 percent lower, for both manufacturers and dealers, compared to levels a year ago.

CNW says that consumers are taking more time to research vehicles before buying and doing considerably more price comparing than in previous years. Typically, consumers take six months to make a decision on buying a vehicle, but that has now increased to nearly nine months, CNW finds.

DC mayor Fenty wants federal OK for hybrid taxi fleet

District of Columbia mayor Adrian Fenty and five other big city mayors want Congress to allow municipalities to require green taxi fleets.

They are pressing Congress for authority in the face of a federal appeals court decision last week that blocked New York City from mandating a hybrid taxi fleet -- the latest setback in Mayor Michael Bloomberg's three-year effort to mandate cleaner cabs.

The cities pressing Congress want to "ensure that taxicabs and other for-hire vehicles in our cities are fuel efficient," the mayors wrote in a letter to Sen. Majority Leader Harry Reid, D-NV. They said requiring green taxis could save the cities 50 million gallons of fuel a year.

The five other cities are New York, Los Angeles, San Francisco, Boston and Las Vegas.

Last year, Boston cab drivers filed suit after the city required all cabs to be hybrids by 2015. A U.S. District Court blocked that law from taking effect and a trial is set to start in September.

New York's attempts to require hybrid cabs, in 2007 and in 2009, were also struck down at the U.S. District Court level.

The U.S. Court of Appeals last week upheld the lower court's ruling that barred the city from seeking to boost the number of hybrids, saying that Congress had granted full power over fuel efficiency regulations to the National Highway Traffic Safety Administration -- not to cities.

Congress must take action so that communities across the country can move toward hybrid taxi fleets," said Sen. Kirsten Gillibrand, D-NY, who has introduced legislation allowing major cities to mandate green taxis. "American car manufacturers would have no better showcase for new, efficient vehicle technologies than the streets of New York City and other major cities," she said when introducing the legislation. No action is expected on the measure this year, however.

"Right to repair" fight establishes a beachhead in Massachusetts

A fight over the future of who can fix cars is unfolding in Massachusetts and the outcome has significant ramification for the retail auto industry across the country.

In a battle joined by dealers, unions, auto parts companies and repair shops, automakers are fighting a proposal in the "Bay State" that would require them to disclose to the independent repair shop industry all the vehicle diagnostic information and software they currently provide exclusively to dealerships.

The proposal, known as the "Right to Repair" bill, has already passed the Massachusetts state Senate and is awaiting a vote in the House.

Supporters say the bill would lower repair costs and make it easier for independent repair shops to compete with dealers. But automakers and others say the measure is unnecessary and is nothing more than a subterfuge by certain interests to get parts specification so they can make sub-standard "knockoffs," or copies of original parts.

Charles Territo, spokesman for the Alliance of Automobile Manufacturers, says "the legislation is, was and will always be about parts, not repair. The passage of this legislation would set a dangerous precedent that could have a devastating impact on our economy. It would result in manufacturing jobs going overseas to places like China where the production of knockoff auto parts is big business," Territo said.

The New England Service Station & Automotive Repair Association, a group of over 400 independents, also opposes the "right to repair" bill, noting that independent repair businesses already have access to repair information and tools that auto dealerships have at a similar price, and that 75 percent of post repair work on automobiles is already performed by repair shops other than dealers.

A national "Right to Repair" bill was introduced in Congress this year, just as it has been for the past nine years. Eight other states besides Massachusetts have also considered the measure. Only in Massachusetts has the legislation made it out of committee.

Nissan Sells 500 Leaf EVs to Enterprise

Nissan Motor Co., aiming to be the world's biggest producer of electric vehicles, said it is selling rechargeable Leaf hatchbacks to Enterprise for use in the company's U.S. rental fleet.

Enterprise, which operates Enterprise Rent-A-Car, Alamo and National car rental lots and the WeCar car-sharing service, is buying 500 lithium-ion-powered Leafs which will go into service in January 2011.

Nissan has said it wants to sell at least 20,000 units of the \$32,780 Leaf in the U.S. during the model's first year, and company head Carlos Ghosn has set a goal of expanding global Leaf production to as many as 500,000 vehicles by the end of 2012.

The sale of the Leaf EVs to Enterprise is the second such arrangement for Nissan, which said in February it would supply Leafs to Hertz Global Holdings for use in rental fleets in the U.S. and Europe.

A very expensive Chrysler



A very rare 1952 Chrysler "Thomas Special" sold for a whopping \$780,000 during some spirited bidding at the RM Auctions annual auction at Meadowbrook Hall in Rochester Hills, Michigan recently.

The Thomas Special is one of the most stylistically important designs in American automotive history and was created by the legendary Chrysler designer, Virgil Exner, a contemporary of GM

styling icon Harvey Earle. Designed for the 1952 Paris Auto Show, the "Thomas Special," exemplified the American power, style and opulence of the time. Once its show duties were over it was presented to C.B. Thomas, president of the Chrysler export division, hence the "Thomas Special" moniker.

Staying ahead...

The problem with people who have no vices is that you can be pretty sure they're going to have some very annoying virtues.

--Elizabeth Taylor

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