

# autofile

## Vehicle emissions back on agenda

Air quality in New Zealand is improving even though mileage is increasing, but the government recognises areas of concern remain.

The Ministry for the Environment (MfE) has worked with the Department of Statistics to generate models that estimate changes to particulate and harmful pollutant levels.

There was an estimated reduction of on-road transport emissions between 2001 and 2012 from 25-49 per cent across a range of pollutants.

This drop was attributed to technological advances in vehicles and fuels but in peak-traffic spots, pollutants – such as high levels of nitrogen and benzene – are ongoing issues.

Key pollutants from vehicles were estimated to have dropped over that period.

“The decrease in estimated emissions occurred despite an 11 per cent increase in vehicle kilometres travelled,” states the 2014 Air Domain Report.

The document shows levels of carbon monoxide, which is produced

by the incomplete burning of various fuels, fell by 39 per cent.

Nitrogen oxides (NOx) were down 36 per cent but “pollutants from on-road transport continue to be an issue, with high NOx and benzene levels in some peak-traffic locations”.

Internationally, there are growing concerns about increasing NOx emissions from diesel vehicles and it appears some technology to reduce them isn’t functioning as well in the real world as under laboratory conditions.

The trend has been seen here and a report titled “Are harmful

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## Industry faces high-tech issues

Radio spectrums and global navigation satellite systems (GNSS) are among the big issues to be overcome when rolling out intelligent transportation systems (ITS).

The government has launched an ITS technology action plan, which aims to make transport safer and more efficient over the next four years.

It has been developed by the Ministry of Transport (MoT) following public consultation late last year.

The document identifies what’s needed to advance ITS, which use sensors, computers and communications in vehicles and infrastructure, such as roads.

The technology also includes traffic control systems, advanced

driver assistance, vehicle monitoring and integrated ticketing.

But how many work – especially Co-operative Intelligent Transport Systems (C-ITS), which allow vehicles and infrastructure to “talk” to each other – centre on resolving issues with communications and satellites.

There is uncertainty around radio spectrum allocation and the

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### Holden looks to Europe for models



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## Campaign to act on 'unusual noises'

Most people remember their first car or involvement with the industry. These experiences might have come earlier in life than those in the two-wheel fraternity refusing to swap leathers for creature comforts.

Aged 28-ish, my first car was a Ford Escort station wagon and it was a heap of junk.

It had incurable oil leaks and the alternator died almost straight away, and I'm sure the seller flicked it on knowing this.

Then the sunroof flew off and shattered on the M25 near London because of dodgy hinges.

The driver's window dropped into the door frame on a winter's day. The lemon was then stolen and never resurfaced, which was a relief.

My first experience with the industry came a few years later and involved a long-wheel-based Mercedes-Benz van driven to the capital to transport belongings back to Bath.

Being a biker, reversing has never been a strong point. Outside a fringe theatre, my wife-to-be informed me there was nothing behind me, foolishly overlooking the presence of a Ford showroom.

At least the van was undamaged despite its rear end ploughing a few metres into the glass building.

My most recent experience of a Mercedes-Benz was during a three-week, 4,400km campervan tour of Western Australia.

Having experienced the vagaries of inspection regimes between states before, it came as no surprise when a Sydneysider regaled his woes in relation to WA's equivalent of our warrant of fitness (WOF) regime.

His Land Rover developed a fatal fault after traversing the Nullabor's red roads, which resulted in waiting for parts to arrive in the middle of nowhere on a road train.

Although he knew NSW and WA had different tests, the checklist items were also poles apart for his trailer and even the stove inside, which had to be removed.

While Australia contends with divergent vehicle inspections (even railway lines didn't connect to each other until recently because states had different gauges), our authorities looked to see what's done there during the Vehicle Licensing Review.

It's a relief the Kiwi government didn't opt for something like continuous licensing with no roadworthiness checks as long as registration remains valid – with more reliance placed on roadside enforcement.

That's especially sage if Kiwis know so little about maintenance and safety, which seems to be the case if parts of the Check Your Car campaign aimed at mitigating any risks with more WOFs becoming annual are anything to go by.

Advice includes if the exhaust is "smoky or sounding unusual, it could be a sign there's a problem", and "listen for unusual noises, they usually indicate something is wrong".

You only have to walk through a supermarket car park to witness the state of the fleet.

Out of 30 reported to Autofile by an industry expert, only a handful had a valid WOF and registration, and decent front tyres. Many also had obvious damage.

If you take on-board that miniscule snapshot, it's frightening to think what else is out there.

There needs to be political will to address this issue because the motor vehicle is our economy's lifeblood, but the fleet's safety is as important as the skills of those behind the wheel.

Darren Risby, editor

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# Improved standards clear air

emissions from New Zealand's light-duty vehicle fleet improving – May 2011" found NOx emissions improvements may have levelled, especially from diesel cars.

