

October 2015
Volume 18, Issue 106

Inside this issue:

<u>Print On Demand</u>	<u>1</u>
<u>Business Hours</u>	<u>1</u>
<u>Upcoming Events</u>	<u>2</u>
<u>Revised DSD-7</u>	<u>3</u>
<u>Board Action</u>	<u>4</u>
<u>Advertising</u>	<u>6</u>
<u>Volvo Jobs in VA</u>	<u>7</u>
<u>Did You Know?</u>	<u>8</u>
<u>Dealer-Operator</u>	<u>8</u>
<u>Open Title</u>	<u>9</u>
<u>What's Wrong With this Picture?</u>	<u>9</u>
<u>CAR</u>	<u>10</u>

CONTACT US

2201 W. BROAD ST.
SUITE 104
RICHMOND, VA
23220

dboard@mvdv.virginia.gov

www.mvdv.virginia.gov

Bruce Gould,
Executive Director
Peggy Bailey,
Office Manager
Lisa Mack-Nelson,
Field Rep. Supervisor
Office Phone:
804-367-1100
Office Fax 804-367-1053

MOTOR VEHICLE DEALER BOARD



Print On Demand Reminders

The following reminders provide important information impacting dealer transactions. Effective July 1, 2013, the PoD tags on bond paper and plastic sleeves were no longer authorized for use. **All PoD temporary tags must be printed on the weather resistant paper supplied by the Department of Motor Vehicles, Dealer Services work center.** **The PoD tags are not authorized to be emailed to customers.** **All vehicles must be ti-**

tled within 30 days of purchase to ensure that titling tax is paid to the Virginia Department of Motor Vehicles as required by law.

It is important to note that continued use of the plastic sleeves and bond paper may result in the loss of your privileges to participate in the PoD program. Also, law enforcement may ticket vehicle owners displaying the bond paper and plastic sleeves for illegal use of license plates. Orders for the PoD paper will be accepted through

the Dealer Services Work Center. To place an order, send an email to: podtemptag@dmv.virginia.gov with the following information: dealer name, dealer number, shipping address, order quantity, tag size(s) (standard/small), and printer make/model number. Approved order requests will be shipped within five business days. Standard tags will be issued in packs of 100 and small tags (motorcycle/trailer) in packs of 25.

Business Hours

Virginia Code §46.2-1533, states in part 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 (MVDB-10) and every renewal application for license (MVDB-10), 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 (less than 2 hours) 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 custom-



Upcoming *EVENTS*

BOARD MEETINGS

All Meetings are held at DMV Headquarters

2300 W. Broad Street, Room 702 Richmond, VA

Monday, November 9, 2015

Time: 9:00 a.m.

Dealer Practices Committee Meeting

Monday, November 9, 2015

Time: Immediately following Dealer Practices

Licensing Committee Meeting

Monday, November 9, 2015

Time: Immediately following Licensing

Advertising Committee Meeting

Monday, November 9, 2015

Time: Immediately following Advertising

Transaction Recovery Fund Committee Meeting

Monday, November 9, 2015

Time: 10:00 a.m.

Full Board Meeting

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

Holiday Hours

CLOSED:



October 12, Columbus Day

November 11, Veterans Day

November 26-27, Thanksgiving

Business Hours

ers know the time you left, and 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, or mail. 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 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, **be sure to include your dealership name, license number**, and the dates you will be closed.

Reminders...

Attention Motorcycle, RV, and motor vehicle dealers. Virginia law § 46.2-1547, 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 2 ID plates, 2 FM plates, 2 FT plates, and 2 IN plates, your policy needs to state 6 plates are insured (the trailer plates are exempt.)



PERMISSION FOR USE OF DEALER'S LICENSE PLATES

DSD 27 (09/25/2015)

Purpose: Motor vehicle dealers issue this form to a customer or Dealer Authorized Individual as authorization to use dealer's license plates for a specified period of time and purpose.

Instructions: See instructions on reverse for details.

