



March 18, 2020

Brian Krzanich
President and CEO
CDK
1950 Hassell Road
Hoffman Estates, IL 60195

Dear Mr. Krzanich:

My name is Damon Lester, President of the National Association of Minority Automobile Dealers (NAMAD). NAMAD represents ethnic minority owned new automobile dealerships in the United States. I am writing to you on behalf of minority automobile dealers throughout this country. Unfortunately, the COVID-19 pandemic has negatively impacted our economy on many critical levels. Automobile dealers across this great nation – particularly ethnic minority automobile dealers – will find it extremely difficult, if not impossible, to obtain access to capital, maintain sales and service revenue, and maintain its current customer base due to the Coronavirus' impact on our dealers who are located all over the country. Although the trouble facing the overall automobile industry has yet to be publicized, what's even more prevalent in these crucial times is the difficulty facing the small business owners who are the ethnic minority automobile dealers.

As you may already know, CDK has a very significant market share of ethnic minority dealers as customers of your various companies particularly your DMS and CRM systems . Today, there are 1,200 ethnic minority automobile dealers, representing only six percent (6%) of the overall automobile dealer network in the United States of which I believe 50% or more are customers of your company. As we all try to maneuver through the daily changes and updates initiated by the States, the CDC, and the Federal Government, we are asking you and many other key automotive stakeholders to provide assistance to these small businesses.

We are requesting the following:

- Defer the monthly payments of the dealership DMS and CRM Systems for ninety days or more. These deferred payments can be placed to extend the terms of their contract, if applicable.

- If there are minority dealers currently delinquent in their monthly bill, please consider providing them an extension during this unprecedented time.

These non-cash transactions will provide these Small Businesses to keep their doors open and hopefully reduce the amount of employee layoffs particularly store closures which I know will be detrimental to your company's short and long-term revenue needs. If immediate assistance is not provided to automobile dealers, extremely negative consequences will be felt within the dealer body and the industry that will directly and adversely affect the economy in the United States, both short and long-term.

Thank you in advance for considering our proposal. I am available and would welcome the opportunity to discuss this issue and to also provide other suggestions to you and your leadership team. Please feel free to contact Damon Lester, President at 240-508-5915 or via email damon.lester@namad.org.

Sincerely,

A handwritten signature in black ink, appearing to read 'D-L-L', with a stylized flourish at the end.

Damon Lester
President

Cc:
Kathy Gilbert
Stephon Jones
Congressional Hispanic Caucus
Congressional Black Caucus
Congressional Asian/Pacific Islander Caucus