The trusted voice of the auto industry for more than 25 years

www.autofile.co.nz

Success in bid to save commission

The Financial Services Federation (FSF) and its members are delighted the government has taken their concerns about new legislation on-board.

The Credit Contracts and Financial Services Law Reform Bill passed its third reading on May 27 and included supplementary order paper (SOP) amendments.

These addressed industry disquiet about canning commission on some credit-related insurance products (CRI), such as guaranteed asset protection and payment protection. New clauses were added to the bill at the 11th hour of the parliamentary process and without full consultation, with one amounting to a ban on lenders being paid for CRI policies financed through loans.

The FSF feared there would be serious implications for the finance and motor vehicle industries if this happened.

But the SOP means commission can be paid to the extent of a reasonable level and if products are sold responsibly.

Details about how commission

on CRI and extended warranties will work will be covered in a responsible lending code, which forms part of the loan-shark laws – and this may be another hurdle that has to be jumped.

"We're pleased the bill with changes made through the SOP has passed," says Lyn McMorran, executive director of the FSF. "We were hoping for our members' concerns about CRI to be taken into account.

"The next stage is for the responsible lending code to be drawn up within the next 12 [continued on page 4]

n this issue

p6 MotorWeb man on move

7 June 2014

- p8 MTA unveils new CEO
- p12 Bob on selling McMillan
- p14 Engine takes three fuels
- **p16** Latest industry movers
- p17 Trade Me listings advice



Specialised training to increase your sales

Find out more on Page 9

Industry

oad and vehicle safety will be among upcoming issues affecting the automotive industry.

David Vinsen, chief executive of the Imported Motor Vehicle Industry Association (IMVIA), says the government has confirmed there are no major issues likely to impact on the sector in the near future.

There is, however, ongoing policy

issues on agenda

work in safety and environmental areas. They include Safer Journeys, which covers vehicles through standards, specifications, maintenance and inspections.

"Government officials have commenced working with industry to develop plans to encourage the removal of 'less-safe vehicles' from the fleet," Vinsen says.

"Once a definition has been

agreed, working parties will consider means of encouraging the removal of such vehicles, including incentives, education and enforcement. We are also participating in consultations with officials on encouraging the accelerated scrappage of older vehicles from the fleet." For more on the IMVIA's

annual general meeting, see page 8.

Wraps off new Outback in the Big Apple

Pierre.



GLOBAL VEHICLE LOGISTICS



LOAD.it SHIP.it CLEAR.it >DELIVER.it

From shore to shore and door to door

We have developed a worldwide network of Agents who understand the commitment required to service our demanding market.

Tel: +64 9 838 4944 www.jacanna.co.nz



Drive your business forward with

provident *A*insurance

Call Steve Owens now on 021 947 752

Time for industry party poppers

he motor vehicle industry has experienced a good first half of the year when it comes to new legislation and rules being introduced.

First up, there are the proposals to roll out mandatory electronic stability control (ESC) on all vehicles being imported into New Zealand.

The Associate Minister for Transport and his officials have worked closely with, and listened to, the sector on boosting the presence of the crash-avoidance system in the national fleet.

Industry associations have invested time and resources into researching how the ESC measures will affect vehicle supply into the country.

They support compulsory ESC and the proposed deadlines – although some concerns have been raised about those for commercial vehicles.

Now there's cause for a second hurrah with the government taking on-board concerns about the loanshark laws.

These changes are as important as those brought about by the Consumer Law Reform Bill – and just look at how that affected the Consumer Guarantees Act, for example.

Autofile has followed issues thrown up by the Credit Contracts and Financial Services Law Reform Bill closely and in-depth by reporting and supporting the campaign for important amendments to be made.

And last-minute changes during the bill's final reading were crucial in regards to commission being paid on credit-related insurance (CRI) policies, such as guaranteed asset and payment protection.

The Financial Services Federation and its members are delighted the government has taken their concerns about the legislation on-board – albeit at the 11th hour, it should be stressed.

It was incredible how new clauses affecting CRI and extended warranties were added so late in the parliamentary, and therefore democratic, process and with no consultation.

Many people in the financial and automotive sectors can be forgiven for thinking they were being sneaked in through the back door on a wave of consumer-based lobbying.

There could have been serious implications on how lenders, car dealers and insurance providers would have gone about their business had those last-minute additions been ratified.

But a supplementary order paper meant commission on CRI policies can be paid in the future "to the extent of a reasonable level and if products are sold responsibly".

The alarm bells haven't been silenced for good, however, with details on how the industry will have to operate in the future to be set down in a responsible lending code, which needs to be in place by this time next year.

When the draft of the code of practice is published later this year, it will be essential to pore over the small print to ensure its contents will not hamper how legitimate businesses in the finance and motor vehicle industries operate.

What is also quite incredible is how little serious coverage there has been on the loan-shark laws in the media – mainstream, or not – except for one Sunday newspaper.

It's all very well so-called journalists churning out press releases and publishing sound bites from politicians and consumer watchdogs. But the voice of industry needs to be heard as well.

Darren Risby, editor

<u>auto</u> 1

EDITOR

Darren Risby editor@autofile.co.nz 021 137 5430

JOURNALIST & ONLINE PRODUCER

Cameron Carpenter cameron@autofile.co.nz

ADVERTISING

Brian McCutcheon brian@autofile.co.nz 021 455 775

DESIGNER

Adrian Payne arpayne@gmail.com

Autofile is also available as an electronic copy via email. If you'd like to receive electronic copies please send an email with your name and organisation to: subscribe@autofile.co.nz. Back copies are also available on request.

Copyright: Published twice monthly by 4Media, PO Box 6222, Dunedin 9059 All statements made, although based on information believed to be accurate and reliable, cannot be guaranteed, and no liability can be accepted for any errors or omissions. Reproduction of autofile in whole or part, without written permission, whether by xerography or any other means, is strictly forbidden. All rights reserved.



Code of conduct on the cards

months, which is a tight timeframe.

"Government officials will write it, and it will be of great importance for consumers and business sectors. "We don't know what form the

code will take, but the FSF is looking forward to being involved in that process. We don't imagine there will be less work with that than what was involved before the bill passed."

Federation members already have to adhere to FSF guidelines and the government has used principles behind these for responsible lending practices in the bill.

"It's no secret to say they are based on our guidelines, but we need to ensure there isn't something in the new code that trips everyone up," McMorran told Autofile.

"The code will also cover CRI and we want to be part of that process as well."

She says consumer watchdogs

have given examples of dreadful behaviour in regards to lending, but the reality for FSF members and their customers is poles apart from that.

"We basically believe that if things are done in our members' way, everything will

be fine. "For example, we need to ensure consumers aren't compelled to taking out expensive insurance before they have finance in place.

"The SOP is a good result for responsible CRI providers. In most cases, these policies are sold responsibly and provide significant

motorwe

The government has addressed concerns about commission on credit-related insurance in its loan-shark laws

benefit to consumers

in the unfortunate position

Overall, the loan-shark

"The FSF wants that as much as

the government and its officials do

because our members are sick of

being tarred with the same brush

as the bad guys," says McMorran. "The government and the

Commerce Commission, which is

charged with implementing the

will have enough resources to

and we have a role to play when

it comes to bad behaviour - the

commission doesn't operate in a

if it's through the federation - are

willing to do their bit by reporting

illegal operators in our sector."

VIEW FROM THE BEEHIVE

Consumer Affairs, describes the

Credit Contracts and Financial

Services Law Reform Bill as the

"Rewriting the rules is

government's business growth

an important part of the

biggest change to consumer credit

legislation in more than a decade.

Craig Foss, the Minister for

vacuum and will need information

"The FSF and its members – even

responsible lending code, say they

"The FSF will see how this lands

of needing to claim."

laws will make it easier for those

who follow responsible lending

principles so the authorities can

concentrate on stamping out

illegal practices.

enforce the law.

on what's going on.

agenda to boost confidence and trust in financial markets," he says. "It protects the interests of borrowers and requires lenders to

borrowers and requires lenders to act responsibly."

The legislation amends the Credit Contracts and Consumer Finance Act, Financial Service Providers (Registration and Dispute

Resolution) Act, Private Security Personnel and Private Investigators Act, and Personal Property Securities Act.

It also repeals the Credit (Repossession) Act and incorporates it into an expanded Credit Contracts and Consumer Finance Act.

Finance providers will be required to adopt timely and complete disclosure of terms, while the cooling-off period for people to cancel loans pushes out from three to five days.

There is a standing disclosure regime, with lenders providing terms and borrowing costs free of charge, while providers will only be able to charge default interest on the default amount and not the balance.

Rules for contract fees and charges will be tightened with the main test being whether they reasonably compensate for costs or losses.

It will be illegal to repossess goods not listed in contracts while some essential household items will be excluded, and repossession agents and employees must be licensed.

Lenders will be barred from receiving commission "when insurance is financed by the contract" and they have failed to comply with lender responsibilities.

This means CRI must be sold responsibly and commission can be paid if taking insurance isn't a compulsory condition of the loan.

The FSF says responsible

TAKE CONTROL with Dealer Dashboard

- Never be caught out with vehicles in your Trader Network
- Quickly view graphs of vehicle age and time in stock
- At a glance view your current trader network vehicles
- > Tag vehicles for urgent attention

ph 0800 668 679 www.motorweb.co.nz

behaviour is going to be defined by the responsible lending code. This will provide detail around what's expected to be compliant with responsible lending principles in the Credit Contracts and Consumer Finance Amendment Act 2014 and also around what's responsible behaviour in selling CRI.

THE CODE OF CONDUCT

Lender responsibility principles in the new legislation will have to be complied with at all times. They will set out responsibilities to borrowers, and cover selling CRI and guarantors.

The Minister of Consumer Affairs and Ministry of Business, Innovation and Employment will now develop a lending code with a draft available for comment in mid-2014.

All lenders must exercise care, diligence and skill when advertising, before agreeing to providing credit or finance or taking guarantees, and in subsequent dealings with consumers.

Responsibilities will apply when a borrower has entered – or wants to enter – a CRI agreement with the provider and the insurance is arranged by the lender.

Providers will have to make reasonable inquiries before CRI contracts are signed to ensure they are suitable.

They must be satisfied it's likely to meet the borrower's objectives and payments will cause no substantial hardship. The provider

At a glance

The government aims to better protect consumers when they borrow money through the loanshark laws.

It says conmen have been giving people loans they will struggle to repay and misleading those who don't understand their real borrowing costs.

They have also been taking unnecessary security, for example over household contents for a small amount and using harsh repossession methods.

The changes aim to ensure people are given the information needed to make good borrowing decisions.



"Rewriting the rules is an important part of the government's business growth agenda." - Craig Foss

can rely on information provided unless there are reasonable grounds to think it's unreliable.

For all forms of lending, information cannot be presented in a misleading, deceptive or confusing way – information in disclosure statements are already subject to similar standards.

The overall code is aimed at ensuring consumers can make "informed decisions", and terms must be expressed in plain language.

Borrowers and their property have to be treated reasonably and ethically. This includes when contract breaches occur or when other problems arise, such as unforeseen hardship.

Providers must ensure contracts and powers aren't oppressive, and borrowers aren't induced by oppressive means.

Lenders will also have to comply with other legal obligations, including rules about disclosure, credit fees, hardship applications and repossession in the Credit Contracts and Consumer Finance Act.

They must not make false or misleading representations or include unfair terms as required by the Fair Trading Act, and use reasonable care as stated in the Consumer Guarantees Act.

Lenders also have responsibilities to guarantors, which include making

reasonable inquiries before giving guarantees.

Legal obligations to guarantors include rules about disclosure, fees,

unforeseen hardship applications and repossession.

WHEN LAWS WILL CHANGE

Some credit law changes take effect on June 17, including power of attorney or agency clauses no longer being used to add security over goods bought later.

Many key changes will take effect

by June 17, 2015, including the lender responsibility principles and code.

Rules governing when, how and what can be repossessed will be included in the Credit Contracts and Consumer Finance Act.

