

autofile

Record number of cars being recalled

Toyota New Zealand is calling back 26,050 cars for possible problems with their driver and front-seat passenger airbags.

The recall is the marque's biggest for a single fault in this country and it's part of a worldwide campaign affecting about five million of its vehicles fitted with airbags made by Takata.

Japan-based Takata also supplies its systems to other vehicle manufacturers, which have been the subject of massive call-backs in recent years.

The latest recall – announced by Toyota NZ on April 13 – has been issued because of potential abnormal deployments of airbags meaning they may not inflate as intended.

Honda NZ is also calling back about extra 16,000 cars affected by faulty Takata systems.

Toyotas specifically affected in this country include 3,122 Yarisés and 2,760 RAV4s manufactured between 2003 and 2005 because of their driver's side airbags.

country include 582 Civics that came off production lines between 2003 and 2005, 6,480 Jazzes made from 2004-08 and 5,335 Accord Euros from 2004-08.

The recall also covers 3,987 CR-Vs made in 2002 and from 2004-08, as well as 5,064 CR-Vs from 2007 and Jazzes manufactured from 2005-07.

Honda made its announcement on April 20, but details about problems with its cars were sketchy when Autofile went to press.

Toyota NZ is unaware of any incidents in New Zealand in which airbags in its vehicles

affected by this latest recall may have deployed incorrectly.

Spencer Morris, general manager of product planning and customer services, says the



Problems with more airbag systems made by Takata have resulted in millions of vehicles being recalled worldwide

And 20,168 Corollas, Picnics and Yarisés made from 2001-07 are also being called back for their passenger side airbags to be checked.

The affected Hondas in this

In this issue

- p8 MTF set for supreme court
- p11 Dealers fly the flag in US
- p13 Family business sold on
- p15 Little touches help trade
- p16 Oamaru regional report
- p18 Focus on contract terms



We add value to your business
People • Products • Training

Packed with innovation and smart features



p10

[continued on page 4]

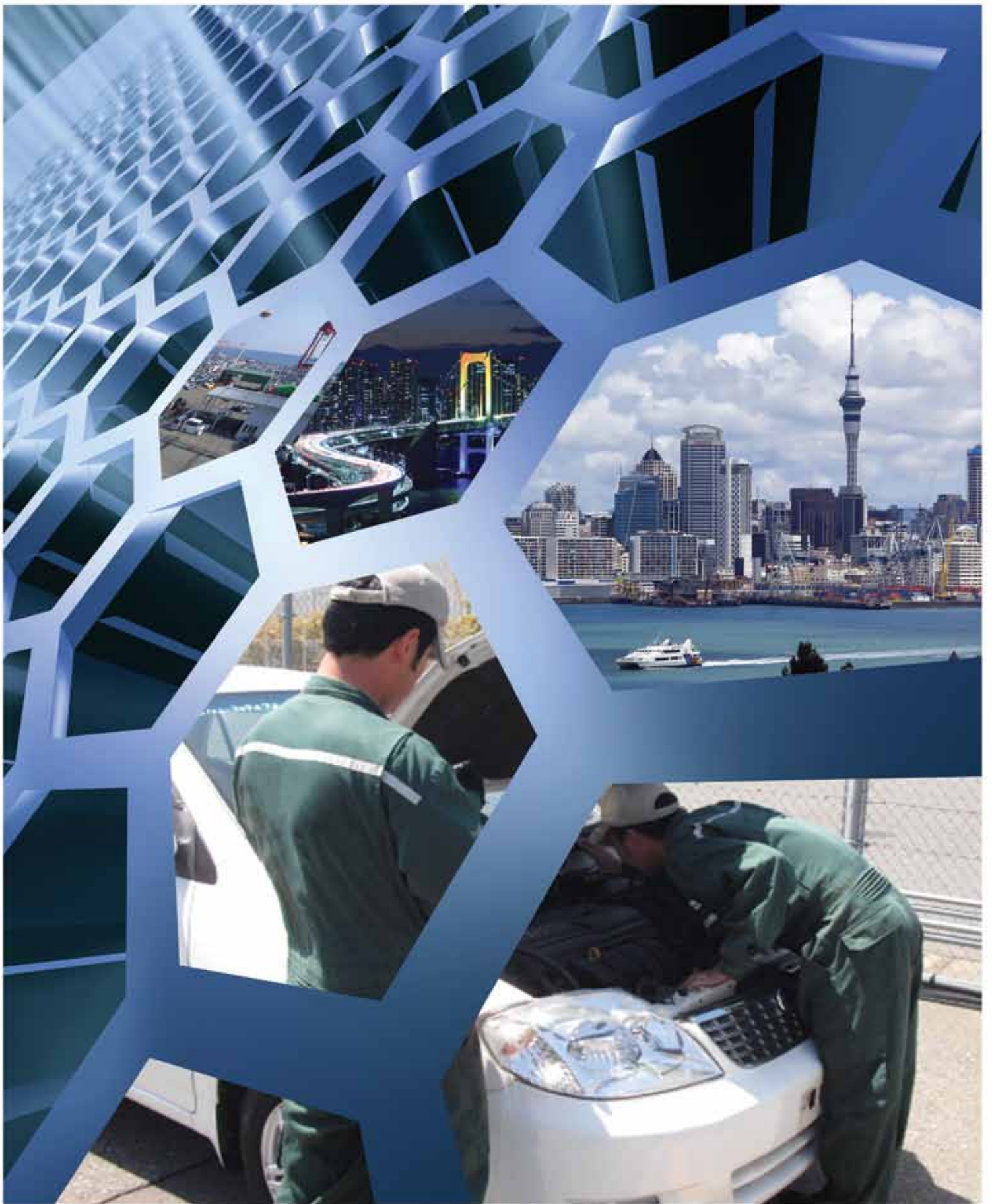


JEVIC
JEVIC NZ
09 966 1779
www.jevic.co.nz

SPECIALISTS IN PRE-SHIPMENT INSPECTIONS

- ✓ Full Border Inspections
- ✓ Biosecurity Inspections
- ✓ Structural Inspections
- ✓ Odometer Verification
- ✓ Pre-export Appraisal
- ✓ Vehicle History Reports





LOAD.it SHIP.it CLEAR.it **DELIVER.it**



From shore to shore and door to door

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

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

JACANNA
CUSTOMS & FREIGHT





Drive your business forward with provident insurance

Call Steve Owens now on 021 947 752

Steering towards driverless future

Michael Knight and his "intelligent" souped-up Pontiac Trans-Am from the 1980s television show aren't so far-fetched after all with intelligent transportation systems (ITS) gaining relentless momentum.

For many, the fruit at the top of the ITS tree comes in the shape of driverless vehicles, but not all of this future may be down to car manufacturers.

Technology companies have always been integral to the industry by supplying parts and systems for vehicles, and they are making in-roads in the ITS space.

Some are looking at the final product as well, but whether the likes of Google's self-driving car will see mass production is debatable.

Founder Sergey Brin said in 2012 that Google's autonomous vehicle will be made available to the general public in 2017, but indications are that 2020 is now more likely.

The global giant seems to have no plans to mass produce vehicles. Instead, it hopes to market the system and data behind them to established car makers. That said, it now has more than 20 self-driving vehicles.

Meanwhile, media outlets in the US report Apple may have plans to bring electric, driverless cars to the market to counter Google's offering.

Little is known about the so-called iCar or what drivers can expect from it, as is the case with many Apple projects.

When it comes to a self-piloting vehicle, Apple seems to be taking the "we'll do it our way" approach. "They don't appear to want a lot of help from car makers," a source told Reuters.

Google, however, is adopting the opposite route and seems to be looking for partners in the industry, although it and Apple have access

to plenty of funds to buy a marque or possibly start one from scratch.

So what about the car companies? Mercedes-Benz plans to introduce Autobahn Pilot by 2016. This system allows hands-free highway driving with autonomous overtaking of other vehicles.

General Motors (GM) says that by the 2017 model year, the Cadillac CTS will be equipped with vehicle-to-vehicle (V2V) ITS systems, while Nissan anticipates having a feature that can allow a car to manoeuvre its way on multi-lane highways by 2018.

Two years after that, Volvo envisages having vehicles in which passengers will be immune from injuries.

By 2020, Audi, BMW, GM, Mercedes-Benz, Nissan, Renault and Tesla expect to sell cars that can drive themselves at least part of the time.

And the New York-based Institute of Electrical and Electronics estimates up to 75 per cent of all vehicles will be autonomous in 25 years' time.

You only have to read about the technology behind one car, such as Audi's driverless RS 7 featured in this issue of Autofile, to realise how fast-moving the ITS sector is.

The German marque is also developing a plethora of high-tech safety systems for its vehicles.

"Production technologies for piloted driving will make their way into cars before the end of this decade," it says. "The systems will then take over the driving in certain situations, such as in traffic jams or when parking."

And by the time the steering wheel is made redundant, perhaps the cars we buy and sell may even be made by some of the companies inventing the technology.

Darren Risby, editor

autofile

EDITOR

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

JOURNALIST & ONLINE PRODUCER

Cameron Carpenter
cameron@autofile.co.nz

ADVERTISING

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

DESIGNER

Adrian Payne
arpayne@gmail.com

Autofile magazine is also available online as a readable file or downloadable as a PDF. Subscriptions are available at Autofile Online – www.autofile.co.nz. Back copies are also available on the website.

Copyright: Published twice monthly by 4Media Ltd, PO Box 6222, Dunedin 9059.

All statements made, although based on information believed to be accurate and reliable, cannot be guaranteed, and no liability can be accepted for any errors or omissions. Reproduction of Autofile in print or digital format in whole or part without written permission, whether by copying or any other means, is strictly forbidden. All rights reserved. ISSN 0112-3475 (print) / ISSN 2350-3181 (online)

ARE YOU **HAPPY** WITH YOUR CURRENT VEHICLE SUPPLIER?

WHAT YOU GET WITH

RELIABILITY
First choice for NZ dealers for 20 years

STOCK READY FOR SHIPPING
Extensive range of pre-purchased stock available for shipping NOW

EXPERIENCE
Our buyers are knowledgeable about NZ dealers requirements

TRUE DEALER WHOLESALE
Fixed fee includes all Japan side: transport, documents and taxes

CHOICE
100,000 vehicles per week available through our auction search engine

STRICTLY DEALER ONLY
Heiwa Auto never sell or export vehicles to private buyers

PEACE OF MIND
All vehicles Ramp Inspected before departure

Jason Robb ph: 027 413 3222 email: jason@heiwa-auto.co.jp

www.heiwa-auto.co.nz

[continued from page 1]

Timeframes still to be established

marque is still investigating how many second-hand imported vehicles may be affected by the call-back.

Morris adds the company "will take responsibility for used imports in our market. This includes repair costs and parts".

It has received vehicle identification numbers (VINs) from its parent company in Japan for cars sold new that fall under the recall.

The VINs have been sent to the NZTA to match them to registration data, which provides contact details for the owner of each vehicle.

This information is then used to contact owners and advise them of the situation, and to provide details on arranging inspections with their local Toyota dealers.

Morris says a range of vehicles are produced in different plants



“Our dealers fully support Toyota NZ to ensure customers are cared for.”

– Spencer Morris

and some replacement airbag parts have already arrived in this country, although there is no current timeframe in place yet for all parts to be received.

Autofile understands remedial work on recalled Toyotas will take about one hour to complete and this will vary depending on the model.

It is not known as yet how long it will take for all of the

marque's affected vehicles to be fixed, while its replacement parts will probably be supplied by Takata and another company that makes airbags.

"Our dealers fully support Toyota New Zealand to ensure customers are cared for," adds Morris.

SCALE OF PROBLEM

The NZTA says the process for all

safety-related recalls is the same – regardless of scale.

"The existing process, whereby manufacturers request owner details for affected models, works the same way for any number of vehicles," explains a spokesman for the agency.

"As with all recalls, the NZTA is assisting Toyota and Honda by supplying owner details of

TAKE CONTROL with Dealer Dashboard

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



ph0800 668 679



Toyota New Zealand has recalled more than 26,000 vehicles including, from left, certain RAV4s, Corollas, Picnics, also known as the Avensis Verso, and Yarises

◀ affected vehicles and providing additional support as requested by them.

"We would expect them to load their recalls onto our database soon now they have initiated their recalls."

Manufacturers are required by law to notify the agency of any safety recalls, which are then recorded online at www.vehiclerecallsafety.nzta.govt.nz/safetyrecallsdatabase.

"Only the manufacturers have the technical and production information needed to identify affected vehicles," the NZTA's spokesman told Autofile.

"They use this information to compile a list of individual vehicles identified by their VINs or VIN range, which is then supplied to the agency in the form of a request for owner details.

"There are no procedures in place for auditing or monitoring the process that manufacturers use to identify affected vehicles."

Due to the complexity of what has to be done, it would be impracticable for the NZTA to put in place any such processes.

"It is the legal responsibility of manufacturers to initiate recalls and inform the agency when they do so.

"Several other manufacturers have already carried out Takata airbag recalls and we are satisfied this process is working well.

"We don't believe a more proactive approach is needed at this stage."

As for the size of Toyota's and

At a glance

Distributors in New Zealand are recalling more than 60,000 vehicles over faulty airbags as part of one of the biggest worldwide recalls of cars. However, there have been no reports of vehicles deploying their airbags incorrectly, says Bryan Davis, national service manager of Honda NZ. Toyota and Nissan are among marques Takata supplies airbags to. Nissan is recalling around 10,300 units sold new in this country with details yet to be confirmed, according to reports.

Honda's latest recalls, the agency states: "The only impact this may have will be slightly more staff time dedicated to extracting owner details, but as this process is largely automated this will be small."

'NO NEED TO PANIC'

While Toyota and Honda have issued vehicle recalls in New Zealand, more marques globally have already done the same.

The full impact on the Kiwi market has yet to be established, although there have been no reported instances of faulty airbags causing injuries to motorists in this country.

Andrew Bayliss, the AA's manager of motoring advice, says that despite the small risks involved in the latest recalls, any safety-related defects must be treated seriously although there is no need for panic.

"Manufacturers have robust processes in place and, having identified defects, they will contact vehicle owners who are affected to fix any problems.

"Given the numbers of vehicles affected, it is

unlikely parts will be available immediately so owners should wait until contacted by the manufacturer."

Bayliss adds the latest faults with Takata's systems are thought to relate to abnormal deployment of driver's or front-seat passengers' airbags in the event of a crash.

The AA believes these that these are unrelated to recalls for systems installed on vehicles

made by the same company last year whereby airbag retaining rings may potentially rupture during deployment.

WIDER INDUSTRY ISSUE

Until the latest round of recalls, about 20,000 vehicles sold in New Zealand by Honda, Toyota, Nissan, Mazda and BMW had been recalled because of faulty inflators in systems supplied by Takata.

These call-backs relate to airbags that have the potential

[continued on page 6]

DOLPHIN
SHIPPING AGENCIES

JAPAN
to

NEW ZEALAND

Full PORT TO DOOR service

- » Vessels arriving every two weeks
- » Servicing Auckland, Wellington, Lyttelton & Nelson with 'Direct Port Calls'

CALL ME NOW!
Gerry Claudatos
Mob: 0274 400 734
Ph: 09 373 5881 Fx: 09 303 0072
Email: gerry@dolphinshipping.co.nz

www.dolphinshipping.co.nz

Global impact of airbag scandal

to explode while being deployed and then scattering shrapnel inside vehicles.

These issues have been linked to at least six deaths worldwide, but no such incidents have been reported in New Zealand.

Other marques, such as Ford, Chrysler, Subaru, General Motors and Mitsubishi, have also been affected by the same problem in overseas markets.

