

April 2017

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MOTOR VEHICLE DEALER BOARD



Email

In 2013 the General Assembly mandated all Virginia Motor Vehicle Dealers be required to have an Internet connection and email address at their established place of business during business hours. Since 2013, the Board has increased the use of email as a communication tool and will continue to increase email correspondence going forward. Therefore, it is essential that the Board has an email address on file that is valid, and an

email account that is reviewed often by the dealer. Please be sure to update the Board when any of your contact information changes---home address, phone number of dealerships, cell phone numbers of owners, and dealer-operators, and especially email addresses of the dealer and the dealership. The Board increasingly uses email to communicate with dealers; therefore, it is essential that dealers keep the Board

updated on their current email and contact information. If you need to update the Board, on any changes, please email dboard@mvdb.virginia.gov, and be sure to update contact information during the license renewal. Lastly, be sure to designate MVDB as one of your "safe senders" in your browser or email provider, or place MVDB in your email address book to ensure all MVDB email correspondence is received.

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\$3.6 Million to settle FTC

Sage Automotive Group – nine Los Angeles-based auto dealerships, their holding and management companies, and two individuals – has agreed to pay more than \$3.6 million for return to consumers in order to settle Federal Trade Commission charges that it used deceptive and unfair sales and financing practices, deceptive advertis-

ing, and deceptive online reviews. The proposed settlement order, which will be filed in the U.S. District Court for the Central District of California for approval, will prohibit the defendants from making misrepresentations relating to their advertising, add-on products, financing, and endorsements or testimonials.

The proposed order will also bar the defendants from engaging in other unlawful conduct when a sale is cancelled, such as failing to return any down payment or trade-in or seeking legal action, arrest, repossession or debt collection unless the action is lawful and the defendants intend to take such action. It also prohibits them from violating



Upcoming EVENTS

BOARD MEETINGS

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

Monday, May 8, 2017

Dealer Practices Committee Meeting

Time: 9:00 a.m.

Licensing Committee Meeting

Time: Immediately following Dealer Practices Committee

Advertising Committee Meeting

Time: Immediately following Licensing Committee

Transaction Recovery Fund Committee Meeting

Time: Immediately following Advertising Committee

Full Board Meeting

Time: 10:00 a.m. or 15-30 minutes immediately following Transaction Recovery Fund Committee meeting.

MVDB will be closed



CLOSED: Monday, May 29, 2017

Some FTC Advertising FAQ

What truth-in-advertising rules apply to advertisers?

Under the Federal Trade Commission Act

Advertising must be truthful and non-deceptive;

Advertisers must have evidence to back up their claims; and
Advertisements cannot be unfair.

Additional laws apply to ads for specialized products like consumer leases, credit, 900 telephone numbers, and products sold through mail order or telephone sales. And every state has consumer protection laws that govern ads running in that state.

What makes an advertisement deceptive?

According to the FTC's Deception Policy Statement, an ad is deceptive if it contains a statement - or omits information - that:

Is likely to mislead consumers acting reasonably under the circumstances; and

Is "material" - that is, important to a consumer's decision to buy or use the product.

How does the FTC determine if an ad is deceptive?

A typical inquiry follows these steps:

The FTC looks at the ad from the point of view of the "reasonable consumer" - the typical person looking at the ad. Rather than focusing on certain words, the FTC looks at the ad in context - words, phrases, and pictures - to determine what it conveys to consumers.

The FTC looks at both "express" and "implied" claims. An express claim is literally made in the ad. For example, "ABC Mouthwash prevents colds" is an express claim that the product will prevent colds. An implied claim is one made indirectly or by inference. "ABC Mouthwash kills the germs that cause colds" contains an implied claim that the product will prevent colds. Although the ad doesn't literally say that the product prevents colds, it would be reasonable for a consumer to conclude from the statement "kills the germs that cause colds" that the product will prevent colds. Under the law, advertisers must have proof to back up express and implied claims that consumers take from an ad.

The FTC looks at what the ad does not say - that is, if the failure to include information leaves consumers with a misimpression about the product. For example, if a company advertised a collection of books, the ad would be deceptive if it did not disclose that consumers actually would receive abridged versions of the books.

The FTC looks at whether the claim would be "material" - that is, important to a consumer's decision to buy or use the product. Examples of material claims are representations about a product's performance, features, safety, price, or effectiveness.