Those governing contract fees and charges will be tightened. The main test is whether fees compensate for costs or losses, while the matters courts and tribunals consider will be more consumer-focussed.

Maximum penalties for Credit Contracts and Consumer Finance Act offences will be \$200,000 for individuals and \$600,000 for companies.

The Commerce Commission will be able to issue notices requiring the payment of infringement fees for minor breaches.

Under the Financial Service Providers Act, all creditors in contracts must be registered financial service providers and in a financial dispute resolution scheme. \bigcirc

sit **www.autofile.co.nz** for more or



Starting again from scratch

The world of information technology changes fast, with companies coming and going – some without even being noticed.

But one success story that goes from strength to strength is MotorWeb, and one of its longtime shareholder-employees is now departing.

Greg McQuaid, who joined soon after the vehicle information authority began selling its services, is leaving to pursue other opportunities.

MotorWeb started 15 years ago as a small but ambitious company, and an idea and plan to change the way traders check vehicles.

It culminated in December with its shareholders selling it to Trade Me, one of the largest players on New Zealand's e-commerce scene.

"The early days of MotorWeb were like you imagine a struggling IT business to be – working long hours in windowless offices, and going like crazy to get our name and product out," says McQuaid.

"We haven't changed that much come to think of it, but we now have some pretty big windows."

As business development manager, he has been involved in the motor vehicle dealer market for the past decade through selling, presenting, training and being face to face with customers.

The industry was a familiar one after starting "in the deep end" working as a commissiononly salesman at Giltrap Toyota in the early 1990s.

"I remember some of the first imports bought in," McQuaid told Autofile. "We hid them in a shed across the road and, if there was nothing on the yard customers were interested in, we showed them those.

"The first guy I showed one to bought it almost on the spot. It had air conditioning, power steering

and electric windows for the same

price as a Corolla XL. He thought it

"Back then you phoned the

and waited patiently for an answer

- and the PPSR didn't exist, it was

the Motor Vehicle Sales Register.

"We had brick phones and

customers didn't have the internet.

I met great people, many of whom

I've been able to reconnect with

government's 'motor reg' service

was Christmas.

through MotorWeb, so I feel part of the industry."

After a 10-year absence and an IT career, McQuaid returned to the automotive sector shortly after "Y2K" and the dot.com bubble burst to join MotorWeb.

"I saw the internet was ready to 'grow up' and was a tool companies would one day use to make business better.

"MotorWeb was a great product

"I saw the internet was ready to 'grow up' and was a tool companies would one day use." - Greg McQuaid

at the right time and the company has great people with great ideas. My gut feeling was it would work well and it did."

Back in the dealers' environment, McQuaid teamed up with Chris Knight, a long-time friend from the Toyota days.

They've since spearheaded MotorWeb's growth in the Kiwi dealer and finance markets, and recently moved into the Australian market after securing a contract with Austroads – the equivalent of the NZTA – to commercialise that country's vehicle database.

"Our success here is what helped us in Australia. It's a lot different over there with more restrictions on data and what we can do with it.

"The lessons learnt here have helped to build a trans-Tasman company we're proud of.

"There was always going to be a time when we sold the business and the shareholders agreed recently the time was right."

In December 2013 and after a formal sales process, MotorWeb and its Australian subsidiary was sold for \$19.5 million to create an all-encompassing service for the Trade Me Motors system.

"Trade Me is a great fit and I'm happy it can take what we've built to the next level," says McQuaid. "It has a great culture, is innovative and understands the value we have and the great stuff we do for dealers."

McQuaid leaves at the end of this month after 12 years with the business with new ventures lined up in the transport industry.

"I have a few things I'd like to pursue and I'm ready for a break from IT. While it's rewarding, it's also complicated behind the scenes and the rate of change makes your head spin.

"Shortly I'll be involved in constructing and developing a purpose-built indoor truck-wash facility in Hamilton serving the heavy fleet – 'nice and simple.""

"In the meantime, I have a golf swing that needs fixing and a



a fresh approach to dealer finance

www.myfinance.co.nz 0800 385 385 my finance

motorbike that needs riding."

McQuaid views MotorWeb's sale as "great but a bit sad - it's a bit like seeing your kids growing up and moving out", and describes the opportunities he's looking at as exciting.

"It's building a new business from scratch. I have a gut feeling it's going to work really well and I've only had that feeling once before."

TAKING OVER THE REINS

Paul Hardiman, no stranger to New Zealand's automotive industry, is replacing McQuaid.

Having relocated from Australia six years ago, Hardiman's knowledge of the sector is extensive

having been general manager for RedBook and DataMotive.

Until recently, he was sales and product manager for Trade Me's motoring section.

"I've been dealing with MotorWeb in business partner relationships for years, so to get the chance of working in the company feels like home."

Hardiman's role of business development manager will cover



Paul Hardiman

automotive industry.

"I'll be back every month to ensure we continue to deliver industry-leading services to our clients and business partners."

Australia and New Zealand,

doing it from Australia.

MotorWeb in December, I

emulating what McQuaid was

responsible for but with a twist -

"When Trade Me bought

remember the conversation of 'hey,

back and run MotorWeb from there.

"It took some time to decide to

seemed the right one.

Australia required some

presence on the ground

"I'm excited about

"MotorWeb in

and a return one day

was inevitable.

the prospect of remaining plugged

into New Zealand's

you sound Australian, want to go

return to Australia. New Zealand has been good to my family, so the

Hardiman officially assumes the role on June 20 and realises there are some big shoes to fill.

"Greg has been instrumental to MotorWeb's success. His passion and enthusiasm for the business will be missed."

New structure for business

he Mazda division at John Andrew Ford and Mazda in Auckland will have its own dealer principal in

the near future. The whole of the business has been led over the past three

years by Paul Brown, who will focus on the Ford franchise when the appointment is made.

In that time, he has overseen the demolition of the old John Andrew Mazda showroom in Grey Lynn and the building of the marque flagship's facility.

He says: "I've gained a great deal of satisfaction from building the business in a physical and financial sense to a point it



can operate as a standalone dealership for Mazda and **Automotive Holdings**

Group," he says.

Brown, who has his roots with Ford, told Autofile the decision to split the operation is a strategic one and having a new dealer principal for Mazda is an obvious move.

Paul Bruce, chief financial officer of AHG NZ, which owns the dealership, says internal and external candidates will be canvassed for the new role.

"The change will see AHG continue to work closely with Ford and Mazda to grow both brands in what's a growing New Zealand market," he says.

MOST OF MY

While this is a new business, it has unique history. History that is based on decades of training people in this industry. At last count, I've trained well over 600 Business Managers throughout the country. Some amongst the most successful in the business. Many who have moved on to even bigger roles.

While I'm now CEO, the last place you'll find me is behind a desk. For the hundreds of you who already know me, I'm more at home out on the yard, or in the seminar room working with you to develop strategies to maximise your profit through the sound principles of F&I.

So if we haven't met yet, I'm confident that if you want proven training designed to motivate your staff, satisfy your customers and improve your bottom line, our paths will cross soon. And for those of you who have already chosen to become Provident Authorised MotorCover dealers, we're working together in partnership to help drive your business forward.

s.owens@providentinsurance.co.nz



To find out more visit www.providentinsurance.co.nz MotorCover is marketed exclusively by Provident Insurance Authorised Dealers.

Smooth road ahead predicted

The past 12 months have reportedly produced excellent results in the used imports industry.

David Vinsen, chief executive of the Imported Motor Vehicle Industry Association (IMVIA), delivered positive news to members at their national annual general meeting in Auckland.

One issue in his report, delivered at the end of May, involves the Land Transport Rule: Vehicle Exhaust Emissions Amendment 2012, which amended the 2007 rule on emissions.

Vinsen says the changes are working through the system and are now allowing access to a larger amount of compliant stock for purchase.

The IMVIA made a submission and consulted with the NZTA to have the 2007 rule amended.

This was to ensure this country

continues to import new vehicles built to the highest available emissions standards and to allow current requirements for used vehicles to continue.

Vinsen says strong volumes of used vehicles are being imported with no obvious reductions in sight.

Used imported cars showed positive growth in 2013, which was surpassed for the first quarter of 2014.

Last year, the IMVIA informed the Ministry of Transport the best way forward to increase the uptake of electronic stability control (ESC) was "to encourage, assist and incentivise the used vehicle market".

The association was concerned about the supply of vehicles with ESC already fitted as well as sourcing sufficient used stock from Japan. But consultation on

implementing mandatory ESC

resulted in the satisfactory outcome proposed in the draft rule announced by the government in February.

ESC will be mandatory on used imported passenger cars from January 2018, with used SUVs having to comply two years before that.

"As a result of our lobbying over the years, it has been accepted by the government that the timing and phasing of new rules is critical to ensure used imports continue to be imported in good volume to refresh the fleet, and provide continuity and certainty for service providers," says Vinsen.

"Discussions and research around ESC were focused on preparing a schedule for the phased implementation to achieve these ends."

Vinsen says the IMVIA's financial position continues to strengthen "as the result of generous support from

sponsors and corporate members, as well as additional revenue streams from technical services".

The association has received NZTA accreditation to issue exhaust emissions certificates, which is a turnaround from the days when it took legal action.

Vinsen adds: "Now a schedule for mandatory ESC has been proposed, there are no substantive policy or legislative changes planned that will affect our industry in the near future."

The IMVIA will continue to represent the industry at political and government department levels, and monitor budgets and expenditure to maintain financial stability.

Over the past year, it also consulted with government departments, the Productivity Commission and used vehicle industry in Australia on possible outcomes of deregulation with

Quinn takes top role

he Motor Trade Association (MTA) has appointed Warwick Quinn as its new chief executive officer.

His management career includes CEO positions with the Registered Master Builders' Association and Master Build Services Ltd for the past six years.

Quinn has also been general

manager regulatory and chief crown property officer with Land Information New Zealand, valuations manager with Auckland City Council and regional manager with Landcorp Property Ltd.

Warwick Quinn

David Storey, president of the MTA, is delighted to have secured the services of "such a seasoned business professional".

"We're delighted Warwick has accepted this role," says Storey. "He brings a wealth of experience and a track record of developing and positioning a membership organisation as an industry leader. "Warwick's extensive

> experience will assist the MTA to deliver its vision to 'create sustainable business advantage' for its members."

Quinn, who will start in his new role in August, adds: "I'm delighted to have the opportunity to

lead such a strong membership organisation.

"It's a highly respected brand with a powerful voice in the motor industry of New Zealand. I believe the future for MTA and its members is exciting."

The association has been looking for a new CEO since the departure of Stephen Matthews late last year, after which Rob MacGregor stepped into the role on a temporary basis. \textcircled



 Ford, Holden and Toyota exiting local manufacturing over the next few years.

"With no need for import protection for the benefit of local manufacturers, the government has indicated an intention to relax to import regulations," says Vinsen.

"We've been approached by our sponsors and service providers that have an interest in the potential opportunities in a more open Australian market.

"Australian used vehicle importers have recently decided to form their own association, and requested our advice and assistance."

In their joint North and South Island chairmen's report, Graeme Macdonald and Lloyd Wilson expanded on the situation across the Tasman.

"Restrictions currently in place left importers with few options, and little structure or legislative capital, to engage officials in dialogue over the proposed changes – much less present a united industry organisation," their report states.

"The potential for business opportunities for established New Zealand operations into a deregulated Australian marketplace are enormous.

"With the support of the wider industry in New Zealand looking to this future, the executive made this will occur whether the IMVIA is involved or not.

"We cannot underestimate the commercial value to the IMVIA in providing our services to an emerging jurisdiction."

ASSOCIATION IN AUSTRALIA New Zealand's experience with importing used vehicles for A group of vehicle importers met in Sydney to establish the first industry body to represent the needs and interests of stakeholders in the imported vehicle sector.

The association plans to work with IMVIA with chief executive David Vinsen attending the meeting. Spokesman Kristian Appelt, of

South Australia's Iron Chef Imports,



"There are no substantive policy or legislative changes planned that will affect our industry in the near future." - David Vinsen

the decision to engage with our Australian counterparts and assist in forming an association.