Issues with Takata's airbags have now become one of the industry's biggest scandals in recent years.

The company says mechanisms in the airbags of almost 34 million cars are defective. This number is double the previous estimates for its faulty systems.

Honda and Daihatsu recently announced they are recalling about five million more cars



Takata is one of the world's three dominant suppliers of airbag systems

More online

Visit www.autofile.co.nz for more stories about the recalls for Takata airbags. Honda and Daihatsu are calling back about five million vehicles globally to replace airbag inflators. And Takata has asked marques to allow it to pay for costs related to faulty systems by instalments.

globally because of problems. Toyota and Nissan are calling back about 6.5m units worldwide over the same issue.

There have been media reports in Australia that Nissan is issuing campaigns for 102,000 vehicles sold there for specific model years from 2004-07.

That's on top of 50,160 units the company recalled due to Takata airbag issues in 2013-14.

Nissan Australia last instituted a safety campaign for faulty driver's airbag inflators in November 2014.

This covered about 13,000 K13 Micras built between September 2010 and October 2011.

It followed a recall for the

same issue in June last year affecting front passenger airbags installed in about 26,000 N16 Pulsars, Y61 Patrols, D22 Navaras, A33 Maximas and T30 X-Trail's made between April 2001 and June 2003.

Nissan Australia confirms around 102,000 units from model years 2004-07 vehicles are now affected, while approximately 10,300 units from the same period officially supplied to the New Zealand market may also hit.

The latest problem identified – the abnormal deployment of Takata's airbags and the cause of Toyota NZ recalling about 26,000 units here – is now being assessed by marques around the globe. ☹

a fresh approach to dealer finance



my finance
we're in this together

www.MyFinance.co.nz 0800 385 385

Finances in good shape

The Imported Motor Vehicle Industry Association (IMVIA) has finished the year in a strong financial situation.

It held equity of \$831,188 as of March 31, up from \$676,098 in the previous reporting period, while its net surplus for the year dropped to \$155,090 from \$269,200.

The association made a gross profit of \$365,127 from its taxable activities – up from \$173,601 in 2013/14.

This included \$427,526 from technical services it provides compared to \$290,763 in the

previous year, while it had a new income stream with \$75,808 coming from consulting.

All up, the IMVIA's total revenue came in at \$880,463 – up from \$851,601.

Overhead expenses rose from \$437,453 to \$528,619, while its surplus for membership activities came in at \$115,285, which was down from \$241,852.

The association's national annual general meeting is being held in Christchurch on May 27. It will be preceded by the South Island branch's AGM, while the North Island meeting is on May 26 in Auckland. ☹

Community help from foundation

The Mazda Foundation has given more than \$80,000 to 28 individuals and groups in its first funding round for the year – and it's the biggest amount donated in one round since 2009.

The foundation has gifted more than \$1.7 million to the community since its inception a decade ago.

It holds three funding rounds a year during which it selects Kiwis, groups and charities in need of support.

Recipients in the latest round include Alzheimers Wanganui, which provides support, information and education programmes for people living with dementia, their families and the community.

It has received \$8,412 to buy a tracking system. It helps to locate people with dementia who walk off and lose their way.

Jenny Spence, of Alzheimers Wanganui, says: "WanderSearch will enable people with dementia to continue to live as independently as possible while giving family members and carers peace of mind someone can be found promptly and safely."

Another grant was awarded to Goldfields Special School in Paeroa, which serves the

Coromandel, Thames Valley, Piako and Hauraki districts.

It provides education, health and social support to children with special needs, and has received \$7,514 to buy two trikes specially adapted for those who require three-wheel stability.

There is also an option for accessories, such as a back rest, ankle support and a rear-steering system.

"The trikes are a creative way

to keep students fit and healthy," says Susie Nyika, school therapy manager. "They aren't able to communicate verbally and have sensory integration difficulties.

"A daily trike ride is a safe, yet fun, way to get students puffing and as a bonus it can calm those who tend to get agitated at times."

Andrew Clearwater, chairman of the Mazda Foundation, says: "Whether it's supporting elderly people so they can maintain their independence or helping disabled children, it's always humbling to see how much great work goes on in New Zealand."

The foundation is funded by a contribution from the sale of every new Mazda in this country. Visit www.autofile.co.nz for more on this story. ☺



Andrew Clearwater



Susie Nyika with a Goldfields Special School pupil on a specially adapted tricycle



National Manager - Delivery

- **New role**
- **Challenging and rewarding**
- **Competitive salary package including company vehicle and other benefits**

At VINZ we underpin vehicle safety and compliance in New Zealand, with the size to matter and the agility to quickly grasp opportunities.

We operate in a challenging and engaging regulatory environment, with strong partnerships across industry. We are sought out locally for our expertise in understanding vehicle requirements and for our style and customer service. While represented at more than 10 sites nationally with more than 120 delivery staff, there is room to grow.

An innovative and well networked board and senior management team presents an opportunity for an experienced senior operations professional to grow the business and develop the delivery team.

As an integral part of the senior leadership team, this is a chance to advance your career. You will contribute to our understanding of the business environment and inform our business strategy and new service options.

The National Manager - Delivery needs to be a great people leader. Through you and the leadership team our delivery group will understand our operational objectives and see how VINZ should work. Operating within a collaborative workplace culture, you will have colleagues and support to fuel VINZ established delivery and growth.

IF THIS OPPORTUNITY EXCITES YOU THEN DON'T DELAY!

For further information and a copy of the position description visit us on line at www.vinz.co.nz

Applications close 4.00 pm Friday 5 June 2015.

www.vinz.co.nz

Fight taken to supreme court

Motor Trade Finances (MTF) is set to take its fight against the Commerce Commission and decisions made by the judicial system to the highest level.

A court of appeal hearing in the Sportzone case was held in November 2014 with the judgement being delivered on March 30.

The court dismissed an appeal by MTF and Sportzone Motorcycles against proceedings brought by the Commerce Commission.

Now the finance company has filed a notice of application for leave to appeal to New Zealand's supreme court.

It says the case is significant and has implications for the wider lending industry because its principles will be incorporated in the responsible lending code, which comes into force on June 6.

The decision reached by the court of appeal upheld a liability judgement issued by the high court that some establishment and credit fees charged under 39 loan contracts issued between 2006 and 2008 were unreasonable in terms of the Credit Contracts and Consumer Finance Act (CCCFA).

A quantum judgement was also upheld, which detailed specific costs that could be recovered by way of fees. This judgement allows the recovery of many fixed and indirect costs the commission originally sought to exclude as an unreasonable recovery through fees.

"In applying the quantum judgement, there are increases of up to 1,500 per cent from the

single-figure fees that formed the commission's original position," say Glen Todd, MTF's chief executive officer, and chairman Stephen Higgs.

"That original position was each of MTF's establishment fees for the 2006-08 period ought to have been less than \$10.

"Consequently, the total amount by which the fees have been held to be unreasonable, and is to be repaid to 39 Sportzone borrowers, is less than \$10,000."

MTF says that as this amount can be determined with reasonable certainty, it has been fully provided

to recover costs not recovered through fees and suffered no loss," they add.

"The judgements relate to loans written when there was no meaningful guidance from the regulator or courts on the interpretation of new and non-prescriptive consumer legislation.

"MTF is disappointed with the decision and is concerned the court failed to address some key aspects.

"With support from others in the industry, MTF has filed a notice of application for leave to appeal to the supreme court."

The code sets guidance on everything from advertising of credit through to repossessions, and "continues the theme of pushing the responsibility for enforcement back onto lenders".

FINANCIAL RESULTS

MTF's profit before commission and fair-value movements went up by six per cent to \$22 million in the half-year to March 31.

It says this reflects moderate asset growth and continued funding efficiency, while commission paid to shareholder originators rose by six



"The total amount by which the fees have been held to be unreasonable is less than \$10,000." – Glen Todd, MTF

for in its half-year financial statements to March 31, 2015.

"Both the quantum judgement and MTF fee models provide for a mix of interest rates and fees as allowed for in the CCCFA," add Todd and Higgs. "Both models include an analysis of recoverable costs."

They stress the finance company only recovered the costs of running its finance and didn't make a profit from any of the fees charged, and all costs retrieved through fees were previously being recouped through the interest rate.

"In MTF's view, the court failed to acknowledge that – without the fee model – borrowers would have paid higher interest rates

The company stresses the nature and structure of its business has changed substantially since 2008, as have its calculations of costs and fee-setting processes.

"MTF will work with the commission and industry, regardless of the outcome, to develop workable guidelines in relation to fees in compliance with the law."

Its internal development focus continues to be driven by updated consumer laws and regulations.

The responsible lending code, released by the Ministry of Commerce and Consumer Affairs on March 17, and lender responsibility principles come into force next month.

per cent to \$16.6m.

Unrealised loss on fair value of financial instruments totalled \$800,000 to give net profit after tax of \$3.2m – an increase of \$200,000 compared to the same period to March 31, 2014.

Underlying profits after tax rose by nine per cent to \$3.6m, up from \$3.3m, while sales were steady at \$202.5m and were up from \$200.9m.

"MTF's traditional market of used-car finance has come under pressure with the high New Zealand dollar making new cars an attainable proposition for consumers and the car-lending market generally remains very competitive," the company reports.

Securitised borrowings

**TESNZ TOYOFUJI SHIPPING
NEW ZEALAND LIMITED**

**FROM JAPAN TO NEW ZEALAND
ON TIME, EVERY TIME**

TOYOFUJI SHIPPING SCHEDULE									
Toyofuji vessels	Voyage	JAPAN				NEW ZEALAND			
		Moji	Osaka	Nagoya	Yokohama	Auckland	Lyttelton	Wellington	Nelson
Trans Future 6	79	–	4 May	6 May	9 May	28 May	30 May	1 Jun	2 Jun
Trans Future 7	79	–	18 May	19 May	23 May	11 Jun	13 Jun	15 Jun	16 Jun
Trans Future 5	83	–	1 Jun	2 Jun	6 Jun	24 Jun	26 Jun	28 Jun	29 Jun

Contact: Blain Paterson ph 09 358 5515
www.toyofujinz.co.nz

increased by \$18.7m to \$452.6m with securitisation facilities totalling \$487.2m and \$34.6m undrawn at year end.

MTF has committed bank facilities of \$45m with \$20m drawn at March 31, and says its funding position remains sound to fund forecast growth.

Underlying profit per ordinary share was 12 cents, up from 11 cents for the same period last year, with a recent increase in demand for ordinary shares resulting in the price increasing over \$1 for the first time since 2009.

The company set its dividend policy to a maximum of 50 per cent of underlying profit after tax in mid-2014.

MTF's directors have approved an interim dividend of two cents per paid-up ordinary share.

That was paid out on April 30 to bring total interim dividends for

the year to four cents per share.

Perpetual preference share dividends of \$900,000 net were paid during the reporting period.

The dividend rate is set annually on September 30 at 2.4 per cent over the one-year swap rate and was reset at 6.26 per cent in September last year.

Looking ahead, MTF says the outlook for Kiwi economy seems upbeat "with the main downside risks stemming from offshore developments well

out of our control".

It adds: "Demand for consumer credit has come off its 2014 peak suggesting drought, low dairy prices and a high New Zealand dollar are dampening business and consumer confidence.

"Competition for market share will be aggressive as new entrants and digital technologies come to market." ☺



Stephen Higgs, chairman of MTF

Tyres on agenda

Industry group WasteMINZ is hosting a summit on end-of-life tyres (ELTs) at Auckland's Crowne Plaza Hotel on June 2-3, which will focus on dealing with them safely and responsibly.

Delegates will hear from government officials about progress on a stewardship for New Zealand and learn about how other countries recycle them.

It is hoped importers, retailers, ELT collectors and processors, waste-service providers, and consumer and business organisations go along.

Bridgestone, Goodyear-Dunlop, the Motor Trade Association, Tyreline, Beaufix and Tyre Collection Services are sponsoring the event.

To register online, visit www.wasteminz.org.nz or phone (09) 476-7162 for more information.

Meanwhile, recycling company

Ecoversion is aiming to open a plant to reduce the number of ELTs that go to landfill sites or are exported from New Zealand.

About four million car and light-truck tyres need disposing of each year, but currently cause environmental and health issues.

Angela Merrie, director of Ecoversion, says the company is in the final stages of buying equipment from China with deposits paid and the technology secured.

The facility should be operational by the end of the year and will have the capacity to process 10,000 tonnes annually in the first stage of its development.

This will be expanded to 40,000 tonnes subject to the availability ELTs, of which about 60,000 tonnes are disposed of each year in this country.

Visit www.autofile.co.nz for more on this story. ☺

Head of Marketing



Ford is one of the world's market leaders in the design, manufacturing and marketing of high technology, leading edge products, making it a household name in New Zealand. Ford's success globally and in New Zealand can be attributed to its commitment to excellence in all aspects of the business and is reflected in a policy of recruiting and training outstanding people.

Reporting to the Managing Director and a key member of the Senior Operating Committee, you are responsible for the management and development of the Ford Brand in New Zealand. Leading a dynamic and close knit marketing team of 8 – this varied role has oversight across consumer, dealer marketing initiatives, product launches, consumer insights, sponsorships properties and product pricing strategy.

A commercially savvy technical marketer, you will have at least 5 years marketing management experience. Experience in a dealer or distribution environment, with a focus on product or retail marketing would be ideal. Your ability to engage with both internal and external key stakeholders is critical – you can influence when it counts. A natural leader, you also know how to get the best from a highly motivated team.

This is a fantastic opportunity to join the Ford team, working with people who value integrity, quality, and teamwork. Enjoy a down to earth working environment where you get to deliver marketing programmes for products and services that customers love!

Applications can be made online via www.gaulterrussell.co.nz

Carol Fraser - 09 915 5606

Please quote reference number: 21898

gaulter russell 
successful people

A RUBICOR COMPANY

specialists in sales and marketing appointments

Powering up for opposition

Ford has introduced EcoBoost petrol and TDCi diesel technology to the Kuga to offer more power and fuel economy across the range.

In addition, the Ambiente model comes with a 1.5-litre EcoBoost engine and front-wheel-drive – and a lower price point of \$36,990.

There's an upgraded 400Nm, 132kW Duratorq diesel powertrain for the Trend and Titanium. The Duratorq has "more power and torque while still offering better fuel economy at 5.4l/100km".

"The innovation and smart features we've packed into new vehicles are the foundation of Ford's leadership in delivering class-leading features at attainable prices," says Corey Holter, managing director of Ford NZ.

"Power upgrades to the Kuga show the action we're taking to go

further than the competition in the SUV category."

More than 30 per cent of its body structure is made up of high and ultra-high strength steels, while the SUV's features include intelligent all-wheel-drive.

This assesses road conditions 20 times faster than the blink of an eye before readjusting the power split for the best mix of handling and traction.

The system's primary goal at low speeds is traction. At more than 30kph, it is tuned to improve driving feel, handling and responses. A display shows each wheel's torque demand.

Ford's curve control acts as a safeguard for motorists after entering bends too fast. It mitigates against severe understeer by aggressive braking and can – if the

driver is still pushing down on the accelerator – also reduce torque.

Smart technology in the Trend and Titanium includes active-city stop, adaptive cruise and roll-stability control, blind-spot information, a lane-keeping aid and lane-departure warning.

These two models also have automatic high-beam control, a driver-impairment monitor, front parking sensor and power-folding exterior mirrors. ⊕



The 2015 Ford Kuga Titanium



The Novo concept

Glimpse into future

Kia has given a broad hint at a possible sports car with a concept based on an adapted version of the Cerato's platform.

The Novo boasts a coupé-inspired silhouette, while its minimal front and longer rear overhangs and fastback roofline provide a raked profile.

