

the

VIRGINIA

SPRING 2019

INDEPENDENT NEWS

GENERAL ASSEMBLY POST-SESSION HIGHLIGHTS

WARNING:

Adverse Action Letters Matter

Reassignment Form
(VAD 20) Update

Around the
Commonwealth

PLUS

Ladies Auxiliary: Giving
Back with Endless Energy





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The Virginia Independent News

SPRING 2019

Virginia Independent Automobile Dealers Association

4700 Thoroughgood Square
Virginia Beach, VA 23455-4043

(757) 464-3460

(800) 394-1960

Fax: (757) 299-6331

info@viada.org

VIADA.org

—

VADealerRecertification.com

—

facebook.com/infoviada

—

Jamie Davis

EXECUTIVE DIRECTOR & EDITOR

jamie@viada.org

MAGAZINE PRODUCTION

ProfessionalMojo.com

info@professionalmojo.com

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“SPRING” INTO ACTION



BRAD WHITE
BLUEGRASS AUTO SALES
PRESIDENT, VIADA

I am writing this article on the 2nd of March, but by the time you read it winter will be over and it will be spring. Springtime is my favorite time of year. We finally get to put those short, cold days behind us, knowing longer, warmer days of summer are coming. Birds are chirping, flowers are blooming, and the bleak landscape of months past is changing to vibrant green.

Spring is a time of action. It's a time to do your spring cleaning and a time to get started on those projects that you've been putting off over the winter. Spring is also a great time for you to get more involved in VIADA and take advantage of all our association has to offer!

Start by attending Dealer Day on Tuesday, May 14th, in Charlottesville. This is a great opportunity for you to further your education and learn things that you can take back to your dealership to implement right away. The speakers at Dealer Day are always great. You are sure to learn something that will have an immediate positive impact on your business. There will be numerous vendors at the event to share their products and services to help grow your dealership. Finally, you will have the opportunity to network with other dealers from all over our great Commonwealth.

In addition to attending Dealer Day, I hope you will commit to attending your district meetings. These meetings are a great place for you to network and share ideas with your fellow dealers while enjoying a great meal. You will learn about the latest issues that could impact your business, the newest member benefits, and important regulatory changes. Additionally, district meetings are often sponsored by a vendor whose product or service can help your business. With so much to offer, you don't want to miss your next district meeting.

In closing, I hope you will “Spring into action” and attend Dealer Day and your next district meeting. I'm planning to get to at least one meeting in every district in the coming months and look forward to meeting as many of our members as possible. Until then, happy Spring! ■

2018-2019 BOARD OF DIRECTORS STATE OFFICERS

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DISTRICT & PAST PRESIDENT REPRESENTATIVES

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District 8 / Southwestern VA

President: Ricky McReynolds, Country Auto Sales, Inc.

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Government Relations

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Volunteers Needed!

Want to take on a leadership role? Do you want to help the association fight against unnecessary and burdensome regulations? And help educate dealers about activities impacting their ability to operate a dealership? Contact Jamie Davis, Executive Director, (757) 464-3460 or jamie@viada.org

CALENDAR OF EVENTS

APRIL

- 9-10 DOC - Weyers Cave
- 10 District 4 Meeting (QD)
- 22 District 3 Meeting (QD)
- 23-24 DOC - Manassas
- 26-27 VIADA Board Meeting - Staunton
- 30 District 1 Meeting (QD)

MAY

- 1 Deadline: District Quality Dealer Nominees to VIADA
- 7-8 DOC - Warrenton
- 13 MVDB Meeting, Richmond
- 13-14 Dealer Day - Double Tree Hilton, Charlottesville
- 21 District 2 Meeting, Richmond
- 21 District 5 Meeting, Danville
- 21-22 DOC - Charlottesville
- 27 Memorial Day - State Office Closed
- 28 District 1 Meeting, Virginia Beach

JUNE

- 4-5 DOC - Fredericksburg
- 17-20 NIADA|NABD Convention - Las Vegas
- 20 District 7 Meeting, Harrisonburg
- 25 District 1 Meeting, Virginia Beach
- 25-26 DOC - Danville

JULY

- 4 Independence Day - State Office Closed
- 8 MVDB Meeting, Richmond
- 9-10 DOC - Manassas
- 10 District 4 Meeting, Montclair
- 12-13 VIADA Board Meeting - Williamsburg
- 22 District 3 Meeting, Roanoke
- 23-24 DOC - Christiansburg
- 30 District 1 Meeting, Virginia Beach

AROUND THE COMMONWEALTH

BY JAMIE DAVIS, VIADA EXECUTIVE DIRECTOR

I have traveled all across this beautiful state the past few months and wanted to share with everyone some of the great things our district presidents are doing. It is very important for you to attend your district meetings, as you will get the opportunity to learn about a new vendor, hear about what is going on in Richmond at our General Assembly, chat about DMV & MVDB issues, plus get a chance to ask a question from a fellow dealer. That, I believe, is the best thing that dealers get from the district meetings. We don't get a chance to ask someone at the auction, we are too busy during sales hours to pick up the phone and call, but our meetings are relaxed and it is the perfect time to pick someone's brain on something you are having an issue on.

District 1 – January & February – President Joe Ramon invited Lisa Williams with NextGear Financial to speak at January's meeting and Kari Davenport with ACV Auctions to speak with dealers at February's meeting. Dealers came from all over Virginia Beach to hear ACV Auctions with 34 in attendance!

District 2 – January – President Paul Tashner invited Cliff Bickford with Auto Trakk Used Car Leasing to take the stage and speak with dealers in the Richmond area about his program. Great food and great conversation at the Olive Garden!

District 3 – January – President Brad White had a packed house when Micki Andino with Carolina Finance spoke to his dealers in the Roanoke area. It was a cold and windy night, but our room at Logan's was brimming with chat and excitement!

District 4 – December – President Donald Sullivan, Jr. planned an amazing Christmas party with some awesome sponsors - AFC Fredericksburg, Autotrader, Advance Auto Parts/Carquest, M & M Auto Parts, Flexplus, vAuto, ADESA Washington DC, and Patty Sullivan Transport! Dealers donated toys for the less fortunate and danced the night away!

District 5 – February – President Brent Toone invited Ryan Stefanko & Don Gantt with Gantt Insurance to speak with his dealers about their insurance coverage and how they can save them money as VIADA members. Our room was filled to the brim at the Danville Golden Corral with fellowship!

District 6 – January – President Sajal Narayan always has a great turnout, and this meeting was no different! Micki Andino with Carolina Finance spoke to his dealers about outside financing, and Ronny Steele with Virginia Auto Guide spoke about advertising. Cold night in Lynchburg, but everyone left full!

District 7 – February – President Eddie Haley had a great turnout at his mid-winter dinner and dance in Harrisonburg. Sponsors included Manheim Harrisonburg, ACV Auctions, and District 7. Great food, great fellowship, and an amazing venue capped off a perfect get together!

So, next time you get your postcard in the mail about an upcoming district meeting, or receive that email in your inbox, make it a point to head to your district meeting. Our district presidents work hard to find speakers to help you grow your business and find new ways of doing things. Next district meeting you do attend, make sure you say "Thank you" to your district president, they will appreciate it! ■

STRENGTH IN NUMBERS



JAMIE DAVIS
EXECUTIVE DIRECTOR, VIADA
JAMIE@VIADA.ORG

**IT'S ABOUT CREATING
STRENGTH IN NUMBERS,
FINDING COMMON GROUND
AND SUPPORTING EACH OTHER.
- JANE KIM**

The start of spring marks a season of opportunity. We shake off the chill of the winter air and look forward to long days and warmer temperatures. We hang up our heavy winter coats and put away our snow shovels. Grass starts to grow, flowers bloom and baby animals frolic outside your bedroom window. Our minds start thinking about picnics and family outings. We look ahead to the end of the school year and summer vacations with the kids. Spring is a season of opportunity and renewal, and we always look forward to it after a long winter.