"This decision has been made with commercial and community interests at heart.

"While we recognise there is the potential, long term, for this market to overtake New Zealand volumes, more than 25 years has been mirrored across the Tasman with the foundation of the Australian Imported Motor Vehicle Industry Association (AIMVIA).

Car dealers there involved in importing used vehicles decided to establish their own organisation last month. says the AIMVIA has established a steering committee.

"This is to discuss potential strategies for lobbying the government to allow importers of new and used vehicles to compete on more even terms in what will undoubtedly be strong opposition from new vehicle importers." \oplus



We're raising the bar...

Our clients experience a range of benefits from our specialist training:

Excellent product knowledge
Team confidence
Increased F&I sales

Our specialist trainer has 20 years' industry experience working in New Zealand and Australia and has the expertise and experience in generating major benefits for clients.

Find out more today.

Contact: Ray Meharg, National Sales Manager, Protecta Insurance, Phone 021 223 6851 or email ray.meharg@protecta.co.nz

new cars

Crossover beefed up for off road

Subaru unveiled its all-new Outback at the New York International Auto Show. It's the fifth generation of the vehicle that has arguably been at the forefront of the "crossover revolution" since 1995 by integrating passenger car and SUV strengths.

New Zealand will see the new Outback, which will be manufactured in Japan, in early 2015.

It boasts larger 17 and 18-inch tyres, muscular mudguards highlight its all-wheel-drive (AWD) capabilities and panels cover the lower body parts for more off-road protection.

Large front fog lights, functional roof rails and better ground clearance are included, while the front bumper-integrated hexagonal grille and hawk-eye headlights resemble those on the marque's other models.

The instrument pack features a dual-dial gauge cluster with a three-dimensional look, triple-

nta

spoke steering wheel with multifunction switches and a large colour LCD panel at the centre.

Seating width and shoulder, elbow and rear legroom have been increased, and the A-pillar has come forward to expand the cabin area.

To offer more load-carrying options, rope hooks have been added to the crossbar-type roof rails and a step on the side sill acts as a foothold.

The chassis, steering, suspension, brakes and other components have been revamped, while ample clearance is teamed with more steering stability.

The frame's shape has been redesigned to improve the rear suspension and the chassis mounting positions enhance ride quality and cut vibration.

The steering gear ratio has changed from 16.5:1 to 14.0:1 for a more direct feel.

Active torque vectoring achieves superior turning performance and steering response, while the electronic parking brake in the rear caliper makes the system more responsive.

A 10.6 per cent reduction in wind resistance has been achieved by improving airflow over the rear to boost fuel consumption at higher speeds.

The wraps came off the fifth generation of Subaru's Outback in New York

In addition to Subaru's symmetrical AWD system, the new Outback is equipped with X-Mode.

This enhances driving performance on poor roads through optimised control of engine, fourwheel-drive, braking and other functions on wet surfaces.

Mid-range torque has been raised on the 2.5-litre four-cylinder Boxer engine, and changes to the intake, exhaust and combustion systems decrease fuel consumption.

Subaru's Lineartronic transmissions are used in all models with a step-shift control and sixspeed manual-mode paddle shifters achieving "nimble" performance.

Safety features include blindspot detection, lane-change assist, rear cross-traffic alert and steeringresponsive fog lights.

The revamped EyeSight system has stereo cameras to increase viewing angles and range by about 40 per cent to improve preventative safety, while other features are pre-collision braking and adaptive cruise control.

"With the continuing shift to



MTA MEMBERSHIP INFORMATION										
Cost		Interests								
National Subscr	iption	of moto			ers a priority					
\$700 Excl GST &	Branch fee		V	Yes	🗖 No					
Brand		•	Year		Capacity					
Strong & nation	ally recogni	sed	Since 19	17	4000 members					
MTA is NZ's largest dealer representative group: Franchise										
dealers, used dealers, motorcycle dealers, and truck dealers										
Mediation	₩ Yes	🗆 No	Market analysis - regular,							
HR Advice	⊠ Yes	🗆 No	Advoca for your	• •	ishing the causes ry					
MTA statione	r y ⊠ Yes	🗆 No	Benefits - save money with key business partners							
IT Advice ☑ Yes □ No	Busin Manag		Rang newsle		Need a mentor ☑Yes □No					
Industry research	Specia M Yes	list trair	ning No	Business Advic ☑ Yes □ No						
FL	JRTHER INF	ORMAT	TION AB	ουτιν	ITA					
Websi www.mta.			ents∕get Free phone gethers ⊠ Yes □No							
		CONTAC	CTUS							
Tony Everett 04 381 8827										

Dealer Information Notice



The new S63 AMG 4MATIC coupe from Mercedes-Benz

 crossovers and SUVs, the Outback is an important model for us," says Wallis Dumper, managing director of Subaru of NZ.

"Even some of our loyal Legacy buyers have changed to the Outback in recent years."

GOLF ON NEW PLATFORM

Volkswagen's seventh-generation Golf marked its debut in New York by moving to the marque's MQB platform.

It's the German abbreviation for Modularer Querbaukasten, which translates as modular transverse matrix – the company's shared-modular construction for transverse, front-engined and front-wheel-drive cars.

MQB will underpin almost every new VW – or 40 different vehicles globally. The marque spent US\$70 billion and four years developing it.

The Golf A7 farewells the 2.5-litre, five-cylinder engine and heralds in the 1.8-litre TSI with direct injection and turbocharger.

The GTI and TDI will come with a choice of six-speed manual and DSG automatic transmissions, while VW has all but confirmed production of the GTD, a small diesel with the GTI's go-fast elements.

TECHNOLOGY HIGHLIGHTS

BMW introduced its X5 eDrive concept in the Big Apple. The plugin hybrid SUV can drive solely on electric power at speeds of up to 120kph for about 32km.

The marque has yet to reveal how much it will cost but the X5 will go into its electric powertrain lineup, which includes the i3 and i8.

BMW says it "fuses driving



XSEAM

pleasure generated by the xDrive's intelligent all-wheel-drive system and a luxurious ambience with an interior offering versatility of use".

The sedan version of Ford's Focus

Toyota created interest with three-dimensional printed versions of its FT-1 concept by MakerBot, which is a global leader in the 3D printing industry.

Visitors got to see the car on display and watch as a scaled-down model was 3D printed on MakerBot's "Replicator 2 Desktop 3D Printer".

Bre Pettis, chief executive officer, says marques have been early adopters of 3D printing, "which brings an affordable and immediate impact to developing and designing cars".

A concept in a computer-aided design file can be 3D printed, reviewed and tested for consumer feedback.

MORE WITH AUTOFILE.CO.NZ

Autofile Online looks at some of the other vehicle launches in New York.

Ford unveiled the sedan version of its Focus, while BMW launched its new X4 – a "sports activity vehicle".

The Rolls Royce Ghost II is packed with high-tech goodies, such as on-board wi-fi and a satellite-aided transmission that uses GPS to choose the correct gear for all situations.

Alfa Romeo's return to the North American market was marked with its new 4C, while Kia will target families with its Sedona multi-purpose vehicle.

Mercedes-Benz is boosting the power and reducing weight in its new S63 AMG 4MATIC coupe.

Its 5.5-litre V8 engine pumps out nearly 600hp and it can reach 100kph in less than four seconds.

BMW's X5 eDrive concept

Land Rover showed off its transparent hood technology in its Discovery Concept. This projects camera images onto a heads-up display to show drivers what's under the bonnet.

And General Motors describes its new aluminium-structure Corvette as a "world-class supercar" built to deliver 600hp. ⊕



Contact me today to discuss your requirements:

Gerry Claudatos P: (09) 303 0075 M: 0274 400 734 E: gerry@mmnz.biz W: www.mmnz.biz

<u>cCULLOUGH</u>

CUSTOMS AND SHIPPING BROKERS TO MOTOR VEHICLE IMPORTERS



www.autofile.co.nz | 11

Half century dedicated to cars

B ob McMillan farewells his car dealership, Team McMillan, at the end of the month before heading away on adventures overseas.

His initiation into the industry started as a teenager who saw an opportunity to make some money selling second-hand Minis.

McMillan attended Saint Kentigern College in the late 1950s and with a fellow buddy rang Aucklanders on a Monday to advertise Minis for sale.

The entrepreneurs looked for owners disheartened about not selling their cars and pooled their few pounds to buy Minis at better prices than those advertised on the Saturday.

With a cut and polish – and nugget on tyres and upholstery – they sold the car 10 days later with around a £50 to £70 mark-up



"In 1985, BMW was priced relatively high to the wage packet compared to what it is today." - Bob McMillan

and McMillan was hooked. "Selling three or four Minis was fun and quite profitable."

When McMillan left school, he worked for a public accountant in the city centre but disliked the job – tallying up debits, credits, pounds shillings and pence.

However, it gave him a good grounding and he joined John Andrew Ford as an assistant accountant when he was about 20.

He spent four years there, doing everything from accounting to liaising with the contractor when developing dealerships in Royal Oak and Glen Innes.

McMillan met his wife on a cruise to Sydney and was lured to work there, so John Andrew connected him with Ford Australia and he went into sales.

No longer being behind a desk identified his strength in building relationships rather than adding up columns of figures.

"I sold used cars on an open yard in Maroubra, Sydney, for a Ford dealership but after about nine months, and with winter coming on, I needed to get into a new car showroom."

McMillan applied for the job

change and within a year was promoted to sales manager.

As he was only about 24, the dealership asked he show his age as 26 on the paperwork to ensure the records made him look suitably mature.

BACK TO THESE SHORES

When McMillan's father, who was a Rover dealer in New Zealand, suffered ill health, he was asked if he was interested in taking over.

He agreed on the proviso there could only be one boss and that was going to be the young McMillan.

"I didn't think Rover was the right product with the formation of British Leyland and the potential difficulties the monster structure was likely to create," he says.

"I'd had a good association with Ford and wanted to see if I could become a Ford dealer."

Ford NZ told him he was too young to be a dealer but could become a sub-dealer and, in 1969, he was the only one in this country.

For every new vehicle he sold, he had to pay John Andrew Ford one per cent, which he did reluctantly. After about 18 months, he became a full dealer and developed Team McMillan Ford in Greenlane.

The global fuel crisis in the 1970s encouraged Kiwis to use alternatives, so compressed natural gas (CNG) and liquefied petroleum gas (LPG) became options.

McMillan had the franchise for Sistema Auto and Tartarini LPG and CNG kits that contained cylinders and regulators.

But the market dried up when Prime Minister Rob Muldoon announced in 1983 that subsidies to car owners were going to be wiped.

"It probably took three years to get rid of the stock. We had it on order, in Italy, stock on the water and in warehouses here."

During the 18 years McMillan was with Ford, the company built in volumes similar to John Andrew and they were the two largest dealers here.

He saw an opportunity to buy



- ☑ Full border inspections
- Z Authorised MPI inspections
- ☑ Authorised NZTA inspections
- ☑ Odometer verification
- 🗹 Pre-export appraisal
- ☑ Vehicle history reports







industry profile

 John Andrew Ford, but another prominent dealer was interested.
Rather than entering into a Dutch auction, they negotiated to buy the parts of John Andrew Ford they were interested in.

McMillan acquired the sites at Royal Oak and Glen Innes, which he'd originally worked for John Andrew Ford in the 1960s.

The Glen Innes site was sold quickly and, in 1987, the Royal Oak site operated as Team Royal Toyota.

These were the early days of Toyota but it never gained the momentum McMillan achieved with Ford, so it was sold within three years

By the mid-80s, Team McMillan grew to about 180 staff and sold about 3,000 cars and trucks a year, while McMillan chaired Ford's dealer council in New Zealand for three terms.

'ULTIMATE DRIVING MACHINES'

In 1985, McMillan was approached by BMW New Zealand about taking on the franchise. "I didn't know anything about BMW but that wasn't an issue."

