

January 27, 2012

Mr. Mark Barnes
Volkswagen of America, Inc.
2200 Ferdinand Porsche Drive
Herndon VA 20171

Dear Mr. Barnes,

Let me begin by communicating my apology for the delay in responding to your letter dated January 19, 2012. Pressing legislative business at the Virginia General Assembly has limited my time in the office.

It appears you may have missed the point that I am trying to make on behalf of Virginia's Volkswagen dealers. The issue at hand is not one of VWoA customer satisfaction. The issue is one of VWoA putting unfair and, in this case, illegal mandates on dealers without any prior warning or discussion.

The relationship that a dealer maintains with its customers is exactly that: between the dealer and their customers, not the manufacturer and the dealer's customers. VWoA's interference with how a dealer contacts or interacts with its customers is a direct violation of Virginia law and needs to be adjusted accordingly. Dealerships are well within their rights to disclose the importance of customer satisfaction surveys to their customers, and dealers should not be subjected to penalties because VWoA chooses to mischaracterize those appropriate dealer/customer communications as inappropriate and manipulative.

Simply put, VWoA cannot dictate how a dealership communicates with its customers. Obviously, from the dealer to the national headquarters, everyone connected with VWoA's organization has the utmost concern for customer satisfaction. While dealers are concerned with their treatment of customers, they also must be concerned with their standing as a franchised Volkswagen dealership. They are well within their rights to discuss with their customers the impact these surveys have on their dealership's standing, while at the same time continuing to monitor their customer satisfaction so as to improve in any areas where a customer may not be fully satisfied, without repercussions from VWoA.

I am happy to have further discussions with you at a convenient time and place. Our discussions should center on reaching a common goal, which is for VWoA to follow the terms of its franchise agreement and Virginia's law.

Sincerely,



Donald L. Hall
President

cc: VADA Volkswagen Dealer Members