

### **Headlines...**

**More jobs in the Washington DC area**  
**Car owners more diligent on making payments**  
**APR on auto loans around the country**  
**Federal government proposes report card grades for new vehicles**  
**Reminder – MADA/ WANADA dealer briefing**  
**Last call – Michael Wilbon/James Brown celebrity golf classic**  
**WANADA Labor Day schedule**  
**Reflections from Bethany, Labor Day Weekend, 2010...**

## **More jobs in the Washington DC area**

The District, Maryland and Virginia all saw healthy job gains in July, despite mixed numbers on unemployment rates nationwide, according to U.S. Department of Labor (DOL).

In a report issued Friday, the DOL noted that the labor force in the District grew to 342,000 in July, a net gain of 2,000 jobs and that in Maryland the workforce swelled to 3.01 million, a gain of 36,000 jobs. Virginia's labor force rose by 21,000 from June and stood at 4.23 million in July, up 21,000 from June, the department said.

The DOL reported a slight rise in the national unemployment rate to 9.6 percent for July and said the unemployment rate in the District fell to 10.3 percent in July, down from 10.5 percent in June. It said that in Virginia, the unemployment rate was unchanged at 7.1 percent, while in Maryland the unemployment rate rose from 7.3% to 7.6 %, as more people renewed their search for work, a phenomenon that often happens as economic prospects improve. Interesting, too, is the significant gain in Maryland jobs with unemployment rising there.

## **Car owners more diligent on making payments**

**Declining delinquency rate suggests motorists gaining control of their finances**

Auto loan delinquency rates are falling and U.S. motorists are doing a better job of getting auto loan payments in on time.

The auto delinquency rate rose sharply in recent years as the economy worsened, leading to such tight credit requirements for car buyers that it took a nearly perfect credit score to secure a loan.

Recent reports indicate that credit tightening has had the desired effect and delinquency rates are dropping. According to TransUnion, one of the three big credit reporting agencies in the U.S.,

the late loan payment rate dropped to 0.53% during the second quarter of this year, down from 0.73% during the April – June period in 2009.

As is normal, rates varied widely across the country, from a minimal 0.28% in North Dakota to 1.05% in Mississippi. But, significantly, the delinquency rate rose in only three states, Rhode Island, Utah and Montana.

TransUnion’s review of 27 million credit records also shows that the number of car loans written during the second quarter rose by about 18.7%, while the actual amount financed increased by \$84, to \$12,643. That’s less than the inflation rate in the automotive sector and suggests either that buyers are making larger down-payments or were focused on financing vehicles with larger incentives.

TransUnion is predicting that delinquency rates will rise again for the second half of 2010, but that this was to be expected. The industry routinely sees a decline in late loan payments during the first half of the year, while delinquencies are more likely to rise between July and December, especially going into the holiday season, when there are other needs competing for household dollars.

