

# Joint press release by VDA, VDIK and ZDK

VDA, VDIK and ZDK: Making new vehicle registrations possible across the country quickly - preventing insolvencies and job losses in the motor vehicle trade

The German Association of the Automotive Industry (VDA), the Association of International Motor Vehicle Manufacturers (VDIK) and the German Federation of Motor Trades and Repairs (ZDK) appeal to the Federal Government, the Federal States and the local authorities to take swift action to avert insolvencies and job losses in the motor vehicle trade, threatened as a result of the measures to contain the spread of coronavirus (COVID-19).

Nationwide, the automobile trade is currently facing massive problems. The mandatory closure of sales outlets is hitting dealers very hard. Many entrepreneurs are trying to keep the business running by telephone or digitally. However, they are encountering considerable difficulties: Vehicle registration authorities have partly stopped working. As a result, vehicles cannot be re-registered. Many dealers are unable to hand over to customers vehicles that have been ordered and are ready for delivery due to official regulations.

Especially the severely limited ability of registration offices to work is problematic.

Car dealers currently have thousands of new or used vehicles that would have to be handed over to customers. However, customers only accept and pay for these cars if they can be registered or are registered. This stock of vehicles ties up capital, which is currently particularly important for dealers' economic survival. For this reason, unbureaucratic solutions are needed to ensure that dealers can continue to register vehicles nationwide. However, the bundled processing of registrations via the trade could be carried out safely and through airlocks for documents and signs without physical contact between people.

It is also becoming increasingly difficult to hand over already registered vehicles to buyers. Although some federal states expressly permit deliveries, elsewhere dealers are prohibited from handing over the new car to the customer due to "social distancing". One solution could be that vehicle handovers take place without any close contact between seller and buyer. The conditions for this are in place at the car dealerships. Politicians are called upon to create the conditions to ensure that vehicle handovers can be carried out uniformly throughout Germany.

A further aspect must not be ignored: For the ramp-up after the production stop it is important that sufficient free space is then available at the dealerships, otherwise new production will not be possible.

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