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PENNSYLVANIA AUTOMOTIVE ASSOCIATION

March 5, 2001

Teresa Lazo-Miller, Counsel
 State Board of Vehicle Manufacturers, Dealers and Salespersons
 P.O. Box 2649
 Harrisburg, PA 17105-2649

RE: Proposed Consignment Sales Regulation

Dear Ms. Lazo-Miller:

PAA is responding to the Proposed Rulemaking published in the *Pennsylvania Bulletin* on February 10, 2001 regarding the establishment of regulations for consignment sales. PAA is in agreement with the proposed rulemaking's intent to clarify the process and procedures necessary for dealers to properly handle consignment sale vehicles.

The only issue that arises with regard to consignment sales comes with multiple vehicles on consignment to a dealer. On occasion a dealer will have two stores and will want to consign inventory between the two stores. This will be easier than actually selling the vehicles between the two stores, as it involves less paperwork and determination of which dealership owes the other how much for inventory.

If a dealer made a standard consignment form, could a multiple listing be completed, attached and updated on a regular basis to address this multiple car activity? PAA would believe that this should be permitted. The regulations do not specify whether one contract can cover multiple vehicles or whether single contract is required for each. PAA would recommend a change be made to Section 19.19(a)(1), to include the following wording after (a)(1)(viii):

Where multiple vehicles are being consigned, one consignment agreement is permitted, provided it meets the requirements of this subsection.

PAA would appreciate clarification of this issue in the regulation. If you have any further questions regarding this matter, please do not hesitate to contact me at 255-8311, ext. 3352.

Respectfully yours,

Peter K. Bauer
 General Counsel

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