

ADVERTISING

The Virginia "Motor Vehicle Dealer Advertising Practices and Enforcement Regulations" outlines the "dos" and "don'ts" of Dealer Advertising. The regulations are based on Virginia Law. For your information and use, below are some of these regulations. If you would like a copy of all of the regulations, they are available from our WEB site ([MVDB Advertising](#)) or you may call the office and we will mail or fax them to you.

- Advertisements should not include a disclaimer such as: "See Dealer for Details". The "details" must be included in the advertisement in the disclaimer.
- Advertising a dealer rebate is prohibited by Virginia law and regulations. If you offer to make the customers' first monthly payment – that is considered a rebate. Similar offers where the dealer provides cash to the consumer or otherwise pays something towards the purchase of the vehicle are considered "rebates."
- Disclaimers should not contradict or change the meaning of an advertised statement.
- The Advertising Regulations state: "Advertisement of finance charges or other interest rates shall not be used when there is a cost to buy-down said charge or rate which is passed on, in whole or in part, to the purchaser." Requiring the purchaser to pay additional money to "buy-down" an interest rate could also run afoul with the Truth in Lending Requirements if the APR does not include the additional money needed to receive the special rate.
- When you advertise a price for a vehicle, you must fully identify the year, make and model of the vehicle. For example, If you advertise "Cars for \$5" or Cars as low as \$100", then you must identify at least one vehicle at the stated price. The advertising regulations state that "When the price or credit terms of a vehicle are advertised in print, radio, or television, the vehicle should be fully identified as to year, make, and model.

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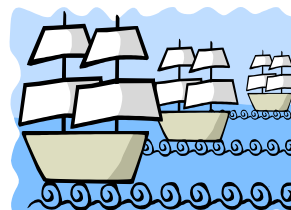
HOLIDAY HOURS

In observance of the upcoming holidays, all state agencies, including the Dealer Board, will be closed on the following dates

September 1, 2003 & October 13, 2003



LABOR DAY



COLUMBUS DAY

BOARD ACTIONS

Dealer Licensing: A Richmond area dealer was assessed civil penalties totaling \$3,400 for paying sales commissions to unlicensed salespersons. The dealer had failed to secure salespersons licenses for several of its sales staff. The Dealer will have 30 days to either pay the civil penalty or appeal the Board's decision to circuit court.

Transaction Recovery Fund: At their July meeting, the Board considered three claims against the Transaction Recovery Fund:

The first claim was against Selective Auto in Sterling, VA. A consumer purchased a car from this dealer in February of 2001 and after repeated tries to obtain the title to the vehicle, the consumer discovered that the holder of the title was another dealer who had lent the vehicle to Mr. Behdadzadeh, the owner of Selective Auto. When Mr. Behdadzadeh failed to return the vehicle, the other dealer reported the vehicle stolen and in January of 2002 law enforcement officials took physical possession of the vehicle from the consumer.

The consumer obtained a judgment against Selective Auto, which went out of business shortly after the consumer purchased the vehicle. Based on a report by a hearing officer and recommendation from staff, the Board voted to approve the claim in the amount of \$9,065.04.

In the second claim heard by the Board, the consumer had purchased a vehicle from Exchange Auto Repair & Sales in Farmville, VA. Exchange Auto provided a warranty for thirty days or 1000 miles. Within a few days of the purchase, the consumer returned to the dealer seeking repairs under the warranty, however, Exchange Auto refused to repair the vehicle. Within two weeks of the sale, the vehicle needed additional repairs and again the dealership refused to make any of the repairs. As a result, the consumer paid for the repairs herself and eventually got behind in her payments to Exchange Auto. Exchange Auto then repossessed the vehicle in March of 2001. At the time of the repossession, the dealership failed to allow 10 days to pass from the payment due date. The consumer got a default judgment against the dealer and based on the facts, the hearing officer's report and staff recommendations; the Board approved the consumers' claim in the amount of \$7,149.41.

The Board tabled the third claim and has directed staff to obtain some additional information. The Board will consider this claim at its September meeting.

DEALER TALK

A Bi-monthly newsletter of The Virginia Motor Vehicle Dealer Board
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NOTE: We make every effort to ensure information in *Dealer Talk* is accurate, but it is not a substitute for legal advice.

Calendar of Events

**All Meetings held at DMV Headquarters
2300 W. Broad Street, Room 702
Richmond, VA**

Monday, September 8, 2003
Time: 8:30 a.m.
Dealer Practices Committee Meeting

Monday, September 8, 2003
Time: Immediately following Dealer Practices
Licensing Committee Meeting

Monday, September 8, 2003
Time: 9:30 a.m.
Advertising Committee Meeting

Monday, September 8, 2003
Time: Immediately following Advertising
Transaction Recovery Fund Committee Meeting

Monday, September 8, 2003
Time: 10:30 a.m.
Full Board Meeting

NOTE: Meetings may begin later, but not earlier than scheduled.

