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GM's Clarke: New board will oversee minority-dealer efforts

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LAS VEGAS — General Motors is forming an oversight board of senior executives to monitor its minority-dealer program, a top GM executive says.

Troy Clarke, president of GM North America, said creation of the board is one of the 152 recommendations made in a study of the GM minority-dealer program.

Clarke spoke at the General Motors Minority Dealers Association banquet here.

In early 2006, GM commissioned a study of the dealer program by Weldon Latham, a diversity expert and partner in the Washington law firm Davis Wright Tremaine LLP. That was after GM came under fire from the National Association of Minority Automobile Dealers in November 2005.

NAMAD accused GM of unfairly allowing dealerships owned by black entrepreneurs to fail in a business climate in which GM itself was struggling mightily.

GM says the 350 minority-owned dealers it had in 2006 are about the same number it had in 2001. But in that period, the number of black-owned dealerships fell 25.6 percent to 87 stores.

Clarke said the oversight board will be chaired by Mark LaNeve, GM North America's vice president of sales, service and marketing. The board will include other top managers, including Bill Powell, vice president of industry-dealer affairs; and Brent Dewar, vice president of field sales, service and parts.



JOE WILSSENS

GM's Troy Clarke, right, congratulates Charles Winton, left, of Kings Mountain Chevrolet in Kings Mountain, N.C., after Dawin Wright, GM's executive director of dealer planning and investment, mentions Winton's plan to build a GM dealership in Florida.

The board will report directly to Clarke and GM CEO Rick Wagoner. It likely will start its work before the end of March, Clark told *Automotive News* after his speech.

"The real trick is to make sure we spend enough time on this subject," Clarke said. "With all the best intentions you set out to do something, the next thing you know, it's three months later and you've hardly taken the first step."

Speaking after Clarke was Desmond Roberts, president of the GM Minority Dealers Association and president of Advantage Chevrolet in Hodgkins, Ill. Roberts directed his comments to Wagoner, who was in the audience.

Roberts said GM made commitments to

the program a year ago that have not yielded fruit. He said the GM dealer body "experienced another reduction in the minority-dealer population," mostly because of consolidation.

Roberts said he thinks the problem lies with GM's middle management, which has not carried out the mission set forth by Wagoner.

"I ask you to grade the results of the assignment of your team," Roberts challenged Wagoner.

Among its tasks, the oversight board will review alternative funding sources for the minority-dealer program. GM's Motors Holding finances dealerships under the program.

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