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Trying to Save His Business, Jack Fitzgerald Is Face of an Emerging Political Force

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Jack Fitzgerald, owner of nine Washington area dealerships -- seven of which are on the chopping block by [General Motors](#) and Chrysler -- left his headquarters on Rockville Pike mid-morning yesterday, armed with a black bag full of thick consumer reports, pie charts and line graphs on cars. In the past three weeks, he's been a virtual one-man PR machine, meeting with local and national politicians and blitzing the media in a desperate attempt to save his business.

Yesterday, he was a man in motion, as frantic as a late-night local car commercial. Sitting in the passenger seat of a Toyota Prius, a phone was never far from his ear as he pleaded his case to lawmakers, consoled fellow dealers and tried to run his business at the same time.

Fitzgerald was part of a small army of dealers who descended on Capitol Hill in hopes of putting pressure on the automakers and the U.S. government to back off plans to close more than 2,000 dealerships across the country. Democratic and Republican lawmakers alike spoke sympathetically of the dealers' plight, though it was unclear whether any relief was forthcoming.

The dealer complaints have resonated in a way that the objections of bondholders and others have not. Many are leaders in their local communities, where they are a source of jobs and philanthropic dollars, and they are a potential political force for disrupting the Obama administration's effort to quickly restructure the nation's ailing auto giants.

"They're such a visible manifestation in communities all across the country of this auto industry, you're starting to see a lot more pushback as a result of the dealer decisions, rather than what happened just to companies that appeared to be based just in Michigan," Michigan Gov. Jennifer M. Granholm (D) said during a visit with Post editors and reporters.

The dealers are waging their battle not just in Washington, but also in bankruptcy court in New York. GM said about 500 targeted dealers have appealed to the company to stay open, and the automaker has granted 11 requests so far. Chrysler has set up no such appeals process.

Fitzgerald is running his own save-the-dealers campaign. After shooting a TV commercial in his gleaming showroom, promising that top-quality service is the "Fitz Way," he quickly brewed himself a cup of coffee, grabbed his navy blue sport coat with an American pin in the lapel and headed out the door.

"Look, it would take me forever to tell you all the things these guys have done wrong," Fitzgerald bellowed into his cellphone as he walked a TV reporter through the industry's perceived sins. Later, in a call to a car-dealer lobbyist, he complained about the government's involvement.

"These task force guys are going to cost taxpayers a fortune if they don't get this fixed," Fitzgerald said. "You can't just jump into an industry just because you have an MBA and are from Wall Street. It doesn't mean you know it."

At 73, Fitzgerald -- who has a big smile and dark hair and walks slightly hunched at 5 feet 8 inches -- has been selling cars for 53 years, making him one of the longest-selling car dealers in the region. His business has grown from one Dodge dealership to 11 locations on the East Coast with about 1,100 employees. He sells a range of brands -- Chrysler, Jeep, Subaru, Toyota, Cadillac and Pontiac -- bringing in revenue of more than \$600 million annually for the past five years. This year, he expects that to be \$500 million as new-car sales decline. (He is also a frequent advertiser in The Washington Post.)

Three weeks ago, he got a letter from Chrysler, cutting ties with five of his dealerships in Maryland. He said two of his GM dealerships -- one in Rockville, the other in Annapolis -- are slated to meet a similar fate. Fitzgerald said he's long criticized Chrysler and GM for not making cars that rank higher with Consumer Reports, and he says he is now being penalized.

GM and Chrysler say closing dealerships is necessary to their survival because the multitude of locations forces dealers to undercut one another, driving down a car's residual value. The "overdealering" creates competition that makes it difficult for the dealers to hire the best salespeople and make necessary capital improvements, some analysts said.

A GM spokeswoman declined to comment on Fitzgerald's closings. A Chrysler spokeswoman denied that Fitzgerald's criticisms played into the decision and said that several factors, including sales and customer satisfaction, went into the decisions. The spokeswoman, Carrie McElwee, also said the company doesn't want its brands mixed with other makes at dealerships. Fitzgerald sells both domestics and imports, and he isn't backing down.

"Sometimes I think about it, and I feel like I might be in Russia," he told a lawyer for some dealers in one phone call.

His car pulled into the driveway of the Hyatt Regency, and Fitzgerald made his way to a meeting room, where he and his counterparts talked about their strategy for an afternoon hearing before the Senate commerce committee. A woman walked in and handed Fitzgerald a gray envelope, marked "Arent Fox." Inside was legislation the law firm had drafted to force the automakers to honor their dealer agreements. "I should have them call it 'Jack's Bill,'" he said jokingly as he passed out copies.

"Most dealers are afraid of retribution from the manufacturers. Jack, he's not," said Ivette E. Rivera, a lobbyist for the National Automobile Dealers Association. "He helps put a face on it. When he speaks out, he has a lot of credibility."

On Capitol Hill, inside a hearing room in the Dirksen building, Fitzgerald greeted other dealers and industry officials.

"I can take care of me," he told them. "It's not about me. It's about viable businesses that are being told to close by irresponsible, incompetent managers from Detroit who are being kept on the job by a task force that lacks experience." He paused. "No, make that arrogant, not incompetent."

He watched GM chief executive Fritz Henderson take his seat at a long table near the front of the room to testify. Fitzgerald sat two rows behind him. An hour into the hearing, he had to leave for an appearance on a Fox talk show.

Staff writers Peter Whoriskey and Kendra Marr contributed to this report.

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