

2201 W. Broad Street
Suite 104
Richmond, Virginia 23220
Phone: (804) 367-1100
FAX: (804) 367-1053
Toll Free: (877) 270-0203 (Intra-State only)
E-mail: dboard@mvdv.virginia.gov
Website: www.mvdv.virginia.gov
Bruce Gould, Executive Director
Peggy Bailey, Office Manager
Frank McCormick, Field Rep. Supervisor

NOTE: We make every effort to ensure information in *Dealer Talk* is accurate, but it is not a substitute for legal advice.

Motor Vehicle Dealer Board Mission Statement

The Motor Vehicle Dealer Board will administer sections of the Commonwealth's Motor Vehicle Dealer Laws and regulations as charged; while providing a high level of customer service for the automotive consumer and dealer community.

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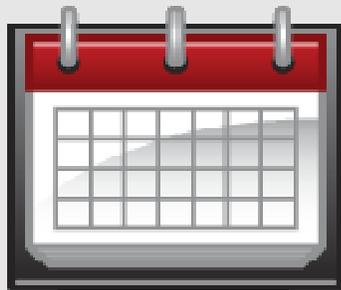
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GOVERNOR MCDONNELL ANNOUNCES 84 NEW JOBS FOR WYTHE COUNTY - EVATRAN TO INVEST \$3.5 MILLION IN PLUGLESS POWER SYSTEM MANUFACTURING OPERATION -

RICHMOND - Governor Bob McDonnell recently announced that Evatran LLC, a subsidiary of MTC Transformers and the manufacturer of the world's first "hands-free" electric vehicle supply equipment (EVSE), will invest \$3.5 million in a new facility in Wytheville in Wythe County that will manufacture Plugless Power™ charging technology for electric vehicles. The project will create 84 new jobs. Virginia successfully competed against North Carolina and Ohio for the project.

MTC Transformers, a manufacturer of specialized electrical transformers focusing on niche market segments, was founded in Wytheville in 1985. The company started Evatran in April 2009.

Speaking about the announcement, Governor McDonnell commented, "The state-of-the-art technology that will be used at Evatran's new manufacturing facility in Wytheville is vital to the electric vehicle industry. In light of today's need to ever increase energy conservation, I commend the company's key involvement in alternative energy solutions such as Plugless Power™.



Calendar of Events

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

Monday, September 13, 2010

Time: 9:00 a.m.

**Dealer Practices Committee
Meeting**

Monday, September 13, 2010

Time: Immediately following Dealer
Practices

Licensing Committee Meeting

Monday, September 13, 2010

Time: Immediately following
Licensing

Advertising Committee Meeting

Monday, September 13, 2010

Time: Immediately following
Advertising

**Transaction Recovery Fund
Committee Meeting**

Monday, September 13, 2010

Time: 10:00 a.m.

Full Board Meeting

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

GOVERNOR MCDONNELL ANNOUNCES 84 NEW JOBS FOR WYTHE COUNTY - EVATRAN TO INVEST \$3.5 MILLION IN PLUGLESS POWER SYSTEM MANUFACTURING OPERATION -

(Continued from page 1)

Evatran is the manufacturer of Plugless Power™, the world's first "hands-free" charging system for electric vehicles. Utilizing a unique dual-component system based on inductive technology, Evatran's Plugless Power™ streamlines the process of charging electric vehicles by eliminating the nuisance of the cord and the plug. The result is a system that is convenient, universal and reliable. Evatran's customers are manufacturers, dealers and drivers of electric or extended-range hybrid vehicles. Other customers utilizing Plugless Power™ may include corporations, municipal governments, utilities, residential developers, homebuilders, retailers and small businesses.

According to Rebecca Hough, co-founder and director of sales and marketing for Evatran, "We are eager to apply the capabilities and dedication of Virginia workers to create a transportation infrastructure that responds to 21st century demands. Evatran is proud to build on the quarter century's worth of domestic job creation begun through our parent company MTC Transformers, one of Virginia's fastest-growing manufacturers. We are delighted that our innovations in clean transportation have so much potential to boost the local economy in Wythe County, our home since 1985."

The Virginia Economic Development Partnership worked with Wythe County, the Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat, and Virginia's a Corridor to secure the project for Virginia. Governor McDonnell approved a \$150,000 grant from the Governor's Opportunity Fund to assist with the project. The Virginia Tobacco Indemnification and Community Revitalization Commission approved \$235,000 in Tobacco Region Opportunity Funds for the project. The Virginia Department of Business Assistance will provide training assistance through the Virginia Jobs Investment Program.