ASSIGNED OPERATOR INFORMATION			
FULL LEGAL NAME (last)	(first)	(middle)	(suffix)
STREET ADDRESS		CITY	STATE ZIP CODE
TELEPHONE NUMBER	CELL PHONE NUMBER	EMAIL ADDRESS	
ASSIGNED OPERATOR (check one - form is invalid if more than one box is checked)			
<input type="checkbox"/> PROSPECTIVE PURCHASER <input type="checkbox"/> CUSTOMER WHOSE VEHICLE IS IN DEALER'S SHOP FOR REPAIRS <input type="checkbox"/> DEALER AUTHORIZED INDIVIDUAL			
VEHICLE INFORMATION			
VEHICLE IDENTIFICATION NUMBER (VIN)	VEHICLE YEAR	VEHICLE MAKE	VEHICLE MODEL
PLATE INFORMATION			
DATE ISSUED (mm/dd/yyyy)	TIME ISSUED <input type="checkbox"/> AM <input type="checkbox"/> PM	DATE EXPIRES (mm/dd/yyyy)	TIME EXPIRES <input type="checkbox"/> AM <input type="checkbox"/> PM DEALER PLATE NUMBER
DEALER CERTIFICATION			
I certify that the above referenced dealer plate is approved to be used for the time period indicated above in accordance with Virginia Law. I further certify and affirm that all information presented in this form is true and correct, that any documents I have presented to DMV are genuine, and that the information included in all supporting documentation is true and accurate. I make this certification and affirmation under penalty of perjury and I understand that knowingly making a false statement or representation on this form is a criminal violation.			DEALER CERTIFICATE NUMBER
DEALERSHIP NAME (print)		DEALER REPRESENTATIVE SIGNATURE	
DEALERSHIP REPRESENTATIVE NAME (print)		DATE (mm/dd/yyyy)	

Instructions: (back of form)

Permission for use of a Dealer's License Plates is valid for up to 24 hours or up to 5 days based on the following:

Up to 24 hours only - The assigned operator is authorized to use the dealer's plates for up to 24 hours only because the operator is a Dealer Authorized Individual who is to drive the vehicle to/from point of sale, auction, dealer exchange, or a repair facility for mechanical repairs, painting, or installation of parts or accessories.

Up to 5 days only - The assigned operator is authorized to use the dealer's plates for up to 5 days because the operator is a prospective purchaser or the operator's vehicle is in the dealer's shop for repairs.

Note to Dealer:

No more than 2 permissions may be granted by a dealer to the same person for successive periods, unless issued to a Dealer Authorized Individual.

Dealer completes form and makes a copy. Dealer issues original to assigned operator. Assigned operator must carry the form in the vehicle at all times when the vehicle is being operated on public highways. The Dealer retains the copy for 5 years.

Dealer retained form copies are subject to inspection by law enforcement and authorized representatives of the Department of Motor Vehicles or the Motor Vehicle Dealer Board.

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. Please note that dual licensed **Franchise** dealers are exempt from recertification. 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

Revised DSD-27

Effective August 25, 2015, the DSD-27 is revised. The purpose of the DSD-27 form is issued by motor vehicle dealers to a customer, or "Dealer Authorized Individual" as authorization to use dealer's license plates (D-tags) for a specified period of time and purpose.

Permission for use of a Dealer's License Plates (D-tag) is valid for up to 24 hours or up to 5 days based on the following:

Up to 24 hours only - The assigned operator is authorized to use a dealer plate for up to 24 hours as a "Dealer Authorized Individual" who is driving the vehicle to/from point of sale, auction, dealer exchange, or a repair facility for mechanical repairs, painting, or installation of parts or accessories.

Up to 5 days only - The assigned operator is authorized to use a dealer plate for up to 5 days because the operator is a prospective purchaser or the operator's vehicle is in the dealer's shop for repairs.

Note to Dealer: No more than 2 DSD-27's may be issued by a dealer to the same person for successive periods, unless issued to a "Dealer Authorized Individual". Instructions for use:

1. Dealer completes form and makes a copy.
2. Dealer issues original to assigned operator.
3. Assigned operator must carry the form in the vehicle at all times when the vehicle is being operated on public highways.
4. The Dealer retains the copy for 5 years.

Dealer retained copies of DSD-27's are subject to inspection by law enforcement and authorized representatives of the Department of Motor Vehicles or the Motor Vehicle Dealer Board.

This revision changed the form name from Permit to Use Dealer's License Plates to "Permission For Use of Dealer's License Plates", added header for "Assigned Operator Information" to be consistent with DSD 27A, and changed "Permit Information" section to "Plate Information".

