

# 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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Happy Holidays to Bulletin Readers from the WANADA Staff!

Thought for the season...

## Expanded MobilityTalks International at The Washington Auto Show



MobilityTalks International, which had its premiere at the 2017 Washington Auto Show (WAS), boasts an expanded schedule for 2018 with speakers from all over the world. The day and a half of panel discussions fits well with Washington's status as the Public Policy Auto Show.

The 2018 MobilityTalks during WAS Industry/Media Days, Jan. 23-24, will focus on the development and regulation of autonomous vehicles. Autonomous vehicles will play an increasing role in American transportation in coming years, and it would be wise for dealers and other industry players to be well informed. To join in the industry dialogue at WAS MobilityTalks, simply click [here](#) to register.

Here are some highlights:

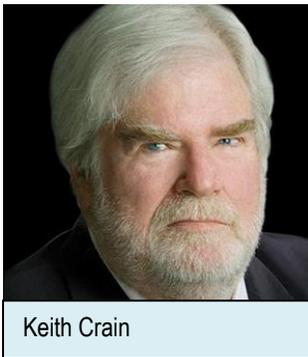
- **MobilityTalks on the Hill:** On Tues., Jan. 23, Sen. Gary Peters (D-MI) will launch WAS MobilityTalks on Capitol Hill. A panel discussion and reception will follow.
- **MobilityTalks on site at WAS:** Wed., Jan. 24, will see a full day of plenary and breakout sessions. State and municipal leaders from California, DC, Michigan and

Pennsylvania will speak. International sessions will include representatives from China, Japan, South Korea, the United Arab Emirates and the United Kingdom.

- In a *first* for The Washington Auto Show, the **Senate Commerce Committee** will hold a field hearing on site at the Washington Convention Center on Wed., Jan. 24.
- Also on the agenda are remarks from media members and advocates, including Jason Stein of *Automotive News*, and Doug Patton from Denso, a global automotive components manufacturer.

For more information, contact Kathy Teich at the WANADA office (202)237-7200 or [kt@wanada.org](mailto:kt@wanada.org).

## Registration open for Lifetime Achievement Award Dinner, honoring *Automotive News* editor, Keith Crain



Registration is open for The Washington Auto Show (WAS) Lifetime Achievement Award Dinner, Thurs., Jan. 25, 2018, at the Walter E. Washington Convention Center. Keith Crain, chairman of Crain Communications and editor-in-chief of *Automotive News*, will receive the award. The Award Dinner will also feature other legendary automotive figures and memorable presentations. WANADA dealers and all members are encouraged to attend the dinner because there will be no member reception at the WAS this year.

Crain has held a central role in the auto industry for close to 50 years as a reporter, editor and publisher of *Automotive News*. Today, he leads a team of 880 team members producing 54 different publications with 880 team members. He is a member of the Michigan Journalism Hall of Fame and the Automotive Hall of Fame.

Despite his many years of leadership as a publishing executive, Crain is perhaps best known as a hands-on journalist who still writes a regular weekly column for *Automotive News*. He is a familiar sight at *Automotive News* Detroit headquarters and takes his duties as editor-in-chief very seriously.

Here is the schedule for the evening:

6:00 p.m. Cocktail reception

7:00 p.m. Dinner & award presentation, followed by a  
Fireside Chat between Roger Penske & Keith Crain

The Awards Dinner will be in Ballroom C of the Washington Convention Center. Business attire is requested. Valet parking at the Convention Center is available.

Individual tickets are \$250, a table of ten is \$2,000, and a patron opportunity is \$5,000. The patron opportunity includes a table for ten, the patron's logo in the printed program for the dinner, and the logo in e-blast invitations.

The Award Dinner is co-hosted by Comcast Spotlight and Manheim Pennsylvania Auto Auction. To register, click [here](#).

All proceeds of this event will benefit WANADA's Auto Dealer Education Institute (ADEI), an IRS 501(c)(3) charitable foundation. *All but \$100 of each ticket is tax deductible.*

## Former NADA Chairman McConnell testifies on CAFE before Congress

Former NADA Chairman Forest McConnell told two Congressional House subcommittees that the most important point for dealers about fuel economy standards is consumer choice.

Testifying before the House Digital Commerce and Consumer Protection Subcommittee and House Environment Subcommittee, McConnell recounted that in his 40 years of selling cars, this is what happens: "People choose their new vehicles based on two factors: (1) does it fit their needs? and (2) can they afford it?" The problem with the current Corporate Average Fuel Economy standards, says McConnell, is that they will substantially raise of new vehicles and put them out of reach of many buyers.



Former NADA Chairman Forrest McConnell testifies before Congress.

Here's why:

The One National Program developed in 2009 under the Obama administration to regulate CAFE standards has evolved into three different, sometimes conflicting programs. That's the opposite of the original intent to have a single national standard. The promise of a single standard was the reason the auto industry was persuaded to support the plan in 2009 – because automakers and other industry players wanted to avoid a patchwork of state laws.

Now, McConnell said, fuel economy is regulated by the National Highway Traffic Safety Administration (NHTSA), the Environmental Protection Agency (EPA) and the California Air Resources Board (CARB). And CARB's CAFE rules apply not only to California, but also to the 12 other states that follow them, including Maryland.

