

# THE WANADA BULLETIN

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

WANADA Bulletin # 45-15

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## Radio talk show host Laura Ingraham to headline WANADA's Annual Lunch

**Members and business associates invited: December 8 at Ritz/Tysons**



WANADA's Annual Meeting and Luncheon: The networking and camaraderie are unparalleled, the business meeting useful, the setting well-appointed and convenient. But one of the best parts is always hearing a speaker with top-notch credentials reflect on the current political or industry scene set for Dec., 8 Ritz/Tysons Corner.

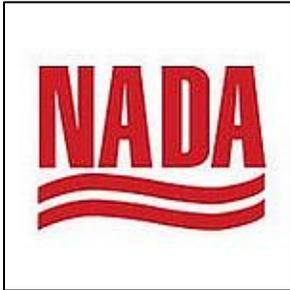
This year is no exception, with popular political commentator and longtime radio talk show host Laura Ingraham as the luncheon's headline speaker. *The Laura Ingraham Show* is ranked in radio's *Top 5* and heard in hundreds of markets across the country. Her Washington bona fides are inarguable. As the primary substitute host on *The O'Reilly Factor* and a Fox News contributor, she is one of the most prominent political and cultural commentators in America today.

Ingraham has written several *New York Times* bestsellers, including *Of Thee I Zing* and *The Obama Diaries*. Her legal background includes a law degree from UVA and a stint as a Supreme Court law clerk before practicing law in New York.

WANADA members and industry friends can register for the Annual Meeting by clicking [here](#). Table discounts are available for organization reservations. Questions may be directed to Kathy Teich in the WANADA office at [kt@wanada.org](mailto:kt@wanada.org) or (202) 237-7200. WANADA also wishes to express appreciation from its dealer membership to Kindred line members Corky Cravato, BG

Products and Services, and Gordon Smith of SunTrust Bank for their generous sponsorship of this years' Annual Lunch!

## CFPB rejects NADA's 2<sup>nd</sup> Freedom of Information request



For the second time in four months, the Consumer Financial Protection Bureau (CFPB) has rejected a Freedom of Information Act (FOIA) request from NADA to release internal memos that had been leaked to the media. *American Banker* had publicized highlights from the documents, which NADA said “undermine many of the CFPB’s long-running claims that it is not attempting to regulate auto dealers in circumvention of the Dodd-Frank Act,” its enabling law.

One internal memo that NADA requested, written by assistant director of CFPB’s Office of Fair Lending Patrice Ficklin, admitted that the CFPB’s “disparate impact” method of gauging racial disparity in auto lending could overestimate the incidence of racial discrimination, *American Banker* reported. But, Ficklin said, the alternative presents an equal and perhaps greater risk of *underestimating* discrimination.

The CFPB told NADA that the dealer association did not identify one of the requested documents in sufficient detail for it to be easily found under the requirements of FOIA. Requests for other documents were denied under different FOIA exemptions.

NADA Vice President of Regulatory Affairs Paul Metrey said NADA has “no present intention to appeal the CFPB’s denial of our FOIA request in light of a similar document demand that has been sent to the CFPB by the chairman of the House Financial Services Committee.” That request was originally reported in the [October 16, 2015 WANADA Bulletin](#).

“CFPB actions in the auto finance market are costing consumers money, and may very well be hurting the very people the agency is trying to help,” said NADA President Peter Welch. “Consumers deserve a transparent process that will allow their concerns to be heard and considered before their rights are taken away by an overzealous Washington regulator.”

The House Financial Services Committee has given bipartisan approval to HR 1737, a bill designed to provide accountability and transparency to the CFPB’s actions.

## Md. MVA to dealers: historic vehicles must be inspected

The Maryland Motor Vehicle Administration sends this reminder to dealers after noting that some title transactions are being submitted or processed by dealerships for vehicles that qualify for historic registration (Class L) without a valid Maryland inspection certificate.

A Maryland dealership is required to have its vehicles inspected unless:

1. The vehicle is a truck (1 ton or larger), a tractor or a freight or semi trailer.
2. The vehicle is a motorcycle and is not manufactured for use on the road (e.g., less than 49 cc engine), or
3. The vehicle was sold for dismantling or rebuilding, certified by the Maryland dealer.

If the vehicle was previously registered as a Class L in Maryland, the inspection is not required, so long as the new owner completes the application for historic registration.

Starting December 1, 2015, if a title transaction is submitted for historic registration and was sold by a licensed Maryland dealership, the Maryland inspection certificate, or the e-inspection

must be submitted with the title transaction. Any transaction submitted without an inspection to a branch office will be rejected. Any transaction processed via the ERT system without proper documentation may be subject to a registration violation.

Dealers who have questions or who need more information may contact [mvablcscsd@mva.maryland.gov](mailto:mvablcscsd@mva.maryland.gov).

## Va. transportation projects to follow new process for funding

Virginia Transportation Secretary Aubrey Layne said the Commonwealth has \$1 billion for transportation this year, with \$7 billion worth of projects submitted. The projects will be ranked early next year by how much they help improve safety, congestion and other factors, Layne told the Virginia Governor's Transportation Conference recently, according to the *Virginian-Pilot*. That process should result in a more objective funding process, said Gov. Terry McAuliffe.

McAuliffe also said the state needs to make technological innovations, such as drones, a more central part of its economy and lessen its reliance on federal money. Key to that change is building an effective transportation network. And the governor wants the state to be a leader in driverless technology. Researchers at Virginia Tech and the University of Virginia have demonstrated a pilot program with connected vehicles and smart roads.

The conference's focus was much broader than maintaining and expanding roadways. Participants discussed building a multimodal network with light rail, commuter rail, high-speed rail and expansion of Amtrak.