As a dealer, you should take this opportunity to review your operation and see if you need to freshen up your image. Has this wet winter left its mark on your lot and it needs holes filled or general repair done? Is it time to finally cut the cord on the '06 Taurus on your lot that everyone ignores? Does the building need a new fresh coat of paint? How about your signage, does it need a refresh? Every day you come to your dealership to work, but you don't necessarily look at your lot like a new customer would. How about the inside of your building? Is it inviting and clean? If you have sales staff, are they friendly and welcoming? How about your waiting area, do you need some new chairs for your customers to sit in? Many customers bring in their kids while they car shop. Do you have a small space that you could make into a kid play area while their parents fill out paperwork? Depending on how long your customer stays at your dealership, they may need to use the restroom, make sure this is updated and clean, too! You spend a lot of money on your inventory and advertising, so don't let your lot and facilities cost you in the long run!

As your association, we see spring as a time of growth. Strength is in numbers, so the

more members we have, the stronger we are as a group. This is always important when it comes to government relations. As it looks right now, 11 of Virginia's House of Delegates districts will be redrawn due to the 2010 census. Our current General Assembly gave the initial passage to an amendment to create a bipartisan redistricting commission. If everything passes both in the General Assembly and on the referendum, look for those 11 districts to be redrawn in 2021.

I was able to attend the NIADA Winter Conference in January, and it is a great time to be an independent dealer! Over the past few years, NIADA has acquired Leedom and Associates, and the National Alliance of Buy Here, Pay Here Dealers. NIADA is now turning its attention to membership with Paul John's challenge of 20,000 dealers by the end of 2020. This is a very achievable goal as all states have room for growth. As of this writing we have 770 active members in VIADA, with room for plenty more! As many of you remember, we reached our 1,000 mark just a few years ago, and I know we can easily do it again.

As always, this is your association! We are here for you to grow and succeed. If you see something you think needs to be changed, or needs more attention, please reach out to us and let us know. Or better yet, we always have room for you at your district level and the state level. Your Board of Directors are made up of dealers just like you who want to make a difference. Your District Presidents want to hear from you in regards to meeting content and speakers. We cannot do this without you! ■

REASSIGNMENT FORM (VAD 20) UPDATE!

BY PETE IARICCI, DIRECTOR OF EDUCATION/LEGISLATION

Andrew Wiley with Consumers Auto Warehouse reached out to us in December about an issue he had with his local DMV office about reassignments. It seems that DMV has made a revision on the use of the Reassignment Form, and we did not realize it. Pete Iaricci made some phone calls and here is what he found out about the revision.

It has come to my attention that DMV has made a revision on the use of the reassignment form. For as long as I can remember, the VAD 20 reassignment form allows a dealer to reassign a vehicle an additional three (3) times after the reassignments on the title have been completed.

The new revision changes the number of reassignments a dealer is allowed. It reads as following:

A maximum of 4 (four) reassignments are permitted, counting a combination of those on the title and the in-state and/or out-of-state reassignment forms, before the title must be retitled in the Virginia dealer's name. The four reassignments can be spread out over multi-reassignment forms.

If blank reassignment blocks exist on the title certificate, but a Virginia dealer uses the reassignment fields on a VAD 20 instead of the title to transfer ownership, the dealer will write "VAD 20" and the VAD 20 document number in the first blank reassignment block on the title certificate to indicate that the reassignment was completed on the VAD 20.

Please take time to check your titles and those that have reached the maximum of 4 (four) reassignments to flip them into

your dealership's name. The DMV Customer Service Centers will not accept titles with more than 4 reassignments.

We are sorry that Andrew had to find this out the hard way, but very thankful that he reached out to us and alerted us to this issue. Many thanks also to Pete Iaricci, our education director, for his leg work in finding the revision and reporting it.

This is one of the many benefits you receive as being a VIADA member. Remember members helping members is a great asset to your dealership! ■



*Find a VIADA
Membership
Application on
page 21.*



Chesapeake (757) 485-5045 | 838 Old George Washington Hwy N.

Fredericksburg (540) 376-6900 | 1320 Central Park Blvd.

Washington DC (703) 651-3600 | 43375 Old Ox Road

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VIADA CPO FOR RETAIL AND BHPH

BY TIM BYRD, FOUNDER AND PRESIDENT OF DEALERRE



Are you doing anything to stand apart from your competition? Let me share with you some knowledge gleaned from 30 years in this business. If you and your staff cannot relay to potential customers why it is a better idea to do business at your dealership, then all you are left with is price. Let me tell you something, there can only be one cheapest guy.

Perceived value is what sells any product. That is why Certified Pre-owned Vehicles are at the top of the list for most searched when buyers are looking for a used car. #CertifiedPreOwned needs to be your Meta Tag.

If you are reading this article you are most likely a dealer of integrity and a dealer who proudly displays the VIADA logo on and in your store. Why do you do that? Most likely because it indicates that you adhere to a higher standard. Were you aware that there is a VIADA Certified Pre-Owned Program

available only to VIADA dealer members, as a member benefit?

Show potential customers that you are above the rest of your competition. Show them that your pre-owned vehicles have undergone a 100+ point inspection to give them peace of mind when making a vehicle purchase. Not to mention, should they run into unforeseen difficulty, they can count on the vehicle's warranty to quickly get them back on the road again.

If you choose to work with us to create your own warranty company, you can enjoy the benefits of greater control of your customer's claims, creating a more attractive inventory, a capital resource for greater profitability, and less customer confrontation in your business. You can learn more about the VIADA Certified Pre-Owned Program by going to www.DealerRE.com/VIADA-Certified/.

Reinsurance, it's what Smart Dealers do! ■

Tim Byrd is Founder and President of DealerRE, a managing agency located in Gloucester, Virginia, and an auto industry expert on Dealer-owned Reinsurance Companies, BHPH Operations, and Dealership and F&I Development. As a 30+ year veteran of the car business, Tim is a trusted advisor to many car dealers. Tim has appeared on Auto Dealer Live and has been featured many times in Dealer Solutions Magazine, The Virginia Independent News, Around the Commonwealth, The BHPH Report, DealerELITE.net, the Dealer Business Journal, AutoSuccess Magazine and NIADA's BHPH Dealer Magazine. Tim is a sought after speaker and co-author of the #1 Best Selling book "Unfair Advantage", "Race to the Finish Line" and also a #1 Best Seller "Race to the Finish Line 2". First and foremost, Tim is a Christian man whose values, he strives, are a reflection of those of his Lord and Savior Jesus Christ. Tim can be reached at www.DealerRE.com or by calling 804-824-9533.

BECOME A MEMBER OF VIADA

12 BENEFITS OF MEMBERSHIP

VIADA provides benefits and services to members they are not always able to find on their own. With VIADA, the dealer has educational and networking opportunities through our schools, workshops, town hall/district meetings, and annual convention and trade show.

Whether it's creating an environment for sharing ideas, or serving as a place to come to for solutions to problems that arise, VIADA is the only organization in Virginia whose primary purpose is the welfare and success of the independent dealer.

1. The only trade association in Virginia that represents the interests of independent dealers before the Virginia Legislature, Department of Motor Vehicles and

the Motor Vehicle Dealer Board.

2. Five members who serve on the Motor Vehicle Dealer Board also representing your interests when regulations are created or revised.
3. A "Member Hotline" to get answers to complex questions.
4. Educational and training workshops to insure you have the latest information to remain compliant and learn about best practices in the industry.
5. Eight districts that hold dinner meetings mostly on a quarterly basis to share information, learn something new, and network with other successful dealers.
6. Online recertification course – members only pay the \$25 MVDB fee.
7. An "Auction Card" where members save up to \$1400 worth of Buy/Sell/Provider fees at auctions! Plus you get \$200 from both Manheim Fredericksburg and Manheim Harrisonburg for products and services.

8. Member rebates are also available from Advance Auto Parts and Fisher Auto Parts – which more than cover the cost of membership! Check out Andrew Wiley's testimonial in the April magazine (pg 18)!
9. Members also receive a discount when purchasing forms and supplies.
10. Plus there are many Associate Members who have services, programs beneficial to your business – several offer discounts.
11. Need one-on-one consultation? We have two industry experts that offer a member discount.
12. And lastly, your membership in VIADA ALSO includes NIADA membership and access to national benefits and services!