He went to Australia to meet dealers and saw product to be introduced. When he returned, he told his team he thought there were some exciting opportunities with the margue.

Once the decision was made, McMillan needed to move quickly and made an offer on the Auckland dealership.

It was accepted and, in December 1985, he became a BMW dealer with 17 staff in Remuera Road, Newmarket.

The site was rough with a gravel floor in the workshop, and in the winter the water ran down a wall and out the door.

They discovered some racing cars among the stock, which no one told McMillan about, and Jim Richards raced them for Team McMillan.

The first year with the BMW franchise was successful, but the bubble burst with the stock market's collapse.

"We were receiving cars back from customers in receivership, but we had sufficient resources to handle the situation."



range, and the 1 Series competes

with margues such as Ford, Honda

"In 1985, BMW was priced

compared to what it is today."

the margue that started his car

dealing career when Mini was

relatively high to the wage packet

In 2002, McMillan returned to

and Toyota.

In 1987, the Ford dealership was terminated and Team McMillan focused on BMW.

Although sales volumes were low, the company was under pressure to find better premises.

It moved to the corner of Margot Street and Great South Road, where a dealership was built in 1990 and is still the home of Team McMillan.

The then managing director of BMW NZ wanted to get into retail and asked McMillan to join him in an Australian dealership.

Motivated by good Auckland sales, McMillan accepted the offer but within 12 months could see the venture wasn't working and sold it at a loss.

FROM LOW TO HIGH-TECH

BMW vehicles have evolved from the box-shaped 3-Series (E30), which was well-engineered but basic, to high-tech models.

"When I started we had the 3 Series, a 5, 7 and 6 Series, but we now have about 50 different models," says McMillan.

"We invest a lot in training and most weeks there will be someone at technical training in Australia. We supplement training in the dealership. It's an expensive part of running a franchise but vital."

Staff turnover at Team McMillan is low with a steady flow of apprentices introduced with some highly qualified technical staff coming from South Africa.

BMW has broadened its product

added to the dealership's portfolio.

A brand manager and sales team were dedicated to Mini, and they weren't allowed to cross-sell into BMW and vice-versa.

The first showroom was next to the BMW dealership in Great South Road, but moved to a showroom in Ponsonby Road among the cafés and away from other dealers.

Now it's about to open in a purpose-built site that will be the largest standalone Mini dealership in Australasia.

In 2012, Team McMillan took on Rolls-Royce in New Zealand and he has concentrated on developing the marque with a brand manager.

Aged 72 – and after 52 years in the industry – McMillan decided the time was right for the family to sell its 50 per cent shareholding in Team McMillan and to pursue activities he's never had time for.

Collins Asset Management has been a 50 per cent shareholder in the company for seven years and takes full ownership on June 30. 🕀



Specialists in Used Import Certification

FREEPHONE OR VISIT US ONLINE FOR A LOCATION NEAR YOU! 0800 GO VINZ www.vinz.co.nz

DEALERS BUYING NOW



029 293 1232 **Brett Harris** Brett@FarmerAutoVillage.co.nz

www.farmerautovillage.co.nz



ALL PORSCHE, LAND ROVERS, RANGE ROVERS, JAGUARS AND VOLVO MODELS Simon O'Reilly | 021 31 9992 | simon.oreilly@armstrongs.co.nz | www.armstrongprestige.com



317 THE VAN AND UTE SPECIALISTS

Buying: Vans, Utes, Light Trucks. Nationwide. Contact Gareth 021660180 gareth@southcitymotors.co.nz www.317.co.nz

TO ADVERTISE HERE, CONTACT: advertising@autofile.co.nz or ph 021 455 775

NEWS in brief

Iconic Indian motorbikes arrive in New Zealand

One of the most famous and storied brands in motorcycling is returning to the New Zealand market.

The historic Indian Motorcycle brand that strikes a chord with Kiwis through the famous exploits of racer Burt Munro and the film The World's



Fastest Indian is about to ride on New Zealand roads again.

The Indian Chief Classic Cruiser, the Indian Chief Vintage soft bagger and the Indian Chief hard bagger have the traditional styling and brand heritage that's made Indian an iconic name in world motorcycling.

The three models coming to New Zealand have been relaunched around the world with the assistance of the Munro family and now they are celebrating launching in Burt's own backyard.

Founded in 1901 as America's first motorcycle company, Indian Motorcycle is now under the guardianship of Polaris Industries.

Range-extending engine to run on three fuels

General Motors' new electric vehicle could have a range-extending engine that runs on petrol, diesel or natural gas.

The compact, which will be launched in 2016, will have a range of about 320km. There will be breakthroughs in battery technology and the company is testing two different systems to see which one will succeed.

Compared to the Volt, its weight may be cut by using advanced materials, such as carbon fibre, aluminium and magnesium.

Under this initiative, General Motors aims to reduce weight by up to 15 per cent by 2016. A good rule of thumb is that a 10 per cent reduction in curb weight will reduce fuel consumption by about 6.5 per cent.

ACC forecasts levies on cars to reduce next year

Last month's budget announced Motor Vehicle Account levies incorporated into car registration and petrol prices are expected to be cut for motor vehicle owners from July 1, 2015.

The government anticipates a \$130 reduction of Accident Compensation Corporation (ACC) levies from the middle of next year.

The budget showed the ACC was on track to provide further levy cuts of about \$480 million in the 2015/16 year.

The final decision will be made following public consultation and ACC Minister, Judith Collins, says the bulk of the cuts will probably be for motor vehicle levies.

Jeep secures its first top ANCAP safety rating

ANCAP has awarded Jeep its first five-star Australasian safety rating, with the 2014 Cherokee claiming the honour.

The new Cherokee, which is to launch in Australia and New Zealand in June, is the first Jeep rated by ANCAP to achieve all five safety stars.

Jeep is a long-term, mainstream brand but it has underperformed behind its competitors in terms of safety.

The Cherokee is fitted with a full suite of airbags and a number of safety assist technologies (SATs), including roll stability, trailer stability, tyre pressure monitoring and daytime running lights as standard on all variants.

However, the higher value SATs such as autonomous emergency braking, adaptive cruise control, blind spot monitoring, reversing collision avoidance and lane support systems are available only as added options on more expensive variants. 🕀

new cars

40%

TOF.

Spider evolves from coupé

Ifa Romeo is lauding its 4C Spider as the "convertible evolution" of last year's award-winning coupé.

The mid-engined preview version comes with two seats, rear-wheel-drive and a three-layer glossy white livery, which shapes its surfaces.

New styling includes clamshell headlights, differentiated diameter – 18-inch front and 19-inch rear – alloy rims and the large Pirelli tyres.

Carbon features are the roll-bar cover and windscreen ring, while carbon fibre in the interior stands out and is used to create a central cell.

The Spider achieves maximum aerodynamic efficiency and maintains the coupe's downforce to increase stability at higher speeds, while air turbulence in the passenger compartment with the soft-top open has been minimised.

It has a category-leading power-weight ratio, with performance also attributed to a dry weight of less than 1,000kg.

The glass rear window has been replaced by continuing the bodywork in sheet-moulding

automatically enabled launch

brakes will be standard.

control will tailor torque delivery.

The FPV GT option of Brembo

six-piston front and four-piston rear

package is evocative of blacked-out

The "stealth" stripe design

Ford muscle cars from the 1970s

compound. It houses the headrests and roll-bars, and is significantly lighter than steel and aluminium.

The compound doesn't deform in minor collisions, is resistant to chemical and atmospheric agents, and disperses sound.

The Spider adopts a dual-stage central exhaust with titanium and carbon tailpipes by Akrapovic, which makes competition systems for Moto GP, Motocross and Enduro along with others.

The new four-cylinder 1,750 Turbo Petrol Alfa has an aluminium block saving 22kg in weight.

Direct fuel injection, dualcontinuous variable-valve timing, a turbocharger and control system despatch any turbo lag.

The engine is matched with Alfa's automatic twin dry-clutch transmission. Gears can also be changed using paddles behind the steering wheel.

The Spider is also equipped with a "DNA selector", which allows the driver to change its setup via race, dynamic, natural and all-weather modes. It's expected to go into production next year. \bigcirc

Marque's curtain call

Provide Australia is releasing a limited-edition FPV GT sedan later this year to mark the performance brand's farewell.

Out of respect for past GTs built there and their racetrack heritage, the design and engineering team has opted for an "F" to signal its "Final" designation.

The individually numbered cars

will be limited to 550 units – 500 in Australia and 50 for export to New Zealand.

"Developing

this FPV has been a project of passion, a combined effort by dedicated engineering staff and suppliers to produce a model that celebrates the brand for customers and fans," says Bob Graziano, president of Ford Australia.

Nine-inch rear wheels with 275/35 R19 Dunlop Sports Maxx tyres will enhance grip and acceleration from standstill, while



and complimented by badging. The GT F will be available in white, blue, black, orange and dark grey with matte

with matte black stripes across all colours, plus

a white option on the blue only and gold on the black. Silver stripe options will be available on dark grey and black.

A high series audio and centre console, usually a premium offering in the GT E, has been included as has a new gear-knob cover, dash spear and branded build number.

More specifications will be released later this year. $\ \, \ensuremath{ \ominus}$



SCOTT DOBBIE has been appointed general manager of sales at FleetPartners with more than 18 years' experience in leasing and finance.



Prior to joining the company, he held senior roles at Turners, UDC Finance as national sales manager for automotive and agriculture, and was South Island manager for ORIX NZ.

Before being chosen for his new role, Dobbie managed the Business Direct team and oversaw distributor relationships.

NICK LEWIS has joined Europe Imports Ltd, the national distributor for BMW Motorcycles, as its national sales manager.



"I'm looking forward to promoting and selling the BMW Motorrad brand in New Zealand," he says.

Prior to taking on the role, Lewis was with Red Baron Motorcycles in Grey Lynn for about seven years with the past three as branch manager.

MIKE HAIGH has moved from being sales manager at McLellan Motors in Invercargill to business manager at Southern Automobiles, which is also in the city.



franchise environment and there's plenty of business confidence out there."

DEAN PURVES has been appointed general manager of commercial vehicles for FleetPartners to oversee its truck leasing division.



Purves' experience in leasing, truck and trailer specification and sales will address the high demand for new truck and trailer leases.

He returns to FleetPartners after a three-year hiatus working for TCL Isuzu, Isuzu Utes NZ Ltd and Manheim NZ.

HORST VON SANDEN is now chief executive officer for Mercedes-Benz's Australia-Pacific operations in addition to being managing director of its passenger cars in Australasia.

It follows restructuring by parent company Daimler AG, with Mercedes-Benz announcing the head of each business unit for Australia and New Zealand will sit on its board.

The MDs of Mercedes-Benz passenger cars, Daimler truck and bus and service, and Mercedes-Benz vans in Melbourne will report to Daimler AG.

Former general manager Diane Tarr is now MD of Mercedes-Benz vans, while Daniel Whitehead is MD of Daimler truck and bus and service. Brad Kelly has been promoted to general manager of sales for its car division.

JULIAN BEVIS has set sail as managing director of Maersk Line to return to South Asia for a new Delhi-based position managing the AP Moller-Maersk Group's government relations in the region.

He has been replaced in Auckland by Gerard Morrison, who has worked with Maersk since 2006 and most recently as sales director of Maersk Line Australia.

TO FEATURE IN INDUSTRY MOVERS EMAIL EDITOR@AUTOFILE.CO.NZ

Industry movers NZ labour market report

Generally, the

automotive

industry has

a younger

age profile

than the rest

of the Kiwi

workforce -

46 per cent is

aged between

25 and 44.

THE AUTOMOTIVE ENGINEERING

and technology sector of the motor vehicle industry is dynamic and diverse in terms of changing practices.

It sees new technologies coming in all the time to cover a range of complex areas that are knowledge rich.

In 2012, there were about 20,800 people working in the sector, which is made up of three key areas.

Automotive engineering had 11,800 employees, there were 6,500 workers in collision repair and 1,780 in coach building, according to the Motor Industry Training Organisation (MITO) - and each area has distinct roles and gualification needs.

