WVADA
WEST VIRGINIA AUTOMOBILE DEALERS ASSOCIATION

January Newsletter

WVAS
WEST VIRGINIA AUTO SHOW

The 2020 West Virginia International Auto Show, presented by Huntington Bank was at the Charleston Coliseum and Convention Center starting Friday, January 17th. For three days, there were hundreds of new cars, trucks, SUVs, and hybrids that filled the building making the 2020 WV International Auto Show another great success.

There were also power sports and motorcycles, local car clubs, kids test drive track and more featured through out the weekend.

The Garage was another new feature to the show this year. Walker Chrysler Dodge Jeep Ram took a Jeep and transformed it through out the show and by Sunday the Jeep had been turned into an off road machine.

We would like to give a special thank you to United States Warranty a Protective Company for being the title sponsor at our VIP Gala which had the highest attendance ever! Also, we would like to thank our dealers that participated for their time, dedication and hard work.

VIP GALA Smiles

Don't see your picture? All of our VIP Gala photos are posted on the WVADA Facebook page.

Dealers Agree on Value of Auto Shows

BUILD CUSTOMER AWARENESS

8.5 | Rating of the importance of local auto shows (out of 10)

DRIVE CUSTOMERS TO DEALERSHIPS

8.0 | Rating of the importance of local auto shows (out of 10)

INCREASE RETAIL SALES AT DEALERSHIPS

7.9 | Rating of the importance of local auto shows (out of 10)

DEALERS SAY THERE ARE NEGATIVE CONSEQUENCES FOR OEMS THAT LEAVE LOCAL AUTO SHOWS

Leaving auto shows hurts customers awareness...

- **38.9%** Significantly Hurts Customer Awareness
- **38.1%** Somewhat Hurts Customer Awareness
- **23.1%** No Impact

...and drives down customer traffic, and...

- **32.6%** Significantly Drives Down Customer Traffic
- **37.0%** Somewhat Drives Down Customer Traffic
- **30.4%** No Impact

...depresses retail sales.

- **32.1%** Significantly Depresses Retail Sales
- **36.9%** Somewhat Depresses Retail Sales
- **31.0%** No Impact

AUTO SHOWS: Worth the Price of Admission... for every OEM

When it comes to driving brand consideration and excitement among consumers, the impact of auto shows cannot be understated. Today's shows provide a unique, experiential way to introduce your brand to new consumers, or connect with loyal customers. **Year after year, the numbers tell the story: Auto shows are worth the price of admission for every OEM.**

IMPACT ON BRAND AND PRODUCT AWARENESS

10.25 million+ Consumers attend U.S. auto shows

7 out of 10 Attendees plan to buy a new vehicle within 12 months

2X More likely to plan a new-vehicle purchase within a year of visiting a show versus the general population

INFLUENCE ON PURCHASE CHOICE

54% Made a purchase decision based on what they saw at an auto show

39% Added one or more brands to their consideration list

18% Bought a brand they were not considering before the show

BENEFITS OF OEM PRESENCE...

Lincoln – present at **90%** of 2019 U.S. shows – reaped benefits from their competitor's absences

Experienced a **26%** gain in being added to consumers' shopping lists as a result of their show presence

...AND COST OF NOT SHOWING UP

25%–60% Surrender of brand gains

- Decreased brand opinion / Lower likelihood to buy
- Lost brand exposure
- Loss of "added to consideration" list

AUTO SHOWS MATTER TO DEALERS

Over 75% Dealers feel auto show absence has negative impact on customers' brand awareness

Over 66% Dealers feel auto show absence has negative impact on customer traffic and on retail sales

8.0 of 10 Dealer rating of the importance of local auto shows for driving customer traffic into dealerships

NADA | NATIONAL AUTOMOBILE DEALERS ASSOCIATION
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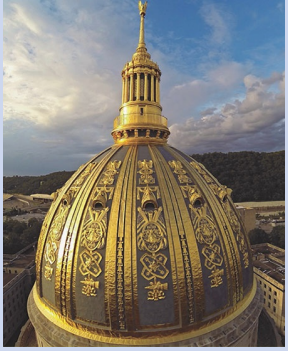
Sources: *Foresight Research, Renewed Strength – And the Penalties of Absence, September 2019* • *Foresight Research, 2018 Auto Show Executive Report, December 2018* • *NADA Dealer Attitudes Survey, 2019*

Legislative Update for the 2nd Session of the 84th Legislature

The legislature kicked off on January 8th and will conclude its 60-day session on March 7th at midnight. Republicans maintain majority of both houses. Currently, the Senate is composed of 20 Republicans and 14 democrats, and the House is composed of 58 Republicans, 41 Democrats and one independent.

Senate

Senator Tom Takubo is serving as Majority Leader, R- Kanawha; Senator Craig Blair, R-Berkeley, as Finance Chair; Senator Charles Trump, R-Morgan,



as Judiciary Chair; and Senator Charles Clements, R-Wetzel, as Transportation and Infrastructure Chair. For a complete list of Senate committee chairs and vice chairs click here.