Cost of VIADA/NIADA membership is only \$325 a year which is about \$27 month. An investment in your business, for you and your family. ■



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INTRODUCING

DEALERDAY 2019

JOIN US ON
Tuesday, May 14
8:00am to 4:00pm
DoubleTree by Hilton
990 Hilton Heights Road
Charlottesville, VA

Guest Speakers

JUSTIN OSBURN
 NIADA

RON HEIDER
 Heider Marketing

JENNIFER LIBIN
 Automotive Profit Builders

TIM HAYZLIP
 BB&T

JOE KEADLE
 AFC

CHRIS CAPURSO
 Hudson Cook, LLP



JUSTIN OSBURN is the NIADA Retail 20 Group Moderator as well as dealer consultant and trainer. He offers over a decade of experience in BHPH and Retail executive management. Over his career Justin has served as a sales professional, finance director, sales manager, general manager, Chief Operations Officer and owner. Justin's formal education in Organizational Development and Adult Learning catalyzes dynamic retail 20 groups and on-site consulting. Justin has also served in the United States Army, has been elected for public offices, holds an international patent and served on numerous business board of directors. He is a public speaker, published author and current instructor of the NIADA

Certified Master Dealer's Program.



RONALD A. HEIDER is the owner of HMA - Heider Marketing & Advertising, a Hampton Roads based agency servicing the automotive and auto-aftermarket industries. He can be reached at by e-mail at rheider@hmaads.com.



JENNIFER LIBIN is a Sales Director at APB. She has a keen understanding of the automotive industry and excels as a leader who builds teamwork and cultivates relationships. She has a bachelor of science degree in political science and government from Assumption College in Worcester, Mass. Jennifer is currently the head varsity gymnastics coach at Medfield High School in and the team coach at Gymnastics Express both in Massachusetts.



TIM HAYZLIP recently celebrated his 20th year at BB&T. He recently joined BB&T Merchant Services in a newly created role of Merchant Services Dealer Segment Sales Manager. Tim is responsible for the P&L associated with all Dealer Segment distribution channels, including leading direct sales efforts into the dealer segment as well as through the development of Independent Software Vendor (ISV) channels. The role includes identifying industry specific product and service solutions, and then building out the sales distribution structures required. He's worked for various lines of business including Direct Retail Lending, Loan Services Special Projects, and Community Banking Administration. For the last 6

years, he has been the Dealer Retail Services Sales Strategy Manager guiding the development and oversight of the marketing, CRM, and sales initiatives for Dealer Finance and Regional Acceptance.



JOE KEADLE Chief Operating Officer, Automotive Finance Corporation -- As COO for Automotive Finance Corporation (AFC), Joe Keadle oversees the day to day field operations while assuring the standardization of AFC's operating practices and procedures. Keadle plays a key role in the application of AFC training programs to enhance the skill set and performance of employees and sales programs where employees serve as trusted advisors to dealers. Keadle joined AFC in January 2010 as regional manager. He has more than 20 years of experience in the automotive industry.

His background ranges from managing new and used car departments to finance related executive management positions at Wachovia, New South Federal Savings Bank, and AFC. Keadle served on the Automotive Resource Network Board of Directors for two years and has been a loyal supporter and active with NIADA for many years. Keadle in partnership with NIADA was the host of "2 Minute Tips" and "Fast Five" for the past four years designed to help serve the independent automotive dealer in growing their business.



CHRIS CAPURSO is an associate with Hudson Cook, LLP in the firm's Richmond, Virginia office. His practice focuses primarily on automobile finance, installment lending, and compliance with federal and Virginia consumer financial services regulation. He advises motor vehicle dealers, finance companies, and licensed lenders, as well as federal and state chartered depository institutions. Chris received his J.D. at the Marshall-Wythe School of Law, College of William & Mary where he was Senior Articles Editor of the William & Mary Business Law Review. He also earned an M.B.A. at the Raymond A. Mason School of Business, College of William & Mary.

He is a member of the American Bar Association, Business Law Section, the Virginia State Bar, the Richmond Bar Association and the National Association of Dealer Counsel. He is admitted to practice in Virginia.

WHAT YOU'LL LEARN

Learn from experts in the field about topics to insure you are compliant, attract customers, increase efficiency and help your bottom line.

There will also be exhibitors on hand to share new services and/or programs that may help your dealership in the coming year.

EXHIBITOR SPOTS AND SPONSORSHIPS AVAILABLE

If you are interested in exhibiting or being a sponsor, call Jamie Davis at 800-394-1960 or jamie@viada.org.

COST:

Member \$129

Non-member \$169

REGISTER AT

<https://goo.gl/znX7ZT>



title class

Tuesday, May 14 • 1:00pm to 4:00pm

Instructor Pete Iaricci,

Director of Education/Legislation

A DMV representative will also be on hand to answer any questions. Cost is \$99 for first person from dealership, \$75 for each additional.

REGISTER AT <https://goo.gl/dHQS7L>

get
FEATURED

VIADA is looking for YOUR content. If you can write on topics that we feature in VIADA publications, we'll showcase your expertise by publishing your material! We're inviting all associate members to submit their "grass roots" content to be shared in our magazine and on our social media pages. We want to feature your NEW products and services, we want to announce your exciting internal promotions and of course your company success stories! This is fantastic way to increase brand awareness and credibility for your company within a highly targeted market of independent auto dealers. Email jamie@viada.org for questions, comments or to submit material for consideration.

Artificial Intelligence: Helping dealers know their customers better

BY AUTO REMARKETING STAFF

Car buyers are doing more advance research than ever. Because of that, they often know more about the dealership than the dealership knows about them. Connect Automotive Intelligence is a new product that VinSolutions believes will close that gap.

VinSolutions notes in a press release that Connect Automotive Intelligence will help dealers better act on customer engagement and data. The tools will analyze customer communications and behaviors to help dealers find the best opportunities to deliver a more personalized experience.

VinSolutions, currently in the pilot phase, includes three new artificial intelligence-enabled tools for Connect CRM, which is a dealership customer relationship management system:

1. Engagement strength, which measures a salesperson's interactions with an existing prospect or customer. By tracking a salesperson's customer

interaction frequency, the tool highlights engagement trends and helps managers better visualize how a salesperson is performing in the CRM.

2. Sentiment analysis, which uses artificial intelligence to determine customer sentiment and intent by analyzing text messages and emails. This analysis helps identify revenue opportunities and highlight the customer interactions that will build satisfaction.
3. Buying Signals, which captures and analyzes shoppers' online behaviors and distills them to predict shopping personas, shopping preferences and the sense of urgency. Rather than leads coming into the CRM without any context of the prior online shopping behavior, this new enhancement uses known online traffic to increase speed of sale and build trust with the shopper.

"Modern businesses today excel by being more consumer-facing," Kevin Frye,

eCommerce director, Jeff Wyler Automotive Family, said in a press release. "For us, personalizing each customer experience is a high priority. Connect Automotive Intelligence will allow us to deliver a more consumer-facing journey with timely, relevant and personalized communications."

For new technologies like artificial intelligence to be most effective, VINSolutions says technology integrations must also take place. As part of Cox Automotive, Connect Automotive Intelligence works with products from its sister companies, including Autotrader, Kelley Blue Book, vAuto, Dealer.com and Xtime, to streamline workflows, reduce duplicate data entry and ensure dealers get more value from their software investments. Those integrations, which help improve personalization across the entire consumer lifecycle, will also be filtered through these artificial intelligence-enabled enhancements to bring the most opportunity out of the marketplace for dealers. ■

MAKE YOUR PAC CONTRIBUTION TODAY

PAC Contributors for December 19, 2018 to February 28, 2019

BASIC

(\$45 to \$99 annually)

700 Credit Inc
America's Auto Auction
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Arlington Motors Inc
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Beach Auto Brokers Inc
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Center LLC
Smith's Auto Sales LLC
Usmani Motor Cars
VA Cars of Tri-Cities
VA Cars West Broad
VIADA District 3
Wamsley Service Center

WARNING!

