

## MD LEGISLATURE SPECIAL SESSION

### MD Dealers Gain *Net-Of-Trade* in Special Session Joint Assn. Effort & Strong Grass Roots Persuade Legislators

In one of the most successful lobbying and grassroots efforts by any business group in the recently concluded Special Session of the Maryland General Assembly, MADA and WANADA succeeded in their number one goal – to secure the net-of-trade, or “trade difference,” in legislation increasing the vehicle title tax from 5% to 6%. Maryland Dealers also scored an important win in the Special Session by defeating a proposed tax on vehicle repair labor.

When the session ended *sine die* at 2:34 a.m. last Monday morning, final compromises and adjustments had been made to the \$1.4 billion in annual tax increases proposed by Gov. Martin O’Malley and approved by the General Assembly.

Through MADA’s website, Maryland dealers and their employees participated in a massive grassroots effort that produced more than 7,000 calls, emails and letters to legislators. This effort bolstered the on-the-

ground lobbying efforts from MADA, WANADA and individual dealers.

“The two sister associations worked hand-in-hand in the halls of the General Assembly to make their case to legislators and the governor,” said WANADA Public Affairs Director Steven Arabia.

“Maryland dealers in the Washington region who are both WANADA and MADA members played a pivotal role in communicating dealer group

goals to key lawmakers from Montgomery and Prince George’s Counties, many of whom hold leadership positions in the General Assembly.”

When all was said and done after only a few weeks, the governor and legislature accepted the trade difference provision in the Special Session.

On other tax fronts, legislators moderated an increase in the state’s top income rate to 5.5% from its current rate of

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## 2008 WASHINGTON AUTO SHOW PRELUDE

### WAS VIP Preview & Gala Links New Cars with Worthy Causes

*VIP Evening Will Benefit Washington-Based Charities*

WANADA will host The Washington Auto Show Charity Preview and Congressional Gala on Jan. 22, from 6 p.m. to 10:30 p.m. at the Walter E. Washington Convention Center. Drawing together automakers, dealers, lawmakers, diplomats and business leaders, this annual event offers Washington’s elected and government officials an insider’s look at the latest breakthroughs in automotive design and engineering – as well as the chance to support numerous health and children’s charities in the Washington Area.

VIP preview patrons will have the opportunity to see hundreds of the latest new vehicles on display *before* The Washington Auto Show, *Engineered for the Future*, opens to the public on Jan. 23. The winner of the Shelby Mustang raffle, donated by the Ford Motor Company and Washington Area Ford Dealers, will be drawn

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## 2008 WASHINGTON AUTO SHOW PREVIEW

**Congressional Gala** (Continued from page 1)

**Last year's Congressional Preview and VIP Reception was a huge success with bigger, better plans for 2008!**

and named during the Gala Dinner Dance segment of the Preview.

“The Congressional Preview and Gala will give our distinguished guests a precursory look at the exciting new innovations in automotive energy and design while raising money for charities that truly need our support,” says Preview Chairman Dennis Rippeon of Ourisman Automotive. Rippeon is joined by his wife, Priscilla and co-chair Tamara Darvish of DAR-CARS Automotive Group. Mayor Adrian Fenty and Michelle Fenty are honorary chairs of the evening.

Proceeds from The Washington Auto Show VIP Preview and Gala will benefit Adoptions Together, Big Brothers Big Sisters of the National Capital Area, Boys & Girls Clubs of Greater Washington, Bread For The City, Life with Cancer, Men Against Breast Cancer, National Kidney Foundation of the National Capital Area, Parkinson Foundation of the National Capital Area, Primary Care Coalition of Montgomery County, Victims' Rights Foundation, Volunteers of America (Chesapeake) and The Wellness Community.

The Preview is sponsored by

the Alliance of Automobile Manufacturers, the National Automobile Dealers Association (NADA), the Association of International Automobile Manufacturers (AIAM), Hargrove Events management and The Washington Post.