Cont'd on pg. 3

\$3.6 Million

cont'd from pg. 1.

the Truth In Lending Act and Regulation Z, and the Consumer Leasing Act and Regulation M.

The corporate defendants are Universal City Nissan, Inc., also d/b/a Universal Nissan; Sage Downtown, Inc., also d/b/a Kia of Downtown Los Angeles; Glendale Nissan/Infiniti, Inc., also d/b/a Glendale Infiniti and Glendale Nissan; Valencia Holding Co., LLC, also d/b/a Mercedes-Benz of Valencia; West Covina Auto Group, LLC, also d/b/a West Covina Toyota and West Covina Toyota/Scion; West Covina Nissan, LLC; Covina MJL, LLC, also d/b/a Sage Covina Chevrolet; Sage North Hollywood, LLC, also d/b/a Sage Pre-Owned; Sage Vermont, LLC, also d/b/a Sage Hyundai; Sage Holding Company Inc. and Sage Management Company Inc.

The individual defendants are Joseph Schrage and Michael Schrage.

Advertising FAQ

Cont'd from pg. 2

The FTC looks at whether the advertiser has sufficient evidence to support the claims in the ad. The law requires that advertisers have proof before the ad runs.

My company offers a money-back guarantee. Very few people have ever asked for their money back.

Must we still have proof to support our advertising claims?

Yes. Offering a money-back guarantee is not a substitute for substantiation. Advertisers still must have proof to support their claims.

Imposter scam complaints surpassed identity theft for the first time as the second most common category of consumer complaints received by the Federal Trade Commission's Consumer Sentinel Network in 2016, according to the agency's new Data Book.

In 2016, the Consumer Sentinel Network collected more than 3.1 million consumer complaints, which the FTC has sorted into 30 top complaint categories. As with 2015, Florida, Georgia and Michigan were the top three states for fraud and other complaints, while Michigan, Florida and Delaware were the top three states for identity theft complaints.

The FTC produces the Consumer Sentinel Network Data Book annually using complaints received by the Consumer Sentinel Network. These include complaints made directly by consumers to the FTC, as well as complaints received by state and federal law enforcement agencies, national consumer protection organizations, and non-governmental organizations.

The Data Book includes national statistics, as well as a state-by-state listing of top complaint categories in each state and a listing of metropolitan areas that generated the most complaints per capita.

FTC-VIRGINIA Consumer Sentinel Network Complaint Figures
January 1 - December 31, 2016
Total Number of Identity Theft, Fraud and Other Consumer Complaints = 67,763

FTC Fraud and Other Complaints Count from Virginia Consumers = 58,991

Top 10 Fraud and Other Complaint Categories Reported by Virginia

Consumers Rank Top Categories Complaints Percentage

- 1 Debt Collection 16,111 27%
- 2 Impostor Scams 10,475 18%
- 3 Telephone and Mobile Services 5,491 9%
- 4 Banks and Lenders 4,276 7%
- 5 Prizes, Sweepstakes and Lotteries 2,968 5%
- 6 Shop-at-Home and Catalog Sales 2,476 4%

7 Auto-Related Complaints 2,433 4%

- 8 Credit Bureaus, Information Furnishers and Report 1,565 3% Users
- 9 Credit Cards 1,207 2%
- 10 Television and Electronic Media 1,203 2%

Percentages are based on the total number of CSN fraud and other complaints from Virginia consumers (58,991).

FTC Auto-Related Complaints

include misleading or deceptive claims regarding auto prices, financing, leasing or warranties; repair\ maintenance issues with newly purchased used or new cars, including dissatisfaction with service provided by auto mechanics; price fixing and price gouging concerns against gas stations and oil companies; etc.

