

WANADA Bulletin # 12-11

March 28, 2011

Headlines...

Japan disaster production setbacks will ripple to the U.S. Unveiling the new Nissan Leaf in the Washington area Charging EV batteries fast can be as fast as filling the gas tank Save the date, May 16! – The 2011 WANADA Open Updating WANADA's Directory for 2012 Thought for the week...

Japan disaster production setbacks will ripple to the U.S.

A new study suggests that parts shortages caused by Japan's earthquake disaster may reduce global automobile production by about 30 percent. Most of that impact would fall on Japan based automakers, which will in turn impact large vehicle markets in the U.S. like metropolitan Washington. Japanese brands, of course, are very popular here. Indeed, in a market that is heavily import oriented (more than 70 percent), Japanese brands predominate the Top Ten spots in new passenger car sales in the metro Washington area.

If parts plants affected by the quake don't return to operation within six weeks, global auto output may drop as much as 100,000 vehicles a day, said Michael Robinet, vice president of Lexington, Massachusetts based IHS. The industry produces 280,000 to 300,000 vehicles daily, he said.

Honda Motor Co., which has closed two car assembly factories until April 3, is one of the most exposed carmakers. It has 110 suppliers located in the earthquake zone.

Toyota Motor Corp., has shut down all assembly plants in Japan until at least March 26, and has indicated it may need to shut plants in the U.S. as well. The company said it will resume production of three hybrid models in Japan on March 28.

Save the dates!

WANADA Automobile Business Seminar Series:

April 21

Surviving a Factory Warranty Audit

May 21

F&I Certification

General Motors Co. has idled a pickup factory in Shreveport, Louisiana, because of parts shortages. Ford Motor Co. hasn't reported any disruptions yet.

Japan based automakers and parts suppliers produce a significant portion of the electronics and transmission components found in cars today. If carmakers can't find alternate sources of parts,

or if plants don't come on line in eight weeks, as much as 40 percent of daily production may be lost, the IHS study said.

Automakers can make up for one week of lost production with about six weeks of overtime, Robinet said.

Unveiling the new Nissan Leaf in the Washington area

There's a lot to recommend the new EV, "But wait, there's more..."



Chevy Chase Cars will be one of the Nissan dealers in metropolitan Washington getting and selling the all-electric Nissan Leaf when it arrives for sale in showrooms here this fall. At a recent unveiling of what's coming, Chevy Chase Cars principal Sam Weaver talked about why he and Nissan believe the Leaf will be a hot seller.

- 1. "First and foremost, the Leaf runs exclusively on electricity, not gasoline, which at \$4.00/gallon and rising, is very attractive to car buyers.
- 2. "The Leaf also gets 100 miles on a charge that can be done in as little time as 20 minutes with the right electrical charging facilities.
- 3. "And consumer research shows that car buyers like the compact design, along with the array of popular creature comfort options that are available," he said.
- "Yes it's true that the \$35,000 MSRP for the Leaf is a bit steep for a compact car," said Sam. "But wait, there's more!" became his refrain as he ticked off the veritable litany of compelling government incentives now available for electric vehicle purchases which substantially reduce the cost of EV's like the Leaf while providing motorist benefits. To wit, the following:
 - o A \$7,500 federal income tax EV purchase credit
 - o A \$3,500 Maryland income tax EV purchase credit
 - o No title tax for new EVs purchased by Maryland residents
 - o An HOV/rush hour lane pass for EVs, irrespective of the number of passengers in the car

"So here you've got a stylish, loaded compact vehicle with an effective sales price, \$24,000 with electricity charges that are a fraction of the cost of gasoline, and for the average Washingtonian driving 27 miles to work, the Leaf is a real bargain," Sam concluded.

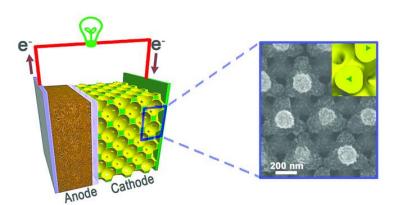
Chevy Chase customers agree, because they're already queued up on a waiting list to grab up the new Leafs that are slated to arrive next October.

For a brief video on the Leaf introduction at Chevy Chase Cars, click on the link: http://vimeo.com/21197109

Charging EV batteries can be as fast as filling the gas tank

Range anxiety, one of the key factors experts cite as holding back electric vehicle sales, may be solved quicker than has generally been thought possible. The reason is because researchers at the University of Illinois have found a way to charge batteries as quickly as it takes to fill the tank on a gasoline powered vehicle.

According to a report the UI researchers published recently in the journal *Nature Nanotechnology* they have developed a process to reduce the distance ions have to travel before reaching an electrode, which dramatically decreases the length of time to recharge the battery. It's all highly technical having to do with ion transport, porosity, diffusion and the theoretical limits of possible empty



space in a structure. But the important findings are that such a battery can be produced quickly, cheaply and on a large scale.

According to the authors of the report, a full-scale lithium battery made with the process could be charged to 75 percent within one minute and hit 90 percent within two minutes.

They also note, however, that supplying sufficient current in the short time frames needed to charge the battery this fast is also going to be a challenge. Stay tuned.

Save the date! May 16

2011 WANADA OPEN

Lakewood Country Club

WANADA member golfers and fans of a good time will want to put Monday, May 16 on their calendars, as that is when The 2011 WANADA Open will be played at Lakewood Country Club, Rockville, MD There will be several new competitions this year that recognize the different skill levels of players and getting around will be easier as well, as players will be allowed to drive carts directly to their golf ball rather than having to stay on the paths.

The WANADA Special Events Committee has brought back the popular "Beat Bortie" contest (Bortie Twiford of B&R Associates), which gives everyone on the course and at the evening ceremonies a fun opportunity to win some serious cash.

Also returning is the WANADA Cup competition, which pits teams from Maryland and Virginia against each other in a Ryder Cup style competition. Virginia won the initial competition last year and has promised to fend off the Marylanders again this year.

The registration fee for the 2011 WANADA Open is just \$235 per golfer and \$100 for those coming only for cocktails and dinner.

In addition to having a memorable day and evening, everyone attending will have an unparalleled opportunity to win some great door prizes.

Register early by calling or e-mailing Kristina Henry, WANADA's director of events at (202)-237-7200 ext. 18 or kh@wanada.org. The registration form can also be downloaded at www.wanada.org

Updating WANADA's Directory data for 2012

Member cooperation requested

Earlier this year WANADA mailed, to all members, a comprehensive 2011 Membership Directory with business and contact information for all those in its database. This information includes addresses, phone and fax numbers, franchises sold, and website address, as well as known dealership/company contacts with their title and email address. Among other things, it is very important that we have at least one good email address for each dealership/company. Please note any corrections, additions, and deletions in this directory and contact Ralph Frisbee at (202) 237-7200, Ext 11, or rf@wanada.org with the updated information.



Thank you.

Thought for the week...

A little madness in the spring is wholesome even for the king.

-- Emily Dickenson

WASHINGTON AREA NEW AUTOMOBILE DEALERS ASSOCIATION