HOLIDAYS HOURS

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

**MONDAY
SEPTEMBER 6, 2010**



FOR LABOR DAY!

ATTENTION ON-LINE DEALERS

Are you an “on-line dealer”? Virginia law requires that when you title and register a vehicle for a purchaser via the on-line system (CVR or triVin), the customer must pay the fee charged to you by the vendor for processing the transaction on-line. This fee is known as and listed separately on the buyer’s order as an “On-line Systems Filing Fee”.

It has come to our attention that many if not all on-line dealers “automatically” add this fee to the Buyer’s Order when completing a sale. Typically, once the sale is completed, the paperwork is handed-off to another employee (Usually the “Title Clerk”) to complete. The title clerk either enters the transaction into the on-line system or if it is a situation where the transaction cannot be completed on-line, brings the paperwork to a DMV Customer Service Center to obtain title and registration. (On-line Dealers may not bring work to DMV select agents)

If it is determined that the transaction cannot be completed on-line, you must refund the “On-line Systems Filing Fee” you collected from the customer. Our field representatives have discovered that often times, this refund is not being made. Please review your procedures and be sure that if you are collecting an “On-line Systems Filing Fee” and the transaction is not completed on-line, that you are refunding the fee to your customers. Failure to do so could result in the MVDB assessing a civil penalty or even the suspension or revocation of your dealer license.

(An on-line dealer is a dealer that has a contract with a vendor (CVR or triVin) providing for an electronic link (interface) between DMV and the dealer. This interface provides a means for Virginia dealerships to issue registration cards, metal license plates and decals at the point of sale and electronically update DMV’s vehicle files. Titles are printed at DMV overnight and mailed the morning after DMV receives the transaction.)

PRINT ON DEMAND TEMP TAGS

Are you one of the nearly 800 dealers who have signed-up for Print on Demand (PoD) temporary tags? If your answer is "YES" -- that is great. If your answer is "NO" - you are missing out on the convenience and advantages PoD Offers. Just ask one of the 800 who have signed-up!

With PoD, you print 30-day tags as you need them - you eliminate all the issues related to obtaining, securing and accounting for 30-day tags. In addition, as of May 2011, PoD will be the only option available to issue 30-day tags.

Avoid the last minute rush -- sign-up now. There is no cost to you to sign-up for PoD. For more information and a list of vendors offering the PoD service, go to our WEB site (www.mvdb.virginia) and click on [Print on Demand Temp. Tags](#) in the "What's Hot" area of our home page.

SPOT DELIVERY

In 2009, the General Assembly passed a bill that required, by July 1, 2010, all dealers to change the "spot delivery" notice that must be on the buyer's order. Dealers have had a year to make this change. Please double check to be sure you have made this update to your buyer's order. The MVDB staff has observed that many dealers have not updated their buyer's order. Non-compliance with this change in the law could lead to a civil penalty of up to \$1,000.

GOVERNOR MCDONNELL ANNOUNCES \$20 MILLION DUPONT FACILITY IN CHESTERFIELD COUNTY

*~Will Manufacture State of the Art Components of Lithium
Ion Batteries for Electric Vehicles ~*

RICHMOND - Governor Bob McDonnell recently announced that DuPont will invest \$20 million to establish a facility in Chesterfield County to make the first nanofiber-based polymeric separators for high-performance lithium ion batteries for electric vehicles and many other potential commercial uses.

The facility, an early commercial-scale plant to produce the new material for this growing market, will be located at a leased building in Chesterfield County and will begin operations in early 2011. Virginia competed with other locations for the investment. The company is eligible for an \$800-per-job grant through the state's enterprise zone program. DuPont is also working with U.S. Sens. Jim Webb, and Mark R. Warner, and Representative. J. Randy Forbes, for help securing federal tax credits.

Governor McDonnell stated "The federal government is putting a big push into this administration into some of the alternative energy technologies as a way of reducing reliance on oil and also having some salient environmental benefits."

"DuPont is a science leader and a major employer in the Commonwealth. The company has been in Chesterfield County since 1929 and this exciting new battery technology facility will continue DuPont's history of innovation in the Commonwealth of Virginia. We are committed to helping our existing employers expand their operations in the Commonwealth. This announcement is positive news for our economy, and for the competitiveness of Chesterfield County and the entire Commonwealth in the global marketplace," said Governor McDonnell.

The facility will further refine and develop DuPont™ Energain™ separators, a nanofiber-based material that improves safety by allowing high-performance lithium-ion batteries to operate at higher temperatures and can increase power up to 30 percent.

