

CHAPTER 220

AN ACT to amend 218.01 (3) (a) 17 and 341.49; and to create 341.49 (2) (b) and (c) of the statutes, relating to auto dealer licensing.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 218.01 (3) (a) 17 of the statutes is amended to read:

218.01 (3) (a) 17. Being a manufacturer, factory branch, distributor, field representative, officer, agent or any representative whatsoever of such motor vehicle manufacturer or factory branch, who has unfairly, without due regard to the equities of said dealer and without just provocation, canceled the franchise of any motor vehicle dealer; *or being a manufacturer, factory branch or importer, who unfairly, without due regard to the equities of a distributor and without just provocation canceled the franchise of any distributor. All existing dealers' franchises shall continue in full force and operation under a newly appointed distributor on the termination of an existing distributor unless a mutual agreement of cancellation is filed with the department between the newly appointed distributor and such dealer.* The nonrenewal of a franchise or selling agreement without just provocation or cause shall be deemed an evasion of this section and shall constitute an unfair cancellation.

SECTION 2. 341.49 of the statutes is amended to read:

341.49 (1) Except as provided in sub. (2), every dealer and distributor of new motor vehicles other than power driven cycles or motor bicycles shall, at the time he applies for registration, file with the department a ~~certified copy of his franchise from or contract with the manufacturer of domestic vehicles or importer of foreign vehicles and a certificate of appointment executed by an authorized officer of the manufacturer on direct dealerships or distributor on indirect dealerships of domestic vehicles or importer on direct dealerships or distributor on indirect dealerships of foreign vehicles.~~ A distributor's appointment shall be certified by the manufacturer which the distributor represents. * * *

(2) (a) A dealer or distributor need not file a contract, franchise or certificate of appointment if the manufacturer *on direct dealerships or distributor on indirect dealerships or importer on direct dealerships* by whom he was appointed utilizes the identical basic franchise or contract for all its dealers or distributors in Wisconsin and has filed with the department one such franchise or contract together with a list of authorized dealers or distributors. Such manufacturer shall notify the department immediately of the appointment of any additional dealers or distributors, of any revisions of or additions to the basic franchise or contract on file, or of any individual dealer or distributor supplements to such franchise or contract. Such manufacturer *on direct dealerships or distributor on indirect dealerships or importer on direct dealerships* shall notify the department of the discontinuation or cancellation of the franchise or contract of any of its dealers or distributors at least 60 days before the effective date thereof together with the specific grounds for cancellation of the franchise or contract, if canceled. Franchises, contracts, and appointments are deemed to be continuing unless the manufacturer has notified the department of the discontinuation or cancellation of the franchise or contract of any of its dealers or distributors, and annual renewal of certifications filed as provided in this subsection is not necessary.

(3) Any manufacturer *on direct dealerships* or distributor *on indirect dealerships* or importer *on direct dealerships* who has filed with the department a franchise or contract used by all its dealers or distributors in this state together with a list of all such dealers or distributors who fails to notify the department of any revisions, changes or additions when and as required by sub. (2) may be fined not more than \$200 or imprisoned not more than 6 months or both.

SECTION 3. 341.49 (2) (b) and (c) of the statutes are created to read:

341.49 (2) (b) Any dealer or distributor canceled may within such 60-day notice period, file with the department a verified complaint in triplicate for a determination of unfair cancellation under s. 218.01 (3) (a) 17.

(c) No manufacturers', distributors' or importers' vehicles shall be sold in this state unless either the manufacturer on direct dealerships of domestic vehicles, the importer of foreign manufactured vehicles on direct dealerships or the distributor on indirect dealerships of either domestic or foreign vehicles are licensed under s. 218.01. The obtaining of a license under s. 218.01 shall conclusively establish that such manufacturer, distributor or importer is doing business in this state and shall subject the licensee to all provisions of the Wisconsin statutes regulating manufacturers, importers and distributors.

Approved July 23, 1959
