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Measures limit risks posed by write-offs

bout 25 per cent of used vehicles being imported from Australia are statutory write-offs, according to the NZTA.

But the agency is confident it is now identifying them at point of entry into this country after reviewing compliance procedures.

It has also ruled that all imports from there must be accompanied by an Australian Personal Property Securities Register (PPSR) so vehicles' histories are known.

The NZTA's actions aim to limit the risks posed by statutory write-

offs, some of which may be the subject of insurance fraud or other criminal activity.

Up to February this year, 23 per cent of such vehicles from across the Tasman were flood damaged and 69 per cent had collision damage with the remainder being fire, hail or maliciously damaged.

In October, Autofile revealed about 500 write-offs had been imported from Australia since January 2011.

Thirty were reinspected because they weren't picked up as damaged during border inspection or entry certification processes. Repairs were ordered on five, although none were unroadworthy.

By law in Australia, statutory write-offs cannot be reregistered for on-road use there.

But if they are legally imported here after being fully complied, they sometimes have higher values in New Zealand.

This is because they can be sold as repaired vehicles in this country as opposed to being legally stripped for parts in Australia – or illegally finding their way back onto roads there.

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Why Fiat believes

its 500 has global effect

Recalls affect 6.86m vehicles

oyota NZ is having discussions with its parent company in Japan to ensure it gets the total number of each model in this country affected by global recalls exactly right.

The manufacturer has this month launched its second-biggest recall covering some 6.86 million units worldwide. It has declined to say how much the precautionary measures, which affect 27 models including the RAV4, Prado, Hilux and Yaris, will cost and it's unclear if the faults stem from suppliers or its manufacturing processes.

The company is unaware of any crashes or injuries caused by the problems, while faults have also been found in the Pontiac Vibe and Subaru Trezia built for GM and Fuji Heavy Industries.

Three of the recalls affect cars sold as-new in New Zealand and one affects vehicles imported by third parties. Toyota NZ is contacting all

owners affected to make free remedial arrangements, which [continued on page 4]





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When television becomes reality

Reality television purports to document unscripted situations and actual occurrences. Whether it does or not is a debate that will rage forever.

This mainly dreary genre has standard formats that are exported around the world to make millions of easy dollars.

Modern reality television attracts love and hate in Marmite proportions, but most people watch some of the programmes.

Will a heavy vehicle in Ice Road Truckers ever sink to the bottom? New Zealand's Got Talent can be a contradiction in terms at times but it's highly entertaining.

These types of programmes portraying people can be traced back to the late-1940s in the US but it was a series called Cops, which first aired in 1989, that really spawned the monster.

It partly came about because of the need for programming during the 1988 Writers' Guild of America strike.

Some bright sparks used camcorders to film cops taking out criminals and then got the footage commissioned. The rest is history and mediocrity.

For the first time in ages, TV3's Road Cops somehow conspired to appear on the television at home.

It was difficult to conclude what was more moronic – the programme, the halfwits getting pulled over, the paltry fines or the viewers for tuning in.

What was shocking was most of the police's work involved dealing with boy racers, the odd truck driver and muppets on cellphones.

A student badly driving a Porsche Cayenne accused a cop of being racist – even though his car had tinted glass.

Then there was a girl racer who

put stockings over the rear indicators to darken them. A young dad was stopped for hacking his muffler off.

Surely our law-enforcement officers have got bigger fish to fry.

While boy-racer laws crack down on hoons, why does everyone else have to pay to keep them on the road in the first place?

It's about time New Zealand had compulsory third-party insurance, which would work like other policies. The higher the risk, the bigger the price – a bit like some reality shows.

Premiums could be loaded against the driver's age, type of car and its power so some motorists would price themselves off the road.

This edition of Road Cops also featured a truckie getting pinged for about \$600 for failing to secure his load, while his company received a \$350 fine for an overweight load.

Many people would say such low penalties are hardly deterrents and a zero could easily be added to each fine.

The Vehicle Licensing Reform will open up the certificate of fitness (COF) market.

It could roll back road-safety advances made over the years, much of it thanks to inspections carried out by transport service delivery agents.

All of this creates real issues. The police need not have to set aside so many resources to keep tabs on boy racers, who should be made to pay for their actions. Unsafe vehicles need to be taken off our roads and owners educated about car safety.

Truckies and haulage companies must take their responsibilities seriously, and what will happen when the COF changes kick in?

Let's hope we don't end up with a bloodier version of Road Cops on our screens when reality hits home.

Darren Risby, editor

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[continued from page 1]

Recalls 'fact of life in industry'

extends to used cars imported.

"We don't want to create any concern for people whose vehicles aren't affected," says Spencer Morris, general manager of customer services.

"Conversely, we are thorough in our approach to ensure all affected customers are contacted."

The marque hasn't quantified the cost of local recalls, such as in administration, parts, labour and so on, because its "priority is to provide the remedy for our customers".

Morris told Autofile required repairs will be undertaken at dealerships across the marque's network, so it doesn't anticipate any major effects on existing services it provides.

"We've had positive feedback from the industry and customers, who have appreciated the proactive approach," he says. Certain RAV4 models made between June 2004 and December 2010 – and sold as-new here – are affected by a spiral cable recall

"Very few customers have been concerned but these are by far a minority.

"While we appreciate the concerns of these few people, we would rather ensure any possible quality issues are addressed before problems arise.

"Recalls are a fact of life across the car industry and customers appreciate our approach is designed to ensure their peace of mind."

notorw

He emphasises it's important to note this latest round of recalls is precautionary.

"While we apologise for any concern and inconvenience caused, Toyota is ensuring possible quality issues are addressed before problems arise.

"Taking appropriate action early – and putting customers and people first – is our commitment to quality and safety.

"Owners affected will receive a notification letter and are advised to contact their Toyota dealer. In every case, remedial work is free."

KIWI MODELS AFFECTED

Certain RAV4, Prado and Hilux models made between June 2004 and December 2010 – and sold asnew here – are affected by a spiral cable recall, which covers 200,000 units in Oceania.

Toyota NZ needs to check electrical cabling in the spiral cable assembly in the driver's airbag module.

The connection to the airbag could be disrupted. If lost, the warning lamp will come on and the airbag could de-activate. Remedial action will take about one hour.

The driver's seat rails in some

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"Customers appreciate our approach is designed to ensure their peace of mind."

- Spencer Morris, Toyota NZ

 new Yaris models made between January 2005 and August 2010 may need to be replaced. This recall also affects imported Vitz, lst, Belta and Ractis vehicles.

Springs in the mechanism to lock the rail in its adjusting position may break if the seat is adjusted often. This could increase the risk of injury in a crash. The fault will take between 40 and 90 minutes to repair.

Some 100 Yaris vehicles with tilt/telescopic steering adjustment, and made between September 2005 and February 2009, are affected as are 1,037 used imported Ractis and Ist cars.

A bracket fixing the steering column may become unstable and create issues if the steering wheel is turned repeatedly at full force.

An abnormal noise would come from the bracket area and, if continued to be driven, the car's bracket may fail. This fault will take two to seven hours to fix.

Some 993 imported Ractis vehicles have been recalled due to possible clogging of drain outlets in the cowl-top reinforcement under the wiper-motor mounting area.

Models made between September 2005 and February 2008 and imported used into New Zealand are affected. The outlets may cause wiper or brake-lamp malfunction and will take about two hours to repair.

Also, an engine starter recall has been issued for 382 Ractis vehicles made in 2013 and sold new in Hong Kong. None are likely to have been imported here but Toyota NZ is checking.

PRESIDENT TAKES ACTION Toyota Motor Corporation says it is improving its processes after reaching a financial settlement in the US for being too slow to recall millions of vehicles.

President Akio Toyoda has also instituted a three-year freeze on new car plants to focus on quality and efficiency after recalls for problems linked to unintended and sudden acceleration issues.

The US\$1.2 billion settlement resolves an investigation by authorities there after Toyota recalled more than 10 million units worldwide in 2009 and 2010 for these reasons.

It admitted wrong-doing and reviews were carried out by an independent monitor to assess reporting practices.

After the crisis, the company said it improved procedures that had been too dependent on decisionmaking in Japan and formed a global quality group chaired by Toyoda.

"The criteria for recalls used to be compliance with laws or if there are technical problems,"Toyoda told a news conference of the Japan Automobile Manufacturers' Association, which he chairs.

"It has become whether products can assure customers' peace of mind. Recalls aren't about concealing problems we find. They are about improving the product and coming up with counter measures.

"It's a good thing from the longterm perspective of the industry's sustainable development."

Toyoda says the marque has overhauled its approach to quality, with the case in the US providing "a turning point for us to go back to our basic philosophy of customers come first".

So far this year, Toyota Motor Corporation has announced two recalls in Japan and 12 globally. In February, it recalled 1.9 million Prius hybrids. Software had to be updated to fix glitches relating to the electronic control unit that could cause the cars to lose power or stop.

This recall affected 1,003 units sold new in New Zealand, and made between March 2009 and February 2014.

Last June, some Priuses were subject to a brake booster accumulator recall. This affected 270 models sold here and manufactured from October 2008 and October 2009. \oplus

Case in States

The settlement on safety recalls Toyota has made in the US resolves a four-year investigation by authorities there.

The problems dated back to 2007 when an inquiry was opened into the Lexus ES350 after reports of unintended acceleration. Problems hit the headlines in 2009 when a family died in an ES350 in California.

Toyota recalled more than 10 million units worldwide in 2009 and 2010 for unintended acceleration issues. It modified gas pedals and floor mats prone to shifting around and jamming the accelerator, reports Reuters.

It also installed brake override software on recalled models and began making the systems standard on new vehicles.

An engineer for the company concluded the Corolla was among the worst vehicles for potential floor-mat entrapment but it wasn't included in the recall.



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Agency confident with action

"I would say about 50 statutory write-offs are now being imported from Australia out of monthly totals of 200-250 used vehicles coming in," says Bill Hyslop, senior engineer for operations support with the NZTA's access and use team.

"We're confident we are now identifying those coming through. They all have to come with PPSR checks because writeoffs will be picked up through that process and flagged up by the certifier here."

That information is then stored on the NZTA's database from where it's picked up by MotorWeb and CarJam, which means the fact they were statutory write-offs in Australia shows up when vehicle checks are carried out.

"By identifying their histories, buyers should be able to find this information out," says Hyslop.

"That may not always be the case when they are on-sold. Once they are registered and legal here, they are no different to Kiwi write-offs after being repaired.

"In 2012, there were about 2,500 write-offs in New Zealand that



notices (CINs) so buyers are aware of a vehicle's past and where they can verify that.

CINs only apply to registered motor vehicle trader sales, so private buyers need to check cars' histories because some former write-offs will exchange ownership know if that trend will continue." He recently attended a training

seminar in Australia about stolen cars, which was attended by representatives from various states.

It appears more write-offs are being moved around Australia in order to get them back on the

"Even if people here know a car's history, they're likely to pay the asking price." - Bill Hyslop, NZTA

went back on the road. If they are on-sold, there's no requirement to declare their histories."

