

AUGUST 2014

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**Inside this issue:**

Business Hours 1

FTC 1

Advertising 2

State Inspections 3

Fees 4

Did You Know? 4

Board Action 5

Dealer-Operator  
Class Schedule 10

Dealer Tags 11

What's Wrong  
With this Picture? 11

NADA Used Car  
Value 12

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**MOTOR VEHICLE DEALER BOARD**



***Business Hours Requirements***

Virginia Code §46.2-1533, states that "Each motor vehicle dealer shall be open for business a minimum of twenty hours per week, at least ten of which shall be between the hours of 9:00 a.m. and 5:00 p.m. Monday through Friday.....The dealer's hours shall be posted and maintained conspicuously on or near the main entrance of each place of business. Each dealer shall include his business hours on the original and every renewal application for license, and changes to these

hours shall be immediately filed with the Department." To further clarify these requirements, the Board is offering a few helpful tips. If you need to close for a portion of the day during your normal posted business hours, (for lunch, go to the bank, etc.) please post a MVDB 40 temporary closing notice, (click on the underlined text) to let customers know the time you will return. If you are closing for the full day during your normal posted business hours, you must notify

the Board by sending an email or fax. Be sure to include your dealer number, and name of your dealership. MVDB has a system to "count" the number of days a Dealer requests full day closures. Our system allows for twenty (20) posted business day closures per year, resetting annually on your renewal month. For example, if your posted business hours are Thursday through Sunday, and you email your notice of temporary closure for a 2 week vacation; those 8

*cont'd on pg. 2*

***FTC to Used Car Dealers: Play by the Rules or Pay the Price***

The FTC's Used Car Rule has been the law of the land since 1985. It requires used car dealers to post a Buyers Guide on cars they offer for sale. The Guide gives customers important warranty and other information to help them make an informed buying decision. So when Abernathy Mo-

tor Company failed to display Buyers Guides on all of the used cars for sale at its Jonesboro, Arkansas location — **even after the FTC warned the company about the violation** — the agency said it's time to pay the piper. Each violation could result in a civil penalty of \$16,000.

The FTC's Buyers Guide must tell the customer:

- whether the vehicle is being sold "as is" or with a warranty
- what percentage of the repair costs a dealer will pay under the warranty
- that spoken promises are difficult to enforce

*cont'd pg. 3*



## Upcoming EVENTS

### BOARD MEETINGS

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

Monday, September 8, 2014

Time: 9:00 a.m.

### Dealer Practices Committee Meeting

Monday, September 8, 2014

Time: Immediately following Dealer Practices

### Licensing Committee Meeting

Monday, September 8, 2014

Time: Immediately following Licensing

### Advertising Committee Meeting

Monday, September 8, 2014

Time: Immediately following Advertising

### Transaction Recovery Fund Committee Meeting

Monday, September 8, 2014

Time: 10:00 a.m.

### Full Board Meeting

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

## Holiday Hours

**CLOSED:** Monday, September 1, 2014



## Advertising

The advertised price of a motor vehicle is the price a consumer would pay excluding tax, title and registration fees; processing fee and freight (when applicable). Furthermore, the processing fee and freight (when applicable), must be disclosed in an actual dollar amount, not just listed as a "processing fee" or "freight". An advertisement may not employ a disclaimer to reveal special conditions or criteria necessary in order to purchase the vehicle at the advertised price. An advertised price that excludes a down payment or trade-in credit, even if the down payment or trade-in credit is disclosed elsewhere, is not permitted by Virginia law and regulations. An advertised price that takes into account incentives or rebates can be advertised provided the applicable incentives and rebates are clear and conspicuous, and available to everyone. We recommend disclosing incentive and rebate information adjacent to the advertised price. This method minimizes misunderstandings and the chances that your advertisement might be considered "deceptive."