FTC-Identity Theft Complaints Count from Virginia Victims = 8,772

Identity Theft Types Reported by Virginia Victims Rank Percentage

- 1 Employment- or Tax-Related Fraud 3,249 37%
- 2 Credit Card Fraud 2,526 29%
- 3 Phone or Utilities Fraud 1,103 13%
- 4 Bank Fraud 1,088 12%
- 5 Loan or Lease Fraud 384 4%
- 6 Government Documents or Benefits Fraud 308 4%
- Other 1,144 13%

Attempted Identity Theft 18

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DMV News

Alternative Fuels Tax

All electric motor vehicles and alternative fuel vehicles registered in the Commonwealth of Virginia is subject to the \$64 annual license tax. *Virginia Code* has specific definitions for the vehicles subject to the \$64 tax. As defined under § 58.1-2201 of the *Code of Virginia* electric motor vehicles are, motor vehicles that use electricity as its only source of motive power. Hybrid Electric motor vehicles use electricity and another source for motive power, while alternative fuel vehicles use neither electricity or motor fuel for power but a combustible gas, liquid or other energy source to generate power. The annual license tax levied on electric motor vehicles and alternative fuel vehicles is not applicable to hybrid electric motor vehicles. Pay close attention to the fuel type for vehicles categorized as hybrid electric because the MCO does not always specify the fuel type for these vehicles. Hybrid electric motor vehicles should not be titled with fuel type “electric” but as “hybrid gas/electric”. Again, be mindful of this when titling vehicles we do not want customers inconvenienced.

DMV Dealer Training

Coming soon to Online dealer participants and dealers throughout the state of Virginia is “Dealer Title Service”, a training tool developed by DMV to help title clerks and staff to properly complete the required forms to transfer ownership and register a motor vehicle. This tool is designed to improve accuracy and reduce errors in the paperwork process through education. It will explain the various parts of each form, and emphasize the information needed to properly complete each form. Dealer Title Service is at no cost to the automobile community, and can be downloaded to your computers to use as a reference guide. It also includes reminders for Online dealer participants about the bundle process, and the various transactions that may be processed through vendor systems. You can expect this tool to be released April 2017.

Additionally, as of March 15, 2014, all franchise dealers must join the Online Dealer program and are considered Online Dealers. As of December 1, 2015 all independent dealers that sell 200 or more vehicles annually are required to join the Online Dealer program and are considered Online Dealers. This 200 vehicle sales threshold for independent dealers is the total of all vehicles sold at a location. Independent dealers selling fewer than 200 vehicles annually are encouraged to take advantage of this convenient, cost-saving program. These requirements apply to all dealer types licensed by the Motor Vehicle Dealer Board (e.g., car, truck, motorcycle, trailer, and RV). Annually, DMV notifies those independent dealers with 200 or more vehicle transactions of the online dealer requirement. For more information and a listing of vendors you may refer to DMV 25 “Be an Online Dealer” pamphlet or www.dmv.virginia.gov/commercial/#odealer/index.asp.

Reminders...

§ 46.2-633 was amended to allow dealers to sell repossessed vehicles with an affidavit of repossession. § 46.2-633.1 § 46.2-633.1. Sale in Virginia of vehicle repossessed in another state. Any motor vehicle dealer who purchases a vehicle titled in another state and that was repossessed may sell that vehicle in Virginia without obtaining a Virginia title for the vehicle from Virginia or the state in which the vehicle is titled, provided the motor vehicle dealer has an affidavit of repossession or similar document showing the lawful repossession, which affidavit or document would be sufficient to allow the sale of the repossessed vehicle in the state where it is titled without titling the vehicle in the name of the seller.

Each D-Tag Insured

VA Code § 46.2-1547, and § 46.2-1575 (18) clearly requires that **each** dealer license plate issued to you have liability insurance. As part of our routine visits/inspections of dealerships, our field representatives verify through your insurer that all dealer plates are insured. We have discovered that many dealers are under insured. That is, the number of dealer plates insured is less than the number of dealer plates issued to the dealership. We urge you to verify with your insurance agent that the number of dealer plates noted/listed on your policy is the same as the number of plates issued to you by the Motor Vehicle Dealer Board. (For example, if you have been issued 20 dealer plates your insurance policy should state you have insurance for 20 dealer plates.) We suggest that you periodically perform an inventory of your dealer tags. This is especially important for dealers that have a large number of tags. Reporting lost or missing tags is important so that we may “deactivate” them in the system. You are responsible for these tags as long as they remain active.

You should also perform an inventory before you renew your dealer tags. We send you a “bill” at the time of renewal that includes the registration fee for each active dealer tag. Lastly, it is important to note that when dealers are requesting additional tags, replacement tags, or renewing tags, the MVDB-9 requires a dealer’s signature that certifies **EACH** dealer tag is insured. Pictured above is a compliant D-tag inspection where the insurance policy matches the number of tags issued on the Audit sheet.

