

**CREDIT CRISIS**

## NADA Chairman Urges Prompt Action on Rescue Plan

*“Action Is Better Than No Action,” Says Sykora*

**N**ADA Chairman Annette Sykora called on the federal government to move swiftly to implement the \$700 billion bailout plan approved by Congress to ease a credit crisis that she said is crippling the retail auto business. “If the country can break the credit freeze on Wall Street, then [dealers] can revive the economy on Main Street,” said Sykora, owner of two multi-franchise dealerships in Texas.



“The rescue package is designed to free up credit markets, and while it’s too early to know whether the fix will work, the credit crunch on Main Street is real,” Ms. Sykora said. “One thing is certain: action is better than no action,” she concluded.

Speaking to the Detroit Automotive Press Association last week, Sykora emphasized that it’s becoming increasingly difficult for both dealers and consumers—even for those with good credit—to obtain financing. And the situation has shaken consumer confidence.

She called credit “the lifeblood of this industry,” which dealerships need to finance inventory from the manufacturers, and consumers need to buy cars. She pointed out that 94 percent of buyers rely upon financing when purchasing a

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**GOING GREEN**

### Ourisman Environmental LLC Launches “Gas Up at Home” (Naturally)

**T**he convenience of fueling up at home and driving a car that gets great mileage and pollutes less than any other on the road today is about to become a reality for some new car



buyers in the Washington Metropolitan Area. Beginning in October, Ourisman Environmental LLC will begin selling and installing “at home” refueling appliances for buyers of Honda’s Civic GX model, a vehicle that runs on compressed natural gas (CNG) and is capable of traveling 230 miles on a single tank of the fuel.

The Ourisman Environmental home refueling system consists of a gas compressor hooked up to the natural gas line of conventional home heating systems that will be capable of “recharging” the Honda Civic’s GX tank overnight. Ourisman Environmental’s installation of the “state of the art” home refueling system will be on a hassle-free, turn-key basis with all work done by professionally licensed plumbers/electricians. The permitting for the device will also be taken care of by Ourisman Environmental LLC.

CNG is an abundant, clean burning fuel that is sourced nearly

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**CREDIT CRISIS****Sykora**

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vehicle, and car and truck sales account for 20 percent of the nation's retail economy. "It is critical that we have liquidity," Ms. Sykora said.

The current credit crisis and other economic factors already has caused some attrition in the national dealer ranks. "We're likely to lose some dealerships this year," Sykora said. Before the financial crisis set in, there were profitable dealers that closed because the value of their land was high, she said, but many other closings are being driven by the real-estate meltdown.

The national vehicle sales picture also impacted Ms. Sykora's remarks on the pending nationwide fuel economy standards, which NADA supports, according to *Automotive News*. "Until customers actually buy these new vehicles covered by (the National Highway Traffic Safety Administration's) proposal, the fuel economy and climate advantages associated with those vehicles won't be realized," she said.

Chairman Sykora responded positively to the prospect of the federal stimulus dollars not having the desired effect. "My dealer DNA makeup doesn't allow me to think that way," she said. "I think there's a light at the end of the tunnel, I just don't know how long the tunnel is."

**NADA Credit Crisis Talking Points**

"We all recognize that these are extraordinary times, with economic events moving very fast. Over the past few days, NADA made a big push to increase liquidity. Now we need to shift our messages to include the positive points that it's a great time to buy a car and that credit is still available, without ignoring the credit crunch. With this in mind, we've developed a new set of talking points that you may find helpful with the media and your customers," says NADA Chairman Annette Sykora

1. This is actually a great time to buy a car. There are plenty of incentives that lower the cost of a new car or truck. Dealers can help you get financing. And the quality of today's cars and trucks is the best ever.
2. We're encouraged by the U.S. credit rescue plan, but we need it to be implemented as quickly as possible to ease the credit crunch.
3. Credit is the lifeblood of the auto industry.
4. Expand access to credit and you will restore consumer confidence.
5. If the credit situation can be eased on Wall Street, then auto dealers can help revive the economy on Main Street.
6. Auto sales account for \$690 billion of the U.S. economy. That's 20 percent of all retail sales in the U.S.
7. We're encouraged by the Fed's decision to cut the short-term interest rate by half a point. We're encouraged by the Fed's decision to provide more money to banks. And we're encouraged by the fact that a number of regional and local banks and other financial institutions have plenty of money to lend to consumers right now.

**REMINDER****Medicare Part D on Rx Coverage  
Notice Due by November 15**

Dealers are reminded that they *may* be required to disclose to Centers for Medicare and Medicaid Services and send notice to Part D eligible employees prior to November 15, 2008, informing them whether or not your employer sponsored health plan is deemed "creditable."

Creditable coverage refers to a plan that provides prescription drug coverage that is as good or better than the standard Medicare prescription drug coverage established by the federal government. "Creditable coverage," by the way, will be most Rx coverage offered by employers. Prescription drug coverage that is not as good as standard Medicare prescription drug coverage is considered non-creditable coverage. The creditable coverage notification must be provided to all Medicare "Part D eligible individuals" covered, or applying for coverage, under the employer's prescription drug benefits plan. While Medicare is only available to those 65 and older, employers should serve notice on all employees. A sample notice is available at <http://www.cms.hhs.gov/CreditableCoverage>.

The 2009 Medicare Part D annual open enrollment period is from November 15, through December 31. Employers need to review their prescription drug plan(s) and issue a creditable or non-creditable coverage notice to those employees and/or retirees who are Medicare eligible on or before November 14, 2008. That way, during the annual enrollment period, these Medicare beneficiaries will be able to decide if they should enroll in a Medicare Part D plan.