The Ministry of Consumer Affairs is reviewing information to be listed on consumer information



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in this way. To some degree, therefore, it's buyer beware.

Hyslop stresses Australian write-offs are treated the same as other imported vehicles.

"Even when they come to New Zealand, reregistration information should be available on history checks and people should be able to obtain as much information on that as the NZTA holds.

"We cannot stop statutory write-offs coming in from Australia, or even Japan and the UK, because there's nothing illegal about them. The issue used to be they weren't getting picked up as such

in this country." The NZTA

gathers as much information as possible on imported vehicles. Its database has now identified about 600 Australian statutory write-offs.

The agency reports all used and parallel-imported new vehicles entering New Zealand, which are data-matched with systems in Australia on a monthly basis.

Hyslop says: "During January 2014, 25 vehicles came up as write-offs, which was a lot less than in previous months but we don't road. "If that's the case, they may not need to send them to New Zealand as much."

ATTRACTING HIGH MARGINS Rarely is predicting what will happen in the motor vehicle industry easy and this issue is no exception, but the bottom line is statutory write-offs cannot be reregistered across the ditch.

This means they can be bought cheaply over there and attract huge margins when on-sold here. Hyslop says: "It doesn't cost a lot of money to ship cars. Better

Pause the for thought

"If you look at the number of write-offs on our roads already, the numbers coming in from Australia are insignificant," says the NZTA's Bill Hyslop. "Why not focus on all vehicles having to go through the same process instead of just those coming in from another country."

money may be got for them as whole vehicles here rather than as parts there. "Maybe there's more competition for them in Australia with prices at auction houses going

up resulting in less coming here." The NZTA has a list of people regularly shipping them across,

regularly shipping them across, while others from the repair industry are looking to get into this space because there's potential to make good money.

For example, if panel beaters do the work on write-offs at cost, all they have to pay for is parts after they arrive in this country.
 "These guys see an opportunity because there's nothing wrong in getting the vehicles so cheaply.

"Even if people here know a car's history, they are likely to pay the asking price because they're getting a good vehicle and a good deal."

It appears big dollars can be made with late-model stock.

There has been one case of a write-off being snapped up for \$5,000 in Australia. It cost \$1,000 to repair and a similar amount to ship. It was later legally sold here for \$25,000.

With margins of 50 per cent regularly coming in at \$10,000 or

\$15,000 a unit, it's easy to see why this trade is booming.

New vehicles in Australia have also been classed as statutory writeoffs because of water or fire damage.

"In some cases, it seems the insurance company deemed cars to be write-offs because they were in a building where a fire was," says Hyslop.

"Some Opels were written off last year for being smokedamaged, but there wasn't anything wrong with them – except you could smell some smoke inside.

"However, the insurance company was happy to pay



Tackling write-offs

The NZTA's requirement for all Australian imports to be Personal Property Securities Register checked came into effect in mid-2013.

This is to ensure statutory writeoffs, of which about 95 per cent come from New South Wales, are flagged on the agency's database before being assessed by a repair certifier.

Last year, some traders here bought write-offs back from customers while others received compensation.

About 30 per cent of the original sellers contacted by the NZTA "weren't interested" in the issue. Others were third parties after stock went from the importer to a dealer and onto the final buyer.

States in Australia have two or three categories on written-off vehicle registers. One is for damaged cars economical to repair, which can be fixed and registered again. Statutory write-offs with serious damage can never be reregistered. These – and vehicles damaged in staged accidents – often become "rebirth cars". Another scam is repairing writeoffs with parts from stolen cars.

NSW classifies everything as a statutory write-off. Some cars under the old regime were fixed up cheaply before being shipped to the Middle East, here and elsewhere.

Back in May 2012, franchise agents made the NZTA aware of two new vehicles written off in Australia for water damage and on the road here.

They got through without being identified, but it was unclear how widespread the practice was.

Around May and April 2012, reports on imports came in from the Sydney-based National Exchange of Vehicle and Driver Information System.

The NZTA then sent across a list to data-match write-offs, a process that continues today. When the agency becomes aware of one, it gets a report detailing the reasons so the new owners here know. out, while the manufacturer or distributor was paid.

"No one really raises this as an issue over there, so you can get bargains for next to nothing at auctions."

The number of used cars coming in from Australia was steady last year at about 200 per month and there has been no significant increase since.

MISLEADING ADVERTS

Trade Me is aware of the issues surrounding statutory write-offs and says it has consulted widely about it.

"It all erupted about six months ago but has since – to my understanding – died down, although some are still coming across," says Jon Duffy, head of trust and safety.

The company looks at imported write-offs on a caseby-case basis when listings are brought to its attention.

In the past, this has resulted

in a few vehicles being pulled off the website for being misleading.

"We look at how the listings are worded to see if the consumer has been or is being misled," Duffy told Autofile.

"That could include untrue phrases such as 'as new', 'never been crashed' or, in an extreme case, 'wasn't in the Victorian bushfires.""

He stresses overseas writeoffs can be imported and driven here after going through compliance, and deemed legal and roadworthy.

"We have got no choice but to react on a case-by-case basis," says Duffy.

"If people are concerned about vehicles, the best way is to get in touch with us is via community watch because that's specific to a listing."

Trade Me will then look at the listing to see if it breaches the site's terms and conditions, or flouts the Fair Trading Act by being misleading. \oplus

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'Intelligent' vehicles in spotlight

Pour Kiwis are among keynote speakers from around the globe to discuss intelligent transportation systems (ITS) at a three-day conference.

The 13th ITS Asia-Pacific Forum is bringing international experts to New Zealand to share their knowledge and experiences of projects.

It is first time a conference of this kind has taken place here, and it's an opportunity for experts to advance system applications and challenges at strategic and technical levels.

The event, which is being held in Auckland, will also highlight this country's ITS work, challenges and the way forward.

Three New Zealand chief executive officers – Martin Matthews from the Ministry of Transport, the NZTA's Geoff Dangerfield and David Warburton of Auckland Transport – are among the keynote speakers.

They will be joined by Carey Griffiths, national manager of road policing with NZ Police, who is responsible for the strategic delivery of roadsafety enforcement activity.

International speakers at the forum from April 28-30 include Hiroyuki Watanabe, chairman of ITS Japan and technical executive at Toyota Motor Corporation.

He was chief engineer OT THE N2 IA for Toyota's Crown, Japan's best-selling luxury car, and he directed the marque's research and development work on hybrid and fuel-cell vehicles.

In 2001, Watanabe became





Martin Matthews, of the Ministry of Transport



Geoff Dangerfield, of the NZTA

a senior managing director of the company and is responsible for ITS development and operations.

Scott Belcher, president of ITS America, says his vision for moving forward ITS includes raising awareness of the value of systems and seeking more government funding for initiatives.

And Stuart Ballingall, project director for co-operative ITS at Austroads, is responsible for establishing regulatory

and operational frameworks to deploy the next generation of systems across Australasia.

WHAT'S ON THE AGENDA

The welcoming address on April 28 will be given by Peter McCombs – president of ITS NZ – and Hajime Amano, secretary-general of ITS Asia-Pacific and president of ITS Japan.

Maurice Williamson, Minister of Building Construction, Land Information, Customs and Statistics, will open the forum.

There will be discussions led by international leaders and presentations with a Kiwi flavour, including congestion charging in Auckland, and integrating its arterial and motorway management.

Leasing ITS infrastructure and operational services will be explored, while New Zealand's problem with red-light running and variable speedlimit trials at rural intersections and schools will be tackled.

On a global scale, vehicle-tovehicle communication for collision prevention and using Bluetooth for monitoring cars will be investigated.

Issues with automated vehicles will be covered, as will management systems to improve safety on rural roads by increasing driver alertness.

Enhancing junction safety with connected vehicles, and improving revenue streams with electronic vehicle registration and monitoring, are on the agenda. Technical sessions on safety will include automatic accelerometer reorientation for detecting crashes with smartphones, and developing and evaluating advanced lanedeparture warning systems.

Other sessions will cover:

- Integrating electronic tolling and traffic management.
- Using thermal imaging and video analytics for traffic detection.
- A vehicle-to-vehicle and vehicleto-infrastructure trial with dedicated short-range 5.9GHz communication in Singapore.

Another session covers identifying reflected GPS signals and improving position estimates using three-dimensional maps with laser range scanners.

WHAT PLACE FOR ITS?

The forum's final morning has a chief executive officers' forum hosted by McCombs, which will recognise there's a new age ahead as far as ITS are concerned and will tackle what's needed going forward and what the possibilities are.

Also up for debate will be planning for a future in which permanent changes to the way transport operates will be made.

In the afternoon, there will be three tours around Auckland so delegates can experience operational systems in the city.

One will take in the Joint Traffic Operation Centre (JTOC) on the North Shore and the Northern Busway, and another will cover Britomart's public transport control centre and Auckland Transport's integrated ticketing system.

The third will visit Auckland's new electrified train yard before going onto transport and logistics company Toll NZ to demonstrate a high-productivity motor vehicle kitted out with electronic road-user charges technology. There will also be a tour of Victoria Park Tunnel's management system and the JTOC.

Visit http://itsasiapacificforum2014. co.nz for more details on the event. \oplus

Avoid surprises from Japan

DARRYL McGIFFORD, GENERAL MANAGER of AutoTerminal New Zealand Ltd (ATNZ), says the company has changed beyond recognition in recent years.

It used to own about 6,000 cars and distribute nationally as a wholesaler. Now it's firmly focused on importing high-quality used vehicles from Japan so Kiwi dealers can gain maximum margins using ATNZ resources and experience.

"Our point of difference is we deal with all operations from point of sale to delivering complied vehicles to traders," he explains.

"Our focus is selling ex-Japanese stock to dealers and covering all bases so there are no surprises when cars arrive.

"After all, we've been in this space for 12 years as ATNZ. We're nationwide with staff in Auckland, Wellington and Christchurch, and are New Zealand-owned and operated.

"Every day we have people here and in Japan buying for customers and working with them to get them the best stock for their businesses."

ATNZ's systems leave nothing to chance with everything from mileage verifications to Ministry for Primary (MPI) inspections carried out in Japan.

Buyers get comprehensive checklists covering everything from paintwork to underbody inspections, while cluster display photos are taken to provide a clear shot of the odometer and ensure no fault codes are showing.

"Our checks are extensive and our account managers contact customers about any issues," says McGifford. "This ensures no surprises and that vehicles arrive as described."

Cars undergo ownership history checks against official land transport databases in Japan before going through the MPI's quarantine inspection and biosecurity requirements.

When stock arrives, it can go through ATNZ's entry certification processes at its 257 Workshop in Auckland where VTNZ operates as the



company's transport service delivery agent.

ATNZ takes delivery of hundreds of units per month at its facility, and offers everything from basic compliance, repair certification, mechanical repairs, grooming, and panel and paint services.

It's all carried out under one roof and covering more than 6,500 square metres, 257 Workshop is truly "a one-stop shop".

What about finding decent stock? ATNZ's supplier IBC Japan has been providing quality used vehicles since 1988.