Please destroy all old form stock, and download or order the new form, and for more information, please contact Dealer Services at dealerservices@dmv.virginia.gov

Board Actions

Dealer Practices

Elite Auto Group, Inc. and Ayman Jamil Awadallah. This dealership was opened in 2002 and around 2008 problems began to develop. In November of 2008, the Board assessed a \$5,000 civil penalty on this dealership, required a satisfactory inspection, and pass the D-O course for record keeping problems; misuse of dealer tags; and having been convicted of a criminal act related to the dealer industry. In the intervening years, the dealer has had at least six failed inspections to include unlicensed salespersons and selling from an unlicensed location. Records show that five individuals associated with this dealership have created a total of 59 DMV customer numbers and 30 addresses for the purposes of printing 30 day tags. In a 12 month period, this dealership printed 477, 30-day tags and had 144 sales during the same time period. On June 9, 2015, an informal fact-finding conference was conducted to address the alleged violations of VA Code for licenses required, established place of business, dealer records, failure to have a proper sign, failure to inspect vehicle prior to retail sale, failure to provide title within 30 days, failure to provide proof of liability insurance on D-tags, misuse of D-tags, acts of officers and salespersons, material misstatement when applying for PoD tags, and failure to comply with a written warning or willful failure to comply. Based on the information provided at the conference, the Board assessed a civil penalty of \$9,000, require quarterly inspections of the dealership for the next 12 months and the dealer must pay the costs of these inspections, and successful completion of the Dealer-Operator course.

Nova Motorcars and Hussein Zein. Two failed inspections related to record keeping, issuance of multiple sets of PoD tags, and three consumer complaints related to not receiving titles in a timely manner resulted in the Board staff convening an informal fact-finding conference on July 15, 2015 to address the alleged violations of VA Code for failure to have records available for inspection, dealer records, failure to maintain business hours, inspection of vehicles required, failure to provide title within 30 days, material misstatement when applying for PoD-tags, failure to comply with previous warnings, and failure to pay fees to DMV within 30 days. Based on the information provided at the conference, the Board assessed a civil penalty of \$4,750, require a satisfactory inspection of all dealer records, and successful completion of the 2-day dealer-operator course.

Dixie Auto Sales and Carolyn Slate. Recent inspections of this dealership revealed record keeping problems; salespersons not employees of the dealership; and misuse of dealer tags. On May 13, 2015, an informal fact-finding conference was conducted to address the alleged violations of VA Code for failure to properly maintain dealer records, failure to provide proof of W-2, misuse of D-tags, acts of officers and salespersons, and failure to comply with previous warnings. Ms. Slate did provide some evidence at the conference that addressed some of the record keeping deficiencies. Based on the information provided at the conference, the Board assessed a civil penalty of \$1,000, and require successful completion of the 2-day Dealer-Operator course.

USA Auto, Inc. and Faramarz Abrarahadi. Complaints from two different customers lead to two misdemeanor convictions on this dealer. The convictions coupled with the fact he did not reveal these convictions on MVDB applications resulted in the Board staff convening an informal fact-finding conference on August 11, 2015 to address the alleged violations of VA Code for possession of a title issued to another, dealer records, misuse of temporary tag, having made material misstatements on application, and having been convicted of any criminal act involving the business of selling vehicles. At the conference. Mr. Abrarahadi stated he did not realize the convictions were "criminal". Based on the information provided at the conference, the Board assessed a civil penalty of \$750, require a satisfactory inspection, and successfully complete the Dealer-Operator course, if the course is not completed before December 31, 2015, an additional \$300 civil penalty will be applied.

Board Actions

Nash Auto Sales and Rolando Nash. This dealer was the object of at least three failed inspections because of record keeping deficiencies and records not being available for inspection as well as questions concerning buyer's orders, no proof of safety inspection and an unlicensed individual participating in the sale of motor vehicles. The Board received four consumer complaints in just over a year related to titles not being issued and multiple sets of temporary tags issued. These factors caused the Board staff to convene an informal fact-finding conference on August 18, 2015 to address the alleged violations of VA Code for dealer records, failure to provide proof of W-2, inspection of vehicles required, failure to provide title within 30 days, failure to provide proof of liability insurance on D-tags, misuse of D-tags, acts of officers and salespersons, material misstatements failure to comply with previous warnings, deceptive acts and practices, open titles, and failure to pay fees to DMV within 30 days. Based on the information provided at the conference, the Board assessed a civil penalty of \$10,000 and revocation of all licenses and certificates.

