

THE WANADA BULLETIN

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

WANADA Bulletin # 33-08

August 22, 2008

NADA/WANADA UPDATE

Tamara Darvish Slated to Represent Metropolitan Washington on NADA Board

NADA recently announced the official results of this year's election to its Board of Directors, which included some who have never served before. One such director-elect is Tamara C. Darvish of DARCARS who will be replacing Geoffrey Pohanka of Pohanka Automotive who is completing his second term on the NADA board representing the Metropolitan Washington directors district. Ms. Darvish will take over from Mr. Pohanka at the 2009 NADA Convention in New Orleans on Jan. 27, 2009.



Tamara Darvish

The NADA Board is comprised of 59 dealer directors representing all 50 states and a number of major new vehicle markets such as Metropolitan Washington, DC. In total, 22 dealers from around the country will be beginning new three-year terms on the NADA Board.

Ms. Darvish was elected to a term as chairman of WANADA's Board of Directors last November,

becoming the first woman to hold the post in the association's 90 year experience. She has served on WANADA's Board and Executive Committee since 2003 and is a past chairman of the Washington Auto Show. Correspondingly, she has led charity preview events at the Auto Show, which benefited various children's and health organizations. She has also co-chaired the Annual Bobby Mitchell Hall of Fame Classic, F.B.O. The Leukemia & Lymphoma Society.

Ms. Darvish was honored with the Time Magazine Quality Dealer Award in 2005, as WANADA's candidate, and earlier was recognized with the Northwood University Dealer Education Award. Besides being a graduate of Northwood, she also completed the NADA Dealer Candidate Academy.

Unique to the Metropolitan Washington Director District is that area dealers are also represented on the NADA Board by the directors from Maryland and Virginia. Ms. Darvish, therefore, will be working closely with Tad Hinder of Hinder Lincoln/Mercury/

(Continued on page 3)

NADA Promotes "Green Checkup" Month in September

New Dealer/Automaker Campaign Shows Drivers How to Save Gas & Cut Greenhouse Gas

With high fuel prices and vehicle emissions on the minds of many Americans, the incentive has never been greater for car owners to improve their vehicle's fuel economy. To help motorists save money at the gas pump and, at the same time, reduce greenhouse gas through proper maintenance, NADA is promoting September as "Green Checkup" Month.

The campaign was launched in conjunction with a new automaker campaign called "EcoDriving" (see box on page 2)

NADA is urging its members to offer free "Green Checkups" at their dealerships. The Green Checkup focuses on the things that have the most effect on fuel economy, such as oil and air filters, engine performance, tire pressure and emission controls. Participating dealers can refer to the *Green Checkup Guidelines*, which provide the estimated tech hours to perform a Green Checkup.

"Dealerships are in every major community which

(Continued on page 2)



Inside...

"EcoDriving" Campaign.....	p.2
US Auto Fleet Sets MPG Record.....	p.2
NEWS NOTES: Car Affordability, Driving Less...	p.3
Used Vehicle Seminar.....	p.4
Upcoming Seminars.....	p.4
NADA Convention Registrations.....	p.4

NADA UPDATE

“Green Checkup” Month

(Continued from page 1)

means we are ideally positioned to be at the forefront of a national consumer awareness campaign,” says Annette Sykora, NADA chairman and owner of two dealerships in Texas. “Our goal with the Green Checkups is to highlight simple steps that car owners can take to maintain their vehicles in top running condition.”

Dealers in nine states have signed up to become Green Checkup Dealers and some may decide to provide the Green Checkup along with inspections of child passenger safety seats that are also offered at many dealerships in the month of September.

Although NADA is promoting Green Checkup Month in September, the program is designed for dealers to offer checkups as part of their routine service year-round.

To help dealers raise public awareness of how the auto industry is increasing fuel economy through innovation and new technologies, NADA created the *Toolkit “A New Car is a Green Car,”* which is designed to highlight how easy it is to be green. The toolkit includes tips on hosting green driving events, participating in the Green Checkup program and several dealership case studies that offer a “greenprint” for success.

Providing Green Checkups is one example of how dealers are becoming more energy conscious. A trend toward green dealerships is another. “Dealers around the country have invested close to a billion dollars on facility upgrades and new construction over the past few years to reduce energy consumption at their dealerships,” Sykora says.