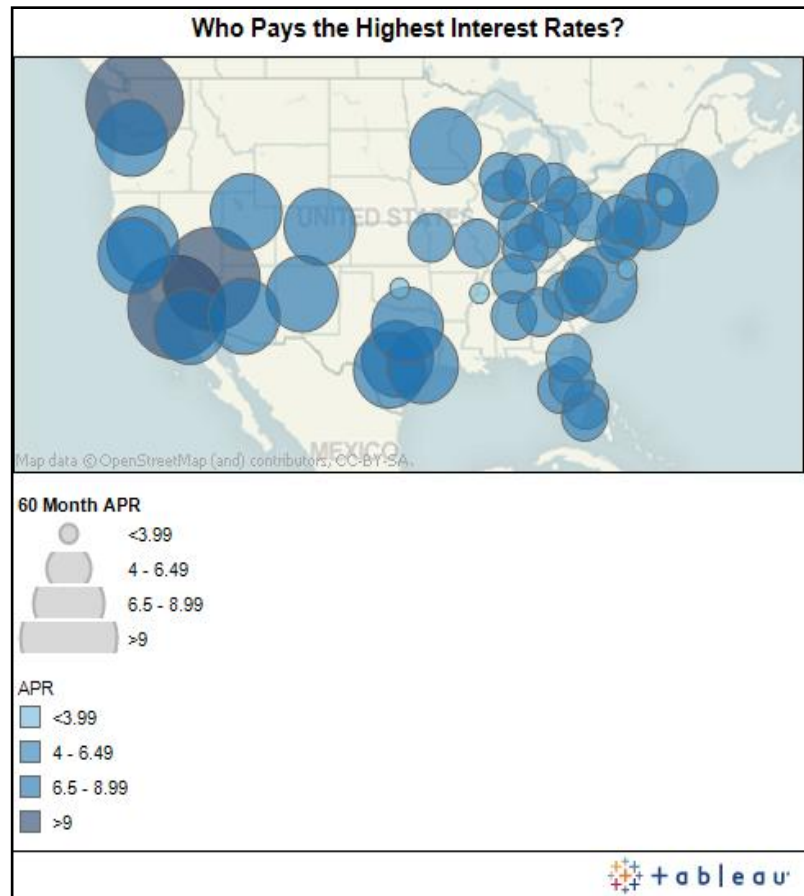
## APR on auto loans around the country

The map below shows the average annual percentage rate (APR) in loans to car buyers among the 50 largest markets in the country, according to Bankrate, a partner of the auto website Cars.com.

The highest rates are concentrated on the West Coast, with Los Angeles residents seeing an average of 9.55% APR and Las Vegas residents paying the highest APR in the country at 9.58%.

The lowest APR rates are to be found in areas like Memphis, Tenn., at 3.97% or the metro areas of Norfolk, Va., and Hartford, Conn., which have the lowest APR in the country at 3.49%.

Rates are based on a \$22,000 loan with a term of 60 months with a down payment of 10% provided to a consumer with no other relationship to the lender, who has average income and a credit score of 700 or higher for the purchase a new car.



## Federal Government proposes report card grades for new vehicles



The Department of Transportation (DOT) and the Environmental Protection Agency (EPA) are proposing a new approach to fuel economy window sticker for cars and trucks, beginning in model year 2012. The government agencies are developing two window sticker ideas; one that will indicate not only the vehicle’s fuel economy, but the total greenhouse gas emissions that are involved with producing and distributing vehicles, and the other the vehicle’s fuel economy compared to others in its class.

Both labels have also been designed to better incorporate new vehicle types that aren't represented well by the current labels, including mainly electric and plug-in hybrid vehicles. It would translate the energy usage of such vehicles into miles per gallon equivalent, or MPGe.

Of greatest controversy, however, is the proposal to prominently include a letter grade that corresponds to a vehicle's overall environmental performance.

Several manufacturers have already indicated they will oppose this approach and NADA has stated publicly it will do so on the grounds that the letter grades “will confuse the buying public, make vehicle purchasing decisions more difficult or treat certain

automakers or fuel types unfairly.” Dave McCurdy, CEO of the Alliance of Automobile Manufacturers, which represents Toyota, GM, Ford and eight other automakers, said Monday the rating system “falls short because it is imbued with schoolyard memories of passing and failing.”

On the other hand, Hyundai Motor America CEO John Krafcik Thursday praised the plan saying that, "for those automakers who choose to focus on fuel-efficient segments (of the car market), this grading system is a good thing."

Last month, Krafcik announced Hyundai planned to boost the fuel economy of its fleet to at least 50 miles per gallon by 2025. In 2008, Hyundai led the industry in the United States with a fleet wide fuel economy average of 30.9 mpg, ahead of Honda Motor Co.'s 30.1 mpg and Toyota Motor Corp.'s 29 mpg.