Attendees this year will have an option to enjoy a *black tie* dinner, complete with dancing and continuous entertainment. Tickets for the Preview are \$175 per person, and for the Gala, \$350 per person. Invitations will be mailed shortly. For more information, contact Kristina Henry at (202) 237-7200.

The 66th staging of the Walter E. Washington Auto Show will showcase more than 800 new cars, trucks, mini-vans and sport utility vehicles from over 42 domestic and import automakers at the Washington Convention Center. For more information, including dates and hours, visit The Washington Auto Show online at [www.washington-autoshow.com](http://www.washington-autoshow.com)

## **WANADA Again Partners With The Washington Post On the Washington Auto Show**

WANADA is again pleased to partner with The Washington Post to publish *the official* Washington Auto Show Program and is excited to announce that Washington Post Newsweek Interactive (WPNI) will now be the exclusive sales agent for the show website, [washingtonautoshow.com](http://washingtonautoshow.com). WANADA's Auto Show partnership with the Post has been a long and mutually beneficial one. WANADA is proud to now take that partnership *online*. The official program will again be distributed to all in attendance at the show beginning with the VIP Preview & Gala which the Post is also sponsoring. The WAS Program has a long shelf life after the show and is an excellent way to market your dealership and brand to showgoers who will be looking to buy in the coming weeks and months. The show website will receive well over 1 million page views during the weeks leading up to, during, and after the show. It will serve as an up-to-the-minute source of information on all that's going on at this year's show as well as a destination for purchasing tickets. There are multiple advertising opportunities in both the WAS program and the WAS website. The deadline for the Program is December 7 and *online* packages will go quickly. Please contact your TWP sales rep for details or Ethan Selzer at (202) 334-7778 or [selzere@washpost.com](mailto:selzere@washpost.com).

**NADA MONTHLY DEALER OPERATIONS COMMENTARY**

## The Employee Handbook: Introductory Material

In addition to the policies dealers include, other items have become standard components of effective employee handbooks and are usually included as introductory material. Some impart the dealership's philosophy while others just make good legal sense.

- *Welcome Letter, signed by the dealer*

This is an opportunity to convey a sense of team spirit and cooperation. Be supportive and appreciative of current employees and offer a warm welcome to those who are new.

- *Dealership History*

This is an opportunity for you to tell your employees about the origins of your company—when it was founded and by whom; names and locations of other branches; product lines; company growth (sales, units, revenues); be sure to mention awards, community recognition, etc.

- *Introductory Statement and "At-will" Disclaimer*

This statement explains that your handbook is provided as an informational guide for employees and is not meant to create a binding contract. It is also used to help you, the employer, retain your ability to terminate employees "at-will" (i.e., with or without cause) to the extent possible under federal, state, and local law. You should ensure that your statement covers the following points:

1. The introductory statement should state the date the handbook becomes effective and that it replaces all previous handbooks and policies.
2. It should *clearly* state that the policies outlined in your handbook in no way constitute a contract and that they should not be considered as such. (The use of bold or italic type or underlining can help you stress this point.)
3. The statement should explain the dealership's policy of "at will" employment, i.e., that the employee may end his/her employment at any time and for any reason and that the employer has the right to terminate the employee at any time and for any reason within the constraints of federal, state and local laws.
4. Finally, the statement should make it clear that no one but the dealer (or a person specifically designated by the dealer) has the authority to enter into an agreement of employment for any specified period of time or to make any promises of continued or permanent employment. *Note: Remember to use simple language. It is important that all employees fully understand the issues covered in the introductory statement.*

This article is excerpted from *Developing an Employee Handbook* (ER06). To learn more about personnel policies, and to create a professional employee handbook on your own PC, take advantage of NADA's *Policies Now!* program on CD-ROM. Both products can be ordered online at [www.nada.org/mecatalog](http://www.nada.org/mecatalog), or by calling NADA at 800-252-NADA, ext. 2.

