

THE WANADA BULLETIN

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

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August 14, 2014

Headlines...

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Dealers Election Action Committee enjoys strong support, here and nationwide

12 WANADA dealers are in President's Club

WANADA is proud to count 12 of its distinguished dealer members as part of the most prestigious wing of NADA's Dealers Election Action Committee, the President's Club. Dealers are so recognized for their continuously strong and systematic support of the organization that gets behind congressional candidates for office in the House of Representatives and U.S. Senate, who are open to the auto dealer, federal level political perspective.

DEAC President's Club members contribute \$5,000 the first year, then \$2,500 per year thereafter. WANADA members in the President's Club are as follows: Conrad Aschenbach, Gardner Britt, Jerry Cohen, John Darvish, Tammy Darvish, Jack Fitzgerald, Lou Kairys, Geoffrey Pohanka, Jack Pohanka, Bob Rosenthal, Vincent Sheehy, and Morton Zetlin. Bob Rosenthal and Lou Kairys both had milestone years in DEAC's President's Club having been so affiliated for 25 and 20 years, respectively. The President's Club began in 1987, while DEAC itself began in 1975.

As one of the best supported federal level PACs in Washington, DEAC enjoys broad based annual support from Washington area new auto dealers, no less than from dealers across the U.S. For its part, WANADA consistently meets or beats its established goals for member participation in DEAC for which WANADA and other dealer associations in the Automotive Trade Associations network are recognized each year by the leadership of NADA at NADA's Annual



The President's Club recognizes those who are systematically and consistently in the forefront of annual dealer support for DEAC.

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Advertisement

Convention.

For more information on participating in the Dealers Election Action Committee, contact the national DEAC office directly at (877) 591-3322 or deac@nada.org.

ADEI tech training fall semester starts August 26



The ADEI Auto Tech Training covers topics ranging from brakes to electrical systems.

WANADA has expanded its eminently successful Auto Technician Training through the Automobile Dealer Education Institute (ADEI) to a third campus at Hayfield Academy in Springfield. The new venue will supplement established programs at Montgomery College's Rockville campus and the Marshall Academy in Falls Church. The fall semester--for all three venues--starts August 26, 2014.

And for the first time this year, ADEI Technician Training is being made available to established, veteran technicians on a "course menu" basis for "brush up" training from which they can benefit.

ADEI standard Technician Development Training prepares young people aspiring to become line technicians while they work full-time at the dealership. The core ADEI curriculum includes five auto tech training modules, each focused on

specific ASE Certifications, *plus* provisions for manufacturer-specific training. The curriculum, and all courses in it, are *NATEF Certified*, the industry's *gold standard* for technician education.

Hundreds of successful technicians have already been trained from the ground up by ADEI, and now established techs can sign up for individual courses to improve and expand their knowledge, skills and professional certifications.

Take the time *now* to review your current and future technician staffing needs by considering *both* entry level individuals *and* established technicians who would benefit by improving or updating their skill sets!

For more information, email Billy Painter, ADEI program manager, at bp@wanada.org, or call him at 202-236-2270 (cell) or 202-237-7200 (office).

Free biodiesel training for diesel technicians

Most diesel fuel sold in the U.S. contains 1 percent to 5 percent biodiesel. Do your technicians have a clear understanding of biodiesel's fuel quality and standards, and how biodiesel works in today's diesel engines?

A specialized one-day biodiesel training course for diesel technicians will be offered Thursday, September 11, from 9 a.m. to 3 p.m. at the Crystal Gateway Marriott in Crystal City. The course, provided by the National Biodiesel Board and sponsored by the Greater Washington Region Clean Cities Coalition, will provide in-depth information on fuel quality, vehicle maintenance and engine performance.

Attendees will get up-to-date training on biodiesel and its performance in engines, helping diesel technicians to more accurately diagnose the root cause of problems. The course has been approved by NATEF to qualify as an ASE Certified Training Provider of Continuing Automotive Service Education. A special presentation on bio-based products will also be presented.

July sales show 16.4 m. SAAR; 17 m. sales seen in future years

July sales *rose* 9 percent, yielding a 16.4 million seasonally adjusted annual rate, the fourth month this year with a SAAR more than 16 million. Economists are optimistic about sales for the rest of the year, with NADA forecasting 16.4 million sales this year and 16.77 million in 2015.

