



March 20, 2020

The Honorable Ralph S. Northam
Office of the Governor
P.O. Box 1475
Richmond, VA 23218

Governor Northam,

As Virginia continues to confront the coronavirus's challenges, it is important to recognize that automobile dealerships – which include both service and sales departments — should be classified as essential businesses to ensure Virginians have safe access to transportation, especially in times of national emergency.

- On the **service** side, Virginians must have the ability to maintain a safe and well-functioning vehicle. Motor vehicles are critical to ensure the public can access food, healthcare, and other necessities of life.
- While it may seem at first glance that **sales** are non-essential, consider: For many Virginians, repairs to a current vehicle may be untenable due to parts and labor costs. This makes the sales team essential for ensuring families can access transportation in this vital time. Dealers provide transportation to medical and first responder personnel. Increased commercial delivery obligations will require companies to purchase vehicles. Many who have relied on mass transportation for some or all essential travel find now that a private vehicle provides the recommended social distancing public transit cannot. Some consumers who want the filtration capabilities of newer vehicles may want to purchase those.

Additionally, dealerships are unlike traditional retailers and offer wide spaces and one-on-one, more private interactions. Pair that with the fact that foot traffic and sales are already well below normal levels, dealers are practicing social distancing, instituting shift work, and going above and beyond to adhere to CDC guidelines for cleanliness, and the risk of disease spread is low.

We note many local jurisdictions across the U.S., when issuing closure orders for non-essential businesses, have included dealerships — both service and sales — on the list of essential businesses. For example, in Los Angeles County and Miami/Dade County, governments have determined dealerships are essential businesses that should remain open.

Automobile sales comprise 20 percent of the total retail sales in the Commonwealth, and more than 65,000 Virginians work in this industry to keep our economy rolling. In good times, more than 450 franchised car and truck dealerships sell nearly 130,000 new and used vehicles each month. Over the past three years, our members have injected nearly \$1 billion into the Commonwealth's General Fund.

Should your Administration wish to limit sales activities, we would ask you allow dealers to maintain a 25 percent or 10-person minimum of the sales workforce levels in order to continue to provide automobiles to those citizens most in need. Those sales are mostly of less-expensive new and used vehicles for people that absolutely must have transportation – including to other essential jobs.

Dealers have been adapting their sales processes to continue to serve their customers with limited contact. We can and are delivering vehicles to customer homes, a process we can do with limited contact.

Full closure will be catastrophic. We must continue to serve customers so that the automobile industry can be a critical driver in helping Virginia move forward after this pandemic.

In light of the above, we request that, as you consider further Executive action to contain the severity and duration of the spread of the coronavirus in the Commonwealth of Virginia, including potential Executive Orders, you specifically designate motor vehicle repair, maintenance, and sales facilities as essential operations.

Thank you for attention to this crucial matter, and please let me know if I can be of further assistance.

Sincerely,

A handwritten signature in black ink that reads "Donald L. Hall". The signature is written in a cursive, flowing style.

Donald L. Hall
President and CEO