



April 15, 2020

Greetings from VADA,

In today's message, learn about what the Governor's extension of Executive Order 53 means for VADA members. Get reminders about what to do in the event an employee tests positive for COVID-19. Check out CBT News' interview of Page Auto Group Vice President and VADA Board Member Tanner Hulette. View important materials from OSHA, which could help your organization prevent—or later defend against—a workers' compensation claim. Read an article from *USA Today* about how the pandemic may have lasting effects on the auto industry, and read another from *Bloomberg* on booming auto sales in Wuhan, China now that its lockdown has lifted. Lastly, see what's ahead for tomorrow and Friday as part of NADA's Dealership Lifeline Webinar Series.

Governor Ralph Northam extends Executive Order 53 until May 8, 2020.

In a press conference today, Governor Northam said requirements for the Commonwealth's business community will remain in effect until May 8, 2020. The announcement impacts VADA members to the extent that requirements of Executive Order 53—*e.g.*, enhanced sanitizing, social distancing, and the 10-patron rule for sales/F&I—are extended to May 8. They were planned to stop April 23. Separately, the “stay at home” Executive Order 55 is still in effect until June 10, 2020.

On March 23, Governor Ralph Northam issued [Executive Order 53](#), drawing a clear line between essential and non-essential business, subjecting the latter to patron limitations and indicating “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.”

VADA has [written extensively](#) about what Executive Order 53 and [Executive Order 55](#) mean for Virginia's franchised new car and truck dealers. The Governor may rescind or amend executive orders at any time, as he and his administration combat the spread of the coronavirus. If you have any questions, let us know.

An employee at your dealership tested positive for COVID-19. Now what?

You may encounter a situation in which an employee at your dealership tests positive for COVID-19. And if that happens, you may wonder what to do next. Both VADA and NADA have provided materials designed to help your organization through such a scenario. As a reminder, they are:

- VADA article (March 26): [An employee at your dealership tested positive for COVID-19. Now what?](#)
- NADA article (April 1): [Worst-Case Scenario: What to do if an Employee Tests Positive for Coronavirus](#)
- NADA recorded webinar (April 7): [So, an Employee Has Covid-19 Symptoms or Has Tested Positive...Now What?](#)

NADA's April 7 webinar is the most recent and thorough, but these materials provide helpful information for your dealership(s) should a team member test positive. If you have any questions, let us know.

CBT News interviews Tanner Hulette of the Page Auto Group.

Earlier this week, Tanner Hulette of the Page Auto Group joined Jim Fitzpatrick on CBT News to discuss business operations in a world disrupted by COVID-19. Tanner is Vice President of the organization and a member of the VADA Board of Directors. Watch the interview [here](#).

In his comments, Hulette acknowledged business today is drastically different than it was a month ago. From a retail perspective, Page Auto Group had a strong start to March before the spread of the coronavirus impacted its seven Richmond-area franchised dealerships. Still, Page has kept its doors open and all its employees on the payroll, and the team is working to provide customers a "world-class experience."

Hulette says the organization has rearranged employee work schedules—for example, they've implemented a 3-day work week and 50% reduction in staff count for the sales departments—to encourage social distancing. But even with reduced business hours, the dealer group is paying its employees as if they're working full time.

Page is taking other measures to promote social distancing and enhanced sanitization. "We sanitize the store every hour, and an employee signs off on it," said Hulette, adding, "Some of our stores have full-time cleaning staff that clean all day." The organization has also placed wedges in door openings, to prevent the need for anyone to grab a doorknob or handle, and plexiglass in the F&I offices to create separation between customers and Page team members.

Another change and benefit to both customers and employees is that most of the sales process occurs online, and when a sales customer needs to visit the store, it's by appointment. Page also makes pick-up and delivery options available for consumers.

The above measures are akin to those seen throughout the state, as dealers seek to comply with government directives, provide a safe working space for employees, and creatively meet customer needs. "Put your people first, and good things will happen," Hulette said toward the interview's conclusion." We congratulate the steps Page is taking, and all VADA members who are tirelessly working to benefit those both inside and outside their respective organizations.

