

Headlines...

Outlook for Greater Washington economy on the upswing
With consent of Congress, Soap Box Derby again rolls down Capitol Hill
John Altman named by *Automotive News* as High-Achieving Under 40 Auto Dealer
Washington Auto Show reconfigured for 2013 with "Luxury Lane"
Improving workforce health pays dividends in reduced care costs
IRS announces changes to 2013 Health Savings Accounts
IWIF to become Chesapeake Employer's Insurance Company
Position wanted: General Manager
What will they think of next?

Outlook for Greater Washington economy on the upswing

Car buying "intention" up 6% from 2011

The Greater Washington Board of Trade (GWBOT) released its quarterly Consumer Outlook Survey in July and prospects for growth continue to rise in the area. The latest report shows continued improvement in the key "Consumer Outlook Index" for Maryland, Northern Virginia and The District of Columbia, with increases of 6 points, 3 points and 6 points, respectively, since December 2011. Indeed, the 3 percent improvement in the District of Columbia is higher than at any time since December 2008, which is good news in its own right.

GWBOT reported that the majority of area residents (56%) were positive about current economic conditions and gaining confidence about employment conditions (24% "positive" compared to just 14% in December 2011). They were also "slightly more hopeful" about the future than they were in December 2011, with approximately one-third encouraged about economic, employment and personal finances.

There was good news, too, for WANADA dealer members in the report a full 12 percent of consumers intend to buy or lease a new vehicle in the next 6 months, which is fully 3% points higher than a year ago.

Reflecting the improving prospects in the region, GWBOT reported that 27% of the region's employers intend to hire over the next six months and that salaries at 33% of companies had increased over the past six months.

As noted, the GWBOT survey has been conducted since 2008. "These results provide a compelling story of how confident consumers are in the Greater Washington region," said James Dinegar, GWBOT's president & CEO.

To see this year's complete GWBOT Consumer Outlook Survey, ([click here](#)).

With consent of Congress, Soap Box Derby again rolls down Capitol Hill

WANADA marks 20th year as sponsor



With WANADA's sponsorship, thirty seven young racers from all around the region took part in the 71st Annual Greater Washington Soap Box Derby on Capitol Hill, on June 16. This was the 20th consecutive year of WANADA's sponsorship of this longstanding Washington tradition, and, as always, it was an exciting day for the gravity powered go-cart drivers, three of whom, one in each of three racing categories, produced winners who went on to represent the region at the national finals in Akron, Ohio in late July.

Soap Box racing began in the U.S. in 1934, with the first race competition in Dayton, Ohio. The following year, the race was moved to Akron, Ohio to take advantage of the city's numerous hills.

The inaugural Greater Washington Soap Box Derby (GWSBD) was run on New Hampshire Avenue in 1938, and won by Norman Rocca who surpassed more than 220 other racers. The GWSBD moved to Capitol Hill when WANADA enlisted the support of Rep. Steny

Hoyer (D-Md.), who sponsored the required Congressional Resolution to race down Capitol Hill about 16 years ago. Over the years, thousands of the region's young people have participated in the race and Greater Washington competitors have taken top honors in recent years at the national finals in Akron.

GWSBD consists of dozens of racers, both boys and girls, ranging in age from 8 to 17, divided into three divisions: stock, super stock, and masters. The local winner of each division automatically qualifies to compete with racers from around the world in the 75th All-American Soap Box Derby in Akron, Ohio, which this year was held on July 21th.

WANADA congratulates our Washington area winners this year: **Stock** - Sara Pell, age 8 of Bristol, VA; **Super Stock** - Brandon Sorli, age 14 of Waldorf, MD; and **Masters** - Brittany Sorli, age 13, also of Waldorf, MD.

For all the details on this year's D.C. Soap Box Derby click on the link.

<http://www.dcssoapboxderby.org>

John Altman named by *Automotive News* as High-Achieving Under 40 Auto Dealer

John Altman, COO of the Beyer Auto Group, has been named as an "auto dealer to watch" by *Automotive News*. He joins fellow WANADA dealer member Jamie Darvish, DARCARS, in the publication's inaugural listing of high-achieving auto dealers under the age of 40 across the U.S. Jamie Darvish was spotlighted here last week.



Automotive News editors reviewed and validated information on several hundred nominated candidates and selected the “standouts.”

Altman, 35, is the grandson of noted Washington dealer Don Beyer, Sr., and credits his success in the automobile dealership business to his grandfather’s decision to “put him to work” sweeping the six-acre back lot of Don Beyer Volvo in Falls Church, VA, when he was 14 and getting in trouble. “It turned everything around,” Altman said.

In June, Altman became chief operating officer of the five-store Beyer Auto Group that currently sells Volvo, Land Rover, and Kia in different locations. The promotion came seven years after Altman began managing the group’s Land Rover store in Alexandria, VA, which had been losing money. While there, he revamped the entire operation and returned it to profitability in two years. Today, the Land Rover store is one of the most profitable in the Beyer Auto Group.

Altman still checks in with his grandfather, who is now 88, for advice and guidance just as he relied on it as he went through college and learned the automobile business. Without his grandfather’s influence, Altman says he likely would have pursued a career in law or psychology, which, of course, aren’t distant fields of endeavor from his current position at Beyer Automotive.

“Selling cars didn’t feel like a career at first,” he says, “but that has changed such that I expect I’ll be in this business the rest of my life.”

WANADA congratulates John Altman on this well-deserved recognition.

OEMs Reconfigure WAS Floor Plan for 2013 with “Luxury Lane”

OEMs that will be exhibiting new vehicles in the 2013 Washington Auto Show (WAS) met this week to commit to space resulting in a substantial reconfiguration of the floor plan, with luxury brands grouping together for the first time. Following a plan presented by WANADA show organizers, the concept of a “Luxury Lane” grouping emerged from the Space Allocation meeting on July 31, 2012, such that a number of OEMs participated in a space drawing that preceded the general space drawing.