Its services include buying, sales, export and distribution of stock and parts. Its websites have access to cars sold daily at almost 100 auction houses that process 150,000 units weekly.

Bidding for these vehicles on ATNZ's website is easy, while its iDirect system allows importers to place bids or ask ATNZ's people to do this.

"Our account managers also recommend cars by knowing dealers' profiles. If you're looking for a particular model, year or other specifications but cannot locate it, ATNZ can try to find one for you.

"Also, our pre-order system allows dealers to submit car details. We then search for them and notify the customer when a match is found."

McGifford describes where the business is at now as "the new AutoTerminal" – working with dealers on what they need, straight from Japan.

"People should come and have a look at what we've created with great facilities and excellent staff. What we're doing now is so different to four or five years ago.

"Everything we now have is pre-sold as wholesale exports or auction vehicles, we can mix and match services, and add compliance to suit dealers' needs."

ATNZ can access a huge variety of stock, from high-end European models to the latest SUVs and people movers, low-kilometre coloured sedans and wagons, to the classic 20-year-old Nissan Skyline.

"Japan is offering make and models at prices that haven't been seen for a while. With the strong yen, and ATNZ's experience and know-how, we can help find the right cars for dealers."

To find out more, visit www.autoterminal.co.nz or call (09) 257-0050.



Yachtie saved by car carrier's crew

sailor has been rescued off New Zealand's coast after his single-masted yacht ran into trouble after being damaged in a storm.

The Canadian had been handbailing but when the bilge pump failed he could no longer keep up and activated his emergency position-indicating radio beacon. The signal was picked up just after 10.30am on April 7 and a Royal New Zealand Airforce P3 Orion went to his location – about 2,300km north-east of Auckland and 1,100km south of Rarotonga.

The Wallenius Wilhelmsen's carcarrier vessel Fidelio was relatively close by so was diverted there.

The Orion arrived at about

4.30pm and its crew contacted the sailor by radio and passed on information to the Fidelio before refuelling in Rarotonga.

The Fidelio, which was en-route to Auckland, reached the yacht at about 11pm and the sailor climbed on-board via the pilot's ladder in 45kph winds and swells of up to three metres. "The Orion's crew did a great job finding the yacht, and it was an amazing effort from the master and crew of the Fidelio to rescue the skipper," says Dave Wilson, of the Rescue Co-ordination Centre NZ.

"He received superficial facial injuries when his vessel rolled, which were treated aboard the Fidelio." \oplus

Back to future for design cues on concept coupé

A severati's centenary has been celebrated with the unveiling of a concept coupé at the Geneva Motor Show.

The Alfieri is a functional prototype that points to the "design DNA" of the marque's future as an Italian-style two-plustwo – such as the 1957 3500 GT, 1959 5000 GT and the 1969 Indy.

It's based on the GranTurismo MC Stradale's chassis with a 24cm shorter wheelbase for supercar proportions.

The 4.7-litre naturally aspirated

V8 engine develops 460hp at 7,000rpm and 520Nm at 4,750rpm.

A six-speed, electro-actuated gearbox is mounted in a single unit with the limited-slip rear differential and connected to the engine via a rigid torgue tube.

The transaxle layout gives the coupé an optimised front-rear weight distribution with a slight predominance to the rear axle.

Its carbon ceramic disc brakes come from the Stradale and are combined with blue Brembo calipers. Maserati describes the Alfieri as

a futuristic interpretation of 1954's



A6 GCS-53. The long, low nose is an evolution from its contemporary models and the grille is divided vertically into two concave sections.

The bi-xenon-LED headlights are made distinctive by an "eyebrow" repeated on the twin exhaust tail pipes. The threedimensional tail-lights are made up of two red external elements with a white one inside.

The wheels have been forged from single aluminium elements, and the 21-inch rear and 20-inch front wheels feature integrated spokes.

The interior is minimalist with a suspended dashboard conceptually inspired by Maserati's 5000 GT and the marque is aiming to turn the concept into a production reality.

ACTIVE CROSSOVER IMAGE

The Viziv 2, Subaru's crossover concept, made its world debut in Switzerland.

The name is a coined word from "vision for innovation" to express the marque's future, while previous versions were shown in Geneva and Tokyo last year.

The Viziv 2 has a four-door body to achieve utility and a sporty cabin, while its design allows four adults to be comfortable on long trips.

Strong fenders flare out – like those on the WRX – to enhance the hexagonal grille while large circular headlights "emphasise the image of an active crossover".

Maserati's Alfieri

The core hexagonal body shape is repeated in the rear, where combination lamps make it feel wider.

The plug-in hybrid system consists of a 1.6-litre horizontally opposed direct-injection turbo engine and a high torque-compatible lineartronic transmission, with one front motor and two at the rear.

Its components, such as the high-voltage battery, are positioned to maintain Subaru's symmetrical all-wheel-drive layout, which bases driveability on a low centre of gravity and weight advantage.

The independent rear-motordriven system provides finetuned wheel control to match road conditions.

HYBRID SYSTEM STRATEGY

Kia says its new supercharged hybrid powertrain will become a central pillar in its future model strategy.

The system uses a 48-volt leadcarbon battery to power a small electric motor that will enable cars to be driven at low and constant speeds in pure electric-vehicle (EV) mode.

The battery also drives an electric supercharger but will, in time, support a conventional turbocharger.

Kia stresses that the powertrain could operate without the supercharger for a simpler layout in



new cars

The Viziv 2 -Subaru's crossove concept

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Jeep's all-new 2015 Renegade

smaller models it will produce.

The system uses a belt-driven starter generator to virtually eliminate noise and vibration on start-up.

The hybrid technology, which will be offered in the margue's petrol and diesel models "in the near future", could cut CO₂ emissions by 25 per cent while delivering a 15-20 per cent boost in power.

Kia also revealed an allnew seven-speed dual-clutch transmission, which is engineered to deliver improved performance and fuel economy.

It will replace the current sixspeed system from 2015. Engineers have targeted a seven per cent improvement in fuel economy and five per cent faster 0-100kph times.

The new gearbox uses two dry clutches, each fitted with a motordriven actuator and two input shafts allowing the driver to jump to the required gear.

EV RANGE OF 170KM

Nissan is releasing its second EV - the e-NV200 van makes use of the allelectric powertrain in the Leaf.

It comes with the NV200's body shape. The marque didn't simply adapt the current van to carry an electric motor, but re-engineered its underpinnings.

The e-NV200 will be available as a van, five-seater people carrier in Combi or the more luxurious Evalia trim level to use it as a family hauler, while its 170km range beats the average 100km of other EVs.



The battery can be charged overnight using a domestic 16amp single-phase 3.3kW supply.

This can be reduced to four hours if a 6.6kW/32-amp supply is used, while a dedicated quick charger will charge the battery from 0-80 per cent in about 30 minutes.

The e-NV200 has a cargo volume of 4,200 litres, and has sliding side and wide-opening rear doors.

GLOBAL 500 EFFECT

The 2014 Fiat 500 boasts new style and technology features, including an instrument panel with a seven-inch display.

The range's renewal sees the début of interiors in fabric or leather, with combinations for all trim levels.

Buyers can opt for the 95hp 1.3-litre MultiJet II turbodiesel or 69hp 1.2-litre dual-fuel LPG-petrol engine.

The 105hp 0.9-litre TwinAir combines displacement and weight reduction with technologies - such as the turbocharger, integrating the exhaust manifold in the cylinder head and the MultiAir 2 intake valve-control system.

Combined with a six-speed manual gearbox, the 0.9-litre TwinAir delivers 105hp at 5,500rpm, maximum torgue of 145Nm at 2,000rpm, a top speed of 188kph and 0-100kph in 10 seconds.

In the combined type-approval cycle, its fuel consumption is 4.2l/100km with 99g/km of CO₂ emissions.

The range-topping 500 Cult has

its own style, technological content - such as the Blue&Me hands-free system with Bluetooth and automatic climate control - and performance.

Fiat believes there's a global "500 effect", with the model earning a reputation as an

"unmistakable symbol, not merely transport but a 'vehicle' for emotion and unique experiences".

Made since 2007 in Poland and 2010 in Toluca, Mexico, the 500 is sold in more than 100 countries. It will be released in Europe in the second quarter of 2014, with the rest of the world to follow.

SMALL SUV FIRST

The all-new 2015 Renegade is expanding Jeep's global line-up by entering the small SUV segment.

The marque says it has best-in-class off-road capability, a segment-first nine-speed automatic transmission that contributes to on and off-road

The 2014 Fiat 500 Cult

dynamics, innovative safety and advanced technology.

The Renegade offers two four-by-four (4x4) systems. Both can provide up to 100 per cent of available torgue to the ground through any wheel for optimal grip.

Jeep Active Drive is the full-time 4x4 system, while the "low" version is the class-exclusive equivalent with 20:1 crawl ratio.

Both include the Selec-Terrain system with up to five driving modes - auto, snow, sand and mud, plus rock mode on the Trailhawk variant.

Powerplants offered are the MultiJet II diesel engine and the 2.4-litre Tigershark petrol engine. 🕤

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regional report

ew Plymouth is running off oil and gas with most businesses in the city of 74,200 people benefiting – from accommodation providers and clothing suppliers, to cafés and bars, and the automotive industry.

The natural resources sector has also driven up the region's median household income. It comes in at \$68,068, third behind Auckland and Wellington.

"Primarily though, those in the supply chain have flourished," says Stuart Trundle, chief executive of regional development agency Venture Taranaki.

"Engineering companies have grown strongly along with providers of helicopter evacuation training, remote pipeline inspection and transport."

There are around 17 major fields producing oil and gas in the area, with six offshore.

In 2012, about 7,700 New Zealanders were employed by the oil companies and connected businesses – the equivalent of about 11 per cent of Taranaki's workforce.

From 2.4 per cent of the population, the region generates 4.1 per cent of the country's gross domestic product.

Oil and gas make up more than

Economy fuelled by natural resources



one-third of Taranaki's gross domestic product, followed by manufacturing and agriculture on about 10 per cent, while global investment in its energy sector creates growth across a wide platform.

The region has one of the country's lowest unemployment rates at 3.8 per cent, which favours job-seekers especially when compared to the national average of 6.6 per cent.

Because of this, Trundle says many oil and gas workers come from overseas. "When you head to bars and cafés, you notice a cross-section of accents you don't often get in other regions. We're finding more overseas residents are basing themselves here to work offshore."

Mayor Andrew Judd concedes there's still work to do in ensuring locals have the skills to work in oil and gas industry.

"The fly-in, fly-out model isn't good for sustainable growth. There are still a lot of people who aren't in that high income bracket, so we're focusing on training skills locally."

USED CARS NEW CARS USED COMMS NEW COMMS

Judd hopes an employment programme launched last month to engage high-school students with businesses will encourage them to stay there to develop their skills and make the most out of local opportunities.

TURNOVER HITS DEALERS

With the wealth of the oil and gas sector, skilled automotive technicians can make big money on and off drilling rigs.

This means some car dealers are struggling to hold onto staff as they chase more lucrative offers.

