

THE WANADA BULLETIN

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

WANADA Celebrating 100 Years of Service (1917-2017)

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Headlines...

NADA Washington Conference features Rep. Don Beyer, DOT's Elaine Chao, and others

DOT issues voluntary guidance for autonomous vehicles

'Fireside chat' with Bret Baier added to WANADA Annual Meeting

Come to WANADA Happy Hour at Black's Bar in Bethesda, Sept. 28

Thought for the Week...



From the left, NADA director from Metro Washington, Geoff Pohanka, Rep. Don Beyer (D-VA) and NADA President Peter Welch.

NADA Washington Conference features Rep. Don Beyer, DOT's Elaine Chao, and others

More than 400 dealers from around the country, including WANADA leadership, assembled in DC last week for the NADA Washington Conference, hearing a variety of speakers before going to Capitol Hill to call on Congress. WANADA was well represented by Chairman Charlie Stringfellow; NADA Director Geoff Pohanka; his father Jack Pohanka, former chairman of both WANADA and NADA; MADA Director for Maryland Daniel Jobe,

also on WANADA's Board; and Joe Koch, vice president of WANADA operations.

Among the speakers were Rep. Don Beyer (D-Va.), WANADA's esteemed dealer member and congressman representing Virginia's 8th District; Transportation Secretary Elaine Chao; and Rep. Sean Duffy (R-WI).

NADA Chairman Mark Scarpelli told attendees "we're here to educate and explain," referencing the visits to Congress dealers would be making in conjunction with the conference. Scarpelli then presented the elements of NADA's Washington agenda as follows:

1. The ongoing challenge for dealers to promote fair consumer credit compliance while keeping credit rates competitive and affordable;
2. the necessity that rules on self-driving vehicles be subject to state franchise laws;



NADA Chairman Mark Scarpelli addressing the Washington Conference.

3. the necessity that parts be available in vehicle recalls; and
4. the necessity of local dealerships having the capacity and the expertise to implement recall repairs for consumers.

The auto business is more complicated than ever, Scarpelli said. He highlighted cybersecurity, direct-to-consumer sales and the advent of automated driving as particular concerns. In their efforts on Capitol Hill that afternoon, Scarpelli urged dealers to explain to their members of Congress the invaluable service dealers provide auto consumers in keeping vehicle loans available and affordable.



WANADA dealer and Congressman Don Beyer spoke about tax reform, especially the importance of keeping interest deductible.

Rep. Beyer has longtime ties to WANADA and the Washington area dealer community. He spent four decades building his family’s dealer organization before serving in WANADA’s leadership and becoming lieutenant governor of Virginia, then later ambassador to Switzerland. He spoke to dealers at the conference’s opening breakfast as a fellow dealers and member of Congress, outlining the various issues facing the United States, at home and abroad.

A big issue will be tax reform, said Beyer, who emphasized the importance of “getting it right.” Pass-throughs must be treated fairly, he said, and

interest should be treated as a deductible expense – a comment that brought a round of applause from dealers. Beyer also encouraged dealers to visit their members of Congress that afternoon, telling the industry’s story.

“I can tell you first hand not to underestimate the power and influence that you can exert by talking face to face with your congressional representative,” he said.

Doug Knust, chairman of NADA’s Legislative Affairs Committee, urged dealers to focus on three hot-button tax issues during their meetings on the Hill: treating pass-throughs fairly in tax reform; retaining the LIFO accounting method, and repealing the estate tax.

U.S. Transportation Sec. Chao focused on the guidance for autonomous vehicles that the DOT released the previous week. This document replaces guidance issued last year under former President Obama. (For more detail, see the next article in this Bulletin...)

Consumer acceptance of fully autonomous vehicles lags behind what many of the technology’s proponents would suggest, Chao said.

“Consumers will determine when and how autonomous vehicles will arrive,” she said.

At the general session of the conference, NADA President Peter Welch said that NADA has already raised about \$1.1 million in relief for dealership employees affected by hurricanes Harvey and Irma. He emphasized that this money goes directly to dealership employees, not the dealers themselves. The program has already



DOT Sec. Elaine Chao

received 2,500 applications, and officials are expecting many more. Welch anticipates that they will need to raise another \$3 million or \$4 million to cover all the claims, and he encouraged dealers to contribute generously to the NADA Foundation Emergency Relief Fund. (Dealers can donate online [here](#).)



Rep. Sean Duffy (R-WI) railed against the Consumer Financial Protection Bureau.

Congressman Duffy focused his remarks on the Consumer Financial Protection Bureau (CFPB). As a ranking Republican in the House, Duffy has been an outspoken critic of the CFPB and particularly of its director, Richard Cordray. Duffy singled out what he termed “the asinine methodology” the CFPB used to identify discrimination (matching last names with ZIP codes) and the agency’s overt noncompliance in refusing to honor requests for documentation. One request was made during the investigation by the congressional committee of which Duffy is a member.

Rounding out the morning of the conference was popular Fox News talk show host Tucker Carlson, who delighted dealers with an anecdote about his most recent car purchase. After his daughter was in a fender-bender his wife was going to get a “new” used car, and he encouraged her to go to CarMax. “No,” she replied. “I only go see CC Sloan at Rosenthal Jaguar. I just pay whatever he says because I know he gives me the best deal he can. I trust him, and I’m not going anywhere else.”



Fox News talk show host, Tucker Carlson and NADA Vice Chairman Wes Lutz.