All in all, 11 luxury brands signed up for about 100,000 square feet of exhibit space in the southern most section of the lower level of the Walter E. Washington Convention Center.

“Luxury groupings are appearing in other auto shows and is a concept whose time has come if the enthusiastic response from our OEM exhibitors is any indication,” said Bob Yoffe, WAS manager, who presided for WANADA over the 2013 WAS Space Draw. Besides standalone luxury brands - like BMW - there were brands that heretofore have been part of sister brand



WAS manager Bob Yoffe gives “space draw” attendees the details on The 2013 Washington Auto Show.

displays - like Nissan and Infiniti - that moved into Luxury Lane. This caused the overall WAS floor plan to shift, resulting in such things as space becoming available on the upper level - with Lincoln and Cadillac moving to Luxury Lane – for Toyota – without Lexus that went to Luxury Lane – to move to the upper level joining GM, Ford and Chrysler.

The new luxury grouping on the lower level consists of the following brands: Acura, Audi, BMW, Cadillac, Infiniti, Jaguar, Land Rover, Lexus, Lincoln, Mercedes-Benz and Volvo. An “exotic” vehicle grouping will be exhibiting as in years past, but will be separate from the new Luxury Lane, to include such high-line brands as Aston-Martin, Bentley, Ferrari, Lamborghini, Maserati and Rolls Royce.

There was also a strong indication from the automakers that they would once again be investing in show-goer participation events like the Ride-and-Drives that have been popular in previous years, as well as indoor driving experiences.

The Space Draw followed closely on the heels of a whirlwind round of visits by WAS representatives to automakers in Detroit and California, to include WAS Committee chairman Robert Fogarty, Sport Automotive; WAS Committee member George Doetsch, Apple Ford; WAS producer Gerard Murphy; assistant producer John O’Donnell; WAS show manager Bob Yoffe; and WAS promotions director Barbara Pomerance.

“These visits are critical to the show and our way of ensuring that we fully understand the needs of OEMs and how they wish to reach and attract potential buyers in our market, which, without a doubt, is one of the most attractive automotive markets in the country,” said WAS Committee chairman Robert Fogarty.



Annie Corcoran, representing BMW, selects the company’s display space flanked by WAS manager Bob Yoffe (R) and Bill Alexander of Hargrove (L).

The Washington market is ranked 6th in size in the country, but with its number one ranking in household income, disposable income, education and job status, it is among the most, if not *the* most, attractive markets for all automakers. Accordingly, the region is also home to a large population of “influentials,” those critical consumers whom others turn to when gathering information about what vehicle to buy. These “influentials” also support a robust luxury brand market justifying the aforementioned Luxury Lane.

The Washington area new vehicle market also is strongly import-oriented (more than

70% of all new vehicles sold here are imports). Indeed, exotic brand sales in the area jumped 21% between 2010 and 2011, reflecting the area economic muscle and ability to absorb and bounce back from the fiscal downturns that have otherwise harmed other areas of the country.

The 2013 Washington Auto Show kicks off with a Capitol Hill Summit on January 30, 2013 and an industry/media day *onsite* at the Washington Convention Center on January 31. Public Days commence a 10-day run on February 1 and conclude on February 10, 2013.

Improving workforce health pays dividends in reduced care costs

The health insurance company, Kaiser Permanente, has just released some interesting facts on the impact of obesity, stress and lack of exercise in the workforce and the costs business owners incur because of it.

Kaiser reports that obesity adds \$591 a year per person to health care costs; high stress adds \$600; and lack of exercise \$330. And while the cost of these maladies are high, they pale in comparison to chronic conditions that are preventable.

Diabetes, for example, adds \$3,600 per year, per person in health care costs, according to Kaiser; heart disease adds \$3,195; and high blood pressure at least \$1,600.

Kaiser says establishing companywide “Eating Well, Moving More and Handling Stress” programs are the quickest way to improve employee health, reduce health care costs and related premiums.

IRS announces changes to 2013 Health Savings Accounts

Individuals participating in High Deductible Health Plans (HDHP) will have some new minimums and maximums to deal with for 2013, the Internal Revenue Service announced this week. The minimum required deductibles for self-only and family plans remain at \$1,250 and \$2,500, respectively; but out-of-pocket maximums increase to \$6,250 and \$12,500, respectively. For self-only plans, there will be an increase of \$200 and for family plans, a \$400 increase.

IRS has increased the contributions limit for health savings accounts (HSAs) for self-only plans to \$3,250 and family plans to \$6,450. Those are increases of \$150 and \$200, respectively.

The “catch-up” contribution limit for persons over age 55 remains unchanged at \$1,000.

IWIF to become Chesapeake Employer’s Insurance Company

WANADA Kindred-line member company Injured Workers Insurance Fund (IWIF), which provides workers compensation insurance for many Maryland based members of the association, will become Chesapeake Employers’ Insurance Company effective October 1, 2013.

Chesapeake will be a private, nonprofit, non-stock corporation that will continue to provide worker’s compensation insurance only to Maryland businesses. WANADA members, who request IWIF insurance through IWIF’s WANADA Program, *receive a 10 percent premium discount* when insuring with IWIF/Chesapeake.

Position Wanted

A senior level auto executive with extensive experience in all aspects of overseeing dealership operations is seeking a general manager position. For more information, contact Trish Frisbee in the WANADA office at (202) 237-7200.

What will they think of next?

The latest innovation from McDonalds is their "Obama Happy Meal."

Order anything you want and the guy behind you pays for it.

--Conan O'Brien