"DuPont™ Energain™ separators will be key to battery manufacturers making huge advances in lithium-ion batteries," said Thomas G. Powell, President, DuPont Protection Technologies. "DuPont enjoys a great, long-term partnership with Virginia and the technology development it enables enhances our presence here as a major employer."

DuPont™ and Energain™ are trademarks of DuPont.

Did You Watch Us on the WEB?

With the help of DMV, all MVDB Board meeting are broadcast live on the internet. To watch a “rerun” of the July MVDB meeting click [HERE](#).

The next Motor Vehicle Dealer Board meeting, which is scheduled for September 13 at 9:00 am, will be broadcast live on the WEB once again. A hot link will be posted on the MVDB Home Page (www.mvdb.virginia.gov) for a quick and easy connection to the broadcast. Mark your calendars now!

REVISED FORM DSD-27A

Department of Motor Vehicles form DSD 27 A, (Permit to Use Dealer or Temporary Transport Plates on Laden Vehicles) has been revised to reflect DMV forms standards and the name of the form has been changed to better reflect the form's purpose. The new title of the form is “Permit to Use Dealer or Temporary Transport Plate on Trucks or Tractor Trucks”.

If you have a supply of the “old” form, please do not destroy them as it is OK to continue to use the “old” form. Once you have depleted your supply of existing forms, you may order a new supply or simply download the revised form from either DMV's or MVDB's WEB sites: ([DSD - 27A](#))

BOARD ACTIONS

Omar J. White and City to City Auto Sales, LLC. (Informal Fact Finding Conference) A March 2010 random inspection of this dealership revealed a number of problems including compensating an unlicensed salesperson. The dealer was given the opportunity to pay a \$1,000 civil penalty for compensating an unlicensed salesperson or request an informal fact finding conference (IFFC). The dealer asked for the IFFC. On June 9, 2010, an informal fact-finding conference was conducted to address the alleged violations related to failing to post a list of salespersons; failure to properly maintain records; failure to fully complete a buyer's order; failure to have salespersons properly licensed; failure to submit registration fees to DMV; and improper use of or permitting the improper use dealer's license plates. Based on the information provided at the conference, the Board voted to assess civil penalties totaling \$1,500. The Board also voted to require that Mr. White must successfully complete the dealer-operator course by October 12, 2010. Failure to do so will result in the immediate suspension of all licenses and certificates issued by the Board to Mr. White.

Charlie A. Absher and Absher Sales (Formal Hearing) In June of 2006, this dealer received an educational/warning letter for miss-using temporary transport tags. In February of 2008, Mr. Absher was cited for five unlicensed salespersons. Mr. Absher was given the option to pay a \$3,000 civil penalty or attend an informal fact finding conference. He paid the civil penalty.

In February of 2009, Mr. Absher received a verbal warning for once again miss-using transport tags. Responding to a consumer complaint, the dealership was inspected and it appeared that he was in violation of numerous laws. On January 5, 2010, an informal fact-finding conference was conducted to address the alleged violations for failing to have an established place of business; failure to display dealer certificate; failure to disclose the Federal Buyer's Guide; related to odometer disclosure requirements; failure to properly issue temporary tags; failure to submit fees to DMV; record keeping requirements; failure to comply subsequent to receipt of a written warning/willful failure to comply; defrauding a retail buyer; and having used deceptive acts or practices.

Mr. Absher's case was presented at the March 8, 2010 Dealer Board Committee and Full Board Meeting, the Board adopted a resolution to assess a civil penalty of \$5,000 and that all licenses issued by the Board to Mr. Absher should be revoked. On April 6, 2010, Mr. Absher appealed and requested a formal hearing. On June 15, 2010, a formal hearing was conducted to address the alleged violations as mentioned above. Based on the information provided at the conference, the Board assessed a \$5,000 civil penalty and revoked all licenses and certificates issued to Mr. Absher.

ADVERTISING AND THE INTERNET

As a reminder, all of the advertising laws and regulations apply to advertisements that are placed on the internet.

We are receiving reports and have confirmed these reports that dealers and salespersons are placing advertisements on Craig's List that do not comply with the Motor Vehicle Dealer Advertising Laws and Regulations. For instances, the name of the dealership or a designation such as "VA DLR" must appear on each posting. Listing vehicles under the heading "for sale by dealer" alone, does not satisfy this requirement. Each listing must include the name of the dealership or a designation such as "VA DLR".

