

Another auto dealer may try for local Oldsmobile franchise

Auto Plaza - Capitola

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CAPITOLA — Another local automobile dealer is interested in getting the Oldsmobile franchise that Steve Bergstrom is pursuing.

Bergstrom, owner of seven local automobile dealerships, said last week that he had come to an agreement to buy former dealer Bob DeJarnett's interest in Bob Dee Motors in Capitola, and purchase the property on which it sits. At the same time, he said he has formally applied for the local franchise rights of the Oldsmobile and Jeep-Eagle dealerships.

However, Paul John, owner of Ocean Chevrolet in Santa Cruz, said Tuesday that he, too, is interested in the Oldsmobile franchise. While John has not formally applied for the franchise, he said he may soon do so.

"We want to wait to see what will happen with the Bob Dee situation," John said from his home in Harbor Springs, Mich. "With Bob Dee, Bergstrom and even a bank

(Pacific Western) involved, we feel it's better not to jump into it at present."

John said he would have a chance at Oldsmobile because his Chevrolet dealership is made by General Motors, as is Oldsmobile.

Bergstrom has had a GMC dealership before. From 1973-1981 he owned the local Buick dealership. However, the franchise was terminated by mutual agreement due primarily to Bergstrom's relationship with other franchises.

According to Bergstrom, franchise approval is simply a formality. He said last week that he expects approval in 30 to 60 days.

John said that GMC would look into such aspects as a prospective dealer's previous record and customer satisfaction.

Tom Houston, a Chrysler (Jeep-Eagle) spokesman in Highland Park, Mich, would neither confirm or deny who — if anyone — has already applied for the local franchise. "It's our official position to not talk about any of that while a

franchise is still in the selling stage," he said Wednesday.

Oldsmobile spokesman Tim Tabes was unavailable for comment. Peter Rehon, attorney for Pacific Western Bank, has not responded to repeated calls over the past several days.

Bergstrom's attorney, Tom Griffin of Watsonville, has said agreement has been reached between Bergstrom and the bank. Pacific Western Bank obtained a court order two weeks ago after DeJarnett defaulted on a \$2.7 million loan and disappeared. That court order gave the bank the dealership's inventory, worth \$1.5 million.

Bob Dee Motors, which was closed from Aug. 1 until Aug. 8 after DeJarnett's disappearance, was reopened by Bergstrom. He said the dealership will be known as Bob Dee Motors until the franchise sale is approved.

Bergstrom has since paid the dealership's 36 employees some \$24,000 in back pay that was owed to them by DeJarnett.