

American International Automobile Dealers

AIADA's FirstUp: Top Ten Vehicles for Men

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Proposed Law Protects Dealers from Manufacturer Interference

A bill awaiting the Florida governor's signature would limit how far manufacturers can go to force auto dealers to upgrade their stores. [Automotive News](#) reports that if passed, the bill would bolster Florida's already dealer-friendly franchise laws in areas such as warranty payouts, incentives, exports, and fraud. The legislation "turns the tables and prevents manufacturers from using their 800-pound gorilla status against dealers," said Alex Kurkin, a Miami lawyer who helped draft the bill. The measure also would require automakers to pay retail customer rates for warranty labor and parts. Manufacturers would be prohibited from auditing warranty claims from dealers that demand retail payment or taking other punitive measures against retailers — tactics some automakers are accused of. The bill "prevents coercive actions," Kurkin said. "Dealers who had asked for retail warranty payouts got audited. Then they get pushed into the new facility du jour because the factory hired a new VP of marketing." [Click here for the full list of dealer protections contained within the bill.](#) For more on the proposed law, [click here.](#)

Top Ten Vehicles for Men

When it comes to cars, men want to be seen — and heard. Specifically, they want to be seen in a vehicle that others can't have, says Milton Pedraza of the Manhattan-based Luxury Institute. That's why rare cars like the Dodge Viper, of which only 435 were sold in the United States in 2007, are driven mostly by men. This two-seat sports car ranks fifth on [Forbes'](#) list of the top ten male-driven cars, with 89.97 percent male primary drivers. The "powerful, predatory look" of cars like the Viper attracts male buyers, Pedraza says. "Men have a greater need to show off their power." [Click here for a picture.](#) Many of the vehicles of [Forbes'](#) list have masculine styling cues, include big wheels pushed to the corners of the vehicle, flush or protruding wheel faces a high "shoulder line," and taut lines that look like tensed muscles. [Click here for a picture of the Rolls Royce Phantom,](#) which came in at number four on the list. Imposing SUVs with boxy styling and large grilles also have a "big and powerful" look that experts say resonates with men. [For a slideshow of the top ten cars driven by men, click here.](#)

Partnership Seeks 'Premier' Stores

The new partnership of computer billionaire Michael Dell and veteran auto retailer Jeffrey Rachor will focus on buying "premier" U.S. dealerships that sell luxury and high-volume import brands, Rachor said. "We have the capital available to pursue virtually unlimited growth," said Rachor, a former president of the public dealership group Sonic Automotive Inc. "We have no specific growth or revenue targets at this time. We want to grow at a measured pace." Dealership broker Sheldon Sandler predicted that the new venture, MSD Automotive Partners, could spend as much as \$500 million over five years to acquire dealerships. In an interview, Rachor told [Automotive News](#) he is "investing a significant portion of my personal net worth in this venture." Although the company is especially interested in dealerships in Sun Belt states, he said, "We are prepared to go anywhere we can find great assets and management." He added, "We love the luxury brands — European, Asian and domestic. And we particularly like the high-volume Asian import brands." [For more on his dealership acquisition strategy, click here.](#)

Nissan Plans Wide Range of Electric Vehicles

While many in the industry ponder whether electric cars are viable, Nissan CEO Carlos Ghosn is preparing to plunge into the market. Ghosn told [Automotive News](#) he sees potential for 10 million global electric-car sales per year in cities such as New York, Washington, and Paris. "It's a territory we want to own," Ghosn said. "We are bullish on zero-emission vehicles because of the social trend. The young generation is demanding this." Ghosn also clarified that the electric segment will mean introducing multiple vehicles, not merely a single car. "We can make an electric sports car. We are testing many variations," he said. Hiroto Saikawa, chairman of Nissan's American management board, said the company first will distribute electric cars to U.S. fleet users starting in 2010 and then begin commercial marketing in 2012. "The battery and the electric charge have to be cheaper than gasoline," Ghosn said of his new product strategy. "If we do this, we've won. With (oil) at \$120 a barrel, it gets easier." [For more on Nissan's electric plans, click here.](#)

Opinion: Keep America Open to Trade

Carlos Gutierrez, U.S. secretary of commerce, and Arnold Schwarzenegger, Governor of California, have written an impassioned defense of free trade on today's [Wall Street Journal](#). They stress the strength America derives from being uniquely open to trade and investment, and they warn against the Democrat-driven isolationist U-turn that would choke off our innovation and prosperity. Opening markets and lowering barriers for U.S. exports creates jobs, spurs innovation, and gives our economy a competitive edge. And thanks to free trade agreements, like those pending before Congress with Colombia, Panama, and South

Korea, U.S. exports are booming. In 2007, we saw a record \$1.6 trillion in exports, up 12.6 percent from the prior year. Unfortunately, Congress has scuttled a vote on the first of the three FTAs, the Colombia agreement. Why, when Congress has already given Colombian exporters duty-free access to the American market for more than 16 years? All the FTA with Colombia does is provide American goods the same access Congress already gives Colombia. "Because we're immigrants," Gutierrez and Schwarzenegger write, "we have seen firsthand what works here, and what does not work overseas. To us, it is clear that stifling foreign investment, taking a trade 'time-out' that hurts U.S. exports, or turning away from the ideas and energy of immigrants, won't help America grow and prosper." [For the full editorial, click here.](#)

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