

THE WANADA BULLETIN

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

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WANADA Holds First-Ever Virtual Annual Meeting
Board of Directors Welcomes Two New Members
Fox News' Howard Kurtz Addresses Annual meeting
MoCo Lowers Capacity Limits for Retailers; Other Counties Likely to Follow
Va. MVDB Accepting Online Sales License Applications
CFPB Settles With Auto Loan Payment Plan Company for Deceptive Practices
CBM Creates Record Retention Guide for Dealers
A Note About Upcoming WANADA Bulletins

WANADA Holds First-Ever Virtual Annual Meeting

Much like every large gathering scheduled for the last nine months of 2020, WANADA's Annual Meeting was a fully-online event this year. While the format was different than prior years, attendees still received a thorough overview of the association's successes in a most-unusual year, and were treated to an informative speech from Howard Kurtz, Fox News' media reporter.



The event was held on November 5 and hosted by WANADA Board of Directors Chairman Kevin Reilly, who delivered his chairman's report from his dealership, Alexandria Hyundai. Reilly commended the association, and the members who comprise it, for their tenacity during this unprecedented period of a deadly pandemic and deep economic disruption. Despite all that the world is currently going through, Reilly said, WANADA members have been through crises before and will get through this one.

"Since its' founding, WANADA's faced two world wars, another pandemic, a depression, recessions, and yet it has endured," Reilly said. "WANADA's dealers will undoubtedly survive and thrive."



WANADA CEO John O'Donnell also addressed the virtual meeting, in an address filmed at the association's headquarters in Washington. He said that, despite the pandemic, WANADA has secured several important wins in 2020, including being able to host a successful Washington Auto Show prior to the crisis, growing the Automobile Dealer Education Institute, and securing important legislative victories – an increase in Maryland's dealer processing charge cap, a rejection of an advertising tax in D.C., and much more.

WANADA would like to thank the event's sponsors, including [Penney Design Group](#) (Registration Sponsor); [ACV Auctions](#); [Armatus Dealer Uplift](#); [Councilor, Buchanan & Mitchell, P.C. – CPAs & Business Advisors](#); [Crovato Products & Services](#); [The Keats Group at RBC Wealth Management](#); [Truist Bank](#) (formerly BB&T and SunTrust); and [WellNet Healthcare](#).

The association also thanks Joe Stephens for his hard work in taping and producing the virtual event, and appreciates everyone who joined the event this year, despite the departure from the usual circumstances. If you would like to view the Annual Meeting in its entirety, [please click here](#).

Board of Directors Welcomes Two New Members

As is custom, at this year's annual meeting, the WANADA Board of Directors welcomed two new members to its ranks – Brand Fowler of Sheehy Auto Stores, and Gordon Riddle of Brown's Automotive Group.

The association also expresses its utmost thanks to Dorothy Fitzgerald of Fitzgerald Auto Mall, and Daniel Jobe of Capitol Cadillac, whose terms on the board have expired.

A graduate of Virginia's Darden School of Business, Brand Fowler has spent nearly 24 years with Sheehy Auto Stores. He currently serves as Chief Operating Officer of the organization, which has more than two-dozen dealerships across the Mid-Atlantic. Gordon Riddle is the president of Brown's Automotive Group, where he has worked for almost 25 years. He is a graduate of Virginia Tech's Pamplin College of Business.

WANADA appreciates Mr. Fowler and Mr. Riddle's willingness to serve the association, and to help the organization continue to serve as dealer advocates across the Washington area.

To view the entire 2020-21 WANADA Board of Directors roster, please [click here](#).

Fox News' Howard Kurtz Addresses Annual Meeting

Fox News' Howard Kurtz, who hosts the weekly *Media Buzz* program on the network, addressed the recently-concluded election during his keynote address at WANADA's Annual Meeting.

Kurtz's speech was recorded last Wednesday, when the outcome of the presidential race had yet to be called. Since then, Joe Biden has been declared the winner, though Republicans performed better than had been expected in Congressional races, and staved off Democratic hopes of flipping competitive state legislative chambers.

While the outcome of the presidential race was still unclear at the time of the event, Kurtz noted that President Trump managed to vastly outperform many of the pre-election polls, and turned out many low-propensity voters, contrary to the projections of many in the media.



“A lot of [the president’s] people turned out on Tuesday,” Kurtz said. “Four years after 2016, we once again underestimated him. There were a lot of people perpetuating this fantasy that Biden might win Texas or Florida, which of course didn’t happen.”

While discussing Joe Biden, who is now the president-elect, Kurtz said that he profiled the then-Senator back in 1987, which showed how long both of them had been active in Washington. He said the president-elect’s campaign strategy was largely to let Trump drive the narrative, for better or for worse, as the election was going to be seen as a referendum on the incumbent.

“Biden was very content with letting Trump take the spotlight,” Kurtz said. “That might be why the election was tighter than many in the media predicted.”

Kurtz also recapped what has been an unpredictable and unprecedented news year, with an remarkable number of high-profile events happening just at the end of the campaign: the release of Bob Woodward’s book in September, the president being hospitalized with COVID-19, Ruth Bader Ginsburg passing away and Amy Coney Barrett being confirmed to replace her on the Supreme Court.

MoCo Lowers Capacity Limits for Retailers; Other Counties Likely to Follow

On Tuesday, Montgomery County Executive Marc Elrich [issued an order](#) that lowers capacity limits for businesses, restaurants, and retail establishments back to 25 percent of their published capacity, or 1 customer per 200 square feet of “in-store space,” whichever is lower.