Are you aware that you should be getting adverse action letters to your customers?

BY PETE IARICCI, DIRECTOR OF EDUCATION/LEGISLATION

It has come to my attention of a number of lawsuits involving dealers that are being sued for not sending an Adverse Action Notice. Under the Equal Credit Opportunity Act (ECOA) and Regulation B, a “creditor” must give a consumer an adverse action notice when the consumer does not qualify for credit. There has been a question if a dealer is a “creditor” when they take a credit application from a customer and send it to a third party lender. The U. S. Court of Appeals for the Six Circuit recently affirmed a lower court ruling that the car dealer was a “creditor” and violated the ECOA and Regulation B when it did not provide a notice of adverse action to the customer.

As defined by the ECOA, an adverse action is “a refusal to grant credit in substantially the amount or on substantially the terms requested”. The ECOA’s purpose is to ensure that any entity that extends credit does so with “fairness, impartiality, and without discrimination.” The Fair Credit Reporting Act (FCRA) incorporates the same definition when applied to a credit transaction. It should be noted that, contrary to what some dealers believe, adverse action obligations may extend even if a customer’s credit report is never pulled. It’s also important to remember that adverse action includes more than just a single denial of credit. If the creditor makes a counteroffer to extend credit under different terms or in a different amount than what was requested, but the customer refuses those conditions, that is also an adverse action.

The ECOA defines “creditor” as “any person who regularly extends, renews, or continues credit; any person who regularly arranges for the extension, renewal, or continuation of credit; or any assignee of in original creditor who participates in the decision to extend, renew, or continue credit.” The ECOA does not clarify what constitutes regular anticipating in a credit decision and courts have reached different conclusions on this matter.

According to the “car law F&I Legal Desk Book”, authored by Thomas B Hudson and the attorneys of Hudson Cook LLP, dealers may be regarded as setting the terms of credit when they determine the APR based on a buy rate, set the payment term, or set other terms like the down payment and amount financed.

Spot delivery of a vehicle could very well be seen as a credit decision on the dealer’s part; the vehicle was to deliver before the third party actually approved it. There’s still the possibility of adverse action if the deal had to be unwound.

To avoid this problem, the dealership should give an Adverse Action Notice to everyone the dealer takes a credit application from at the time they take the credit application or pull a credit report. Providing that the dealer is not a BHPH, the dealer already knows the dealership will not be extending credit to the customer. By providing the Adverse Action Notice and a disclosure that the dealership is considered a “creditor” under the ECOA and FCRA, and the dealership it-

self will not extend credit, the deal then depends upon being able to find a bank or finance company to purchase the contract from the dealership.

Currently one of our members is being sued for not sending an Adverse Action Notice and the attorney is asking for \$60,000 in damages.

To follow is a sample letter that can be given with the “Credit Denial Notice” which explains to the customer why you are required to give them the notice.

(Date)

(Dealership Name)

(Address)

(Phone Number)

Dear customer,

This is to inform you that under the Equal Credit Opportunity Act (ECOA) and the Fair Credit Reporting act (FCRA) auto dealers are considered creditors. This occurs when a customer fills out a credit application applying for credit. This is to inform you that the dealership itself does not finance vehicles or extend credit. The dealership depends on being able to find a bank or finance company to buy the contract from the dealership on your behalf. Because we do not finance automobiles we are required to provide you with a Statement of Credit Denial.

(Customers Signature)

(Date) ■

BY ALICIA CUNDIFF, SPOTTS FAIN CONSULTING

The General Assembly adjourned sine die on Sunday, February 24 after meeting for a scheduled 46 days and one additional day to finalize budget negotiations. This was one of the most interesting and tumultuous sessions in recent history: the controversies surrounding the Governor, Lt. Governor, and Attorney General will be key campaign issues for the election of all House and Senate seats in November.

Despite the political controversies making national news, the General Assembly was mostly business as usual and made progress on several key issues.

The General Assembly passed legislation that will confirm Virginia tax code to the Federal Tax Cuts and Jobs Act. The Governor originally proposed in his budget to use the \$1 billion windfall from the federal tax reform law as revenue, but the General Assembly voted to return the money to taxpayers hurt by changes in federal tax law. Virginia law previously required that taxpayers take the same state deduction that they took on their federal taxes. But because the federal deduction was raised, Virginians would have itemized less and paid more on their state taxes. Instead, the \$1 billion windfall will now be returned to taxpayers.

Redistricting has been an ongoing debate that began when a federal court ruled last year that 11 House of Delegates districts drawn in 2011 were racially gerrymandered. This session, the General Assembly gave initial passage to a constitutional amendment that would create a bipartisan redistricting commission. The next step is for the measure to pass the General Assembly again next year and then be voted on by voters in a referendum in 2020. If finalized, the bipartisan commission would redraw the districts in 2021.

Legalizing the operations of casinos was a hot button topic this session. After much advocacy from localities looking for increased revenue opportunities, the General Assembly referred the matter to be studied by the Joint Legislative Audit and Review with a re-enactment opportunity for the General Assembly in 2020. If passed in 2020, the measure would give certain lo-

calities (Bristol, Danville and Portsmouth) the authority to hold a referendum vote to allow a casino.

Already signed into law is one of the largest economic development deals in US history - Amazon's second headquarters will be located in Crystal City, Virginia. The General Assembly and Governor approved a \$750 million incentive package for the creation of up to 37,850 jobs, with incentives being provided four years after the jobs are created, over a 12 year period. The average salary of each job is \$150,000.

In the budget, the General Assembly provided \$57.5 million in additional funding for higher education, in exchange for colleges and universities holding tuition at 2019 rates. The budget also provides \$25 million for "at-risk add on" funds in school districts with high concentrations of at-risk, low-income students.

One final notable piece of legislation - the General Assembly raised the age to purchase tobacco products from 18 to 21, which received bipartisan support.

The Governor has until March 26 to amend or veto any legislation and to amend any items in the budget. The General Assembly will reconvene on April 3 to respond to the Governor's actions.

Please see below for an overview of legislation that impacts VIADA and its dealers - several of which were influenced by the local advocacy of VIADA members.

VIADA LEGISLATION

HB 1677 - Delaney (D - Fairfax) - Motor vehicles, certain; expands mileage for driving distance for testing, etc.

Expands from five miles to 10 miles the distance (i) from the place of business that an individual is permitted to drive a vehicle equipped with a license plate designed for persons engaged in the business of delivering unladen motor vehicles to test the installation, service, or repair of equipment on or in such vehicle and (ii) from an auto auction that a prospective purchaser of a motor vehicle, trailer, or semitrailer may operate such vehicle without a safety inspection prior to purchase.

This bill was signed into law by the Governor.

HB 1768 - Yancey (R - Newport News) - Certificate of title; vehicle used as a taxicab.

Removes the requirement that the owner of a vehicle that has been used as a taxicab attach a statement to that effect to the certificate of title of the vehicle prior to the sale, transfer, or disposal of such vehicle. The bill also removes the requirement that the Department of Motor Vehicles place an indicator on any new certificate of title for the vehicle indicating such prior use. As a result of this legislation, a taxi cab is removed as a "suspect class," which is of benefit to VIADA dealers when it is re-sold.

This bill was signed into law by the Governor.

HB 1780 - Bloxom (R - Accomack) - Salvage vehicles; removes requirement that a vehicle be late model.

Removes the requirement that a vehicle be late model in order to meet the definition of salvage vehicle due to having been (i) acquired by an insurance company as part of the claims process or (ii) damaged to the extent that its estimated cost of repair would exceed its value before the damage minus the salvage value. The bill expands corresponding reporting requirements to require application for a salvage certificate for certain early model vehicles. The bill also removes the requirement that a vehicle be late model in order to meet the definition of rebuilt vehicle. Delegate Bloxom consulted VIADA on this bill, and DMV was opposed. The outcome of this bill was directly impacted by local VIADA members reaching out to Delegate Bloxom as well as the influence of VIADA as an association.

