

*For Immediate Release*  
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**CONTACT:** Melanie Turner – 301-306-1614

**GM SOLUTION TO PROVIDE  
SHORT AND LONG-TERM BENEFIT AND HOPE TO OUSTED DEALERS**

**NAMAD Applauds Agreement as Fair, Effective, and Efficient  
Dealers Encouraged to Show Support to Congress  
Relief Needs to Begin Now**

**Lanham, MD** – GM's plan to address dealer concerns regarding dealer termination and reinstatement is an example of true compromise and making the most of a difficult situation. "This is a fair way to allow dealers to receive additional wind down compensation or seek reinstatement. At the same time, we can continue our advocacy efforts to assist those reinstated dealers in overcoming challenges in obtaining access to capital, as dealers need help now." says National Association of Minority Automobile Dealers (NAMAD) President, Damon Lester.

"The NAMAD Board is supportive of all of the hard work and efforts put forth in these past three months by the Congressional staff, our legal counsel, board members, GM representatives and representatives of the minority dealers during these negotiations." We appreciate Congressman Van Hollen's effort to reinstate profitable dealers. However, NAMAD hopes he and members of Congress will recognize that focusing solely on those who were profitable will likely eliminate some dealers who still have the ability to survive. The economic meltdown felt by most of America in the 3<sup>rd</sup> and 4<sup>th</sup> quarters of 2008 prevented many dealers from being profitable. "Only a privileged few dealers can argue profitability and can bring the resources to fund a complex reinstatement arbitration. Our dealers are suffering now. Small dealers want some relief and equity," says Todd Bullard legal counsel on negotiations, partner HarrisBeach, LLC.

Some dealers have the resources to stay in business and fight for survival, and should be allowed the opportunity to do so. If you can demonstrate adequate working capital, access to floor-plans and present a clear business case for reinstatement, you should be allowed to compete, and under GM's plan, you will have the chance. For those who were in good financial health in 2008 but have been out of business for so long, it will be very difficult to open their dealership do to the issues surrounding access to capital.

A Congressional intervention at this time would undermine the plan put in place by GM and possibly cause more long term harm than good for dealers who need relief now. A legislative action could be appealed and tied up in court for months or possibly years, leaving all of these dealers to continue to sit in limbo with their lives, assets, and futures hanging in the balance. "The hard working first generation businessman who has lost their business and may potentially lose their home and savings based on personal guarantees signed while there was a business. A long term legislative solution does not help these individuals. They do not have the financial or political resources of well capitalized dealers. Allowing some to accept their loss and move on now, so we can focus on boosting the health and stability of those left behind is not only the smart business option, it is the humane one" says Lester.

NAMAD and its industry partners need to continue to work in the spirit of good faith with the manufacturers, moving forward, to ensure dealers have access to working capital and floor plan loans. With proper leadership and oversight we're confident we will have positive outcomes for the auto industry as a whole.

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**About NAMAD:** The National Association of Minority Auto Dealers (NAMAD) founded in 1980 and based in Lanham, Maryland represents new car and truck ethnic minority automobile dealers in the United States. [www.namad.org](http://www.namad.org)