

THE WANADA BULLETIN

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

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Save the date: Nov. 14!

Members responding positively to WANADA's Annual Lunch, with keynote speaker Ed Henry of Fox News



Ed Henry, Fox News

Ed Henry, FOX News Channel's chief national correspondent, is a drawing card for WANADA members who have been enthusiastically signing up for the association's [Annual Meeting and Luncheon](#), which Henry will keynote on Nov. 14 at the Ritz Carlton/Tysons Corner. The popular newsman, who has covered Washington politics for 20 years, including six election cycles yielding an array of presidents and Congressional sessions from both major parties, will share his considerable expertise on America's current place in the world, how it got there, and where it's likely headed. Henry will also discuss the results of the Nov. 6 midterm elections, and how the election results will impact the upcoming 2020 presidential election and the next Congress' policy agenda.

The upshot is that Ed Henry's presentation to WANADA members at the association's Annual Lunch on Nov. 14 could not be more timely, or predictably more provocative and informative.

Special Report on Cancer Research

Attendees at WANADA's Annual Lunch will also receive an insightful update on the latest in cancer research and breakthroughs from WANADA's longtime friend Dr. Skip Trump, M.D., who is executive director of the Inova Schar Cancer Institute here in the Washington area.



Skip Trump, MD, Inova-Schar Cancer Institute

"Fireside chat" with Ed Henry

Immediately following the Annual Luncheon, Ed Henry will conduct a "Fireside Chat" in a private room in the Ritz/ Tysons Corner with WANADA members who elect to pay an extra \$50 to attend the 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.

WANADA's Annual Meeting of members

The association segment of the meeting will offer a state of the industry and regional automobile business report from WANADA's leadership. Members will also elect WANADA's 2018-19 Board of Directors. WANADA members and dealer community friends are then cordially invited to attend the Annual Meeting and Luncheon, which promises to be memorable!

Click [here](#) to register for the Annual Meeting and Luncheon, and pay by credit card or check. The 2018 WANADA Annual Meeting and Luncheon is generously sponsored by WANADA Kindred-line members ACV Auctions, Armatus Dealer Uplift, BG Products and Services, and SunTrust.

WANADA promotes Washington Auto Show in Paris



At the Paris Auto Show with the GAC GS5 compact crossover, are, from left: WANADA CEO John O'Donnell; Jenny Li, GAC global head of communications; and WANADA Chairman John Bowis.



The Renault EZ-Go, a fully autonomous, zero emission concept car, draws a lot of interest in Paris.

WANADA Chairman John Bowis and CEO John O'Donnell traveled earlier this month to the Paris Auto Show, one of the foremost events of its kind in the world. While there, Bowis and O'Donnell met with many high level OEM executives to promote the Washington Auto Show and its industry conference, MobilityTalks International. Bowis and O'Donnell also had a private dinner with Jason Stein, publisher of *Automotive News*.

OEMs introduced several new models in Paris and made announcements, such as Honda's announcement about its collaboration with General Motors to create an autonomous vehicle program. GAC, the Chinese OEM that is working toward a bigger presence in the West, had a prominent exhibit in Paris. It was GAC's first time at the show, and they were the only Chinese OEM there.

WANADA hosts Fraud and Cybersecurity Seminar

Employees of Washington-area automobile dealerships received a crash course in fraud and privacy protection *best practices* on Oct. 16, during WANADA's Fraud and Cybersecurity Seminar. Attendees of the event, held at the Pooks Hill Marriott in Bethesda, learned about common types of fraud that happen at dealerships, and learned about ways dealers can ensure they are in compliance with various U.S. and international data privacy regulations.

Prince George's County Police Sergeant David Mohr, a member of the inter-jurisdictional Washington Area Vehicle Enforcement Auto-Theft Task Force (WAVE), said that dealerships are a prime target for fraud, given their large inventory of valuable, tangible goods, and the fact that most cars are bought with some kind of financing. He said dealers of all kinds of cars can fall victim to criminals who steal identities to buy cars, who use fake financing sources to get a car and then disappear, or those who simply manage to steal the actual cars off the lot.

Mohr said dealers should report cars they believe to be stolen as soon as possible, and urged dealers to make sure they fully scrutinize customers who might raise red flags. Mohr said that dealers should always be prepared to ask for extra forms of documentation from buyers, while running full background checks on reported places of employment, and fully verifying credit checks before a buyer is able to leave with a vehicle.