Be aware that the Board is monitoring and violating the Dealers who do not post their advertisements in the "Dealer" category on Craigslist. Please remember the dealer advertising laws and regulations apply to all advertisements including those posted on Craigslist. As further clarification, Craigslist has offered Dealers a frequently asked questions (FAQ) page on their website. Click on this link, <http://www.craigslist.org/about/ctd>. Virginia Law requires that in all advertisements you must identify the name of the dealership or clearly state you are a Virginia dealer by including "VA DLR" in each advertisement. Each Craigslist posting must include either the name of your dealership or "VA DLR" in the body of each posting. **Dealers using Craigslist MUST post their advertisements under the category "By Dealer Only", even when disclosing your dealership name in the advertisement.** Again, if your dealership charges a processing fee, you must advertise the processing fee in a dollar amount, not just post "plus processing fee".

## Business Hours cont'd

days will be deducted from your annual 20 allowed closure days. If Dealers request more than 20 closure dates annually, those requests will be evaluated on a case by case basis. If the day you need to close lands on a State holiday, you do not need to notify the Board, and State closure days are listed in our Dealer Talk newsletter. To notify the Board of your closure, please email [dboard@mvdv.virginia.gov](mailto:dboard@mvdv.virginia.gov), be sure to include your dealership name, license number, and the dates you will be closed.

*[back to pg. 1](#)*

## Reminders...

As of January 1, 2011, 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, or in a classroom, or by passing a DMV test. Click [HERE](#) for more information and [HERE](#) to determine your recertification deadline. If you are unclear on your recertification deadline, or any other recertification questions, please contact the Board, or, call Ann Majors at the MVDB. She may be reached at 804-367-1100 x 3016, or email her at [ann.majors@mvdv.virginia.gov](mailto:ann.majors@mvdv.virginia.gov)

## FTC *cont'd*

*cont'd from pg 1.*

- to get all promises in writing
- to keep the Buyers Guide for reference after the sale
- the major mechanical and electrical systems on the car, including some of the major problems you should look out for
- to ask to have the car inspected by an independent mechanic before you buy

The back of the Buyers Guide must list the name and address of the dealership, and include the name and phone number of the contact at the dealership in case you have problems or complaints after the sale. Additionally, if the sales discussion is conducted in Spanish, a Spanish version Buyers Guide must be available for the customer as well.

Be aware that the FTC is encouraging consumers to report Dealerships who do not display the Buyers Guide properly. <http://www.consumer.ftc.gov/blog/ftc-used-car-dealers-play-rules-or-pay-price>

*back to pg 1*

## State Inspections

VA Code requires that Dealers must retain proof of a completed Safety Inspection on every vehicle sold at retail and prior to sale at retail. Proof could be a copy of state police automated record; or a repair order/receipt from the inspection station that includes the make; model and VIN of the vehicle and the date of inspection. Virginia Code Section 46.2-1539 states in part that "No . . . dealer . . . shall sell at retail any motor vehicle which is intended by the buyer for use on the public highways, . . . unless between the time the vehicle comes into the possession of the dealer and the time it is sold at retail it is inspected by an official safety inspection station. In the event the vehicle is found not to be in compliance with all safety inspection requirements, the dealer shall either take steps to bring it into compliance or shall furnish any buyer intending it for use on the public highway a written disclosure, prior to sale, that the vehicle did not pass a safety inspection. Any person found guilty of violating any of the provisions of this section shall be guilty of a Class 1 misdemeanor." A careful reading of the law reveals that before the customer signs a buyers order, (A contract to purchase a vehicle.) the vehicle must be safety inspected. To ensure compliance, the Board recommends that once you take possession of a motor vehicle and begin to actively market/display the vehicle, have it safety inspected, and maintain the record of inspection with the vehicle file for a period of five (5) years.

## Reminders...

Print on demand temporary tags have been a successful tool for dealers and their customers. So Dealers, please keep in mind the following:

1. Dealers are still required to comply with providing title to the purchaser within 30 days of the date of sale.
2. In **rare exceptions**, if the vehicle is to be registered and titled in Virginia, you must request a "title held" and pay all applicable fees to DMV **before** extending a PoD temporary registration.
3. Dealers must not knowingly or willfully transmit information into the PoD system that is untrue, or misleading. Failure to comply with any of the above are violations of VA Code, and could result in civil penalties, Board action, or a loss of your PoD privileges.