House

Delegate Amy Summers, R-Taylor, is serving as Majority Leader; Delegate Eric Householder, R-Berkeley, as Finance Chair; Delegate John Shott, R-Mercer, as Judiciary Chair; Delegate Jim Butler, R-Mason, as Technology and Infrastructure Chair (replacing the Committee on Roads and Transportation); and Delegate Ben Queen, R- Harrison, as Small Business and Economic Development Chair. For a complete list of House committee chairs and vice chairs click here.

Legislation of Concern:

- **Protecting your Franchise**

H.B. 4132 Authorizing certain motor vehicle manufacturers to operate as new car dealers. Once again, this bill has been introduced and referred to the House Committee on Small Business and Economic Development. I have spoken with several members on the Small Business Committee and they have agreed that the bill should not be placed on their agenda. However, this can change, and I will keep everyone updated.

- **Clarifying that Service Contracts are not Insurance**

H.B. 4149 Relating to insurance. This bill amends the definition of warranty to state that it includes a vehicle theft protection program warranty. This bill also amends the existing statutory definition of service contract by including certain services:

1. Repair or replacement of tires damaged by road hazards;
2. Removal of dents or creases repairable by paintless dent removal;
3. The repair of chips or cracks in, or the replacement of, motor vehicle windshields as a result of damage caused by road hazards
4. Replacement of motor vehicle key-fob if it becomes inoperable or is lost or stolen; and
5. Coverage for excess wear and use of a leased vehicle.

Johnnie Brown has reviewed the bill and suggests that language be added to cover paint protection products. This bill has passed the House and is currently in the Senate.

- **Deregulating the Doc Fee**

H.B. 4479 Removing the authority of the Commissioner of the DMV to set documentary charges. The full board met on January 24th, to discuss WVADA's position. It was decided by the board that deregulating the doc fee would not be in the best interest of WV dealers. Rather, keep the current process in place and allow the DMV Commissioner to set the cap. WVADA will be working closely with the Governors Office and the DMV Dealer Advisory Board in order to address an increase in the doc fee post general election. It is crucial for WV dealers to be competitive with our surrounding states.

- **Creating a Used Car Tax Credit Program**

H.B. 4547/ S.B. 621 Relating to tax credits for providing vehicles to certain persons. This bill establishes a tax credit of half of a vehicles fair market value (up to $2,000) per vehicle. The purpose of this bill is to incentivize individuals/dealers to reduce the retail price of vehicles. The purpose is to enable more low-income workers to have transportation to get to and from work. Good News Mountaineer Garage is developing a program that will subsidize both the interest rate charged for the financing and the cost of the vehicle. This program is voluntary and only cars that are certified by the program are eligible.

- **Eliminating the Business Inventory, Machinery and Equipment Tax**

H.J.R. 17 is one of several Senate and House Joint Resolutions that have been introduced this session to address the burdensome regressive tax on business inventory and equipment. This Resolution is a heavy lift because it will take a constitutional amendment to address this issue. Joint Resolutions must pass the House and Senate by a two-thirds majority, signed by the Governor, and then approved by the voters in the next general election. WVADA is a member of the Business Industry Council (BIC) and we are working with other industry leaders on the best plan of action for this to pass. In addition to needing bipartisan support to get this through, the legislature must have a plan to fill a potential $95 million hole that this bill would put on the counties.

2020 Ally Time Dealer of the year Nomination

ally

Wally Thornhill

Thornhill GM Superstore
Chapmanville, West Virginia

"As a hometown business owner, I feel that the most important thing I can do is help build a stronger community. I am particularly focused on giving children the opportunity to succeed in academics and athletics."

A 1975 graduate of Logan High School in Logan, West Virginia, Thornhill earned an associate degree in science and general business at Southern West Virginia Community and Technical College, also in Logan, in 1985.

"I have been self-employed since the age of 14," Thornhill noted.

He began working in the eighth grade under the supervision of his father doing auto body work. In high school, he started his own gas station and auto repair business and continued to run the establishment while attending college.

"The business prospered, and I purchased real estate and diversified my portfolio," Thornhill said. "I ran a salvage yard with towing service for 11 years, opened three pharmacies, invested in real estate and was a member of a small local bank board."

But he always dreamed of being a car dealer. In 1996, he bought into a local Pontiac Buick GMC dealership – the same store where his father had been an auto body technician in the 1960s. Thornhill helped turn the business around and became the dealer principal in 1998.

Today, his Thornhill Automotive Group oversees four new car dealerships: Thornhill GM Superstore, Thornhill Ford Lincoln and Thornhill Mitsubishi in Chapmanville and Thornhill Chrysler Dodge Jeep Ram in Logan. His daughter, Sydney, and son Nathan are dealer executives for the stores.