Falls Church Autos, LLC and Mohri Khanzada. This dealership took over the location previously occupied by Discovery Motors. Misters Khanzada, Khurshid and Nelson appear to be involved in both of these dealerships with Mrs. (Mohri) Khanzada being inserted as the dealer/owner of Falls Church Auto. Inspections and consumer complaints revealed a number of problems, most notably the apparent abuse of the issuance of PoD tags. Including issuance of PoD tags by Discovery Motors after it had closed. On July 14, 2015, an informal fact-finding conference was conducted to address the alleged violations of VA Code for licenses required, display of license, dealer records, signs, safety inspection required, temporary registration, records kept by dealer, acts of officers and salespersons, material misstatement, and deceptive acts or practices. Based on the information provided at the conference, the Board assessed a civil penalty of \$16,500 and revocation of all licenses and qualifications.

American Auto Group, and Ahmed S. Sharzai. Paid a \$5,000 civil penalty for failure to have liability insurance on all D-tags.

American Auto Maxx, and Said Sadat. Paid a \$1,000 civil penalty for failure to have liability insurance on all D-tags.

First Team Toyota, and George R. Pelton. Paid a \$500 civil penalty for unlicensed salesperson.

Country Auto Sales, Inc., and J. B. McReynolds. Paid a \$250 civil penalty for misuse of D-tags.

Affordable Motors, LLC, and Patrick Verdi. Paid a \$1,750 civil penalty for salespersons not paid on a W-2, and failure to insure all D-tags.

B & B Auto Group, and Joseph Brooks. Paid a \$250 civil penalty for failure to maintain business hours.

North End Motors, LLC, and Hassan El Ali. Suspended due to failure to pay a \$250 civil penalty for not maintaining business hours.

Auto City, and Tremayne Jernigan. Suspended for failing to pay civil penalties for not maintaining business hours, failure to comply with previous warnings, and failing to pay a previous civil penalty for misuse of D-tags.

Easter's Inc., and Bobby W. Easter. Paid a \$250 civil penalty for not maintaining business hours, and failure to comply with previous warnings.

cont'd on pg. 6

Board Actions

Advantage-Harman Auto Group, and Kenneth A. Davis. Paid a \$250 civil penalty for failure to maintain business hours, and failure to comply with previous warnings.

Licensing

Anthony E. Williamson, Salesperson. Mr. Williamson structured the sale of a motor vehicle to a loyal customer so as to reduce the amount of tax owed by the customer. As a result, Mr. Williamson was convicted for a misdemeanor for “assist another to evade taxes”. On September 1, 2015, an informal fact-finding conference was conducted to address the alleged violations of VA Code deceptive acts and practices, 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 \$500

Stephen C. Fitch, II. Paid a \$2,000 civil penalty for failure to comply with previous agreements with the Board regarding notification provisions, and having been convicted of a felony.

Advertising

Lindsay Chevrolet, and Christopher Lindsay. Paid a \$6,000 civil penalty for “bait” advertising; failure to clearly and conspicuously state terms, conditions, and disclaimers; misleading and deceptive advertising of prices not available to everyone; and failure to comply with previous warnings.

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](#)

[back to pg. 1](#)

Advertising Regulations

The Virginia Motor Vehicle Dealer Laws includes a section related to advertising. The Advertising Regulations adopted by the Board and last revised in 1998 provide details as to the enforcement of the Laws. In May of 2013, the Board formed an advisory panel to review the Regulations. Two public hearings were held to receive input from the public and dealers. The review process resulted in several edits being made to the Regulations to include deleting from the Regulations, restatement of portions of the Law, and updating ad-

vertising definitions. The current Regulations require dealers to retain copies of all their advertisements for a period of 60 days. The proposed regulations state that only television and radio advertisements must be retained for 60 days. In its review of the regulations, the advisory panel and the Board concluded that retaining internet advertisements for 60 days is a burden. Experience has shown that consumers and Dealer Board Staff print internet advertisements that are questionable. For print advertisements, staff will either have a

copy or the consumer will provide it. It is not likely that the Board staff or consumers will be able to make a “copy” of a questionable radio or television advertisement. Therefore the proposed regulations only require dealers to retain TV and radio advertisements. The proposed regulations may be viewed by clicking [HERE](#). You may provide your comments to the proposed regulations through November 4, 2015. If there are no significant comments (objections) submitted, the revised Regulations will be effective on December 1, 2015.