### Reminder - MADA/WANADA Maryland dealer briefing - Sept. 16 Greenbelt Marriott

A joint MADA/WANADA briefing for members with operations in the Maryland suburbs has been calendared to review new and existing state regulations, the upcoming mid-term elections and what might be in store for the 2011 state legislative season. The Maryland dealer briefing has been scheduled for September 16, 2010 at the Greenbelt Marriott.

The briefing will include presentations from MVA representatives who will discuss the new temporary tag procedures and the status of Cal/LEVs.

There is a \$25 per person charge to attend the briefing, where Coffee and Danish will be provided. Registration begins at 9:00 am, with the program commencing at 9:30. Dealers can pre-register by completing the attached form and faxing it to Kristina Henry at (202) 237-9090. For more information, please contact Ms. Henry at (202) 237-7200 ext. 18, or [kh@wanada.org](mailto:kh@wanada.org)

## Last call - Michael Wilbon/James Brown celebrity golf classic

Friday, September 10, 2010

WANADA members are reminded that they are welcome to join Michael Wilbon, *The Washington Post* sports columnist, and co-host of the popular TV sports show “**Pardon The Interruption,**” and Washington’s own James “JB” Brown, co-anchor of “**Fox NFL Sunday,**” on Friday, September 10, 2010 at The Golf Club at Lansdowne, VA benefiting the DC College Access Program (**DC-CAP**).

The tournament co-hosts will be joined by WANADA kindred line member Don Graham, chairman of The Washington Post Company, and Martin Kady, who all will remember from his many years as senior advertising manager for automotive at *The Washington Post*.

WANADA members will have an opportunity to play golf with a host of celebrity and sports guests, including Mike and “JB,” enjoy a “19<sup>th</sup> hole” party and auction, while contributing to a worthy cause. **DC-CAP** is a privately funded, nonprofit organization that gives every DC public and public charter high school student a chance for a college education. Since its founding in 1999, **DC-CAP** has awarded more than \$21 million in scholarships and helped more than 15,000 students enroll in college, 3,000 of whom have already graduated.

Anyone who would like to become a sponsor, purchase an individual ticket (\$500) or make a donation, please contact Nick Cericola at 202.719.8068 or [ncericola@oai-usa.com](mailto:ncericola@oai-usa.com). To learn more about **DC-CAP**, visit its website at <http://www.dccap.org/>.

## WANADA Labor Day schedule

The WANADA offices will be closed for the Labor Day holiday, September 6, and reopen on September 7.

### Reflections from Bethany, Labor Day Weekend, 2010

Few things are more singularly spiritual than a rainy day run on the beach.



# Maryland Dealer Briefing On Regulatory Matters

Thursday, September 16, 2010

Greenbelt Marriott

6400 Ivy Lane

Greenbelt, Maryland 20770

Get updated on the latest pending and current Maryland laws that affect you and your dealership.

Registration: 9:00 to 9:30 a.m. Session: 9:30 until 11:00 a.m.

Cost: \$25 per person

**TO REGISTER, PLEASE RETURN THIS FORM**

**WANADA, 5301 Wisconsin Avenue, NW, Suite 210, Washington, DC 20015**

**Fax (202) 237-9090**

For more information, please contact Kristina Henry at WANADA, (202) 237-7200 ext. 18, [kh@wanada.org](mailto:kh@wanada.org)

Attendee(s) \_\_\_\_\_

Dealership \_\_\_\_\_

Submitted by \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_ Email \_\_\_\_\_

**Method of Payment:**

**Check** Enclosed \$ \_\_\_\_\_ Make checks payable to: Washington Area New Automobile Dealers Association

**Credit Card** (Visa, AMEX, MC, Discover) (Circle one) Credit Card \_\_\_\_\_

Exp Date \_\_\_\_\_ Security Code \_\_\_\_\_

Name as it appears on card (please print)  
\_\_\_\_\_

Billing Address  
\_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Signature \_\_\_\_\_ Amount to be charged \_\_\_\_\_ **Please bill us** \_\_\_\_\_

**Don't Miss  
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