This bill will be put into a study for further consideration.

HB 2039 - McGuire (R - Henrico) - Supplemental motor vehicle sales locations; car shows.

Allows franchise dealers who are participating in a new car show to obtain a temporary license to sell late model used cars at that show by virtue of participation. This bill was at the request of VADA, and VIADA worked with them on two amendments which they accepted. The amendments clarified that the used vehicle must be a late

model and the vehicle show must be sponsored by an association of franchised dealers and in the geographic area of the association members. The willingness of Delegate McGuire and VADA to work with VIADA on an amendment was directly impacted by local VIADA members reaching out to Delegate McGuire as well as the influence of VIADA as an association.

This bill was signed into law by the Governor.

HB 2174 / SB 1464 Miyares (R-Virginia Beach) / McPike (D-Manassas) Motor vehicle dealers; manufacturers and factory branch transfers, etc.

Provides that if a motor vehicle manufacturer or factory branch discontinues, sells, or transfers its right to manufacture a line-make of motor vehicles, and the acquiring manufacturer or factory branch does not honor an existing franchise agreement with motor vehicle dealers in Virginia, such discontinuation, sale, or transfer shall constitute a termination of the franchise and such motor vehicle dealers shall be entitled to compensation pursuant to Virginia law. The bill provides that a manufacturer or distributor's right to first refusal in the event of a proposed sale or transfer of a dealership does not apply if such sale or transfer is not to a dealer licensed anywhere in the United States as a dealer holding a franchise from any manufacturer or to a distributor licensed as a manufacturer or distributor in the Commonwealth unless the exercise of such right of first refusal by a manufacturer or distributor with a program promoting

minority dealers would lead to a minority dealer having a majority ownership of a dealership. The bill exempts certain manufacturers and distributors from the limitations on the right of first refusal. While this bill does not have any direct bearing on VIADA, it could become an issue in the future as more national lenders come into the state.

This bill is awaiting the Governor's signature.

HB 2514 Hugo (R - Fairfax) Motor vehicle safety inspections; increases maximum charge from \$16 to \$20

The General Assembly passed legislation to raise the annual inspection fee from \$16 to \$20. The fee has not been raised in 13 years. It passed with bi-partisan support, including VIADA's support.

This bill is awaiting the Governor's signature.

SB 1017 Marsden (R - Fairfax) Minimum wage; increases to \$8.00 per hour effective July 1, 2019.

Increases the minimum wage from its current federally mandated level of \$7.25 per hour to (i) \$8.00 per hour effective July 1, 2019; (ii) \$9.00 per hour effective July 1, 2020; (iii) \$10.10 per hour effective July 1, 2021; and (iv) \$11.25 per hour effective July 1, 2022, unless a higher minimum wage is required by the federal Fair Labor Standards Act (FLSA). The measure also provides that the cash wage paid to a tipped employee shall not be less than 50 percent of the minimum wage and that the tip cred-

it shall equal the difference between the cash wage required to be paid to a tipped employee and the minimum wage.

This bill was left in Senate Commerce and Labor.

SB 1325 Chafin (R - Tazewell) Guaranteed asset protection waivers; establishes requirements for offering waivers, etc.

Establishes requirements for offering guaranteed asset protection (GAP) waivers, which are agreements, entered into as a part of or addendum to a motor vehicle financing agreement, under which the creditor agrees for a separate charge to waive or cancel amounts due on the finance agreement if the financed motor vehicle is totally damaged or stolen. The measure requires the creditor to insure its GAP waiver obligations; prohibits a creditor from conditioning an extension or term of credit on the purchase of a GAP waiver; requires a GAP waiver to include disclosures regarding the cancellation of the GAP waiver during a free look period; and establishes requirements and restrictions for the cancellation of GAP waivers, including refund provisions. The measure provides that GAP waivers are not insurance and are exempt from Virginia's insurance laws.

This bill is awaiting the Governor's signature and has a deadline of March 26. If he does not sign it, the bill becomes law without his signature. ■

IN-CLASS RECERTIFICATION COURSE



This class is for dealers who need to recertify by December 31, 2019.

WEDNESDAY, MAY 29, 2019

THE CLUB AT HEATHERWOOD, BOONES MILL, VA

Instructor: Pete Iaricci, Director of Education/Legislation
 Cost: \$125 (includes \$25 MVDB fee, manual, 6 hours class time)

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Retail Innovation Key in Dealer Strategy

BY JOE OVERBY, SENIOR EDITOR, AUTO REMARKETING



A walk through the customer-facing side of the EchoPark Automotive store in Charlotte, N.C., has the feel of a cafe, not a car dealership.

The employee work area, separated from the consumer-facing front, has the trappings of a young, tech-leaning startup.

But the innovation of this store and its fellow EchoPark locations go well beyond appearance.

These standalone used-car stores, launched by the publicly traded Sonic Automotive dealer group, take a new approach to auto retail — perhaps representing, on a larger scale, the shifting sands of how dealerships operate.

This innovative way of thinking was evident in a late November interview at the Charlotte store with Jeff Dyke, president of EchoPark and Sonic, and Sanjay Prakash, the location's general manager.

Everything from inventory pricing to employee management at EchoPark is a bit

different than what you might find at a traditional car dealership.

Buy smart, and in bulk

Take, for instance, how these stores find inventory.

“We source everywhere, but we try to buy in bulk,” Dyke said. “And the best way to sort of think about how we buy is, you go to a meat market.

“And at the meat market, there’s chicken and steak and hamburger and sausage and you name it,” he said. “We look for what’s on sale today.

“We don’t necessarily buy to a, ‘Hey, here’s what the customer wants; We buy to a price-point, so that we can create a really low price-point that brings the consumers into the store,” Dyke said. “And that’s everything — you’ve got to get the right price on a car.

“And once you hit that, it really drives the volume. And why others have a hard time replicating that is the expense. The

process: You have to be able to buy the car, ship the car, recon the car, detail the car, take the pictures of the car, get it on the front line and get it out fast,” he said. “And if you have any disruptions to that, like a big holiday sale, where you sell a ton of cars, it throws everything off.”

Establishing a rhythm in buying is key in inventory management for EchoPark. So is consistency. Buying to a number. And not over-buying.

“You’re going to sell more cars on a Saturday than you do on a Thursday, but we know those rhythms, so we buy in conjunction with that,” Dyke said. “And we try not to over-buy; we do have projections for what we think we’re going to sell the next week, and we try to buy to that number. And then the next week, buy to that number.

“Everything is done by week, so that we keep a consistent flow of inventory. And that’s critical. Inventory management is imperative in order to be able to be profitable in a store like this.”

Pricing right

So, too, is pricing of that inventory, which Dyke said is based on algorithms built internally and on data points from what is happening in the market.

An example of that is the electronic hangtags on the vehicles. When the company's internal pricing system changes the prices, that change is automatically reflected on the hangtag.

The EchoPark managers don't have to worry about buying inventory or pricing cars.

"They might give opinions on a car here or there, but overall, their job is to manage the associates and to manage the guest experience," Dyke said. "And we have an inventory team and a pricing mechanism that handles everything else."

The fact that the majority of the technology at these stores was developed internally means that making changes is typically easy, inexpensive and efficient, Dyke said.

"It's amazing how intertwined everything else is, too, and how much math and science is involved," said Prakash, the manager of the Charlotte location. "You think of inventory, purchasing and pricing, and then how it's attached to recon and then attached to sales, it's all intertwined. They all move in unison."

Lessons learned

Innovation, as it turns out, can be an evolving process. Since launching EchoPark Automotive in 2014, Dyke said there have been a number of lessons learned about how these standalone used-car stores should operate.

For instance, days' supply should in the low- to mid-20s at the stores, as opposed to the 29- to 32-day range for Sonic's new-car business. Also, pricing right from Day 1 is paramount. Don't overbuild.