An active member of the West Virginia Automobile Dealers Association, Thornhill has served... read more

Risk Management: Prevention Could Mean Profits

It's Our Business to Protect Yours
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Establishing and promoting a Culture of risk management can have a silent, but significant, impact at your business. Prioritizing safety and judgment can help protect your people and your profits. Emphasis on workplace safety and loss prevention — from senior management to front line employees — helps businesses run more efficiently and avoid errors that could dent or break the bottom line.
Every injury, every lawsuit, every poor hire, every missed opportunity to plan can pull money out of your pocket. Insurance helps pay for the direct costs of a loss, such as property damage, medical bills, and legal expenses. But your business is responsible for some related expenses — hiring and training new employees, lost productivity, low morale, damaged reputation, and potentially higher insurance premiums.

Hard to Detect, but Still Worth It

Workplace safety, employee screening, sound policies, and other risk management practices are essential. The tricky part is that the outcomes of a good risk management program are difficult to demonstrate. When everything goes right, you don't have any examples to prove how effective your efforts were. There's no paperwork, no accident site photos, no medical bills. But think about it: A chunk of your profits can disappear every time an employee slips, strains a muscle, falls, or fails to follow company policies and procedures. In this case, the absence of proof is the proof.

Constant Improvement

Your policies follow the guidelines and you post appropriate signage, so there's nothing more to do, right? Not so fast. Even the best businesses can get better.

Federated Insurance clients repeatedly echo four points regarding the value of risk management culture and its positive impact on businesses. Keep the following in mind, and always be looking out for potentially hazardous situations.

It has to start at the top. Management should model good behavior, reinforce a "safety first" message, and invest time and resources to implement sound policies and procedures. Without their buy-in, it's difficult to establish a successful risk management culture.

Empower employees. Give employees the tools and incentives to take ownership in a risk management culture. Set clear expectations and reward positive behavior.

Take control. Many claims are preventable. Create and enforce policies related to safety, conduct, and hiring. Designating a risk manager to address these critical practices is one way to take the reins.

It has a financial impact. Hidden expenses can quickly add up. Additionally, losses can impact your workers compensation experience modifier, which may lead to higher insurance costs.

In a competitive business world, where turning a profit is often the highest priority, it's tempting to sweep risk management under the rug with the expectation that an injury or accident won't happen. That could be a costly mistake. Focus on risk management, and you can positively impact your bottom line.

Upcoming Events

Learn the latest strategies and emerging trends through NADA education sessions. NADA Academy instructors as well as top industry specialists teach real solutions for your dealership to build the success your business needs, both now and in the years to come at the 2020 NADA Show in Las Vegas, February 14-17. View the full schedule of the NADA Show HERE.

The Greenbrier Resort

WVADA 87TH ANNUAL FAMILY CONVENTION

SAVE THE DATE

JUNE 7 - 10
OPEN REGISTRATION NOW - JUNE 4TH

Sunday: Welcome reception & Casino Night
Monday: Golf Scramble & Block Party
Tuesday: Sporting Clay Tournament & Chairman Dinner/reception

For more information visit our website at www.wvcar.com

WVADA
WEST VIRGINIA AUTOMOBILE DEALERS ASSOCIATION

WEST VIRGINIA
WVCAR
POLITICAL ACTION COMMITTEE

WVCar is the West Virginia Automobile and Truck Dealers Political Action Committee, and your support is vitally important in order for us to have a voice at our state capitol in Charleston. WVCar is the best platform for our message to be heard by legislators and signify our value in West Virginia communities.

The goal of WVCar PAC is to bring all voices through WVADA to Charleston to make certain our positions are protected and strengthened. Please take the time to contribute to ensure that our voice, as dealers, is heard!

Check out our new WVCar website and make your contribution directly through the site or

by clicking HERE, to fill out the form and submit either a personal check or your credit card information to WVADA.

A special thank you goes out to all of our members who have already donated:

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Paul Astorg
Bill Cole
Hal Green
Nick Green
Joey Holland
Jonathan Lerose
Rodney Lerose
Chris Miller
Matt Miller
Bob Moses
Jason Moses
Steve Moses
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Dennis Sheets
Richard Stephens
Stephen Talbott
Wally Thornhill
Don Warner
Paul White

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Sydney Thornhill Brown
Guy Chicchirichi
Mac McClinton
Dan Wharton

In The Community

Thornhill GM SUPERSTORE

Thornhill GM Superstore receiving a check for the NADA Foundation 2019 Ambassador Grant of $510 to the Chief Logan Recreational Center in Logan, WV.

Wally Thornhill (Owner/President) is presenting the check with Kellie Wooten-Willis and Leonard Hovis -Chief Logan Rec Center Board Members and Jeff Jenkins (Ally Financial Director of Sales).

In January the VP of Sales & Community Outreach, Andrew Matheny from Matheny Motors celebrated his birthday by donating to the food pantry Jon Six Hair Company.

MATHENY MOTORS

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