"All this duplicative regulation costs money," said McConnell, and "automakers are forced to charge more for the vehicles consumers want to subsidize the building of vehicles regulators want."

The bottom line: The One National program "will raise the average price of a vehicle by nearly \$3,000, and will price over six million people entirely out of the new-car market."

Also testifying at the hearing were the Alliance of Automobile Manufacturers, Global Automakers and the Union of Concerned Scientists (UCS). After the formal statements, members of Congress engaged panelists in a discussion of the market for electric vehicles.

John Bozzella, CEO of Global Automakers, said for automakers to meet the standards – which are currently under midterm review – the marketplace will need to move increasingly toward EVs and hybrids. Dave Cooke of UCS said that the automakers had reacted in similar fashion in the early days of safety technology, saying they would not be able to meet the mandates, but then met them.

And so, the fuel economy debate goes on. Stay tuned!

## EV tax credit kept in Congressional tax bill, which now has enough votes to pass

The \$7,500 tax credit for buyers of electric vehicles was preserved in the final tax bill before Congress that Republicans negotiated last week. That's good news for dealers with EVs in the lineup and for the automakers that manufacture them. Automakers have said the tax credit

is essential for them to meet zero emission vehicle mandates from the California Air Resources Board (CARB). Twelve other states, including Maryland, also follow CARB rules. The House version of the tax bill cut the EV credit, but the Senate put it back in.

Republicans are desperate to pass this bill so they can have at least one major legislative accomplishment this year. The leadership has made several accommodations to ensure “yes” votes. At this writing, Republicans appear certain to have the votes to pass the bill.

Future *Bulletins* will include further analysis of the provisions of the tax bill that affect dealers.

## Year-end accounting checklist for dealers

WANADA Kindred-line member Councilor, Buchanan and Mitchell, CPAs, have made available their year-end accounting checklist for dealers, which can be found [here](#). Dealers should look at it soon, as some items require action before the end of the year.

WANADA salutes CBM for this important helpful analysis!

## Objections halt Senate bill on autonomous vehicles

The House has already passed a bill to speed the deployment of autonomous vehicles, and the Senate was on a fast track to approve its version for President Trump’s signature before the end of this year. Thanks to lobbying by NADA and its dealer members nationwide, both bills also include franchise law protections for dealers.

But the Senate bill has been slowed down – and possibly halted for this year – by objections from some senators. Some are unhappy that trucks have been excluded from the bill and others have safety concerns. Sen. Ed Markey (D-MA), long active in automotive legislation, is worried about cyberattacks and consumer safety. Consumer advocates fear the bill is being rushed through before the technology is ready for use on public roads. The bill would exempt up to 80,000 vehicles on the road from certain safety requirements.

And, of course, the Senate has plenty on its plate for the end of the year with tax reform and spending bills to keep the government running.

## Hyundai, Subaru take most of IIHS Top Safety Pick+ Awards



The Hyundai Santa Fe won in the Midsize SUV category.

Hyundai and Subaru received most of the 2018 Top Safety Pick+ Awards from the Insurance Institute for Highway Safety, with the rest split among Mercedes-Benz, Toyota, BMW and Ford. The requirements were strengthened this year to include higher standards for headlights and passenger-side protection in small, overlap front crashes.

“Headlights have long been treated as design elements instead of the critical safety equipment that they are,” said IIHS President Adrian Lund. “We’re pleased to see this changing.”

Here are this year's 15 winners:

- **Small cars:** Kia Forte, Kia Soul, Subaru Impreza, Subaru WRX
- **Midsized cars:** Subaru Legacy, Subaru Outback, Toyota Camry
- **Large luxury cars:** BMW 5 series, Genesis G80, Genesis G90, Lincoln Continental, Mercedes-Benz E-Class
- **Midsized SUVs:** Hyundai Santa Fe, Hyundai Santa Fe Sport
- **Midsized luxury SUVs:** Mercedes-Benz GLC.

## Americans will travel in record numbers for year-end holidays, says AAA

Americans will travel in record numbers this holiday season, with most of them – 97.4 million – traveling by automobile, says the American Automobile Association. That's a 3 percent increase over last year.

"More expensive gas prices are not swaying holiday revelers to stay home," said Bill Sutherland, AAA senior vice president, Travel and Publishing. "Across the board this year, travel has increased for every major holiday weekend. We've seen the strong economy and growing consumer confidence fuel holiday travel all year long."

In Washington, the worst time for travel is expected to be from 3:00 to 6:00 p.m. this Thursday, Dec. 21. AAA predicts that travel delays will be 2.5 times worse than usual at that time.

Holiday travelers will find the most expensive year-end gas prices since 2014. This December's national average price is \$2.47, which is 28 cents more than last December.



## TO WANADA BULLETIN READERS, FROM WANADA STAFF!

Archie Avedisian

Michael Bushnell

Isabell Garcia

Andrea Holmes

Joe Koch

Patrick Mulkey

Ed Mullaney

Gerry Murphy

Kendra Northrup

John O'Donnell

Katy Orme

Billy Painter

Connie Ryan

Antoinette Spriggs

Cameron Stewart

Bob Storin

Kathy Teich

Michael Whyte

Jessica Wilson

### Thought for the season...

For it is in giving that we receive.

--St. Francis of Assisi