Though Carlson didn’t necessarily think that was a good idea, his wife bought the car from Sloan a few days later. When Carlson told the story to Bret Baier (Fox chief political anchor and WANADA’s upcoming Annual Meeting keynoter) without names or details, Baier exclaimed,

“She doesn’t go see CC Sloan, does she? My wife won’t go anywhere else either!”



Sen. Lindsey Graham (R-SC) addressing NADA Washington Conference via video screens.

Carlson entertained the crowd with his discussion of President Trump. For years the American public has been clamoring for a leader who isn’t two-faced, Carlson said. Now we have one and don’t really like it. He described Trump as “emotionally incontinent.”

Labeling Trump supporters as “slope-browed, mouth-breathing bigots” is the biggest sin of the media today, Carlson said. Trump supporters are not generally bigots, they’re just tired of people in

Washington not relating to them very well, he concluded.

Washingtonians are hopelessly disconnected from the concerns of “real Americans,” Carlson said. “We have a vigorous market economy because of the middle class.” Until Washington serves this middle class rather than itself, the disconnect will continue.

DOT issues voluntary guidance for autonomous vehicles



Cars such as the Chevrolet autonomous Bolt EV would be covered by DOT's voluntary guidance.

In keeping with the deregulatory thrust of the Trump administration, the new guidance on autonomous vehicles from the U.S. Department of Transportation relies on voluntary safety measures by automakers. It is intentionally “not an enforcement document,” said DOT Sec. Elaine Chao when she introduced it. The auto industry has signaled its approval.

Under the Obama-era guidelines, automakers would voluntarily submit safety assessments showing that their autonomous vehicles could meet a set of 15 safety guidelines before they could be released on public roads. The Obama

administration had said it might later make the safety assessments mandatory.

“The new Guidance supports further development of this important new technology, which has the potential to change the way we travel and how we deliver goods and services,” said Chao. “In addition to safety, ADS [automotive driving systems] technology offers important social benefits by improving access to transportation, independence and quality of life for those who cannot drive because of illness, advanced age, or disability.”

The Trump administration’s guidance says that automakers and other manufacturers of autonomous vehicles may issue voluntary self-assessments with “concise information” on how they are addressing safety elements issued in the DOT guidance. “The voluntary safety self-assessment should not serve as an exhaustive recount of every action the entity took to address a particular safety element.”

The Alliance of Automobile Manufacturers approves of the new federal guidance, which helps avoid the patchwork of state laws that automakers feared.

“This federal guidance is helpful in advancing road safety and safe testing, while also providing more clarity on the role of states,” the Alliance said in a statement. “The guidance proves the right balance, allowing emerging innovations to thrive while government still keeps a watchful eye over new developments.”

The National Safety Council said it is pleased that safety plays a prominent role in the guidance. But voluntary guidelines will “serve public safety best if all the players agree to comply with them,” said Deborah Hersman, president and CEO of the NSC.

“Mandating additional safety measures, such as a clear disclosure, robust validation processes *prior* to deployment, and data sharing requirements will now fall to the Congress as both the House and Senate move their bills,” Hersman said.

The 2018 Washington Auto Show's MobilityTalks International, Jan. 23-24, will feature discussion of the DOT guidance on automated driving systems along with many other aspects of the new technology. Click [here](#) for more information and [here](#) to register.

'Fireside chat' with Bret Baier added to WANADA Annual Meeting

It's not too soon for WANADA members to save the date and buy their tickets for the WANADA Annual Meeting and Luncheon, Friday, Nov. 17, at the Ritz-Carlton Tysons Corner. Bret Baier, Fox News Channel's chief political anchor and anchor of "Special Report with Bret Baier," will be the keynote speaker.

A new addition this year is a "Fireside Chat" with the keynote speaker, subsequent to the lunch, sponsored by WellNet Healthcare. Specifically, Bret Baier will stick around to host a "Fireside Chat" in a room in the Ritz-Carlton with those members who choose to pay an additional \$50 fee to attend this exclusive session. Only 40 tickets will be offered, on a *first come, first served* basis. Registration for the Fireside Chat will be emailed to luncheon registrants starting Nov. 1.

The Annual Meeting and Luncheon is sponsored by the following Kindred-Line members: Armatus Dealer Uplift; BG Products; Councilor, Buchanan & Mitchell; and SunTrust. To register, click [here](#).

Come to WANADA Happy Hour at Black's Bar in Bethesda, Sept. 28

WANADA's September *Happy Hour* is almost here! All WANADA members are invited to join fellow members, associates, and colleagues for a special *Happy Hour* at Black's Bar & Kitchen in Bethesda on Thursday, Sept. 28, from 5:00 to 7:00 p.m. Cocktails and *hors d'oeuvres* will be served compliments of WANADA Kindred-Line member, Penney Design Group, the event's sponsor.

There is no charge for the event, but to give WANADA a head count for the evening, please click [here](#) if you plan to attend. Here are the details:

5:00 to 7:00 p.m. Thursday, Sept. 28
Black's Bar & Kitchen
7750 Woodmont Ave., Bethesda, MD 20814

This is the first in a series of after-work happy hour events for WANADA members, and all are cordially invited! For any Kindred-Line members who are interested in sponsoring a member happy hour in the future, please contact Bob Storin at 202-237-7200 or rs@wanada.org.

Thought for the Week...

Consumers will determine when and how autonomous vehicles will arrive.

--U.S. Transportation Sec. Elaine Chao