Dealer Plates - Count 6		
Plate#		Issue Date
APID0003		8/31/2016
APID0003		8/31/2016
APID0003		8/31/2016
APID0003		8/31/2016
APID0003		8/31/2016
APID0003		8/31/2016

Hours Of Operation		
Monday	Tuesday	Wednesday

Privacy

The Future of Privacy Forum (FPF) and the National Automobile Dealers Association (NADA) released a first-of-its kind consumer guide, **Personal Data In Your Car**. The Guide will help consumers understand the kind of personal information collected by the latest generation of vehicles, which use data to further safety, “infotainment” and customer experience. The Guide will be made available to consumers by FPF, NADA, automakers, and dealers in order to explain the kinds of information that may be collected, the guidelines that govern how it is collected and used, and the options consumers may have. Click [HERE](#) for the guide.

Reminders...

ALL IDO’s of independent dealerships must at some point in time, recertify their IDO qualification every three years by either taking an online course, classroom course, or by passing a DMV test. Click [HERE](#) for more information and [HERE](#) to determine your recertification deadline. Please note that dealers with **Franchise** endorsements are exempt from recertification. If you are unclear on your recertification deadline, or any other recertification questions, please contact Ann Majors at the MVDB. She may be reached at 804-367-1100 x 3016, or email at ann.majors@mvdv.virginia.gov

Dealer Records

§ 46.2-1529 requires all Motor Vehicle Dealers to keep the originals or a copy of all original records at the site (dealership) of origination for five (5) years. Certain records may be maintained on a computerized record-keeping system with prior approval from the Board. Upon request, the executive director may exempt a dealer from the requirement to keep the originals or a copy of the originals at the originating dealership when the location for the off site storage is no further than five miles from the originating dealer.

Additionally, the executive director may also exempt a dealer from the requirement to keep the originals or copies of the originals at the originating dealership when an electronic system is in place that allows immediate retrieval of documents imaged or otherwise maintained in electronic format at the site where they originated.

Online dealers who own multiple dealerships and prefer to process all on-line transactions in a central location have five business days to return the original documents or a copy to the originating dealership once the on-line transaction is completed. (The original or a copy must be stored at the dealership for 12 months.) Dealers must request in writing and be approved by the Dealer Board prior to storing their records electronically or off-site. The Dealer Board will take into consideration the Dealer's record keeping history and other factors when deciding the dealer's request. For full guidance, click [HERE](#).

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Dealer-Operators and Salespersons on W-2

Dealer-Operators, F & I Employees, and Sales Managers must have sales licenses. Legislation in 2006 expanded the definition of a motor vehicle salesperson to include those functions performed by the sales manager, dealer-operator, and dealer employees who are in the "F&I" side of the automobile sales industry. Anyone who performs functions as described in the following definition must have a salesperson's license. Regardless of the working title an individual has, if they fit the definition, they must have a salesperson's license. Section §46.2-1500, Definitions. "Motor vehicle salesperson" or "salesperson" means (i) any person who is hired as an employee by a motor vehicle dealer to sell or exchange motor vehicles and who receives or expects to receive a commission, fee, or any other consideration from the dealer; (ii) any person who supervises salespersons employed by a motor vehicle dealer, whether compensated by salary or by commission; (iii) any person, compensated by salary or commission by a motor vehicle dealer, who negotiates with or induces a customer to enter into a security agreement on behalf of a dealer; or (iv) any person who is licensed as a motor vehicle dealer and who sells or exchanges motor vehicles. For purposes of this section, any person who is an independent contractor as defined by the United States internal revenue code shall be deemed not to be a motor vehicle salesperson. It is important for you to study this definition as all employees of your dealership that meet any of the criteria as noted in the definition will need a salesperson's license.

It is the responsibility of the dealership owner to make sure that all salespersons are properly licensed and paid on a W-2. No "1099". Please remember that salespersons may not be independent contractors paid via IRS Form "1099". Salespersons must be employees of the dealership and that usually means that they receive an IRS Form "W-2" at the end of the tax year.

Please be sure that anyone who performs any of the functions listed in the above definition is properly licensed. In addition, anyone licensed as a salesperson must be an employee of the dealership. Licensed salespersons may not be "independent contractors" and paid via IRS form "1099".