## *Salesperson License Fees*

Calculating MVDB salesperson fees can be confusing. Dealers sometimes submit the wrong fee amount when renewing, transferring, and adding a salesperson to their dealership. Here are some guidelines for Dealers to calculate fees for salesperson's license:

**Transfer:** Salespersons transferring from one dealership to another dealership. If the salesperson's license has not yet expired, the fee is \$10. If the dealership the salesperson is transferring to has 12 or more months until renewal then the fee is \$20. The Dealer and salesperson must complete and sign the DSD-7. Also submit the old salesperson license from the previous employer if it was not surrendered to the previous employer.

**If hiring a salesperson with an expired license and the expiration date on the license is within the last 12 months,** the fee is \$25. The Dealer and the salesperson need to complete and sign a DSD-7, Application for Salesperson license. This is not considered a transfer because the previous license had expired.

**If hiring a salesperson and the license expiration date is over 12 months** then this is considered a new salesperson and will need to start the process from the beginning. The Salesperson goes to DMV to take the Salesperson Test \$50 (payable to DMV). Once the applicant has passed the test the Dealer and salesperson complete and sign the DSD-7, Application for Salesperson license. The fee is \$25 for the salesperson license (DSD-7) AND \$10 for Criminal Background Check (MVDB-21) (unless the dealership does this background check)

The DSD-7 and MVDB-21 forms can be downloaded from our website. Any questions please email at [dboard@mvdb.virginia.gov](mailto:dboard@mvdb.virginia.gov)

## Reminders...

The law requires that you notify the Board when a salesperson is no longer employed by your dealership. Notifying the Board also protects you since you may be held responsible for actions that salespersons take using the license issued to him/her in the name of your dealership. We have developed the form (MVDB-41) that you may use to notify the Board that a sales person is no longer working for you. The form is available from our WEB site at [www.mvdb.virginia.gov](http://www.mvdb.virginia.gov) and click on "Forms" in the left hand column and then slide down to MVDB-41. <http://www.mvdb.virginia.gov/forms/files/MVDB-41.pdf>

## *DID YOU KNOW ??*

**.....That** employment at U.S. franchised new-car dealerships topped 1 million people in 2013 after falling during the recession in 2009.

New-car dealerships employed an average of 57 people, and had an average payroll of \$3 million in 2013, up 3 percent.

As a percentage of total sales, profitability at new-car dealerships remained flat at 2.2 percent last year because of fierce price competition among dealers.

Warranty work performed by new-car dealers totaled \$14.4 billion in service and parts last year—all at no cost to their customers.

New-car dealerships on average spent 33 percent of their advertising dollars on Internet ads, up from 26.5 percent the previous year.

**.....That** you can watch us on the Web? The next Motor Vehicle Dealer Board meeting, which is scheduled for September 8th, 2014 at 9:00 am, will stream live on the WEB. A hot link will be posted on the MVDB Home Page ([www.mvdb.virginia.gov](http://www.mvdb.virginia.gov)) for a quick and easy connection to the broadcast. Mark your calendars now!

*[back to pg 1](#)*

**....That** as of June 2014, automakers have already recalled more vehicles in the United States than in any other year on record. The National Highway Traffic Safety Administration lists U.S. recalls for 37.5 million cars this year, topping the 30.8 million record set in 2004, according to the most recent preliminary data today on the agency's Web site. General Motors accounts for about two-thirds of the total. The tally in the United States will probably rise soon as Japan's three biggest carmakers finish an evaluation of their worldwide fleets for faulty air-bag inflators made by Takata.

# Board Actions

**H L McGeorge Auto Sales, Inc. and Howard L. McGeorge, Jr.** This dealer had four inspections and resulted in letters from the Board dating back to 2008 concerning record keeping and maintaining business hours. The most recent inspections revealed that the dealer was displaying and had sold cars that belonged to a North Carolina dealer and two dealer tags were being used on vehicles that were not in the dealer's inventory. On September 23, 2013, an informal fact-finding conference was conducted to address the alleged violations of dealer records; buyers guide not completely filled out, signed and dated by buyer; buyers order; consignment vehicles contract; signs; certificate of title issued to dealers or reassignment; use of D-tags; failure to comply with written warning; having used deceptive acts and practices; and lending dealer tags to a person not authorized. On November 4, 2013, the Board adopted a Resolution to assess a civil penalty of \$8,000, suspend all licenses and certificates for 90 days and to successfully complete the 2 day Dealer-Operator course prior to the end of the 90 day suspension. On November 13, 2013, Mr. McGeorge appealed the Board's decision and requested a formal hearing. On January 23, 2014, a formal hearing was conducted to address the above alleged violations. Based on the information provided at the formal conference, the Board assessed a civil penalty of \$8,000, a satisfactory inspection, and to successfully complete the 2 day Dealer-Operator course.