Among the major automakers, Fiat/Chrysler saw the most growth year to date, at 13.3 percent. In July, Chrysler Group sales soared 20 percent. Toyota Motor sales were up 6 percent year to date, helped by a robust 12 percent rise for the month. Even though Ford was up 10 percent for the month, it was outsold by Toyota. With crossover sales booming, RAV4 sales jumped 37 percent. Nissan sales rose 12.6 percent year to date, 11 percent in July. Ford Motor sales were down just a hair year to date. Figures are from NADA/Ward's.

Crossovers continue to sell well at 26.6 percent of the market YTD, up from 25 percent last year. Another trend is the rise in leasing, which made up 25 percent of July sales, Kelley Blue Book senior analyst Alec Gutierrez told the *Detroit Free Press*.

Continued pent-up demand, available financing, an increase in home values and an improved job market help analysts remain optimistic about future sales. Economists at the Center for Automotive Research's Management Briefing Seminars last week forecast sales of 17 million for the next few years, reports the *Detroit News*.

The top 10 best selling vehicles in July were: Ford F-Series, Chevrolet Silverado, Toyota Camry, Ram Pickup, Honda Accord, Toyota Corolla/Matrix, Honda Civic, Honda CR-V, Toyota RAV4 and Nissan Altima.

Shoppers rank fuel economy as #1 concern

New-car and truck shoppers consider fuel economy the most important consideration as they shop for a new vehicle, according to a recent NADA survey. But environmental impact came in near the bottom, so fuel economy concerns are clearly related to cost rather than to the environment. Still, the results show that dealers should emphasize fuel economy in marketing and in product presentations.

Cost of ownership and power and performance came next for car shoppers, followed by advanced safety systems, and versatility and utility. The survey showed little difference in the preferences of mainstream and luxury buyers. Brand ranks ninth overall for both groups, suggesting that "consumers are looking beyond the image or prestige of a marque, valuing



products more for attributes such as performance, high build quality and vehicle design,” NADA says.

SUV/truck shopper results were similar except that they put more emphasis on versatility and utility. Cost of ownership and vehicle design each ranked a bit lower for truck drivers than for car owners.

Interestingly, 76 percent of car owners expressed interest in buying another car, down 1 percentage, from last year. But the percentage of truck owners interested in buying a pickup, utility vehicle or van was up 3 percentage points.

Highway bill called inadequate, but no one wants gas tax hike



U.S. DOT was able to avoid halting highway construction projects thanks to last-minute action by Congress.

Transportation advocates, including Transportation Secretary Anthony Foxx and former Secretary Ray LaHood, say the highway bill that Congress sent to President Obama falls short. But no one wants to raise the gas tax, and a new poll shows that Americans don't want to pay a higher gas tax to fund highway repair and construction.

After a *game of chicken* between the House and Senate, at the last minute Congress passed a \$10.9 billion bill that lasts until May 2015. Speaking to a group of business and legislative leaders looking for a transportation solution in Georgia, former DOT head Ray LaHood called the bill “totally inadequate,”

reports the *Atlanta Business Chronicle*.

Secretary Foxx hosted an online town hall meeting to urge voters to press their members of Congress for a longer term transportation bill over the recess. President Obama has proposed a \$302 billion measure that includes \$150 billion for road and transit projects, paid for by closing corporate tax loopholes.

A new poll by the Associated Press shows that six in 10 Americans believe “the economic benefits of good highways, railroads and airports outweigh the cost to taxpayers,” reports AP. But only 14 percent support raising the federal gas tax to pay for transportation projects.

Millennials start buying cars

After all the hand wringing about young people not buying cars, Gen Y – born from 1977 to 1994 – is buying cars after all. So far this year, Gen Y has bought 26 percent of new vehicles sold, more than the 24 percent bought by Gen X, born from 1965 to 1976. But baby boomers (born 1946 to 1964) are still the largest group of buyers, with 38 percent of new vehicles sold this year bought by them. The analysis comes from J.D. Power.

Gen Y sales volume is on pace to grow 17 percent for full year 2014 compared with 2013, and Gen X sales are expected to increase 6 percent.

“As Gen Y consumers enter new life stages, earn higher incomes and grow their families, their ability and desire to acquire new vehicles is increasing,” said Thomas King, vice president of Power Information Network. “It will be important for automakers to respond to the needs of these consumers, not only in terms of the vehicle design, but also the marketing, sales and service experience.”

Gen Y buyers tend to favor small vehicles, with compact vehicle segments accounting for nearly half of all Gen Y purchases, says J.D. Power. Compact cars are the most popular segment for Gen Y. Gen X slightly favors midsize vehicles, with compact SUVs the most popular segment.



Millennials now account for 26 percent of the new-vehicle market.

