

# THE WANADA BULLETIN

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

WANADA Bulletin # 29-13

July 31, 2013

## Headlines...

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MVA clarifies Maryland law on vehicle delivery  
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### *This week in Washington:*

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Most support ban on smoking in cars with children

Thought for the week...

## Porsche, Ram score highest in JD Power satisfaction survey



The Mazda CX-5 was the highest ranked compact CUV in the APEAL study.

Porsche is the highest-ranked premium nameplate and Ram the top non-premium nameplate in J.D. Power's latest APEAL Study, ranking automotive performance, execution and layout based on owner surveys.

The study finds that automakers are able to charge more for vehicles with higher APEAL. Owners of vehicles with scores 100 points above the segment average typically spend at least \$1,800 more than owners of vehicles at least 100 points below. The higher scoring vehicles also move off dealer lots an average of three (3) days sooner. And 64 percent of

owners with higher scores buy the same brand next time they shop for a new vehicle, versus 55 percent of those with lower scores.

The top-ranked premium nameplates besides Porsche are Audi, BMW, Land Rover and Lexus. For non-premium nameplates, they are Ram, Volkswagen, Mini, Buick and Kia. Volkswagen Group received the highest number of segment awards of any corporation for the Audi allroad, Porsche Boxster, Porsche Cayenne, Volkswagen GTI and Volkswagen Passat. Chevrolet received the highest number of segment awards of any brand for the Avalanche, Sonic and Volt. The Land Rover Range Rover achieved the highest APEAL score of any model in the industry in 2013.



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The study, now in its 18<sup>th</sup> year, was updated for 2013 to better reflect new vehicle technologies and features. Owners evaluate their vehicle on 77 attributes, and the APEAL score spans a 1,000-point scale.

## MVA clarifies Maryland law on vehicle delivery

The Maryland Motor Vehicle Administration last week offered this interpretation of the law on delivery of vehicles to consumers by dealers:

Vehicle sales contracts are governed by COMAR 11.12.01.15A, which states,

“Every vehicle sales contract or agreement shall be evidenced by an instrument in writing containing all of the agreements of the parties. It shall be signed by all parties *before the seller delivers to the buyer the vehicle covered by the agreement*” (emphasis added).

The MVA requires sales to be final before delivery of the vehicle, but does not interpret “agreement” to include obligations based on misinformation from either party.

Maryland dealers with questions may email the MVA at [mvablcsd@marylandmva.com](mailto:mvablcsd@marylandmva.com), or call Gerard Murphy or John O’Donnell in the WANADA office at (202) 237-7200.

## NoVa transportation body approves funding for road projects

Although the Northern Virginia Transportation Authority has wanted to spend money on road and transit improvements since 2002, state politics and lawsuits have prevented that – until last week, when it approved several highway and transit upgrades. Sixty percent of the money is to be spent on roads.

The group had some money to work with, thanks to the gas tax hike that kicked in July 1. The state has collected \$116 million so far this month. The NVTA agreed to borrow \$93 million for other projects.

“This was a place – finally – where transportation gridlock had become so onerous that it actually overcame the political gridlock to which we have become accustomed,” Bob Holsworth, former professor at Virginia Commonwealth University, told the *Washington Post*.

Among the approved projects: \$12 million for improvements on Columbia Pike, \$31 million for widening Route 28 in Fairfax County, \$5 million for a power upgrade on Metro’s Orange Line and almost \$20 million for VRE rail cars.



Traffic congestion could be eased a little in Northern Virginia.

## Regional Transportation Priorities Plan released

Transit crowding, roadway congestion and Metro and highway maintenance are the region’s biggest transportation problems according to a survey of citizens by the region’s Transportation Planning Board earlier this year. A draft of the Regional Transportation Priorities Plan, based upon an online survey and extensive discussions with interest groups and citizens, has been released by the Board and is available for public comment.

The plan discusses the top three priorities based on citizen comments: Metro and highway repair, transit crowding, roadway congestion, and other challenges. The first priority requires maintenance of Metro and of highways. The second priority requires “near-term roadway improvements to alleviate bottlenecks; ongoing roadway management and efficiency programs to smooth traffic flow and minimize delays; and long-term investments in increased capacity of the rail and bus network, including ... bus rapid transit on express toll lanes,” the report says. It emphasizes the importance of a multimodal approach.

The third priority requires “meeting the mobility needs of people with disabilities, providing bus priority, expanding bicycle infrastructure, encouraging alternative fuel vehicles, and updating and enforcing traffic laws.”

To review the draft and offer comments, visit [www.mwcog.org/transportation/public](http://www.mwcog.org/transportation/public).

## Virginians would rather drive than ride Metro’s Silver Line



How will Metro’s Silver Line affect traffic in Northern Virginia?

Metro’s Silver Line in Northern Virginia has been 20 years in the making, cost huge sums of money and caused major traffic delays during construction. But will it, in fact, take many drivers off the road and so ease congestion?

Don’t count on it, according to a recent *Washington Post* poll. Only 12 percent of Northern Virginians take Metrorail often, down from 19 percent in 2010 and 23 percent in 2005. Of this group, only half say they would ride the Silver Line frequently or sometimes.

A whopping 85 percent of Northern Virginians drive to work, compared with 75 percent in Maryland and less than half of District residents (where nearly 40 percent of households don’t own a car). Metro is planning for 25,000

new passenger trips on the Silver Line in the first year, 15,000 of whom could be people who drive now.