Volvo to Upgrade Truck Plant

DUBLIN - Governor Terry McAuliffe recently announced that the Volvo Group will invest \$38.1 million at the New River Valley (NRV) assembly facility in Pulaski County, where all Volvo Trucks models for North America are assembled. The investment will allow Volvo to make several plant upgrades and build a 36,000-square-foot Volvo Trucks Customer Experience Center on the NRV grounds. In addition to the investment, Volvo will add 32 new jobs at NRV. Speaking about the announcement, **Governor McAuliffe said**, "Growing the advanced manufacturing industry is a key part of our efforts to create jobs, diversify and build a new Virginia economy. This is the largest Volvo truck manufacturing facility in the world, and we are pleased that the Volvo Group chose Virginia for this significant expansion that will ensure its success and longevity in Pulaski County for years to come."

"This announcement is a testament to the great workforce and best-in-class business environment in Pulaski County and the Commonwealth," **said Secretary of Commerce and Trade Maurice Jones**. "The advanced manufacturing industry in Virginia continues to gain momentum, and we are proud that Volvo is a leader in this key sector." "Volvo's investment in the NRV facility and in the development of a Customer Experience Center is evidence of our commitment to our employees and the Pulaski County community," **said Göran Nyberg, president of Volvo Trucks North America**. "Our competitive advantage stems from our innovative

products and services, and also from our dedicated employees." "The Pulaski County Board of Supervisors and County staff are pleased to have assisted Volvo with this effort," **said Joe Sheffey, Chairman, Pulaski County Board of Supervisors**. "We are extremely proud of what Volvo has accomplished over the past 40 years. Volvo continues to be a leader in the local economy, in our quality of life and in the environmental care for the community we call home." "This is fantastic news for Pulaski County and the New River Valley," **said Delegate Nick Rush**. "Volvo

Trucks is one of the best manufacturers in the world, and their commitment to the New River Valley is a testament to the hard work of its employees and the County's continued efforts to bring good-paying jobs to our community." "The Volvo Group has been a valuable community partner in Pulaski County and the New River Valley Region," **said Senator Ben Chafin**. "It is great to see Volvo continuing to invest in Virginia. These new jobs are a positive step forward in building a stronger economy in Southwest Virginia."

[back to pg. 1](#)

Reminders...

Many dealers find themselves in violation of 46.2-1529, failure to have dealer records. Below is a short list of the type of records the MVDB requires of motor vehicle, motorcycle, RV, and trailer dealers to have available for inspection. This is not a complete list, but is a great starting point for dealers.

- Record of Dealer's Vehicle Inventory, or copies of titles front and back - **no open titles**
- Record of Use for Metal Dealer Tags: DSD-27's and D-tag usage log
- Record and proof of liability insurance coverage for **each** issued dealer plate
- Record of Temporary Tags, customer registrations, and Transport tags
- Personnel Time Sheets and W-2 Forms for all salespersons/employees
- Compliant Buyers Order, and buyers guides
- Record of valid state safety inspections **prior** to retail sale
- Odometer Statement – if applicable
- Proper signage, posted licenses, salespersons, hours, and processing fee

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. The course offers 1.6 continuing education credits transferable to any college.

Date	College	Contact Information
2015		
Oct 13-14	Northern Virginia in Reston	Claire Wynn 703-450-2551 www.nvcc.edu/loudoun/continuing
Nov 03-04	Blue Ridge in Weyers Cave	Registration 540-453-2215 www.brcc.edu
Nov 17-18	Germanna in Fredericksburg	Shayna Lutkewitte 540-937-2913 www.germanna.edu/workforce
Dec 08-09	Lord Fairfax in Middletown	Registration 540-868-7021 www.lfccworkforce.com

DID YOU KNOW ??

