



March 23, 2020

Today, Governor Ralph Northam announced his Executive Order 53, ordering the closure of certain non-essential businesses, banning gatherings of more than 10 people, and closing all K-12 schools for the remainder of the academic year. Governor Northam is also urging all Virginians to avoid non-essential travel outside the home, if and when possible.

The Order will be effective for 30 days starting Wednesday, March 25, 2020. You can find the Order [here](#).

We are pleased to share the Executive Order permits service *and* sales departments to remain open at Virginia's franchised new car and truck dealerships. That said, the Order treats service and sales departments differently. Please pay attention to the following to ensure compliance with the Governor's directive.

Service and Parts

Executive Order 53 makes clear that "Automotive parts, accessories, and tire retailers as well as automotive repair facilities" are "essential retail businesses" that "may remain open during their normal business hours." There is no limitation on the number of customers that can be in a service department at a given time.

Sales and F&I

Sales and finance operations can remain open provided there are no more than 10 sales and/or F&I patrons—or customers—in the dealership at any one time. That "10" figure excludes dealership personnel. In other words, **it is critical there are no more than 10 non-employees for sales and/or F&I purposes at any one time.**

For both service and sales/F&I, the Order stipulates, "All businesses shall, to the extent possible, adhere to social distancing recommendations, enhanced sanitizing practices on common surfaces, and other appropriate workplace guidance from state and federal authorities while in operation." Violation of the above, and/or the 10-patron requirement for sales/F&I, could result in store closure. Violation is also a Class-1 misdemeanor punishable by up to 12 months in jail.

- **Strict adherence to the Order is paramount.** The Governor and his administration have talked with VADA, listened to our arguments, and been thoughtful in crafting this Order and steering Virginia through this critical time.
- As such, we cannot be seen as a group that is taking advantage or abusing this opportunity to continue business operations. **If we cannot or do not follow the precautions stipulated in the Governor's Order, or otherwise directed by the Centers for Disease Control and Prevention (CDC) regarding sanitization and social distancing, we cannot expect the Governor to be as forward-thinking as he has been in keeping our businesses open.**
- As we have emphasized in prior communications, dealers should consider increased use of technology to enhance the ability to interact with customers for sales and F&I purposes while limiting their need to visit the dealership. Given the limitation on the number of "patrons" for sales and F&I purposes, dealers should also consider a robust appointment system to best limit the numbers of sales and F&I customers at any one time.

We appreciate all who helped express our important message to our Governor—that Virginia's franchised dealers are a key piece of the puzzle as the state copes with COVID-19.

We are thankful for the leadership the Governor and his administration have displayed. The Governor has given us an opportunity, as an industry, to shine and to serve our communities during this unprecedented and difficult time. Now is the time for us to lead, to keep our staffs engaged and employed, and to provide a safe working environment for both consumers and our employees. The Governor delivered this Executive Order. He can rescind it. Let's not give him a reason to take away our ability to operate.

More than ever, it is a pleasure to serve the new car and truck dealers of Virginia.

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