Its front sports the latest interpretation of Kia's tiger-nose grille and slim laser headlamps.

The Novo's diamond-cut alloys are made up of straight edges with a two-tone carbon and silver finish.

Rear-hinged doors complete the car's appearance with slim, central pop-out door handles level with the aluminium door mirrors.

The cabin is focused solely on the driver with a minimalist interior providing few distractions, while all occupants benefit from plenty of space thanks to the car's long body and packaging.

The Novo has a 1.6-litre Kappa turbo-gasoline direct-injection engine paired to a seven-speed dual-clutch transmission to power the front wheels.

There are no plans to bring the car to production, but Kia has a history of delivering vehicles with strong resemblances to concepts preceding them.

The marque adds the Novo gives a glimpse into plans for its future compact car line-up. ⊕

Range's price reduced

The Forester range has been revised for 2015 with sharper pricing for its five models and the introduction of Subaru's Lineartronic transmission for the two-litre diesel variant.

The entry-level 2.5i is \$39,990, a reduction of \$5,000, with the same decrease applying the 2.5i Premium's price-tag of \$49,990.

The mid-range 2.5i Sport has been reduced by \$3,000 to \$44,990, while the two-litre diesel is now \$46,990. The turbo-charged two-litre XT Premium is \$54,990 – a drop of \$5,000.

"The continuing strength of the New Zealand dollar against the yen

has helped us with pricing from our factory in Japan," says Wallis Dumper, managing director of Subaru of NZ.

"We want our genuine SUV to be more competitive with the many two-wheel-drive wanna-be crossovers."

All 2015 Forester models, which are available now, have symmetrical all-wheel-drive as standard with off-road capability thanks to 220mm ground clearance.

They have the same infotainment system as the new Outback, while both Premium models boast satellite navigation.

Automatic stop-start engine technology saves fuel, and there are seven airbags, a rear-view reverse camera and rigid passenger-safety cell. ⊕



The Forester XT Premium

Kiwis scoop top awards in States

Seven car dealers from New Zealand have become 2015 General Motors (GM) International Grandmasters in San Francisco.

They were among 167 people to receive the company's highest honour for its franchises.

The winners were chosen based on vehicle and parts sales, service, customer satisfaction and facility standards. They were also judged on the quantity and quality of their operations.

Now in its 12th year, the grandmasters programme was created to reward GM's best dealers for excellence.

The winning Kiwis included Richard Evans from Mark Cromie Holden in Whangarei, David Howarth of Giltrap Holden on Auckland's North Shore and Michael McCready from Robertson Holden in Palmerston North.



1. Michael McCready
2. Richard Evans
3. Jared Morris
4. Ashok Parbhu
5. Gary Clement
6. David Howarth
7. Hadleigh van den Engel

“Our dealers put customers at the centre of everything they do.”

– Kristian Aquilina

The others were Jared Morris of Wadco Motors in Blenheim, Ashok Parbhu from CAL Isuzu in Hamilton, Hadleigh van den Engel of Ebbett Holden in Taupo and Gary Clement from Smallbone Isuzu in Ashburton.

“We appreciate the outstanding work our dealers and their teams are doing every day selling and servicing

vehicles,” says Stefan Jacoby, GM's executive vice-president and president of GM International.

“As the interface between our company and our customers, they are contributing to GM's record global sales.”

Kristian Aquilina, managing director of Holden NZ, adds: “Our dealers are key members of our team.

“Like GM, our dealers are putting customers at the centre of everything they do to create customers for life. This 2015 group has earned the right to be called grandmasters.”

During the four-day programme in California, participants received an update on GM's business, brands and product plans.

They also had the opportunity to test-drive several vehicles and attend a gala dinner. ☺

Code for rental cars

The government has praised the trial of a code of practice to cover the use of rental vehicles so motorists are better informed about New Zealand's rules.

The leaders of 25 rental-vehicle companies agreed to develop the guidelines in March to help address concerns over the safety of visiting drivers.

One of the code's key elements is an assessment of motorists' experience with the process being trialled by a number of operators next month.

“I'm pleased to see this code moving forward,” says Craig Foss, the Associate Minister for Transport. “Any action or commitment to improve the safety of road users will help save lives.”

Under the code, rental-vehicle operators will also commit to providing more pre-arrival information on driving conditions in New Zealand and sharing information with their competitors.

Foss believes the guidelines build on a large amount of work already under way, including the visiting drivers signature project (VDSP). This is focused on the lower South Island, but may be rolled out nationwide if successful.

“The government continues to work closely on the VDSP with a number of departments and organisations, including the Ministry of Transport, NZTA, police and local government,” he says.

“New Zealand's road toll is still far too high. This code is another initiative that will help build a safe system for all users, including the increasing number of overseas visitors exploring our country by car.

“I have asked transport officials to support the Tourism Industry Association [TIA] where possible and monitor the code's progress.”

The TIA and the Rental Vehicle Association aim to have the code of practice finalised by October and in place for the summer. ☺

Thanks for your business!

MTA Gift Cards are the perfect way to show customers how much you appreciate their business. You choose the card design, how much the card will be worth, and the customer you give it to can use it at any one of over 2,000 MTA service station and gift card members nationwide.



To buy an MTA Gift Card and to find the MTA members nearest to you go to

www.mta.org.nz

One-stop shop for expert advice on used imports

The Imported Motor Vehicle Industry Association (IMVIA) has expanded its technical services to further benefit the organisation, its members, the wider industry and motoring public.

It is also working on improving its suite of services currently offered free or at discounted rates to members, and at fully chargeable rates to non-members and the wider used-vehicle import industry.

"For members, we provide free technical services and work with them on compliance issues," explains David Vinsen, chief executive.

"We also advise on employment issues, consumer complaints and disputes tribunals in addition to determining the compatibility of vehicles for the New Zealand market before they have been purchased by importers and car dealers."

The IMVIA's technical services include preparing and submitting applications for exemption certificates in specialised areas, such as the frontal-impact rule, left-hand-drive permits, special-interest vehicles and other compliance regulations.

The association can deliver so much to the industry because of the skills, expertise, intellectual property and extensive databases it has invested in over the years.

"All of this comes together so the IMVIA can provide services to the trade, which in turn helps the industry and members as well as generating revenue for the association," says Vinsen.

"It's a fine balance between looking after our fee-paying members and providing technical advice on a commercial basis to non-members. Over the past two years, we believe we've got the balance right.

"These services are in addition to what's at our core, which is keeping the door open for used imports. We achieve this through submissions on legislation, consultation, compiling reports, statistical analysis, and lobbying for our members and corporates.

"And the IMVIA has become profitable

by providing excellent and competitively priced services. This adds up to our members enjoying distinct advantages."

HELP ALWAYS ON HAND

Malcolm Yorston, technical services and membership manager, says the IMVIA's in-depth knowledge and experience gained over the years means it's positioned to expertly advise the industry here and even overseas.

"A car dealer in New Zealand may see a vehicle about to come up at an auction in Japan, but there isn't much point in buying it unless it can be complied and legally driven on our roads," Yorston explains.

"In addition to our core business of 'keeping the door open for used imports', we also provide specialist services to members and the industry."

— David Vinsen



"Our services mean members can ensure imports don't become expensive ornaments sitting in the corners of car yards.

"For example, we can issue emissions certificates for Audis, Volkswagens and some Ford products having arranged access to manufacturers' databases to obtain the technical information to do so.

"We can also access this for some used

vehicles from the UK, Singapore and Australia.

"The general advice we give on compliance matters is to get in touch with us first so you know your overseas purchases will comply.

"We also advise on other issues ranging from employment and legal matters. If we don't have the answers, we will find them out through our extensive network of sources and relationships."

WORKING WITH THE INDUSTRY

The IMVIA has evolved through a number of incarnations over the past 25 years.

"When the association started out, it was essentially a loose group of dealers and importers in Christchurch and Auckland," recalls Vinsen. "Its main purpose was to stand up to the government and its agencies about what was often needless legislation.

"When the IMVIA first became incorporated, it took an aggressive approach to fight to be able to import used vehicles commercially. Officials felt something wasn't quite right about importing used cars for commercial gain, so that attitude had to be fought.

"Over the years, the industry – with various government agencies – has developed procedures, systems and protocols to enable the smooth processing of vehicles through entry certification, also known as compliance.

"Our work focuses on having accurate facts and figures, extensive databases, and in-depth information about the fleet and vehicle specifications to ensure used imports comply with standards.

"Over the years, the IMVIA's technical and commercial services have developed to high levels. Our reputation is driven by responsible behaviour in the used-imports sector and the ability to develop smooth processes.

"This all comes together to help ensure New Zealand has a safe and environmentally friendly fleet to benefit the whole industry and consumers. The IMVIA is seen as a recognised and respected voice of the used vehicle industry."

ASSISTANCE IS ALWAYS AVAILABLE

The IMVIA provides legal and technical advice on compliance to consumer complaints and staff issues.

For example, it can deal with statements of compliance for imports. All dealers need to do is

complete a pre-formatted email and send it in.

The IMVIA can also help when it comes to fuel-economy labels, and even supplies technical stationery, such as seatbelt labels, sales agreements and consumer information notices.

To find out more, visit www.imvia.co.nz, email malc@imvia.co.nz or freephone 0800 046 842



Malcolm Yorston

imvia

Family business sold half-century on

Marlborough's oldest family-owned car dealership has changed hands – 50 years and two generations later.

Sturrock and Jo Saunders have sold Mayfield Motors to Jared Morris and Wayne Young, of Wadco Motorworld.

The business was established by Lawrie and Pam Saunders in 1965. In 2002, Sturrock and Jo took over. They say they are moving into a different phase of their lives and seeking new challenges.

"This was a good opportunity for my family and good timing," says Sturrock. "Given our family's three generations of retail involvement in the motor industry, the decision to sell was not an easy one."

He's comfortable that a well-established Blenheim company



Sturrock Saunders, centre, has sold Mayfield Motors to Wadco Motorworld owners Jared Morris, left, and Wayne Young. Photo courtesy of Fairfax Media

is taking over. "We think they will do a great job. They are ambitious and fit with our ethos."

Young says it is a natural progression for Wadco Motorworld to buy the business, adding they were offered a

couple of opportunities outside Marlborough but felt they weren't quite right.

"It's all about opportunity, so we went with it," explains Young. "Everything is about timing and that's how it all came about

"We initially thought it was quite a big move, but the more we thought about it, the more we thought it was a good decision."

Young describes Mayfield Motors as a big identity that's customer-focused. "We want to keep it that way, but also see what we can add."

The new owners now also have franchises for Nissan, Hyundai, Volkswagen and Skoda, while continuing theirs for Holden, Suzuki and Subaru at Wadco Motorworld.

Young and Morris officially took over last month with Mayfield Motors staff keeping their jobs.

Morris will continue running Wadco Motorworld, while Young takes over the reins at Mayfield Motorworld, which will continue to operate under that name. ⊕

Extra cuts on cards

This year's Budget will signal ACC is on target to provide additional levy cuts of about \$375 million in 2016/17 and \$120m in 2017/18.

The indicative reductions represent a saving for Kiwis of around \$500m, and will be spread across the motor vehicle, work and earners accounts.

They are based on current financial projections, and a funding direction that sees each account heading towards a solvency band of between 100 and 110 per cent.

"While we're committing to at least half a billion dollars in reductions over the next two years, it's important people understand exact reductions in each account won't be known until after consultation," says ACC Minister Nikki Kaye.

If the indicative cuts are confirmed, they will take total levy reductions since 2012 to about \$2 billion to the benefit of businesses, workers and motorists.

As an example, this year the

average motor-vehicle levy, including annual licence and petrol levies, will drop from about \$330 to \$195 per annum.

"On current projections, this is likely to fall further to around \$120 next year making the average motor-vehicle levy around one-third of what it is now," adds Kaye.

"There will also be further significant reductions to work levies and the earner's levy will also come down.

"These levy cuts are possible because of ACC's financial performance, which means the scheme is now essentially fully funded. In other words, it now has enough money invested to meet the future costs of all current claims."

Kaye is also introducing legislation to put in place ACC's new levy-setting framework, which will take effect in 2016/17.

"This will deliver greater transparency around the levy-setting process and more stable levies over time." ⊕

The TYRE SHED

GREAT ONLINE TYRE DEALS

New tyres from \$50

Plus

mag wheel and tyre
combos from \$800

✓ Quality guaranteed

✓ Free delivery^{*1}

✓ Best price

✓ Price Pledge^{*2}

^{*1} When buying 4 or more tyres. Conditions apply. ^{*2} We guarantee the price we quote is the price you pay

www.thetyreshed.co.nz

Special edition marks 20 years

Lotus is marking two decades of its Elise with a special edition to celebrate the iconic sports car's unveiling at Frankfurt Motor Show in September 1995.

The model revolutionised sports cars by setting benchmarks for handling, use of lightweight materials and efficiency, while its advanced bonded aluminium chassis was a market-leading innovation at the time.

"It is sometimes hard to believe the Elise has been around for 20 years," Jean-Marc Gales, chief executive officer of Lotus.

"Over the years we have refined it, but have also retained the purity of the driving experience."

The Elise 20th Anniversary, with its aero-optimised and composite body, is powered by a 1.8-litre supercharged engine. It makes the 0-100kph dash in 4.6 seconds and has a top speed of 237kph.



The Elise 20th Anniversary

It consumes 5.9l/100km in extra urban mode, emits 173gCO₂/km and weighs 914kg – 10kg less than the Elise S.

Its sport mode increases throttle response and alters the traction-slip thresholds allowing the driver to have enhanced control before intervention.

Extra kit compared to the S is standard. This includes forged wheels, a lightweight centre console in body colour and sports seats in leather or alcantara.

The decals on the dashboard,

seats and outside above the side indicators identify the special edition.

The marque's small platform technology has also been used in the Exige, Europa and 2-Eleven.

The Elise is the most successful Lotus in terms of numbers built with almost 32,000 sold globally.

The first-generation model was named after the grand-daughter of Lotus' the-then chairman.

In early 1999, the 111S appeared with a power boost from 88kW to



107kW with a close-ratio gearbox and styling changes.

The following year, the 340R's power went up to 132kW or 143kW for the track-pack version.

Its second-generation was launched in 2000 with power ranging from 119-143kW. ☺

AUTO LOGISTICS LTD

Nationwide delivery with depots in:

- Auckland • Palmerston North
- Napier • Wellington
- Christchurch • Dunedin



SPECIALIST SERVICES

- Transporting all types of vehicles • Vehicle storage
- Enclosed transporters • Vehicle distribution management
- MPI & Customs Facilities • Security & confidentiality

'Our Service, Your Solution'

Phone: 09 622 0909

www.autologistics.kiwi

Powers goes turbo

Lexus' first petrol-turbo and turbo-charged Atkinson cycle engines have arrived.

The new 175kW turbo powers the NX200t compact SUV line, which has four grades – the 2WD, AWD, F Sport and Limited.

The two-litre petrol engine uses turbo-specific D-4ST fuel-injection technology for responsive acceleration.

Compared to the 2.5-litre powertrain with hybrid drive in the NX300h, which can deliver combined fuel consumption of 5.6l/100km and carbon emissions of 131g/km, the NX200t 2WD's figures come in at 7.7l/100km and 178g/km.

In addition, it boasts peak torque of 350Nm from 1,650-

4,000rpm and features a twin-scroll turbo-charger with an active waste-gate valve.

The goal to provide a high-level of throttle responsiveness led to its engineers developing a water-to-air intercooler for the engine.

Working with data from the six-speed super electronically controlled automatic transmission, the system applies an increase in boost pressure just before a gear-ratio upshift.