"We tried to put this exact process in our new-car stores. But to take that culture and to convert it into this culture with the same people? Mistake. We learned that. You

can't do that," Dyke said. "We've taken the technology out of the new-car stores and put it in here; that's worked very well. But certainly, hiring from day one and testing and making sure that you're bringing the right people into the organization and lots of training before you open — it's been an earmark for us from day one, but it's just gotten a lot better as we've moved forward," Dyke said.

"The people piece, the inventory piece. Don't overbuild the facility," he said, pointing out that a facility can be nice without being massive.

"And we don't have to have tons of people. Our technology allows us to sell two-and-a-half times what a traditional salesperson would sell in a regular store" where an associate might sell eight to 10 vehicles a month, he said.

"It's not about how many people you add; it's about how efficient you can be," Dyke said.

Store openings?

As far as store additions, the company aims to open one more location in March, putting its EchoPark store count to nine, and then they will likely "take a breather" for the rest of 2019 to focus on execution, Dyke said.

"What we want is for the nine stores to be profitable, and when we add a store ... we stay profitable, and then you just build on that," Dyke said.

Starting next year, Sonic plans to start adding two to five stores annually, "depending on what our capabilities are and the performance of the organization," he said.

They want to grow, but do so profitably.

"Speed to market is really important, but when you have a formula like this, and you know that you can open up a store and it's going to sell 300 cars and it's a very, very good chance that it could break even in its first month, I'm not worried about the rest of the world anymore," Dyke said.

"I'm worried about how much can our people take on, and how much complexity do we put in front of them, how simple we can make it and the ease of opening stores," Dyke said.

"We know how to scale," Dyke said. "I did it at AutoNation, I've done it at Sonic Automotive. Scalability is one of our strengths. And our biggest strength is inventory and pricing. We really understand the inventory. All of our systems are all built internally. So, if you can scale, you can hire and train, and you can manage inventory; it puts you in a situation that gives you a pretty good competitive advantage."

Establishing culture

Another competitive advantage that EchoPark prides itself on is its workplace culture. Instead of spending 30 percent of his time working with employees and 70 percent on other tasks, Prakash said he spends 90 percent of his time coaching, teaching and working with the team at the EchoPark Charlotte store.

In fact, in a recent survey where team members could give feedback anonymously, they were asked what three words they would use to describe the culture at the store. The top response in the heat map of words was "family."

"That's really good to see as a GM and a leader of the team to see that we're living the values. And to Jeff's point, it's about reducing complexity. I'm allowed to focus on a lot of the activities that generate that," Prakash said. "I don't have to interact with a lot of guests, if I provide them with this, just like Jeff provides it for me, they're going to automatically be engaged every day."

"We've got mechanisms to keep us focused on the most important activities of the day, which is developing operating rhythms, making sure we're working with the people, making sure our building's tight and right all the time and our message to the community is good," he said. "That's all we focus on. We don't have a lot of other side science projects that take our eye off the ball." ■

THE CARLAWYER[®]

CASE OF THE MONTH

Dealership Violated TILA, EFTA, and Connecticut Unfair Trade Practices Act and Breached Warranties in Connection with Car Sale: How many different ways can a dealer get into compliance trouble in connection with the credit sale of a vehicle? Read on!

A salesman told a potential buyer of a used car that the car was \$16,900 and that it was “clean and had never been in an accident.” The retail installment contract listed the car’s purchase price as \$18,000, and the buyer was told that the \$1,100 discrepancy was a “bank fee.” The buyer alleged that he was not given a copy of the purchase order or the RIC.

About nine months later, the buyer learned that the car had sustained significant structural damage before he bought it and was unsafe to drive. He returned the car to the dealership, revoked acceptance, and sued the dealership, alleging violations of the Truth in Lending Act, Electronic Fund Transfer Act, and the Connecticut Unfair Trade Practices Act as well as breach of implied and express warranties. The buyer moved for a default judgment.

First, the federal trial court found that the

dealership violated TILA by not giving the buyer a copy of the contract containing the required disclosures before consummation of the agreement and by including the \$1,100 “bank fee” in the purchase price on the RIC. The court noted that inclusion of the “bank fee,” which was an additional charge beyond the price at which the dealership would have sold the car for cash, allowed the dealership to understate the finance charge.

Second, the court found that the dealership violated the EFTA by requiring the buyer to set up preauthorized electronic transfers of the contract payments as a condition of financing.

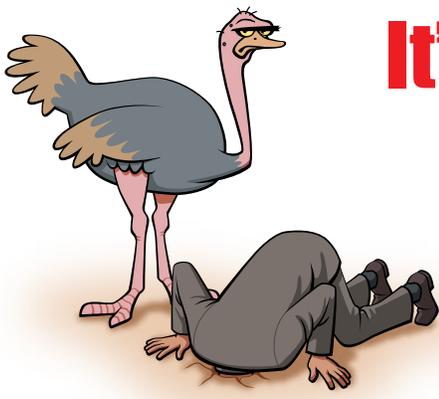
Third, the court found that the dealership breached the implied warranty of merchantability by selling a car that was unsafe to drive while it knew or should have known about the car’s condition at the time of sale.

Then the court found that the dealership also breached an express warranty because it told the buyer that the car was “clean and had never been in an accident,” and the buyer relied on that statement when he decided to buy the car.

Finally, the court found that the dealership’s negligent misrepresentation of the condition of the car elevated its breach of warranties to the level of a CUTPA violation. The buyer also established that the dealership violated the CUTPA by violating TILA and potentially violating Connecticut’s Retail Installment Sales Financing Act when it misrepresented the car’s purchase price. See *Alexis v. PMM Enterprises, LLC*, 2018 U.S. Dist. LEXIS 184367 (D. Conn. October 29, 2018).

So, there’s this month’s roundup! Stay legal, and we’ll see you next month. ■

Tom (thudson@hudco.com) is Of Counsel and Nikki (nmunro@hudco.com) is a Partner in the law firm of Hudson Cook, LLP. Tom has written several books and is the publisher of Spot Delivery[®], a monthly legal newsletter for auto dealers. He is the CEO of CounselorLibrary.com, LLC and the Senior Editor of CounselorLibrary.com’s CARLAW[®]. Nikki is Editor in Chief of CARLAW[®], a contributing author to the F&I Legal Desk Book and frequently writes for Spot Delivery[®]. For information, visit counselorlibrary.com. ©CounselorLibrary.com 2018, all rights reserved.



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GIVING BACK WITH ENDLESS ENERGY

VIADA Ladies Auxiliary

The VIADA Ladies Auxiliary seems to have endless energy recently with so many projects and spreading goodwill across the Commonwealth. VIADA spoke with Carla Boucher about what her group is working on and how our dealers can help out.

HELPING THE HOMELESS

At the January Board of Directors meeting while we were working on making your association work smoother, they were working hard gathering small toiletries and treats to fill 30 bags for a homeless group in Gloucester, Virginia. These bags contained soap, hand sanitizer, toothbrushes, toothpaste, socks, and some nutritious snacks. I stopped into their room to check on them and they were all busy little bees. It was awesome!

COLLECTING COATS

In talking with Carla, she wanted everyone to know that they are also helping others in Northern Virginia. Carla asked that if you have any gently used adult coats or adult outerwear that you are not using, please send them to our next Board of Directors meeting in April. The Ladies Auxiliary will collect them and donate them to Gartland Center for Community Mental Health. If you would like to donate, Lynn and Lex-Lynn Hooper have given us a list of items they need.