"Automotive technicians are well-liked on the rigs and finding technical staff has always been difficult because of this," says James Crighton, chief executive officer of Tasman Toyota.

"They're on good incomes, get a lot of time off and the younger ones tend to do the apprenticeships before going into oil and gas."

And he doesn't expect that to change in the next five years.

"There's less and less loyalty. The mix is going to change and we're going to have to pay a lot more for the top guys."

Paul Phillips, dealer principal of WR Phillips, says if technicians leave they will have a lot of new technology to learn about – especially with the introduction of plug-in hybrids and electric vehicles. "If people are out of our

industry for a long time, they have

Used car sales for New Plymouth - Mar 2013 to Mar 2014										
	PUBLIC TO DEALER	PUBLIC TO PUBLIC	DEALER TO PUBLIC	TOTAL	PUBLIC TO DEALER %	PUBLIC TO PUBLIC %	DEALER TO PUBLIC %			
Mar '13	246	956	388	1590	15.5%	60.1%	24.4%			
Apr '13	280	963	402	1645	17.0%	58.5%	24.4%			
May '13	288	1017	498	1803	16.0%	56.4%	27.6%			
Jun '13	237	939	432	1608	14.7%	58.4%	26.9%			
Jul '13	298	1072	480	1850	16.1%	57.9%	25.9%			
Aug '13	309	1108	465	1882	16.4%	58.9%	24.7%			
Sept '13	264	984	449	1697	15.6%	58.0%	26.5%			
Oct '13	225	976	467	1668	13.5%	58.5%	28.0%			
Nov '13	287	953	466	1706	16.8%	55.9%	27.3%			
Dec '13	250	920	468	1638	15.3%	56.2%	28.6%			
Jan '14	265	1043	451	1759	15.1%	59.3%	25.6%			
Feb '14	253	981	447	1681	15.1%	58.4%	26.6%			
Mar '14	252	1043	401	1696	14.9%	61.5%	23.6%			
Annual total	3208	11,999	5426	20,633	15.5%	58.2%	26.3%			
Change on						onal YTD av	erage			
Feb 2013	2.4%	9.1%	3.4%	6.7%	18.8%	56.5%	24.7%			

City's vehicle sales - Mar 2013 to Mar 2014

Mar '13	105	98	7	57
Apr '13	120	113	5	52
May '13	165	141	7	59
Jun '13	129	117	5	86
Jul '13	162	143	7	96
Aug '13	178	134	10	70
Sept '13	134	133	14	72
Oct '13	147	119	8	87
Nov '13	146	113	5	68
Dec '13	162	99	9	50
Jan '14	173	153	11	54
Feb '14	152	145	10	48
Mar '14	174	144	9	73
12 month total	1842	1554	100	815
NZ sales - past 12 months	105,943	85,306	6676	32,145
% of national sales	1.7%	1.8%	1.5%	2.5%
Change on Mar 2013	65.7%	46.9%	28.6%	28.1%
POPULATION	NEW ZEAL	AND	NEW PLYMOUTH	%
	4.524.000		74,000	1.6%

regional report

new car registrations, a jump of

"We do well with small cars

and private customers," explains

Phillips. "If the money becomes a

little tighter, they are the people

community goes well when our

Guillosson savs his dealership's

"We don't have any big fleets but

still bat above our own weight. We're

He's positive about the year

people coming in and new housing

doing 112 per cent of our target -

and our targets have gone up."

ahead. "There are a lot of new

who will tighten up first. The

mainstay is retail customers.

main industries do well."

46.9 per cent.



to take a quantum leap to catch up," he says. "They're better to work with their current employers and upskill to increase their wages."

Jimmi Guillosson, Energy City Motors Hyundai's dealer principal, says Taranaki pays more for skilled technicians than franchises in Auckland.

"We have been trying to find a

technician for threeand-a-half months and we've been in every major newspaper, all with no luck."

And Guillosson's most recent technical recruit was from South Africa because his company couldn't find anvone local suited for the role.

VEHICLE SALES ON THE UP

Crighton says the local commercial vehicle market remained strong during the global financial crisis and that trend continues today.

From March 2013 to the end of last month, there were 815 new commercial sales in New Plymouth – up by 28.1 per cent over the previous year - and 100 used commercials were registered, which was an increase of 28.6 per cent.

"Right through the financial crisis, oil and gas companies were steady buying the Hilux – both four and two-wheel-drive, and across the region."

He says trade benefits from

Boat-building jobs lost

New Plymouth-based Fitzroy Yachts closed its factory last month with more than 120 job losses, but Mayor Andrew Judd says it's not a sign of a local crisis.

"It's an exchange-rate problem that's out of the scope of our control, which is no different to other regions."

Stuart Trundle, of Venture Taranaki, says most workers were hired by other local companies before the shutdown. people in the city. "We have a strong community that looks to support local businesses.

"Sales tend to be 90 per centplus in our territory. At the same time, it's still competitive and about meeting needs at the right price."

Like other regions, dealers say the market fluctuates around Fonterra's pay-out with Taranaki home to 15

per cent of the nation's

dairy herds. "We're going

relatively steady," says Crighton. "A lot will depend on the pay-out. The oil and gas sector has still got some drilling to do, so there's more manpower on

James Crighton, chief executive of Tasman Toyota the cards."

Phillips says dairy has always been the area's mainstay and describes the pay-out as "the bottom line".

"The market is strong and the past nine months have been consistent. We haven't seen ups and downs"

He's in the process of renovating his dealership to focus on giving customers a better service experience.

"Service is the way we hope we can grow our business," he says. "We're working hard on site development, which will bring servicing, parts and administration into one area come October."

The biggest challenge at the moment is "continuing to keep your head above water - the cost of running the business is going up while margins are going down".

New Plymouth is also a boom city when it comes to passenger vehicles.

Over the 12 months ending March 31, there were 1,842 used car sales in the city – up 65.7 per cent – and 1,554 "From 2.4 per cent of the population, we generate 4.1 per cent of the nation's gross domestic product."

- Stuart Trundle

is going up." 🕤 NYK GROUP **Reliable fortnightly** vehicle logistics service JAPAN to NZ PORT TO PORT / **DOOR TO DOOR** 15 5 3.00 to Auckland, Christchurch, Wellington, and Nelson **Full MPI inspection** Service from Kawasaki, Osaka, and Nagoya + Marine Insurance available FOR EFFICIENT CUSTOMER FOCUSED SERVICE CONTACT NYK **Torhild Mellow** Anna Raina 021 2253749 or 09 918 4700 021 804702 or 09 918 1305 torhild_mellow@oc.nykline.com anna_raina@oc.nykline.com REEPHONE 0 8 0 0 8 0 8 F. 2 6







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Police warn traders

ar dealers have been advised to avoid taking people at face value when giving them access to vehicles after two traders were conned by a fraudster handing over bogus cheques. In the first case, a man drove off after handing a cheque for \$75,000, which later bounced, to staff at a Hamilton car yard for a Porsche Cayman. A few days later, a salesman in Tauranga supplied the same person with

the keys to a Toyota RAV4 after receiving a dodgy cheque for \$46,000. Acting detective senior sergeant Shelley Begbie says both vehicles were later recovered – the Porsche at a storage unit in the city and the RAV4 in a storage yard in Whangamata on the Coromandel.

A 21-year-old has appeared in Hamilton District Court on two charges of obtaining by deception and is due to take the stand again on May 6. He will also appear in Waitakere District Court on 18 similar charges later in May. ⊕

NEWS in brief

Spirit of Ecstasy considers boom market model

Rolls-Royce may launch a SUV to compete with Bentley and Land Rover's allnew Ranger Rover line-up, which will soon include a long-wheelbase model.

It would likely cost upwards of \$400,000, while its competitors' will probably be priced between \$175,000 and \$275,000.

Chief executive Torsten Muller Otvos describes the SUV segment as "very interesting – it was stable during the [financial] crisis and I think a luxury niche will develop".

Maserati launches its Levante next year, Jaguar previewed its C-X17 concept utility at Frankfurt Motor Show, while Mercedes-Benz, BMW and Audi are thought to be looking at expanding into the SUV space.

Partnership between Tesla and Toyota to end

The mainstay of Tesla Motors' relationship with Toyota is being discontinued after they began co-operating on electric vehicles (EVs) in May 2010.



Back then, Tesla received support from the Japanese company in production and engineering expertise, and to source Model S parts.

By July 2010, it agreed to develop the powertrain for Toyota's RAV4 EV, pictured. A few months later, Tesla started to develop a validated powertrain system, which included the battery, power electronics module, motor, gearbox and software.

As of the end of 2013, more than 1,600 full-electric systems had been made for the RAV4 EV. It expects to complete shipping powertrains by the end of 2014 when the model will be discontinued.

Marque invests in expanding virtual crash testing

Ford is boosting investment in computer power by 50 per cent this year so it can faster conduct virtual crash tests, some of which can take up to a full day, while collecting more data.

There has been a tenfold increase in virtual crash tests the company can carry out during vehicle development.

With the level of detail on models increasing, safety teams can now run full-vehicle crash simulations with up to two million elements – up from 500,000 five years ago. Visit www.autofile.co.nz for the full story.

App records accidents from windscreen smartphones

An application has been released to record crashes as they happen. Using a smartphone on the windscreen's inside, the Crash Cam app's sensor triggers recording when it detects sudden motion changes.

A loop continuously records events, providing evidence for the police and insurance reports when accidents happen. The app can be downloaded from the Apple iTunes store and Google Play.

Year-to-date sales of new motorbikes move ahead

Last month's 425 on-road new motorcycle registrations were down compared to 679 in February. But the total was up by 14 per cent against the same month of 2013 and year-to-date sales are ahead of last year by 243.

Suzuki was March's top marque on 123 units, ahead of Honda on 70 with Aprilia and Yamaha third-equal on 42. Visit www.autofile.co.nz for more industry statistics.

Shipping companies in the swing to help children

Ports of Auckland's charity golf tournament last month saw 122 members of the shipping industry taking part. Entry fees, on-course donations and sponsorships helped raise \$45,000 for Cure Kids. ⊕

Building bridges across the Tasman

The Imported Motor Vehicle Industry Association (IMVIA) will continue to have talks with its counterparts in Australia about the sector's future there.

A delegation of about 15 people has flown home after being the association's guests.

Discussions in Auckland centred around the possibility of restrictions on high volumes of used imports being relaxed in the wake of the car-making industry in Australia closing over the next few years.

Chief executive David Vinsen describes the visit as a huge success with the IMVIA agreeing to continue investigating the forming of an association, possibly with Kiwi involvement and advice.

The delegation included importers, compliance experts and supply-chain representatives.

Its members visited a number of companies, including a compliance shop, transport service delivery agent and Ports of Auckland.

They also had meetings with the IMVIA, which covered the past and challenges it has faced, and dinner with industry representatives.

"There were discussions about the government there making changes and we have developed good trans-Tasman relationships."

The Australians' tour of facilities here was aimed at getting them familiar with New Zealand's systems and standards-based regime in contrast to the model-by-model structure their country currently has for most used imports.