“You won’t find it heavily patronized when it first opens,” Ronald Kirby, director of transportation for the Metropolitan Washington Council of Governments, told the *Post*. “It is designed to stimulate development around stations in Tysons and around Loudoun County.”

The first section of the line, from Tysons to Reston, will open next year. The second section, going to Dulles and into Loudoun County, is scheduled to open in 2018.

## Industry fuel economy remains at record 24.3 mpg

For the fourth month running, the *WardsAuto* Fuel Economy Index stayed at its record of 24.3 mpg. That’s 2.2 percent higher than a year ago and 15.9 percent above fourth-quarter 2007, when the index was started.

Cars overall came in at 28 mpg, with small cars reducing their highest point ever at 29.9 mpg. It was the third consecutive month that light trucks outsold cars. But rising fuel economy ratings for different segments offset the expected drag on overall fuel economy. Light trucks as a group set a record, 20.3 mpg. Pickup trucks, at 16.8 mpg, were the only segment with a lower rating than a year ago. The expanding CUV segment rose 1.3 percent to 22.3 mpg.

Volkswagen had the highest rating of any automaker, a record 27.6 mpg.

## ***This week in Washington...***

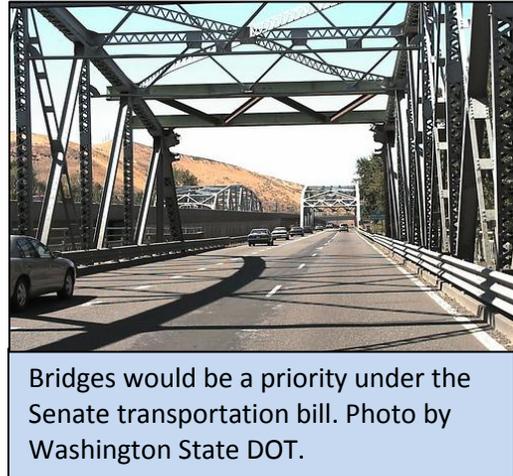
### **Transportation bill passes Senate; House bill has big cuts**

Nineteen Republican Senators joined Democrats to pass a \$54 billion Transportation budget bill last week, which also covers funding for the Department of Housing and Urban Development. The House bill appropriates \$44 billion, a \$7 billion cut from sequester levels, and cuts funding for high-speed rail.

Later in the week, the Senate passed a bill to make bridge projects a priority for spending and rejected an amendment to cut transportation funding to sequester levels.

Democrats have pushed for a conference committee to try to iron out the major differences between the House and Senate bills, but so far Republicans aren't expressing interest.

President Obama strongly supports the Senate bill and has said he would veto the House version. During the week Obama gave a speech in Florida about the need to improve the nation's infrastructure, which has become a serious problem in recent years with bridges collapsing and water main breaks that damage roads.



Bridges would be a priority under the Senate transportation bill. Photo by Washington State DOT.

### **Gas tax hike, rear view camera rule discussed in House**

The House Transportation and Infrastructure Committee debated the possibility of raising the 18.4 cent a gallon federal gas tax last week. It has not been raised since 1993, and now there's a \$20 billion gap between transportation revenue and spending.

The gas tax brings in about \$35 billion a year. With people driving more fuel efficient cars and driving them less, that amount is not likely to rise if the gas tax stays the same. Under last year's surface transportation bill, which expires September 30, 2014, Congress spent \$54 billion a year – and it had that much only because it shifted funds from other parts of the federal budget.

In other action in the House:

- Rep. Jan Schakowsky (D-Ill.) is pushing for enactment of a car rearview camera backup rule, which has languished in the National Highway Traffic Safety Administration for two years. The rule, designed to prevent cars from accidentally backing up over children, would require installation of the cameras in all new models. It would cost automakers up to \$2.7 billion a year, according to one analysis.
- The House Appropriations Committee plans to use the \$16.6 billion left in the Advanced Technology Vehicles Manufacturing loan program to help fight wildfires. The Energy Department has used less than \$9 billion of the \$25 billion approved in 2008 to help auto plants build more fuel-efficient cars. Recipients of the loans have included Ford (\$5.9 billion), Nissan (\$1.4 billion), Tesla (\$500 million) and Fisker (\$300 million). More than 100 companies have applied for loans, but no applications are pending.
- The House Energy and Commerce Committee held a hearing on the controversial Renewable Fuel Standard, which mandates 36 billion gallons of biofuel to be blended into petroleum by 2022. Chairman Fred Upton (R-Mich.) said the "current system cannot stand." The oil

industry wants the standard repealed, but Midwestern representatives are fighting that idea. Both sides have run several ads on the subject.

### **Most support ban on smoking in cars with children**

The vast majority of adults (87 percent) support a ban on smoking in cars with children under 18, according to a poll by the C.S. Mott Children's Hospital National Poll on Children's Health. Even among smokers, 60 percent strongly support a ban.

The American Academy of Pediatrics has been pushing for a ban on smoking in cars with children since 2007. Seven states – Arkansas, California, Illinois, Louisiana, Maine, Oregon and Utah – have statewide bans on smoking in cars carrying children. Hawaii, Indiana, New Jersey and New York have cities or counties with such laws.

The level of secondhand smoke in cars can be 10 times more concentrated than the level considered safe by the EPA, according to the California Environmental Protection Agency.

#### **Thought for week...**

The culture of selfishness and individualism that too often prevails is not what leads to a better world. The culture of solidarity does, seeing others not as rivals or statistics, but brothers and sisters.

--Pope Francis  
World Youth Day, July 27, 2013  
Rio de Janeiro