

NEWS BULLETIN

Maine Automobile Dealers Association

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SEPTEMBER 3 IS MADA GOLF TOURNEY

For 17 years, MADA has offered a membership golf tournament. These events have been extremely well received, with dealer, manager, and guest participation averaging over 130 people. **The 2009 membership golf tourney will be held on Thursday, September 3, at the Martindale Country Club in Auburn.** An announcement letter, with the day's schedule as well as registration material, was mailed to members, guests and sponsors in early August. Attendance will again be in the 120-130 participant range. There is room for additional players, and certainly for sponsors (who can also play if they choose). Please contact Steve Piper at your MADA office if you would like to participate or sponsor. We are looking forward to an enjoyable day of fun, maybe a few good golf shots, and lots of camaraderie of Maine's franchised dealer community.

MOTOR OIL FEE TO CHANGE OCTOBER 1

The Maine Legislature this year addressed the continuing shortfall being experienced in the collection of fees associated with the sale of new motor oil. Despite considerable research, and interviews with a variety of distributors and retailers of new motor oil, the revenue from the motor oil fee is only slightly more than 50% of what was projected. As all dealers are aware from prior bulletins and regional meeting agendas, the purpose of the motor oil fee is to fund the remedy for soil and water contamination at the waste oil sites that are the legacy of the George West waste oil operations of the 1950s, 1960s, and 1970s.

Effective October 1, 2009, pre-packaged motor oil will be subject to a fee of 35¢ per gallon when it is sold by the distributor. Pre-packaged motor oil is defined as containers of five gallons or less. Evidence suggests that there has been significantly higher usage of pre-packaged motor oil sales in the last year, an obvious move to avoid the tax on new motor oil sales. The Legislature has now closed that loophole, which should allow the Finance Authority of Maine (FAME) to manage a revenue bond program which addresses the vast majority of Maine PRP liability at the George West waste oil sites. This subject will also be on the agenda for MADA's Fall regional meetings.

DUPLICATE TITLES

Maine's Bureau of Motor Vehicles has been reviewing all of its operations in an effort to meet the significant reduction in operating costs (personnel included) which has been mandated by the Legislature for all State agencies. The Title Section is no exception to this mandate, and duplicate title requests is a particular area of concern.

In the near future, all licensed dealerships will be receiving a letter from the Title Section Manager Rich Nickless which describes coming changes in the duplicate title arena. Essentially, many customers have taken the easy route to producing a title with their trade-in --- they have applied for

a duplicate title. Soon thereafter, when the expense of this process hits home, the customer produces the title which was previously described as lost, thinking that duplicate title fees will be refunded or credited. Meanwhile, BMV has done all the work to research the title history and process the duplicate title request, and has in fact refunded fees if the original title is presented. That process of refunding will be coming to an end. Dealerships are strongly encouraged to make sure the customer works harder at producing the title. Please watch for the BMV letter.

MANUFACTURER BANKRUPTCY CLAIMS

The bankruptcy filings of Chrysler and General Motors will bring some additional work for dealerships with those franchises. One manifestation of that workload has recently arrived for those affected by the Chrysler bankruptcy - Proof of Claim notices. The notice which arrived with the Chrysler Proof of Claim forms does not provide much direction for dealerships as they try to respond. MADA has begun background work with the bankruptcy attorneys who assisted the Association in working through dealer needs earlier this year. The purpose of this renewed effort is to provide dealerships with the information necessary to make a Proof of Claim filing. This work will be equally appropriate for the General Motors bankruptcy case. The Chrysler deadline is September 28, and MADA's assistance will be provided in advance of that date.

MADA GOES TO WASHINGTON

The National Automobile Dealers Association hosts its annual Washington Conference on September 15 and 16 this year. The major purpose of this gathering is to receive briefings on Congressional proposals of importance to the dealer body, and to then visit with Maine's Congressional delegation. MADA representatives will be expressing our thanks to all of Maine's Senators and Representatives for their unanimous support of industry issues this year, including the CARS program and dealer interests related to the Chrysler and GM bankruptcies. Subjects to be discussed include health care, dealership franchise terminations, and dealership receivables from the CARS program. MADA will summarize its visits in a future bulletin.