"Talks will be ongoing regarding changes to their used import regulations,"Vinsen told Autofile. "The industry in Australia is in a state of flux at the moment and no one knows what the government will do.

"The Productivity Commission has made further recommendations to the government.

"That sealed file may not be opened until August. Until then, we don't know what's in it or what the government will decide to do."



The commission's report has highlighted systems in this country as a possible benchmark on the way forward if border restrictions on used imported vehicles are canned.

ANCAP UNDER THREAT?

Australia's federal government is considering its stance on ANCAP funding when car-making ends there, with Industry Minister Ian Macfarlane questioning if it will be needed.

"When we don't make cars from 2017, we should be looking at whether or not we need our own rules especially when European, Japanese or American rules are in line," he says. "If cars are coming from there, why do we need it?"

ANCAP says it will not comment until the coalition hands down its first budget on May 13.

If funding is axed, it's unclear whether imported vehicles will be tested in their countries of origin or if the Department of Infrastructure, which oversees the Australian Design Rules, will assume wider responsibility for crash safety.

The Australasian rating system started in 1993 and more than 400 vehicles have been awarded star ratings with ANCAP only recommending five-star cars to consumers.

Vehicles sold there are subject to different design regulations and may carry different specifications to models sold internationally, while the system also differs to EuroNCAP. Many countries and regions have their own rating programmes, including the US, Europe, Latin America, South-East Asia, Japan, Korea and China.

The Australian federal government funds half of ANCAP's annual budget, but other partners include the New Zealand government, state and territory governments, and other organisations.

Andrew Clearwater, president of the Motor Industry Association, questioned ANCAP's future in the last issue of Autofile.

"New Zealand recognises safety ratings from all sorts of markets," he says. "Consumers and industry rarely worry about what organisation rates vehicles. "This begs the question

can ANCAP be big enough and is its future warranted, particularly when it's only crash-testing about 45 vehicles a year?

"I'm not sure about its relevance in the future." $\ \ensuremath{\boxdot}$

Australia's Registered Automotive Workshop Scheme for used imports – p16



The IMVIA Technical Report is proudly brought to you by leading certification service provider, VINZ *from the trade and for the trade*

Importing used cars into Oz

ustralia's automotive industry is changing fast at the moment, so now is a good time to look into how used cars cross its border through the Registered Automotive Workshop Scheme (RAWS).

The RAWS is a car-by-car system, so separate inspection certificates must be obtained for used imports – for example, Nissan R33 Skylines.

This scheme for specialist and enthusiast vehicles allows "approved" models to be complied on-shore if they were made on January 1, 1989, or later.

They must be on the Specialist and Enthusiast Vehicle Scheme (SEVS) Register, and importers must have low-volume compliance plate approvals for the make and model they want to comply.

RAWS dates back to the 1980s when full-volume manufacturers began reducing the range of imports because of modification costs to meet Australian Design Rules (ADRs).

Changes to the Motor Vehicle Standards Act then allowed importers to alter foreign cars to comply.

The first mainly came from the US. In the early to mid-1990s, importers opted more for Japan's right-handdrive cars because they often had low mileage and extra features.

In 1993, about 1,000 units were imported through the lowvolume scheme. In 2002, more than 16,000 were imported before May 8, 2003, when SEVS was brought in – after which they slowed.

Loopholes in the lowvolume scheme, which allowed some operators to flaunt the law by importing sub-standard stock, were closed.

SEVS banned rusted and structurally damaged cars except for parts, and required used imports to be certified by a registered automotive workshop (RAW).

To be eligible, a vehicle must meet specialist and enthusiast criteria, while the RAW requires documents to prove it meets ADRs.

A workshop can import up to 100 vehicles of a model per year. Vehicles made before January 1989 need an engineer's certificate. Cars made after January 1989 must be on the SEVS register and be RAWS-compliant.

No vehicle supplied to Australia in full volume can be imported, which means Porsches, BMWs and so on aren't on the register.



MALCOLM YORSTON IMVIA membership and technical services manager

Models on it may be imported, but this doesn't mean they can be complied. They must have at least one RAW that can comply them.

An import approval from the Department of Transport and Regional Services (DOTARS) is needed.

To be complied, the car must be fitted with original components. If it's non-standard, it has to be returned to its production format. If a vehicle is too damaged, it must be exported or destroyed.

SEVS eligibility doesn't mean a car complies with ADRs or RAWS legislation, nor does it imply it can be complied economically.

Common compliance issues include replacing the brake fluid, fitting new brake pads if needed, new tyres and returning the car to standard specification.

The RAW does a full service, installs a new catalytic converter, fits an unleaded fuel-filler restrictor and fuel label, tunes the engine, and tests evaporative and exhausts emissions.

Seat belts may be replaced, child-restraint anchorages and clip fittings are put in, exterior lights are checked and gas-discharge lights are replaced with halogen ones.

The RAW ensures the car is roadworthy and then fits the used import plate. The vehicle may then need extra detailing and minor work to meet state registration requirements.

A RAW is licensed to fit used import plates onto complied cars, and must meet all federal, state and local laws.

After DOTARS examines the vehicle and its paperwork, that model is added to the schedule and a plate can be applied for.

Australians can take in their cars as personal imports if they have owned and used them in the country of registration for 12 months.

An import approval is required and minor modifications are normally needed to bring them up to standard.

The low-volume new scheme allows plate-approval holders to comply 25-100 SEVS units in each category each year.

> If a car made before January 1989 doesn't come under the SEVS rule or RAW compliance, it may be imported and modified but an engineer must show it complied with ADRs when made. ⊕



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RAY MEHARG National sales manager

Selling insurance also provides an insight into how the buyer is going to finance the car's purchase because all insurers need to know if there's going to be a security, or finance, on it.

s manager Once you are aware of this, it gives you the knowledge and a fantastic opportunity to

sell your finance option. Remember that as a motor vehicle dealer, you are the specialist when it comes to selling, financing and insuring vehicles.

Erin Mills, who manages dealer development at Protecta, spends a lot of time providing free training to customers.

Her experience and Protecta's systems make a combination that's increasing dealers' profitability.

Motor vehicle insurance is a key component of training provided to traders so they have the knowledge and skills to sell this product, which can also be invaluable for customer retention and satisfaction.

Many dealers are catching on and Protecta's Insurance sales are booming.

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To continue this trend and build on this success, Protecta has a sales incentive promotion in May and June 2014, which rewards each insurance sale with a voucher chosen by the dealer.

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Tribunal rules dealer failed to repair steering fault within reasonable time

Background

Teofito Hamoy bought a 2006 Toyota RAV4 from Glenfield Wholesale Ltd, trading as Real Wholesale Cars, for \$19,350 on August 7, 2013.

He applied to recover \$895 for replacing its intermediate shaft and pollen filter when the trader failed to remedy the steering and an odour inside the cabin.

The dealer said it wasn't given a reasonable opportunity to fix the faults before they were remedied.

The case

As soon as the buyer took delivery of the car on August 8, he noticed a clicking sound when turning the steering wheel.

Hamoy took it to the dealer the next day where it was kept for assessment and he was given a loan car.

He returned at the end of the day and the trader told him the vehicle was safe to drive but it would take time to obtain the part. The dealer said it would contact him to take the RAV4 in when it arrived.

Hamoy returned the vehicle on August 11 or 12 to have a headlight replaced. The trader attended to cabin odour with ozone treatment, but the car needed a new pollen filter.

The noise gradually became louder. Hamoy said the dealer, although it had his phone numbers and address, didn't contact him to ask him to take the car back for repairs as promised.

He called the trader on December 11 and asked to speak to the manager, but was told he was away.

Hamoy had given the trader four

months to obtain the replacement part – a period he considered to be more than reasonable in which to rectify the fault.

Mt Eden Tyre and Mechanical tested the steering on December 12 and replaced the intermediate steering shaft and pollen filter.

With labour and GST, this cost \$895. The car had travelled 89,035km - 2,573km since purchase.

When he took the invoice to the trader to be reimbursed, Hamoy said it refused claiming it hadn't had the opportunity to get the vehicle fixed.

The buyer said his work meant he could be contacted on a 24/7 basis and he always had his cellphone with him.

Hamoy said the trader didn't contact him until he filed his application on January 13.

Mr Sarandov, the trader's sales manager, said the car was sold to Hamoy by Greg Main, who stopped working there in August.

Former operations manager, Rennard Latfulin, ordered the replacement parts – an axle and CV joint.

Sarandov was unable to supply an invoice to confirm this. He didn't know why those parts were ordered or if they were still with the trader.

He said Latfulin, who stopped working for the dealer in December, had tried to ring Hamoy to get him to return the car for the work to be done but was unable to contact him.

Sarandov didn't know when or how Latfulin tried to call the buyer and no attempt was made to send him a letter.

He said Lamoy phoned the trader on December 11 and spoke

to its photographer and groomer, Mr V Karetin.

He said the dealer refused to pay for the repairs because it hadn't been given a chance to fix it and it ozone treated vehicles prior to sale to remove odours.

Karetin recalled Hamoy phoning on December 11 about his vehicle and asked him to bring it in the next day.

The finding

The tribunal was satisfied on the evidence given by the buyer, who appeared to be a credible witness, that when the vehicle was sold to him it had a worn intermediate steering shaft and its interior had an odour.

The trader didn't challenge Hamoy's evidence on that point and had ordered parts.

But the tribunal didn't understand why the dealer might have got in a replacement axle and CV joint when the steering noise wasn't caused by those components.

It didn't think any reasonable consumer paying \$19,350 for a seven-year-old Toyota RAV4 with 87,462km on its odometer would consider noisy steering to be acceptable.

It ruled the car didn't comply with the guarantee of acceptable quality in section six of the Consumer Guarantees Act (CGA) at the time of supply because of the noise and smell.

Hamoy returned the vehicle on August 9 and asked the dealer to repair a fault, which caused the steering to click.

The tribunal ruled that the trader agreed to do that, source the required part and to notify the

The case: The buyer wanted to recover the costs of repairing his Toyota RAV4, but the seller claimed it wasn't given enough time to remedy the faults so he wasn't entitled to the money.

The decision: The tribunal ruled the trader had four months to replace the car's worn intermediate steering shaft and noted a workshop reported it was able to obtain the part within a day.

At: The Motor Vehicle Disputes Tribunal, Auckland.

purchaser when to bring it back. Its sales manager said its former operations manager did so and tried to phone the buyer.

But the tribunal preferred Hamoy's evidence. This appeared more reliable than the trader's, particularly as Sarandov had no way of knowing if Latfulin had tried to call him.

The tribunal thought it was probable the correct part wasn't ordered and the former operations manager didn't try to contact Lamoy to take the car in for repairs.

The dealer didn't arrange to have Latfulin appear as a witness or provide an affidavit on his involvement.

The tribunal considered the trader had four months from August 9 to source the part to replace the worn intermediate steering shaft, and noted Mt Eden Tyre and Mechanical was able to obtain it within a day.

It ruled the dealer failed to fix the steering fault within a reasonable time.

As the matter should have been settled before a hearing and the trader refused to take part in discussions, the tribunal ordered it to pay hearing costs.

