

Subj: **Newark channeling proposal from Don Signer**
Date: 12/12/2008 5:23:49 P.M. Pacific Standard Time
From: DRSBC
To: jason.m.jakovich@gm.com
CC: herman.caruthers@gm.com, jim.gentry@gm.com, tom.doktorcik@gm.com,
david.frederickson@gm.com, bill.g.beasley@gm.com

Dear Jason:

I write to propose a plan that would provide a sensible resolution of the channeling problem that has existed in Newark since the buildings were built in the mid-1990's, and in Fremont prior to that. My plan would also save the waste that would result from abandoning the relatively new facilities in Newark and relocating to very expensive land and facilities at the Fremont Auto Mall. Simply stated, my proposal entails Pontiac-GMC being moved into my Buick-Cadillac facility, and Chevrolet being relocated into the current Pontiac-GMC facility.

The plan GM has submitted to the City of Fremont for its Fremont Auto Mall project include a twin facility housing Saturn and an undisclosed GM brand, which is quite obviously Chevrolet based on the Chevrolet image elements in the design. This observation is reinforced by rumors of several months stemming from Saturn of Fremont that Inder Dosanjh would be taking over Central Chevrolet, followed by Mr. Dosanjh's recent sudden takeover of GM dealerships in Southern Alameda County, and now this week's announced closure of Central Chevrolet. The second facility in GM's Fremont Auto Mall plan, labeled "Future Auto Dealership", could only be intended for Buick-Pontiac-GMC-Cadillac, a combination that would create one potentially viable dealership out of the two existing non-viable, off-channel dealerships.

My proposal is for GM to execute its Fremont Auto Mall alignment plan in Newark rather than at the Auto Mall, with the only difference being that Chevrolet would be across the street from, rather than adjoining, Saturn. Making this Newark plan a reality would entail GM selling its Fremont Auto Mall property, which seems easily achievable based on GM World Wide Real Estate representative David Frederickson's statement to the Fremont City Council on September 23, 2008, that GM had been approached by prospective buyers, and "would not have any trouble flipping this property."

To increase the visibility of the Newark dealerships, in 2004 and early 2005 the Newark auto dealers and the City of Newark developed a plan for a 95-foot high freeway sign with video display. In February 2006, shortly after Jim Gentry responded to my inquiry about GM's Fremont Auto Mall plan, I wrote to him to request that GM abandon its Fremont Auto Mall pursuit and allow us GM dealers to remain in Newark and attempt to make the best of our location. As installation of the freeway sign would help this effort, I recently contacted Newark City Manager John Becker, who has confirmed that the City would continue with its offer of financial support for the freeway sign. His confirming e-mail appears below. Remaining in Newark would allow us dealers to retain value in our facilities, as well as earn the balance of the 20-year Newark City tax incentive, which in my case is \$203,445 as of the end of the third quarter.

In my February 2006 letter to Mr. Gentry, a copy of which is attached, I did not dispute the fact that the Fremont Auto Mall is a superior location; just that the increase in sales could not be enough to justify the huge expense as noted above. Now that GM has announced that Saturn may be sold or closed, and Pontiac's model offerings may be further reduced, it would seem that going forward with the expensive Auto Mall project makes even less sense now than it did before.

I have discussed my Newark realignment proposal with Fremont Pontiac-GMC dealer Ken Okenquist, who indicated interest in further discussions on the assumption that his facility would be occupied. This condition would be accomplished by my suggested Chevrolet relocation.

Considering all factors, I strongly feel the above plan benefits all parties both now and for the foreseeable future. As this plan necessitates the agreement and cooperation of many parties, my having further discussions with Ken Okenquist would be productive only if General Motors supports the plan. Accordingly, I would appreciate a prompt response from the appropriate GM party regarding GM's willingness to consider my proposal.

