

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.mvdb.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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DEALER CENTER OPENS IN NORFOLK

In a letter to dealers dated April 23, 2008, Robert Irving, Department of Motor Vehicle's Director of Field operations announced the opening of a Dealer Center in Southside Hampton Roads. The Center will open on June 16, 2008, at the Norfolk/Military Circle Customer Service Center located at 5745 Poplar Hall Drive in Norfolk.

Because of its central location and the availability of space, DMV believes this site provides the ideal location to better serve the business needs of dealers. Based on projections, DMV estimates that they may move over 60,000 transactions a year out of Southside Hampton Roads Customer Service Centers and into the new Dealer Center.

In his letter, Irving stated that "I am excited about the new Dealer Center and trust that you [dealers] will find it a convenient and efficient means for conducting business with DMV." *Please see page eight for the location of DMV's four other Dealer Centers where you can complete all of your title and registration work as well as purchase temporary tags.*

TODD HYMAN RETIRES

E. Todd Hyman, owner of Hyman Wholesale Corporation in Virginia Beach, closed shop and "retired" a few weeks ago. Todd has been in the business for many years.

In August of 2003, Governor Warner appointed Hyman to the Motor Vehicle Dealer Board for a four year term. In 2007, Governor Kaine re-appointed Hyman to the Board. Since Hyman is no longer an owner of a motor vehicle dealership, he is no longer eligible to serve on the Board. In his nearly five years as a Board member, Hyman attended twenty-eight out of twenty-nine Board meetings held during that time frame!

Todd was a dedicated member of the Board and we will miss him.



Calendar of Events

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

Monday, July 14, 2008

Time: 8:30 a.m.

Dealer Practices Committee Meeting

Monday, July 14, 2008

Time: Immediately following

Dealer Practices

Licensing Committee Meeting

Monday, July 14, 2008

Time: 9:30 a.m.

Advertising Committee Meeting

Monday, July 14, 2008

Time: Immediately following

Advertising

Transaction Recovery Fund

Committee Meeting

Monday, July 14, 2008

Time: 10:00 a.m.

Full Board Meeting

NOTE: Meetings may begin later, but not earlier than scheduled. Meeting end times are approximate.

Public Hearing for Proposed Dealer-Operator Continuing Education Regulations: Thursday, August 21 at 2:00. (See Page 4 for more details.)

Moss Motors Ltd. to Open Facility in Dinwiddie County

Announcement from Governor Kaine

On May 2, 2008. Governor Timothy M. Kaine announced that Moss Motors Ltd. will invest \$5.15 million to locate a distribution facility in Dinwiddie County, creating 90 jobs. The company is a supplier of specialized automotive parts in the British restoration market.

“Moss Motors is part of a very unique industry,” said Governor Kaine. “There is a market of car enthusiasts who rebuild vintage automobiles and Moss supplies this demand. The company’s new Dinwiddie County location is in close proximity to its existing customer base on the East Coast and allows easy access to the Port of Virginia for import and export activity.”

Headquartered in Goleta, California and founded in 1948, Moss Motors is a privately held company primarily known for its activity in the British restoration market and is the world’s oldest and largest supplier of these parts. The company is also very active in parts and accessories for current vehicle enthusiast.

“We’re very excited about investing in Virginia,” said Glen Adams, President, Moss Motors. “The state’s combination of economic opportunities, quality of life, and pro-business climate are compelling. With central access to our customer base and the Port of Virginia nearby, we feel Virginia is a perfect destination for Moss Motors.”

The Virginia Economic Development Partnership worked with Dinwiddie County and Virginia’s Gateway Region to secure the project for Virginia. The Virginia Tobacco Indemnification and Community Revitalization Commission approved Tobacco Region Opportunity Funds for the project and the Virginia Department of Business Assistance will provide training assistance through the Virginia Jobs Investment Program.

“Dinwiddie County enthusiastically welcomes Moss Motors to our emerging business climate,” said W. Kevin Massengill, Dinwiddie County Administrator. “Moss Motors represents the first new industrial announcement for the County in nearly 10 years. We look forward to a long history of success with Moss Motors.”

HOLIDAYS HOURS

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

***Friday
July 4, 2008***



Independence Day

AND

***Monday,
September 1, 2008***

LABOR DAY



Board Actions

Pulaski Auto Sales. This dealership had been sent three educational/warning letters for not maintaining his posted business hours. The third letter resulted in a \$250 civil penalty which was paid. In addition the dealer had a number of other alleged violations in past inspections.