**Autos Unlimited, Inc. and Mark Callahan.** This dealer had several deficient inspections including two that noted that he was using an out of date buyers order. Two questionable sales led to another inspection that was not satisfactory. A review of the sale of a VW bus and a Lincoln revealed a number of problems along with the failed inspection. It was determined that an informal fact-finding conference should be convened and was done so on February 20, 2014. The conference addressed the alleged violations of dealer records; sales of used motor vehicles by dealer; disclosures; buyer's orders; signs; advertisements; prohibited solicitation and compensation; certificate of title for dealers; transferable license plates; failure to comply with a written warning or willful failure to comply; and having used deceptive acts or practices. Based on the information provided at the conference, the Board assessed a civil penalty of \$8,000.

**Today's Auto and Eldon L. Smith.** Mr. Smith did not comply with a previous Board decision that required Mr. Smith to take the dealer-operator course. He failed to take the course and his licenses were suspended. Despite the suspension Mr. Smith continued to advertise and sell vehicles even after all his licenses had been suspended. He eventually completed the course and the suspension was lifted. Consumer complaints and a deficient inspection resulted in the Board staff convening another informal fact-finding conference. On May 20, 2014, an informal fact-finding conference was conducted to address the alleged violations of license required; failure to comply with written warning; or willful failure to comply and having used deceptive acts or practices. Based on the information provided at the conference, the Board assessed a civil penalty of \$16,000 and revoked the dealership license and Mr. Smith's dealer-operator qualification.

**Pruitt Automotive Wholesale and Paul W. Pruitt.** In the course of this inspecting this dealership, the MVDB field representative discovered a number of problems. As a result, on May 31, 2014, an informal fact-finding conference was conducted to address the alleged violations of dealers required to have established place of business; display of salesperson's license; notice of termination; dealer records; inspection of vehicles required; use of dealer tags; acts of officers, directors, partners, and salespersons; and deceptive acts or practices. Based on the information provided at the conference, the Board assessed a civil penalty of \$1,000 and a satisfactory inspection within one year.

# Board Actions

**W.W. Auto and Warren A. Wittig.** Mr. Wittig allowed an individual to operate a motor vehicle displaying a dealer plate. The individual not only had a revoked driver's license; but was not authorized by law to use a dealer tag. Mr. Wittig was found guilty in Shenandoah District Court of improper use of a dealer plate. On June 11, 2014 an informal fact-finding conference was conducted to address the alleged violations of misuse of D-tags and having been convicted of any criminal act involving the business of selling vehicles. Based on the information provided at the conference, the Board assessed a civil penalty of \$250 and require that Mr. Wittig successfully complete the 2-day Dealer-Operator course.

**Candy Automotive, Inc. and Hayward S. Statum.** This dealer had three failed inspections in about a 15 month time period. An educational/warning letter was sent to the dealer. The letter requested that the dealer respond to the Board as to how he intended to fix the problems related to the alleged violations. The dealer did not respond. Alleged violations are for record keeping; misuse of temporary tags; not having a sign; improper buyer's order; and failing to safety inspect a vehicle before selling. On November 20, 2013, an informal fact-finding conference was conducted to address these alleged violations. On March 10, 2014, the Board adopted a resolution to assess a \$4,000 civil penalty against Candy Automotive, Inc. and Hayward S. Statum, re-inspection of the dealership and successfully completing the Dealer-Operator course by September 12, 2014. On April 3 2014, Mr. Statum appealed the Board's decision and requested a formal hearing. On June 4, 2014, a formal hearing was conducted to address the above alleged violations. Based on the information provided at the formal hearing, the Board assessed a civil penalty of \$3,000, a satisfactory inspection and to successfully complete the Dealer-Operator 2-day course.

