

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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Washington area sales up 0.9% in 2018, up 12.8% in 4th quarter 2019 Washington Auto Show information for WANADA members MobilityTalks International is April 3 to 4
Washington Auto Show Media Day features automaker, regulator presentations on April 4
Connected Green Car of the Year to be announced at Auto Show VIP tours offered throughout Washington Auto Show
Both houses in Maryland legislature approve \$15 minimum wage
Safety advocates push for ignition interlock for drunk drivers in all new vehicles Staying Ahead...

Washington area sales up 0.9% in 2018, up 12.8% in 4th quarter

After an up-and-down year, Washington-area new vehicle sales rallied in the fourth quarter and ended 2018 with a 0.9 percent gain over the prior year. That's a better increase than U.S. sales, which rose 0.5 percent for the year. Washington area figures are from WANADA's Area Report based on R.L. Polk new-vehicle registration data, and can be accessed by clicking here. U.S. sales figures are from NADA.

Last year saw a lot of uncertainty in the new vehicle sales in the Washington area economy, with the threat of government shutdowns and many federal appointments left unfilled. Uncertainty doesn't put consumers in the mood to buy big-ticket items like new vehicles. The year saw four interest rate hikes. But the slight year-end sales gain is much better than year-end 2017, which saw a 9.6 percent drop in area sales.

Area sales in the second half of the year were markedly better than in the first half. Every month from January to June saw sales decline; every month from July to December saw sales rise. In the fourth quarter of 2018, December (+18.6 percent) and October (+14.4 percent) were particularly impressive. November sales were up a more modest 4.7 percent. Total sales for the year came in solidly at 309,511 new vehicles for D.C., suburban Maryland and Northern Virginia.

Imports made up 70 percent of new-car and-truck sales in the region last year, down slightly from last year's import share of 72.8 percent. Imports (non-Detroit 3) made up 79.3 percent of all new-car sales – high, but down from 2017's 82.4 percent. Import trucks' share of new-truck sales were less at 63.1 percent, down from 65.5 percent in 2017. Sales in the region continue to favor imports more than the rest of the nation, with the percentage varying from year to year.

Washington area buyers' move toward light trucks, SUVs, and CUVs continues to accelerate, hitting 62.1 percent last year, up from 57.3 percent in 2017. That's still below the U.S. figure of 69.2 percent.

For the complete WANADA Area Report on fourth quarter and total 2018 Washington area new vehicle sales, WANADA members can click here and log in with their user name and password.

2019 Washington Auto Show information for WANADA members

The 2019 Washington Auto Show VIP and general admission passes have been mailed to WANADA dealer members and Kindred-line members. Contact Kathy Teich, (202) 237-7200 ext.18, or via email at kt@wanada.org if you have not received them. For more information about Auto Show passes and credentials for participating dealership sales personnel, members can check their email for a March 15 message from WANADA.

Some Auto Show events of particular interest to WANADA members:

WANADA's 2019 Regional Tag and Title Seminar, Friday, April 5, from 9:30 a.m. to 11:30 a.m., Washington Convention Center, Room 102B. Motor vehicle agency regulators from the D.C. DMV, Maryland MVA, and Virginia DMV will again form a panel to discuss the special tag and title issues facing Washington area dealers. The seminar will focus on interjurisdictional coordination and administrative efforts. The cost is \$75 per ticket. Register here. If you have questions or need more information, contact Kathy Teich at kt@wanada.org or (202) 237-7200.

WANADA Member Reception at the 2019 Auto Show, Thursday, April 11, from 6:00 p.m. to 8:00 p.m., Washington Convention Center, Room 201. WANADA's networking event for WANADA dealers, Kindred-line members, associate members and their guests. This year WANADA will honor our Time Dealer of the Year winner, John Bowis, Chevy Chase Acura, and Northwood University Dealer Education Award winner Christopher Lindsay, Lindsay Automotive. Tickets are \$50 per person, and can be obtained by registering here. If you have questions, contact Kathy Teich at kt@wanada.org or (202) 237-7200. WANADA thanks the generous sponsors for this event: Bank of America Merrill Lynch, Comcast Spotlight and Cox Automotive. Valet parking, sponsored by WellNet, is available on L Street for the Member Reception.

MobilityTalks International is April 3 to 4

On April 3 and 4, The Washington Auto Show will again host its industry conference, <u>MobilityTalks International</u>. This timely and powerful conference makes The Washington Auto Show stand out from other auto shows by reinforcing its position as the Public Policy Show on the industry circuit.

Several panels will run concurrently. One morning panel on April 3 will discuss "The State of Artificial Intelligence." Democratic presidential candidate, John Delaney, will be a featured speaker. Delaney represented Maryland's 6th District in the House of Representatives from 2013 to 2019 and founded the bipartisan Artificial Intelligence caucus while in Congress.

