



CITY OF NEW YORK

**MANHATTAN COMMUNITY BOARD FOUR**

330 West 42<sup>nd</sup> Street, 26<sup>th</sup> floor New York, NY 10036  
tel: 212-736-4536 fax: 212-947-9512  
www.nyc.gov/mcb4

**CHRISTINE BERTHET**  
Chair

**ROBERT J. BENFATTO, JR., ESQ.**  
District Manager

May 5, 2014

Hon. Richard Gottfried  
NYS Assemblymember – 75<sup>th</sup> District  
242 West 27<sup>th</sup> Street  
New York, NY 10001

**Re: S5725A-2013/A7844A-2013: amending New York State's Vehicle and Traffic Law in relation to automobile manufacturers and unfair practices**

Dear Assemblymember Gottfried:

At its regular Board meeting on May 7, 2014, Manhattan Community Board No. 4 (CB4), voted to recommend that you oppose Bill S5725A/A7844A, amending New York State's Vehicle and Traffic Law in relation to automobile manufacturers and unfair practices by franchisors, as long as it contains provisions restricting the ability of automobile manufacturers from selling directly to consumers.

We are specifically concerned about restrictions that would be placed on Tesla Motors, which has a showroom within Manhattan Community District 4. As originally proposed, the bill would have forced Tesla to stop their direct sales. The current amended version would permit Tesla to keep their existing showrooms but would prevent them from opening new ones. We believe that Tesla selling their own vehicles is not "deleterious competition," but healthy competition that should be encouraged.

Tesla Motors' environmentally friendly electric vehicles have been widely praised. Their latest model, the Tesla Model S, was named Car of the Year by Motor Trend magazine in 2013 and the best overall car model for 2014 by Consumer Reports. We believe that we should be encouraging companies such as Tesla that are developing products that are innovative, popular, well-regarded and address significant environmental issues. Tesla should be allowed to extend their direct sales model to accommodate the demand for their vehicles.

We recommend that you oppose Bill S5725A/A7844A as long as it contains any provision restricting the ability of Tesla to extend their direct sales model, and that you work to amend the bill to remove it.

Sincerely,

Christine Berthet  
Chair

J. Lee Compton  
Co-Chair  
Chelsea Land Use Committee

Betty Mackintosh  
Co-Chair

Chelsea Land Use Committee

cc: Brewer, Johnson, Glick, Rosenthal, Krueger, Espaillat, Governor, Mayor