**Carmaster's of Arlington and Erica and Theron Lusk.** The MVDB had received seven consumer complaints on this dealer, including six in a four month period -- all related to titles. In addition, a field representative inspection revealed 42 sales by an unlicensed individual (License refused by MVDB because of criminal background) and numerous record keeping problems. On November 18, 2013, an informal fact-finding conference was conducted to address the alleged violations of dealer records, Buyer's order, odometer disclosure, licensed salesperson/birddog, temporary registration, certificate of title issued to dealers or reassignment, use of D-tags, records to be kept by dealers for inspection, acts of officers, material misstatement, failure to comply with a written warning, defrauding of a retail buyer, having used deceptive acts or practices, possessing titles which have not been completely and legally assigned to dealer, and failure to submit fees to DMV within 30 days. At the January 13<sup>th</sup> Board meeting the Board approved a request by Mr. Mahdavi, the Lusk's attorney, to table this issue so that a formal hearing could be conducted and allow the Lusk's time to provide more evidence to support their case. Between the time of the informal fact-finding conference, and the formal conference, additional consumer complaints had been received. On April 9, 2014, a formal hearing was conducted to address the above violations. Based on the information provided at the formal conference, the Board assessed a civil penalty of \$24,000 and revocation of all licenses and certificates issued to Erica and Theron Lusk.

# Board Actions

## Dealer Practices

**Cars 4 Best, and Baber Chaudhry**, paid a \$1,000 civil penalty for under insured dealer tags.

**Airport Auto Sales, and Sam Cheadle, II**, paid a \$250 civil penalty for under insured dealer tags.

**Don's Auto Exchange, and Donald J. Keene, Jr.**, paid a \$500 civil penalty for missing, or incomplete dealer records.

## Licensing

**Edwin O. Paz and Liberty Auto Sales, LLC.** Mr. Paz was convicted of selling a vehicle without first obtaining a title. On May 23, 2014, an informal fact-finding conference was conducted to address the alleged violations of sale of vehicle without certificate of title; and having been convicted of any criminal act involving the business of selling vehicles. Based on the information provided at the conference, the Board assessed a civil penalty of \$750 and a satisfactory inspection.

**Mousa Mahgerefteh and Imperial Motors, LTD.** Mr. Mahgerefteh was convicted of improper use of a dealer tag as he allowed his attorney to operate his (the attorney's) car on a D-tag. It is believed this went on for several months. On May 28, 2014, an informal fact-finding conference was conducted to address the alleged violations of use of D-tags; having been convicted of any criminal act involving the business of selling vehicles; and leasing, renting, lending D-tags use by persons not authorized. Based on the information provided at the conference, the Board assessed a civil penalty of \$750 and to successfully complete the Dealer-Operator 2-day course.

**David Thompson and Rod Shop, Inc.** In 1999 all licenses issued to Mr. Thompson by the MVDB were revoked for a felony conviction related to the automobile sales industry. In 2006 with the restoration of his rights, he regained his licenses from MVDB. In March of this year, Mr. Thompson was convicted of two felonies for distribution of cocaine, and convicted of acting as a bookie in a gambling ring, respectively. As a result of these convictions, on June 18, 2014, an informal fact-finding conference was conducted to address the alleged violations acts of officers; failure to comply with previous warning; and having been convicted of a felony. Based on the information provided at the conference, the Board assessed a civil penalty of \$4,000 and revoked all licenses associated with David Thompson.

