

REGULATORY ALERT

FAA Inspecting Dealerships for HazMat Certification

Kip Prah & Associates (KPA) reports that, although the Federal Aviation Administration, an agency within the Department of Transportation (DOT), does not often get involved with automobile dealerships, many of its clients have reported visits from the FAA within the last month in response to recent shipments of hazardous materials from the dealership's parts department.

"It appears that the FAA has increased their inspection program due to the recent terrorist threats and resulting arrests that occurred in the UK last month," said KPA in a September 18, 2006 Client Alert.

"The United States Code of Federal Regulations CFR Title 49 Parts 171-180 explains that anyone who 'causes' hazardous materials to be shipped in commerce is considered a hazardous materials employer, and thus must provide DOT hazardous materials training for their em-

ployees involved in this activity. For those clients who think that this training requirement does not apply to them, we say try explaining that to an FAA inspector - and good luck at that," said KPA.

KPA warns that if an FAA inspector shows up at your dealership to verify DOT hazmat certification, you must be able to demonstrate that those employees involved in the transport of hazardous materials to or from your facility have been DOT hazmat-certified and that the certifications are current.

Failure to produce such documentation may result in enforcement actions, which typically include fines. "Since real world accidents have a way of eliminating legal statutes, don't let your dealership be the next dismal statistic," said KPA.

The KPA alert offers a brief summary of dealership responsibilities concerning hazardous materials training and how to respond to an FAA inspector. For more information, contact KPA's Maryland office at 877-548-0372.

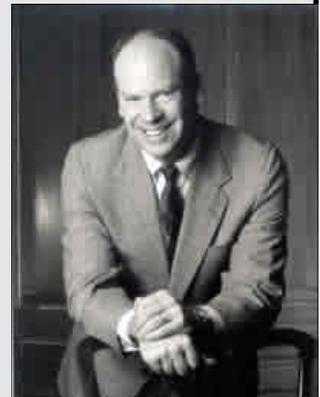
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PLAN ON BEING THERE!

WANADA Annual Meeting & Luncheon, Tuesday, Nov. 14
Featuring Keynote Speaker
Editor in Chief Knight Kiplinger

Washington area new car dealer principals, kindred-line affiliates, associates, key managers, and business friends will not want to miss WANADA's Annual Meeting and Luncheon, Tuesday, Nov. 14, 2006 at the McLean Hilton in Tysons Corner, VA. The keynote speaker will be Kiplinger Publications Editor in Chief Knight Kiplinger, one of today's best known and highly regarded investment and economic speakers. For more information and reservations, see the detail and RSVP sheet enclosed with this WANADA Bulletin.



Total-Loss Disclosure Bill May Move in Lame Duck Session

Rep. Cliff Stearns (R-Fla.), the sponsor of H.R. 6093, the Damaged Vehicle Information Act, indicated in a letter to House colleagues last week that he "plan[s] to move this legislation to the House floor in the remaining weeks of the Congress" if there is sufficient support for the bill.

To help Rep. Stearns advance this legislation, NADA urges dealers to encourage their representatives to co-sponsor H.R. 6093 when the House reconvenes in early November. House members are now in their home districts running for reelection, so dealers have a perfect opportunity to approach them and ask them to support the Damaged Vehicle Information Act. Dealers are encouraged to attend local events and visit their representatives' district offices.

The more support NADA can generate for the bill — especially co-sponsorship — the better chance we have that the bill will move. Call the NADA Legislative Affairs office at 800/563-1556 or e-mail legislative@nada.org for more information.

KINDRED KORNER

Beers & Cutler's Automotive Services Group

Celebrating its 30th anniversary this month, Beers & Cutler's Automotive Services Group provides Washington area dealers with the tax, audit and consulting services they need to grow their businesses, protect their assets, minimize taxes and most importantly allow them to focus on their business.



Beers & Cutler partners (from left) Brad Nicklin, Scott Barnard, and Ed Offterdinger.

"I, along with our entire automotive team, enjoy the entrepreneurial spirit and commitment demonstrated by the dealers of WANADA," said Ed Offterdinger, Beers & Cutler's managing partner.

"Growing and managing a dealership in today's business environment can be a challenging endeavor, and WANADA serves as a valuable resource to help its members succeed. We have been Kindred-Line members of WANADA for many years. Our involvement with WANADA's team and programs has been an important factor driving our growth," Offterdinger added.

Beers & Cutler effectively blends deep tax and audit expertise with automotive industry knowledge to help the region's leading dealers address the unique tax and business issues they face. Its Automotive Services Group assists dealers with acquisition support and due diligence, financial statement services, internal controls programs, benchmarking, cost segregation studies, asset management strategies and operational reviews. As a member of Auto Team America, a "20 Group" for accounting firms, Beers & Cutler believes it provides clients with best practices from the leading dealer advisors across the country.

In addition to its Automotive Services Group specialists, Beers & Cutler also has experienced professionals to assist dealers with the issues and planning related to real estate, wealth, estate and succession.

Scott Barnard, Brad Nicklin and Ed Offterdinger can be reached at Beers & Cutler, 8219 Leesburg Pike, Suite 800, Vienna, VA 22182; phone: 703.923.8300; website: www.beersandcutler.com.

How Did Your Child Safety-Seat Event Turn Out?

Thousands of dealers across the country participated in Child Passenger Safety Month last month by hosting a child safety event. NADA would like to hear how your event turned out. Was it well received in your community? How was the turnout? Did it generate local media coverage or other attention? Were the NADA materials helpful?

