

NADA October 2022 BOD Meeting Report

FINAL as of Nov. 1, 2022

Fellow Vermont Dealers,

In mid-October, we held the NADA Board of Directors meeting in Dallas, where NADA provided an update on its substantial work on a full slate of initiatives on behalf of franchised dealers. 2022 Chairman Mike Alford, NADA President and CEO Mike Stanton, and our Board Committee chairs led us through a full day and a half of updates and vibrant discussion on the issues we are facing, and the ways in which NADA is working to protect and enhance the franchised auto retail industry. Below is a recap of the main items that were covered by department:

NADA Board Elections

- At the meeting, the NADA Board elected Geoffrey Pohanka of Metro Washington, D.C., as its 2023 chairman. Gary Gilchrist, who currently serves as chairman of NADA's Dealership Operations Committee, and who represents Washington state dealers on the NADA Board, was elected NADA vice chairman for 2023.
- William "Bill" H. Willis Jr. of Delaware was elected as secretary, and Kirt Frye of Metro Cleveland was elected as treasurer.
- The new terms begin at NADA Show 2023 in Dallas in January.

Advocacy

- Our Legislative Affairs, Regulatory Affairs and Public Affairs teams have been working closely on two critical policy issues facing America's franchise dealers: the Federal Trade Commission's (FTC) Proposed Motor Vehicle Trade Regulation Rule; and the Inflation Reduction Act (IRA) EV tax credits.
- On Sept. 9, NADA submitted comments on the FTC's proposed rule that would, if approved, dramatically transform and complicate the process for consumers to purchase, trade-in, and finance new and used cars and trucks, and voluntary protection products like extended service contracts and GAP Waiver. The NADA comments, which consist of 140 pages of narrative and total 244 pages with footnotes and attachments, call on the FTC to withdraw its proposed rulemaking, which "lacks any semblance of responsible rulemaking that is the product of due diligence" and "lacks critical stakeholder input [and] essential consumer testing." Additionally, NADA secured upwards to 7,000 comments to the FTC challenging the proposed rule.
- Additionally, as most of you are aware, the EV tax credits included in the IRA of 2022 include numerous implementation and effectiveness dates with many questions still unanswered. As we await the IRS to release additional information in the months ahead, NADA will continue to provide updates and clarifications as more information is available, and will pursue opportunities to improve the EV tax credit and demonstrate that dealers are essential to advancing consumer EV adoption.

Industry Relations

- NADA has concluded presentations of the Summer 2022 Dealer Attitude Survey results with OEMs. The NADA Board was briefed on the survey results and presentations, which also help NADA engage with OEMs on a number of manufacturer programs and initiatives that are top of mind for dealers.
- NADA's *Guiding Principles on Evolving Business Models and the Dealer Franchise System* were a key point of discussion. The principles provide dealers and OEMs a foundation to improve the customer experience and ensure business success for all. They clearly articulate NADA's position on the major issues impacting our business, as well as common core values that both dealers and manufacturers could agree upon. You can download a copy of the principles at www.nada.org/principles.

NADA Show 2023 Update

- We are excited to be in a new city for 2023: Dallas, Texas. And dealers can [sign up to get notified](#) as more information becomes available on the Jan. 26-29, 2023 NADA Show.
- Don't miss our welcome reception Roundup at Gilley's Dallas featuring global country music star Brad Paisley, and I encourage you to stay through Sunday, Jan. 29, to hear from Pro Football Hall of Famer Deion Sanders.
- Attendee registration is above where we were this time last year for NADA Show 2022 in Las Vegas, and the Expo has been sold out for weeks with an active waitlist for exhibitors.

Dealership Operations Update

- Dealership Operations has hit several records this year as they implement its strategy to reach deeper within dealership organizations to provide timely and relevant education, training, and consulting.
- On the education side, Dealership Operations hit record attendance across Academy, Professional Series, Certificate and Seminar attendees, while simultaneously hitting an all-time record for 20 Group membership.

NADA's next full Board meeting will take place in conjunction with NADA Show 2023 in Dallas. I look forward to providing you with another update following that meeting.

Sincerely,

Frank Hanenberger, Brattleboro Subaru
NADA Director for Vermont