Gas prices at 4-year low for early August

The national average price for unleaded gasoline has dropped a hair below \$3.50 per gallon for the first time since March, says the American Automobile Association. Today’s national average is the lowest level for early August since 2010. The price has dropped 18 cents in the past 38 days.

Even so, Washington, DC (counted here as a state) has the tenth most expensive average gas in the country, at \$3.71/ gallon. On the continental U.S., California has the most expensive, at \$3.96. Correspondingly, DC also had the fifth largest monthly decrease in gas price, down 22 cents, to \$3.71. Although Maryland and Virginia have an average lower price across the state, Northern Virginia and suburban Maryland are generally higher because of their proximity to Washington.

Traffic signal is 100 years old this month

In the early days of the automobile, life on the road was chaotic. Cars competed with horses, bicyclists and pedestrians for the right of way, and for several years the roads did not even have lane markings. The horses eventually disappeared, and the roads got some painted lanes.

Crossroads were still a problem. A device used in London in 1868 acted the part of police officer, with two wooden arms held horizontally for “stop” and at a 45-degree angle for “caution.” In 1912, a Salt Lake City policeman created a vertical pole with a box that had a red and green light, attached to trolley and light wires overhead.

But historians generally recognize the start of the electric traffic signal as we know it today with a system installed in Cleveland on August 4, 1914. It had four sets of red and green lights wired to a manually operated switch and set so the signals would not conflict.

An article in *The Motorist*, published by the Cleveland Automobile Club in August 1914, said “This system is, perhaps, destined to revolutionize the handling of traffic in congested city streets and should be seriously considered by traffic committees for general adoption.”

Looks like the writer got his wish. *The information in this article was provided by [history.com](http://www.history.com).*

IN MEMORIAM
JOSEPH L. HERSON
(FORMERLY OF MANHATTAN AUTO, IMPORTED CARS)

It is with sadness that we report the passing of longtime Washington Area automobile dealer Joe Herson, formerly of Manhattan Auto in DC, later becoming Manhattan Imported Cars in Rockville. He died last weekend. He was 85.

A native Washingtonian, Joe worked with his father at the outset of his career that carried through the rich family business character of Manhattan that endured through the years. Manhattan started in the District before moving to its well-known Rockville location in the late 1960s at the intersection of Old Georgetown Road and Route 355, where Joe operated the dealer organization with his brother-in-law, the late Bernie Mills. The dealership was known for its specialization in import brands, which back in Manhattan's DC days, were looked upon by consumers as unique and sporty, though were often referred to as "foreign cars." Manhattan later opened another dealership in Northern Virginia, BMW of Fairfax, making it one of the region's first dealer organizations with stores on both sides of the Potomac River.

Besides his passion for high performance cars, Joe Herson was equally passionate about career/industry education and was a founder of the Montgomery Students Auto Trades Foundation affiliated with the MCPS system. He later became a vocal advocate for the Montgomery College Homer Gudelsky Institute for Technical Education, which he continued to tangibly support through the MC Foundation. Active in the leadership of AIADA and WANADA, he served in the leadership of each, along with WANADA's Executive Committee when he chaired and led WANADA's Employee Benefits Operations in the 1980s. He was the recipient of the AIADA All Star Dealer Award and the Time Dealer of the Year Award.

Funeral arrangements occurred at Adas Israel Congregation in Washington on Monday, August 11. The family received guests and observed Shiva this week at the Herson residence in DC. Well-wishers desirous of communicating with the family can contact Gerry Murphy at WANADA at 202- 237-7200, 202-236-4646 (c), or gm@wanada.org. Well-wishers can also contact the Hines/Rinaldi Funeral Home of Silver Spring, 301-622-2290; or <http://www.dignitymemorial.com/hines-rinaldi-funeral-home>. Contributions in memory of *Joseph L. Herson* can be made to the Herson/Stirman Family Foundation Scholarship, c/o Montgomery College Foundation, 40 West Gude Drive, Rockville, MD 20850; or the Jewish Historical Society of Washington, 701 4th St, NW Washington, DC 20001.

Joe leaves his wife and life partner, Sonia; daughters Carole, Gail, and Lynn; four grandchildren; and three great grandchildren. To Sonia, her family and many friends, WANADA extends its sincerest sympathy.

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Thought for the week....

“My son tells me: ‘Do you realize you’re the last one --The last person who was an eye witness to the Golden Age (of Hollywood)?’ ”

--Lauren Bacall

Legendary actress & widow of movie great Humphrey Bogart