LOSS PREVENTION TIPS

Dealership liability exposure can be minimized with some precautionary measures applicable to both workers' compensation and property-casualty insurance programs. Please find enclosed some loss prevention tips provided by Zurich American's Universal Underwriters Group. Taking the time and making the effort to implement some of these tips will reduce your insurance expense over time.

TECHNICIAN CERTIFICATION

The National Institute for Automotive Service Excellence (ASE) will be conducting its Fall series of technician certification tests in November. However, the deadline for registration to take these certification tests is September 30. MADA has test booklets for anyone who needs them, or a person can register online at www.ase.com.



ZURICH

Loss Prevention

Please route to:

- Owner
- General manager
- Sales manager
- Service manager
- Office manager

Slip and fall hazards

One of the greatest workers' compensation and liability exposures confronting many companies across the country is slip and fall incidents. A fall can result in the loss of a valued employee or the filing of a third-party lawsuit. Many of these incidents can be prevented.

How big is the problem?

New York City passed a law (effective September 14, 2003) that shifts liability for sidewalk accidents from the city to the "abutting landowner" (with some exceptions). The reason is, you guessed it, money. Most of these resulted from slips, trips and falls on city "property". What does this have to do with Zurich customers? Well, if your business resides in New York City, you should immediately survey your sidewalks, identify problems and fix them as quickly as possible. You might now be responsible (and liable) for sidewalk maintenance and upkeep. Secondly, this law points out what an adverse exposure "trips and falls" can be and how expensive the litigation can be. Let's talk about what contributes to slips and falls and what you can do to prevent accidents on your property.

Two of the most common causes of slips and falls are a slippery walking surface, either by design (a waxed tile floor) or by contamination (ice, oil, grease, etc.); or an uneven walking surface (cracks, holes, stairs, etc.). These conditions can be avoided or controlled, preventing many slips and falls.

High traffic areas for employees and customers should be evaluated closely for unsafe walking conditions. These areas include the parking lots, customer service drive, customer waiting areas, restrooms and service bays. All identified hazards should be taken care of immediately.

High traffic areas

- Stairs should be in good condition, of equal height and well lit.
- Stairs with three or more steps should be equipped with a handrail.
- Curbs should be highlighted to warn of the change in height.
- Exterior lighting should be adequate and checked frequently for malfunctioning fixtures.
- Lot surfaces should be in good repair and free of holes and other obstructions.
- Implement a self-inspection program to identify hazards and assure that necessary repairs are made promptly.
- All inspection programs should be documented and include follow-up procedures.
- Redirect downspouts which empty onto walkways as they can create a slip hazard during winter and summer months.
- Floor spills should never be left unattended (especially in customer traffic areas) and should be cleaned up immediately. Post a "Caution - Wet Floor" sign.

- An oil absorbing material should be available for use on oil spills.
- All entrances into the building should have mats or rugs to help keep the floors clean and dry, especially during inclement weather.
- Entrances should be free of obstructions, including promotional displays.
- Aisles and hallways should also be free of obstructions.
- Allow sufficient time for treatment to take full effect.
- Be aware that high piles of snow can reduce visibility in vehicle traffic areas, especially at corners.
- Injured persons should be attended to immediately, but never admit fault at the scene of an accident.
- Accident/incident investigations should be conducted immediately.

Snow and ice removal

- **Be prepared in advance for snow and ice.**
- A snow and ice removal program should be developed and implemented. A single person should be assigned responsibility for monitoring and coordinating the effort.
- Have appropriate equipment, tools and supplies ready for use by internal personnel.
- Professional snow removal companies should be contracted/retained in advance of cold weather.
- Snow removal service should include regular checks on location, 24-hour and on-call capabilities.
- Record pertinent data on a snow and ice removal log.

For detailed information on recommended guidelines for stairs, handrails, ramps and other related topics, refer to the **National Fire Protection Association NFPA 101: Life Safety Code and Handbook**.

If you have any questions or comments, contact your Zurich account executive or the Risk Engineering Department at 800-821-7803.

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