

Black Dealers at the Crossroads

Association Ponders Road Ahead

By Blair S. Walker

Of not at a crossroads, then the National Association of Minority Automobile Dealers (NAMAD) could sorely use a new road map. The old one had routes for surviving economic downturns and collisions with automakers reluctant to establish minority dealerships. But no one foresaw computer shopping and auto superstores as new hurdles to cross.

"These are serious times, absolutely," agrees newly-elected NAMAD President Winston Pittman, owner of Cardinal Dodge in Louisville, Ky. "I'm well aware of how critical it is that we don't drop the ball right now."

The traditional way of selling automobiles is bringing about diminished market share and shuttered dealerships. NAMAD -- which represents African-American, Hispanic, Native-American, and Asian dealers -- has watched its membership shrink to 425 dealerships from 584, an eye-opening 27 percent decrease. Many of those lost 159 dealerships, representing millions of dollars and thousands of jobs, benefitted African-American communities. Now, only about 350 of existing NAMAD dealerships are black-owned.

"Since about the end of World War II, where there were about 50,000 new car dealers in the United States, we've seen a steady trend toward consolidation in the industry," says Donna Reichle, National Automobile Dealers Association spokeswoman. The total number of dealers in the U.S. decreased to 22,700 in 1997, from 25,150 in 1977.

NAMAD's executive director is Sheila Vaden-Williams, a Harvard-trained attorney who worked eight years as a corporate lawyer. She decided to pursue the entrepreneurial route through an event planning business. She became acquainted with the 17-year-old NAMAD in 1994 while planning a NAMAD conference. She assumed her current post in February 1996.

"She is very effective at what she does," says William "Bill" Shack, NAMAD's founding president and immediate past president. "Her job is to interface between automobile manufacturers and vendors and other folks that we deal with on be-

half of our membership."

To be sure, Vaden-Williams wants NAMAD to be a force in the industry and plans to concentrate heavily on auto industry activism. "Our efforts are not just going to be focused on dealerships," she says. "We're going to start taking a look at who sits on your board of directors, who are in your key decision-making positions. Our goal is that, in every aspect of the automobile industry, we want someone there who can represent the interests of minorities. Before year's end, you will be hearing much more from us."

Pittman candidly admits that he has no magic wand to halt the rise in car sales over the Internet or used-car superstores, both of which are redefining the way consumers purchase vehicles. But then, neither does anyone else.

"This is a brand-new frontier, one we don't have a blueprint for yet," Pittman says. "Not even the manufacturers have a handle on what's going to happen with this new way of doing business."



Winston Pittman

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