There are 235/55 R18 performance tyres on the NX200t's F Sport's alloys, front and rear performance suspension dampers, and aluminium paddle shifters and pedals.

The all-new NX200t range is available now from \$79,900. ☺



The Lexus NX200t F Sport

The personal touches add up

Let me tell you about a recent experience in a restaurant that my family regularly eats in.

The owner called me by my first name, and I felt so important and couldn't help but smile.

She cared enough to remember who I was and this stood out from other establishments we've frequented and, of course, this got me thinking.

I'm sure you have all heard a common saying, "it's the small or little things that count". When you think about it, this faithful little proverb has carried us to help achieve our personal goals and business successes.

And it has been translated many times along the way. You hear of businesses that say they go the "extra mile" or sporting coaches asking for their players to put in 110 per cent.

It's always the small and unexpected things that our partners crave in a happy relationship – they really seem to make the difference.

But how can this principal be applied to selling more cars? The good news is that the little things are often cheap or free, and with a little effort you can start to benefit straight away.

I would like to expand on the number-one trait that should be obvious – remembering your customer's name.

Everybody knows that when people make an effort to remember things important to them, it makes a huge difference – whether it's a birthday or a special anniversary, and a person's name is right up there too.

Just think about the countless nervous times you have forgotten someone's name and also those occasions when someone has remembered yours incorrectly or forgotten it.

Such situations are not only embarrassing, but in reality what really happens when not getting a person's name right is you are sending a subconscious message that his or she isn't important. If that person is, you would remember their name.



DARREN MARMONT
Motorcentral

pad, or tap it into your mobile sales tool, because you should be taking notes anyway.

When you're out on the yard next, see what response you get when you introduce yourself, shake your customers' hands and address them by their names.

If you build their trust and respect, they will like you more – and remember it's always easier to buy from someone you trust and like.



It's important car dealers give customers personal attention – and addressing them by their names is essential

Here are my tips for getting this right:

- ▶ The focus is the customer, so make it your focus to remember his or her name.
- ▶ Ask "and your name is?" and try to use it constructively straight away.
- ▶ As you are walking to show that person a vehicle, write the name down on your note

There are some other little tips that will make the difference.

When an appointment has been made for a test drive, take the vehicle for a quick warm-up before the prospective buyer arrives.

A car that has had its engine warmed up, fresh air let inside it, brakes loosened and waiting in the limelight ready to drive will leave more of an impression than

one that's cold, stale and lined up with all of the other stock.

Before customers set off, do you just hand them the keys and say "see you soon", or have you sat them in the vehicle and made sure all of the mirrors and seat settings are to their liking?

Have you shown them the features at their fingertips, such as the air conditioning, or explained how the stereo works and, if it's a fresh import, that a band expander can be easily and cheaply fitted?

Have you explained what side the fuel cap is on and showed them where the fuel-direction arrow indicator is – usually by the odometer – but told them not to worry because delivery includes a tank of gas because that's part of the service at your business?

When vehicle is sold, most dealerships know how to deliver a car. However, ask yourself how you are different from others when it comes to customer experience.

For example, do you have all of the radio stations pre-set to the buyer's preference?

All you have to do is ask the right questions and write them down so that at sign-up time you have some great light discussion points before tackling the heavier issues involved with documentation. ☺

The team at Motorcentral appreciates the finer details when it comes to online presence and business solutions – we're getting a name for it. If you would like a hand to expose your business better, please give us a call – and we promise to remember your name.

Could your website be losing you customers?

61% of users said that if the site they visited wasn't mobile-friendly, they'd quickly move on to another site. Source: Google

Websites that aren't mobile-friendly annoy users and that's bad for business. Consumers are doing more on mobile devices, including shopping and product research, when they do, make sure you are in the mix.

Websites from only
\$1,495 +GST



Get a mobile-friendly website today from the team that specialise in technology solutions for New Zealand vehicle dealers.

motorcentral®

0800 623 687
www.motorcentral.co.nz

Farming and tourism drive town

Car dealers are remaining optimistic about the future of Oamaru where large-scale agricultural projects are helping to boost the rural sector, which is the biggest local employer.

The town is now home to 12,700 people, while the overall Waitaki region has 20,223 residents, but in its heydays of the 1880s it was about the same size as Los Angeles was at the time.

Refrigerated meat-shipment had its origins nearby and Oamaru became wealthy enough for lavish buildings to be constructed.

However, it then overreached itself and spent the end of the 19th century on the verge of bankruptcy.

Today, Oamaru is home to some of the New Zealand's most beautiful buildings and attracts tourists from around the world with guest nights in the region

jumping by 20.5 per cent last year.

"Heritage has been part of the place and creates a lot of tourism," says Allan Patterson, of Derwent Car Sales. "We never used to see tourist buses, but the industry has really blossomed here recently.

"We have a colony of little blue penguins and hundreds of people go there to check out them out at dusk. They then stay for the night,

so that's great for hospitality and accommodation providers."

Patterson says the area also has also some of the best fishing in New Zealand, while the town benefits from being close to the ski fields.

"The climate in Oamaru is good, we never have floods, cyclones or earthquakes, and we're not far from Dunedin."

RURAL SECTOR AND ECONOMY
Census figures show about 20 per cent of the district's employed residents work in agriculture, forestry and fishing.

That's nearly three times the seven per cent who do so nationally, while Oamaru is also a regional benefactor of the country's dairy boom.

"Dairying is now huge around here," says Patterson. "It used to be predominately sheep, but today you're lucky if you see one."

The rural economy supports other industries in the town.

"The freezing works has been the main industry here and that's still going very well. It's the town's main employer."

Wool spinners have also seen growth in their sector after a period of downturn in the North Otago town.

"They are starting to employ more people and putting new money into the community," enthuses Patterson.

Despite the growth in dairying, the district's population has remained relatively static with Statistics New Zealand projecting this to decrease to 17,400 people by 2031.

"We haven't got really big or hard-core industries to attract new people."

Patterson adds that up until a few years ago there were 10 car dealerships in the town. Now there is less than half of that.

"When I was involved in farm machinery, there was a lot more diversity in farming with a mixture of sheep, cattle and crops. There was a larger amount of farmers out there and they were the main buyers of new vehicles."

Diversity in farming used to mean that when one agriculture sector was having a bad year, farmers could make up their



Oamaru's main street

Used car sales for Oamaru - April 2014 to April 2015

	PUBLIC TO DEALER	PUBLIC TO PUBLIC	DEALER TO PUBLIC	TOTAL	PUBLIC TO DEALER %	PUBLIC TO PUBLIC %	DEALER TO PUBLIC %
Apr '14	24	204	70	298	8.1%	68.5%	23.5%
May '14	22	203	63	288	7.6%	70.5%	21.9%
Jun '14	20	202	80	302	6.6%	66.9%	26.5%
Jul '14	27	237	79	343	7.9%	69.1%	23.0%
Aug '14	28	198	67	293	9.6%	67.6%	22.9%
Sept '14	27	194	75	296	9.1%	65.5%	25.3%
Oct '14	24	220	83	327	7.3%	67.3%	25.4%
Nov '14	24	209	69	302	7.9%	69.2%	22.8%
Dec '14	24	247	94	365	6.6%	67.7%	25.8%
Jan '15	25	219	81	325	7.7%	67.4%	24.9%
Feb '15	23	174	59	256	9.0%	68.0%	23.0%
Mar '15	14	225	81	320	4.4%	70.3%	25.3%
Apr '15	18	204	85	307	5.9%	66.4%	25.2%
Annual total	276	2,532	916	3,724	7.4%	68.0%	24.6%
Change on April 2014	-25.0%	0.0%	21.4%				
	National YTD average				18.4%	57.3%	24.4%

Oamaru vehicle sales - April 2014 to April 2015

	USED CARS	NEW CARS	USED COMMERCIALS	NEW COMMERCIALS
Apr '14	20	16	1	9
May '14	30	24	2	23
Jun '14	17	26	1	16
Jul '14	36	13	3	27
Aug '14	38	17	2	14
Sept '14	32	24	2	13
Oct '14	25	11		14
Nov '14	35	9	5	16
Dec '14	34	12	2	12
Jan '15	26	23	1	9
Feb '15	26	25	1	9
Mar '15	24	26	4	10
Apr '15	28	10	4	10
12-month total	351	220	27	173
NZ sales - past 12 months	137,264	92,123	8,400	38,063
% of national sales	0.3%	0.2%	0.3%	0.5%
Change on April 2014	40.0%	-37.5%	300.0%	11.1%
POPULATION	NEW ZEALAND	OAMARU	%	
	4,242,051	20,826	0.5	



Oamaru's World War One cenotaph and former post office



Derwent Car Sales in Oamaru

◀ losses through another sector. "If there is a downturn, our dairy farmers have nothing to fall back on," adds Patterson. "Where there used to be three or four sheep farms, there's now one big dairy farm. "All of the sheep farmers had all their own gear, while dairy farmers rely on contractors. A lot of spending has been taken out of the industry because of dairying."

CHALLENGES FOR DEALERS

Used imported passenger car sales over the past 12 months in Oamaru came in at 351 with last month's total climbing by 40 per cent compared to April 2014. Meanwhile, the number of second-hand vehicles sold by dealers between May last year and April 2015 was 916.

Andrew Denize, managing director of Doug Algie Autos, is looking to move his used imports business to the Waikato.

"Customers are quoting prices from dealerships across the country, but they don't realise the grade of a car can be quite different," he told Autofile. "Many aren't that interested in grade or anything – it's just about the price."

Denize believes high-volume and low-margin business models are taking hold of the New Zealand market and Oamaru may not have the population to withstand them. "We can still send cars to Oamaru,

but the ability to have cheaper stock will be easier up north," he says. "Because of the distance from the port, we cannot supply the cheapest vehicles so it's cheaper to buy people airline tickets from Oamaru and get them to pick up their cars. "The golden triangle is Auckland, Hamilton and Tauranga. It's where two-thirds of New Zealand's population live so if we want to get ahead, that's where I feel the business needs to be."



"The market in Oamaru has grown with big lifts in all the irrigation projects." – Martin McFelin

Zealand's population live so if we want to get ahead, that's where I feel the business needs to be."

NEW MARKET STEADY

New passenger car sales totalled 220 over the same reporting period. April's figure of 10 units was down by 37.5 per cent compared to the same month in 2014 when 16 new cars were sold.

Meanwhile, sales of new commercial vehicles went up by 11.1 per cent in April to bring the total registered during the past 12 months to 173.

Irrigation projects across the region have made Oamaru's rural sector less prone to the effects of a drought and – despite a dry summer – farmers are able to tap into water from these schemes.

"The market in Oamaru has grown with big lifts in all of the irrigation projects, so the region is able to rely on production to make things grow," says Martin McFelin, manager of new car sales

for the North Otago Motor Group. "We have just had another irrigation scheme extension signed off with the North Otago Irrigation Company."

Fonterra has dropped its farm-gate milk price forecast to \$4.50/kg of solids for this season, down from last season's record high of \$8.40 due to sharp declines in the international traded price of whole milk powder.

McFelin explains there is a little bit more unease in the dairy sector due to pay-out decreases.

"I think there is more caution in the rural market, partly because of the uncertainty the drier

conditions have created," he says. "Having said that, dairy prices have thankfully stayed as high as they have been and this has certainly helped New Zealand through the global financial crisis."

Nevertheless, farm prices in the region have continued to rise and this is helping to fuel some new vehicle sales.

"Unless dairy prices come back up again and we get a wet season next year, we're expecting the caution to carry on," says McFelin.

"It is by no means doom and gloom although farmers are certainly cautious. If the auctions start going up, things will be away again." ☺

NYK GROUP **NYK VEHICLE EXPRESS SERVICE**

Reliable fortnightly vehicle logistics service JAPAN to NZ

PORT TO PORT / DOOR TO DOOR to Auckland, Christchurch, Wellington, and Nelson

Full MPI inspection service from Kawasaki, Osaka, Nagoya and Moji

+ Marine Insurance available

FOR EFFICIENT CUSTOMER FOCUSED SERVICE CONTACT NYK

Auckland Branch 0800 695 546 Christchurch Branch 0800 695 2424
email: nz_vehicleimports@oc.nykline.com

VEHICLES WANTED DEALERS BUYING NOW

VEHICLES WANTED

Armstrong **PRESTIGE**

All Porsche, Land Rovers, Range Rovers, Jaguars and Volvo models



Simon O'Reilly | 021 31 9992 | simon.oreilly@armstrongs.co.nz

www.armstrongprestige.com



FARMER AUTOVILLAGE® We like cars. But we love drivers.

Audi, Volkswagen, Skoda.....	Blair Woolford	021 0367706
Hyundai.....	Heath Kendall	027 8552681
Nissan and any other brand.....	Brett Harris	029 2931232
Subaru, Chrysler, Jeep, Dodge, Fiat & Alfa.....	Warren Carter	021 863503

CentralMotorGroup.co.nz
FORD AND MAZDA DEALERS IN TAIPO

**ALWAYS BUYING
GOOD NZ NEW VEHICLES**

Call Guy Walker 021 992 048

317 THE VAN AND UTE SPECIALISTS

Buying: **Vans, Utes, Light Trucks.** Nationwide.

Contact Gareth 021660180 gareth@southcitymotors.co.nz www.317.co.nz

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

Marque pulls the plug

Holden has confirmed the withdrawal of its Volt electric vehicle (EV) from the New Zealand market after an announcement is made on the new version of the sedan.

General Motors (GM) will only produce left-hand-drive versions of the second-generation Volt, so it will be unavailable outside of the US and Europe.

Holden NZ is launching the Astra three-door hatchback and Cascada convertible from GM's Opel brand, but the Volt, pictured, will be absent from the line-up of new imports.

Managing director Kristian Aquilina says despite work

developing the EV, it hasn't been a commercial success in this country.

Sixteen units have been registered since the Volt went on sale in New Zealand in late 2012. It was the first car capable of pure-electric driving to be launched on these shores.

Its price was dropped to \$75,000 after originally being \$85,000, while Holden NZ has no plans to introduce another EV or any hybrids. ☹



NEWS in brief

Action to be taken on unfair terms made in contracts

The Commerce Commission can now apply for court declarations when it believes unfair terms have been banned in standard-form consumer contracts, while anyone may file a complaint.

Courts may deem terms to be unfair if satisfied they would cause a significant imbalance in the parties' rights and obligations.

This can also be the case when the term isn't reasonably necessary to protect the legitimate interests of the party who would be advantaged, or it would cause some detriment to the other party if enforced or relied on.

Some terms cannot be declared unfair. These include those that define the contract's main subject matter, set the upfront price payable to the extent terms are transparent and those permitted by law.

Issues with hydrogen fuel-cell car to be tackled

Some Japanese customers have a three-year wait for the new Mirai because production capacity is limited.

Toyota says it lacks the manufacturing ability to churn out the hydrogen fuel-cell cars any faster.

"Both in terms of design and manufacturing, we need to improve," says Yoshikazu Tanaka, the car's chief engineer.

The backlog means people ordering now will receive their Mirais sometime after 2018, so Toyota is trying to bump up production.

It aims to build 700 units this year for Japan, the US and Europe. Next year, it aims to raise output to 2,000 and 3,000 in 2017, which will be the limit with current manufacturing processes, says Tanaka.

Part of the challenge is making the fuel-cell stacks, which combine hydrogen and oxygen to make electricity to run the Mirai, pictured.

The stack has 370 cells – each 1.34mm thick – so etching conduit channels on each is time-consuming and complex.

Hydrogen pumping stations in Japan are still in their infancy. The government aimed to have 100 operational in 2015, but only 24 have been built and 19 are in service. The new target is to have 40 up and running this year.



