



February 23, 2021

TO: The Honorable Richard Proehl, Chairman and Members of the House
Transportation Committee

FROM: Larry Carl, CEO of the Automobile Dealers Association of Greater Kansas City

RE: SB 33 - AN ACT concerning motor vehicles; relating to the vehicle dealers and
manufacturers licensing act; providing for a display show license; allowing for new
vehicle dealers and manufacturers to participate in display shows

Good morning Chairman Proehl and members of the Committee. My name is Larry Carl, CEO of the Automobile Dealers Association of Greater Kansas City and Producer of the Kansas City International Auto Show. This written testimony is to provide insight and information to support SB 33 which proposes amendments to KSA 8-2435, thereby permitting the move of the Auto Show from Kansas City, Missouri into the State of Kansas.

The annual Kansas City Auto Show is owned and produced by the Automobile Dealers Association of Greater Kansas City, the trade association of the franchised new car dealers of the Kansas City metropolitan area (40 of the members are located in Kansas; 65 members are located in Missouri). The very first Kansas City Auto Show occurred in March 1907 in KCMO and has been conducted at a Missouri venue each subsequent year.

Auto shows, in general, represent one of the most basic marketing philosophies -- put the product in front of consumers to see it, feel it, experience it...and ultimately buy it. The much-anticipated Kansas City Auto Show does exactly that, providing attendees the opportunity to inspect, examine, compare, and consider hundreds of new vehicles from dozens of automakers in one convenient location. Historically, automakers bring elaborate exhibit and display properties to augment the vehicle presence. Brand ambassadors are on site to point out product features, provide information, and answer questions. To be clear, however, there are no actual sales or transactions conducted at the event.

Over the past few years, automakers have challenged auto show organizers to produce more innovative, interactive, and experiential events that provide a more robust return-on-investment. As Producer of the Kansas City Auto Show, we seek to move the location of the 2021 event (June 11-13) to the Kansas Speedway which will allow us to fulfill some of the challenges listed above. The inherent nature of drivability at the Speedway creates consumer excitement and enthusiastic engagement that all parties desire.

The shift of the Auto Show from Missouri into Kansas is beneficial to the State, Wyandotte County, and the more localized Legends/Village West Development area. Thousands and thousands of people attend the Auto Show each day, typically spending about 3.5 hours at the show. In addition to our event, those people can make an entire day at the Legends footprint from retail shopping and dining to trying their skills at the Hollywood Casino. They will find the Speedway location to be easily accessible and with ample parking --- a huge improvement over downtown KCMO. The Auto Show at the Kansas Speedway adds another destination-bound benefit.

The Kansas City Auto Show takes about 3 days to set up, generating local jobs and an estimated \$300,000 payroll for 150 to 200 stagehand workers, forklift drivers, electrical specialists, and other providers. The automakers send in out-of-town personnel to supervise exhibit assembly and teardown; product specialists to work the exhibits and interact with consumers; transports to haul in and out hundreds of vehicles. All of these people will spend time and money in the area, booking about 1,400 room nights in the surrounding hotels. Producing the auto show is a big endeavor involving hundreds of people and puts a spotlight on our community. The reimaged vision for this Kansas City Auto Show may serve as the template for many auto shows across the country.

Before the pandemic, our dealers sold about 70,000 new cars a year; directly employ over 8,000 people with another 5,000 jobs indirectly attributable to automotive retail. The tax revenue generated by the sales of our products exceeds half a **billion** dollars (\$520 million), filling the coffers at the local, state and federal level. Our Charitable Foundation, through the success of the Auto Show, has returned over \$2 million dollars back to the community supporting dozens of worthy organizations that are dependent on philanthropy. The automobile dealers are a significant economic engine throughout Kansas City metro area. A successful auto show helps build on that positive record.

The desire to move the Kansas City Auto Show from Missouri to Kansas is a major move, but one that is ripe with opportunity and benefit. At the heart of the shift is to provide consumers with a reinvigorated and innovative event. We are going through this process because it is the proper way to administer change and compliance.