Generally, technicians can be

classified into entrylevel and apprentice, assistant, qualified and advanced.

About 60 per cent of workforce is male, which is higher than the general New Zealand proportion of 52 per cent.

The gender composition of an industry is important to consider when thinking about the future and skill needs because demographic and social patterns change over time.

For example, gender composition may have an impact on preferred hours of work or styles of learning.

Generally, the automotive industry has a younger age profile than the rest of the Kiwi workforce -46 per cent is aged between 25 and 44, while 14 per cent is aged 15-24.

The age of the workforce is relevant when considering training needs now and into the future, says MITO.

It also has strategic importance because it relates to succession planning, and the longevity and prosperity of an industry.

People of different ages have variable skill-sets and may respond in their own ways to particular forms of training.

"Furthermore, the age of an industry's management and workforce has relevance for future planning around retirement ages, and ensuring skills are passed on to younger employees," according to a needs analysis report published by MITO.

The ethnic composition of the industry is consistent with the wider workforce.

MITO's programme developers have to consider the needs of all learners when taking into account numeracy and literacy requirements, and suitable delivery and assessment methods.

The NZQA has approved MITO to develop 14 automotive qualifications

> it submitted at the end of last year, as previously reported by Autofile.

The automotive industry cluster is now at stage two, which means the detailed development of qualifications and review of unit standards are now being tackled.

Steven Joyce, Minister for Tertiary Education, Skills and Employment, has been getting positive

feedback from employers about the overall progress of the Targeted Review of Qualifications.

"It's not easy as it involves leaving vested interests at the door and focusing on the skills someone will have when they achieve a qualification - not the path taken to get there," he says.

"However, it's crucial if we're to get a qualification system that's easier to navigate for learners and employers - a system where learners get recognised for the learning they do in different parts of the system as they build towards their qualifications.

"By the end of 2014, I expect our qualifications system to be simple, clear and easy to understand." ⊕

Tips and tricks on how to improve car listings

rade Me Motors has two business models for dealers to choose from to help ensure they can find options that work best for them and their businesses.

If you are unsure which one is the best for you, we are happy to offer advice to help you chose.

There is the option to advertise through our DealerBase dealer model, which has a huge range of benefits including dedicated account management and specialised dealer support via our 0800 number.

There are tips and tricks on how to improve your listings and online presence – as well as a whole suite of discounted upgrade options to further enhance your brand and give your listings a boost.

Our dealer model is for classified listings and has pricing structured around stock turnover, which offers a substantial per listing discount.

The more you list, the cheaper each listing becomes because we understand high and fast stock turnover is the key to your business.

The second option is to advertise directly through the Trade Me website at www. trademe.co.nz/motors.

This tends to work better for dealers that do not turn over many units or those who wish to on-sell trade-ins and similar vehicles via auctions.

From feedback we collect from all our users, one of the more frequently asked questions is from our direct dealers wanting



"The more you list, the cheaper each listing becomes because we understand high and fast stock turnover is the key to business."

to know how they can get a dealer tag to display on their listings, such as with listings using the dealer model.

Previously the answer was that they couldn't, which we didn't think was very good, so we got to work.

With the help of our clever technical team, we got a shiny new function built and deployed.

We now offer these tags to all dealers no matter which way they chose to list on Trade Me.

The best part is, it couldn't be easier. All we need to do is enter your registered motor vehicle trader (RMVT) number into the background of your account and the tag will then display on your listings.

In the coming months,

we will be working hard to contact all our direct dealers to confirm their RMVT numbers and save them to their accounts.

In doing this we hope to make it nice and easy for consumers to determine if they are looking at a dealer or private listing.

Doing this will also help to improve our search results so when a consumer chooses to search only dealer listings, all trader listings will come up regardless of the advertising model used.

A Rolls-Royce Phantom similar to the one listed on Trade Me for \$680,000



We think is a pretty fantastic result. In light of the changes to consumer law coming up in June, the timing is pretty great too.

You can take advantage of the dealer tag as a quick and convenient way to display the fact that you are in trade.

We have had a great response so far with direct dealers welcoming the change and making contact with us to confirm their RMVT numbers.

Not sure if you are classed as being in trade? Anyone that sells more than six vehicles in any 12-month period is deemed by law to be a dealer and must have a RMVT number.

From June all dealers will be required to identify themselves as such, so we will be here to help you make that transition by making contact with all direct users who fall into this category.

Should you want the dealer tag added to your listings immediately – rather than waiting for a call – you are more than welcome to email us at motorsinfo@trademe.co.nz with your membership name and RMVT number.

For security purposes, please note the email you send will need to be sent from the email address linked to your Trade Me membership. ⊕

Most pop makes se MAY statistics Most pop makes se Statistics

Most popular car
makes searched*M1Mitsubishi2Ford3Audi4Toyota

Most popular car models searched* Corolla Golf Evo Hilux Accord Most popular body styles searched* RV/SUV Ute Sedan Station wagon Hatchback Most popular makes of motorbike searched* Honda Harley-Davidson Suzuki Yamaha Kawasaki

An eight-speed automatic Rolls-Royce Phantom Series II SWB has been listed for \$680,000. The 2012 model's 6,750cc petrol engine has travelled 6,000km. The white sedan boasts wood trim, starlight lighting in rear headlining and 21-inch alloys.

*in May on Trade Me Motors

Dealer claimed it didn't require to be registered because it was wholesaler

Background

Graeme Fowler bought a 1995 Isuzu Bighorn sight unseen by internet auction on June 11, 2013.

He said it was supplied by Lance Warren as 1 Stop Cars, but the vehicle offer and sale agreement (VOSA) listed the seller as Ezy Ltd, trading as Ezy 7000.

Fowler believed the SUV had travelled further than its advertised mileage of 126,816km and the sale breached the FTA.

The buyer named the dealer as the seller. The tribunal noted the trader registration number on the VOSA was registered to a Mr Warren, whose registered address was in Neilson Street, Onehunga, and who traded as 1 Stop Cars.

The tribunal made Warren a party to the dispute, and sent hearing notices to him and the dealer. Warren failed to appear with no explanation.

Shams Nazif, the trader's director, attended but claimed the car had been sold by Warren.

Nazif didn't consider the dealer needed to be registered under the Motor Vehicle Sales Act because he was a wholesaler. Nazif said Warren sold cars for the trader at retail.

The case

The buyer produced a copy of the advert he relied on before bidding, which stated the car had 128,816km on its odometer.

Fowler, of Tauranga, said he was a former motor vehicle trader with more than 38 years' experience and before bidding for the SUV he spoke to Warren, who said he had driven it and it was "a good vehicle".

He said the mileage attracted him and he agreed with the

tribunal it was unusually low for an 18-year-old car.

Fowler didn't ask Warren if it was genuine. There was no discussion about the odometer reading before he bought it.

He didn't inspect the car, have anyone else do this for him or obtain a vehicle report.

His brother in Auckland collected the vehicle after the auction and when it wouldn't start, the trader fitted a new battery.

When he picked up the car from his brother, Fowler noticed it appeared to have travelled more than 126,816km.

There was no oil in the engine and the odometer digits were out of line. The front grill and panel around the instrument cluster were broken.

Fowler called Warren within two weeks. They agreed if he was supplied with a free replacement grill and cluster, he would accept them in full and final satisfaction of any claim in respect of the transaction.

The buyer received the VOSA dated July 2, 2013, several weeks after the purchase.

This showed the seller was Ezy Ltd – a registered trader with an address in Onehunga.

The tribunal noted this was "very similar" to Warren's address on the Register of Motor Vehicle Traders.

The consumer information notice (CIN), however, showed the seller as 1 Stop Cars.

Fowler wasn't asked to sign the CIN. The VOSA had the odometer on "126,000km" but the CIN didn't show the mileage reading as was required.

The buyer had difficulty starting the car in August and had it inspected by European Autotech.

After an engine

compression test, it suspected a leaking head gasket or valve seat. A brake light switch and glow plugs were replaced. The invoice didn't have the odometer reading.

On October 21, Fowler got a Lemon Check report. It showed the car had seven owners since it was first registered in April 1999 after being imported from Japan with 70,958km on its odometer.

The odometer's history was inconsistent. The reading apparently reduced from 79,772km to 74,930km between October 1999 and its next warrant of fitness on June 6, 2000.

After a change of ownership, the recorded reading further reduced from 78,105km on July 6, 2002, to 77,199km on May 6, 2003.

The reductions appeared modest but the tribunal, in the absence of evidence produced by Fowler to prove the odometer had been tampered with, had no way of knowing what may have caused them.

Fowler didn't contact Warren or the dealer about his findings, but drove the car until its engine overheated in November 2013.

The vehicle needed a new cylinder head and heater core, which cost \$4,333.

Fowler said he had travelled 2,291 km in the SUV. After it overheated, he tried to contact the trader and emailed Nazif on November 9 claiming compensation and repair costs. The trader made an offer, but it wasn't accepted.

Nazif said Fowler should have read the reverse of the CIN, from which he would have seen that as a buyer he shouldn't place too **The case:** The buyer of an Isuzu Bighorn claimed it had been driven more than its advertised mileage in breach of the Fair Trading Act (FTA). The dealer said the car was described accurately as having 126,816km on its odometer and it had no way of knowing that was unreliable.

The decision: The application was dismissed because the tribunal wasn't satisfied the purchaser was misled about the odometer reading.

At: The Motor Vehicle Disputes Tribunal, Auckland.

much reliance on the odometer when purchasing a used car.

He said it was described accurately as having 126,816km on its odometer and the trader had no way of knowing this was unreliable.

The finding

The tribunal wasn't convinced Fowler was misled by the advert stating the odometer was on 126,816km, or he greatly cared about or relied on its accuracy.

He thought the reading was unusually low for such an 18-yearold vehicle, but didn't question Warren about it or ask why it was so low before purchasing it.

He soon noticed the SUV appeared to have travelled more than 126,816km, but continued to drive it.

Fowler later agreed to waive any rights against the trader in consideration of being given a grill and cluster panel.

Even after obtaining the Lemon Check report on October 21 and seeing the odometer was unreliable, he didn't take the matter up with the trader until after the car overheated.

Order

The application was dismissed because the tribunal wasn't satisfied the buyer was misled regarding the odometer. \oplus



Tribunal rules buyer entitled to recover reasonable repair costs from trader

Background

On July 20, 2013, Jianbo Cui bought a 2005 Toyota Ipsum from Eshtair Investments Ltd, trading as Somar Cars.

He said it vibrated and the trader promised to fix the cause – the engine's idle speed – but failed to do so.

Cui wanted to recover \$1,260 spent in having the car inspected, replacing engine mounts, a new battery, cleaning the throttle and a reinspection through the Consumer Guarantees Act (CGA).

The case

The buyer said that when it was tested pre-purchase, the car vibrated due to its low engineidle speed.

The seller agreed to "fix the rotor, change battery, clean and fix low idle" in the vehicle offer and sale agreement (VOSA). Cui paid a deposit of \$1,500 when the odometer was on 52,500km.

On July 27, he went to collect the vehicle and found it hadn't been fixed. He said it was still idling at 600-650rpm and vibrated.

Cui met Mr R Ghani, director, and asked him to fix the car as stated in the VOSA.

The dealer sent the car to Somar Service Centre on July 30 to deal with what it described as a "shuddering engine".

No fault codes were found. It replaced the spark plugs, added Xado to the transmission and cleaner to its engine, and charged \$120.

On August 3, Cui returned to collect the vehicle, but the slow idle and vibrations were still present. He agreed to accept the car and paid the balance of the price on the trader's written agreement it would be checked after one month and if the problem remained, the dealer would get it checked by Toyota.

Cui drove the vehicle for a few weeks but it still vibrated. On August 12, he told the trader he was taking it to a mechanic because he had given the dealer "a chance to put things right".

The dealer asked him to take the car back because he agreed for it to fix the vibration. Cui did so and the trader didn't take it to Toyota.