Luxury brand aiming to expand current line-up

Bentley will be testing the waters with a two-seat concept coupe with the EXP 10 Speed 6 being considered for production and priced similarly to the Continental range.

Chief executive officer Wolfgang Duerheimer wants to expand his marque's range beyond the Continental's three-vehicle line-up, full-size Mulsanne and new Bentayga crossover, which is due next year.

He envisions Bentley having one or two extra models to give it at least six along and to hit global sales of 15,000 by 2018 – up from a record 11,020 last year.

A final evaluation will be made in the fourth quarter of 2015 with approval expected next year.

German company looks at options for budget model

Volkswagen is considering co-operating with Great Wall on a budget model, according to media reports in Europe.

The German marque has struggled to develop a low-cost vehicle for emerging markets because it has found it difficult to keep costs low enough. ☹

Racing into driverless future



The Audi RS 7 concept in action

Audi claims to have developed the world's sportiest autonomous car – the RS 7 concept.

It's largely identical to the production model, but its electro-mechanical power steering, brakes, throttle valve and eight-speed tiptronic transmission, which distributes power to the mechanical quattro-drive system, are controlled automatically.

The traffic-jam pilot's engine boasts 560hp and a top speed of 305kph. It has topped 240kph at Hockenheim and reached 205kph at Ascari in Spain – a circuit famous for its hilly terrain and tight chicanes.

To demonstrate its race-circuit capabilities, the concept car drives a clean line – with full throttle on straights, precisely metered deceleration at ideal braking points before corners and perfect acceleration when exiting them.

The car uses GPS signals for on-track orientation. In addition, three-dimensional camera images are compared in real time against on-

board graphical information with images of hundreds of known features, such as buildings, used as extra positioning information.

The marque predicts such driverless-car technology will make its way into production models before the end of this decade.

Audi says race tracks are demanding for testing piloted driving, while systems must work precisely in critical situations and be capable of properly assessing the here and now.

GETTING OUT OF TRAFFIC

In the future, Audi says its traffic-jam pilot will help drivers by taking over the steering from 0-60kph as well as accelerating and braking automatically.

To do this, the system assesses the car's status and surroundings. If activated, the vehicle takes over longitudinal and lateral guidance. When the jam pilot reaches its limits, it prompts the driver to take over the wheel again.

A key component of the RS 7's sensors is its radar system. Similar to adaptive cruise control with stop-and-go function, it monitors a 35-degree field in front up to 250 metres with a wide-angle camera detecting lane markings, pedestrians and objects ultrasonically.

A laser scanner forms part of the sensor system and delivers precise data up to 80 metres.

Its laser diode emits about 100,000 infrared pulses per second invisible to the human eye. The scanner covers a 145-degree field on six levels.

The controller computes a surroundings profile from light reflections that show other vehicles and objects.

The laser scanner's wide angle of aperture means it can detect vehicles entering lanes early and is fully functional in the dark.

It can identify all types of objects including those with homogeneous patterns, such as fences, or those with no visible structure – for example, white walls.

PILOTED CAR PARKING

Another futuristic system will allow drivers to get out and control a car remotely using a remote key fob or smartphone via Audi's "parking pilot" system.

It has the same sensor systems as traffic-jam pilot, but also has four 360-degree cameras to generate extra information on its surroundings.

The pilot function works when environmental sensors detect a suitable parking space or garage.

If the driver gets out of the

car, he or she simply presses a key fob or smartphone button to start the process.

The system checks to ensure the key is near the vehicle. If on-board sensors detect obstacles, it immediately stops.

When the car arrives at its parking position, the system turns off the engine and locks the doors.

Audi predicts production technologies for piloted driving under development will make their way into mainstream cars before the end of this decade. ☺



Fans of James Bond films may recall the use of cellphone "technology" in *Tomorrow Never Dies* released in 1997 – his BMW 750iL could be controlled remotely via his Ericsson

VEHICLES WANTED

Mercedes Benz
Volkswagen
Nissan
Lexus
Kia



Toyota
Chrysler
Jeep
Dodge



We are always looking to purchase late model
NZ NEW CARS AND COMMERCIALS

PAUL CURIN 0274 333 303 pcurin@miles.co.nz



miles motor group

Industry movers

DEXTER CLARKE has joined Manheim Australia and New Zealand as chief financial officer.

He has replaced David Head, who has returned to the US to take up a position with Cox Automotive, Manheim's parent company.

Before taking on the role, Clarke, pictured, spent nine years with Melbourne-based Futuris Automotive. His roles there included CFO, general manager of corporate affairs, business development manager, group commercial finance manager, and global business planning and analysis manager.

He also served as general manager of CleanTech at Futuris and spent two years in China as financial controller of the group's joint venture with Chery Automobile.

SCOTT ANDREWS has been promoted to Manheim's director of technology after five years with the company.

His past positions have included online product and operations manager, head of product development, and head of product and project management.



SHAUN BIESIEK has taken over as dealer principal of Energy City Motors Hyundai in New Plymouth.

Biesiek began his career in the motor industry when he was 21. Prior to joining Energy City Motors, he ran a finance company. He is also a district councillor.



JOHN COKER has stepped down as the public relations contractor for Subaru NZ after 22 years.

Coker, pictured, has taken on a full-time position in Auckland with Wright Communications, which has a contract with Toyota and Lexus.

Daile Stephens, of Subaru NZ, says given Coker's "journey from writing stories around our sponsorship of Possum Bourne back in 1993 through to support we've received up at launches", it was a successful partnership.

Coker's replacement is Wanaka-based Catherine Pattison, pictured, a motoring and motorsport journalist. She also does media and public-relations work for a rally driver and a multi-sport athlete.

She will retain her other lifestyle publication commitments alongside her new role at Subaru.



RYAN FOX, a two-time PGA title winner, has been appointed as an ambassador for Holden New Zealand.

Marnie Samphier, general manager of marketing, says the company has a long history with the sport and the partnership builds on a relationship developed with Fox, pictured, during the Holden NZ PGA Championship in March.

"We are delighted to team up with someone of his calibre, not only as a golfer but also as a person," she says.

"I am excited by this opportunity," adds Fox. "I first met the Holden team at the PGA. They were a great bunch of people and I enjoyed taking a Redline on the track with fellow ambassador Greg Murphy."



NZ labour market report

THE UNEMPLOYMENT RATE

remained at 5.8 per cent in the March 2015 quarter while labour-force participation reached an all-time high of 69.6 per cent, according to Statistics New Zealand.

"This is the greatest share of New Zealanders we have ever seen in the labour force," says Diane Ramsay, labour market and household statistics manager.

"The largest increase came from 20 to 34-year-olds, who accounted for nearly half this year's increase."

Over the year to the latest quarter, the number of people employed increased by 74,000 – or 3.2 per cent – while those unemployed fell by 1,000, or 0.6 per cent, as measured by the household labour force survey.

"We saw strong employment growth over the year with Auckland and Canterbury making the most significant contributions," adds Ramsay.

The employment rate was unchanged at 65.5 per cent. However, the rate for men reached its highest level since the December 2008 quarter, although the figures for women were down slightly from last quarter's record high.

Annual wage inflation – as measured by the labour-cost index – was steady at 1.7 per cent, while consumer price inflation remained low.

Average hourly earnings, as revealed in the quarterly employment survey, increased by 2.1 per cent for the year, which was the lowest since the year to the June 2013 quarter.

MORE KIWIS IN WORK

In the March 2015 quarter, 19,000 more people entered the labour force. Consequently, this participation rate rose by 0.2 percentage points to 69.6 per cent – the highest rate since these statistics started in 1986.

While the overall labour force has grown, employment and unemployment rates were

unchanged from the December 2014 quarter.

Over the year to the March 2015 quarter, 73,000 more people joined the labour force.

The rise was consistent with high growth in the working-age population, which climbed by 2.1 per cent over the year – the largest such jump since the year to the March 2004 quarter.

High net migration among those aged 20 to 34 also contributed to the country's growing working-age population.

In the year to March 2015, Auckland accounted for almost half of national employment growth with 36,800 more people employed.

Employment growth in Canterbury has eased further to 16 per cent of national growth.

This is a significant change from the year to September 2014 in which the region accounted for almost one-third of national employment growth.

WAGE GROWTH STEADY

The prices of goods and services bought by households, as measured by the consumers' price index (CPI), rose by 0.1 per cent in the year to the March 2015 quarter.

The CPI, excluding petrol, increased one per cent in the same period.

The labour-cost index (LCI) measures changes in salary and wage rates for a fixed quantity and quality of labour input. It's a measure of wage inflation, reflecting changes in the rates employers pay to have the same job done to the same standard.

The LCI for salary and wage rates, including overtime, rose by 1.7 per cent over the year.

The gap between wage rates and consumer inflation increased further in the latest quarter as wage growth remained steady and CPI inflation continued to weaken.

Wage inflation has now been higher or equal to the CPI for three-and-a-half years. ☺

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

Get to grips with lending code

The government's responsible lending code comes into effect on June 6 and will impact on car dealerships in several ways.

Have you attended any free seminars on the new guidelines that have to be followed? Are you aware of the changes you have to make to your business processes?

When it comes to compliance, people sometimes like to bury their heads in the sand and hope they are on the right side of the legislation or think it doesn't even affect them. However, this is no longer an option.

Protecta Insurance has already held seminars in Auckland, Wellington and Christchurch on the changes.

These were so well-received and generated so much interest that we are now running extra

ones in Hamilton, Palmerston North, Nelson and Dunedin.

These sessions are free for dealerships that use Protecta Insurance as their insurance product provider.

Under the responsible lending code, three of the areas you have to be aware of are advertising, disclosure and point-of-sale material.

ADVERTISING PRODUCTS

You must – at all times – exercise the care, diligence and skill of a responsible lender in any advertisement



RAY MEHARG
National sales manager
Protecta Insurance

for providing creditor finance under an agreement.

The content of the advertising must not be misleading, deceptive or confusing. This also covers website, email and text-message marketing.

from your website to those of finance companies.

Information about the cost of borrowing must include credit and default fees, and annual and default rates of interest.

AT THE POINT OF SALE

You need to ask yourself what part of the approval of the application your dealership is responsible for.

What steps are you taking to ensure you have complied and got full disclosure from your customer that he or she can afford the loan?

Speak to your finance company about this, and ensure you are fully trained and have the correct systems in place.

If you display a weekly or monthly amount at any point of sale, please carry out some research about what you are allowed to do and what disclosures must be made.

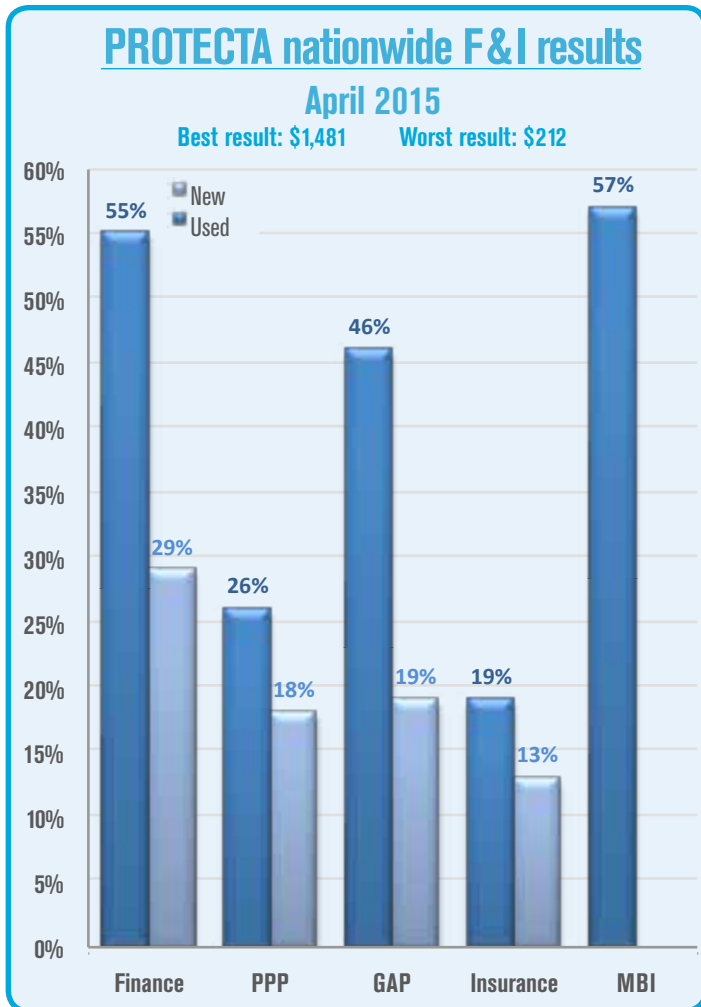
DISCLOSING INFORMATION

You need to display all lenders your dealership uses on your website.

They must match what finance companies have on their sites.

At this stage, it has not been approved to have links

Find out more
You can log onto www.consumeraffairs.govt.nz to find out more about the responsible lending code and ensure you are doing the right thing before you get a knock on the door. If you need some help, please don't hesitate in emailing ray.meharg@protecta.co.nz. It's important your business and the motor vehicle industry don't get this wrong.



Specialised Training to Increase Your Sales

Our Specialised F&I Training is helping our Motor Dealers achieve greater sales and increased profits. It's not a secret. Find out more today.



Contact Erin Mills
Business Coach, Protecta Insurance
Email: erin.mills@protecta.co.nz
Phone: 0800 776 832



Tribunal rules buyers weren't misled about passenger vehicle certification

Background

Trevor Devine and Margaret McGuire, of North Canterbury, operate a school bus for the Ministry of Education.

They bought, sight unseen, a Mazda E2000 for \$15,850 from Advantage Cars, of Manukau, on August 31, 2014, to replace an older vehicle.

The buyers saw the van advertised for \$16,995 and were attracted by its description as an 11-seater, which would suit their intended purpose.

They said it was vital it was certified as a passenger service vehicle (PSV) approved to carry at least 11 passengers to use it as a school bus.

They claimed they made this known when buying the van, but when it was delivered it only had approval for 10 and they said the dealer misled them about its ability to obtain certification. They sought to rescind the contract.

The trader agreed the vehicle was advertised as an 11-seater because that was what it was built and equipped as.

However, it denied the buyers stipulated it must be capable of being certified for 11 passengers.

Devine didn't attend the hearing, which was unfortunate because he had conversations with the trader during August about the van's condition and intended use.

The case

The advert on Trade Me described the van as a "NZ-new 11-seater" and "belted and complied".

The dealer supplied text messages between Devine and branch manager, Mr S Armstrong, starting on August 30 asking if it had a PSV certificate and, if so, a secondary or primary rating.

The trader replied the next day asking the buyers for their details, address and phone numbers, and transport service licence and PSV numbers.

On August 31, the trader emailed an offer to purchase, which contained details of the buyers, vehicle and price of \$15,850.

It had one special condition about a certificate of fitness (COF), and contained three promises listed as "COF, new rego and groom".

The dealer, after having been asked to have VTNZ inspect the van for a PSV certificate, emailed the buyers.

"My apologies in regards to the COF," this stated. "As I explained, I don't have the money to do it, but you still get a cheap van."

The buyers paid the balance on September 1. Devine emailed the dealer four days later stating: "Just checking how the PSV went. Were they able to get more seats on the bus?"

The trader said this followed a suggestion from Devine that the rear seatbelts be removed so the van might be certified for carrying more than 11 passengers.

Director Ian Charlton said the dealer was unwilling to do that, but didn't tell Devine.

The trader replied on September 6: "The van has flown through the COF. However, the

seatbelts had to stay in, so on paper it's classed as an 11-seater. It will be up to you how you want to work the 'extra' seating as per our conversation."