SBA Report shows breakdown of PPP loan approvals by state, industry.

Yesterday, the U.S. Small Business Administration (SBA) released a report of approved loans under the Paycheck Protection Program (PPP) created by the Coronavirus Aid, Relief, and Economic Security (CARES) Act through Monday, April 13. The report indicates 4,664 lenders helped facilitate loans totaling more than \$247 billion in gross dollars for slightly more than 1 million borrowers nationwide.

There were 26,880 loans in Virginia totaling around \$6.6 billion in approved dollars. Construction; Professional, Scientific, and Technical Services; Manufacturing; Health Care and Social Assistance; and

Accommodation and Food Services are the industries that received the most approved dollars. Right behind them is the Retail Trade industry, of which car dealers and other businesses are a part. American Retail Trade received 105,796 approved loans and roughly \$21.2 billion in approved dollars, which accounts for 8.57% of the total dollars loaned under the PPP. See the [report](#).

OSHA materials could help your dealership avoid—or defend against—a workers’ compensation claim.

The Virginia Occupational Safety and Health (VOSH) Program has received complaints from employees statewide concerning business behavior, and an alleged lack of appropriate safety measures in the workplace. In response, the subset of Virginia’s Department of Labor and Industry has made it clear they are prepared to act against employers who are not maintaining a safe work environment.

Reference OSHA materials we shared last week to ensure your business is taking precautions to avoid—and maybe later defend against—potential workers’ compensation claims. And—as we provided on [March 25](#)—record the steps you are taking to comply with all governmental requirements and recommendations. It could make a difference should anyone question your health and safety practices.

- [OSHA’s recent guidance](#) on preparing workplaces for COVID-19
- OSHA bulletin on [Worker Exposure Risk to COVID-19](#)
- OSHA videos on [Ways to Increase Social Distancing at Work](#) and how to [Use the Right Tools to Clean Your Workplace](#)

Lastly, it is illegal to retaliate against workers because they report unsafe and unhealthful working conditions during this pandemic. See [OSHA’s Whistleblower Protection Program](#) for more information.

***USA Today*: “Coronavirus has dealerships moving to online sales – and car buying may never be the same.”**

“The way we buy cars may never be the same” is how Mark Phelan of the *Detroit Free Press* begins an article published Monday (April 13) by *USA Today*. Phelan points out a theory shared by many in the auto industry, that some business practices cultivated or enhanced during the coronavirus outbreak will carry on post-pandemic.

The article quotes NADA Chairman Rhett Ricart, CEO of Ricart Automotive Group in Columbus, Ohio. Ricart said, “By the end of this year, you’re going to see 80%-90% of U.S. new car dealerships with full e-commerce capability in their shops.” He added that his stores have seen twice as many online transactions in the last six weeks than is typical. Read the article [here](#).

***Bloomberg* article highlights Wuhan’s recent uptick in car sales.**

“Pent-up demand” is a phrase you’ve likely heard since mid-March, as some look optimistically to what the American economy could be like once the health environment allows states to relax orders to “stay at home” or “shelter in place.” Perhaps a recent increase in car sales in Wuhan, China is a reason to be optimistic. There, where the lockdowns were recently lifted, it appears customers are buying cars at rates

seen pre-pandemic. Whether that is sustainable is to be determined, admits *Bloomberg* in an article released Monday (April 13). The story is available [here](#).

NADA's Dealership Lifeline Webinar Series continues tomorrow and Friday.

NADA's online presentations continue almost daily from 1-2 p.m. The topics and registration links for tomorrow and Friday are below. Recorded webinars are available on the paywall-protected area of [the association's website](#).

- April 16: [NADA All Dealer Town Hall Meeting](#)
- April 17: [ATD 20 Group Best Practices for Truck Dealers In Times of the COVID-19 Pandemic](#)

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

Sincerely,



Donald L. Hall
President and CEO