

GM's LaNeve to Dealers: "Contact Politicians to Support Dealer Cull"

By Robert Farago
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Why would [redacted] VP of sales and marketing for North America expect his company's [remaining] dealers to contact their elected representatives to support Government Motors' dealer cull? Times two when you consider that GM is planning on making another round of dealer cuts in the future. "Hey. It's Mark LaNeve. Thanks for lobbying for our downsizing. Oh, by the way, you're next." No, I'm not making this up. Here's the e-mail, complete with fill-in-the-blanks phone script. [Thanks to you-know-who-you-are.]

Call to Action: Contact Your Legislator TODAY

Mark LaNeve

06/12/2009

TO: All GM Dealers

Recognizing it has been an extremely difficult period for everyone, I want to thank you for your continued commitment to [redacted] and our mutual business. There is no better time than now to join together in a concerted effort to keep the momentum moving towards the reinvention of GM.

Keeping that in mind, it is critical to let your voice be heard to ensure the viability of our business well into the future by contacting U.S. Senators and Representatives in your districts. There have been significant reports, especially over the last week, indicating resistance by politicians who do not understand the steps GM must take to become a leaner, more customer focused and profitable company.

While talking with your representatives, following are some key points to remember from GM's CEO and President [redacted] during his June 3 testimony, specifically, relative to GM's dealer network plans and the impact on consumers, dealerships, and their employees:

- As the "face of GM," dealers are critical partners in our efforts to create a New GM that places customers at the center of all we do.
- In order to build a stronger, more viable GM, it is essential to have the best performing dealers, in the right locations, aligned with GM's brand distribution strategy to be a part of GM's reinvention.
- GM determined which dealers would be retained for the new GM by utilizing results of a thorough market and dealer performance analysis in each market across the United States.
- GM has maintained a strong position that dealers are not a problem but an asset for GM.

Following are a couple of convenient tools for use by you and your entire dealership team to provide important information about key GM initiatives to help

your legislators better understand some of the necessary steps we are taking and, hopefully, gain their support:

1. To reach your respective U.S. Senators and Representatives by phone, you can call the Dealer Voice Hot Line at 1-866-874-9356 and follow the prompts. The phone script and additional talking points beyond those Fritz shared in his testimony are included at the end of this letter.
2. To send an e-mail to your legislators, you may access the WWW.GMDEALERVEICE.COM URL address. Once on the site, prompts will you to a template letter that will be sent immediately following entry of your information.

Thanks again to you and your dealership teams for taking time to support these efforts.

Sincerely,

Mark LaNeve
GM North America Vice President
Sales, Service and Marketing

PHONE SCRIPT AND ADDITIONAL TALKING POINTS FOR PHONE DISCUSSION:

- Hello Senator/Congressperson _____, my name is _____ and I have been a part of [dealership name] in [city and state] for _____ years. [Add personal detail here.]
- I'm calling to urge you to support—as I do—the recent steps General Motors has made regarding their dealer network in the New GM. The New GM must be a leaner, quicker, more customer-focused and more cost-competitive company.
- As part of its reorganization efforts, GM has been required to significantly reduce the size of the company, which includes rightsizing its manufacturing operations, retail distribution outlets and supplier network. (Note: This significantly impacts GM employees and retirees.)
- Reduction of the number of dealerships is a key requirement of this goal. With your support, we can ensure that our dealer network matches a smaller, stronger and smarter GM built for today's market and competitive realities.
- A smaller dealer network reduces costs associated with support provided for information technology systems and sales person incentives to field training and advertising. This support costs GM roughly \$1,000 per vehicle, and being able to reduce vehicle prices will directly lead to more sales.
- Fewer dealerships will allow the New GM to focus on the four core brands – Chevrolet, Cadillac, Buick and GMC. This will attract and retain more private capital, the best dealer operators, and most importantly, new customers.
- Even after the cutbacks, GM will still have the most extensive dealer network in the country. More than Toyota. More than Honda. More than Ford.
- Thank you.

If you have difficulty reaching your legislators, we ask that you please try again until you are successful at having your voice heard.