

Montgomery County Executive Isiah Leggett pledged Tuesday to work with threatened area auto dealers to uphold state franchise laws and thwart potential efforts by Chrysler LLC and General Motors Corp. to bring in new, consolidated dealerships from the outside to replace single-brand dealers whose contracts have been rejected.

"We're looking at the situation as far as making sure our franchise laws are not bypassed in such a way," said Mr. Leggett, a Democrat, after a closed-door meeting with 10 dealership owners and trade industry group leaders. "So we don't just issue new licenses to someone else." The county's Interstate 270 corridor, with several boarded-up dealerships already, would be hard hit by last week's announcements by Chrysler and GM that they will terminate agreements with about 2,000 dealers across the country. Five Chrysler dealers in the county and an unknown number of GM dealers would lose their links to the automakers. GM has not made its list of affected dealers public.

Dealers say the manufacturers are seeking to shed dealerships that only sell one or two of their nameplates in favor of those that sell several under one roof.

Rick Shaub, owner of Montrose Dodge in Germantown, said after the meeting that he is exploring a pact with another dealer so they can sell Chrysler, Dodge and Jeep at one facility. Under Chrysler's current plans to terminate agreements as of June 9, Mr. Shaub is facing bankruptcy because he cannot sell his inventory at a good price so quickly, he said.

Mr. Leggett said he would back efforts in Congress to push back the June 9 effective date of Chrysler's dealer terminations to give dealerships more time to sell their inventory and pay off their loans. A staffer from the office of Rep. Chris Van Hollen, Maryland Democrat, attended the meeting.

Rep. John Campbell, California Republican and former auto dealership entrepreneur, blasted the Obama administration's auto restructuring plans Tuesday but said there's little that opponents can do in a Democrat-controlled Congress in a short period of time.

"The administration is forcing the dealers to pay, the bondholders to pay, the executives

and stockholders to pay, but not the union," he told The Washington Times in an interview from Capitol Hill. "The [United Autoworkers] took some cuts but they get stock in the company.

"The political objective is clearly to save the UAW and to hell with everybody else involved."

Mr. Campbell suggested that the jobs of union autoworkers were being spared at the expense of dealership employees.

Also on Capitol Hill, the Alliance for American Manufacturing, a labor-business partnership, held a teach-in with economists, mayors and union officials to promote policies to revitalize the auto industry. The Rev. Jesse Jackson also attended.

"There are over 7 million jobs tied to the automotive supply chain," said Steven Capozzola, media director for the group, which advocates "fair" trade policies, health care reform to reduce business costs and incentives for domestic consumption, such as the "cash for clunkers" programs.

A group of Chrysler dealers went to court Tuesday to delay the sale of most of the automaker's assets, saying those dealerships with contracts targeted for cancellation need more time to fight the rejections, Bloomberg News reported.

In a filing in U.S. Bankruptcy Court in New York, the group said that Chrysler was rushing the sale and that a delay is necessary so it can seek discovery from Chrysler to fight the contract rejections.

Bankruptcy lawyer Stephen Lerner said in a statement that Chrysler is manufacturing urgency and doesn't suffer if dealers that don't cost the company any money remain open.