AWARDING SCHOLARSHIPS

Annually, the Ladies Auxiliary has awarded scholarships to a graduating high school senior who is the son, daughter, or grandchild of a VIADA member. This year is no different, so if you have a graduating senior, take some time to fill out the Ladies Auxiliary scholarship application found on our website. The deadline is April 2, 2019, and \$2,000 is up for grabs, so don't let this pass you by! Download an application: <https://goo.gl/K856oW>

FILL-A-WISH PROGRAM

We also talked about the Fill-A-Wish program and they are always looking for children in need to make life a little easier. It has been a few years since they were able to Fill-A-Wish, but love doing it. We have more information about this program on our website, and past wishes have included iPads, wheel chairs, and American Girl dolls. Please send the completed application to the VIADA state office. Download a Fill-A-Wish application: <https://goo.gl/gSb5to>

CONVENTION BASKET DONATIONS'

Last, but certainly not least, it is never too early to talk about convention! The baskets that were auctioned off at last year's convention were a huge hit and many thanks to the creativity and thoughtfulness of our VIADA members! Since the response was so great, the ladies are doing it again! Carla is asking each district to donate a theme basket or container. It can be local items from your area of the Commonwealth, a beach basket, a cooler filled with tailgate items, or a holiday basket to get you in the mood! Talk among your members and let your imagination run wild! The more creative your district is, the more talked about it will be and you know a dealer will pay top dollar to bring your basket home!

The Ladies Auxiliary is doing a great job and provides a helping hand to those in need. Carla and her crew are always on the lookout for more members to help with projects and fresh ideas. If you are interested in being a valuable part of this organization, please reach out to Carla Boucher (carla2585@yahoo.com). You will be glad you did! ■

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Thank you for your support!

NEW MEMBERS

1st Choice Auto Sales

Mr. Zaber Hamed
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Fairfax, VA 22031
(703) 273-9310
District 4

A & E Auto Sales LLC

Ta-Mon D Witcher
4000 Virginia Ave.
Collinsville, VA 24078
(276) 201-3271
District 5

ACV Auctions

Jesse Ball
640 Ellicott St.
Buffalo, NY 14203
(716) 983-7906
District 4

Auto Chiefs Inc.

Raj Lal
206 Tyler Von Way, Ste 102
Fredericksburg, VA 22405
(540) 628-0100
District 4

BirdEye, Inc.

David Tulkin
250 Cambridge Ave., Ste #103
Palo Alto, CA 94306
(650) 313-5225
District 1

City To City Auto Sales LLC

Omar White
507 E Laburnam Ave.
Richmond, VA 23222
(804) 729-6322
District 2

Edinburg Used Truck Sales Inc.

Matthew Burgwald
213 S Main St.
Edinburg, VA 22824
(540) 984-9418
District 7

Enterprise Car Sales

Tommy Pelfrey
947 J Clyde Morris Blvd.
Newport News, VA 23601
(757) 596-4103
District 1

GAC Automotive Center

Frank Eates
P.O. Box 7007
Portsmouth, VA 23707
(757) 393-4021
District 1

Hampton Roads Harley Davidson Inc.

Mary Hughes
6450 George Washington Memorial Hwy.
Yorktown, VA 23692
(757) 872-7223
District 1

Heider Marketing & Advertising

Ronald Heider
4663 Haygood Road, Suite 213
Virginia Beach, VA 23455
(757) 447-4987
District 1

J-Spec Auto Sports Inc.

Karimdad Hashuri
8409 Sanford Dr.
Henrico, VA 23228
(804) 525-6287
District 2

KADS Auto Group LLC

Mr. Sergio Sorto
25284 Pleasant Valley Rd., Unit 102
Chantilly, VA 20152
703-880-6655
District 4

Koons Automotive Inc.

John Koons III
401 James Madison Hwy.
Culpeper, VA 22701
(540) 812-2444
District 7

Nawabe Automotive Group Inc.

Abdul Nawabe
16040 Brandy Rd.
Culpeper, VA 22701
(540) 317-1999
District 7

Premier Auto Solutions & Sales LLC

Nicole Hathaway
3750 Pocahontas Trail
Quinton, VA 23141
(804) 932-9333
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Rent A Wreck of Richmond

Matthew E Allen III
8410 W Broad St.
Henrico, VA 23294
(804) 308-2624
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Revolution Auto Sales

Dane King
7104 Boydton Plank Rd.
Petersburg, VA 23803
(804) 895-1134
District 2

South Hill Motor Company

Cameron Lundy
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South Hill, VA 23970
(434) 584-9175
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Lisa Woodward
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Cedar Bluff, VA 24609
(276) 963-3632
District 8

WTKR Channel News 3

John Witte
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Norfolk, VA 23510
(757) 446-1324
District 1

RENEWING MEMBERS

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C & G Imports Inc. • Gavin Marks
C & P Auto Sales Inc. • Steve Konwerski
C. R. Garland Auto Sales • Clyde Garland Sr.
Callao Car Center • John Wayland
Newsome
Campbells Used Cars Inc. • Tunis
Campbell
Car Castle • Paul Tashner
Car Web • Farshad Fakhriyazdi
Cars Plus of Danville Inc. • James Mobley
Caspian Auto Motors • Elshan Bayramov
Cavalier Motor Works LLC • Robert Buck Jr.

Central Virginia Rental • Daniel Showalter
 Century 1 Motors Inc. • Wade Nairn
 Certified Motors • Richard Green
 Collier Motors Inc. • Ned Collier
 Dandees Inc. • Aaron Brewster
 Dixie Motors Co • William Cones
 Donovan's Used Cars • Edward Donovan
 Dream Auto Group LLC • Mansour Wassel
 Drive Away Cars • Mark Cole
 E & M Auto Sales LLC • Eric Jenkins
 E Z Cruz Auto Sales LLC • Robert Hart
 East Coast Auto Sales LLC • Eric Senn
 East End Auto Sales Inc. • Leo F. Gay Jr.
 Easy Ride Auto Sales Inc. • John Hattar
 EF Motorsports • Eddie Falk Jr.
 Elite Auto Wholesale • Roberto Barahona
 Experts Motors LLC • Kobby Sparks
 EZ Ride Auto Sales LLC • Richard Byrum
 F & A Auto Sales Inc. • Frank Coates III
 Fairfax Motors Inc. • Andrew Gurowitz
 Fast Lane Performance LLC • Kim
 OConner
 FC Auto • Kian Nosrat
 Fred's Executive Auto • Fred Abbasi
 Green Automotive • Lawrence Green
 Hayden's RV'S • Charles Cheek
 Iconic Motor Car Co • Brenden Updyke
 Ideal Auto Sales LLC • Stephen Wyrick
 Insight Motors LLC • Isaac Abban Jr.
 J & R Auto Parts & Salvage Inc. • James
 Moon
 Jerry's Auto Sales • Elva Pugh
 Kenny's Auto Mart • Kenny Snyder
 Keysville Auto Center Inc. • Randy
 Claybrook
 L & B Auto Inc. • Paul Martin
 Lester Auto Sales Inc. • Carson Lester Jr.
 Liberty Motors LLC • Hassen Allani
 Linton Motorsport Inc. • Scott Linton
 Little Joe's Mitsubishi • Joseph Falk
 Lynn Douglas Motor Company Inc. • Lynn
 Douglas
 M & M Auto Rental Inc. • Bill Moss
 M & M Auto Sales • Michael Mozingo
 M & M Motors • Al Moore
 Madison Motors • Paul Foster
 Maguire & Sons Auto Brokers • Timothy
 Maguire
 Maxkar Motors • Moneer Sidiqi
 Meek Motors LLC • Davin Meek
 Mobjack Motors LLC • Colin Holliday
 Mullins Used Auto Parts & Recycling
 LLC • J L Whitlow Jr.
 Noland Co Drilling Equipment • Virgil
 Bruinekool
 Peaks Motors Inc. • Joe Tate
 Pembroke Auto Sales • Thomas Joynt

Piedmont Motors • Mack Chehreh
 Price Is Right Auto Sales Inc. • Clarence
 Arrington Jr.
 Quality Auto Sales • Joe Lane
 Quality Auto Source Inc. • Scott Garber
 Ray's & Cee's Auto Sales & Rentals • Marco
 Richardson
 Ray's Auto Recovery Sales Rental LLC •
 Raymond Wilborne
 Rick's Auto Solution • Ricky Miles
 Riverside Auto Inc. • Robert Skeens
 Robert Youngs Auto & Truck Inc. • Robert
 Young
 Royal Imports Inc. • Jacob Mahgenefteh
 Ruckersville Automart LLC • Earl Powell
 S & S Sales • Gordon Shelton
 Scotts Auto Wholesale LLC • Scott Breon
 Semones Automotive Inc. • Richard
 Semones
 Shenandoah Auto Parts Inc. • Anthony
 Walrond
 Shore Drive Auto World • William
 Robinson
 Shoreline Auto Center Inc. • Jody Midgette
 Smithfield Auto and Truck Center •
 Anthony Macioci

