

# INTRODUCTION

My love affair with car dealing struck early. When you turned 16 in Georgia in 1959, you had to have a car. Never mind your family didn't have two dimes to rub together, you just had to have wheels.

When I turned 16, Daddy gave me \$75. He said, "You gotta get around on your own, now. Go buy yourself a car." His Gulf service station was at the corner of Roswell Road and Radar Circle in Marietta, Georgia, adjacent to the Big Chicken. Now, that was significant, because the Big Chicken was a skyscraper of sorts, with a big round painted eyeball, a gaping black beak and a bright red metal comb. People around there began to use it as a landmark. Wherever you were, you were either north or south, east or west of the Big Chicken. Daddy's service station was east. More significantly, it was 200 feet from four used car dealers.

On that birthday when he sent me off to negotiate my first car purchase, Daddy wasn't worried about me getting fleeced by the dealers. They were his buddies, and they weren't going to sell me anything too ragged, or—at least—too mechanically ragged. The car I picked out was a 1946 Ford two-door sedan. It was robin's-egg blue, and was missing the front seat. I propped a crate behind the wheel and drove it to Daddy's station. Then I hopped in the station truck and drove to a junkyard for a \$5 front seat. Bolting it in, I drove my newfound

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pride and joy three blocks to Sears and had a set of \$14.95 seat covers installed. I was in business. I had wheels.

Every day after school and all day Saturday and Sunday, I worked at the Gulf station. Daddy's rule was that my car had to be clean as a whistle, and it had to be parked on the grass in front of the station with a "For Sale" sign in it whenever I was on duty. We operated on the "greater fool" theory—if someone would pay us more than we had in it, Daddy would sell the car and give me \$75 or \$100 of the proceeds. Operating as a "curbstoner," I owned 22 cars by the time I was 21. The only thing that ended my nascent car dealer career was going off to college.

After the University of Georgia, I ended up at Georgetown University Law Center. GULC didn't teach car dealer law or consumer law—no law schools did, back then. Instead, they taught me general commercial law. That got me a job with a sizeable law firm representing banks that loaned money to consumers and that bought retail installment sales contracts from dealers.

Over the years, I worked my way from a general creditor practice to a point where, today, I specialize in car law. I came to like dealers. They are a group, like lawyers, that often get misrepresented.

Car dealers are also among the bravest people in the world. They invest in shiny, expensive, new and used merchandise—products capable of circling the globe on four wheels. And they swap these amazing machines with ordinary citizens for paper. PAPER! Basically I.O.U.'s. Disliking illiquidity, they then sell the paper to financial institutions, or, if they are part of the burgeoning buy-here, pay-here industry, they keep the paper themselves and turn into collectors.

Why do dealers get a bad rap? And why do I care to be in

their corner? Well, I tell you that right here in this book. What you find here are stories. Legal stories, but real life chapters, nonetheless. They are a collection of original short articles published by industry periodicals and in *Spot Delivery*<sup>®</sup>, our legal newsletter to dealers, which lets them know the most recent twists and turns in laws that affect them

The stories here represent daily life on the lot. It's a maddening, fascinating, enjoyable, and, at times, laughable life. You'll find a few crooks in these pages, even a few dealer crooks. Those are the folks we sic Spot, our Dalmatian, after. He's our *Spot Delivery*<sup>®</sup> mascot, yes, and faithful companion, yes, known to sniff out compliance issues and bite (occasionally) critics, the mailman and subscribers who don't pay on time. But those folks are the exception. The stories you have here are peopled mostly with honest, hard-working businessmen and women, trying to make a living in one of the most highly regulated economic activities in the country.

I think you can learn from these stories... I know I learned a lot writing them. I dedicate all the ink inside the pages to the guy or gal, who every morning, walks the lot in sunshine or rain, so that some ordinary citizen—a dad and his kid, even—can make the biggest purchase in his life besides a home—that slice of the American Dream begun long ago by Henry Ford with his first contraption in 1896—that slice of thrill and delight. You guessed it—the automobile.

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