

THE WANADA BULLETIN

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

WANADA Bulletin # 11-23

September 14, 2023

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ADEI Kicks off Semester at Montgomery College

On Wednesday, August 23, WANADA executives, dealers, college officials, community leaders and participating service managers gathered with new and existing technician apprentices to kick-off the 2023 fall semester of the Automobile Dealer Education Institute (ADEI).

ADEI Chairman Harold Redden of Fitzgerald Auto Malls welcomed the attendees and highlighted how the program continues to thrive in addition to challenging the incoming apprentices to take advantage of the unique opportunity they were being offered. Director of Education Joe Hemberger also spoke to the students, challenging the new apprentices to “work hard and dream big.”



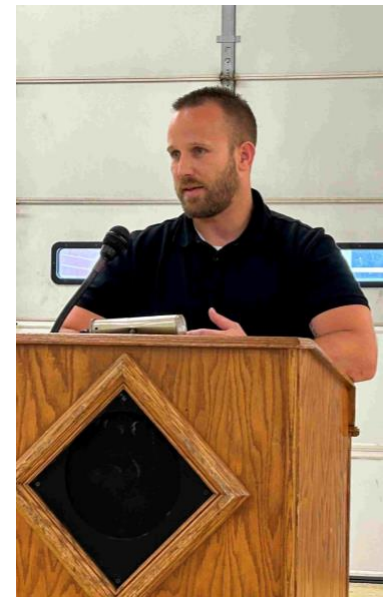
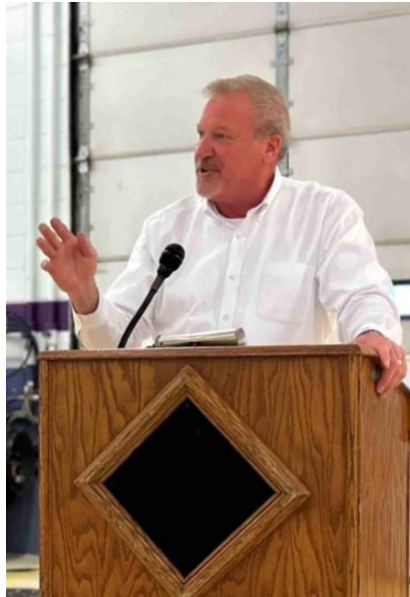
Left Photo (from left): Jeff Frey, Service Manager, EuroMotorCars Bethesda; Steve Boden, Montgomery County Public Schools; Harold Redden, ADEI Chairman; Jim Willard, General Manager, EuroMotorCars Bethesda; Right Photo: WANADA CEO John O'Donnell presents a completion certificate to recent ADEI graduate Jacob Elescano of Lindsay Ford.

“We have the largest dealer-sponsored automotive apprenticeship program in the country,” said WANADA Vice President of Operations Joe Koch in later remarks. “Many groups sponsor scholarships or conduct for-profit automotive training, but no one is providing young people with a job, education, tools and mentorship, all for no cost to the student. What’s more, the program

simultaneously helps dealers with your technician pipeline. It's a win-win for everyone involved."

In addition to the apprentices and industry representatives who had gathered, several community leaders who support the program financially and officials from the Maryland Department of Labor were present. They were able to meet with incoming students, but also witness several apprentices who had completed the program receive their certificates and discuss the great opportunities for career advancement that ADEI had afforded them. Zach Jones, the current service director for Fitzgerald Genesis, spoke to the crowd about how ADEI helped him learn the trade and eventually climb to the position he is in now. "This is a great program and I'm thankful for what it's done for my life," he concluded.

ADEI helps aspiring, entry-level technicians find jobs at local dealerships. Once hired, the dealer then sponsors the technician's education at one of WANADA's three training sites, where they go to class one day per week. The curriculum is certified by the ASE Education Foundation and includes manufacturer training as well. After two years, the apprentices have enough classroom education and on-the-job training to become ASE-certified master technicians. The dealership pays a portion of the tuition by sponsoring each apprentice, but the vast majority of the program costs are covered by WANADA as a member service.



Pictured above (from left): WANADA Director of Education Joe Hemberger & Fitzgerald Genesis Service Manager Zach Jones; Pictured below (from left): ADEI Chairman Harold Redden, Margaret Young, President, Rotary Club of Gaithersburg; Jim Hamerski, Rotary Club of Gaithersburg; Joe Koch, WANADA VP of Operations.

If you are interested in learning more about ADEI to see if it would be a good fit for your service department, please contact Joe Hemberger via phone or email: 267-346-1700; jh@wanada.org.

Reminder: 2023 Rescheduled WANADA Open Next Week!

Threats of lightning in the vicinity of the Trump National Golf Club in Sterling, VA caused the 2023 WANADA Open to be rescheduled. The tournament is now slated for Monday, September 25, 2023. All registrations and sponsorships will be honored for the new date. Mark your calendars today and stay tuned for additional relevant details. Questions or concerns can be directed to Kathy Teich at kt@wanada.org or by calling 202-800-4190.