Ghani said the trader changed the air-flow meter but Cui said the vibration was the same.

Cui took the vehicle to a Toyota dealer, which suggested replacing the engine mounts. He didn't provide a written quotation for that.

He also took the car to the AA Auto, which told him the same thing but again he didn't get a quote.

Around September 23, Cui took it to Zhenghe Auto Electrical. It replaced the front engine mounts, cleaned and tested the throttle body, checked the spark plugs and replaced the battery for \$1,159.

Two days later, when the vibration was still present, Cui took the car to Manukau City Toyota, which found that when warmed up there was a "slight vibration" through the vehicle from the engine.

It reported the two main engine mounts had been replaced, the throttle body cleaned and no fault codes were found. Overall engine condition and operation were "normal". Manukau Toyota checked the battery and reported it failed the load-rate test. It quoted \$171 for a new one and charged \$101 for the inspection.

Cui returned to Zhenghe Auto Electrical on October 1, which replaced the battery for \$160.

Ghani said to fix the vibration issue, the trader first cleaned the throttle body.

It had the car serviced by Somar Service Centre on July 30, which changed the spark plugs, and put additives into the vehicle's transmission and engine.

When Cui went back on August, the dealer's mechanic changed the air-flow meter.

Ghani said Toyota Ipsums experienced vibration issues and said the trader probably didn't obtain a warrant of fitness (WOF) within 28 days of selling the car.

The finding

The tribunal noted the vehicle was a recently imported Japanese 2005 Toyota Ipsum.

A WOF had been issued on April 24, 2013, by the AA but the dealer failed to obtain a fresh one before selling the car as it was required to do, so the engine mounts might have been damaged when it was supplied.

The tribunal found as a fact that the dealer didn't fix the lowidle problem.

It didn't consider a reasonable buyer paying \$11,500 for a car with 52,500km on its odometer would consider it to be free of minor defects, so it didn't comply with the CGA's guarantee of acceptable quality.

The buyer claimed he required

The case: The buyer said the dealer failed to remedy why his car was vibrating despite agreeing to do so on three occasions. It was the result of the engine's idle speed.

The decision: The tribunal didn't consider a reasonable person paying \$11,500 for a Toyota lpsum with 52,500km on its odometer would consider it was free of minor defects, so it didn't comply with consumer protection law.

At: The Motor Vehicle Disputes Tribunal, Auckland.

the trader to fix the problem when he agreed to buy the vehicle and this was stated in the VOSA.

Cui returned a week after agreeing to buy the car and the trader hadn't cured the low-idle issue because it still vibrated. He gave the trader a second chance to fix the fault.

The buyer finally agreed to accept the vehicle, but returned it to the trader to fix the problem in mid-August. It again failed to do so.

The tribunal ruled Cui gave the dealer three opportunities to fix the problem, so he was entitled to recover from the trader the reasonable cost of repairing the car.

It considered this to be \$120 for diagnostic time, \$309 for engine mounts and \$200 for labour to replace the mounts – a total of \$629.

The tribunal didn't consider Cui gave the trader a chance to replace the battery, which the latter claimed it had already done, so its \$160 cost was excluded.

It ruled the inspection Cui had done by Manukau City Toyota was unnecessary, so it didn't order the dealer to pay the cost of that.

Order

The trader had to pay the buyer \$629 within 10 days. \oplus

Subscribe – FREE go to www.autofile.co.nz/subscribe for the latest industry news <page-header><text><section-header><text><text><text><text>



Invercargill

NEW: 118 2013: 82 43.9%

USED: 116 2013: 100 🔺 16.0%

www.autoport.net



UK, Japanese and local vehicles.

Finance available. The **TRUSTED** online wholesale trading site.

0800 7000 44

20 | www.autofile.co.nz



TWO SAILINGS PER MONTH JAPAN TO NZ

LATEST SCHEDULE										
Port Calls	Liberty V5	Sepang Express V14	Morning Miracle V10	Liberty V6						
Osaka	2 Jun	16 Jun	2 Jul	16 Jul						
Nagoya	3 Jun	17 Jun	4 Jul	17 Jul						
Yokohama	4 Jun	18 Jun	5 Jul	19 Jul						
Auckland	20 Jun	6 Jul	21 Jul	6 Aug						
Wellington	29 Jun	14 Jul	27 Jul	12 Aug						
Lyttelton	27 Jun	9 Jul	25 Jul	9 Aug						

PORT TO DOOR SERVICE

➤ NZ Customs clearance

- Odometer certification
- Delivery Nationwide
- MPI Border inspection
- onwide > Insurance
- Digital Photography for prior sales in NZ

PHONE 0800 ARMACUP (276 2287) or 09 303 3314 EMAIL enquiries@armacup.com www.armacup.com

YOUR FIRST CHOICE IN SHIPPING



Imported f	Passenger	Vehicle	Sales by	Make -	May 2014		Imported	d Passeng	er Vehicle	e Sales	; by N	lodel - Mi	ay 2014	4
Make	MAY '14	MAY '13	+/- %	MAY '14 MKT SHARE	2014 TOTAL	2014 MKT Share	MAKE	MODEL	MAY '14	MAY '13	+/-%	MAY '14 MKT SHARE	2014 Total	2014 MKT Share
Toyota	2677	2158	24.1	23.9%	11799	23.8%	Nissan	Tiida	624	369	69.1	5.6%	2678	5.4%
Nissan	2120	1443	46.9	18.9%	9100	18.3%	Suzuki	Swift	564	361	56.2	5.0%	2466	5.0%
Mazda	1783	1289	38.3	15.9%	8237	16.6%	Mazda	Axela	502	347	44.7	4.5%	2286	4.6%
Honda	1226	952	28.8	10.9%	5342	10.8%	Mazda	Demio	448	359	24.8	4.0%	2207	4.4%
Suzuki	680	452	50.4	6.1%	2956	6.0%	Honda	Fit	377	290	30.0	3.4%	1797	3.6%
BMW	471	287	64.1	4.2%	1949	3.9%	Toyota	Wish	307	200	53.5	2.7%	1324	2.7%
Subaru	421	390	7.9	3.8%	2020	4.1%	Toyota	Corolla	281	309	-9.1	2.5%	1332	2.7%
Mitsubishi	413	408	1.2	3.7%	1862	3.8%	Mazda	Atenza	259	222	16.7	2.3%	1131	2.3%
Volkswagen	399	317	25.9	3.6%	1749	3.5%	Toyota	Vitz	248	197	25.9	2.2%	1191	2.4%
Audi	210	176	19.3	1.9%	980	2.0%	Volkswagen	Golf	245	182	34.6	2.2%	1056	2.1%
Mercedes-Benz	206	125	64.8	1.8%	835	1.7%	Subaru	Legacy	241	238	1.3	2.1%	1136	2.3%
Ford	126	124	1.6	1.1%	582	1.2%	Mazda	MPV	219	161	36.0	2.0%	1011	2.0%
Chevrolet	63	52	21.2	0.6%	282	0.6%	Nissan	Note	218	110	98.2	1.9%	844	1.7%
Volvo	58	40	45.0	0.5%	264	0.5%	Honda	Odyssey	208	170	22.4	1.9%	806	1.6%
Lexus	48	17	182.4	0.4%	193	0.4%	Toyota	lst	171	166	3.0	1.5%	758	1.5%
Hyundai	44	9	388.9	0.4%	155	0.3%	Mitsubishi	Outlander	154	161	-4.3	1.4%	673	1.4%
Mini	43	16	168.8	0.4%	179	0.4%	Toyota	Estima	146	110	32.7	1.3%	653	1.3%
Jaguar	40	26	53.8	0.4%	197	0.4%	Nissan	March	144	134	7.5	1.3%	780	1.6%
Land Rover	34	30	13.3	0.3%	139	0.3%	Nissan	Bluebird	137	164	-16.5	1.2%	630	1.3%
Holden	32	19	68.4	0.3%	114	0.2%	Mitsubishi	Colt	134	116	15.5	1.2%	587	1.2%
Peugeot	18	7	157.1	0.2%	59	0.1%	Honda	Accord	131	122	7.4	1.2%	627	1.3%
Dodge	17	15	13.3	0.2%	60	0.1%	Mazda	Premacy	131	73	79.5	1.2%	584	1.2%
Porsche	13	14	-7.1	0.1%	67	0.1%	BMW	320i	128	74	73.0	1.1%	517	1.0%
Daihatsu	8	11	-27.3	0.1%	80	0.2%	Honda	Stream	124	91	36.3	1.1%	488	1.0%
Renault	8	4	100.0	0.1%	26	0.1%	Toyota	Auris	121	82	47.6	1.1%	598	1.2%
Maserati	7	0	700.0	0.1%	18	0.0%	Toyota	Caldina	120	90	33.3	1.1%	435	0.9%
Jeep	6	8	-25.0	0.1%	28	0.1%	Nissan	Teana	118	105	12.4	1.1%	521	1.1%
Chrysler	5	7	-28.6	0.0%	18	0.0%	Nissan	Murano	116	47	146.8	1.0%	470	0.9%
Citroen	5	3	66.7	0.0%	16	0.0%	Nissan	Skyline	106	39	171.8	0.9%	409	0.8%
Kia	3	4	-25.0	0.0%	13	0.0%	Honda	CRV	105	62	69.4	0.9%	401	0.8%
Pontiac	3	3	0.0	0.0%	11	0.0%	Honda	Civic	99	72	37.5	0.9%	377	0.8%
Rover	3	0	300.0	0.0%	10	0.0%	Nissan	Lafesta	95	35	171.4	0.8%	313	0.6%
Skoda	3	4	-25.0	0.0%	10	0.0%	Toyota	Blade	95	66	43.9	0.8%	453	0.9%
Factory built	2	0	200.0	0.0%	4	0.0%	Toyota	Mark X	95	57	66.7	0.8%	389	0.8%
Fiat	2	5	-60.0	0.0%	14	0.0%	Nissan	Presage	93	83	12.0	0.8%	475	1.0%
Others	26	45	-42.2	0.2%	228	0.5%	Others	-	3919	2996	30.8	34.9%	17193	34.7%
Total	11223	8460	32.7	100.0%	49596	100.0%	Total		11223	8460	32.7	100.0%	49596	100.0%

VALUE.

Fixed





Massive month for dealers

ales of used imported cars are racing ahead, according to latest registration statistics. Last month, there were 11,223 sales of used imported passenger vehicles. That was 2,763 units – or 32.7 per cent – ahead of May 2013's total of 8,460.

Autofile spoke to some car dealers across the country to gauge how business is stacking up.

Neil Cottle, who established Auto Court in Dunedin in 1963, says: "We're very satisfied with what we're doing, but we would always like to sell more, and generally we don't buy high-kilometre cars because we have our own criteria."

The dealership has also been selling more vehicles around the country as well as overseas.

"We shipped one vehicle to the US last month, which was a Land Cruiser fire engine and is a collector's item," he says.

"It went from Japan to Dunedin then back to America. We also sold one to Norfolk Island."

Cottle believes it's important to buy stock that's well-priced in Japan and competitive with what's already on the market in New Zealand.

"We have also been shifting into our new premises, which has 50 cars under cover with the workshop adjoining it," he adds.

The \$2 million development is on the corner of Burns and Neville Streets, and just across the road from Carisbrook.

Mike Farmer, group managing director of Farmer Autovillage in Tauranga, says: "We have been getting a lot of older trade-ins and that's a natural progression.

"New Zealand has one of the oldest fleets in the developed world, with the amount of cars in 1994-96 bracket being phenomenal. "These vehicles will hang around until there's some sort of policy driven by the government to get older cars off the road.

"Our trade in used cars has been relatively consistent. I'm a strong believer our used market will be strong this year and will mirror trends in the US."

Tony Hammond, of Tony Hammond Motors in Tauranga, has been in the industry for 28 years.

"Business has been reasonably strong for the past 12 months and so far this year it has been very strong," he says. available, but I don't do a huge amount of them."