## Auto loan balances reach highest level ever

Auto loan balances reached their highest level ever in the third quarter of 2015, said Experian Automotive. That \$968 billion total has grown more than 53 percent since the post-recession low in 2010.

"Continued growth in the automotive finance market is a clear sign of improved consumer confidence over the past few years," said Melinda Zabritski, Experian's senior director of automotive finance. If [consumers] can continue to manage their financial obligations and make timely payments, the automobile industry can continue to flourish and grow for quite some time."

More good news: in the third quarter, 30-day delinquencies dropped to 2.5 percent, from 2.7 percent a year earlier, and 60-day delinquencies dropped slightly from 0.74 percent to 0.73 percent.



Governor McAuliffe said the new process of ranking projects for funding by merit should eliminate politically motivated projects.

## Greater Washington economy: good, bad and ugly (the commute)



The Greater Washington economy relies too much on federal spending, a new report says.

Greater Washington has a diverse and highly educated workforce and is one of the largest and wealthiest regional economies in the world. But it's also dependent on federal spending, and could benefit by a more global orientation. These are the conclusions of a new report from the Global Cities Initiative, a joint project of the Brookings Institution and JPMorgan Chase.

The federal government, through direct employment and other spending, accounts for 38 percent of regional output, the report says. That's why, during sequestration cuts, "output growth in the region slowed to well under the national average from 2008

to 2014." Yet 86 percent of global economic growth is projected to occur outside the United States in the next five years. So area economic leaders would be wise to focus their efforts more globally, according to the Global Cities Initiative.

The report also reinforces a well-known and distressing feature of the Washington area: it has the slowest average commute of comparable regions. The report counts as peer regions Austin, Baltimore, Boston, Philadelphia, Raleigh, Sacramento, San Diego, San Francisco and Seattle.

## Fuel economy at year's lowest point in October

Fuel economy of new vehicles sold in the U.S. dropped for the third straight month in October and is now at its lowest point of any month this year. The figures are from the University of Michigan's Transportation Research Institute, which tracks fuel economy month by month.

Average fuel economy of light vehicles bought in October was 25.0 mpg, down 0.2 mpg from September. The reason, its safe to say, is the low price of gas and the resulting increased sales of pickups and SUVs.

Overall, fuel economy is down 0.8 mpg from the peak in August 2014, but up 4.9 mpg from October 2007 – the first full month of monitoring by the U. Mich. researchers.

### *Kindred Korner: Eyewitness Surveillance*

## Using video surveillance to boost dealership efficiency

Through its work designing and developing high-end video surveillance solutions for auto dealerships, Eyewitness Surveillance, WANADA's Kindred-Line member, has built an integrated platform that can create operational value across departments. The key, according to Eyewitness Surveillance, is leveraging video surveillance technology to streamline a dealership's daily operations or provide insights the dealer can use to make more informed decisions or further enhance the store's protection.

One challenge many dealerships face is maximizing the sales window and serving customers outside of traditional business hours. Integrating video surveillance analytics allows a dealership to report on customer traffic patterns and track peaks in activity to drive growth through a more intelligent approach to managing leads. Direct sales tools also enable dealerships to engage directly with customers via text messages and emails to drive leads 24/7.

Video surveillance can also help the dealership with false claims and damage to customer vehicles while on the lot. Innovations with surveillance cameras and the monitoring platform enable the system to deliver real-time details to dealerships. Wide angled cameras can capture comprehensive, searchable video footage, which can be used to protect dealerships from costly payouts resulting from their inability to prove false inventory damage or worker's compensation claims.

The cameras reach every inch of a dealership's lot and service lanes and provide the platform to search particular time periods to either validate or refute a claim and determine if a payout is required. This simple addition can quickly convert a cost center for many dealers to potential savings up to thousands of dollars per year.

Additionally, the surveillance system can accurately index each vehicle in a dealership's inventory to be searchable by several criteria, such as VIN, tag or time. Images can be easily accessed from the cloud and on mobile devices. This feature drives increased efficiency in overall operations and an improved customer experience.

The aim of Eyewitness Surveillance is to provide an end-to-end solution so the dealer can do what it does best – work with customers to help them achieve their automotive desires – while resting assured the store's security needs are handled by a seasoned industry professional.

*Eyewitness Surveillance, based in Hanover, Maryland, is a leader in remote interactive monitoring, providing security and operational solutions for mid-size and large auto dealerships and industrial facilities across the country. For more information, please visit [www.eyewitnesssurveillance.com](http://www.eyewitnesssurveillance.com).*

Kindred Korner is a regular feature in *The WANADA Bulletin* spotlighting the value and service of WANADA's esteemed Kindred-Line members.

## **Yes, Today is Friday the 13<sup>th</sup> ! (November 13, 2015)**

Oh my! Today is Friday the 13<sup>th</sup>!

Reported for centuries in the west as a day when misfortune besets people, Friday the 13<sup>th</sup> emanates from #13, considered an unlucky number. This would explain why some avoid conducting important business on this day and why hotels historically avoid numbering the 13<sup>th</sup> floor 13, instead going from 12 to 14. The theories on the origin of Triskaidekaphobia, the fear of Friday the 13<sup>th</sup>, are numerous, but the most often cited is the 13 at dinner the night of the Last Supper, which included Jesus Christ and the 12 apostles, one of whom was the infamous betrayer, Judas Iscariot, a.k.a. the unlucky 13<sup>th</sup>.

So how often does Friday the 13<sup>th</sup> occur in a calendar year? Anywhere from one to three times, with 2015 being a triple play: February, March and November. In 2014, there was only one Friday the 13<sup>th</sup> (June), which will hold true in 2016 as well (May). In 2013, Friday the 13<sup>th</sup> occurred twice, September and December.