But VTNZ's check sheet showed it failed. The faults included "supply front axle and full tare weight, PSV measure to be done, and remove front-middle seatbelt and stalk".

The trader said it was unaware why the van didn't pass and had an agent rectify the faults before it passed the COF on September 17 and a PSV inspection for 10 passengers.

The buyers collected the van from Picton on October 25 and were disappointed not to find a loading certificate. The front seatbelt had been removed for COF and PSV compliance, which they said should have disclosed.

They said the van was of no use with seating for 10 passengers approved and they wouldn't have bought it if they were aware it couldn't be certified for 11.

The trader replied it was advertised as an 11-seater, which was the case, and the buyers didn't say it was essential it had a PSV for 11 passengers.

The dealer said the only promises it made were those on the offer-to-purchase agreement, and it submitted the van for a COF and PSV approval as an unpaid service.

The finding

The tribunal found the buyers didn't appear to have stipulated the transaction was conditional

The case: The buyers of a van wanted to use it as a school bus and said they stipulated it should have been approved to carry at least 11 passengers. The dealer denied this and said it was advertised as having 11 seats, which was the case.

The decision: The tribunal wasn't persuaded the purchasers were misled about the vehicle's ability to obtain certification for the amount of passengers they needed.

At: The Motor Vehicle Disputes Tribunal, Auckland.

on the van getting certification for 11 passengers.

The purchase agreement made no mention of a PSV. The only special condition it contained was to obtain a COF.

McGuire acknowledged that, but said people in the country made agreements differently to Aucklanders and, by implication, the buyers intended the reference to the COF to include "PSV certification for 11 passengers".

The tribunal thought that seemed unreasonable and unlikely, and couldn't ignore the parole evidence rule.

This stated when a contract was reduced to writing, the contract was proven by production of the written contract and evidence couldn't be admitted to add, vary or contradict it.

It also appeared the parties misunderstood or failed to read what each was asking.

The tribunal wasn't persuaded the buyers were misled about the van's ability to obtain PSV certification for 11 passengers.

Order

The application was dismissed. ☹



FROM THE RISING SUN TO
THE LONG WHITE CLOUD
The history of used car importing to New Zealand

Dealer ordered to pay for repairs after misleading details about condition

Background

Aquablast Ltd bought a 1998 Toyota Hilux sight unseen from Antony Basturkmen, trading as No Reserve Cars.

When the purchaser received the ute, he discovered it had faults Liam Ward, the dealer's agent, hadn't disclosed.

The buyer said his representations were false or misleading and sought damages to repair the vehicle to its described condition.

The trader claimed that after arranging for a locksmith to open the vehicle when it arrived in Wellington, it hadn't heard from the purchaser until receiving a copy of the tribunal application.

The dealer offered \$1,000, but this was rejected. It added this was a case of buyer's remorse because the problems were only cosmetic.

The case

The ute was bought on January 14, 2015. The dealer used Ward as an agent with the Trade Me user name "Kemward" and he had a Hotmail address.

The purchaser was unable to produce the full advert, but its text described the vehicle.

This included: "One owner, in good condition and mechanically perfect. Well cared for and drives like new."

Mr C Boyle, representing the buyer, contacted Ward, who in an email dated January 10 wrote: "The only thing with it is the

edge of driver's seat is ripped and the plastic knob thing for the fan-control thing is missing."

The trader agreed to sell the vehicle for \$9,300 and four days later emailed more information, such as "mechanically the ute is tip-top, got current WOF and RUC, you won't be disappointed".

It added: "The only cosmetic thing is the front bumper top. Some of the plating has come away and has surface rust on the top of the bumper. It's nothing serious."

The purchaser, without inspecting the vehicle, agreed to buy it. It arrived at Toll Tranzlink's depot in Wellington on January 19.

The dealer sent the purchaser a vehicle offer and sale agreement and consumer information notice.

Both were headed No Reserve Cars and showed a trader registration number, which had expired after Basturkmen failed to renew it in July 2014.

It appeared the dealer was carrying on the business of motor-vehicle trading without being registered in breach of the Motor Vehicle Sales Act, so a copy of the tribunal's decision was sent to the authority responsible for enforcing that legislation.

Boyle said he was disappointed with the ute's condition when he collected it on January 23.

A blank Toyota key didn't open it, so he got Ward to arrange for a locksmith to open its door. In doing so, it was damaged.

The front mirrors were missing,

the front skirt had been poorly repaired, and the spare wheel and jack were missing.

The front seat, which Ward described as "ripped", had a large hole. The sun visor wasn't attached. It was found under a seat and was unusable.

The front bumper was badly rusted, an air-filter hose wasn't working, the radio aerial was broken and the tray had scale rust painted over with no preparation or primer.

The vehicle didn't have a new warrant of fitness issued within 30 days before it was supplied.

Boyle claimed he tried to contact Ward, but his calls went unanswered.

He produced a Motex Partsworld invoice for \$150 for door mirrors and one from Barnicol Engineering for \$80 for a mirror adaptor.

Boyle had a quote from K Panel Ltd for bodywork. This came to a total of \$1,023 to repair and repaint a front guard, the front apron and tray's scale rust, and secure the corner lights and grille. He added that the front seat would cost \$180 to repair.

The finding

The tribunal was satisfied the vehicle had obvious faults that the trader failed to refer to, or which made its description of the ute as being "in good condition and mechanically perfect" misleading.

It ruled Ward deliberately set out to mislead the buyer by

The case: The purchaser claimed the vehicle had various faults that the trader's agent failed to disclose during negotiations between the two parties before it was supplied. The dealer believed it was a case of buyer's remorse because the problems were only cosmetic.

The decision: The tribunal was satisfied the dealer's conduct was the effective cause of the purchaser's loss or damage and this was in breach of the Fair Trading Act.

At: The Motor Vehicle Disputes Tribunal, Auckland.

not describing them accurately or ignoring them – in particular the missing mirrors, and damage to the grille, corner lights, front guard and seat.

The tribunal was also satisfied the conduct in representing the vehicle was the effective cause of the purchaser's loss or damage.

The buyer incurred \$230 in obtaining and fitting mirrors to the ute. He had been quoted a total of \$460 plus GST to repair and repaint the front guard and secure the front corner lights and grille, as well as \$180 for the seat.

The purchaser had already paid \$150 for door mirrors and \$80 for a mirror adaptor, but had no other receipts for work done or parts, which he said he had supplied from his own resources.

The tribunal considered the fairest remedy was to also order the trader to pay the buyer \$230 for the mirrors, \$180 for the seat and \$529 for K Panel Ltd's work.

Order

Antony Basturkmen, trading as No Reserve Cars, was ordered to pay Aquablast \$1,169. ☺

Orders are now being received for this limited print run hardcover book – a fantastic gift or just to have in the office or showroom

Priced at \$59.50 including post and packaging

Visit www.autofile.co.nz/book and fill in the order form now, email brian@autofile.co.nz or phone 021 455 775

AROUND THE COUNTRY

April 2015

BIGGEST INCREASES/DECREASES BY TOWN YEAR-ON-YEAR

(APRIL 2015 vs APRIL 2014)

BIGGEST INCREASES

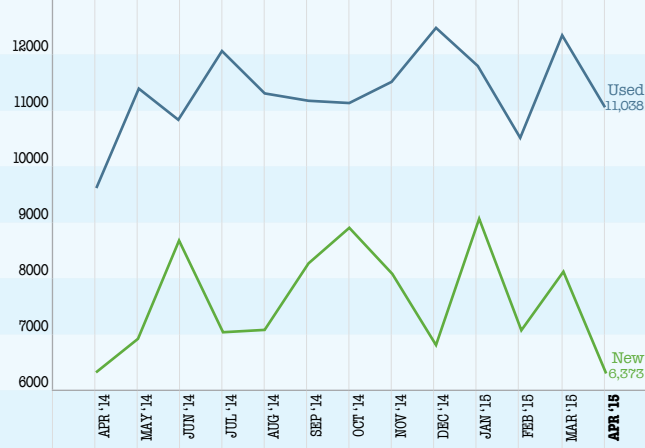
NEW	USED
Palmerston North ▲ 26.1%	Masterton ▲ 52.9%
Napier ▲ 12.6%	Oamaru ▲ 40.0%
Blenheim ▲ 10.9%	Napier ▲ 38.1%

BIGGEST DECREASES

NEW	USED
Westport ▼ 50.0%	Gisborne ▼ 39.7%
Oamaru ▼ 37.5%	Blenheim ▼ 21.1%
Timaru ▼ 31.3%	Greymouth ▼ 5.6%

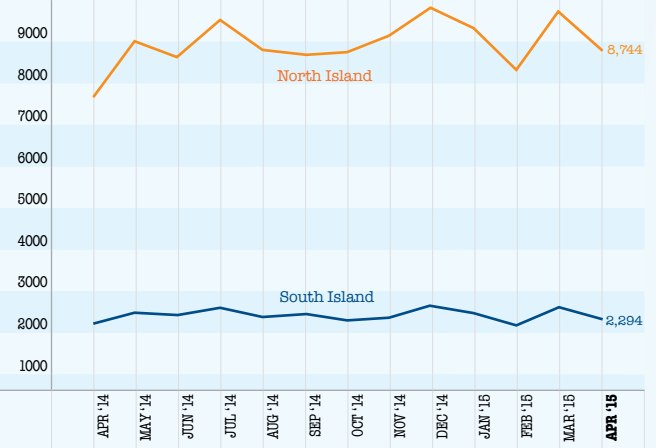
PASSENGER VEHICLE REGISTRATIONS

NEW versus USED



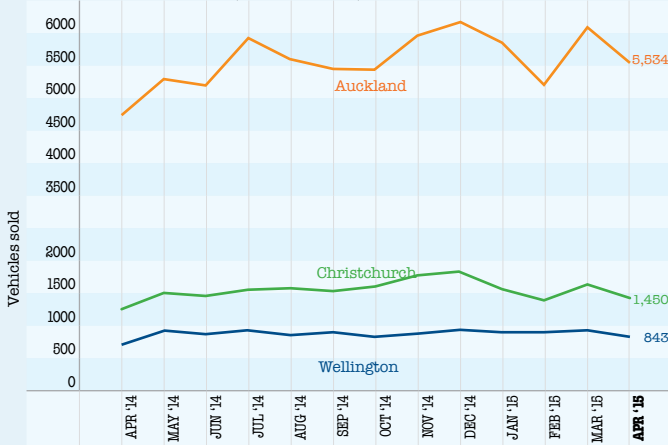
USED VEHICLE REGISTRATIONS

NORTH ISLAND versus SOUTH ISLAND

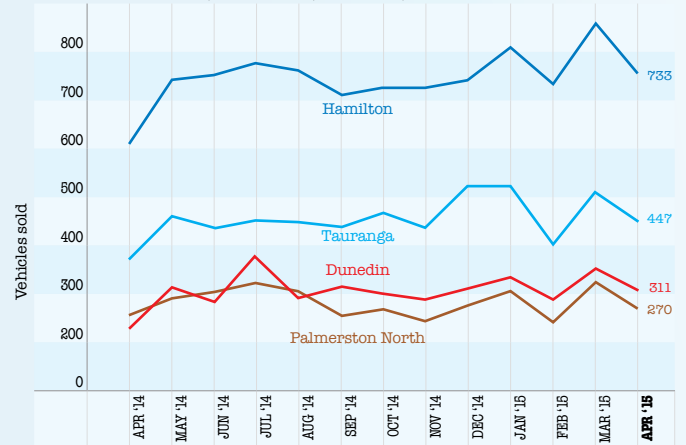


USED IMPORT PASSENGER VEHICLE REGISTRATIONS BY CITY

AUCKLAND, WELLINGTON, CHRISTCHURCH



HAMILTON, TAURANGA, DUNEDIN, PALMERSTON NORTH



Mechanical Breakdown Insurance

Payment Protection Insurance

Loan Equity Insurance

Motor Vehicle Insurance

"The best protection for your customers"

www.autosure.co.nz 0800 267 873



Armacup^{NZ}

DEDICATED CAR CARRIERS

PORT TO DOOR SERVICE

INCLUDING:

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

TWO SAILINGS PER MONTH JAPAN TO NZ

LATEST SCHEDULE

Port Calls	Morning Miracle V17	Tokyo Car V1	Morning Midas V3	Morning Miracle V18
Moji	16 May	–	–	–
Osaka	17 May	2 Jun	16 Jun	3 Jul
Nagoya	18 May	3 Jun	17 Jun	4 Jul
Yokohama	19 May	4 Jun	18 Jun	5 Jul
Auckland	5 Jun	21 Jun	7 Jul	22 Jul
Wellington	12 Jun	28 Jun	11 Jul	29 Jul
Lyttelton	7 Jun	26 Jun	10 Jul	24 Jul

YOUR FIRST CHOICE IN SHIPPING

Phone **0800 ARMACUP (276 2287)**

email enquiries@armacup.com

www.armacup.com

Market strong for used arrivals

Positive buying conditions in Japan for Kiwi importers and strong consumer demand in this country have played a major role in the huge numbers of used cars crossing our wharves.

Year to date, 48,809 second-hand passenger vehicles have entered the country compared to 42,274 by the same time last year – an increase of 15.5 per cent.

The total for April came in at 13,862 to make it the second biggest month of the past 10. It was behind March's total of 14,797 units, but 753 more than April 2014's aggregate of 13,109.

However, with public holidays for Golden Week in Japan during

May, and the winter season starting here, "we normally see things die down a bit", says Gordon Shaw, VINZ's chief executive officer.

"VINZ and especially its compliance partners see the bottom line in regards to buying conditions in the Japanese market as being good for importers and dealers in New Zealand," he told Autofile.

"There are lots of customers wanting to buy used cars at present.

"Over the past few months, Myanmar, the United Arab Emirates and New Zealand are the three countries buying in more than 10,000 units from Japan per month.

"Then it drops to about 5,000 for places such as Chile, Kenya,

Sri Lanka and South Africa."

Shaw points out that the New Zealand dollar's cross-rate with the yen is still pretty good.

"I have heard from one dealer in Christchurch who says his customers, including families and immigrants moving into the city for the rebuild, want to buy good quality vehicles," he adds.

"When you look at the trends, it often comes down to the exchange rate, quality of stock available and importers in New Zealand wanting to buy.

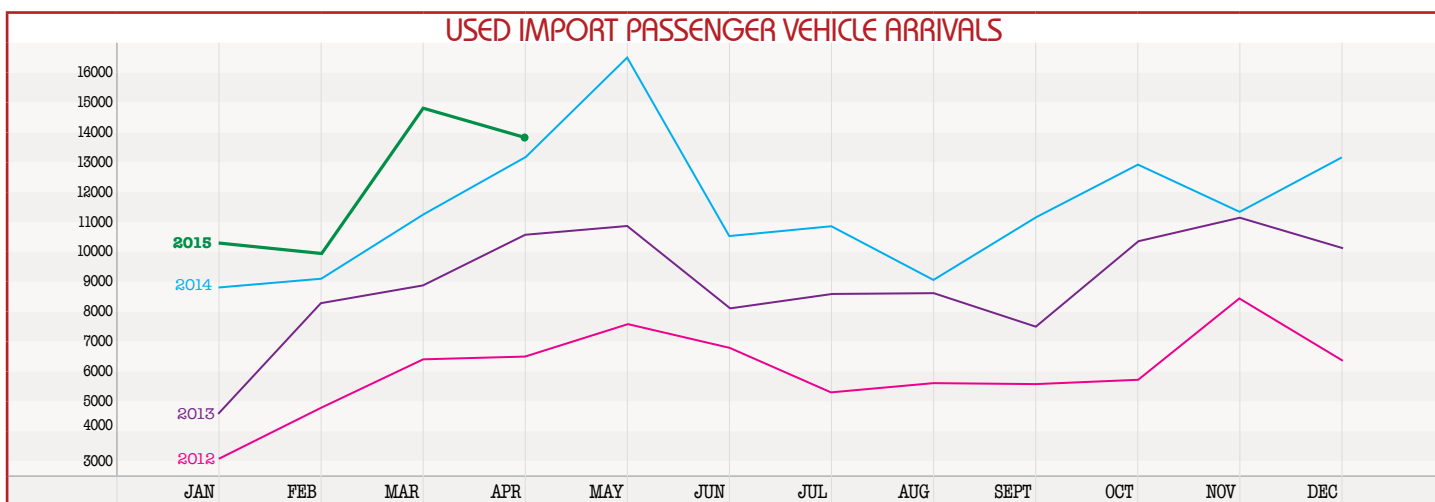
"A lot of the demand at the moment seems to be driven by multi-vehicle Kiwi families, who have been holding off on replacing

their cars until recently, and the level of competition and new entrants in Auckland where there are so many car yards.

