



November 4, 2008

The President
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President:

On behalf of the National Association of Minority Automobile Dealers (NAMAD), I write to you in full support of the recent request of the National Automobile Dealer Association (NADA) for emergency financial assistance to help revitalize the auto retailing sector and allow it to lead the nation back to economic health. NAMAD is a 501c(3) non profit organization headquartered in Lanham, MD representing 2,100 ethnic minority-owned new automobile dealers, both domestic and import, in the United States.

While the entire automobile industry is suffering and majority-owned dealerships are in financial difficulty, ethnic minority-owned dealerships are failing at a more alarming rate than other dealerships. If immediate federal financial assistance is not provided to ethnic minority dealers, over 75% of them will not survive by year end. That 75% equates to over 150,000 direct and indirect jobs. In addition, there will be over \$51 billion in annual gross sales tax revenue lost as a result of these dealerships closing.

Like NADA, I specifically urge you to work through the Small Business Administration to immediately provide access to capital by way of an Automobile Dealer Emergency Loan Program, consisting primarily of loan guarantees designed to provide immediate access to working capital. I also urge you to declare ethnic minority automobile dealerships in the United States a national economic disaster to qualify them for non-physical disaster loans under the current Small Business Administration Economic Injury Disaster Loan (EIDL) Program. Such programs were implemented successfully in 1980 when the nation's dealers, particularly ethnic minority dealers, were facing similar financial challenges. It was because of these types of programs that ethnic minority dealers were able to survive during the turbulent financial crisis of the 1980s. That 1980 program could serve as a model for structuring a comparable approach today.

NAMAD also strongly supports the economic stimulus initiatives suggested by NADA, including refundable credits for vehicle purchasers, vehicle loan interest deductibility, federal support for state "cash-for-clunker" programs, and accelerated expensing/depreciation for vehicles used in business.

Working together, we can stabilize capital for automobile retailers, thereby helping to ensure the recovery of our nation's auto industry and preserving the economic foundation of communities across the country.

Sincerely,

A handwritten signature in black ink that reads "D-22".

Damon Lester
President

Cc: The Honorable Harry Reid
The Honorable Mitch McConnell
The Honorable Nancy Pelosi
The Honorable John Boehner
The Honorable Jim Clyburn
Congressional Black Caucus
Congressional Hispanic Caucus
Congressional Asian Pacific American Caucus
NAMAD Board of Directors