Please share your experience by e-mailing rwhite@nada.org. Include your dealership name and contact information. Suggestions and photos are also welcome. Your feedback will help us make next year's Child Passenger Safety Month even more successful. NADA appreciates your help in protecting our youngest passengers and enhancing dealer image along the way.

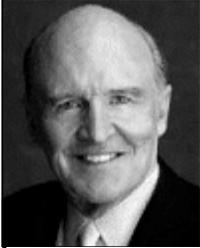
NADA NEWS

American Honda's Richard E. Colliver to Deliver Keynote Speech at NADA's 2007 Convention

Speakers also include Jack Welch, FDNY Chief Richard Picciotto, Sugar Ray Leonard



Richard Colliver



Jack Welch



Ray Leonard



Picciotto

Richard E. Colliver, executive vice president of American Honda Motor Co., Inc., will be the keynote speaker at NADA's 90th Annual Convention and Exposition, in Las Vegas, February 3-6, 2007. Joining Colliver in the convention speaker lineup are: Jack Welch, former chairman and CEO of General Electric Co. (GE); Richard Picciotto, New York City Fire Department chief and the highest-ranking firefighter to survive the World Trade Center Collapse; and Sugar Ray Leonard, former professional boxing champion.

Colliver will present his views on the state and future of the industry and his company, as well as its relations with dealers, at the convention's Opening General Session, on Saturday, February 3. "Richard Colliver is a true industry leader who has been instrumental in the success of American Honda, and we're very pleased that he'll share his insights and expertise at our industry's most important event of the year," said NADA Chairman William Bradshaw.

Jack Welch, who will address the convention on Monday, February 5, transformed GE into a dynamic powerhouse in his 20 years at the company. Drawing on his vast experience at the top of the business world, he will illustrate what it takes to be a leader and provide strategies for success.

Boxing champion, Ray Leonard, who will speak at the General Session, Saturday, February 3, is currently the host of the reality show, "The Contender," and is one of the most sought-after motivational speakers in the world. WANADA remembers him as its spokesman for sober driving several years ago. At NADA, he will explain the lessons he learned during 20 years in the ring.

Chief Richard Picciotto, who will deliver his remarks at the Inspirational Session, Sunday, February 4, was the last fireman to escape the North Tower on September 11. His book, *Last Man Down*, is a tribute to the 343 firefighters and 2,400 civilians who were lost that day. Chief Picciotto will share his emotional and inspiring account of that indelible day. Registration for the convention is open at www.nada.org/convention.



Save the Date!

WANADA /MADA/VADA Reception at the 2007 NADA Convention Wynn Las Vegas Hotel, Saturday, Feb. 3, 2007, 6-8 PM

Created by hotel impresario Steve Wynn, the lavish, \$2.7 billion Wynn Las Vegas resort is the site of the MADA, VADA, WANADA Reception at the 2007 NADA Convention. Opened in spring 2005, the curved building, sheathed in bronze-tinted glass, stands like a beacon at the northern end of the Las Vegas Strip. A pine-covered artificial mountain, with shimmering waterfalls rises at the entrance. The three-acre Lake of Dreams is illuminated with thousands of color-changing lights in a multimedia show encompassing music, light, art, and natural elements.

And, in addition to dozens of designer boutiques, such as Cartier, Dior, Manolo Blahnik, and Chanel, the resort even features a Ferrari and Maserati showroom.

Invitations will be mailed later this year. In the meantime, mark your calendar now for this fabulous event. Since the three associations have come together at NADA, the pooled resources and economies of scale have raised this party to the level of one of the Convention's best!

FOOTNOTES



More Rotary Support for Apprentices

The Carroll Creek Rotary Club and the Washington Forrest Foundation recently donated \$1,000 each toward the purchase of tools for students in WANADA's technician development program. This is the second \$1,000 donation by the Carroll Creek Rotary, according to Mary Nagle who serves on Rotary's Vocational Committee. Pictured from left at the Carroll Creek Rotary presentation are: Paul Frey, past president; Michael Carolinian; Connie Phillips, president; WANADA's Archie Avedesian; Miguel Sanchez, a technician at Fitzgerald Auto Mall in Frederick, MD, and WANADA's Wil Desjardins.

POSITION WANTED: General Manager, Upper Level Management

A former dealer principal/vice president/general manager with extensive experience in all areas of dealership management is seeking a similar position with a new car franchise in the Washington area. For more information, contact Tom Mann at WANADA, (202) 237-7200.

Halloween SoberRide to Run From 8 p.m. on Tuesday, Oct. 31

Halloween ranks as the country's second leading holiday in the percentage of traffic deaths attributable to alcohol, with 6 of 10 highway fatalities due to drunk driving.

This year's Halloween SoberRide Campaign here, sponsored by the Washington Regional Alcohol Program (WRAP) will run from 8 p.m. Tuesday, Oct. 31 through 4 a.m. on Wednesday, November 1. Just dial 1-800-200-TAXI (8294), or #8294 on cell phones with a DC, Maryland or Virginia area code. SoberRide provides a free cab ride home up to a \$50 fare for callers 21 or older—and SoberRide can't be reserved!

For more information on WRAP and its programs, call (703) 893-0461 or log onto www.wrap.org.

Staying Ahead...

If everything seems under control, you're not going fast enough.

—Mario Andretti

Enclosures:

- WANADA Annual Meeting & Luncheon detail and RSVP sheet
- SoberRide Halloween Posters