"Auckland tends to be a price-sensitive market, but in other towns and cities it also comes down to having quality stock."

Japan accounted for the majority of used cars – 13,273 – being imported during April. It was followed by Australia on 356.

So far this year, 46,452 units have arrived from Japan compared to 40,110 in the first four months of last year. The total from across the Tasman has jumped to 1,432 from 979 and those from the UK have dropped from 639 to 347. ☺



Used Import Passenger Vehicles By Country Of Export

COUNTRY OF EXPORT	2015						2014						2013	
	JAN '15	FEB '15	MAR '15	APR '15	APR MRKT SHARE %	2015 TOTAL	Q1	Q2	Q3	Q4	2014 TOTAL	MRKT SHARE	2013 TOTAL	MRKT SHARE
Australia	258	418	400	356	2.6%	1,432	710	811	729	917	3,167	2.3%	1,990	1.9%
Great Britain	114	88	79	66	0.5%	347	483	441	450	511	1,885	1.4%	2,908	2.7%
Japan	9,650	9,372	14,157	13,273	95.8%	46,452	27,562	38,446	29,306	35,456	130,770	95.0%	100,784	93.9%
Singapore	30	31	17	47	0.3%	125	53	64	62	73	252	0.2%	146	0.1%
USA	80	60	119	90	0.6%	349	289	298	368	323	1,278	0.9%	1,205	1.1%
Other countries	23	26	25	30	0.2%	104	57	50	49	130	286	0.2%	251	0.2%
Total	10,155	9,995	14,797	13,862	100.0%	48,809	29,154	40,110	30,964	37,410	137,638	100.0%	107,284	100.0%



**HEIWA
AUTO**
www.heiwa-auto.co.nz

CONTACT: **Kei Mikuriya**
mikuriya@heiwa-auto.co.jp

CHOICE
100,000 vehicles per month

Steady as she goes with sales

Registrations of second-hand cars notched up modest increases last month across all three main channels.

Dealer-to-public transactions during April came to 15,851, which was a three per cent increase compared to 15,419 in the same month of last year, while trade-ins recorded a 1.2 per cent rise from 12,341 to 12,490.

Sales between members of the public increased from 37,412 to 38,705 over the same timescale – or by 3.5 per cent.

Gareth Jones, sales manager of David Jones Motors in Wanganui, says: "The used-car market slowed down slightly in April, but there

are always buyers looking for vehicles priced at about \$10,000.

"We recently extended our yard, so we can now hold more 100 used vehicles."

"We are finding that more people from Auckland are buying homes here and about 50 per cent of inquiries come from Trade Me," says Guy Walker, used vehicle sales manager at Central Motor Group in Taupo.

"We are waiting to see if the drop in dairy prices has an effect on the market. We're still selling utes to the dairy sector and where that's going to go is anyone's guess. It can't be good.

"For us, used commercials are very strong. Along with four-wheel-

drives and double-cabs, SUVs are growing and that sweet spot is between \$15,000 and \$16,000."

"We have changed the way we do things with our used cars," says Richard Nessling, of Wanganui Toyota.

"We now have a separate yard for vehicles priced \$15,000 and under with 25 units sitting there. Sales of new cars increasing here haven't really affected our used-car business."

Timaru recorded the highest percentage jump in dealer sales during April. They went up by 25 per cent from 200 to 250.

Oamaru took out second spot with a 21 per cent increase from 70 units to 85.

The biggest drop in trader-to-public sales was recorded in Westport where they fell by four units – or 16 per cent – to 21.

Next up were New Plymouth and Christchurch with five per cent decreases from 423 units to 401 and from 2,100 to 1,998 respectively.

When it came to trade-ins, Invercargill saw the biggest increase nationally – by 15.5 per cent from 296 to 342.

It was closely followed by Blenheim where they rose by 15.2 per cent to 114 from 99.

Oamaru recorded the biggest drop in public-to-dealer sales. They went down by 25 per cent from 24 to 18. ☹

SECONDHAND CAR SALES - April 2015

	DEALER-TO-PUBLIC				PUBLIC-TO-PUBLIC				PUBLIC-TO-DEALER			
	APR '15	APR '14	+/- %	MARKET SHARE	APR '15	APR '14	+/- %		APR '15	APR '14	+/- %	
Whangarei	478	492	-3	3	1,713	1675	2.3		195	248	-21.4	
Auckland	5,248	5092	3	33	13,329	12808	4.1		4,662	4372	6.6	
Hamilton	1,248	1262	-1	8	3,021	2959	2.1		1,105	1110	-0.5	
Thames	199	181	10	1	474	494	-4.0		78	88	-11.4	
Tauranga	874	802	9	6	1,972	1848	6.7		575	600	-4.2	
Rotorua	240	228	5	2	700	659	6.2		109	107	1.9	
Gisborne	153	151	1	1	335	345	-2.9		89	86	3.5	
Napier	555	509	9	4	1,335	1326	0.7		361	365	-1.1	
New Plymouth	401	423	-5	3	922	922	0.0		253	259	-2.3	
Wanganui	187	173	8	1	391	432	-9.5		110	120	-8.3	
Palmerston North	777	705	10	5	1,586	1455	9.0		680	904	-24.8	
Masterton	167	169	-1	1	353	322	9.6		87	100	-13.0	
Wellington	1,430	1322	8	9	2,639	2612	1.0		1,130	1037	9.0	
Nelson	275	267	3	2	942	875	7.7		221	215	2.8	
Blenheim	160	163	-2	1	391	332	17.8		114	99	15.2	
Greymouth	81	70	16	1	216	156	38.5		33	37	-10.8	
Westport	21	25	-16	0	96	90	6.7		0	0	0.0	
Christchurch	1,998	2100	-5	13	5,035	4814	4.6		1,753	1666	5.2	
Timaru	250	200	25	2	484	522	-7.3		159	141	12.8	
Oamaru	85	70	21	1	204	204	0.0		18	24	-25.0	
Dunedin	637	610	4	4	1,733	1707	1.5		416	467	-10.9	
Invercargill	387	405	-4	2	834	855	-2.5		342	296	15.5	
NZ total	15,851	15,419	3	100	38,705	37,412	3.5		12,490	12,341	1.2	

- ✓ Consumer Guarantees Act 1993
- ✓ Motor Vehicle Sales Act 2003
- ✓ Sale of Goods Act 1908
- ✓ Fair Trading Act 1986
- ✓ Energy Efficiency and Conservation Act 2000

Compliance made simple...
since 1999



ph 0800 668 679 www.motorweb.co.nz

Range of products drive private sales

Mazda New Zealand placed second behind Toyota for car and SUV registrations during its best-ever April, which was also its 15th consecutive month of record sales.

It sold 598 units last month, according to the Motor Industry Association (MIA), while the marque reports 679 new-vehicle sales across all sectors in April for a 16.9 per cent year-on-year jump for fourth place with a market share of 7.2 per cent.

“Our achievements last month and the growth in our position demonstrate the benefit of a comprehensive offering, which has been refined to deliver value,” says Andrew Clearwater, managing director of Mazda NZ.

“It also recognises the work of our design and engineering teams in Japan, and our hard-working dealer network that delivers our brand promise.”

He is delighted with the performance of the marque’s all-new CX-3, which topped the compact SUV segment in April – its first month on sale.

“The public has had a chance to see this new vehicle, and what it offers in terms of style and performance. We expect demand to increase in the coming months.”

During April, 325 private transactions made up 54.3 per cent of the marque’s car and SUV sales with much of that success down to the CX-3 and Mazda 2 – with buyers of these two models

being predominately private.

Glenn Harris, general manager of vehicle sales and marketing, says the company’s private and business sales hinge on the mix of its line-up.

He told Autofile private registrations account for 32.4 per cent of the overall market year to date compared to Mazda’s share coming in at 34 per cent.

Harris points out the MIA’s statistics for business sales include anyone registered for GST, but many of those customers are “user choosers” – such as owner-operators. “They tend to behave more like private buyers, so the lines can become a bit blurred.”

When it comes to private sales, the Mazda 3 “has always been a darling of the New Zealand motoring scene”.

“It’s coming up to 12 months old, so it’s still fresh, while it winning NZ Car of the Year in 2014 probably resonates with private buyers more than businesses,” explains Harris.

“The CX-5 has recently been updated and it’s about three years since its launch. It also appeals to private buyers and those looking to purchase a new car after having one for 36 months.

“About 20 per cent of BT-50 sales are to fleets and corporates, while SUVs, the Mazda 3 and 6, and most of our line-up also appeal to businesses.”

Toyota ended April almost 200 sales of new cars and SUVs ahead of Mazda. It secured 792 registrations of which 537 – or 67.8 per cent – were to businesses, according to MIA figures. ☺

Passenger Car Sales by Private/Business split

MAKE	PRIVATE	% PRIVATE	BUSINESS	% BUSINESS	TOTAL
Alfa Romeo	2	28.6	5	71.4	7
Aston Martin	0	0.0	1	100.0	1
Audi	57	36.8	98	63.2	155
Bentley	2	100.0	0	0.0	2
BMW	49	25.8	141	74.2	190
Chery	24	66.7	12	33.3	36
Chrysler	1	16.7	5	83.3	6
Citroen	3	37.5	5	62.5	8
Dodge	26	76.5	8	23.5	34
Fiat	30	73.2	11	26.8	41
Ford	138	27.3	368	72.7	506
Holden	145	25.2	430	74.8	575
Honda	191	73.2	70	26.8	261
Hyundai	158	26.9	429	73.1	587
Isuzu	1	20.0	4	80.0	5
Jaguar	2	20.0	8	80.0	10
Jeep	40	49.4	41	50.6	81
Kia	127	43.1	168	56.9	295
Lamborghini	2	100.0	0	0.0	2
Land Rover	25	51.0	24	49.0	49
Lexus	15	28.8	37	71.2	52
Lotus	1	50.0	1	50.0	2
Maserati	4	33.3	8	66.7	12
Mazda	325	54.3	273	45.7	598
Mercedes-Benz	62	48.1	67	51.9	129
Mini	14	37.8	23	62.2	37
Mitsubishi	150	40.3	222	59.7	372
Nissan	185	51.7	173	48.3	358
Peugeot	41	75.9	13	24.1	54
Porsche	26	74.3	9	25.7	35
Renault	12	63.2	7	36.8	19
Skoda	21	28.8	52	71.2	73
SsangYong	32	28.1	82	71.9	114
Subaru	43	27.7	112	72.3	155
Suzuki	276	74.2	96	25.8	372
Toyota	255	32.2	537	67.8	792
Volkswagen	133	47.7	146	52.3	279
Volvo	4	18.2	18	81.8	22
Total	2,622	41.4	3,704	58.6	6,326

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



More registration records set

Last month was the strongest April for registrations of new vehicles across the whole market since 1989.

Sales were up by 6.6 per cent – or 561 units – on the same month of 2014 to bring the year-to-date total to 42,546, which is ahead of this time last year by 2,973 units and 7.5 per cent.

The registration of 2,907 new light and heavy commercials made for the strongest month of April on record for this part of the market, according to Motor Industry Association (MIA) statistics, with the total coming in at 341 more than April last year.

So far this year, the commercial sector is 1,444 units ahead of 2014 with 11,985 being registered in the first four months of 2015 – the strongest since the MIA started collating these statistics.

The registration of 3,436 new passenger cars last month was a 0.2 per cent drop compared to 3,442 in April 2014, while sales of SUVs went up by 8.1 per cent.

Mark Chapman is the dealer principal of Nelson Bays Motor Group, which holds franchises for Holden, Nissan, Suzuki and Subaru.

“Sales of SUVs are performing strongly alongside small vehicles,

such as the Swift, which is going very well given the model's age,” he told Autofile.

The new Outback is one of the only updated models his dealership has received this year.

“From our perspective, increases in sales come from where you are in terms of product life and we are still awaiting some new models,” adds Chapman.

“Going forward, we are expecting new product from Suzuki, which is our volume mover. That includes the new Vitara, which is due at the end of the year. It's going to be the meat to our bones and it's well overdue.”

Richard Nessling, of Wanganui Toyota, says: “New vehicles out there are becoming cheaper and cheaper. Mercedes-Benz and Volkswagen are reducing their prices, as well as all of the Japanese marques.”

He adds franchises are having to become more constructive with what they are doing and put a bigger emphasis on service.

“We have added two staff in our service department during the past two years,” says Nessling.

“I have even ‘stolen’ some of our family members who went to Australia, so now my wife and I are working with my cousin and niece.”

NEW VEHICLE SALES BY BUYER TYPE - April 2015

	APR '15	APR '14	MTH%	2015 YTD	2014 YTD	% YTD
Passenger	3,436	3,442	-0.2	16,936	17,036	-0.6
Private	1,454	1,410	3.1	6,871	6,764	1.6
Business	1,755	1,832	-4.2	7,625	8,186	-6.9
Gov't	185	149	24.2	765	824	-7.2
Rental	42	51	-17.6	1,675	1,262	32.7
SUV	2,890	2,673	8.1	13,354	11,832	12.9
Private	1,168	1,068	9.4	5,367	4,777	12.4
Business	1,564	1,508	3.7	6,639	6,452	2.9
Gov't	72	43	67.4	250	207	20.8
Rental	86	54	59.3	1,098	396	177.3
Light Commercial	2,570	2,249	14.3	10,514	9,117	15.3
Private	654	482	35.7	2,641	2,119	24.6
Business	1,714	1,629	5.2	7,199	6,545	10.0
Gov't	92	101	-8.9	391	348	12.4
Rental	110	37	197.3	283	105	169.5
Sub Total	8,896	8,364	6.4	40,804	37,985	7.4
Private	3,276	2,960	10.7	14,879	13,660	8.9
Business	5,033	4,969	1.3	21,463	21,183	1.3
Gov't	349	293	19.1	1,406	1,379	2.0
Rental	238	142	67.6	3,056	1,763	73.3
Heavy Commercial	337	317	6.3	1,471	1,424	3.3
Other	58	36	61.1	271	164	65.2
Total	9,291	8,717	6.6	42,546	39,573	7.5

NEW VEHICLE MARKET SEGMENTATION - April 2015

	APR '15	APR '14	MTH% DIFF	2015 YTD	2014 YTD	% YTD
Passenger	3,436	3,442	-0.2	16,936	17,036	-0.6
SUV	2,890	2,673	8.1	13,354	11,832	12.9
Light Commercial	2,570	2,249	14.3	10,514	9,117	15.3
Heavy Commercial	337	317	6.3	1,471	1,424	3.3
Other	58	36	61.1	271	164	65.2
TOTAL MARKET	9,291	8,717	6.6	42,546	39,573	7.5
Micro	128	100	28.0	644	523	23.1
Light	1,084	809	34.0	5,309	4,167	27.4
Small	1,232	1,548	-20.4	6,354	7,762	-18.1
Medium	498	509	-2.2	2,274	2,350	-3.2
Large	291	306	-4.9	1,514	1,406	7.7
Upper Large	29	30	-3.3	99	121	-18.2
People Movers	82	49	67.3	335	293	14.3
Sports	92	91	1.1	407	414	-1.7
SUV Small	876	696	25.9	4,006	3,199	25.2
SUV Medium	1,061	1,030	3.0	5,218	4,409	18.3
SUV Large	921	899	2.4	3,970	4,037	-1.7
SUV Upper Large	32	48	-33.3	160	187	-14.4
Light Buses	86	46	87.0	250	163	53.4
Vans	352	415	-15.2	1,724	1,730	-0.3
Pick Up/Chassis Cab 4x2	741	729	1.6	3,226	2,890	11.6
Pick Up/Chassis Cab 4x4	1,391	1,059	31.4	5,314	4,334	22.6
Heavy Commercial	337	317	6.3	1,471	1,424	3.3
Other	58	36	61.1	271	164	65.2
TOTAL MARKET	9,291	8,717	6.6	42,546	39,573	7.5

Subscribe - FREE

go to www.autofile.co.nz/subscribe for the latest industry news



New car stock level increases

Some 6,373 new cars were registered in New Zealand during April compared to 7,724 units being imported to increase stock at hand by 1,351 units. It means that the amount of new passenger vehicles imported has declined by 3.4 per cent over the past 12 months.