The Trump National Golf Club in Sterling, VA

Local News Spotlights Automotive Fraud in Area Dealerships

It should come to surprise that the Washington, DC region is one of the nation's hotspots for fraud in automotive dealerships. For several years WANADA has been taking an active role in combatting fraud and theft by coordinating with local law enforcement, improving communications between law enforcement and dealerships, and highlighting the issue with lawmakers and members of the media. Those efforts have been paying off, as the current fraud alert tool has directly led to the recovery of many vehicles in addition to blunting the efforts of fraudsters in our region. Now the media is keying in on the scale of the problem, as evidenced by [this piece aired by WJLA](#) on Monday, September 11, 2023. Personnel at EuroMotorCars Bethesda, including general manager Jim Willard, described the challenges associated with running a dealership amid an epidemic of crime, and WANADA CEO John O'Donnell articulated what would be a major step in stemming fraud, which is to have these offenses classified as criminal rather than civil matters. Disturbingly, reporter Mitch Blacher closes the piece by noting that "the most common place [the finance industry] finds fake paystubs is right here in Washington, DC."

IRS Updates EV Tax Credit Eligible Vehicles

Our friends at NADA [recently provided updates](#) to the list of qualifying alternative fuels vehicles that can qualify for the IRS' EV Purchase Tax Credit. Several electric, plug-in hybrid and fuel cell electric vehicles are eligible for a federal income tax credit starting with purchases this year (2023).

Since the latest rules governing EV purchase tax credits (30D) [came into effect](#) on April 18, 2023, the list of vehicles eligible for the purchase tax credit has changed. As of August 15, 2023, eight MY 2023 models qualify for the full \$7,500 credit, and eight MY 2023 models qualify for the \$3,750 credit. In addition, four MY 2024 models will also qualify, three at \$7,500 and one at \$3,750.

To obtain the credit, consumers and dealers do not need to know the qualifying factors (including battery and mineral content and assembly location). The relevant information they do need

includes: whether that vehicle qualifies for a tax credit (and if it receives the full \$7,500 or the half credit of \$3,750), the vehicle's MSRP and the consumer's modified adjusted gross income.

With dealer input, NADA is advocating for a VIN search program, so that they and consumers can easily verify which vehicles qualify.

MY 2023 models qualifying for the full \$7,500 credit:

Cadillac Lyriq
Chevrolet Bolt
Chrysler Pacifica (PHEV)
Ford F-150 Lightning
Lincoln Aviator Grand Touring (PHEV)
Tesla Model 3
Tesla Model Y
Volkswagen ID.4

MY 2023 models qualifying for \$3,750 credit:

Ford E-Transit
Ford Escape (PHEV)
Mustang Mach-E
Jeep Grand Cherokee (PHEV)
Jeep Wrangler (PHEV)
Lincoln Corsair Grand Touring (PHEV)
Rivian R1S
Rivian R1T

Additional models qualifying in 2024:

BMW X5 (PHEV) (\$3,750)
Chevrolet Blazer EV (\$7,500)
Chevrolet Equinox EV (\$7,500)
Chevrolet Silverado EV (\$7,500)

There is an additional credit available to purchasers of commercial vehicles, including vehicles purchased by finance companies that are then leased to consumers. Most EV models (including those that do not qualify for the 30D purchase credit) potentially qualify for this credit.

Good news for consumers and dealers: getting the benefit of this credit is not a tax event for either. The finance source interacts with the IRS to get the credit and then typically uses it to lower the capitalized cost or support the residual value. From the perspective of consumers and dealers, this credit operates like a regular financing incentive.

The Department of Energy has a [tool on fueleconomy.gov](https://www.fueleconomy.gov) that provides an updated table of all Section 30D qualifying make/models/variants. Or visit www.nada.org/ev-incentives for more information on the Section 30D tax credits, on the Section 45W tax credits or on other EV incentives.

Note: This list was updated on August 15, 2023. It is always important to check the Section 30D qualifying list and with your vehicle manufacturers as EV make/models may be added to or fall off the list as circumstances change.

New Video Series Expounds Virtues of Auto Shows

For several years the predominant narrative in mainstream media about auto shows has been that they are outdated and ineffective. This narrative, which ignored basic facts about auto shows' unique ability to generate sales and was primarily driven from marketing executives outside of the automotive industry, appears to be coming to an end. To wit, The Sept. 6 issue of the Wall Street Journal [featured a story](#) on the recent IAA Mobility car show in Munich and the brands that have been most derided as "falling behind" are, perhaps not coincidentally, the same brands who exhibited the most strident anti-auto show marketing strategies in recent years. It comes as no surprise, then, that several industry groups are urging both OEMs and dealers to renew their support for auto shows. One recent video series proclaims, "The auto show... if it didn't exist, some brilliant person would invent it." After all, where else do prospective customers pay money to come and review product?

Be sure to check out the ["Car Shopper's Tale"](#) and ["The Genius of the Auto Show."](#)

O'Donnell Visits City Leaders

Last year it was announced that Events DC, the city's convention and sports authority, had hired Angie Gates as their new President and CEO, replacing longtime chief executive Greg O'Dell. O'Dell departed the role for a similar function in Chicago last spring, and it was recently announced that the Samuel Thomas, General Manager of the Walter E. Washington Convention Center, would be joining him in the Windy City. Last week marked Mr. Thomas' farewell to the nation's capital and many of the city's leaders attended a send-off party to extend their well-wishes. As the Washington, DC Auto Show is the city's largest annual indoor event, WANADA President & CEO John O'Donnell was among them. WANADA and the Washington, DC Auto Show would like to formally extend its thanks to Mr. Thomas for his many years of partnership in addition to welcoming Ms. Gates and new convention center General Manager Hootan Kaboli into their respective roles.



WANADA CEO John O'Donnell and Events DC CEO Angie Gates

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