

To whom it may concern:

My name is Tony Taylor and I am the Business Development Executive for DHG Dealerships, the national dealership practice of Dixon Hughes Goodman, a top 20 public accounting and advisory firm. I have worked in the dealership space on the vendor side for roughly 15 years and have been in hundreds, if not thousands, of dealerships throughout the span of my career. My comments below are solely my own in regards to the FTC workshop conducted in Washington DC on January 19, 2016.

Based on my understanding of the workshop, many of the panelists argued that dealers are now on a level playing field with the OEMs and suggested that state laws and regulations, protected by the 10th Amendment, are no longer needed. However, I would argue that this is simply not the case. Many of these economists, academics and attorneys have likely only stepped into dealerships to purchase a car or truck every 5-6 years, or for an occasional oil change. Without living and breathing this industry over the course of a career, one would struggle to truly understand how the industry really operates.

Of my nearly 15 years as a vendor to the retail automotive industry, I spent the majority of those selling software that allowed and enabled the dealers to sell and service more vehicles. One of the biggest hurdles I had to overcome during my day-to-day activities was mandated OEM programs that required dealers to use specific software programs and applications that competed with those I was selling. Not using these mandated software solutions could impact a dealer's business in many ways. Some of these software applications are publicized, such as GM's Essential Brand Elements & Standards for Excellence programs that pay incentive money and bonuses for meeting certain facility and technology requirements. Failure to adhere costs the dealer bonus money as well as OEM Website leads. Some 'off the record' penalties dealers face are poor vehicle allocation, increased warranty audits, and others.

A few other examples of mandated programs are:

- GM mandates a Cobalt/CDK dealership website.
- Chrysler Dodge Jeep mandates a Dealer.com website.
- Ford, through their Ford Direct program mandates Dealer.com websites and Dealer.com paid search services (SEM)
- Hyundai mandates a Cobalt/CDK dealership website.
- VW mandates a Cobalt/CDK dealership website.
- xtime is the exclusive or preferred service scheduling solution for OEMs such as VW, BMW, Honda, Kia, MINI and Volvo.

It is these mandated requirements that disprove many of the arguments made by the panelists regarding dealer and OEM similitude, and the list above is just a small sample of what the dealers face. Without spending the better portion of your career working in dealerships and alongside the dealers and their teams, one may lack awareness regarding the far-reaching and often heavy handed nature of the OEMs.

Thank you for your consideration of these comments. It is my sincere hopes that these will assist the FTC in their efforts on this matter.

Very best,