Four Automotive Related Expansions Across Virginia

Recently, Governor Mark R. Warner announced the expansion of four Virginia automotive related operations, totaling more than 400 new jobs and \$58 million in capital investment across the state. The Commonwealth's automotive and automotive parts manufacturing facilities employ more than 25,000 Virginians.

Standard Motor Products, Inc. will expand its automotive parts distribution center in Prince George County. Through a \$3 million investment, the company will create 175 new jobs. The expansion is a result of Standard Motor's June 2003 acquisition of Dana Corporation's Engine Management Division.

Standard Motor Products, Inc. is one of the largest automotive aftermarket manufacturers in the world. The company is headquartered in Long Island City, New York, with more than 20 factories and distribution centers throughout the United States, Puerto Rico, Canada, Europe and the Far East. Standard Motor's parts are sold throughout the United States, Canada, Central and South America, Europe and Asia by traditional warehouse distributors and auto parts stores, as well as major retail stores.

"Our ability to attract dedicated employees, combined with the region's pro-business environment is why Prince George County was chosen for this expansion," said Michael Paulus, Standard Motor General Manager, Engine Management Group.

Siemens VDO Automotive will invest \$47.25 million to expand its Newport News facility and manufacture its next-generation fuel injectors for gasoline engines. Siemens VDO's decision to expand in Newport News will create 107 new jobs. This expansion and job creation will occur over a 30-month period.

Four Automotive Related Expansions Across Virginia

Siemens VDO Automotive is a tier-one supplier of automotive electronic/electrical systems and components with applications covering gasoline and diesel powertrain technologies, safety and chassis systems, body electronics, plus interior products including infotainment systems. Worldwide sales reflecting fiscal year 2001/2002 totaled \$8.5 billion. For more information: www.usa.siemensvdo.com.

"The history and reputation of Siemens VDO operations here in Newport News stands up to the best of our company's operations anywhere in the world," said Terry Stinson, Vice President and General Manager, Fuel Components Division, Siemens VDO Automotive. "With the roll-out of our new Deka VII fuel injector, we are confident our operations in Newport News will live up to that reputation and help us write the next successful chapter for this region."

Teleflex Automotive will expand its automotive parts manufacturing facility in Russell County's Town of Lebanon. Through a \$2.9 million investment, the company will create 75 new jobs.

"Teleflex is a valuable corporate citizen, employing more than 200 Virginians," said Governor Warner. "It's great news that they decided to reinvest in Southwest Virginia, bringing more much-needed jobs to Russell County."

Teleflex Automotive Group, headquartered in Troy, Michigan, is a leading Tier One global supplier of custom engineered cable controls, electronic throttle controls, driver control mechanisms and transmission shift control systems to the automotive industry. The company is part of Teleflex Incorporated, the Philadelphia-based diversified industrial manufacturing firm with sales exceeding \$1.9 billion annually.

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Four Automotive Related Expansions Across Virginia

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In addition to automotive products, Teleflex Inc. also designs, manufactures and distributes a broad range of products and services to the aerospace, recreational marine, industrial and medical markets worldwide.

“For the past 15 years, we have enjoyed a great business climate in Lebanon that has been mutually beneficial to the people of Russell County and to Teleflex Automotive,” said Dick Westfall, Teleflex Automotive Vice President of Manufacturing, North American Operations.

Schrader Bridgeport International Inc., a leading supplier of automotive tire and control valves and accessories, will expand its operations in Campbell County’s Town of Altavista. The company will make a \$5.1 million investment and create 50 new jobs over the next 30 months.

Schrader Bridgeport International, Inc. was originally founded by August Schrader in 1844 when he designed and built the first foolproof air valve in conjunction with three young brothers by the name of Goodyear. August Schrader made his first profit in another air control application, the first safe, yet heavy, copper underwater diving helmet in 1849. Schrader’s air control valves lead to the mass production of balloon tires for the horseless carriage. Today, Schrader Bridgeport sets the worldwide standard for tire valves whether it’s automotive, Class 8 trucks, Harley Davidson or mountain bikes. Currently, SBII produces four million valves per day and has evolved into the world’s largest designer and manufacturer of integrated pneumatic and fluid control valve systems. Schrader valves can be found in automotive fuel rails, engine controls, air conditioning systems, transmissions and are already in production for the regulation of hydrogen fuel cells.

RETIREMENTS

Over the past few months two of our field representatives have retired. Will Buettner retired in April and Bernie Goletz retired in July. Will began working for the Board in May of 1999 and Bernie was hired in December of 1995. Bernie was one of the first field representatives to work with the Board. Bernie is now living the life of leisure in Florida and Will is going to spend some time traveling before he settles down to retired life. We wish both of these retirees the best of luck and they will be missed.



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