The last inspection of this dealership was initiated as a result of a report received from a Pulaski police officer who had observed dealer tags issued to this dealer being used on a taxi cab. The inspection revealed a number of problems. As a result, on January 30, 2008, an informal fact-finding conference was conducted to address the alleged violation(s) of VA Code Sections 46.2-1515 (failure to display dealer certificate), 46.2-1518 (failure to display salesperson list), 46.2-1529 (record keeping), 46.2-1529(1) and 46.2-1530 (related to the buyers order), 46.2-1532 (not completing odometer record), 46.2-1533 (failure to maintain posted business hours), 46.2-1542 (improper issuance of 30 day tags), 46.2-1537 (failure to have salesperson properly employed) and 46.2-1575(2) (failure to comply subsequent to receipt of a written warning from the Board/willful failure to comply with the dealer laws). Based on the information provided at the conference, the Board assessed a \$2,000 civil penalty against the owner Mr. William W. Hoback and Pulaski Auto Sales. In addition, the Board voted to revoke all licenses issued by the Board to Mr. William W. Hoback.

Radford Area Dealer. A May 2007 inspection by a Board field representative revealed a number of deficiencies. A follow-up inspection in September revealed that the dealer had not corrected many of the problems noted in the May inspection.

As a result, an informal fact-finding conference was convened to address the alleged violation(s) of VA Code Sections 46.2-1510 (failure to have an established place of business); 46.2-1515 (failure to display dealer certificate); 46.2-1529 (related to record keeping); 46.2-1537 (failure to have salesperson properly licensed); 46.2-1546 and 46.2-1550 (related to issuance and use of dealer's license plates). Based on the information provided at the conference, the Board assessed a \$200 civil penalty against the dealer and also passed a resolution mandating that the owner must successfully complete the dealer-operator course by November 12, 2008. Failure to successfully complete the course by this date will trigger an automatic suspension of all licenses issued to the dealer.

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Continuing Education Regulations

Beginning January 1, 2006, 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.

The independent dealer-operator is the individual who is responsible for the day-to-day operations of used car businesses. In most cases this is the owner.

Since January 1, 2006, over 1,200 individuals have taken the two-day course. Many of those who have taken the class are already in the motor vehicle sales business, including title clerks, dealer-operators, salespersons, owners and employees of new car dealers. These individuals see the value in continuing their education. With the success of this course, the Board believes it should explore additional educational requirements.

The Board is in the early stage of exploring how we may mandate and deliver continuing education for independent (used) motor vehicle dealer-operators. Major issues to be considered, include how often dealers should be required to complete an educational requirement; the methods for delivering classes and the impact upon the dealer community and consumers.

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Board Actions

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Aust Enterprises, Pulaski. After a failed attempt to inspect this dealership during its posted business hours, the dealer requested a permanent variance in the minimum hours requirements. The Board denied this request. Shortly after denying this request, a Board field representative attempted to conduct an inspection, only to find the dealer closed. This resulted in assessment of a \$250 civil penalty. A third attempt at conducting an inspection was successful, however a number of deficiencies were noted.

The dealer appealed the \$250 civil penalty and an informal fact-finding conference was conducted to address all of the alleged violation (s) including VA Code Sections 46.2-1510 (failure to have an established place of business); 46.2-1518 (failure to display salesperson list); 46.2-1529 (record keeping), 46.2-1529(1) and 46.2-1530 and 46.2-1530 (related to the buyers order); 46.2-1532 (not completing odometer record); 46.2-1533 (failure to maintain posted business hours); 46.2-1537 (failure to have salespersons properly licensed) and 46.2-1548/1550 (use of dealer's license plates. Based on the information provided at the conference the Board voted to assess a \$1,000 civil penalty and to suspend all licenses and certificates issued by the Board to Mr. Douglas E. Aust for a minimum of 30 days or until what time Mr. Aust successfully completes the dealer-operator class, which ever is longer.

Car Express, Emporia. Failed attempts to inspect this dealership in November 2003 and February 2007 resulted in educational/warning letters being sent to the dealer. A third failed attempt to inspect this dealer in May of 2007 resulted in a \$250 civil penalty, which the dealer paid. A fourth failed attempt resulted in the assessment of a \$500 civil penalty.