Should you have any questions regarding this requirement, please contact Dan Slaughter at WANADA Insurance Programs, (202) 237-7200, or [ds@wanada.org](mailto:ds@wanada.org).

## WANADA TECH TRAINING UPDATE

## Field Trip to the Future for Ballou Tech Students



Clockwise from above, left: DARCARS Chrysler-Jeep Service Manager Bill Amos starts the dealership tour in the showroom, then off to the parts department (above, center); service shop where Troy Summers explains the tools used (above, right) and the body shop (far right). At right, Ballou and ADEI graduate Bernard Chriss, now a successfully employed tech at DARCARS, chats with Aletta Samuels of DOES.



Halfway through a ten week pre-apprentice course at Ballou High School, sponsored by the District's Department of Employment Services (DOES) and supported by WANADA for the past nine years, 20 adult students in two groups participated in a real world field trip to DARCARS Chrysler-Jeep in Marlow Heights, where they got a good look at the opportunities available to them in their future dealership careers.

The tour was led by DARCARS Service Manager Bill Amos, a longtime participant in WANADA technician training, who took the time to show the students all dealership operations, from the showroom to the parts, body and service departments. "The students asked a lot of questions about how the business operations were run, what training is offered, how much money they could make," said Mr. Amos. "Those are the qualities we are looking for," he said.

To drive the point home that these are real career opportunities, the group also met with Bernard Chiss, a 2006 graduate of Ballou and a successful ADEI trainee now working as a technician at DARCARS Chrysler-Jeep.

Qualified completers of this program are eligible for WANADA's Automobile Dealer Education Institute's (ADEI) technician training program at Montgomery College or Northern Virginia Community College.

**For more information about "growing your own techs" through WANADA's training program, contact Bill Belew at WANADA, (202) 237-7200 or [bb@wanada.org](mailto:bb@wanada.org).**

## GOING GREEN

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100% in North America. It offers an economical and environmentally friendly alternative to foreign oil and gasoline, but its availability for automotive uses is not widespread in this country, notes Benjamin Ourisman, a principal of the company. Our home refueling system addresses that shortcoming. You can now avoid the hassle of searching for gas and CNG stations and save on fuel costs at the same time, he says. Natural gas is the cleanest burning commercially available fuel and costs about half of what gasoline costs.

Honda is the only car company that currently produces a car configured to run on CNG (it will produce 1,500 to 2,000 Honda GX models this year) but Ourisman says their home refueling system will work for any other automaker choosing to offer such vehicles. The Ourisman dealerships currently hold 25 separate automotive franchises in the metropolitan area. "We are committed to being the leading solutions provider for consumers choosing alternative fuel vehicles in the Metropolitan Washington, DC area, Ben Ourisman says.

"The entire alternative fuel vehicle ownership experience must exceed expectations...from the initial order for the vehicle to the home refueling system installation and through many years of clean burning, economical and environmentally friendly operation," says John M. Ourisman, CEO of the Ourisman Company. "I own a natural gas powered vehicle, fill it with CNG at home and drive it every day. It feels good making a difference and it's relatively easy to do," he says.

For more information go to: [www.greencarDC.com](http://www.greencarDC.com) or contact Benjamin Ourisman at [BJO@OurismanCo.com](mailto:BJO@OurismanCo.com).



**REGISTER TODAY!****WANADA Annual Meeting & Luncheon***Monday, November 17, 2008***Marriott Wardman Park Hotel****Featuring Political, Business, and Financial Expert Barry Asmus  
Speaking About *The New World Order***

Washington Area new auto dealer principals, key managers, and business associates will not want to miss WANADA's 2008 Annual Meeting and Luncheon. Our featured keynote speaker is Dr. Barry Asmus, a noted writer and political, business and financial authority who was named by *USA Today* as one of the five most requested speakers in America. Expect an enthusiastic and energy filled presentation hot on the heels of the 2008 election season (and, hopefully, the credit crisis).

Mark your calendars right now for lunch with your fellow dealers in the WANADA membership on Nov. 17, and be ready to gain a better understanding of where the U.S. and the world are heading economically and politically in these uncertain times. Hear, too, what your WANADA organization has been about, while networking with dealer peers, business supporters and friends at this great once-a-year dealer group gathering.

Tickets for the WANADA Annual Meeting and Luncheon are \$125 per person, with a table of ten discounted to \$1,150. For more information and registration see the enclosed form, or register online at [www.wanada.org](http://www.wanada.org). Questions can be directed to Kristina Henry at [kh@wanada.org](mailto:kh@wanada.org).

**Membership Directory Data Changes***Please Respond By October 31*

WANADA thanks all the members who responded to our request to update their information for our Membership Directory, and we urge *those who have not responded* with their updated information to please do so. All responses received prior to October 31, 2008 will be included in the new directory.

The following dealer member information will be included in the directory: Company Name, Address, Telephone Number, Email Address, Fax Number, Website, Usual Representative, Associate Representative (additional \$60 per year), Product Line(s) Sold (for dealer members), and Membership Activity (for Kindred-Line members).

Responses for the Membership Directory should be sent to Bill Belew at WANADA, via fax, (202) 237-9090, or email, [bb@wanada.org](mailto:bb@wanada.org).

**Position Wanted: General Manager, General Sales Manager, Used Car Director**

A former executive with Bill Heard Chevrolet with over 20 years experience in automotive sales and dealership management desires a position in the Washington Metropolitan Area. For more information and a resume, contact John O'Donnell at WANADA, (202) 237-7200, or [jod@wanada.org](mailto:jod@wanada.org).

**Thought for the Week...**

*The only function of economic forecasting is to make astrology look respectable.*

**-- John Kenneth Galbraith**

**Enclosure**

**WANADA Annual Meeting & Luncheon Registration Form  
Halloween SoberRide Posters**