Orders

The dealer had to pay the buyer \$895 and tribunal costs of \$500. ⊕



Used Jaguar imported from Singapore complied with consumer law when sold

Background

On September 14, 2013, Malcolm Moses purchased a 1998 Jaguar XJ8 from Central Car Company Ltd.

He rejected it on November 25 because he said it had a damaged fog lamp the trader refused to repair.

The dealer said the 15-yearold import from Singapore had travelled 192,356km when sold for \$5,995. A new warrant of fitness (WOF) issued by Church Street Motors & Tyres was supplied with it.

The purchaser was warned before that because of its age and high mileage, the car was likely to require frequent expensive repairs.

The dealer added the windscreen, which the buyer claimed was scratched, and its rear-view mirror Moses said was cracked, passed two WOFs. The trader said the broken foglamp bracket was probably caused by hitting a curb post-purchase.

It added Moses had the lamp repaired by its mechanic without being charged and the car passed a WOF re-inspection.

The case

Moses said that a few hours after he took delivery of the car, he heard a loud bang.

He noticed it was leaking water and arranged to have it transported to his repairer, Japanese Tyres Company in Otahuhu.

This quote was unacceptable to the trader and the buyer was asked to have the car towed to Church Street Motors & Tyres.

It replaced a broken hose and the water pump and fitted a new bonnet stay for \$499. The trader supplied the hose, which cost \$150, to the repairer.

The car was returned to Moses around September 27, who said

his mechanic recommended a WOF. This was done by VTNZ on October 2 and failed because a fog lamp was out of alignment.

Within a day or two, Moses saw the trader and asked it to replace the broken fog-lamp bracket, which was why the light was out of alignment.

Moses said he met Mr J Murphy, a director of the trader who, when shown the VTNZ WOF check sheet, threw it in the car and invited him to refer the matter to the tribunal.

The buyer's mechanic repaired the bracket free of charge and it passed the WOF re-inspection on October 25.

He said the car's windscreen was scratched and it had a cracked rear-vision mirror.

Moses asked the trader to replace the mirror before he bought the vehicle, but it refused. He agreed he was willing to buy it with a cracked mirror.

The buyer produced GSTexclusive quotes from Smith & Smith to replace the windscreen for \$365, and quotes from Archibald and Shorter Roverland of \$423 to replace the lamp and bracket, and \$157 to replace the passenger side rear-view mirror with labour of \$252.

Moses sent the trader a letter rejecting the vehicle on November 25, but the trader denied he received it until a copy was sent with the tribunal application.

The letter asked the trader to refund the car's purchase price because Moses was "unhappy to own it".

Murphy, representing the dealer, said that before selling the vehicle he warned Moses it would be high maintenance because of its age and mileage. After being told of the water leak from the engine, its repairer replaced a hose and the water pump.

After the vehicle was repaired at the end of September, Moses was dissatisfied its radiator hadn't been flushed. Murphy said there was no radiator contamination or damage.

Moses returned the car to have the left-hand door lock replaced, which the trader did.

The buyer then claimed it shouldn't have passed its WOF and returned it with a VTNZ check sheet. This showed the car had failed on October 2 because fog lamps required adjustment.

Murphy claimed the vehicle had probably "fallen off a curb" because the bottom of the bumper was scratched, but provided no evidence to support that.

The tribunal took evidence by telephone conference call from Jerry Merhi, of Japanese Tyres Company. He temporarily repaired the lamp bracket with a tie strap so it passed a WOF re-inspection.

The tribunal also took evidence from Andreas Jason, of Jaguar Spares, who said his firm had a second-hand fog lamp and bracket available for \$120 plus GST.

The finding

The tribunal had to determine if the car complied with the guarantee of acceptable quality in the Consumer Guarantees Act (CGA).

The 15-year-old Jaguar had 192,356km on its odometer, was sold for \$5,995 and was supplied with a new WOF.

It probably had at least two minor defects consistent with its age and mileage – a cracked passenger side rear-view mirror **The case:** The buyer wanted to reject a 1998 Jaguar XJ8 imported from Singapore, which had almost 200,000km on its clock, because it had a damaged fog lamp and cracked windscreen.

The decision: The tribunal thought a reasonable consumer fully acquainted with the car's state and condition would probably regard it as acceptable. It doing so, it considered the vehicle's age, high mileage, origin and price.

At: The Motor Vehicle Disputes Tribunal, Auckland.

and a scratch on the windscreen. The tribunal understood Moses

was aware of those faults before buying the vehicle.

A rear water hose failed after purchase, which the trader had repaired – along with the water pump and bonnet stay.

Moses put the car through another WOF and on October 2. It failed because a fog lamp was out of alignment caused by the bracket on which it was supported having been broken.

The tribunal considered it unlikely the damage occurred after the vehicle was sold.

It thought the bracket was probably broken at the time of sale, but wasn't noticed when the car had a WOF 17 days earlier.

Having regard to the nature of the vehicle – its age, high mileage, origin and modest price – the tribunal thought a reasonable consumer acquainted with the condition of the car, including any hidden defects, would probably regard it as acceptable.

Order

á

The application was dismissed. The tribunal wasn't persuaded the vehicle supplied failed to comply with the CGA's guarantee of acceptable quality when it was sold. \oplus

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BIGGEST INCREASES/DECREASES BY TOWN YEAR-ON-YEAR

(MARCH 2014 vs MARCH 2013)

NH	eW	USED			
Oamaru	▲ 85.7%	Invercargill	▲ 80.0%		
Nelson	▲ 56.9%	Oamaru	▲ 76.5%		
Rotorua	▲ 56.5%	Blenheim	▲ 74.2%		
	BIGGEST I	DECREASES			
NI	BIGGEST I	DECREASES USE	D		
NI Westport			-		
	SW	USE	D ▼22.2%		





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Nagoya	17 Apr	3 May	18 May	3 Jun						
Yokohama	18 Apr	5 May	19 May	4 Jun						
Auckland	6 May	20 May	6 Jun	21 Jun						
Wellington	13 May	26 May	12 Jun	26 Jun						
Lyttelton	9 May*	30 May	9 Jun	27 Jun						

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Japan's impact on Kiwi dealers

ony Kokshoorn and his brother David established Greymouth Car Centre in 1981.

They started focusing on used imports in the late 1980s when the market opened up – and their business went from having 17 or so vehicles on the yard to 130.

Their experience is just one of many that has been replicated across New Zealand.

It's also one that emphasises the effect the Japanese market had on used car dealers then – and one that still rings true today.

The brothers own the business 50-50 and are still involved with it, and it stocks New Zealand-new in addition to Japanese imports.

They employ six people. A manager oversees the daily operations and the workshop is managed by Chris Baird, who has been there for more than 20 years.

As well as carrying out aftersales service, it offers car painting – from small touch-ups to full repaints – and grooming services.

"I don't work there anymore, but I call in regularly to see how it's all going," says Tony Kokshoorn, who is also Mayor of Greymouth.

Any business needs a good manager – and in this case it's Phil Campbell, "who has the place running properly so you won't have to have a lot of input".

But back to 1988 and the "big breakthrough" when the Japanese used imports market opened up.

"That got us moving," Kokshoorn told Autofile. "Before then the industry was dominated by new car sellers and it was really hard for us to get stock. "Having 130 cars was a big

advance because New Zealand's second-hand stock was so old. "Bogged-up vehicles were

getting recycled and people used to change their cars a lot earlier.

"People would buy one and when it started rusting they would just bog up the bodywork. The used import legislation changed that cycle."

As for now, Kokshoorn says the industry is always changing and stresses "if you're not up to it, you'll go out of business".

As for the national outlook, March was a bumper month for used imported passenger vehicles with 11,258 crossing the border.

This brought 2014's first quarter total to 29,167 arrivals, which was up by 1,605 units when compared to the same period last year.

The share from Japan has increased slightly by 1.1 per cent so far this year with 27,562 units coming across, while the total from Australia is up by 0.2 per cent to 713.

The UK has shipped 489 units year to date, which is the lowest first quarter since 2011 when 298 were imported and the lowest in percentage terms for even longer than that at 1.68 per cent of overall imports.

There were 10,697 used imports from Japan in March, up from 8,597 in February. Australia dropped to 239 from 266, while the US went up to 149 from 60.

Meanwhile, the year-to-date total for used commercial imports is 1,065 – 316 in January, 334 in February and 415 last month. \oplus



Used Import Passenger Vehicles By Country Of Export

· · · · · ·	~		•	•									
COUNTRY OF			2014			2013					2012		
EXPORT	ORT JAN'14 FEB'14 MAR'14 2014 TOTAL MARKET SHARE %		Q1	02	Q3	Q4	2013 TOTAL	MRKT SHARE	2012 TOTAL	% TOTAL			
Australia	208	266	239	713	2.1%	385	464	503	638	1990	1.9%	1199	1.6%
Great Britain	209	138	142	489	1.3%	664	716	737	791	2908	2.7%	2730	3.7%
Japan	8268	8597	10697	27562	95.0%	20148	27869	23072	29695	100784	93.9%	67442	92.6%
Singapore	15	19	19	53	0.2%	31	26	41	48	146	0.1%	154	0.2%
USA	82	60	149	291	1.3%	266	248	307	384	1205	1.1%	976	1.3%
Other countries	27	20	12	59	0.1%	65	64	63	59	251	0.2%	336	0.5%
Total	8809	9100	11258	29167	100.0%	21559	29387	24723	31615	107284	100.0%	72837	100.0%

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Good month for trader sales

sed car dealers across the country returned some great sales figures last month.

There were 16,925 trader-topublic transactions compared to 14,948 in March 2013 – an increase of 13.2 per cent.

This was backed up with a 5.9 per cent rise in trade-ins from 12,270 to 12,997 over the same timescale, while private registrations rose by 5.8 per cent from 38,586 to 40,819 units.

Holly Brown, of Regent Car & Commercial in Invercargill, says: "We've got three yards and two have been doing well this year.

"The market is up and down and a lot of the other dealers in the city are struggling."

She believes this could be due to a focus on high-end trades,

while stock priced between \$10,000 and \$15,000 is the business' average price point.

"About 70 per cent of our customers are paying with finance and it's not necessarily from our own finance provider," Brown told Autofile.

"One thing I've noticed is payment protection insurance has been sold more, while about 30 per cent of people are cash buyers.

"One of our yards excelled last year and the other two were behind by quite a bit. This was probably due to sales staff changes and not having the right mix of stock.

"This month one yard is excelling, the other is ticking away as it should and one hasn't sold a vehicle."

There were 448 dealer-to-public sales in Invercargill last month,

which was a 14.9 per cent increase compared to 390 in March 2013.

The city placed second nationwide when it came to tradeins. They increased from 262 to 346 – a difference of 32.1 per cent.

Greymouth led the way as the region with the biggest percentage rise in dealer transactions – its total increased from 68 in March 2013 to 110 last month, or by 61.8 per cent.

The West Coast town also made strong headway in public-to-dealer sales, which rose by 51.2 per cent from 43 to 65.

"Last year was stagnant and this year has proven to be better," says Tony Kokshoorn, co-owner of Greymouth Car Centre.