Advertisements on Craig's List as in all other advertisements, must include proper disclosures including processing fee. If your dealership charges a processing fee, this fee must be stated in each listing. If the advertisement includes a telephone number, it must include at minimum, the telephone number of the dealership. An advertisement placed by a salesperson may include his/her telephone number in addition to the dealership telephone number.

Dealers may not set-up a WEB site advertising as a service or otherwise assisting in financing without listing the name of the dealership in the advertisement. For instance, we have received reports that dealers have established WEB sites under a name other than the name of their dealership stating that they specialize in securing financing for members of the military. These WEB sites are merely "fronts" for a dealership. Those applying for credit are approved provided they purchase a car from the dealership that is "fronting" the WEB site. This is a deceptive practice and could result in the revocation of the dealer's license.

In conclusion, advertisements on the internet and WEB sites must comply with all of the established advertising laws and regulations.

INDEPENDENT DEALER-OPERATOR RE-CERTIFICATION

In 2007 the Motor Vehicle Dealer Board began to look at the concept of continuing education for independent dealer-operators. After having held six public hearings; publication of numerous articles in Dealer Talk; and countless hours of work, the final regulations were published in the August 2, 2010 edition of the [Virginia Register of Regulations](#).

Beginning January 1, 2006, by statute, the dealer-operator of any new independent motor vehicle dealership is required to successfully complete a course of study before they will be allowed to take the independent dealer-operator qualification test at any DMV Customer Service Center (CSC). A re-certification requirement is the next logical step as they require dealer-operators to keep up with laws, regulations and guidelines.

The new regulations require independent dealer-operators to recertify every three years by either completing a course of study or passing an exam. The regulations provide an orderly schedule to transition existing and future independent dealer-operators into a three year recertification cycle.

Recertification will be tied to the month the independent dealer-operator initially became certified. If a dealer-operator become certified before 1995 (Including those "grandfathered" in 1989), they will need to recertify in 2011. Those initially certified between 1995 and 2005 will need to recertify in 2012 and those initially certified from 2006 to 2010, will need to recertify in 2013.

The regulations provide maximum flexibility for independent dealers to complete recertification requirements as they allow for courses to be offered in a classroom setting as well as online and by mail. Independent dealers will also have the option of studying on their own and recertifying by taking an exam. Dealer-operators will be able to recertify up to six months prior to their anniversary month and two months after their anniversary month. Independent dealer-operators will be sent a re-certification notice in the mail to their home address.

The next issue of Dealer Talk will include more detailed information on this new initiative.

Dealer-Operator Course

The Virginia Community College System and the Virginia Independent Automobile Dealers Association (VIADA) have teamed up to present a two-day Dealer-Operator course. The following is a list of up-coming classes. The list is regularly updated on our WEB site at <http://www.mvdb.virginia.gov/licensingprocess.htm>.

IMPORTANT NOTICE TO ALL PROSPECTIVE DEALERS

The dealer-operator of any new independent motor vehicle dealership is required to successfully complete a course of study before they will be allowed to take the independent dealer-operator qualification test at any DMV Customer Service Center. "Grandfathered" dealer-operators, title clerks and salespersons are encouraged to take the course as well.

Course Schedule

2010

August 17 & 18 - Blue Ridge Community College, Weyers Cave

Contact: Lisa or Sandy; 540-453-2215; www.brcc.edu

September 7 & 8 - Germanna Community College, Fredericksburg

Contact: Susan Brown; 540-891-3012; www.gcc.vccs.edu/workforce

October 5 & 6 - Community College Workforce Alliance at J. Sargeant Reynolds - Community College, North Run Campus, Henrico, County

Contact: Sandy Jones; 804-523-2292;

www.ccwa.vccs.edu

October 19 & 20 – Northern Virginia Community College, Reston

Contact: Claire Wynn; 703-450-2551; www.nvcc.edu/loudoun/continuing

November 9 & 10 - Piedmont Community College, Charlottesville

Contact: Maggie Myers; 434-961-5495 or mmmyers@pvcc.edu; www.pvcc.edu

November 16 & 17 - Tidewater Community College, Norfolk

Contact: Registration; 757-822-1234; www.tcc.edu/wd

December 7 & 8 - Lord Fairfax Community College, Warrenton

Contact: Registration; 540-868-7021; www.lfccworkforce.com

Registration materials and information are available from each of the Community Colleges' WEB site or by calling the individual college.

The cost is \$325 if you register at least two weeks prior to the date of the course. The fee is \$375 after that date.