



8725 Mallard Street • Juneau, AK 99801 • (907) 789-1386

April 7, 2018

The Honorable Matt Claman

State Capital Room 118

Juneau, Alaska 99801

Dear Representative Claman,

As an automotive retailer in Juneau, Alaska. I have over 40 years of both retail and manufacturer experience and I am writing in support of HB136. I have been a member of the board of directors for the Alaska Auto Dealers Association since its inception and served as its President. In 1999 I was named as the first Alaskan to receive the Time Magazine Quality Dealer Award. In addition to the Alaska Auto Dealers board, I currently serve as a member of the board of directors for the National Auto Dealers Association.

I along with my partners operate Mendenhall Auto Center. We have been in business for 30 years, are the oldest Chrysler dealer in the state, and now represent five manufacturers in our community.

Because of my tenure as a dealer I was involved in the original dealer bill that was created around 2002. That statute has had minor modifications over the years, but has not remained current with the issues facing both dealers and consumers today.

I first wish to acknowledge the hard work put forth by you and your staff. The fact that you were able to bring members of the Alliance for Automotive Manufacturers to the table and facilitate a meeting is a major accomplishment. The results of your endeavors are even more impressive as it appears we have reached an understanding. The members of the Alaska Auto Dealers association strongly support HB136.

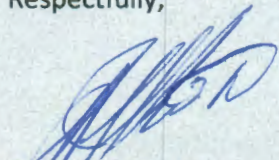
The areas that HB136 serves to address:

1. What constitutes good cause for termination or nonrenewal of franchise agreements by adopting good faith standards for the manufacturers, including reasonable performance goals and supplying inventory.
2. Updates notice requirements in cases of termination or nonrenewal of franchise agreements and sets procedures for returning inventory to the manufacturer, including vehicles, parts, and signage previously required by the manufacturer.

3. Clarifies procedures governing succession planning for dealerships.
4. Establishes procedures determining fair compensation to dealers for warranty work and recalls. This will help dealers to provide stronger investments in equipment, training, and personnel enhancing customer satisfaction.
5. Most importantly, by requiring manufacturers to address safety recalls and warranty work in remote areas. Either directly with the dealer, or by facilitating the repair in the specific location. This is certain to provide a better consumer experience.

In closing, again I thank you for your hard work on this legislation.

Respectfully,



Steven J. Allwine  
President