



## Ohio Revised Code

### Section 4517.50 Notice of establishment of new dealer or relocation.

Effective: October 12, 1994

Legislation: House Bill 687 - 120th General Assembly

---

(A) Except as provided in division (C) of this section, when a franchisor seeks to enter into a franchise to establish an additional new motor vehicle dealer in, or relocate an existing new motor vehicle dealer at a location in, a relevant market area where the same line-make of motor vehicle is then represented, the franchisor shall first give notice in writing, by certified mail, to the motor vehicle dealers board and to each franchisee of such line-make in the relevant market area of the franchisor's intention to establish an additional new motor vehicle dealer in, or relocate an existing new motor vehicle dealer at a location in, that relevant market area. Each notice shall set forth the specific grounds for the proposed establishment of an additional motor vehicle dealer or relocation of an existing motor vehicle dealer. Within fifteen days after receiving the notice, or within fifteen days after the conclusion of any appeal procedure provided by the franchisor, whichever is later, the franchisee of the same line-make may file with the board a protest against the establishment or relocation of the proposed new motor vehicle dealer. When such a protest has been filed, the board shall inform the franchisor that a timely protest has been filed and that a hearing is required pursuant to section 4517.57 of the Revised Code. When more than one protest is filed against the establishment or relocation of the same dealer, the board may consolidate the hearings to expedite disposition of the issue.

(B) No franchisor shall establish an additional new motor vehicle dealer or relocate an existing new motor vehicle dealer before giving notice as required in division (A) of this section or before the holding of a hearing on any protest filed under this section, and no franchisor shall establish or relocate such a dealership after the hearing if the board determines that there is good cause for not permitting the new motor vehicle dealer to be established or relocated.

(C) Division (A) of this section does not apply to any of the following:

(1) The relocation of an existing new motor vehicle dealer within one mile from the existing location;



(2) The sale or transfer of an existing new motor vehicle dealer where the transferee proposes to engage in business at the same location;

(3) The relocation of an existing new motor vehicle dealer that relocates further from an existing line-make new motor vehicle dealer although the relocation is within the same line-make new motor vehicle dealer's relevant market area.

(D)(1) Except as provided in division (D)(2) of this section, for purposes of this section, the reopening in a relevant market area of a new motor vehicle dealership that has ceased to operate as a new motor vehicle dealership for a period of forty-five days or longer, irrespective of whether the cessation was voluntary or involuntary, shall be considered to be the establishment of an additional new motor vehicle dealership.

(2) If a new motor vehicle dealership has ceased to operate as a new motor vehicle dealership due to fire, flood, or other natural disaster, the reopening in a relevant market area of the new motor vehicle dealership by the same owner within one year of the date on which the dealership ceased to operate shall not be considered to be the establishment of an additional new motor vehicle dealership.