The dealer appealed this assessment and the Board convened an informal fact-finding conference to address the alleged violations of 46.2-1533 (failure to maintain posted business hours and 46.2-1575(2) (failure to comply subsequent to receipt of a written warning/willful failure to comply with the dealer laws). Based on the information provided at the conference, the Board voted to assesses a \$500 civil penalty against Misters Nelson L. & John R. Stith and to suspend all licenses and certificates issued by the Board to Misters Nelson L. & John R. Stith for a minimum of 30 days or until what time Misters Nelson L. & John R. Stith have successfully completed the dealer-operator class, which ever is longer.

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The Board is seeking your ideas and comments as we develop draft regulations. Your comments and suggestions should be directed to:

Mr. Bruce Gould,
Executive Director,
Motor Vehicle Dealer Board
2201 W. Broad St., Suite 104,
Richmond, Virginia 23220,
Bruce.gould@mvdv.virginia.gov
Tel: (804) 367-1100; ext. 3002;
FAX (804) 367-1053.

Comments will be accepted until September 5, 2008. We also invite you to attend a Public Hearing that will be held at the Department of Motor Vehicles (DMV) Headquarters at 2300 West Broad Street, Richmond, Virginia 23220 on August 21, 2008 at 2:00 pm.

Federal and state laws and court decisions are in constant change. Continuing education will not only help used car dealers keep up with these changes, but also refresh their knowledge of "old" laws and regulations.

Educated dealers are less likely to have problems with consumers and regulators. In addition, education enhances the professionalism of the motor vehicle sales industry

Board Actions

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Motor Vehicle Transaction Recovery Fund: At the May Board meeting, the Transaction Recovery Fund Committee and the Board considered and approved the following two claims:

A consumer was awarded a judgment of fraud in connection with the purchase of a motor vehicle from Field Auto City in Alexandria. (Michael Fields, owner.) The dealer is out of business and did not pay the judgment. The consumer sought relief from the TRF and the Board voted to award the consumer a \$7,450.58 payment from the Fund. This is the fourth claim on the Fund on behalf of this dealer.

In the second TRF request, a consumer was awarded judgment of fraud against City Motor Company and its owner Robert W. Wright. The Board voted to pay the consumer \$15,059.99 from the Fund. As this dealer is still opened, he will be given 30 days to pay the judgment to the consumer. If he fails to pay the judgment, the Board will pay the consumer from the Fund and the dealer's license will be immediately revoked.

Legislative Update

Below is a summary of three bills that were adopted by the General Assembly and signed by the Governor. Each will be effective as of July 1, 2008

House Bill 372 will allow a dealer to advertise a single vehicle, whether it is new or used, by stock number or vehicle identification number in order to disclose a limitation of availability. The bill codifies the practice of new car dealers indicating that an advertised vehicle is available in a limited supply by listing the VIN or stock number of the cars that are available at the advertised price. This option is currently available for used cars.

House Bill 492 was initiated by the Motor Vehicle Dealer Board to address curbstoning by:

- Limiting to five, the number of motor vehicles that may be displayed from a location - this is consistent with current law. The bill provides exceptions for legitimate reasons for parking "for sale" vehicles such as employees, paid parking, doing business at the location, etc.

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Mazda Opens Center in Chesterfield County

"This is the only operation of its type in North America," said Robert Davis, the company's senior vice president for quality, research and development. "Our remanufacturing here is primarily for rotary engines," he said. "We're looking to expand in the future, maybe to transmissions and even other automotive parts." "We are pleased to welcome Mazda Motor Corporation as another member of the County's Japanese and International manufacturing community. We are particularly happy to have such a prominent company in the international automotive manufacturing industry." said Art Warren, Chairman, Chesterfield County Board of Supervisors.

In addition to Chesterfield Economic Development; Mazda was assisted in the site selection process by the Staubach Company, Virginia Economic Development Partnership, Virginia Jobs Investment Program and the Greater Richmond Partnership.

DO YOU MISS DEALER TALK?

We produce six issues of Dealer Talk each year. If you rely on receiving Dealer Talk by mail – you are missing out on most of the issues as we only mail one or two issues per year. The other issues are distributed by email. In order to receive your copy by email, you must sign-up for e-mail notification. To do this, simply, go to our WEB site at www.mvdb.virginia.gov and from the Home page under "What's New" and then "click" on "Subscribe to Our E-Mail List". Back issues of Dealer Talk can also be found on our WEB site under the heading "Dealer and Salesperson."

