

**§1174-A. Limitations on establishing or relocating dealerships**

No new motor vehicle dealership may be established and no existing motor vehicle dealership may be relocated, except as follows. [PL 1981, c. 331, §7 (NEW).]

**1. Notification.** In the event that a manufacturer seeks to enter into a franchise establishing an additional new motor vehicle dealership or relocating an existing new motor vehicle dealership, within or into a relevant market area where the same line make is then represented, the manufacturer shall, in writing, first notify each new motor vehicle dealer in the line make in the relevant market area of the intention to establish an additional dealership or to relocate an existing dealership within or into that market area. The relevant market area shall be a radius of 5 miles around an existing dealership in the following cities: Augusta; Auburn; Bangor; Biddeford; Brewer; Falmouth; Lewiston; Portland; Saco; South Portland; Waterville; and Westbrook. The relevant market area shall be a radius of 10 miles around all other existing dealerships.

Within 30 days of receiving the notice or within 30 days after the end of any appeal procedure provided by the manufacturer, any such new motor vehicle dealership may file a complaint in the Superior Court of the county in which the dealership is located, protesting the establishing or relocating of the new motor vehicle dealership. When such a complaint is filed, the manufacturer may not establish or relocate the proposed new motor vehicle dealership until a hearing has been held on the merits, nor thereafter, if the court has determined that there is good cause for not permitting the new motor vehicle dealership. For the purposes of this section, the reopening in a relevant market area of a new motor vehicle dealership that has not been in operation for one year or more is deemed the establishment of an additional new motor vehicle dealership.

[PL 1981, c. 331, §7 (NEW).]

**2. Good cause.** In determining whether good cause has been established for not entering into or relocating an additional franchise for the same line make, the court shall take into consideration the existing circumstances, including, but not limited to:

A. Permanency of the investment of both the existing and proposed new motor vehicle dealers; [PL 1981, c. 331, §7 (NEW).]

B. Effect on the retail new motor vehicle business and the consuming public in the relevant market area; [PL 1981, c. 331, §7 (NEW).]

C. Whether it is injurious or beneficial to the public welfare for an additional new motor vehicle dealer to be established; [PL 1981, c. 331, §7 (NEW).]

D. Whether the new motor vehicle dealers of the same line make in that relevant market area are providing adequate competition and convenient consumer care for the motor vehicles of the line make in the market area which includes the adequacy of motor vehicle sales and service facilities, equipment, supply of motor vehicle parts and qualified service personnel; [PL 1981, c. 331, §7 (NEW).]

E. Whether the establishment of an additional new motor vehicle dealership would increase competition and therefore be in the public interest; and [PL 1981, c. 331, §7 (NEW).]

F. The effect on the relocating dealer as a result of not being permitted to relocate. [PL 1981, c. 331, §7 (NEW).]

[PL 1981, c. 331, §7 (NEW).]

**SECTION HISTORY**

PL 1981, c. 331, §7 (NEW).

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