Over the same reporting period, registrations have increased by 3.6 per cent with the stock level jumping by 22.2 per cent.

There have been 100,587 new cars imported over the past 12 months and 92,123 have found new owners, which represents a rise in stock of 8,859 for that period.

Based on a 12-month rolling average, daily sales were unchanged for the third month in a row at 252 during April.

"When it comes to the first four months of this year, no one was anticipating the growth we saw during 2014 continuing," says

Glenn Harris, general manager of vehicle sales and marketing at Mazda New Zealand.

"And it seems to be more through private sales than business consumption."

Harris believes the demand for stock hinges on consumers feeling wealthier at the moment, especially in Auckland where people are seeing their capital assets appreciating in value and may have more confidence to spend.

"People are also earning more and cars are becoming relatively cheaper than they have been," he told Autofile.

"We are also seeing some correction between the new and used-vehicle sectors, with more buyers of used cars purchasing entry-level new models.

"This is probably down to the combination of a strong economy and better affordability continuing to lift sales of new vehicles."

Brian Tunnicliffe, dealer principal of Brian Tunnicliffe Nissan in Paeroa, says his business is feeling the boom in demand.

"Stock in general is tight, so we make sure we can cover different bases," he says. "The Qashqai, for example, has been selling so well it's a bit thin on the ground."

He says the new-model Navara has enormous appeal to a wide range of people and points out that it has a towing capacity of three-and-a-half tonnes.

"The new model is beautiful. It's a fantastic vehicle and rides very well. It has plenty of power, nice modern looks and the dash layout is brilliant. Utes are more versatile now and are being used as cars as well as work vehicles."

Tunnicliffe adds: "We are up on market share and we're certainly not budgeting to go backwards."

"We rely on repeat business. Our customers are a very high priority

and we aim to retain business.

"Nissan has the right product line-up with its Qashqai, Navara and X-Trail."

James Harvey, chief executive officer of Waikato Toyota in Hamilton, is excited about the growth of the marque in the region and says the SUV segment is expanding rapidly.

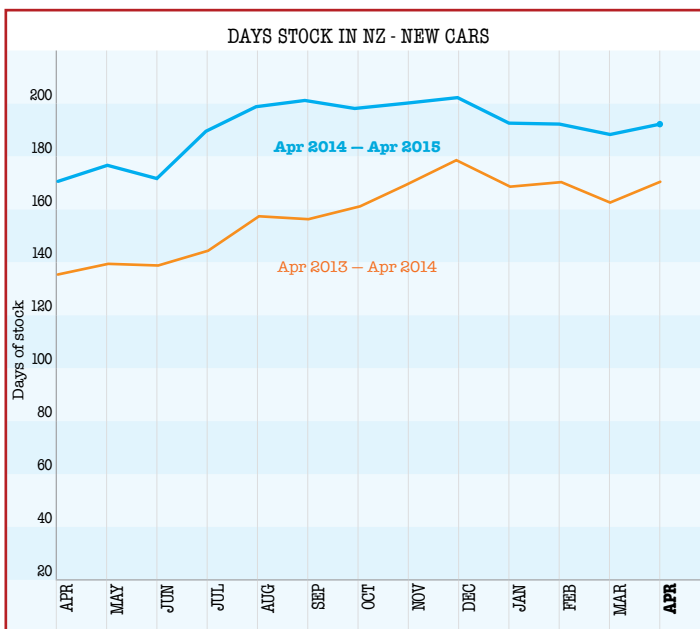
He adds: "We are well-placed in having the Highlander and plenty of RAV4s in stock, and also the bigger SUVs – such as the Prado and Land Cruiser – for heavy-duty requirements."

Mark Chapman, of Nelson Bays Motor Group, says: "Distributors are trying to be innovative with marketing, buyers are spoiled for choice, and you can tailor and make packages to suit yourself on zero per cent finance.

"New cars have never been so cheap and distributors' incentives are making them very attractive."

Dealer stock of new cars in New Zealand

	CAR SALES		VARIANCE	STOCK	DAILY SALES - 12-MONTH AVERAGE	DAYS STOCK AT HAND
	IMPORTED	REGISTERED				
Apr '14	7,994	6,150	2,101	39,875	234	170
May '14	8,447	6,802	1,696	41,571	236	176
Jun '14	7,620	8,517	-569	41,002	238	172
Jul '14	11,106	7,071	4,035	45,037	239	188
Aug '14	9,649	7,066	2,599	47,636	240	199
Sep '14	9,602	8,382	1,220	48,856	243	201
Oct '14	8,297	8,910	-613	48,243	245	197
Nov '14	9,075	8,063	1,012	49,255	247	199
Dec '14	8,248	6,797	1,451	50,706	248	204
Jan '15	6,739	9,010	-2,271	48,435	250	194
Feb '15	7,173	7,057	116	48,551	252	193
Mar '15	6,907	8,075	-1,168	47,383	252	188
Apr '15	7,724	6,373	1,351	48,734	252	193
Year to date	28,543	30,515				
Previous 12 months	100,587	92,123	8,859			
Change on April 2014	-3.4% <small>LESS IMPORTED</small>	3.6% <small>MORE SOLD</small>	22.2% <small>MORE STOCK</small>			



Managing yards key to success

The number of unsold used imported cars reached an annual high of 21,558 units in April so dealers need to manage their stock wisely.

Darryl McGifford, general manager of AutoTerminal NZ, describes the overall market for vehicles as being well-positioned.

"With new vehicle sales, especially utes and SUVs, there have been record months recently, which indicates the industry is strong," he told Autofile.

"There is confidence for purchases, so it's a matter of managing inventory for dealers to ensure they can meet the market but not become overstocked. In general, the market and most dealers are in a good place."

Over the past 12 months, 143,515 used cars have crossed the border and 137,264 have been registered, so stock levels have gone up by 6,251 units over that time.

A total of 13,862 units were imported into New Zealand during April compared to 11,038 being sold here for the first time.

There was a variance of 2,824 imports over registrations, which led to the level of unsold stock rising to 21,558 units from 18,734 in March.

"It's the age-old problem," says Guy Walker, used vehicle sales manager with Taupo's Central Motor Group. "The market is buoyant, but it's still hard sourcing stock at a good price.

"The internet is a wonderful tool, but sometimes it works in the opposite for us because people can sell vehicles online so public-to-public sales are increasing.

"For us, it's all about getting the right cars because there's a lot of bad stock out there.

"We buy some later-model used imports. But when there are outfits selling cars for less than \$8,000, there isn't much margin in them."

Walker adds manufacturers are pushing targets with prices of new vehicles coming down.

"We believe marques such as SsangYong and Foton are picking up used-car buyers."

With the facelifted Ranger due out at the end of 2015, Walker expects "to get some trade – for a two-year-old model, we're getting about \$40,000".

Brett Kilburn, of Kilburn Cars in Manukau, South Auckland, says: "Cheap cars are always strong. It's always about moving stock and we try to keep our stock in line with demand.

"When demand slows down, it's about moving the stock you've got. We are fairly close to where the demand sits and it seems to be in the cheaper end.

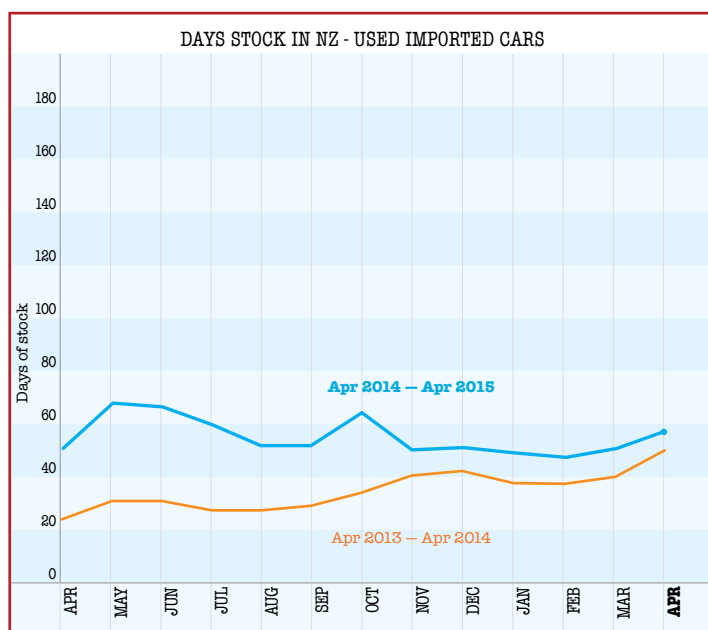
"There will always be niches, but that middle ground will get really hard and I think it will become no man's land soon.

"You will always get operators that work seven days a week and make money, but it's getting a lot tougher for middle-sized dealerships."

Brian Tunnicliffe, of Brian Tunnicliffe Nissan in Paeroa, says: "For the past two months, used sales have been strong, but we are suffering from a shortage of stock because it's hard to get good stock. "We do import some vehicles. But given we're a franchise, it's my preference to sell New Zealand-new stock because I know its history."

Back to the statistics and if, for some reason, the supply chain stopped then stock on hand would last for 57 days at current sales levels.

Last month's total of used cars being imported climbed by 5.8 per cent compared to the same month of last year, while registrations jumped by 16.2 per cent with 40.8 per cent more stock on yards compared to April 2014.



	CAR SALES		VARIANCE	STOCK	DAILY SALES - 12-MONTH AVERAGE	DAYS STOCK AT HAND
	IMPORTED	REGISTERED				
Apr '14	13,102	9,501	3,601	15,307	296	52
May '14	16,450	11,223	5,227	20,534	304	68
Jun '14	10,558	10,760	-202	20,332	311	65
Jul '14	10,745	12,052	-1,307	19,025	318	60
Aug '14	9,016	11,288	-2,272	16,753	325	51
Sep '14	11,203	11,142	61	16,814	335	50
Oct '14	12,650	11,105	1,545	18,359	342	54
Nov '14	11,284	11,532	-248	18,111	348	52
Dec '14	12,800	12,448	352	18,463	356	52
Jan '15	10,155	11,791	-1,636	16,827	362	46
Feb '15	9,995	10,572	-577	16,250	366	44
Mar '15	14,797	12,313	2,484	18,734	372	50
Apr '15	13,862	11,038	2,824	21,558	376	57
Year to date	48,809	45,714				
Previous 12 months	143,515	137,264	6,251			
Change on April 2014	5.8% <small>MORE IMPORTED</small>	16.2% <small>MORE SOLD</small>	40.8% <small>MORE STOCK</small>			

MARAC

marac.co.nz

Drive away with finance from MARAC

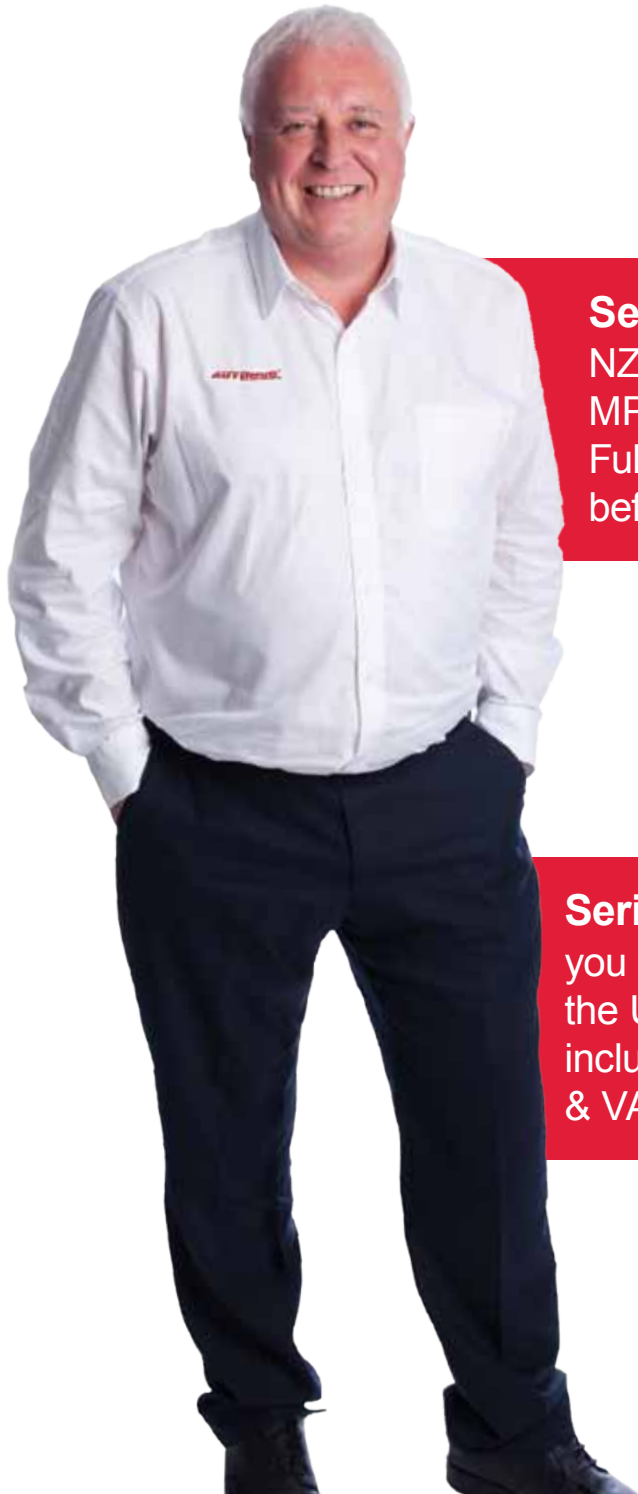
Provided by Heartland Bank Limited

HEARTLAND BANK

heartland.co.nz

MARAC is a division of Heartland Bank Limited. Lending criteria, fees and charges apply.

SERIOUS ABOUT THE UK



Serious about Quality

NZTA Border/MAF/
MPI Inspections &
Full Vehicle Surveys
before Shipping



Serious about ensuring

you have the best vehicles
the UK has to offer
including Transit Finance
& VAT Recovery



Joe Barnett, European Manager
joe@autohub.co.nz