

Auto Dealers: The Economic Engine of Main Street

Dear Readers:

Up to now, much of the discussion about a rescue plan for the automakers has focused on the Detroit Three: GM, Ford and Chrysler. But it's important not to lose sight of the economic engine of Main Street: the nation's 20,000 new car and truck dealers.



For generations, the nation's auto dealers have been the bellwether for the U.S. economy – accounting for almost 20 percent of all retail activity in the country, generating billions of dollars in state and local tax revenue.

In cities and towns across America, auto dealers are anchors of their communities. When it comes to charity and philanthropy, they are second to none. When it comes to sponsoring the local Little League baseball teams and every other kind of endeavor that make up the fabric of a community, they are second to none. And don't forget child passenger safety. Auto dealers have inspected more than a million child safety seats as leaders of a national campaign to keep children, our most vulnerable passengers, safe.

Auto dealers directly employ 1.1 million people, more than the domestic automakers combined. In fact, in many communities across the country, the largest local employer is the auto dealership, with jobs in sales and service and parts and financing – good jobs that can't be outsourced.

But these jobs are in jeopardy. The real estate crisis and the Wall Street meltdown and the credit crunch have left consumer confidence at its lowest point in recent history. As a result, auto sales have suffered. In other words, the auto industry is part of the collateral damage.

If we are to get the economy back on track, we must restore consumer confidence. Congress must act to restore stability to the auto industry as an important first step. Auto retailing is part of the solution to solving the economic crisis that we're now facing. The economic engine of the auto industry can help get this economy running on all cylinders again.

The federal government is already helping Wall Street.

Now it's time to help Main Street.


Annette Sykora
Chairman

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