

STATE OF FLORIDA
DIVISION OF ADMINISTRATIVE HEARINGS

KEEWAY AMERICA, LLC, AND SUNSET)
POINT SCOOTER, INC.,)
)
Petitioners,)
)
vs.) Case No. 09-1170
)
RETRO UNLIMITED, INC.,)
)
Respondent.)
_____)

RECOMMENDED ORDER

On September 22, 2009, an administrative hearing in this case was conducted in Tallahassee, Florida, before William F. Quattlebaum, Administrative Law Judge, Division of Administrative Hearings.

APPEARANCES

For Petitioners: (No appearance)

For Respondent: (No appearance)

STATEMENT OF THE ISSUE

The issue in the case is whether an application for a new point franchise motor vehicle dealership filed by Keeway America, LLC, and Sunset Point Scooters, Inc. (Petitioners), should be approved.

PRELIMINARY STATEMENT

By Notice published in the Florida Administrative Weekly (Volume 35, Number 4; January 30, 2009) the Department of Highway Safety and Motor Vehicles (Department) gave notice that Keeway America, Inc., was seeking to establish a new point franchise motor vehicle dealership for the sale of motorcycles manufactured by Zhejiang Qianjiang Motorcycle Co. Ltd. (ZHQM) at Sunset Point Scooters, Inc., 2300 Sunset Point Road, Clearwater, Florida 33765.

Retro Unlimited, Inc. (Retro), filed a challenge to the establishment of the dealership. By letter dated March 4, 2009, the Department forwarded the challenge to the Division of Administrative Hearings. On March 5, 2009, an Initial Order was issued, directing the parties to identify the anticipated length of the hearings, dates upon which the parties were available for hearing, and suggested hearing locations. The Initial Order stated that the failure to respond would result in the hearing being scheduled in Tallahassee, Florida. No responses to the Initial Order were filed, and the hearing was scheduled accordingly.

Neither party appeared at the time scheduled for commencement of the hearing. There were no witnesses or exhibits admitted into evidence. No transcript of the hearing was filed. No proposed recommended orders were filed.

FINDING OF FACT

1. There was no evidence presented at the hearing to establish that Retro has a franchise agreement to sell or service ZHQM motor vehicles, the line-make to be sold by Sunset Point Scooters, Inc.

2. There was no evidence presented at the hearing that the Retro dealership is physically located so as to meet the statutory requirements for standing to protest the establishment of the new point franchise motor vehicle dealership.

CONCLUSIONS OF LAW

3. The Division of Administrative Hearings has jurisdiction over the parties to and subject matter of this proceeding. §§ 120.569 and 120.57, Fla. Stat. (2009).

4. Section 320.642, Florida Statutes (2008), provides in relevant part as follows:

320.642 Dealer licenses in areas previously served; procedure.--

(1) Any licensee who proposes to establish an additional motor vehicle dealership or permit the relocation of an existing dealer to a location within a community or territory where the same line-make vehicle is presently represented by a franchised motor vehicle dealer or dealers shall give written notice of its intention to the department. . . .

* * *

(2)(a) An application for a motor vehicle dealer license in any community or territory shall be denied when:

1. A timely protest is filed by a presently existing franchised motor vehicle dealer with standing to protest as defined in subsection (3); and

2. The licensee fails to show that the existing franchised dealer or dealers who register new motor vehicle retail sales or retail leases of the same line-make in the community or territory of the proposed dealership are not providing adequate representation of such line-make motor vehicles in such community or territory. The burden of proof in establishing inadequate representation shall be on the licensee.

* * *

(3) An existing franchised motor vehicle dealer or dealers shall have standing to protest a proposed additional or relocated motor vehicle dealer when the existing motor vehicle dealer or dealers have a franchise agreement for the same line-make vehicle to be sold or serviced by the proposed additional or relocated motor vehicle dealer and are physically located so as to meet or satisfy any of the following requirements or conditions:

* * *

(b) If the proposed additional or relocated motor vehicle dealer is to be located in a county with a population of more than 300,000 according to the most recent data of the United States Census Bureau or the data of the Bureau of Economic and Business Research of the University of Florida:

1. Any existing motor vehicle dealer or dealers of the same line-make have a

licensed franchise location within a radius of 12.5 miles of the location of the proposed additional or relocated motor vehicle dealer; or

2. Any existing motor vehicle dealer or dealers of the same line-make can establish that during any 12-month period of the 36-month period preceding the filing of the licensee's application for the proposed dealership, such dealer or its predecessor made 25 percent of its retail sales of new motor vehicles to persons whose registered household addresses were located within a radius of 12.5 miles of the location of the proposed additional or relocated motor vehicle dealer; provided such existing dealer is located in the same county or any county contiguous to the county where the additional or relocated dealer is proposed to be located.

5. The licensees in this case are Keeway America, LLC, and Sunset Point Scooters, Inc. See §§ 320.60(8) and 320.61, Fla. Stat. (2008).

6. Retro is the alleged existing franchised motor vehicle dealer. Retro failed to present any evidence at the hearing to establish that it meets the statutory requirements to establish standing, by location or sales volume, to protest the establishment of the new point franchise motor vehicle dealership at issue in this case.

7. Prior to the hearing, the Petitioners filed documents related to a Final Order issued in a separate case by the Department wherein Retro appeared to have been granted a conditional license to sell motorcycles manufactured by ZHQM at

a location other than that at issue in this proceeding. The Administrative Law Judge is without jurisdiction to address any matters related to the previously-issued Final Order.

RECOMMENDATION

Based on the foregoing Findings of Fact and Conclusions of Law, it is RECOMMENDED that the Department enter a final order dismissing the protest filed by Retro in this case and granting the Petitioners' request to establish a new point franchise motor vehicle dealership for the sale of ZHQM motorcycles.

DONE AND ENTERED this 23rd day of October, 2009, in Tallahassee, Leon County, Florida.

William F. Quattlebaum

WILLIAM F. QUATTLEBAUM
Administrative Law Judge
Division of Administrative Hearings
The DeSoto Building
1230 Apalachee Parkway
Tallahassee, Florida 32399-3060
(850) 488-9675
Fax Filing (850) 921-6847
www.doah.state.fl.us

Filed with the Clerk of the
Division of Administrative Hearings
this 23rd day of October, 2009.

COPIES FURNISHED:

Gary Parr
Sunset Point Scooters, Inc.
6481 27th Avenue North
St. Petersburg, Florida 33710

Jennifer Clark
Department of Highway Safety
and Motor Vehicles
Neil Kirkman Building, Room A-308
2900 Apalachee Parkway
Tallahassee, Florida 32399-0635

Doug Vitello
Sunset Point Scooters, Inc.
112 South Maywood Avenue
Clearwater, Florida 33765

Zhong Zhuang
Keeway America, LLC
2912 Skyway Circle, North
Irving, Texas 75038

Edward Dreyer, Jr.
Retro Unlimited, Inc.
3200 Dr. Martin Luther King, Jr. Street, North
St. Petersburg, Florida 33704

Carl A. Ford, Director
Division of Motor Vehicles
Highway Safety and Motor Vehicles
Neil Kirkman Building, Room B-439
2900 Apalachee Parkway
Tallahassee, Florida 32399-0500

Robin Lotane, General Counsel
Highway Safety and Motor Vehicles
Neil Kirkman Building
2900 Apalachee Parkway
Tallahassee, Florida 32399-0500

NOTICE OF RIGHT TO SUBMIT EXCEPTIONS

All parties have the right to submit written exceptions within 15 days from the date of this Recommended Order. Any exceptions to this Recommended Order should be filed with the agency that will issue the Final Order in this case.