Hammond is expecting that when the cold weather sets in would-be buyers will not want to leave home as much, "but we still get people looking on wet, miserable days, and there has been a lot more inquiry and activity".

He adds: "Finance has loosened up now that we're through the global financial crisis.

"The finance companies are lending to people who have good credit history and at least 50 per cent of my buyers take out finance."



"People are updating vehicles they have been putting off buying. Trends are going towards smallerengined cars – around 1,500cc and upwards to two litres.

"The Holden and Ford sixcylinder market isn't as big as it has been with buyers wanting the best economical cars for their budgets.

"This means they aren't pouring money into petrol, and a lot of the small cars have four and five-star fuel ratings.

"We try to buy a certain type of vehicle based on condition and commercials when they are John Clarke, dealer principal of KB Ford in Dannevirke, says when it comes to used stock, any light commercial is good to have on the yard with demand filtering down from five or six years ago "when new volume was down".

"We sell a few used cars around the country," he says. "We have a lower cost structure and our overheads are lower than some city yards."

A mix of stock is going well for the dealership, including the Ranger, Courier, Falcon, Mondeo and Kuga.

"We generally try to have a good mix," explains Clarke. "It's

always a market that you have got to keep working on.

"We are feeling confident about the year. We have come out of a dip, so it's onwards and upwards.

"Some people don't want to be in the smaller centres but the average cost of housing is way lower, and you are still able to earn a good income.

"The cost of housing in Dannevirke is probably a quarter of what it is in Auckland."

David Wilmot, of Wilmot Toyota in Warkworth, says: "We can easily access signature-class vehicles from Toyota in the \$20,000-plus range."

However, most of his customers are looking for stock in the \$10,000 to \$20,000 price bracket.

"We don't mind what we retail even though we are a Toyota franchise," he says. "We look at Japanese imports and Korean stuff as well.

"We dabble in importing occasionally when we can't fill it from another other source, and we have been sourcing more stock from Turners."

Meanwhile, the Nissan Tiida was the top-selling model in May with 624 registrations.

The Suzuki Swift secured 564 sales and was followed by the Mazda Axela on 502.

Mazda's Demio recorded 448 units while the Honda Fit came in with 377.

Toyota topped the marques table on 2,677 units to bring its year-to-date market share to 23.9 per cent. Nissan was second on 2,120, followed by Mazda on 1,783.

Honda secured 1,226 registrations and Suzuki has 680. BMW was the top European marque on 471 imports. This was a 64.1 per cent increase on May 2013's total of 287. ⊕

Reece McKerrow Ph: 021 988 727 Greg Bardsley

Ph: 0279 363 595

fee with no hidden costs

www.heiwa-auto.co.nz



New Passer	nger Vehi	icle Sale	s by Mc	nke – N	lay 2014		New Pass	senger Vehic	le Sale	s by N	Nodel	- May 2	014	
Make	MAY '14	MAY '13	+/- %	MAY '14 MKT SHARE	2014 TOTAL	2014 MKT Share	MAKE	MODEL	MAY '14	MAY '13	+/- %	MAY '14 MKT SHARE	2014 Total	2014 MKT Share
Toyota	996	1072	-7.1	14.6%	5037	14.1%	Suzuki	Swift	272	264	3.0	4.0%	1181	3.3%
Holden	798	692	15.3	11.7%	3859	10.8%	Toyota	Corolla	241	268	-10.1	3.5%	1980	5.5%
Ford	562	614	-8.5	8.3%	2955	8.3%	Mazda	CX-5	230	143	60.8	3.4%	1058	3.0%
Hyundai	531	685	-22.5	7.8%	3157	8.8%	Toyota	RAV4	229	197	16.2	3.4%	772	2.2%
Mazda	524	403	30.0	7.7%	2683	7.5%	Holden	Commodore	213	194	9.8	3.1%	1096	3.1%
Nissan	415	261	59.0	6.1%	2124	5.9%	Holden	Captiva	211	304	-30.6	3.1%	943	2.6%
Suzuki	406	406	0.0	6.0%	2170	6.1%	Holden	Cruze	179	134	33.6	2.6%	729	2.0%
Volkswagen	371	301	23.3	5.5%	1768	4.9%	Mazda	Mazda3	175	98	78.6	2.6%	926	2.6%
Mitsubishi	354	232	52.6	5.2%	2085	5.8%	Toyota	Yaris	175	183	-4.4	2.6%	737	2.1%
Kia	230	259	-11.2	3.4%	1239	3.5%	Nissan	X-Trail	151	66	128.8	2.2%	665	1.9%
BMW	214	160	33.8	3.1%	953	2.7%	Volkswagen	Golf	147	101	45.5	2.2%	884	2.5%
Honda	196	234	-16.2	2.9%	1353	3.8%	Toyota	Highlander	139	142	-2.1	2.0%	558	1.6%
Mercedes-Benz	191	159	20.1	2.8%	777	2.2%	Hyundai	Santa Fe	132	270	-51.1	1.9%	813	2.3%
Audi	170	171	-0.6	2.5%	893	2.5%	Ford	Kuga	124	153	-19.0	1.8%	614	1.7%
Subaru	126	138	-8.7	1.9%	737	2.1%	Hyundai	ix35	115	90	27.8	1.7%	717	2.0%
Jeep	108	46	134.8	1.6%	503	1.4%	Ford	Focus	112	111	0.9	1.6%	733	2.0%
Land Rover	68	40	70.0	1.0%	382	1.1%	Hyundai	i30	112	100	12.0	1.6%	657	1.8%
SsangYong	68	45	51.1	1.0%	371	1.0%	Mitsubishi	Lancer	107	55	94.5	1.6%	796	2.2%
Skoda	67	53	26.4	1.0%	346	1.0%	Ford	Territory	97	116	-16.4	1.4%	451	1.3%
Peugeot	65	95	-31.6	1.0%	458	1.3%	Mitsubishi	Outlander	93	87	6.9	1.4%	635	1.8%
Lexus	43	40	7.5	0.6%	226	0.6%	Ford	Fiesta	84	99	-15.2	1.2%	440	1.2%
Mini	34	39	-12.8	0.5%	237	0.7%	Jeep	Grand Cherokee	83	28	196.4	1.2%	365	1.0%
Chery	32	10	220.0	0.5%	106	0.3%	Toyota	Land Cruiser Prado	82	82	0.0	1.2%	234	0.7%
Citroen	31	31	0.0	0.5%	199	0.6%	Nissan	Pulsar	81	83	-2.4	1.2%	330	0.9%
Dodge	30	22	36.4	0.4%	202	0.6%	Mitsubishi	ASX	80	26	207.7	1.2%	269	0.8%
Volvo	30	21	42.9	0.4%	194	0.5%	Nissan	Qashqai	79	40	97.5	1.2%	554	1.5%
Fiat	25	4	525.0	0.4%	131	0.4%	Honda	Jazz	74	55	34.5	1.1%	432	1.2%
Renault	22	6	266.7	0.3%	63	0.2%	Ford	Mondeo	72	80	-10.0	1.1%	329	0.9%
Porsche	21	16	31.3	0.3%	117	0.3%	Volkswagen	Tiguan	69	79	-12.7	1.0%	338	0.9%
Alfa Romeo	18	2	800.0	0.3%	121	0.3%	Mercedes-Benz	C-Class	66	71	-7.0	1.0%	225	0.6%
Great Wall	15	14	7.1	0.2%	62	0.2%	Holden	Barina	65	32	103.1	1.0%	299	0.8%
Can-Am	7	7	0.0	0.1%	27	0.1%	Volkswagen	Polo	64	47	36.2	0.9%	227	0.6%
Isuzu	7	0	700.0	0.1%	34	0.1%	Holden	Trax	62	-	-	0.9%	291	0.8%
Chrysler	6	10	-40.0	0.1%	41	0.1%	BMW	116i	59	26	126.9	0.9%	189	0.5%
Jaguar	6	10	-40.0	0.1%	50	0.1%	Kia	Sportage	58	57	1.8	0.9%	375	1.0%
Maserati	6	1	500.0	0.1%	30	0.1%	Toyota	Camry	58	71	-18.3	0.9%	306	0.9%
Daihatsu	2	36	-94.4	0.0%	23	0.1%	Mazda	Mazda6	56	87	-35.6	0.8%	308	0.9%
MG	2	1	100.0	0.0%	12	0.0%	Hyundai	i20	55	74	-25.7	0.8%	348	1.0%
Aston Martin	1	0	100.0	0.0%	15	0.0%	Suzuki	SX4 S-Cross	55	-	-	0.8%	333	0.9%
Bentley	1	2	-50.0	0.0%	16	0.0%	Honda	CRV	54	71	-23.9	0.8%	372	1.0%
Others	3	9	-66.7	0.0%	53	0.1%	Others		2192	2163	1.3	32.2%	12300	34.3%
Total	6802	6347	7.2	100.0%	35809	100.0%	Total		6802	6347	7.2	100.0%	35809	100.0%

Seal the deal with UDC.

Ph 0800 500 832 or visit www.udc.co.nz

UDC Finance Limited lending criteria applies. New Zealand's Finance Company



Franchises report good results

ay was another great month when it came to new passenger car sales with 6,802 registered.

This was up by 455 on the same month in 2013 and year-to-date the figures are now 11 per cent – or 3,574 units – ahead of last year.

Toyota led passenger vehicle sales in May with 14.6 per cent and 996 units, Holden was second on 11.7 per cent and 798, and Ford came in third on 8.3 per cent and 562.

Suzuki's Swift was the topselling model with four per cent market share and 272 units. It was followed by Toyota's Corolla with 241 sales. Mazda's CX-5 took three per cent with 230 units.

Kevin Opele is dealer principal – automotive with Drummond & Etheridge Ltd, which has branches in Timaru and Ashburton. It has Nissan and Holden franchises in Timaru and Nissan in Ashburton.

"May was a really strong month for us as an automotive group with Ashburton reaching target and Holden smashing theirs by 188 per cent," he told Autofile.

"It was a great month for new vehicles and we had good sales in used as well, so it was a very productive month for both branches.

"Fieldays has now started, so this will continue to generate strong commercial sales for us in the 4x4 ute market, which has always been strong at this time of year.

"If growth figures continue, then the only issue may come later in the year when the service side for all dealers will come under pressure due to the large increase in sales over the past few years.

"With more sales come more servicing. To manage that, we will need more automotive technicians and they are hard to find at the moment." David Wilmot, chief executive officer of Wilmot Toyota in Warkworth, says: "There are a lot of people who are retiring up here for the lifestyle and those still working in Auckland but living here.

"Some of those people still have relationships with dealers in Auckland, but we are starting to see more of them coming through. It's still pretty competitive.

"Trade started off slow this year but the past couple of months have been good."

Stock constraints have affected

specials across the range, especially with the platinum warranty and reduced prices."

But some buyers put off the decision to buy until the last minute, which means those deals don't come through until the end of June.

Wilmot adds: "Big cars, such as the Aurion and Camry, have fielded very little inquiry.

"The way our forecast structure is looking, it shows growth more in the first half of the year than the second half, but the general mood of the country is improving.



some vehicles, including the twowheel drive RAV4 and Highlander Limited.

"The Highlander Limited especially has taken off with much higher sales than Toyota NZ expected," says Wilmot.

"We've got a demo Limited. After we sell that, we only have one. If we ordered another one now, we may not see it for three or so months."

The Yaris has been on run-out for a face-lifted model, which is due out soon, while the high-specification Corolla is also fielding strong inquiry "We have pretty good Fieldays "We can tell there's more activity going on. The workshop is busier and we have more people wandering onto the yard, even though its winter."

Matthew Newman, dealer principal of South Auckland Motors in Manukau, believes sales will come in higher this year than in 2013.

"Businesses are confident and as a result of that we're seeing some very high figures," he says.

"A change of government will slow things down. A lot of the slowing doesn't happen overnight, but when you take away business confidence things dry up.



Newman reports finance penetration as coming in between 30 and 45 per cent.

"The vast majority of those vehicles are sold with a comprehensive warranty and Provident has absolutely met all of our customers' needs."