Sincerely,

Tuesday, December 16, 2008 AOL: DRSBC

Donald R. Signer
President
Signer Buick-Cadillac
39639 Balentine Dr.
Newark, CA 94560
510-226-1234

Forwarded Message:

Subj: **RE: Freeway sign, from Don Signer**
Date: 11/20/2008 11:31:05 A.M. Pacific Standard Time
From: JOHN.BECKER@newark.org
To: DRSBC@aol.com
Sent from the Internet (Details)

Dear Don,

Thank you for your email. The City of Newark remains willing to participate financially in the freeway video display sign project. This sign would bring additional visibility to the dealerships and I believe that it would significantly improve sales. Coupled with the future redevelopment / remodel of the Newpark Mall, the Auto Center could see a significant increase in drive-by traffic.

As you may be aware, the owner of the Ford and Mazda dealerships has recently signed a long-term lease to remain in Newark. He is also investing a significant amount of money to upgrade the interior of those properties. This will certainly ensure that Ford/Mazda will continue to be a major anchor for the Newark Auto Center which is good for all of the dealerships.

As I have said many times to you and the other dealership owners and General Managers, I strongly believe that the freeway visibility and access to the Newark Auto Center dealerships is superior to the dealers off of Auto Mall Parkway. Many of those dealerships are over ½ mile from the freeway. In addition, the land costs and leasing rates in Newark are lower than those at the Fremont location.

We continue value and appreciate you dealership here in Newark. Since 1995, your dealership has been a stable business and your involvement in the community through support for the City's D.A.R.E. program, the Chamber of Commerce, and many Rotary Club projects and programs has been beneficial to Newark and the Tri-City's area.

If I can be of assistance to you in any way, or if you would like to discuss this matter further, please do not hesitate to contact me. I can be reached by telephone at 510-578-4272 or by email at john.becker@newark.org

Sincerely,

John Becker
City Manager
City of Newark

From: DRSBC@aol.com [mailto:DRSBC@aol.com]
Sent: Wednesday, November 19, 2008 8:07 AM
To: johnbecker@newark.org
Subject: Freeway sign, from Don Signer

Mr. John Becker
City Manager
City of Newark

Tuesday, December 16, 2008 AOL: DRSBC

Dear John:

As you know, General Motors purchased a loading dock facility on Auto Mall Parkway between Boyce Road and Boscell Road with the intention of tearing down the building, and then build facilities to house apparently Saturn and Chevrolet. GM's plans show a second "future facility" on the property that is probably intended for the remaining GM lines currently represented in Newark; Pontiac-GMC and Buick-Cadillac. While GM doesn't discuss its plans with me, I believe the above structure to be correct. I have informed GM that due to the high expense of the land and new facility, I am not interested in relocating to the Fremont Auto Mall.

When I learned of GM's pursuit of the Fremont Auto Mall three years ago, I advised GM that I strongly felt that, for all its brands currently located in Newark, the sales increase it perceived it would realize by relocation from Newark to Fremont would not be enough to justify the huge expense that would be incurred. In today's business environment, I feel the move makes even less sense. I plan to express this view to GM once again with a brand realignment proposal that includes GM allowing it's dealerships to remain in Newark in the three relatively new facilities. While my proposal would entail GM's selling its Fremont Auto Mall property, the representative of the property's owner, GM Argonaut Holdings, stated to the Fremont City Council on September 23 that it has received much interest in its property from real estate professionals and dealers, so would have no trouble selling the property.

As you will recall, four years ago the Newark dealers met with you and other City of Newark representatives on several occasions to discuss a proposed freeway sign project. The City agreed to pay 1/6 of the cost of the sign, and the dealers agreed to divide the other 5/6 on a sales-weighted basis. While most of the dealership owners have changed, it would seem that the non-GM owners would be interested in this sign proposal today. As part of my proposal to GM, it would be helpful if I were assured that the City of Newark would continue with its agreement to financially support the freeway sign as was discussed most recently in early 2005.

Please let me know if the City would continue to support the freeway sign project on the terms previously discussed. Upon receipt of your hopefully favorable response, I will submit my proposal to General Motors. Thank you for your assistance and continued support of the Newark auto dealers.

Don Signer
Signer Buick-Cadillac
510-226-1234

One site keeps you connected to all your email: AOL Mail, Gmail, and Yahoo Mail. The NEW AOL.com.