

Mr. Ritchie Goes to Washington

GET TO KNOW AIADA'S 2017 CHAIRMAN

BY AIADA STAFF



Maryland dealer Paul Ritchie accepted the chairman's gavel from California dealer Greg Kaminsky at AIADA's Annual Meeting in New Orleans.

Maryland dealer Paul Ritchie accepted the 2017 chairman's gavel at AIADA's 47th Annual Meeting and Luncheon, held January 29 in New Orleans. He owns

and operates three successful dealerships: Hagerstown Honda and Hagerstown Kia in Hagerstown, Maryland, and Altoona Honda in Altoona, Pennsylvania. Together, they employ 150 people. During AIADA's Annual Meeting, he outlined his goals for 2017, telling dealers that he would work "with everything we have in Washington, D.C., to promote dealer interests, protect global trade, and fight back against the devastating border adjustment tax."

Since January, Ritchie has overseen a successful Fly-In where AIADA members made their voices heard on Capitol Hill on a potentially devastating border adjustment tax. He is also making it a priority to expand AIADA's reach among the next generation of international nameplate auto dealers and make sure dealers understand how crucial the organization is to their future.

Ritchie recently spoke with *AutoDealer* about his past experience, how AIADA dealers play a role in the association's advocacy work in our nation's capital, and what he likes to do in his free time.

Who or what initially sparked your interest in the car business?

My father worked as a service manager in Richmond, Virginia, for 41 years. It was around me from the time I was born until I got out of college.

How did you initially get into the retail side of the business?

I was working for Honda at the time in the late 1980s after working for Ford before that. They were talking about moving me to California, and I had two boys getting ready to start high school. My wife had a good job with IBM, and a transfer wasn't going to happen. I had to figure out a Plan B and told Honda California that it wasn't going to happen and that I'd like to go back to retail and selling cars.

Honda told me they were thinking about putting a sales point in Hagerstown, Maryland, and if I could find a partner, they'd be happy to work with me. We opened Honda of Hagerstown from scratch in November 1990.

Can you tell us a little about your overall involvement in the auto retail industry? What other leadership roles have you held in addition to serving on AIADA's board of directors?

I served on the Maryland Automobile Dealers Association board for many years and it culminated with a two-year term as chairman. I have also served on different dealer advisory boards with Honda at both the national and regional levels. On the national advisory board, I worked with 10 dealers representing the entire country and



Ritchie joined fellow Maryland dealers on Capitol Hill during AIADA's Fly-In.

had the chance to meet some excellent people. I have found that Honda is great at listening to its dealer advisory board. I always say, "Be careful what you ask for because you might get it!"

When did you first become involved in AIADA and why?

I first became aware of AIADA when I first joined Honda in 1986. International brands were under attack as their market share increased and other people thought they were grabbing too much of the market too fast. AIADA was a big partner with dealers and manufacturers in terms of keeping the attacks from cutting back on their ability to do business. I got to know Al Courter from the Seattle area and he got me involved in AIADA about eight or nine years ago.

You're a busy dealer. Why did you think it was worthwhile to dedicate some of your time to AIADA's board of directors and then take on the role of chairman?

It's real easy to not get involved and let other people do it. That's the easy course to take. But, I've always been appreciative of what the auto industry has done for me and my family. Other dealers I've known have stepped up, so when I was asked by AIADA's 2013 Chairwoman Jenell Ross to consider getting into the chairman's position, I couldn't say no.

What are some of your goals for this year as chairman? How do you plan to achieve them?

The most obvious goal is defeating the border adjustment tax. It came to the forefront right as I took this job. Beyond that, my second

goal is to follow what 2016 Chairman Greg Kaminsky started in building up the next generation of industry leaders. We've got to get the next generation involved and help them realize how important it is for AIADA to be part of their lives.

In terms of achieving this goal, I think we've already started getting young people involved in our meetings through targeted events. We need to get to know them, and they need to get to know AIADA. Our board has also changed and we're getting younger dealers involved. I am confident they'll take over.

The border adjustment tax is a big issue on dealers' radar this year. What other issues do you think they should be paying attention to?

The BAT is a tax on our products. It has no value to the consumer. It is just an added tax on costs that will pick winners and losers. That's not how we do things in the United States. Other arenas will be impacted, but it especially impacts people who are buying a vehicle. I think the issue should be important to every dealer who has an international brand store.

In terms of other issues, I think we've got to be involved in whatever happens to NAFTA and TPP. They are going to come back up in

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some form or another, and we've got to make sure that the international auto industry is well represented. Free trade is what AIADA is all about. We've got to make sure that it stands. My hope is that once the BAT issue is put to rest, we can get back to focusing on free — and fair — trade agreements that work for everyone. Dealers can get back to planning for the future. It's very difficult to plan for the next five to 10 years when you can't even plan for next year.

I would also add that we're focused on curbing the Consumer Financial Protection Bureau (CFPB). Its out-of-control policies and actions are hurting our industry, so we'll be paying special attention to that.

AIADA held its BAT Fly-In this spring. Can you tell us about your experience meeting with your members of Congress on Capitol Hill? Why did you believe it was so important for dealers to lend their voices to the border adjustment tax issue?

The Fly-In was perfectly timed, especially since the tax issue came up so fast. And, it was an overwhelming success in terms of the number of dealers who came. I enjoyed meeting with my congressmen, senators, and their staff. They were polite, listened, and asked great questions. I came away with the feeling that we made a difference. I felt like they listened to us. They weren't discounting our point of view. They wanted to know more. A lot of them were just now getting into the issue and were extremely polite and welcoming as we explained how it would uniquely impact our businesses and customers.

It's easy to get involved when exceptionally threatening issues like the BAT are on Washington's agenda. What role do you see AIADA playing the rest of the time, and why should dealers consider staying involved more often?

AIADA's role is to be the voice at the table for international

dealers. It's a very defined role — to be our advocate on issues that might harm our dealerships and to make sure that Washington hears us. But, we rely on dealer involvement. Without the voice of dealers, we would be just another interest group. I believe that the combination of AIADA's leadership and dealers like me make it an exceptionally strong organization as we serve as the face of AIADA in D.C. and back at home where we do business.

I hope dealers will understand that we carry a big stick. One side says, "We vote," and the other says, "We contribute." We can use that stick to help our legislators when they need help or to sting when it needs to.

What is one thing you wish all lawmakers in Washington realized about your business?

I wish they would realize we vote, we pay taxes, and we are community leaders and donators. A dealership is not one person. It's a team of associates who have spouses, families, grandparents — and they all vote. We always try to make that point to politicians.

Switching gears from the serious topics, can you share what do you do to unwind?

I'm very fortunate to have a small horse farm in Maryland. I was doing that just this morning. My horses need to be fed and stay healthy. Additionally, I enjoy hunting and fishing with my sons, daughter, and grandkids. So, when I'm not with my horses, I enjoy doing that.

Favorite vacation spot?

Atlantic Beach, North Carolina. It's my home away from home.

Last book you read?

My kids get me books at Christmas. The last one I read was called *Wise Dogs: What Dogs Teach Us About Living Happy and Rewarding Lives*. AD



Ritchie rallied dealers at AIADA's Fly-In before they headed to Capitol Hill to meet with their members of Congress.



Ritchie and AIADA President Cody Lusk are working on behalf of dealers in our nation's capital this year.