# Board Actions

## Advertising

**Motorsport Auto Sales, LLC and Houssam F. Tarabay.** On February 25, 2014, Board staff sent a letter to this dealer in reference to alleged advertising violations. The dealer was offered the choice to pay a civil penalty or participate in an informal fact-finding conference. On March 11, Mr. Tarabay requested that an informal fact-finding conference be convened. On March 20, Board staff sent another letter to this dealer in reference to March 19, 2014 advertisements that included alleged violations that were also noted in the February 26 letter. Again, the dealer was offered the choice to pay a civil penalty or participate in an informal fact-finding conference. The dealer decided on participating in an informal fact-finding conference. These two conferences were held back to back. In reference to the first case, the dealership had 17 advertisements on Craigslist under the classification “for sale by owner”. In addition these advertisements failed to identify either the name of the dealership or that it was a Virginia dealership as required by law and regulation. The dealer’s processing fee was not disclosed. On April 21, 2014, an informal fact-finding conference was conducted to address the alleged violations of advertisements; having used deceptive acts or practices; having used deceptive acts or practices when seeking licenses or registrations; and regulated advertising practices of not disclosing the processing fee in a dollar amount. Based on the information provided at the conference, the Board assessed a civil penalty of \$750 and a satisfactory inspection of all dealer records.

**Motorsport Auto Sales, LLC and Houssam F. Tarabay.** In the second case, a craigslist advertisement failed to disclose the amount of the dealers’ processing fee. Previously, this dealer had received a warning for not disclosing the processing fee. On April 21, 2014, an informal fact-finding conference was conducted to address the alleged violations of failure to comply with a written warning; or willful failure to comply; having used deceptive acts or practices; having used deceptive acts or practices when seeking licenses or registrations; and regulated advertising practices of not disclosing the processing fee in a dollar amount. Based on the information provided at the conference, the Board assessed a civil penalty of \$250 and a satisfactory inspection of all dealer records.

**Peruvian Motors, Inc. and Guardia Eduardo S. Jimenez.** In September of 2013 staff at the MVDB made an educational telephone call to this dealer in reference to placing advertisements on Craigslist under “for sale by owner”. In March of 2014, MVDB staff discovered additional advertisements under “for sale by owner” on Craigslist. In addition these advertisements failed to identify either the name of the dealership or disclose that it was a Virginia dealership as required by law and regulation. The dealer’s processing fee was not included in these advertisements. On May 14, 2014, an informal fact-finding conference was conducted to address the alleged violations of advertisements; having used deceptive acts or practices when seeking licenses or registrations; and regulated advertising practices of not disclosing the processing fee in a dollar amount. Based on the information provided at the conference, the Board assessed a civil penalty of \$4,000, a satisfactory inspection of all dealer records and to successfully complete the Dealer-Operator 2-day course.



# Board Actions

## Advertising

**Primetime Auto, Inc., and Michael Lee**, paid a \$250 civil penalty for failing to advertise as a dealer, and disclose the processing fee dollar amount on Craigslist.

**Central 1 Auto Brokers, and Zekai Bursalioglu**, paid a \$500 civil penalty for failing to advertise as a dealer, and disclose the processing fee dollar amount on Craigslist.

**Colonial Heights Auto Center, and Thomas Cooke, Jr.**, paid a \$500 civil penalty for failing to advertise as a dealer, and disclose the processing fee dollar amount on Craigslist.

**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](#)



### DEPOSITS

If you take a “deposit” for a car, truck, or other motor vehicle; please make it **VERY** clear to the potential purchaser if the deposit is refundable or not. Make sure the prospective purchaser fully understands if there are conditions or limitations to receiving a refund on monies the potential purchaser has given you as a deposit. The Board suggests that you provide a written statement that is signed by the customer that clearly outlines your “refund of deposit policy.”

# 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
<b>2014</b>		
Aug 05-06	Virginia Western in Daleville	Registration 540-966-3984 <a href="http://www.virginiawestern.edu">www.virginiawestern.edu</a>
Aug 19-20	Piedmont Virginia in Charlottesville	Corinne Lauer 434-961-5354 <a href="mailto:www.workforce@pvcc.edu">www.workforce@pvcc.edu</a>
Sep 09-10	Tidewater Community College Suffolk	Registration 757-822-1234 <a href="http://www.tcc.edu/wd">www.tcc.edu/wd</a>
Sep 23-24	Lord Fairfax Community College in Warrenton	Patricia Leister 540-351-1524 <a href="http://www.lfccworkforce.com">www.lfccworkforce.com</a>
Oct 07-08	J Sargeant Reynolds in Henrico/Richmond	Sandy Jones 804-523-2293 <a href="http://www.ccwa.vccs.edu">www.ccwa.vccs.edu</a>
Oct 21-22	Northern Virginia Community College in Reston	Claire Wynn 703-450-2551 <a href="http://www.nvcc.edu/loudoun/continuing">www.nvcc.edu/loudoun/continuing</a>
Nov 04-05	Blue Ridge Community College in Weyers Cave	Registration 540-453-2215 <a href="http://www.brcc.edu">www.brcc.edu</a>
Nov 18-19	Germanna Community College Fredericksburg	Kelly Bennett 540-937-2913 <a href="http://www.germanna.edu/workforce">www.germanna.edu/workforce</a>
Dec 09-10	Lord Fairfax Community College in Midletown	Registration 540-868-7021 <a href="http://www.lfccworkforce.com">www.lfccworkforce.com</a>