## NADA Supports Insurance Industry's Move to Disclose VINs of Stolen Vehicles

NADA applauds the effort of the National Insurance Crime Bureau (NICB) to give consumers the ability to check a vehicle's theft history. NICB, which is a public-private partnership between the insurance industry and law enforcement, uses a vehicle's identification number (VIN) to spot stolen vehicles. While NADA backs this effort, it continues to push for public access to insurance companies' total-loss data to protect consumers from unknowingly purchasing a flood-damaged or severely wrecked vehicle. "NICB deserves credit for making the VINs of unrecovered stolen vehicles available to the car-buying public, but it only solves a small part of the problem," said NADA Chairman Dale Willey, a Kansas auto dealer. "Since insurers acknowledge that access to insurer theft reports is valuable information to car buyers, why shouldn't insurance companies provide data for all severely wrecked, flood-damaged, or insurance-totaled vehicles?"

Since Hurricane Katrina devastated the country's Gulf Coast in 2005, NADA has been urging Congress to require insurance companies to provide consumers access to total-loss data, bringing more transparency to the used-car buying process. Two total-loss disclosure bills that are pending in Congress — Sen. Trent Lott's (R- Miss.) S. 545, and Rep. Cliff Stearns' (R-Fla.) H.R. 1029 — would permanently "red-flag" all totaled vehicles by providing the information to vehicle history providers, such as Experian's AutoCheck and CarFax.

**MD SPECIAL SESSION WRAP UP****Net-of-Trade On Title Tax Comes to MD** *(Continued from page 1)*

4.75%. Gov. O'Malley had proposed 6.5%, and the House plan included a top rate of 5.75 percent. The new top rate was a major concern for leaders in Montgomery County, which is home to more high-end earners than any other Maryland jurisdiction.

The dealer cause was greatly assisted by Sen. James DeGrange of Glen Burnie, who successfully championed the full trade difference in the Senate Budget Committee and House/Senate conference committee. The tax bills squeaked through the Senate by narrow margins, and the House version of the title tax increase would have capped the trade difference at 50%.

There were tradeoffs, however. To get the full trade difference, dealers did not oppose an increase in the title certificate fee from \$23 to \$50. And like all businesses in Maryland, dealers will pay higher corporate income taxes, 8.25%, up from 7%. The original House bill had called for an increase to 8.75% which got reduced.

MADA and WANADA staff along with Maryland dealer leaders Dave Williams of Williams Automotive in Elkton, Sam Weaver of Chevy Chase Cars in Bethesda, Paul Sheehy of Sheehy of Upper Marlboro and George Doetsch of Apple Ford in Columbia, effectively interacted with lawmakers, persuading them ultimately to adopt the trade difference as part of the increase in title tax.

WANADA and MADA thank all the dealers and their employees who took the time to help push the dealer group package through this very intense and contentious Special Session. Michael Johansen and Larry Levitan of Rifkin, Livingston Levitan and Silver also were key players in this tax session success. The regular session of the General Assembly will convene in January.

**ADEI UPDATE: ATTENTION NOVA DEALERS****Get on Board Today for NOVA CC Auto Tech Classes in January**

WANADA Automobile Dealer Education Institute will hold a 16-week auto technician training class at Northern Virginia Community College's Alexandria Campus commencing in January 2008. The class will be *Brakes*, but could also include *Suspension & Steering*, as WANADA works with NOVA CC to further expand its class offerings. The class is perfect for aspiring vehicle technicians in the dealership who want to pursue a career in Auto Technology. WANADA is also equipped to recruit a potential applicant for interested dealers.

For more information contact, Steven Arabia or Bill Belew at (202) 237-7200.

**Staying Ahead...**

*After one look at this planet any visitor from outer space would say  
"I want to see the manager."*

**-- William S. Burroughs**