MVDB staff Val Rodriguez is pictured here as a volunteer for the UCI Road World Championships that was held in Richmond, in September. Richmond 2015, the organizer of the 2015 Union Cyclist Internationale (UCI) Road World Championships, partnered with Lexus as the “Official Automobile of the 2015 UCI Road World Championships” Lexus provided nearly 100 vehicles to be used by the race caravan, cycling teams and race officials. Working with Lexus, MVDB issued 95 Dealer’s promotional license plates



back to pg. 1

Open Title and Odometer Disclosure

It is important for dealers to make sure the titles in their possession are not “open”.

The following is a simple way to ensure compliance with open titles, and odometer disclosure requirements.

1. **PREVIOUS OWNER**—The previous owner of the vehicle fills out Section A of the Certificate of Title, “Assignment of Title by Owner,” and gives the title to the dealer.

Dealer completes section A, verifying odometer reading.

2. **FIRST DEALER TO ASSUME OWNERSHIP**—The first dealer to assume ownership of the vehicle fills out Section B on the reverse of the Certificate of Title, “Re-Assignment of Title by Dealer,” and gives the title to the dealer who has purchased the vehicle from him. That dealer completes section B at this time,

verifying odometer reading.

3. **SECOND AND ALL OTHER DEALERS TO ASSUME OWNERSHIP**—Each successive dealer to assume ownership of the vehicle completes the first unused (numbered) section of the title or, if filled, the VAD-20, “Re-Assignment of Title by Virginia Motor Vehicle Dealer,” and gives this form, along with the title to the dealer who has purchased the vehicle. (If all three reassignment sections on the VAD-20 are used, the dealer must obtain a title in his name.

All papers pertaining to re-assignment of title must be kept together and given to the next purchaser.)

If the title was unavailable at the time the VAD-20 was executed and when the title arrives, the re-assignment portion is blank, enter

the number of the VAD-20 and a note to see the attached VAD-20 in the reassignment area of the title (Section B).

When the dealer does not complete the re-assignment area of the title, and does not assign the title to their dealership, the dealer is in possession of an “open title”, and legally does not have ownership of the vehicle. If the dealer possesses “open titles”, then these “open title” vehicles are not in the dealer’s inventory. As a reminder, ALL title work is done through DMV. In addition, if you do not possess the title at the time of retail sale, be sure to use an odometer disclosure statement, and keep a copy as part of the sale documents.

What’s Wrong With This Picture?



After an investigation, this ended up to be a violation of § 46.2-1550, misuse of D-tag, and § 46.2-1542 failure to provide title within 30 days.

[back to pg. 1](#)

MOTOR VEHICLE DEALER BOARD

MVDB

2201 W. Broad Street

Suite 104

Richmond, VA 23220

Phone: 804-367-1100

Fax: 804-367-1053

E-mail: dboard@mvdb.virginia.gov

Editor: Ann Majors

Visit us on the Web!

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.

Center for Automotive Research



The Center for Automotive Research conducts leading-edge research that impacts the future of the global automotive industry. CAR forecasts industry trends, advises on public policy, and sponsors multi-stakeholder communication forums.

Nationwide, in 2014, there were 16,396 new car dealership rooftops in operation. These new car dealership's total dealership revenues in the United States were \$806 billion, with 57.6% of those revenues associated with new vehicles, 31% with used vehicles, and 11.4% with service and parts. The average pretax profit of a dealership was more than \$1 million (2.2% of sales) and all three areas (new vehicles, used vehicles, and service and parts) were profitable. Since 2012, the overall number of dealerships has been expanding, albeit slowly. CAR (Center for Automotive Research) produces an annual vehicle sales forecast based on an econometric analysis of key variables of automotive demand. From 2013 to 2018, sales are forecast to increase by approximately 10.3 percent. In 2014 the average age of vehicles on the road was 11.4, and it is projected to increase to 11.7 by 2019.

New dealer economic contribution in Virginia shows that in 2014 new dealers employed 58,147 individuals, and on average, these individuals paid \$593 dollars in federal, state, and local income tax. Corporate income taxes and fees paid by Virginia new car dealers in 2013 was \$23,803,560.

Click [HERE](#) for the entire article from Center for Automotive Research