Form K-1 is used by members of an LLC to report their share of the Corporation's earnings (or loss). If a member of an LLC is also a licensed salesperson, then by definition, they are also an employee of the LLC and the LLC must issue that employee an IRS Form W-2 at the end of the tax year. Therefore, a member of an LLC who is also a licensed salesperson will receive both a "K-1" and a "W-2" at the end of the tax year.



***Come visit us at
our office!***

Board Actions

Dealer Practices

Informal fact-finding conferences:

Robert Garten Automotives, LLC and Robert C. Garten. On December 12, 2016, an informal fact-finding conference was conducted to address the alleged violation of dealer records, proof of safety inspection prior to retail sale, having been convicted of any criminal act involving the business of selling vehicles, and failure to comply with previous warnings. Based on the information provided at the conference, the Board assessed a civil penalty of \$1,750 and a satisfactory inspection. Robert Garten has until April 17, 2017 to appeal Board Action to a Formal Hearing.

North End Motors, LLC and Hassan Ali. On January 11, 2017, an informal fact-finding conference was conducted to address the alleged violation of dealer records, failure to maintain business hours, failure to provide proof of safety inspection prior to retail sale, and failure to comply with previous warnings. Based on the information provided at the conference, the Board assessed \$250 civil penalty for failure to provide proof of safety inspection prior to retail sale, and a formal warning for dealer records. Hassan Ali has until April 17, 2017 to appeal Board Action to a Formal Hearing.

GN Auto LLC and Gaby A. Touma. On February 13, 2017, an informal fact-finding conference was conducted to address the alleged violation of failure to obtain title, and having been convicted of a criminal act involving the sale of a motor vehicle. Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$750 and a satisfactory inspection. Gaby A. Touma has until April 17, 2017 to appeal Board Action to a Formal Hearing.

Harrisonburg Auto Wholesale, LLC and Abdelkrim Elmouhib. On January 30, 2017, an informal fact-finding conference was conducted to address the alleged violation of failure to comply to previous warnings, and having been convicted on a criminal act involving the business of selling vehicles. Based on the information provided at the conference, the Board assessed a civil penalty of \$4,250. Abdelkrim Elmouhib has until April 17, 2017 to appeal Board Action to a Formal Hearing.

Formal Hearings:

American Eagle Auto Group, LLC and Ayman Ibrahim. Historical overview leading up to the formal hearing. On May 18, 2016, an informal fact-finding conference was conducted to address the alleged violations of operating dealership while dealership was suspended, dealer records, misuse of PoD tags, material misstatement, deceptive acts and practices, and knowingly misleading and deceptive advertising. Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$11,000 and a suspension of all licenses for 6 months. On September 12, 2016, the Full Board adopted a resolution assessing a civil penalty of \$11,000 and revocation of all licenses and certificates issued to Ayman Ibrahim and the American Eagle Auto Group. On September 27, 2016 Mr. Ibrahim appealed for a formal hearing. On January 11, 2017, a formal hearing was conducted to address the alleged violations of the above VA Code Sections. Based on the information provided at the hearing, the Board assessed a civil penalty of \$11,000, and revocation of licenses and certificates. Ayman Ibrahim has until April 17, 2017 to appeal Board Action to a Formal Hearing.

Board Actions

Select Imports, LLC and William J. Gurdin. Historical overview leading up to the formal hearing. On September 15, 2016, an informal fact-finding conference was conducted to address the alleged violations of failure to comply with previous warnings, failure to have a qualified dealer-operator, deceptive acts and practices, and knowingly misleading conduct. Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$27,650 and revocation of all licenses and certificates. On November 14, 2016, the Full Board adopted a resolution assessing a civil penalty of \$27,650 and revocation of all licenses and certificates issued to William J. Gurdin and Select Imports, LLC. On December 8, 2016 Mr. Gurdin appealed this decision and requested a formal hearing. On January 17, 2017 a formal hearing was conducted to address the alleged violations of the above listed in the informal conference. Based on the information provided at the hearing, the Board assessed a civil penalty of \$13,825 and a satisfactory inspection. William J. Gurdin has until April 17, 2017 to appeal Board Action to a Formal Hearing.