This includes cutting-edge heating and cooling methods, more efficient lighting, as well as wind and solar power. Today, several dealerships are LEED certified by the U.S. Green Building Council’s Leadership in Energy and Environmental Design program. “With the growing number of green dealerships and the Green Checkup campaign, we are sending a clear signal that when it comes to climate change, America’s new car dealers are part of the solution,” Sykora says.

For more information and to sign up to become a Green Checkup Dealer, go to <http://www.nada.org/green/>.

Automakers Launch “EcoDriving” Campaign

In a related effort launched the same day as NADA’s Green Checkups, automakers unveiled an “EcoDriving” campaign aimed at reducing fuel use by persuading consumers to drive smarter and take better care of their vehicles. The campaign was launched online by industry leaders including NADA Chairman Annette Sykora, and two governors, Arnold Schwarzenegger (R-Calif.) and Bill Ritter (D-Colo.)

A key feature of the new campaign is an interactive website, www.EcoDrivingUSA.com, which offers consumer tips on how to drive and maintain vehicles so that less fuel is used. Dave McCurdy, president of the Alliance of Automobile Manufacturers, said a typical motorist who follows driving and maintenance tips offered by the campaign should improve fuel economy by at least 15%.

U.S. Auto Fleet Hits Record 26.8 MPG

The National Highway Traffic Safety Administration reported last week that the nation’s fleet of passenger cars and light trucks for the 2008 model year averaged an estimated 26.8 miles per gallon through March, up from 26.6 mpg for the entire 2007 model year, according to The Detroit News.

That’s up from a 25.7 mpg average in 2006, which also was a record. When actual sales are tabulated by year’s end, the fuel efficiency numbers are expected to be even higher because of owner/operator response to high gas prices, which included the shift of many to more fuel efficient vehicles.

Even with the gains, some cautioned that automakers likely will face dramatically higher fuel economy requirements over the next two decades because of the developing political climate.

NADA UPDATE

Darvish Moving to NADA Board

(Continued from page 1)

Isuzu in Belair who represents Maryland and Mike Martin of Dudley Martin Chevrolet who represents Virginia.

WANADA congratulates Tammy Darvish on her upcoming NADA assignment, and commends Geoff Pohanka on a job well done for Washington Area dealers at the NADA Board.

Besides Darvish from the Metropolitan Washington, D.C. Area, the following were elected for the first time to the NADA Board: Cliff C. Goodwin, III, for South Carolina; Ramsey T. Way for Georgia; David Shepherd, for Kansas.

Of the 22 director elections, 18 were re-elected: Tom Johnson, Ariz.; Peter Blackstock, Northern Calif.; John Symes, Southern Calif.; Jeff Carlson, Colo.; Gary Reynolds, Conn.; Joe Hanley, Hawaii; Greg Taylor, Idaho; Rick Gregg, Ill.; John McEleney, Iowa; Ray Ciccolo, Mass.; William Adamson, Minn.; Butch Oustalet, Miss.; Bill Fox, N.Y. State; Neale Kuperman, Metropolitan N.Y.; Chuck Eddy, Ohio; David Penske, Eastern Pa.; Doug Knust, S.D.; and George Miller, W.Va.

REMINDER

All Dealers Invited**ADEI Fall Semester Kickoff Lunch**

Wednesday, August 27, 2008, 12:30 p.m.

Montgomery College's Gudelsky Institute

ADEI students, their mentors and service managers are invited to a luncheon meeting to learn about classes that will resume in September. The meeting over lunch will be at Montgomery College's Rockville campus on Wednesday, August 27, 2008, at 12:30 p.m. The meeting is open to all interested dealers, whether they participate in the program or not.

Montgomery College officials and the ADEI representatives will introduce the class instructor, Mike Carretta, provide tours of classrooms and labs, review training materials and the support services available through WANADA.

Please fax the enclosed RSVP to confirm attendance. For more information, contact Bill Belew at WANADA, (202) 237-7200, or bb@wanada.org.

NEWS NOTES

Auto Affordability Hits 28-Year High

With new vehicle buyers turning to cheaper models, Comerica Bank's affordability index is at its highest level in almost three decades, Sub-Prime Auto Finance News reports. The purchase of an average-priced new vehicle took 23.1 weeks of median family income in the second quarter, down 0.9 weeks from the first quarter and 1.9 weeks compared to a year ago. Including finance charges, the total cost of buying an average-priced light vehicle was \$27,704 in the second quarter. Last quarter, it took fewer weeks of work to purchase a new car than in any quarter since early 1980.