[Executive Order 122-20](#) took effect at 5 p.m. on Tuesday, and other counties in the region seem likely to follow in response to a [spike in coronavirus cases](#) that exceeds even those back in the early spring.

County Executive Elrich’s 25-percent/1-per-200-square-foot order covers retail establishments, religious facilities, gyms, indoor dining, and museums, and also prohibits private gatherings of more than 25 people, and “personal services establishments” must also adhere to the 25 percent or 25 person limit, whichever is lower.

Alcohol sales will also be prohibited after 10 p.m. in the county, and restaurants will be required to keep a record of all indoor and outdoor patrons, in order to assist with contact tracing.

On Tuesday afternoon, Maryland Gov. Larry Hogan said that the state has “crossed over into the danger zone,” citing widespread “COVID fatigue.” Gov. Hogan [issued an executive order](#) that lowers indoor dining capacity limits in “stage three” counties from 75 percent to 50 percent, while [promising stronger enforcement](#) of the requirement that only seated patrons be served.

The state Department of Health [issued an advisory](#) “strongly advising” against indoor gatherings of 25 people or more, though it does not contain the same enforcement mechanisms of County

Executive Elrich's order. The governor did stress that there [might be additional needs](#) for further restrictions, depending on the rate of COVID-19 cases in the state over the coming weeks. He has already extended the state's mask order, and [encouraged employers to "make every effort"](#) to allow employees to telework when at all possible.

Gov. Hogan and D.C. Mayor Muriel Bowser have each issued travel advisories; [Gov. Hogan's advisory](#) recommends against all non-essential travel to states with more than [a 10 percent positivity rate](#). The state "strongly suggests" getting tested before and after any essential travel out of state. In D.C., [Mayor Bowser's travel advisory](#) requires all out-of-region travelers, as well as visitors of more than three days, to get tested 3 to 5 days after arriving/returning to D.C., or to quarantine for 14 days.

Also, Anne Arundel County Executive Steuart Pittman said that additional restrictions on social gatherings were [likely to be "significantly" restricted](#) later this week. [He told the Capital Gazette](#) in Annapolis that he is wary of reimposing restrictions or closures on businesses at this time, but added that he thought the governor's orders on Tuesday were insufficient. Pittman and Elrich were two of the five county executives, plus Baltimore mayor Jack Young, [who sent Hogan a letter last Friday](#) urging the governor to [reimpose additional restrictions](#), in order to stem the rise in COVID cases.

Please note that D.C., Maryland, and Virginia have all launched COVID exposure tracking and alert systems. We recommend you add D.C. and Maryland's alerts by following the steps outlined [at this link](#). You can download the [Virginia COVIDWISE](#) app on iPhones and Androids.

Va. MVDB Accepting Online Sales License Applications

The [Virginia Motor Vehicle Dealer Board](#) is now accepting online submissions of [MVDB 61 forms](#) for sales personnel. The MVDB is using an encrypted system called Virtru to ensure data privacy during these submissions.

Please note that the email address to submit encrypted MVDB applications is MVDB61@mvdb.virginia.gov.

Before attempting to submit an encrypted form to the MVDB, you will need to install the Virtru plugin on your web browser, preferably Google Chrome. [Please click here](#) for instructions on how to do so.

When submitting an application, please also make sure to provide the MVDB with a point of contact name and email from the dealership. The MVDB will follow up via phone to get a credit card payment for the approved license.

If you are submitting a new salesperson application, please note that you will need to complete the required background check from one of the state's authorized providers before submitting the form electronically. The onus has been on dealers to complete the background check since a new rule went into effect on August 1. To view a list of authorized background check providers, [please click here](#).

If you have any questions about this process, please contact dboard@mvdb.virginia.gov, or call Rick Sipe of the MVDB at 804-367-1100 x3003#.

CFPB Settles With Auto Loan Payment Plan Company for Deceptive Practices

Last Monday, the Consumer Financial Protection Bureau [reached a \\$7.5 million settlement](#) with SMART Payment Plan, LLC, “finding that the company’s disclosures of its loan payment program contained misleading statements in violation of the Consumer Financial Protection Act of 2010’s prohibition against deceptive acts or practices.”

The CFPB states that SMART Payment Plan, LLC made deceptive statements by giving consumers misleading “benefits summaries” that misrepresented the amount of money clients would save by enrolling in their provided auto loan payment plans. However, the CFPB noted, “SMART’s fees would ordinarily exceed the savings,” creating “the misleading impression that consumers would save money using its product.”

The CFPB’s action did not “directly implicate any dealer or allege that any dealer made any deceptive statements,” according to a statement from the National Automobile Dealers Association’s regulatory affairs committee about the settlement, “but the payment plan program was marketed almost exclusively through automobile dealers.”

As NADA stated, [this action](#) did not single out any specific dealer for wrongdoing, but it does look similar to [a 2015 Federal Trade Commission action](#) that did. We, along with our partners at NADA, remind our members to always carefully and diligently review any disclosures related to financing and voluntary protection products with your legal counsel.

CBM Creates Record Retention Guide for Dealers

Our friends at the accounting advisory firm of [Councilor, Buchanan & Mitchell, P.C.](#) have produced a helpful two-page guide on how long dealers should retain various business documents.

To view the guide, [please click here](#).

WANADA appreciates the help CBM provides our dealers, on this matter and many others.

A Note About Upcoming WANADA Bulletins

With Thanksgiving coming up, the WANADA Bulletin will be taking the Wednesday before the holiday off. Unless there is breaking news that requires the newsletter’s production schedule to change once again, the next WANADA Bulletin will be published on Wednesday, December 2. Thank you for reading the Bulletin.

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