Mike Farmer is the group managing director of Farmer Autovillage in Tauranga.

The company holds the franchise for 11 marques – Audi, Chrysler, Dodge, Hyundai, Jeep, Nissan, Skoda, Subaru, Volkswagen, Alfa Romeo and Fiat.

He reports that all of these brands have been performing relatively consistently.

"All brands go through periods of up and downs – it generally comes down to the product launch – but across the group new car sales are relatively consistent," says Farmer.

"The numbers throughout the country are strong. We have been enjoying that and always strive to be ahead of where the market is."

Last month, there were overall registrations of 10,064 new passenger and commercial vehicles and they reflect the current strong economic conditions.

Toyota was the overall market leader with 19 per cent market share and 1,931 units.

Ford was second on 1,118 units or 11 per cent and Holden third on 1,090 units.

CLARIFICATION: In the May 7 issue of Autofile, we stated Scott Donaldson was dealer principal of Drummond and Etheridge in Ashburton. This was incorrect. He is dealer principal – Marine.



UDC Finance Limited lending criteria applies

Sales of utes racing ahead

ear-to-date registrations of new commercial vehicles are now 20 per cent ahead of the first five months of 2013.

There were 3,262 units sold last month, which was the strongest May since the Motor Industry Association started collecting records in this segment.

That total was up by 685 compared to the same month of last vear.

Toyota's Hilux was the topselling model with 566 units sold for a 17 per cent market share.

Ford's Ranger came second with 15 per cent market share and 503 units, and was followed by the Toyota Hiace on 11 per cent and 348 sales.

Year to date, the Ranger remains the top-selling model with 16 per cent market share and 2,191 units, followed by the Hilux on 15 per cent and 2,069 units.

Brian Watts, dealer principal of Watts Motors in Gisborne, says forestry in the region has been going well, which helps to lift demand for the Ranger.

"We had a good few months at the end of last year on heavy

trucks, but most builders have dropped staff," he told Autofile.

"We've been caught short, waiting three or four months for trucks to arrive, which has caused delays in deliveries and frustrations."

John Clarke, dealer principal of KB Ford in Dannevirke, says: "I don't think the Fonterra pay-out



is going to have any effect.

"It has been at a pretty high level and well above what it has been in the past.

"We are pleased with the Ranger and with demand across the board. We even have people who are looking at the ute to replace a large car.

"The industry is evolving all the time. SUVS and double-cab utes are ticking more boxes and gaining more of a base in town because they can be dressed up."

Brian Read, of Gisborne Motors, adds the van market has been quiet, "but most tradies here are generally using the Ranger".

Overall, Toyota led last month's market with a 29 per cent share and 935 units. It was followed by Ford on 17 per cent and 556. Holden was third with nine per cent and 292 sales. ⊕

New Comme	ercial Sale	s by Mo	ake - M	ay 2014		
МАКЕ	MAY '14	MAY '13	+/- %	MAY '14 MKT SHARE	2014 Full year	2014 MKT SHARE
Toyota	935	659	41.9	28.7%	3271	23.6%
Ford	556	571	-2.6	17.0%	2437	17.6%
Holden	292	210	39.0	9.0%	1077	7.8%
Mitsubishi	206	164	25.6	6.3%	934	6.7%
lsuzu	188	136	38.2	5.8%	800	5.8%
Nissan	188	156	20.5	5.8%	1140	8.2%
Mazda	151	112	34.8	4.6%	556	4.0%
Volkswagen	98	113	-13.3	3.0%	507	3.7%
Hino	68	50	36.0	2.1%	280	2.0%
Great Wall	66	59	11.9	2.0%	363	2.6%
SsangYong	65	38	71.1	2.0%	364	2.6%
Hyundai	58	26	123.1	1.8%	334	2.4%
Mitsubishi Fuso	48	53	-9.4	1.5%	225	1.6%
Mercedes-Benz	44	35	25.7	1.3%	212	1.5%
Foton	37	21	76.2	1.1%	139	1.0%
MAN	34	2	1600.0	1.0%	134	1.0%
LDV	29	0	2900.0	0.9%	143	1.0%
UD Trucks	27	11	145.5	0.8%	92	0.7%
Volvo	27	32	-15.6	0.8%	149	1.1%
Scania	26	16	62.5	0.8%	74	0.5%
Others	119	113	5.3	3.6%	654	4.7%
Total	3262	2577	26.6	100.0%	13885	100.0%

New Commercial Sales by Model - May 2014

MAKE	MODEL	MAY '14	MAY '13	+/- %	MAY '14 MKT SHARE	2014 Full year	2014 MKT SHARE
Toyota	Hilux	566	447	26.6	17.4%	2069	14.9%
Ford	Ranger	503	483	4.1	15.4%	2191	15.8%
Toyota	Hiace	348	189	84.1	10.7%	1115	8.0%
Holden	Colorado	280	195	43.6	8.6%	997	7.2%
Nissan	Navara	188	146	28.8	5.8%	1140	8.2%
Mitsubishi	Triton	156	120	30.0	4.8%	611	4.4%
Mazda	BT-50	151	112	34.8	4.6%	555	4.0%
Isuzu	D-Max	113	56	101.8	3.5%	480	3.5%
SsangYong	Actyon Sport	65	38	71.1	2.0%	364	2.6%
Hyundai	iLoad	55	22	150.0	1.7%	328	2.4%
Volkswagen	Amarok	55	66	-16.7	1.7%	298	2.1%
Mitsubishi	L300	50	44	13.6	1.5%	323	2.3%
Great Wall	V240	49	29	69.0	1.5%	279	2.0%
Ford	Transit	48	77	-37.7	1.5%	222	1.6%
Isuzu	F Series	37	31	19.4	1.1%	134	1.0%
Foton	Tunland	35	21	66.7	1.1%	127	0.9%
Mercedes-Benz	Sprinter	34	21	61.9	1.0%	159	1.1%
Hino	500	31	20	55.0	1.0%	125	0.9%
lsuzu	N Series	29	38	-23.7	0.9%	131	0.9%
LDV	V80	29	0	2900.0	0.9%	143	1.0%
Others		440	422	4.3	13.5%	2094	15.1%
Total		3262	2577	26.6	100.0%	13885	100.0%

TARGETED ADVERTISING SPACE SHOULDN'T WE BE LOOKING AT YOUR BUSINESS?

Trader reports market changing

dealer specialising is selling used New Zealand-new and imported commercial vehicles says the market has changed dramatically over the past few years.

Dave Sutton, of Kent Valley Commercials in Tauranga, says his head office in Japan is a major buyer of all models of vehicles while his sales team regularly travels there.

"Our market is not there at the moment," he told Autofile. "A lot of car dealers have brought in flat decks and this has made business harder as well.

"The overall market is nothing like it was two or three years ago. We have got plenty of stock, but the margins are down and stock is more expensive.

"We used to do very well out

of crane trucks, but it's so hard to buy them now.

"Trucks from 1986 and 1992 are selling for \$85,000 when we could buy them for \$40,000."

Meanwhile, Neil Cottle, of Auto Court in Dunedin, says: "I don't know of anyone who has been able to buy many utes from Japan because quite often you simply cannot acquire them. "But we delivered a new

2014 Toyota Hiace 14-seater to Auckland last month."

Brian Read, dealer principal of Gisborne Motors, says: "We're trading quite a few used commercials with the Ranger.

"Business has been a bit of a mix – not just with our Ford and



Mazda models – and we've had a couple of Hiluxes and Navaras."

Last month, 709 used commercial vehicles were registered and they took the year-to-date total up to 3,083.

Sales in May were up by 26.4 per cent compared to 561 registrations in the same month of 2013.

Toyota took out the lion's share with 338 sales, which were up by 41.4 per cent on May last year when it sold 239 units.

The marque secured a monthly market share of 47.7 per cent in May, while its year-todate share now stands at 49 per cent and 1,511 units.

Toyota's Hiace continues to dominate the models table. It sold 247 units last month. This amounted to a 38.8 per cent increase on 178 in May 2013. ⊕

Used Commercial Sales by Make - May 2014 MAY '14 MKT SHARE 2014 Full year 2014 MKT SHARE Make MAY '14 MAY '13 +/- % Tovota 338 239 41.4 47.7% 1511 49.0% Nissan 153 149 2.7 21.6% 653 21.2% 170 lsuzu 39 22 77.3 5.5% 5.5% Mazda 35 24 45.8 4.9% 129 4.2% Ford 28 17 64 7 3.9% 129 4.2% Mitsubishi 58.8 3.8% 27 17 91 3.0% Hino 5.9 18 17 2 5% 55 1.8% Chevrolet 13 13 0.0 1.8% 67 2.2% Holden 11 26 -57.7 1.6% 51 1.7% Dodge 7 3 133.3 1.0% 14 0.5% Volkswagen 5 6 -16.7 0.7% 17 0.6% GMC 3 0 300.0 0.4% 18 0.6% 0.2% lveco 3 2 50.0 0.4% 6 3 11 Land Rover 1 200.0 0.4% 0.4% Mitsubishi Fuso 3 2 50.0 0.4% 0.2% 6 Suzuki 3 200.0 0.4% 11 0.4% 1 Factory built 2 0 200.0 0.3% 5 0.2% Fiat 2 2 0.0 0.3% 27 0.9% Peuaeot 2 100.0 0.3% 0.1% 1 3 Renault 2 1 100.0 0.3% 8 0.3% Others 12 -33.3 101 18 1.7% 3.3% 3083 Total 709 561 26.4 100.0% 100.0%

MAKE	MODEL	MAY '14	MAY '13	+/-%	MAY '14 MKT SHARE	2014 Full year	201 MKT SHAR
Toyota	Hiace	247	178	38.8	34.8%	1142	37.0%
Nissan	Caravan	71	74	-4.1	10.0%	300	9.7%
Nissan	Vanette	44	50	-12.0	6.2%	205	6.6%
Toyota	Regius	33	13	153.8	4.7%	127	4.1%
Mazda	Bongo	29	16	81.3	4.1%	101	3.3%
lsuzu	Elf	24	15	60.0	3.4%	76	2.5%
Toyota	Dyna	24	27	-11.1	3.4%	102	3.3%
Nissan	Atlas	19	10	90.0	2.7%	61	2.0%
Toyota	Hilux	12	4	200.0	1.7%	51	1.7%
Toyota	Toyoace	12	12	0.0	1.7%	49	1.6%
Ford	Ranger	11	2	450.0	1.6%	36	1.2%
suzu	Forward	9	7	28.6	1.3%	30	1.0%
Mitsubishi	Canter	8	7	14.3	1.1%	25	0.8%
Mitsubishi	Fuso	8	0	800.0	1.1%	15	0.5%
Nissan	Navara	8	11	-27.3	1.1%	41	1.3%
Dodge	Ram	7	3	133.3	1.0%	11	0.4%
Hino	Dutro	7	6	16.7	1.0%	22	0.7%
Hino	Ranger	6	6	0.0	0.8%	20	0.6%
Nissan	Patrol	6	0	600.0	0.8%	20	0.6%
Holden	Colorado	5	22	-77.3	0.7%	21	0.7%
Others		119	98	21.4	16.8%	628	20.4%

709

561

26.4

100.0%

SPONSOR THIS SPACE NOW

Total

CALL BRIAN ON 021 455 775

3083

100.0%



SERIOUS About loyalty

"Autohub Bonus Rewards Programme"

Registered Motor Vehicle Trader Only

Autohub is the only company to give you a dollar for dollar value on points.

Every vehicle a member brings in through Autohub earns 10 Bonus Rewards points, the equivalent to NZ\$10 retail, to spend at any of the Autohub supplier partners.



Check out our suppliers at **www.autohub.co.nz/nz/rewardsgifts.html** or contact Tony Tiehuis at tony@autohub.co.nz or 09 412 2763

*This is a 12 month rolling programme, as long as a client brings in one vehicle each year the programme and points remain with that client until they spend them

www.autohub.co

+64 9 411 7425