"Trade is doing better now, but it can do better still. It's bobbing along because of the huge job losses we have suffered in mining. "We lost 500 direct mining jobs. For a town the size of Greymouth, that has had a big impact."

Wanganui came second by posting a healthy increase in trader registrations last month. They rose by 30 per cent from 160 to 208.

When it came to decreases in dealer sales in March' second-hand market in March, Timaru recorded the highest drop of 8.9 per cent from 236 in the same month of last year to 215.

Masterson posted the second largest percentage fall from 170 to 159 – a difference of 6.5 per cent.

Thames recorded the biggest percentage drop – 17.9 – in tradeins last month, which was down from 95 to 78 units. Whangerei was next – down 14.7 per cent from 307 to 262. ⊕

Secondhan	SECONDHAND CAR SALES - March 2014											
		DEALER-TO-	PUBLIC			PI	UBLIC-TO-PUBLIC	;		PL	JBLIC-TO-DEALER	
	MAR '14	MAR '13	+/- %	MARKET SHARE		MAR '14	MAR '13	+/- %		MAR '14	MAR '13	+/-%
Whangarei	510	466	9.4	3.01		1763	1614	9.2		262	307	-14.7
Auckland	5643	4895	15.3	33.34		14271	13410	6.4		4512	4135	9.1
Hamilton	1360	1277	6.5	8.04		3214	2977	8.0		1193	1129	5.7
Thames	198	199	-0.5	1.17		489	476	2.7		78	95	-17.9
Tauranga	852	768	10.9	5.03		1903	1750	8.7		649	574	13.1
Rotorua	261	249	4.8	1.54		670	672	-0.3		126	136	-7.4
Gisborne	174	152	14.5	1.03		356	377	-5.6		111	102	8.8
Napier	590	511	15.5	3.49		1434	1367	4.9		401	379	5.8
New Plymouth	401	388	3.4	2.37		1043	956	9.1		252	246	2.4
Wanganui	208	160	30.0	1.23		436	398	9.5		128	140	-8.6
Palmerston North	823	734	12.1	4.86		1650	1613	2.3		780	863	-9.6
Masterton	159	170	-6.5	0.94		362	361	0.3		95	77	23.4
Wellington	1497	1266	18.2	8.84		2878	2852	0.9		1163	1136	2.4
Nelson	311	297	4.7	1.84		921	917	0.4		255	255	0.0
Blenheim	169	167	1.2	1.00		399	342	16.7		122	124	-1.6
Greymouth	110	68	61.8	0.65		227	212	7.1		65	43	51.2
Westport	25	24	4.2	0.15		89	97	-8.2		1	-	-
Christchurch	2229	1916	16.3	13.17		5250	5009	4.8		1803	1629	10.7
Timaru	215	236	-8.9	1.27		606	518	17.0		130	146	-11.0
Oamaru	69	65	6.2	0.41		198	181	9.4		35	29	20.7
Dunedin	673	550	22.4	3.98		1750	1531	14.3		490	463	5.8
Invercargill	448	390	14.9	2.65		910	956	-4.8		346	262	32.1
NZ total	16925	14948	13.2	100.00		40819	38586	5.8		12997	12270	5.9

✓ Consumer Guarantees Act 1993

✓ Motor Vehicle Sales Act 2003

✓ Sale of Goods Act 1908

✓ Fair Trading Act 1986

Energy Efficiency and Conservation Act 2000





Passenger (Car Sales	by Privat	te/Business	split - MIA	statistics
MAKE	PRIVATE	% PRIVATE	BUSINESS	% BUSINESS	TOTAL
Alfa Romeo	15	57.7	11	42.3	26
Aston Martin	0	0.0	1	100.0	1
Audi	86	42.0	119	58.0	205
Bentley	3	75.0	1	25.0	2
BMW	68	40.0	102	60.0	170
Chery	17	73.9	6	26.1	23
Chrysler	3	30.0	7	70.0	1(
Citroen	21	46.7	24	53.3	45
Daihatsu	0	0.0	1	100.0	1
Dodge	12	22.2	42	77.8	54
Fiat	13	41.9	18	58.1	31
Ford	192	32.2	404	67.8	596
Great Wall	7	63.6	4	36.4	1
Holden	241	31.5	523	68.5	764
Honda	211	57.5	156	42.5	367
Hyundai	252	32.6	522	67.4	774
Isuzu	2	11.1	16	88.9	18
Jaguar	4	36.4	7	63.6	1
Jeep	40	40.4	59	59.6	99
Kia	113	40.8	164	59.2	277
Lamborghini	2	66.7	1	33.3	:
Land Rover	46	59.7	31	40.3	77
Lexus	33	50.8	32	49.2	6
Lotus	1	100.0	0	0.0	
Maserati	7	70.0	3	30.0	1(
Mazda	298	48.0	323	52.0	62-
Mercedes-Benz	52	32.9	106	67.1	158
MG	2	50.0	2	50.0	
Mini	17	36.2	30	63.8	47
Mitsubishi	312	48.8	328	51.2	640
Nissan	293	71.8	115	28.2	408
Peugeot	57	50.0	57	50.0	114
Porsche	9	52.9	8	47.1	17
Renault	1	11.1	8	88.9	
Skoda	29	34.9	54	65.1	8
SsangYong	37	44.6	46	55.4	8
Subaru	57 64	34.8	40 120	65.2	0. 184
Suzuki	247	34.8 48.8	259	51.2	500
Toyota	321	30.6	728	69.4 49.9	1049
Volkswagen	178	50.1	177		35
Volvo	32	66.7	16	33.3	4
Other	2	28.6	5	71.4	

Four rings control luxury first quarter

udi New Zealand has knocked BMW from its number-one perch to lead the luxury car market after the first quarter of 2014 and in doing so has set itself a record-breaking March for new car registrations.

Sales of passenger vehicles sporting the four rings are riding high on the back of growth in consumer confidence across the Kiwi market and gross domestic product (GDP) pulling ahead.

The marque notched up 205 registrations last month and says the rest of 2014 is shaping up to be its most impressive year to date following continued growth over the past three years.

During March, 119 sales – or 52 per cent of Audi's total – were to businesses, according to figures supplied by the Motor Industry Association.

BMW came second with 170 registrations, of which 102 – or 60 per cent – were business transactions.

Mercedes-Benz wasn't far behind on 158 units and it had the lowest percentage – 32.9 – of private sales, which amounted to 52 units.

"Audi has kick-started this year as it means to continue," says Dean Sheed, general manager of Audi NZ.

"We are leading the luxury car market for quarter one and celebrating record-breaking growth with our best March of all time."

Already tracking 20 per cent ahead of its year-to-date total in 2013, the marque rounded off the first quarter of 2014 with 563 registrations.

"Sales are riding high alongside continued growth in confidence supported by new models bringing new customers

7976

58.1

to the brand," says Sheed.

"We had record sales in 2013. With more models coming this year and our positive first quarter, we expect product growth to spur sales even more."

He believes Kiwis have taken to Audi's new heavy horsepower Sport models – the RS6 and RS7 – and A3 sedan.

Sheed says the marque's highperformance SUV – the sporty RSQ3 – won the International Engine of the Year 2013 award and "seems to be winning hearts".

"This has been demonstrated by the demand for the newly launched vehicle and, for the first time, our flagship SUV – the seven-seat Q7 TDI – is now available for less than \$100,000, which is proving popular."

The marque's focus will remain on providing buyers in New Zealand with models to meet Kiwi lifestyles "along with value for money via our feature packages and finance options available throughout the dealer network".

Audi has seen strong growth in the South Island in 2014, as well as in Auckland and Hamilton, and Sheed believes the marque's connection to the wider market has never been so relevant.

"The popularity of Audi quattro continues to grow as more New Zealanders experience its allwheel-drive system," says Sheed.

"It provides unsurpassed safety and performance handling in any weather conditions – perfect for our active lifestyles and terrains."

Toyota again took out the overall title with 1,049 units, of which 728 – or 69.4 per cent – were to businesses. \oplus



*Business sales include rental and government sales, and the totals include passenger cars **and** SUVs. SOURCE: MIA

41.9

3340

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TOTAL



Major growth in commercials

he small SUV segment is growing faster than any other part of the new passenger vehicle industry.

It has finished the first quarter of 2014 on 2,273 registrations - a 40.8 per cent increase over the same period last year.

Upper large cars were close behind in the percentage stakes. But the numbers were smaller with 90 year-to-date sales to the end of March, which was up by 36.4 per cent.

Small cars recorded a 30.2 per cent increase - from 5.003 to 6.512 units.

Registrations across the whole industry have jumped by 15.6 per cent from 26,712 this time last year to 30,879 by the end of March.

Hyundai returned good sales figures to take out second spot in

Gov't

Rental

Private

Business

Gov't

Rental

Other

Total

Heavy Commercial

Sub Total

the new passenger vehicles ladder, with the ix35 and i30 posting March increases of 137.3 and 123.1 per cent over the same month of last year.

The marque's Winger Motor Group franchise recently moved to where its Subaru branch used to be in Auckland to make it Winger's largest Greenlane showroom.

"We have recruited nine extra people to allow us to maximise opportunities," Grant Vincent, dealer principal, told Autofile.

"We're neck and neck with our volumes - 70 new and used a month, while the national average is 0.8 of a used car for every one new model sold."

Vincent says the marque's range is extensive with models across its segments returning solid sales.

9.7

7.9

321

162

25,868

8,726

14.273

1,090

1,779

722

122

26.712

-52.5

14.9

22.9

14.0

0.6

-8.4

45.8

-8.2

15.6

"Overall, we've had a 15 per cent increase in sales year to date compared to the same period last vear," he savs.

With Remuera - one of Auckland's more affluent suburbs - nearby, the make-up of the local fleet tends to include more European vehicles than other areas.

"The interesting change has been people who had European brands in the past are now buying Hyundais because of their European styling and advanced technology features," says Vincent.

"In servicing, we have just posted the best month we've ever had for the margue – the more cars we sell, the more we should service."

director of Dunedin-based

Southern Motor Court, says: "Without a doubt the two starperforming segments would have to be SUVs and commercials.

"We are no different to the rest of New Zealand in that the commercial and ute markets have been strong."

He says Invercargill and Dunedin tend to be stronger in the ute market than vans, while Southland overall has "the strongest ute market in the country".

In the commercial sector, light buses and heavy vehicles notched up increases of 88.1 and 45.8 per cent respectively for the first quarter.