Frontline Motors and Mathew Gwangwaa. Historical overview leading up to the formal hearing, On August 15, 2016, an informal fact-finding conference was conducted to address the alleged violations of dealer records, improper change of sales location, unlicensed salespersons, failure to provide proof of safety inspection prior to retail sale, acts of officers, failure to comply with previous warnings, and deceptive acts and practices. Based on the information provided at the conference, the hearing officer recommended assessing a civil penalty of \$13,000 and revocation of all licenses and certificates. On September 12, 2016, the Full Board adopted a resolution assessing a civil penalty of \$8,000 and revocation of all licenses. On October 16, 2016, Mr. Gwangwaa appealed this decision and requested a formal hearing. On December 12, 2016, a formal hearing was conducted to address the alleged violations of the above VA Code Sections. Based on the information provided at the hearing, the Board assessed a civil penalty of \$15,000 and revocation of all licenses and certificates of qualification. Mathew Gwangwaa has until April 17, 2017 to appeal Board Action to a Formal Hearing.

Administrative Actions:

Afford Auto, Inc., and Mossadeq Safdari. Paid a \$500 civil penalty for failure to provide proof of safety inspection prior to retail sale.

Dinwiddie Motor Company, LLC, and Amy Bishop. Suspension due to failing to pay a \$1,750 civil penalty for failure to provide liability insurance on each D-tag assigned. The civil penalty has been turned over to the Debt Set-Off program.

Exclusive Automotive Group, and Rajai Salem. Failed to pay a \$1,000 civil penalty for failure to provide proof of liability insurance on each D-tag assigned. The civil penalty has been turned over to the Debt Set-Off program.

Five Star Car and Truck, and Howard Dobbins. Paid a \$1,000 civil penalty for failure to provide proof of liability insurance on each D-tag assigned.

Jack's Auto Sales, Inc., and Lester Whitacre. Paid a \$1,500 civil penalty for failure to provide proof of liability insurance on each D-tag assigned.

Prize Auto, and Ziad Alnmir. Paid a \$500 civil penalty for failure to provide proof of safety inspection prior to retail sale.

Epovo Auto Group, LLC, and Hossein Rabie. Paid a \$500 civil penalty for failure to provide proof of safety inspection prior to retail sale.

Board Actions

Culpeper Auto Sales, and Wayne Carpenter. Paid a \$250 civil penalty for misuse of D-tag.

Excel Truck Group, and Frank R. Ellett. Paid a \$250 civil penalty for an unlicensed salesperson.

Jim McKay Chevrolet, Inc., and Kathleen R. McKay. Paid a \$200 civil penalty for an unlicensed salesperson.

Cycle Works, and Tom Dunham. Paid a \$250 civil penalty for failure to provide proof of salespersons being paid on a W-2.

St. George Auto, LLC, and Kamal Hanna. Paid a \$500 civil penalty for an unlicensed salesperson.

G & J Motors, LLC, and Harold Groome, III. Paid a \$1,500 civil penalty for failure to provide proof of liability insurance on each D-tag assigned.

Actions Auto Sales, and William Jackson. Paid a \$250 civil penalty for failure to maintain business hours.

311 Auto Sales, and Marinda Pritchard. Paid a \$250 civil penalty for failure to maintain business hours.

Street Side Auto Sales, and Kent D. Perkins. Paid a \$250 civil penalty for failure to maintain business hours.

New Millennium Auto Sales, and Timothy S. Higginbotham. Paid a \$250 civil penalty for failure to maintain business hours.

Nation Motors, LLC, and Luis E. Manayco. Paid a \$250 civil penalty for failure to maintain business hours.

Advertising

One Direction, and Anthony Valentine. Paid a \$1,000 civil penalty for advertising in the owner section instead of the dealer section on Craigslist.

Motor Maxx, LLC, and Nawfel Kohen. Paid a \$1,750 civil penalty for advertising on Craigslist in the owner section instead of the dealer section.

St. George Auto, LLC, and Kamal Hanna. Paid a \$250 civil penalty for advertising on Craigslist in the owner section instead of the dealer section.

NOTE: Depending on the circumstances, all Board Actions may be appealed to Circuit Court, or for an administrative hearing.

For prior issues of Dealer Talk click [HERE](#)

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IMPORTANT NOTICE TO PROSPECTIVE DEALERS

The path to a Dealer-Operator license begins with a required two-day course of study each month at various community colleges in Virginia with the curriculum and instruction provided by VIADA.

The course takes the attendee from establishing the dealership under local zoning and Dealer Board requirements, through the sales process with its multitude of forms, laws and regulations, in to a sampling of opening and operating expenses, and ending with a discussion on ethics.