Michael Wright, a senior manager at the Baker Tilly law firm, discussed the European Union's General Data Protection Regulation (GDPR), which provides EU citizens who reside around the world with enhanced protections against having their personal info mined without explicit consent. In view of so many diplomats and other foreign personnel on assignment in Washington, Wright said that it is critical for dealers to take care they are in compliance, not just with GDPR, but also with similar laws implemented by Canada, China, the Philippines, India, and Malaysia. He noted, too, that language mirroring GDPR will soon take effect in Virginia.

Anyone who would like to receive the slides from the presentations should contact Kathy Teich at <mailto:mkt@wanada.org>, or by calling the WANADA office at 202-237-7200.

WANADA participates in NADA Washington Conference



At the NADA Conference, from left: WANADA CEO John O'Donnell; Rep. John Delaney (D-MD); Steve Parker, Baltimore-Potomac Truck Center; and Peter Kitzmiller, CEO, Maryland Automobile Dealers Association.

WANADA was ably represented at this year's NADA Washington, DC Conference by its chairman, John Bowis, Chevy Chase Acura; board members John Altman, Beyer Automotive Group; Daniel Jobe, Capitol Cadillac; Geoff Pohanka, Pohanka Automotive Group; and WANADA CEO John O'Donnell. Altman is WANADA's NextGen dealer which is part of a group of younger dealers who NADA trains to be industry advocates on Capitol Hill and in state legislatures. Jobe is the NADA director for Maryland, and Pohanka is NADA director for Metropolitan Washington.

Nearly 500 dealers and dealer association

executives from all 50 states and a number of major metro areas gathered in DC for the NADA Conference. Lawmakers from both sides of the aisle in Congress came to speak, including Sen. Pat Toomey (R-Pa.), Rep. Kurt Schrader (D-Ore.), Rep. Mike Gallagher (R-Wis.), and Rep. John Delaney (D-Md.). Additionally, Mick Mulvaney, acting director of the Consumer Financial Protection Bureau (CFPB) spoke.

Following the NADA Conference, WANADA members and other dealers went to Capitol Hill to interact with and lobby members of Congress. The big issues this year for NADA and America's dealers were tariffs on imported vehicles, regulations on autonomous vehicles, and vehicle recalls.

Koons dealer offers his own car subscription service

Auto manufacturers have again been trying to make their way into the retail auto business, this time by offering *subscriptions* to cars, for those who don't want to commit to a purchase or a lease. But Alex Perdikis of Koons of Silver Spring has started his own subscription service through the automotive startup he cofounded, known as [inride](#). Indeed, inride is a way for dealers to benefit from their knowledge of the local market.

Inride members use an app to find a vehicle they are interested in driving. They pay \$895 or \$1,395 a month, depending on the level of vehicle they want. (Those are discounted introductory offers: Normal pricing is \$995 and \$1,495.) The inride concierge team delivers hand-detailed vehicles to members on request. Every inride subscription includes rights to a vehicle, insurance and maintenance, with no long-term commitment. Inride says it distinguishes its program from OEM services by offering multiple makes and models for members to choose from.

"If you want to drive an Audi A6 during the work week, and then flip into a Jeep Wrangler for a beach weekend, that happens with a couple swipes of the app," says Perdikis.

"Most of our attraction has been higher-end cars," Perdikis said. About half so far are coming off lease and are looking at alternatives before buying or leasing their next vehicle.

The vehicles come from the dealership's new car inventory or "slightly pre-owned" vehicles acquired for inride.

"It's a way for dealers to take advantage of a new opportunity in the marketplace," said Perdikis. "We're seeing customers we wouldn't see otherwise," as some customers, for example, subscribe to a Tesla Model S, or Porsche Panamera.

For a certain type of customer, it's a great deal, said Perdikis: "No loan, no credit check, no cash down payment. It's month-to-month and zero commitment."

Enforcement action by FTC on auto recall notices

The Federal Trade Commission (FTC) announced a settlement recently with an auto dealer and its third party automotive marketing company over recall notices. The FTC alleged that recall-related mailers sent on the dealer's behalf were sent to consumers whose vehicles were not subject to open recall, and that the dealer did not take appropriate steps, in FTC's view, to ensure that consumer inquiries about those mailers were handled properly.

While it can be difficult to ensure that the right consumers are reached and that they understand the importance of remedying an open safety recall, dealers should use caution in how they try to reach consumers. In particular, dealers must take care that they: (a) actively monitor any third party marketing services sending such communications on their behalf; (b) properly train their staff on how to respond to consumer inquiries related to recalls; and (c) make certain that staff understands www.safercar.gov, including what information it contains and how it can be accessed.

Thanks to NADA for this information.

Staying Ahead...

You've got to realize how you're going position your company to thrive in this dynamically changing environment.

--Mike Jackson, CEO of AutoNation

