

Deal allows Tesla to sell cars in Ohio

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Ohio auto dealers have struck an agreement that will allow Tesla Motors to sell its electric cars in the state.

The agreement with the Ohio Automobile Dealers Association was negotiated on Tuesday and approved by a Senate panel.

The bill allows Tesla to keep its existing stores in the Columbus and Cincinnati areas, and allows a third to open in Cleveland. It prohibits the company from opening any other stores.

The bill allows no other automaker to operate manufacturer-owned stores in the state.

Ohio was among states proposing to block Tesla from setting up additional direct-sales galleries on grounds they undercut traditional auto dealerships. Dealers saw Tesla as a threat to a system in which nearly all dealerships are independently owned franchises that are separate from manufacturers.

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