## Reminders...

As of **July 1, 2014**, the annual Transaction Recovery Fund fee will be **\$350** versus the current \$250. If you have been in business more than three years or you will have been in business three years or more at your next renewal, this increase will have no impact on you.

If your renewal is scheduled for July of 2014 or after and at the time of renewal you will only have been in business for one or two years, your Fund fee will be \$350. For example, if you renew in August of 2014 and will be “celebrating” your first anniversary of being in business, your Fund fee will be **\$350** when you renew.

## Dealer Tags

Virginia law 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. We have had dealers contact us after they have paid their renewal fees and received their decals only to discover that tags are missing and as a result they have overpaid their renewal fees.

Regarding assigning a dealer tag to a salesperson, a salesperson must be an employee (W-2) of the dealership, regularly work 25 hours per week for the dealership and as always, the salesperson must sell motor vehicles at the dealership location.

## What's Wrong With This Picture?



There are a couple of things wrong with this picture.

1. This transport tag has not been properly completed. Dates, VIN, make, year, and dealership name has been omitted.
2. Dealers are encouraged to print all transport tags through their PoD system. For further information, please contact dealer services at [podtemptag@dmv.virginia.gov](mailto:podtemptag@dmv.virginia.gov), or (804) 367-0901

As a final reminder, transport tags may be used only ONE time, then discarded.

# MOTOR VEHICLE DEALER BOARD

MVDB

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Visit us on the Web!

[www.mvdb.virginia.gov](http://www.mvdb.virginia.gov)

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; while providing a high level of customer service for the automotive consumer and dealer community.

## Annual Change in NADA Used Car Guide Value June 2013 v. 2014

NADA Segment	7 YR	6 YR	5 YR	4 YR	3 YR	2 YR	1 YR	Average
Compact Car	-3.0%	5.5%	-2.0%	6.7%	-3.5%	-0.4%	1.7%	0.7%
Compact Utility	15.4%	-2.6%	-2.3%	1.1%	-1.6%	-0.3%	5.6%	2.2%
Large Pickup	9.7%	16.7%	8.6%	9.3%	7.9%	6.8%	5.5%	9.2%
Large SUV	46.7%	5.8%	4.9%	1.1%	9.9%	2.4%	4.5%	10.8%
Luxury Compact Car	4.0%	4.7%	0.4%	-5.0%	-5.5%	-7.7%	7.0%	-0.3%
Luxury Compact Utility	2.2%	-5.6%	5.5%	1.0%	-2.4%	2.9%	-5.2%	-0.2%
Luxury Mid-Size Car	-6.6%	4.2%	-1.5%	-0.6%	-1.5%	-2.7%	2.7%	-0.9%
Luxury Mid-Size Utility	10.7%	2.8%	5.7%	-6.8%	1.7%	-2.9%	-3.2%	1.1%
Mid-Size Car	12.2%	-0.6%	1.3%	-3.6%	-0.7%	-2.8%	4.4%	1.5%
Mid-Size Utility	12.7%	13.2%	-1.9%	3.5%	8.0%	-2.6%	1.3%	4.9%
Mid-Size Van	1.0%	14.9%	0.5%	4.1%	18.8%	-2.5%	-1.0%	5.1%
Premium Luxury Large Car	32.5%	-4.0%	7.2%	0.3%	-6.6%	-4.6%	7.8%	4.7%
Subcompact Car	13.9%	5.9%	-7.5%	-2.5%	-1.7%	-2.0%	1.1%	1.0%