"With gasoline prices soaring, interest rates on car loans rising and the economy wobbling, those consumers who are still in the market for a new vehicle are opting for less expensive models," explained Dana Johnson, chief economist at Comerica Bank. "Excluding finance costs, the average amount spent on a new car dropped another \$700 to \$23,900 last quarter and is now at its lowest level in three years. Consumers also are holding down their monthly payments by extending the average maturity of their car loans to 63.5 months, an increase of about two months over the past four quarters."

Driving Less in America

As gasoline prices were hitting record levels in June, Americans were hitting the brakes. The L.A. Times reports. The Federal Highway Administration said that U.S. motorists drove 12.2 billion fewer miles in June than in the same month a year earlier, a drop of 4.7 percent. It was the eighth consecutive monthly drop and the biggest June decline ever, the agency said.

"They're staying home in droves," Doug Hecox, a spokesman for the highway administration, said of the nation's drivers. He noted that the drop in June was particularly significant because the summer months rank historically as the busiest times for road travel in the U.S.

The falloff in driving "is consistent with the fact that gas prices were going up so quickly and to such a high level," said Elaine Beno, a spokeswoman for the Automobile Club of Southern California.

SIGN UP TODAY!

The Used Vehicle Market in Today's "Bear Market" Economy Sign Up for a Timely & Informative WANADA Member Seminar! Tuesday, September 9, 2008, The McLean Hilton

How have skyrocketing gas prices affected used car sales, to say nothing of used light truck sales? How about tightening credit on the used vehicle consumer's ability to get financing? Has the stalled real estate market turned the overall economy enough sideways to negatively impact vehicle sales, or are the housing slump, the credit crunch and unprecedented high gas prices the "perfect storm" that has brought about the current "bear market?"

Hear these topics and others discussed at this WANADA dealer seminar, Tuesday, Sept. 9, 2008, 9:00 - 11:00 a.m. (check-in starts at 8:30 a.m.) at the McLean Hilton. The seminar will be presented by the widely respected Tom Kontos, executive vice president for ADESA Auctions, a WANADA Kindred-Line member. Mr. Kontos will host what promises to be an insightful and lively seminar on the used vehicle market during the current economic slow-down. Special emphasis will be put on key market factors such as dealer trades, rental vehicle volume, rate of repossessions and the impact of major automakers and credit sources stepping back from vehicle leases.

The cost of the seminar is \$35 per person, and \$25 pp for each additional attendee from the same firm. For more information, contact Kristina Henry at WANADA: (202) 237-7200, kh@wanada.org



ADESA's Tom Kontos.

UPCOMING SEMINARS!

Mark Your Calendars Now for These Upcoming WANADA Fall Events

- **Thursday, September 18 - Red Flags Webinar** in conjunction with the NADA Legal Group
- **F&I Workshop, Wednesday, September 24**
- **Thursday, September 25: DC & Maryland Tag and Title Seminar:** Learn all about recent developments and new laws that take effect October 1, and procedural changes from officials at both the DC and Maryland DMVs.
- **October 22 & 23: Lifeline to Profits Seminar** in conjunction with NADA

Registration for the 2009 NADA Convention Off to a Good Start!

NADA reports that three hotels are already sold out and sales of exhibition space are strong for the 2009 NADA Convention & Exposition in New Orleans Jan. 24-27. Since Hurricane Katrina, more than \$1 billion has been invested in hotel renovations. More restaurants (913) are open in the city today than before Katrina, and the French Quarter is as up and operating as ever. "The heart and the core of New Orleans ... looks better than it did before the storm," says Stephen Perry, president and CEO, New Orleans Convention and Visitors Bureau. For more information, go to www.nada.org.

Thought for the Week...

I just wanted to do something nobody else did before.

—Michael Phelps, U.S. Olympic Swimmer & Record Holder

Enclosures:

- **ADEI Fall Semester Kickoff Lunch Information Sheet and RSVP**
- **Used Vehicle Market in Today's "Bear Market" Economy Seminar Brochure & Reg. Form**