They were followed by four-bytwo pick-ups and chassis cabs. Year to date, their registrations have increased to 2,162 from 1,649 - a difference of 31.1 per cent. ⊕

MAR '14 MAR '13 MTH % 2014 YTD 2013 YTD % YTD 4.031 16.8 13.834 12.610 Passenger 4,709 1,993 1.656 20.4 5,500 4,804 14.5 Private Business 2.339 2,049 14.2 6.437 5.799 11.0 337 281 19.9 686 636 Gov't Rental 40 45 -11.1 1,211 1,371 -11.7 SUV 3,267 2,732 19.6 8,938 7,267 23.0 1,347 1 0 2 5 31.4 3 571 2 7 3 7 30.5 Private Business 1,826 1.638 11.5 4,870 4,151 17.3 Gov't 51 39 30.8 155 133 16.5 Rental 30 43.3 342 39.0 43 246 Light Commercial 2,768 2,410 14.9 6,942 5,991 15.9 Private 668 452 47.8 1,652 1,185 39.4 Business 1.953 1.798 8.6 4,958 4.323 14.7 121 255 -20.6

39

9.173

3.133

5,485

441

114

280

37

9.490

116

31

10.744

4,008

6,118

504

114

456

38

11.238

NEW VEHICLE SALES BY BUYER TYPE - March 2014

Ken Cummings, managing

NEW VEHICLE MARKET SEGMENTATION - March 2014

	MAR '14	MAR '13	MTH% DIFF	2014 YTD	2013 YTD	% YTD
Passenger	4,709	4,031	16.8	13,834	12,610	9.7
SUV	3,267	2,732	19.6	8,938	7,267	23.0
Light Commercial	2,768	2,410	14.9	6,942	5,991	15.9
Heavy Commercial	456	280	62.9	1,053	722	45.8
Other	38	37	2.7	112	122	-8.2
Total market	11,238	9,490	18.4	30,879	26,712	15.6
Light	1,317	1,418	-7.1	3,695	3,996	-7.5
Small	2,131	1,484	43.6	6,512	5,003	30.2
Medium	656	611	7.4	1,784	1,843	-3.2
Large	375	322	16.5	1,154	1,108	4.2
Upper Large	27	23	17.4	90	66	36.4
People Movers	92	60	53.3	244	206	18.4
Sports	111	113	-1.8	355	388	-8.5
SUV Small	811	617	31.4	2,273	1,614	40.8
SUV Medium	1,349	1,117	20.8	3,357	2,779	20.8
SUV Large	1,064	953	11.6	3,169	2,757	14.9
SUV Upper Large	43	45	-4.4	139	117	18.8
Light Buses	56	18	211.1	111	59	88.1
Vans	507	590	-14.1	1,390	1,411	-1.5
Pick Up/Chassis Cab 4x2	861	642	34.1	2,162	1,649	31.1
Pick Up/Chassis Cab 4x4	1,344	1,160	15.9	3,279	2,872	14.2
Heavy Commercial	456	280	62.9	1,053	722	45.8
Other	38	37	2.7	112	122	-8.2
Total market	11,238	9,490	18.4	30,879	26,712	15.6

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-4.1

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77

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Supply sound with some blips

The number of new cars sold in New Zealand outstripped imports last month, while year-to-date sales exceeded units crossing the border.

There were 7,992 registrations in March compared with 7,228 imports, which created a difference of 764 units between them.

This compared to 157 more imports than sales in February and 1,820 more transactions than vehicles imported during January.

So far in 2014, there have been 2,427 more new cars sold than imported – 22,857 units compared to 20,430.

One marque that's experiencing a buoyant start to this year is Ford NZ. Its first-quarter sales increased more than 30 per cent compared to same period last year. The marque's line-up expanded this month with the release of the all-new EcoSport and it will do so again in May when the Transit Cargo arrives – and new models invariably mean more deals to be struck.

Last month was notable for the blue oval in that its Ranger overtook Toyota's Hilux in the light commercial stakes.

Year-to-date sales of Ford's ute have increased by 33 per cent and its demand has created some stock supply issues regionally.

The XLT, which accounts for about 80 per cent of registrations, is experiencing good supply but demand for derivatives may outstrip production. Its utes sold here are built in Thailand where production lines are at full capacity with staff on double shifts.

Dealer stock of new cars in New Zealand									
2013	NEW CA Imported	ARS Sold	VARIANCE	STOCK	AVERAGE Sales Per Day - ytd	DAYS Stock At hand			
Total stock at the end	of December 2		26,867						
Jan '13	5,355	7,385	(2,030)	24,837	238	104			
Feb '13	7,027	5,799	1,228	26,065	223	117			
Mar '13	6,329	6,800	(471)	25,594	222	115			
Apr '13	7,342	5,907	1,435	27,029	216	125			
May '13	7,400	6,347	1,053	28,082	213	132			
Jun '13	8,051	7,541	510	28,592	220	130			
Jul '13	8,423	6,768	1,655	30,247	220	138			
Aug '13	11,065	6,828	4,237	34,484	220	157			
Sep '13	6,996	7,272	(276)	34,208	222	154			
Oct '13	9,362	7,962	1,400	35,608	226	158			
Nov '13	9,591	7,453	2,138	37,746	228	166			
Dec '13	8,826	6,371	2,455	40,201	226	178			
Total sales in 2013	95,767	82,433	13,334						

2014	NEW CA	ARS Sold	VARIANCE	STOCK	AVERAGE Sales Per Day - ytd	DAYS Stock At hand
Total stock at the end o	f December 2	013		40,201		
Jan '14	6,473	8,293	(1,820)	38,381	268	144
Feb '14	6,729	6,572	157	38,538	252	153
Mar '14	7,228	7,992	(764)	37,774	254	149
YTD total	20,430	22,857	(2,427)			
Predicted sales for 201	4	92,698				

Corey Holter, managing director of Ford NZ, says: "Momentum continued into the first quarter with the highest sales growth of the top five brands here."

He believes the results are a sign of good things to come, the company is "optimistic about the industry" and New Zealand is experiencing high business confidence.

According to leading lease companies, Holter says the Ranger now has stronger residuals meaning customers "retain more value".

"When you add up its awards, reviews and stronger residuals, there's no argument as to which is the best ute. Judging by its lead, Kiwis agree but we won't get complacent because this market will remain competitive in 2014."

Ford NZ says the amount of Rangers now in stock means demand can be met on most models.

But some variants, such as the range-topping Wildtrak, may have wait times as demand outstrips supply. New models – as well as derivatives – create considerable market excitement demand. Ford NZ recently introduced the Fiesta Sport featuring the International Engine of the Year – its one-litre EcoBoost. Sales of this model "continue to exceed expectations" with enough stock to meet demand – at the moment.

Holter adds: "With the EcoSport, we have now a full range of SUVs and the Transit Cargo offers the smartest van solution for businesses yet."

The new Fiesta ST is also selling well although its demand is also outstripping supply.

Ford NZ isn't predicting the scale of supply issues Toyota may experience here this year, as reported by Autofile last month.

The blue oval says its amount of new stock in hand results from its estimates of future demand.

Sales often depend on the model line and allocations for New Zealand are decided off-shore, but everything should be "okay" on the supply side – except for some models' specials.

Across the board, there were 37,774 new cars in stock nationwide last month, less than the totals for January and February.

Average sales per day during March came in at 254 with 149 days' stock in hand. ⊕



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- importers will get less bang for

The dollar is one of this year's

best-performing global currencies,

but this "makes it difficult for our

It continues to climb with

rates next month, although many

commentators are predicting they

Milk powder and butter exports

to China are fuelling our economic

growth, with total exports surging

17 per cent in February from a year

earlier. The International Monetary

between five and 15 per cent. 🕤

fisit **www.autofile.co.nz** for

Fund says the dollar is overvalued by

traders hedging bets on the

Reserve Bank raising interest

economy to rebalance".

will remain unchanged.

their bucks.

ces with currenc I rad there's intervention to achieve this

arch was the biggest month of the year for used passenger vehicles crossing the border at 11,258 – and the amount sold at 10,247.

The difference came in at 1,011 units and was the first time in 2014 that more were imported than registered.

Year to date, 299 more cars have arrived - 29,171 compared to 28.872 sold.

The numbers are set to remain high for a few months, with 15 rollon, roll-off vessels forecast to berth in April and 12 in May.

Favourable conditions between New Zealand and Japan are responsible for much of this, but the three per cent hike in consumption tax there may push up stock prices in the future.

Conversely, there were big buyups of new and second-hand cars before the tax rise on April 1.

How taxation changes will affect Japan's domestic and export markets is difficult to predict, but some buyers there may start opting for standardsized rather than smaller cars because of the new regime.

Prime Minister Shinzo Abe wants

to spur on economic growth and, since taking power in 2012, his strategies have been designed to tackle excessive yen appreciation.

Some dealers here say the crossrate doesn't impact on business that much, especially when the yen is down against currencies of other markets buying Japanese stock.

Others believe margins, stock availability and auction prices are equally as important.

But one thing is for sure - a cross-rate in favour of the kiwi sparks interest among buyers resulting in more used imports here.

In the week of April 7, one dollar bought 88.8 yen. The week before, it was 88.7. It was 87.4 at the start of March and 86.5 three months ago.

The 10-year average of 72 paints a different story, but the economics are equally as important.

Tony Alexander, BNZ's chief economist, says the Japanese government wants easier fiscal policy, easier monetary policy and deregulation.

"The first two are proceeding, the last is not. The recent lift in growth could be short-lived, especially if households react



badly to the rise in consumption tax.

"Japan's trajectory doesn't look good given huge debt, and an ageing and shrinking population."

The strength of our currency and economy affects the number of cars and other goods crossing the border - and the value of what goes the other way.

BNZ says 64 per cent of people are confident about where the economy will be in a year's time.

"Sentiment is holding up," says Alexander. "This bodes well for firm growth in employment and business investment."

For how much longer the dollar will ride high on world markets is up for debate, with Finance Minister Bill English saying it's too strong and is creating issues for exporters.

If currency trading shifts - or

Dealer stock of imported used cars in New Zealand

2013	used IMF Imported	Ports Sold	VARIANCE	STOCK	AVERAGE Sales Per Day - ytd	DAYS Stock At hand				
Total stock at the end	of December 2	2012		3105						
Jan '13	4,467	7,397	(2,930)	175	239	0.7				
Feb '13	8,246	6,922	1,324	1,499	243	6				
Mar '13	8,845	7,581	1,264	2,763	243	11				
Apr '13	10,531	7,418	3,113	5,876	244	24				
May '13	10,945	8,460	2,485	8,361	250	33				
Jun '13	7,919	7,862	57	8,418	252	33				
Jul '13	8,609	9,629	(1,020)	7,398	261	28				
Aug '13	8,632	8,648	(16)	7,382	263	28				
Sep '13	7,481	7,615	(134)	7,248	262	28				
Oct '13	10,364	8,545	1,819	9,067	263	34				
Nov '13	11,184	9,360	1,824	10,891	268	41				
Dec '13	10,067	9,534	533	11,424	271	42				
Total sales in 2013	107,290	98,971	8,319							

2014	USED IM	USED IMPORTS		STOCK	AVERAGE SALES PER	DAYS Stock
	IMPORTED	SOLD	VARIANCE	3100K	DAY - YTD	AT HAND
Total stock at the end of December 2013				11,424		
Jan '14	8,813	9,470	(657)	10,767	305	35
Feb '14	9,100	9,155	(55)	10,712	316	34
Mar '14	11,258	10,247	1,011	11,723	321	37
YTD total	29,171	28,872	299			
Predicted sales for 201	4	117,092				

Industry news and analysis as it happens

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