Smith's Auto Sales • Jody Smith Sr.
 Snyder's Auto Sales Inc. • David Snyder
 Star City Car Sales • William Roberts
 Starzone Auto LLC • Rauf Cheema
 Staunton Tractor Inc. • Winston Phillips
 Steve Farmer Auto Sales Inc. • Steve
 Farmer
 Surfside Auto Co • David Glaus
 The Car Exchange • Joe Anthony Ramon
 Trinity Pre Owned Auto Sales Inc. • Andre
 L Riddick
 Ultimate Cycle • Peter Daniel
 VA Beach Truck Center • Weldon
 Whitehurst
 VA Cars Inc. • Brian Schrimpsheer
 Van Sales by Woodfin LLC • Joseph
 Woodfin III
 Wagner's Used Cars • David Wagner
 Wamsley Service Center • Neil Wamsley
 Wayne Talley Auto Sales • Wayne Talley
 Wine Automotive • Jeffrey Wine
 Woodbridge Auto Sales • Marylou
 Your Kar Company Inc. • Mark Dolson

REMINDER

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How to Sell Cars On YouTube

BY RONALD A. HEIDER, HEIDER MARKETING & ADVERTISING

6 billion hours.

That's the total amount of time people spend watching videos on YouTube every month. Add in that YouTube is the second most popular search engine in the world, and you've got a great opportunity to reach in-market car buyers.

Before viewing YouTube as a silver bullet, you must understand that you need to provide help and advice to be successful on YouTube. Your goal should be to help viewers (a/k/a car buyers) by offering them advice. Hard sales tactics almost never work on YouTube. Handing out generous portions of advice and entertainment does.

Ready to get started? Here are 3 steps to get you going:

Step 1: Create your videos

Step 2: Market your videos

Step 3: Get traffic to your site and sell some cars

Simple, right? Not so fast. There's a little more to it.

Back to step 1 – creating your videos: The type of videos you create for your dealership can vary between product overviews, explaining the car buying process and credit / finance issues. Remember, you want to provide advice, not make a sales pitch. YouTube is built on people asking “how do I (fill in the blank)...”?

Think about answering the questions that your customers typically ask. Make a list of these questions and answer them via video.

Ready to market your videos so viewers can watch them? Here are a few pointers:

1) Make your videos based on keywords.

Just like your PPC ads that are triggered by keywords, videos are populated by the search terms users ask about. Make sure those terms are in your video.

2) Incorporate these keywords in your video title.

Remember, people on YouTube

are asking questions. Title your video in a way that answers that question. For example, if your video is on getting the best financing, you could title your video “How to get the best financing for a new or used car”.

3) Don't forget the descriptions. The description section below your video have a big impact on SEO. Google uses these descriptions to understand what your video is all about. Make sure to add keyword-rich content describing the video in this section.

Finally (and the best part), getting traffic to your web site. YouTube offers multiple methods to let users interact with your video content. Here are the most popular.

Video annotations. Annotations are the bread and butter of YouTube marketing. Use them to place call-to-actions at different intervals in the video. Consider adding an annotation at the beginning, middle and end of the video, as well as the logo, all linking back to your website.

Interactive cards. These are a newer addition that provide interactive elements to the video. While cards are fun and sophisticated, I recommend reviewing Google's help section for more details.

Sponsored content campaigns. Just like Google PPC ads, you can target your videos to certain audiences and jump-start your organic campaign. In-stream, discovery ads & even non-skippable bumper ads are all available allowing you to reach your audience.

Remember, YouTube is a place for entertainment and how-to advice. Get creative, show your human side of the dealership and have fun. ■

Ronald A. Heider is the owner of HMA - Heider Marketing & Advertising; a Hampton Roads based agency servicing the automotive and auto-aftermarket industries. He can be reached at by e-mail at rheider@hmaads.com.

Getting to know Brad



BRAD WHITE
BLUEGRASS AUTO SALES
PRESIDENT, VIADA

How long have you been in the car business?

I have been in the car business since October 2010.

What do you sell?

I focus on reliable and affordable cars and SUVs under 10K. Hondas and Toyotas are my preference.

What is the biggest value in your VIADA membership?

I can't name just one! The auction card and the Advance Auto Parts discount and rebate program save me thousands of dollars per year. That's a lot of value, but the relationships are priceless!

What advice would you give to a beginning dealer?

Join the VIADA, of course! Attend your district meetings, get involved in the association, and continue your education by attending Dealer Day and the annual convention.

What is your favorite personal car?

My 2001 Chevy Silverado. It reminds me of the first new truck I ever bought.

Get to know Brad and the rest of the VIADA officers at regional and state meetings and other association events. Introduce yourself. Get involved.

It takes a Member to get a Member!

As a VIADA member you know the benefits this association has to offer. Share that success with fellow dealers. There is strength in numbers.

DID YOU KNOW?
When you join VIADA, you also have access to NIADA products and services.

MEMBERSHIP BENEFITS

EDUCATION

- Workshops: BHPH / Rental / Title & Registration
- Dealer Day
- The Virginia Independent News
- Used Car Dealer Magazines
- Monthly eNews Email
- District Meetings
- Annual Convention & Expo
- VIADA Website / Facebook.com/info-viada
- Certified Master Dealer (CMD) Program
- www.VADealerRecertification.com

ADVOCACY / REPRESENTATION

- VIADA represents you AND your interests
- General Assembly Lobbyists
- Congressional Lobbyists
- DMV and MVDB Representation
- Political Action Committee

EXTRA PROFIT CENTERS

- Finance Programs/Manuals
- Service Contracts/Warranties
- Floorplans
- Rental Program
- Certified Program

INSURANCE & PROTECTION

- Dealer Bond
- Garage & Lot Liability
- Rental Fleet Insurance
- Privacy Policy Manual / Red Flag Rule
- Information to help you stay compliant with Federal & State Laws
- \$3,000 Accidental Death and Dismemberment / Health Discount Card / Child Safety Kits

SAVE \$\$\$

- Discounts on Dealership Forms
- Auction Card Discounts
- Access to Member Benefit / Associate Providers
- Advance Auto Parts & Fisher Auto Parts Discounts
- Membership and Services Directory

HELP HOTLINE & LEGAL COUNSEL

- Member Hotline... Immediate Answers to Complex Questions
- Access to Legal Consultation...VIADA retains an industry-knowledgeable Attorney
- One-on-One Consultation Discount

VIADA: LARGE ENOUGH TO SERVE, SMALL ENOUGH TO CARE!

MEMBERSHIP APPLICATION (PLEASE PRINT)

Dealer's Business Name _____ Date of Membership _____

Primary Dealer/Operator Mr. Ms. _____ Phone _____

Address _____ Cell Phone _____

City/State/Zip _____ Fax _____

Email _____ Dealer's License _____

Email 2 _____ Date of Birth _____

Web Address _____

Payment Annual Dues (includes National, State & Local), \$325.00 Auto Renew My Annual Dues

Voluntary VIADA Political Action Committee Contribution, \$25.00 (optional)

Check (payable to VIADA) Cash Visa MasterCard Discover Amex

Total enclosed _____

Credit Card No. _____

Expiration Date _____ Sec. Code _____

Billing Street Address _____ Billing Zip Code _____

Recommended By (Current Member) _____

Signature _____



Virginia Independent Automobile Dealers Association
4700 Thoroughgood Square
Virginia Beach, VA 23455
(800) 394-1960 | info@viada.org



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VIADA

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October 4-6, 2019

Hilton Virginia Beach Oceanfront