The course is open to all existing dealers and their employees.

Date	College	Contact Information
2017		
Apr 04-05	Lord Fairfax Comm College, Middletown	Registration 540-868-7021 www.lfccworkforce.com
Apr 18-19	New River Comm College, Christiansburg	Patty Ryan 540-674-3613 ext 3613 www.nr.edu/workforce
May 02-03	Blue Ridge Comm College, Weyers Cave	Registration 540-453-2215 www.brcc.edu
May 24-25	Comm Coll Workforce Alliance @ Reynolds Comm College	Sandy Jones 804-523-2293 Wed/Thur www.ccwa.vccs.edu
Jun 06-07	Germanna Comm College , Fredericksburg	Registration 540-937-2913 www.germanna.edu/workforce
Jun 20-21	Danville Comm College, Danville	Registration 434-797-6437 www.dcc.vccs.edu/workforce
Jul 11-12	Northern Virginia Comm College, Woodbridge	Clair Wynn 703-450-2551 www.nvcc.edu/workforce
Jul 25-26	VA Western Comm College Greenville Ctr, Daleville	Registration 540-966-3984 www.viriniawestern.edu

MVDB Field Changes

Monique Franklin has joined the MVDB as our newest Field Representative, and is responsible for Virginia Beach, Norfolk, Chesapeake, and the Eastern Shore. Monique Franklin comes to MVDB from DMV, and held multiple positions with DMV for 6 years. While at DMV she worked in the Hampton CSC as a customer service technician, and was later promoted to Assistant Manager of the Tidewater Mobile Office. Most recently Monique worked as a Compliance and Safety Officer for the DMV Hampton/Portsmouth districts, and brings to MVDB years of experience in customer service, auditing, and training. Monique may be reached at monique.franklin@mvdb.virginia.gov, or 804-525-9232. Please join us in welcoming our newest Field Representative Monique Franklin!

84 Lumber

Governor Terry McAuliffe announced 84 Lumber, the nation's leading building materials supplier, will invest \$3.9 million to establish an operation in Frederick County, Virginia as part of its manufacturing division, 84 Components. Virginia successfully competed against Maryland, Pennsylvania, and West Virginia for the project, which will create 100 new jobs.

"84 Lumber has ambitious expansion plans for 2017," said **84 Lumber's Chief Operating Officer Frank Cicero**. "And to achieve those goals, we need great partners like the Virginia Economic Development Partnership. We're looking forward to working together this year."

The Virginia Economic Development Partnership will support 84 Lumber's new job creation through its Virginia Jobs Investment Program (VJIP). VJIP provides consultative services and funding to companies creating new jobs or experiencing technological change to support employee training activities. As a business incentive supporting economic development, VJIP reduces the human resource costs of new and expanding companies. VJIP is state-funded, demonstrating Virginia's commitment to enhancing job opportunities for its citizens.

What's Wrong With This Picture?



§ 46.2-1510 states in part that a dealership office "has sales, service, and office space devoted **exclusively** to the dealership..."

As pictured here, a dealership sales office may not be used as a storage facility for family members.

MOTOR VEHICLE DEALER BOARD

MVDB

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Visit us on the Web!

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



MVDB Mission Statement

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

Average Loan Amounts



The average loan amount for a new vehicle reached a record of \$30,621 in the fourth quarter, Experian said Thursday. The average loan amount for a used vehicle also reached a record, from \$18,850 in the fourth quarter of 2015 to \$19,329 in the same period in 2016. The report also showed more buyers went for longer-term loans: the number of consumers opting for auto loans with terms of 73 to 84 months on their new vehicles increased from 29% in the fourth quarter 2015 to 32.1% in the fourth quarter. In the used car market, there was an increase in 73- to 84-month loans from 16.4% in the fourth quarter of 2015 to 18.2% in the same quarter in 2016. The need for affordability drives consumer purchasing behavior, Melinda Zabritski, Experian's senior director of automotive finance, said in a statement. There's an \$11,000 gap between the average loan amount on a new and on a used vehicle, the widest Experian has recorded, she said. "This upward trend is causing many consumers to find alternative methods like extending loan terms, getting a short-term lease or opting for a used vehicle to get what they want while staying within their monthly budget," Zabritski said.