Legislative Update

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- Property owners may give written permission for up to five vehicles per year to be displayed "for sale" on their property. Further - to be displayed for sale - the vehicle must be titled in the name of the seller or an immediate member of the sellers' family.
- Lastly, the proposal gives law enforcement, zoning officials and property owners the authority to have towed, any vehicle that has been displayed "for sale" for more than 48 hours after a notice has been posted on the "for sale" vehicle. (Only "for sale" vehicles that do not meet the "legitimate" criteria as stated in the bill can be towed.)

Information

SB 291/HB 833: Company vehicles of automotive manufacturers. Provides for specialized registration and titling of company vehicles of automotive manufacturers. These vehicles would also be exempt from the motor vehicle sales and use tax.

§ 46.2-1550. Use of dealer's and manufacturer's license plates, generally.

A. Dealer's license plates may be used on vehicles in the inventory of licensed motor vehicle manufacturers, distributors, and dealers in the Commonwealth when operated on the highways of Virginia by dealers or dealer-operators, their spouses, or employees of manufacturers, distributors, and dealers as permitted in this article, which shall include business, personal, and family purposes.

Sign-Up for E-Transactions

The Motor Vehicle Dealer Board (MVDB) and the Department of Motor Vehicles (DMV) have partnered to provide FREE on-line dealer licensing and temp tag authorization transactions.

This service provides motor vehicle dealers the opportunity to renew their dealer licenses and tags and to submit an original ("new") salesperson's application or transfer application over the WEB for FREE.

Also, if you sign-up for E-Transactions you can add or delete names, in real time, of those who are authorized to purchase temp tags at DMV Customer Service Centers and the MVDB office. So don't wait! Go to the MVDB website at www.mvdb.virginia.gov and click on "On-Line Services" to access an application.

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>.

2008

June 10 & 11 - Rappahannock Community College, Glens

Contact: Susan Lawson; 804-758-6750; www.rcc.vccs.edu

June 17 & 18 - 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

July 8 & 9 - Tidewater Community College, Norfolk

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

July 22 & 23 - Lord Fairfax Community College, Middletown

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

August 5 & 6 - Virginia Western Community College, Roanoke

Contact: Anne Koon; 540-767-6131; www.virginiawestern.edu

August 19 & 20 - Northern Virginia Community College, Reston

Contact: Claire Wynn; 703-450-2551 or 2552; www.nvcc.edu

September 9 & 10 - Patrick Henry Community College, Martinsville Campus

Contact: Donna Craighead; 276-656-0354; www.ph.vccs.edu

September 23 & 24 - Blue Ridge Community College, Weyers Cave

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

October 7 & 8 - Thomas Nelson Community College, Hampton

Contact: Registration; 757-825-2037 or 2935; www.tncc.edu

October 21 & 22 - Piedmont Community College, Charlottesville

Contact: Maggie Myers; 434-961-5354; www.pvcc.edu

November 5 & 6 - Danville Community College, Danville

Contact: Melissa Cross; 434-797-6437; www.dcc.vccs.edu/workforce

November 18 & 19 - 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

December 2 & 3 - Lord Fairfax Community College, Fauquier Campus, Warrenton

Contact: Registration; 540-351-1524; www.lfccworkforce.com

DMV Dealer Centers

<i>Location</i>	<i>Hours of Operation</i>	<i>Address</i>
Front Royal Dealer Center	Monday - Friday 9:00 a.m. - 5:00 p.m. Saturday 8:00 a.m. - 12:00 p.m.	Front Royal Customer Service Center 15 Water Street Front Royal, VA 22630-3070
Hampton Dealer Center	Monday - Friday 8:00 a.m. - 5:00 p.m. Saturday 8:00 a.m. - 12:00 p.m.	Hampton Customer Service Center 8109 Roanoke Avenue Hampton, VA 23605-1637
Northern Virginia Dealer Center	Monday - Friday 8:00 a.m. - 5:00 p.m. Saturday 8:00 a.m. - 12:00 p.m.	Franconia Customer Service Center 6306 Grovedale Drive Alexandria, VA 22310-2551
Richmond Dealer Center	Monday-Friday: 8:15 a.m. - 5:00 p.m.	Richmond Central Customer Service Center 2300 West Broad Street Richmond, VA 23269-0001