



March 30, 2020

This afternoon, Governor Ralph Northam announced his Executive Order 55, a “stay at home” directive similar to that seen in Maryland, North Carolina, and throughout the country. Unless further guidance is issued, it appears to permit the continued sales and service of motor vehicles pursuant to last week’s Executive Order 53.

The Order is effective today, March 30, 2020, and will remain in effect until June 10, 2020 absent further executive action. If precautions taken the last several weeks and today help “flatten the curve,” the Governor can revise this Order to shorten the length of time we are all told to “stay at home.” Click [here](#) for Executive Order 55.

Executive Order 55 does not appear to change the requirements set forth in last week’s Executive Order 53 as it pertains to Virginia’s franchised auto dealerships.

In other words, and as Executive Order 53 makes clear, “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 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.

For both service and sales/F&I, the still effective Executive Order 53 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.” **That goes for post-sale hugs, handshakes, or the like—we need to avoid any such physical contact.** Violation of the Order, including 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.

The increased authority the new order gives law enforcement should emphasize the importance of strict adherence. We remain thankful for the opportunity to keep our doors open—or phone lines and online customer services operational—to supply Virginians with the transportation they need amidst this crisis. Let’s not waste this opportunity.

While Executive Order 55 should not change how you operate, it may have practical effects on your business and lead to enhanced law enforcement.

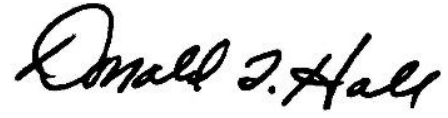
During his 2 PM news conference, Governor Northam stated, “It is clear more people need to hear this basic message: Stay home.” With increased pressure not to leave the house, you may have less customers in the store and/or more customers seeking assistance over the phone or online.

Significantly, as mentioned above, the Order may mean enhanced authority of law enforcement for those unwilling or unable to follow the Governor’s instructions.

We will continue to monitor all federal and state requirements as you run a compliant business for the benefit of your employees and your customers. Also, please look out another memo this afternoon, which will include important information about the Families First Coronavirus Response Act (FFCRA), the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and more.

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 with a large initial "D".

Donald L. Hall
President and CEO