

WANADA Bulletin # 9-05

March 1, 2005

AUTO SHOW UPDATE

WANADA, Mayor Williams Meet to Plan for 2006 Washington Auto Show

DC Mayor Anthony Williams met last week with representatives from WANADA, NADA and the Alliance of Automobile Manufacturers to begin planning for the 2006 Washington Auto Show (WAS) and its Congressional Gala. The goal is to take the show to tier one status as a world-class, international event.

Mayor Williams, who accompanied a WANADA group to the Paris Auto Show last fall to help promote the WAS, fully appreciates the substantial economic and promotional benefits a major international auto show can have on the host city. He is an enthusiastic proponent of enhancing WANADA's partnership with the city to achieve this goal.

With its new venue in the world class, substantially expanded Washington Convention Center, the 2005 WAS and Gala rose to new heights and set the

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Meeting with the Mayor are, from left, WANADA Executive Committee member Dudley Dworken, Earle Eldridge of DaimlerChrysler, Rob Braziel of NADA, Mayor Anthony Williams, Washington Auto Show Chairman George Doetsch, D.C. Councilman Vincent Orange, Gloria Bergquist of the Alliance of Automobile Manufacturers, WANADA Chairman Dennis Rippeon, and WANADA CEO Gerard Murphy.

IN THE NEWS

NADA Responds to ABC Report on Binding Arbitration

Last week ABC's "World News Tonight with Peter Jennings" aired a four-evening report on mandatory binding arbitration clauses in a wide variety of consumer products and services. The report was generally negative, with Wednesday's report focusing on auto sales.

Anticipating that the report was likely to be negative, NADA provided the following statement to ABC News which dealers may also use to respond to media calls:

"Several years ago the National Automobile Dealers Association successfully urged enactment of federal legislation that affected the unique relationship between motor vehicle manufacturers and auto dealers. This legislation helped to restore laws in

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REGULATORY ALERT**VA Authorization To Purchase Temporary Tags Effective March 30**

In its newsletter, *Dealer Talk*, the Virginia Motor Vehicle Dealer Board is reminding dealers that, effective March 30, 2005, dealer owners and operators will be required to submit the names of *all* dealership personnel who are authorized to purchase temporary tags for their dealership. Temporary tags will not be sold to any dealership employees who have not been reported to DMV prior to the request to purchase. Dealer owners and operators will automatically be registered as authorized purchasers.

The dealer may designate additional employees as authorized purchasers through the Virginia DMV Extranet Dealer Services Renewal application, which dealerships currently use to renew their dealer and salesperson licenses. In addition to the Extranet process, dealers may add or delete personnel by notifying DMV's Dealer Services Work Center by mail or FAX, (804) 367-7046, no phone calls.

If a dealer has signed the Memorandum of Understand-

ing (MOU) and has a "fob" that allows access to the Extranet Dealer Online Renewal to process renewals, the dealer will be required to sign an addendum to the MOU to be able to add or delete authorized purchasers. Dealers who need the initial application package for this access, may contact Janet Williams by email at JANET.WILLIAMS@dmv.virginia.gov or by phone at 804-497-7191. For other questions, contact the DMV Dealer Services Work Center at (804) 367-1833.

Binding Arbitration

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all 50 states that foster voluntary dispute resolution and provide a foundation for the auto retailing system that today meets the transportation needs of millions of consumers. It's important to note that the manufacturers withdrew their initial opposition to the legislation. After intense Congressional scrutiny, the bill passed with broad bipartisan support. NADA supports voluntary dispute resolution. Ultimately, it's about satisfying the customer in the most cost-effective way. Mandatory arbitration is a risk management tool that has developed in direct response to the explosion of litigation in the U.S. The fact is, litigation should always be a last resort, because the current legal system too often rewards trial attorneys to the exclusion of consumers."

Meeting With Mayor

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stage for an expanded 2006 show. The dates have been moved to January 24-29, 2006 – when Congress is in session – to gain greater participation by the nation's lawmakers, international community and senior executives in the manufacturer group.

The change of dates "gives Washington the unique opportunity to become a world stage auto showcase where the industry can annually debut the latest and greatest in automotive design to the US Congress and the federal agencies, right in their own back yard," said WANADA Chairman Dennis Rippeon. The theme of the 2006 WAS will reflect the partnership between the auto industry and the federal government in the areas of clean air, safety and fuel economy.

It is this unique opportunity that has drawn the support of NADA and the Auto Alliance. With their headquarters in or near Washington, and with one of their priority activities to lobby Congress and monitor the federal agencies, these major dealer and manufacturer associations "clearly see intrinsic value in having a tier-one auto show in Washington," says WANADA CEO Gerard Murphy. "In short the nation's auto industry recognizes that the government is its partner, for better or worse. A world-class auto show in Washington would offer a ready-made forum to do business with Congress against the backdrop of a tier-one auto show."

WANADA and DC officials will be meeting with automakers and exhibitors this spring to discuss support and specific plans for the 2006 WAS.

NADA DEALER OPERATIONS COMMENTARY

Sports Fans! Listen up!

Whether you cheered for the Philadelphia Eagles or the New England Patriots in this year's Super Bowl, you know that this event annually showcases the best teams in football. Do you field the best team in your dealership? Are there positions that need more training, fine-tuning, revived focus? Before you go and scout a free agent to join your dealership team, take a look at the prospects already in your business. The next future all-star may be right under your roof. NADA has the right seminar "training camps" to help you put your best business team forward.

