



U.S. SENATE COMMITTEE ON

# Commerce, Science, and Transportation

JOHN D. ROCKEFELLER, Chairman

KAY BAILEY HUTCHISON, Co-Chairman

**For Immediate Release  
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## **SENATE COMMERCE COMMITTEE RECEIVES REQUESTED RESPONSES FROM GM AND CHRYSLER \*\* Chairman Rockefeller Calls On Companies To Do More To Protect Consumers, Dealers And Workers \*\***

Washington, D.C. – Members of the Senate Commerce, Science and Transportation Committee last week sent letters to the President of Chrysler and CEO of General Motors requesting responses on a number of issues regarding consumer, dealer and worker protections. The Committee received a response this week from both companies and Committee Chairman John D. (Jay) Rockefeller IV issued the following statement:

“Consolidation of dealerships is a deeply painful part of the Chrysler and GM bankruptcies, but even under difficult circumstances, our local auto dealers must be treated fairly and their rights must be protected. We simply cannot stand idly by and let Main Streets throughout America suffer – we must always push for answers and fairness,” said Rockefeller.

“The Commerce Committee has been engaged in a process to try and get a better outcome for consumers, dealers and workers and while our efforts are ongoing, at this point both GM and Chrysler have agreed to make the following new commitments:

- Chrysler has committed to having all terminated dealers’ vehicle inventory purchased at cost, minus a \$350 fee, and to consider creating companion service facilities to service vehicles in areas without coverage.
- GM worked with the National Automobile Dealers Association to modify Participation Agreements to alleviate dealers’ concerns about the preservation of their rights under state franchise laws.
- Both companies agreed to offer terminated dealers first consideration of new dealerships that are opened and to assist dealer technicians in finding new employment opportunities.”

### Chairman Rockefeller Highlights Ongoing Areas of Concern:

“While these are steps in the right direction, I firmly believe Chrysler must do much more to purchase remaining parts and tools at cost and create an appeals process for dealers to challenge their terminations,” said Rockefeller.

“Both GM and Chrysler must take additional steps to extend a hand to their customers in rural areas who may lose access to service facilities because of the closing of dealerships. They must also take additional steps to stand behind their vehicles – not turn their back on consumers who purchased vehicles before their bankruptcies.

“And I call on Congress to urgently review current bankruptcy laws to make certain that companies do not escape liability for injuries related to defective products.

"The Senate Commerce Committee will continue to monitor consumer, dealer and worker protections closely and make sure that GM and Chrysler live up to their new commitments."

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**DOCUMENTS**

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The Senate Commerce Committee held hearings on June 3<sup>rd</sup>, 2009 addressing how best to protect dealers and consumers across America from the Chrysler and GM dealership closings.

Please see letters below.