A luncheon panel on April 3 will present "Communicating the Benefits of Advanced Technologies to New Vehicle Buyers." Panel members include Suzie Reineke of the Reineke Family Dealerships; representatives from Toyota; the National Highway Traffic Safety Administration; AAA; and Bosch, plus Peter Welch, the CEO of NADA. Several international speakers will speak throughout the day about advanced technology programs in their countries.

On Thursday, April 4, MobilityTalks International will move to Capitol Hill for a lunchtime panel discussion. The theme there will be "Data Privacy and Cybersecurity in an Automated World."

Visit www.washingtonautoshow.com/mobilitytalks for session topics, speakers and the full schedule. Email Joe Koch, jk@wanada.org, on information about how to attend the events. MobilityTalks International is sponsored by the Auto Alliance, MEMA, Qualcomm, Rifkin Weiner Livingston LLC, and The Hill.

Washington Auto Show Media Day features automaker, regulator presentations on April 4

A highlight of the Washington Auto Show Media Day on April 4 will be Environmental Protection Agency Administrator Andrew Wheeler's speech at 8:30 a.m. The EPA recently withdrew from talks with California to reach an agreement on a single national standard for fuel economy, with each side blaming the other. Neither side moved much from its original position. Future developments in this arena will definitely affect Washington area dealers, as Maryland follows California standards and Virginia follows federal ones.

Another highlight will be Anthony Foxx, former secretary of the Department of Transportation and current Lyft chief policy officer, speaking at 12:30 p.m. The rest of the day will feature presentations by automakers and automotive organizations.

All WANADA dealers and Kindred-line member representatives are urged to attend the Washington Auto Show Media Day, at the Washington Convention Center.

Connected Green Car of the Year to be announced at Auto Show

The Connected Green Car of the Year and the Green Car Technology of the Year will be announced at the 2019 Washington Auto Show during Media Day, April 4. The winners will be chosen from five finalists in each category.

Finalists for the 2019 Connected Green Car of the Year are the Audi e-tron, Nissan Leaf, Subaru Crosstrek Hybrid, Tesla Model 3, and Toyota RAV4 Hybrid. The field includes three battery electric vehicles, one hybrid and one plug-in hybrid.

Finalists for the 2019 Green Technology of the Year are Chevrolet dynamic fuel management, Hyundai Nexo fuel cell powertrain, Mitsubishi PHEV powertrain, Nissan VC-turbo engine and RAM eTorque. The technologies focus on efficient internal combustion, electrification and alternative fuels.

VIP tours offered throughout Washington Auto Show

The popular VIP tours will be available throughout this year's Washington Auto Show. Longtime journalists and auto experts will take small groups around the show floor for an indepth look at the models and technologies that interest them.

The tour guides are auto journalists John Davis, Motorweek; William West Hopper, Automotive Business Report; Les Jackson, Cruise Control; Alvin Jones, Planet Vehicle, and Fadra Nally, All Things Fadra.

WANADA Bulletin #6-19 March 19, 2019 Page 4

Both houses in Maryland General Assembly approve \$15 minimum wage

The Maryland House of Delegates and Senate have both approved raising the state's minimum wage gradually from its current \$10.10 to \$15 by 2025. The final details of the legislation to be presented to Gov. Larry Hogan will be worked out in conference committee.

Gov. Hogan opposes the measure, instead offering an alternative measure that would increase the minimum wage to \$12.10 by 2022. Gov. Hogan has not said if he would veto the bill passed by the House and Senate.

The bill, if successful, would not immediately affect employers in Montgomery or Prince George's counties, which currently have higher minimum wages of \$12.25 and \$11.50, respectively.

The measure would increase labor costs by 48 percent, according to <u>The Baltimore Sun</u>.

A particular concern for WANADA is its Automobile Dealer Education Institute (ADEI) program to train aspiring auto technicians. Participating dealers in ADEI's program currently pay minimum wage to technician trainees in the earn-while-you-learn program.

Safety advocates push for ignition interlock for drunk drivers in all new vehicles

Safety advocates have pushed for all new vehicles to be equipped with a device that would automatically shut off the ignition if the driver were found to be too intoxicated to drive. The ignition interlock equipment uses a breathalyzer-type test. The proposal's advocates were addressing a House consumer protection and commerce subcommittee.

Joan Claybrook, a former administrator of the National Highway Traffic Safety Administration, wants the technology in all new vehicles as soon as three years from now. She said the technology has existed since 2006. Congress has discussed making it mandatory before.

Rep. Debbie Dingell (D-Mich.) also pushed the committee to require the technology. Claybrook said putting the device in all new vehicles could save as many as 7,000 lives a year.

Staying Ahead...
I've always been asked, what is my favorite car? And I've always said, "The next one."
--Carroll Shelby