Developed to help dealers/dealership personnel respond effectively to current industry trends, NADA's seminars are presented by top industry speakers in cities around the country. Here is a glimpse of one of the many training camps for March.

"Front End" Fixed Operations Training for General Managers, March 15-16 in Phoenix, AZ, is an intensive 1½-day program for general managers and general sales managers, and those on these career paths. NADA Dealer Academy Instructor Randy Brenckman will teach you how to evaluate your current situation and recognize your opportunities while using your dealership's own figures – from the financial statements, repair orders, and parts reports. Attendees will acquire the skills to understand service and parts departments' efficiency and productivity, along with performance planning and department potential.

Stay competitive and at the top of your game when you understand the "how" and "why" of analyzing technician productivity, recruitment, and repair orders. Another critical management area involves monitoring and interpreting parts department level of service and parts turn, both gross and true. Even the experienced general manager will benefit from a refresher on fixed operations.

NADA's Management Education is hosting the following additional seminars in March and April:

- *20 Closes to Close the Deal Now!*, March 22-23, Atlanta
- *Discovering Your Body Shop's Potential*, April 12-15, Phoenix
- *Take Control of Your Service Department*, April 12-15, St. Louis
- *Maximize Profits in Your Used-Car Operations*, April 18-19, Orlando

For details and registration info on NADA seminars for the spring, go to www.nada.org/seminars or call 800/252-6232, Ext. 2. Due to the highly interactive nature of these classes, seating is limited!

WANADA Conducting 2004 Compensation Survey

In order to provide dealer members with timely, helpful information regarding compensation levels for key dealership employees, WANADA has retained NADA to conduct its biennial Compensation Survey for 2004. Survey forms are enclosed with this WANADA Bulletin, which should be filled out and returned to NADA no later than March 18, 2005.

The survey results for the Washington region are sent to WANADA, which will share them with those dealers who participate in the survey. NADA acts only as an unbiased third-party processor of data, and will not release survey results to anyone; WANADA staff are charged with maintaining the absolute confidentiality of the data they receive and process. NADA will retain the information to prepare regional trend information. A management guide containing the regional information and analysis will be sent to all NADA members in August. For more information, contact Tom Mann at WANADA, (202) 237-7200.

ASE Certification Tests

**Automotive Professionals,
Don't miss the opportunity
to take ASE's
Certification Tests!**



Register by
March 25, 2005

Testing on
May 3, 5, and 10, 2005
Over 750 Sites throughout
U.S. and Canada

Register by mail, online or
by toll-free telephone!

Contact ASE Customer Service
at 703-689-6600
ASE, 101 Blue Seal Dr., S.E., Suite 101
Leesburg, VA 20175
Toll-free recorded information:
1-888-ASE-TEST (273-8378)
Register online at www.ase.com

Sign Up Today!**WANADA Privacy and Security Seminar, March 24, 2005**

Have all of your business procedure questions answered on the legal thicket of privacy and security rights and obligations.

- The new privacy rights the FACT Act has created.
- The dealership's obligations under the USA Patriot Act, OFAC, and other national security laws.
- Compliance programs to reconcile customer privacy and national security obligations.

WANADA invites dealer executives, lawyers, and other consultants to an important seminar, Customer Privacy vs. National Security: Reconciling Dealer Obligations Under the Law. Arrangements are set for March 24, 2005, at the Hilton McLean Tysons Corner, 7910 Jones Branch Drive, McLean, VA, from 9:30 a.m. – 12:00 noon.

This thought provoking seminar will be presented by dealer lawyer Michael Charapp, Charapp & Weiss and Paul Metrey from NADA's Legal Group, and moderated by WANADA's counsel, Patrick Kavanaugh, Hamilton and Hamilton, LLP. The cost is \$80 for first attendee, with a discount for others from the same dealership (see attachment). The cost includes a continental breakfast.

Because space is limited, use the FAX-back registration form enclosed with this WANADA Bulletin to sign up today! For more information, please contact Tom Mann (tm@wanada.org) or Barbara Martin (bjm@wanada.org) at WANADA, (202) 237-7200.

MNCTDA Changes Name to Maryland Automobile Dealers Association (MADA)

At its Annual Meeting and Legislative Reception, the MNCTDA membership voted to change the name of the Maryland New Car and Truck Dealers Association to the Maryland Automobile Dealers Association (MADA). MADA will also create a truck dealers subsidiary called Maryland Truck Dealers (MTD).

"The name transfer will be an exciting but slow process," said MADA's *On The Move* online newsletter. "The first important transition will be through the internet. MADA's new website will be www.mdauto.org and staff emails will end with the same domain name. However, everything directed to mnctda.org will be automatically forwarded to mdauto.org for a transitional period. The MADA logo will be similar to the MNCTDA logo, and MADA is in the process of changing business cards, letterheads and publications.

"Even though the transition process will be a slow but thorough one, MADA asks all members [and friends] to start calling the association by its new name so that it registers quickly. We think you'll find it rolls off the tongue a little easier than the old name," said *On The Move*.

Staying Ahead...

"When the going gets weird, the weird turn pro."

—Hunter Thompson slogan

Enclosures:

- NADA Compensation Survey Forms
- ASE Course Information
- Privacy and Security Seminar FAX back sheet