



THE WANADA BULLETIN

NEWS AND INFORMATION FOR AND ABOUT FRANCHISED NEW CAR DEALERS IN THE WASHINGTON AREA

WANADA Bulletin # 9-07

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SAVE THE DATES

Time to Start Planning for WANADA Open, June 4 and Bobby Mitchell Hall of Fame Classic, July 7-8

With a hint of spring in the air, there's no better time to begin planning your summer, and there are two dates WANADA members should add to their calendars right now:

- **Monday, June 4, 2007** for the Annual WANADA Open;
- **The weekend of July 7 & 8, 2007** for the Bobby Mitchell Hall of Fame Classic.

Both events again will take place at the upscale Lansdowne Resort in Leesburg, VA, which features two world class golf courses, one designed by Robert Trent Jones and the second by Greg Norman. The Norman course has been ranked among the "top ten new courses you can play" by Golf Magazine.

The WANADA Open

Moving the Open from May to June last year improved

the odds for good golf weather. Preliminary plans are for an 11:00 a.m. Shotgun Start with a Captain's Choice/Scramble format. Count on great fellowship and good times! A reception and dinner in the new clubhouse will cap the day with awards and some *serious* prizes.

Hall of Fame Classic

Join over 40 Hall of Fame sports legends as they

head to the fairways on July 7 & 8, 2007 for the 17th Annual Bobby Mitchell/Toyota Hall of Fame Classic, sponsored by WANADA. Last year's "Sweet 16" event raised over \$700,000 for the Leukemia & Lymphoma Society, bringing the total raised to fight these deadly blood diseases to nearly \$5 million since the inception of the event—WANADA is proud

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DEALERS IN THE SPOTLIGHT

Jobe Elected Co-Chair, Cadillac National Dealer Advisory Board

WANADA salutes Daniel Jobe, president of Capitol Cadillac and HUMMER and Capitol Buick, Pontiac & GMC in Greenbelt, MD, who was recently elected to co-chair the Cadillac National Dealer Advisory Board (formerly Dealer Council) with Cadillac General Manager Jim Taylor. As chairman of the Cadillac Board, Jobe also becomes a member of the General Motors National Dealer Advisory Board, which includes the chairs of all GM divisions.



Daniel Jobe

Capitol Cadillac is a Washington landmark, founded in 1934 by Daniel Jobe's grandfather Floyd D. Akers at 22nd and M Streets, NW. The dealership moved to its current location in 1979. Daniel followed his father Howard Jobe into the business and has been the dealer principal for the past 17 years. He previously served on the Cadillac Dealer Council, has chaired the Washington Auto Show and currently is a member of the WANADA Board of Directors.

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INDUSTRY TRENDS

Polk Report Shows Vehicle Median Age Rises Again

The median age for passenger cars and trucks continued its steady rise, according to the annual vehicle population report compiled and released by R.L. Polk and Co. Based on an analysis of more than 230 million vehicles, the report said the average age of passenger cars climbed to a record high 9.2 years in 2006, up from 9 years in 2005. The median age for trucks was 6.9 years in 2006, up from 6.8 years in 2005. The report also noted that age of light trucks jumped 3 percent.

"The median age of trucks continues to be lower than cars, due in part to the increased variety of light trucks and SUVs available in the market over the last five years," said Mike Gingell, vice president of Polk's aftermarket team.

"However, the increase in median age for light trucks in 2006 suggests light-truck owners are driving their vehicles longer before considering switching to a car. We anticipate light trucks to continue making up a larger percentage of the vehicle population," he added.

Interest In SUVs, Crossovers On the Rise

A new random survey by Cars.com of over a thousand men and women shows that 21% of consumers who anticipate a vehicle purchase in 2007 intend to buy an SUV or crossover vehicle, potentially showing the change in mood about those vehicles as a result of concern about higher gas prices. The survey also revealed that 24% of its total respondents said they plan on buying a new or used car this year, with SUV and crossover vehicles being the top choice of body style—followed by small sedans (19%), large sedans (11%), compact cars (8%), pickup trucks (7%), and hybrids (6%).

"Manufacturers are doing a good job of making SUVs and crossover vehicles more fuel-efficient, which will be more attractive to consumers," noted Patrick Olsen, managing editor of Cars.com. "However, high gas prices will still be a deciding factor for many undecided shoppers, especially if prices climb again as they typically

do in the summer months," Olsen pointed out. Following vehicle price, company officials said fuel efficiency was the next most important factor considered by consumers when deciding what kind of vehicle to purchase. Other vehicle attributes customers noted in the survey were safety, size and body style.

U.S. Hybrid Sales Rise, but Growth Slowing

Sales of hybrid vehicles rose 28% in 2006, but growth in the segment is starting to slow, according to retail sales data released by R.L. Polk & Co. The Toyota Prius accounted for almost 43% of new hybrid sales in 2006. Overall, U.S. consumers bought 254,545 hybrids in 2006, up from 199,148 a year earlier as gasoline prices spiked to over \$3 per gallon last summer and sales of trucks and SUVs sputtered, according to the R.L. Polk data. But the percentage growth for hybrid sales was the second slowest since 2000, when annual sales were less than 8,000 vehicles, R.L. Polk said. According to the R.L. Polk data, three major California cities—Los Angeles, San Diego and San Francisco—together accounted for 22.3% of all U.S. hybrid sales in 2006.

