



March 4, 2016

Federal Trade Commission
Office of the Secretary
600 Pennsylvania Avenue, NW
Suite CC-5610 (Annex B)
Washington, DC 20580

Re: Auto Distribution Workshop- NAMAD Comments Project No. P131202

Dear Secretary:

On behalf of the National Association of Minority Automobile Dealers (NAMAD),¹ I submit the following comments in response to the FTC workshops that took place on January 19, 2016.

We have had the opportunity to review, and we fully support, the comments submitted by the National Automobile Dealers Association (NADA) in this matter. In this regard, I'd like to emphasize certain points of particular importance as it relates to minority automobile dealers. It is important to know that franchised dealers not only provide a service to support consumers in the sale and service of vehicles but also provide valuable jobs, both direct and indirect, in the communities they serve. This model is especially important to small businesses, and over 75% of all minority owned dealerships are, in fact, small businesses.

As NADA points out, automobile manufacturers have all of the leverage as it relates to the auto franchise system; they determine the dealerships' market areas and pricing, and also are the decision makers on who will own their respective franchises. That is why the state franchise laws are so important.

It is imperative that, as the auto industry continues to develop and mature, its growth includes an increase in its minority representation. And the franchised dealer system is a great way for that to occur.

Sincerely,

A handwritten signature in black ink, appearing to read "Damon Lester".

Damon Lester
President

¹ NAMAD is a 501c(3) non-profit organization located in the Washington, DC area. NAMAD's mission is to provide viable opportunities for ethnic minorities in the automobile industry. Our goal is to increase the number of ethnic minority owned new car dealerships in the U.S. as out of 18,000 new car dealers in the U.S. only 1,100 are owned by an ethnic minority. Over sixty percent of our members are small businesses as defined by the Small Business Administration.