

# Call to Action

## Vehicle Protection Association

The VPA Standards of Conduct was and remains a roadmap for ethical and sustainable industry best practices. The Preamble states, “Because dishonest, misleading or offensive communications discredit the entire industry, Members should encourage all industry members to follow these Standards as well.”

The Association’s goal is to enhance the customer experience by providing training, establishing fair standards, defining quality products and reliable services while establishing an effective self-regulatory mechanism.” The Standards seek to define and ban “dishonest, misleading or offensive communications” and “enhance the customer experience ... while establishing an effective self-regulatory mechanism”.

# Realistic Objectives

## Protection of the Ethical Actors and Consumers

- Member Education and Consumer Education through advancement of Standards
  - Initial ways to accomplish such
  - The greatest tool that our industry has is the Standards of Conduct
  - The Standards protect the industry, provide consumers reassurance and reliance on VSC's.
  - The VPA will refresh and update its website to promote consumer-awareness in what constitutes a quality VSC and quality VSC sales experience.
  - Members who are Accredited will be sought out by consumers.
  - This will create incentive for non-accredited members to become Accredited and reach for the highest standard. This will be consumer-sales driven.
  - In coordination with the regulators, we expect that the present-day problems in the industry will be cleaned up, and negative press will drive consumers to Accredited Members only (including finding them through the VPA and its website).
  - Accredited Members will display the “Accredited Member” Seal on their website.

# Realistic Objectives

## Business Education, Networking and Growth

- Weekly email update to all member companies, with the specific information they need to stay nimble in the industry.
  - Already in contact with key regulators, including Ohio, Florida, Wisconsin, California, FTC and FCC.
  - Yesterday call with Better Business Bureau- more linear integration.
- Monthly all member video (Zoom) workshops.
  - Will be relaying information directly to members on expected compliance and pivots to marketing and business.
  - Mailpiece advice, completed CT and OR reviews relating to what must be in the pieces to be in their states.
- Industry conferences- revised.
  - In person, single day event, “drive ins”
  - Central locations
- Centralized Q&A system for members- to share information
  - Advisory Board supported

# Refreshed VPA

## Two classes of Membership

### Accredited Members

Standards of Conduct

Subject to Acceptance by Administrator and Advisory Board

Open to Marketers, Sellers, Administrators, Payment Processors

### Non-Accredited Members

Open to all of the above, plus vendors.

## Advisory Board Members

Invited and appointed by Administrator

Open to all Accredited Members

Initially, 3 Advisory Boards (1 yr term, limited to 1 person per Acc. Mbr per Board)

(1) Standards & Education

(2) Membership

(3) Legislative & Member Initiatives.

# Budget Considerations and Setting Member Dues

- Built the Budget Based on:
  - To meet the objectives of Standards, Member and Consumer Education, and Business Support.
  - Essentially, providing a Trusted Source of Standards to Adhere to For Member Protection, With VPA Support and Validation.
- Components:
  - Secret Shopping and onsite compliance visits (Discuss two types per company, per quarter- CP and SS, plus annual VPA review).
  - Secret Shopping of non-member companies that receive complaints
  - Standards enforcement
  - Member and consumer education component- time and expense
    - Local fly-ins and business networking
    - Support for Accreditation Process
    - Video and telephone, email updates, political associating to show off Standards
    - Basic meeting costs
  - Website update and maintaining, insurance, operations
  - Compared to other associations in similar sized industries
  - Accreditation and renewals will be paid by members.
  - \$4000 per quarter, paid Annually.

# Measuring Performance of the VPA to Improve the Industry's Reputation

## Accepting the Cost of Membership

- Support the VPA to survive as an industry and as a business.
- On current path, the industry will be effectively shut down through state and federal enforcement bans within next 2 years.
  - Negative Example: Florida and what is coming as far as insurance regulation.
  - Positive Example: California: Where there has not been industry pollution, we are talking about opening it to certain types of business.
- *In Regulated Consumer Services there are 3 levels of concerns for Business Reputations.*
  - Reputation with the Regulators (presently trashed)
  - Reputation with the Consumers (modest- Admins have done decent job of handling consumer concerns, “30-day free look” helps)
  - Reputation with financing and banking partners (i.e., merchant processing)
    - (CFPB and FTC attention, specific to “no fee payment plans” and TSR fee processing)
- We urgently need to provide an self-policing tool for the 3 above groups trust.
- *Rate the effectiveness of your dollars and your membership as to whether the above, Three Reputation Areas, increase over next 2 years.*

# Next Big Action Steps

- Membership Applications will be sent out next week.
- Payment of Membership dues will be annual.
  - Billed annually
  - No bill collecting
  - Active list of Members will be listed on website, and Consumers will be encouraged to check the list.
- Standards verification for Accredited Members and those who need renewal will be started.
- Application to become Accredited will be sent out to new Members
- Mandatory updating of member contact information for all companies.
  - We are not chasing our members.
- Member only Zoom Video Call Update
- Fly-In All Member Meeting this summer
  
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