NADA Chief Economist Paul Taylor reports that more competition among differing hybrid models, fewer tax breaks, a more modest outlook for gasoline prices and new limits on car pool lane use by hybrid drivers in some states may cause a slowdown in the pace of growth of hybrid sales. However, newer hybrid vehicles that feature a lower price premium over traditional gasoline-powered vehicles may help sustain hybrids sales, he said. Revisions that lowered EPA mileage ratings for hybrids may also result in consumers looking more closely at traditional economy cars powered by gasoline or diesel engines, as well as hybrids, in future years. "All of this suggests there will be more competition among hybrids and their competitors in the future, which will help provide more choice and lower prices for consumers," said Taylor.



WASHINGTON AUTO SHOW UPDATE



The Key(s) to Happiness

Not much tops getting a new car, as evidenced by these smiling winners of car contests and prize drawings at The 2007 Washington Auto Show. Above, from left: DC Lottery winner Bennett Craig of Manassas Park, VA, gets the keys to his new Chevrolet Impala from Bob Hainey, Chief of Communications, DC Lottery and Dennis Rippeon and Tim Raymond of Ourisman Automotive. Tommy Nguyen of Silver Spring, MD (far right) was the second prize winner of a bright red Chevrolet HHR. Craig, a police officer at the U.S. Supreme Court, was particularly appreciative since he and his wife just had a new baby. The new vehicle contest was co-sponsored by Washington Area Chevrolet Dealers and the D.C. Lottery.



Above, right: Mark Zetlin, sales manager for the American Service Center, hands over the keys to a luxury Mercedes-Benz ML320 CDI to an elated Colin Miller of Alexandria. Sponsored by the Greater Washington Area Mercedes-Benz Dealers, contestants had to register for the giveaway at the Mercedes-Benz display at the auto show or at any of the six area Mercedes-Benz dealerships.

Although we didn't get photos of the actual Toyota deliveries, this year's Hands On Contest winners "hung on" for 126 hours during the WAS. Above, from left, with their winning "Bingo" cards are Theresa Burke, of Silver Spring who won a new Camry; Avi Guzman, of Rockville, MD, the winner of a new Rav4; and Ben Shapero of Potomac, MD, who won the Yaris. Guzman donated the Rav4 to the American Foundation for Suicide Prevention, which plans to launch a national campaign to raise funds by raffling off the car. A fourth Toyota, a Prius, was awarded in an *online* contest to Christopher Keplar, of Norfolk, VA., the first person to correctly predict the winners of the three other cars on the show's website, www.washingtonautoshow.com.

AWARE Launches Auto Financing Road Map

AWARE (Americans Well-Informed About Automobile Retailing Economics) has developed an *Auto Financing Road Map: A Guide for Teaching Auto Financing in Your Community* for use by educators and other community leaders interested in teaching auto financing in their hometowns. This free kit offers all the resources and tools needed to hold an auto financing workshop – or to simply incorporate some auto financing principles into an existing financial literacy program. To hold an auto financing workshop in your community, AWARE will send you a free *Road Map* by e-mailing info@autofinancing101.org with your mailing and contact information. NADA is a member of AWARE, a coalition formed to build a greater understanding among consumers about how auto financing works.

SAVE THE DATES

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that \$3.2 million has been raised in the six years of the association's involvement as a principal sponsor. With Tamara Darvish of DARCARS again co-chairing the event with Todd Heavner of Enterprise rent-a-car, and a large gathering of Hall of Fame ballplayers expected, Bobby is looking to set another fundraising record this year.

The tournament weekend begins with a special reception on Saturday evening, July 7, featuring a tribute to this year's patient hero and an extensive, well funded silent and live auction. On Sunday, July 9, Hall of Famers will tee off at Lansdowne. And for a five-dollar donation to the Leukemia & Lymphoma Society, the public can come out and cheer for their favorite sports legend and compete in a contest to win a trip to the Hall of Fame.

Dealers can anticipate a letter from Tamara Darvish and more information on sponsorship opportunities as we get closer to the event.

High School Juniors and Seniors Inspired by WAS Dealership Career Fair Interested in Summer Jobs Dovetails with Automotive Career Month April '07

Most of the young people who participated in the D.C. Public Schools Career Fair at this year's Washington Auto Show left the half-day program "wowed" by the career opportunities presented by dealership professionals, automakers and training contractors. Sponsored by Toyota Motor Sales, the career fair drew about 1,000 DCPS high school students, holding their attention and interest with NADA's new DVD *Take the Ride of Your Life!* and a panel of dealership professionals.

"These young people asked the kind of questions that make it clear that the program reached them with the many lucrative career possibilities in our business," said Tamara Darvish of DARCARS, who moderated the presentation. The automobile career presentation was followed up with kiosk displays from major automakers, colleges and training organizations, which were very well received by the students, according to Darvish. The students then ended their day with a VIP tour of the Auto Show.

Career Fair organizers believe many of the student attendees would benefit greatly by summer job opportunities in Washington Area dealerships. Some students would be interested in just that, a summer job, in the case of juniors going into senior year, for example. Others, however, would likely use the summer job experience as a spring board into the automobile business at some level.

An open letter to dealers from Tamara Darvish about the summer job possibilities is enclosed with this Bulletin.

This is a timely coincidence for dealers, given that NADA is planning to roll out Automotive Career Month in April, 2007. NADA will be sending all dealer members Automotive Career packages that contain event planning suggestions and personnel recruiting strategies. Additionally, the entire kit will be available online at www.nada.org/careers.

Staying Ahead...

My karma ran over your dogma.

—Anonymous

Enclosures:

- Open Letter to Dealers from Tamara Darvish
- ASE Certification Registration Booklet, Newsletter and Poster
- St. Patrick's Day SoberRide Posters