The Ministry of Transport (MoT) says this is of concern with many urban areas showing steady or rising levels of ambient nitrogen dioxide.

This year, it plans to research what policies have been implemented in other countries above emissions standards and whether they can be applied cost-effectively here.

Policies that may be investigated include retrofitting particulate filters to diesel vehicles or requirements to use low-emission fuels.

The MoT recognises local measures – especially around improved traffic flows – will also cut emissions.

**“As the number of vehicles with Euro 4 and 5 standards increase, emissions will decrease.”**

– David Crawford, MIA



Particulate matter between 2.5 and 10 micrometres in size (PM10) was estimated to be down 25 per cent. These particles cause less severe health effects than PM2.5, which fell by 26 per cent.

Prolonged exposure to particulate matter can cause coughing, wheezing, aggravated asthma, premature death in people with existing heart or lung diseases and lung damage, including decreased organ function and respiratory disease.

“Air is improving over the long term and most locations have good air quality most of the time,” reports the MfE. “Most issues are from home heating, but some high-traffic sites have occasional issues.”

Volatile organic compounds, such as benzene, were estimated to have decreased by 49 per cent.

Motor vehicles and home heating are main sources of benzene emissions, as well as some industrial activities. Benzene can harm the nervous system and is associated with cancer.

In 2012, annual benzene concentrations in one peak site close to busy roads in Auckland exceeded health-based ambient air-quality guidelines.

“Responsibility for meeting standards on local air quality lies mainly with local authorities,” says the MfE. “Auckland Council would be responsible for addressing issues in its area.”

## CAR INDUSTRY VIEWS

David Crawford, chief executive officer of the Motor Industry Association (MIA), says pollutants

from on-road transport will continue to cause problems in some urban centres, especially over winter.

“Christchurch and Auckland are where the problem of air quality is greatest,” he told Autofile. “In conjunction with household and industrial emissions, transport emissions can cause issues.”

“As the number of vehicles with Euro 4 and 5 standards increase, the rate of harmful emissions from our fleet will decrease.”

The MIA is pleased to see improved air quality, which is a direct benefit from clean technologies in new vehicles.

Transport is a key contributor to living standards and new cars, which are safer and cleaner, play an important part.

“The importation of old used vehicles with poorer emission standards frustrates this outcome,” says Crawford.

“The MIA is calling on the government to impose an eight-year rolling-age ban in conjunction with its standards-based approach to control the flow of old unclean cars coming in.”

David Vinsen, chief executive of the Imported Motor Vehicle Industry Association (IMVIA), is pleased air quality is improving because it means the exhaust emission rule – among other measures – is starting to work. ▶

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## At a glance

The Ministry for the Environment produces the national environmental standard on air quality, which limits emissions with some linked to transport. Meeting air-quality standards is largely the responsibility of local authorities. Transport emissions are managed through the Ministry of Transport and NZTA. The Vehicle Exhaust Emissions Rule aims to reduce the levels of harmful emissions. And the Ministry of Business Innovation and Employment oversees fuel quality.



The Ministry of Transport says policies brought in since the first Vehicle Exhaust Emissions Rule in 2003 are having a "positive effect"

12 three to six sites close to state highways and busy local roads were likely to exceed its guidelines with many expected to have high concentrations.

In 2012, all 15 regional council and unitary authority monitoring sites that can be compared directly to guidelines met the WHO's long-term goals and national short-term standards for nitrogen dioxide.

The findings are based on the NZTA's monitoring network. This uses a screening method that provides a good indication of NOx concentrations. It doesn't enable these to be used to see if the WHO's

[continued on page 6]

◀ "That needs to be accelerated to get older, less clean vehicles out of the fleet," he says.

"It's not the cars coming in that are of concern, it's those currently here that are less safe and less environmentally friendly."

Vinsen sees the dilemma as being that every time government talks about cleaner vehicles, the industry talks about cutting congestion.

"If you're serious about improving air quality, you need to reduce congestion by getting rid of traffic lights, introducing traffic islands, ring roads, improving public transport and those things.

"The government is working on these issues and improved air quality will be a positive side benefit of reduced congestion."

The MoT is satisfied with the Air Domain Report's findings. "The approach of implementing tighter emissions standards is in line with practices in other countries and improving the quality of our fuels is working."

From international evidence, technology is likely to be the main way of cutting pollutants from the petrol fleet, while "reductions in maximum permissible sulphur levels in diesel have been more important for reducing emissions from diesel vehicles".

Sulphur in diesel contributes to pollutants, especially PM10, so cutting its levels reduces pollution from all vehicles and not just those with new technology.

The MoT also suggests more diesel vehicles on roads have led

to increases in some pollutants in Europe and concludes New Zealand's emission rules, which restrict older and more polluting vehicles crossing the border, have also boosted air quality.

Hybrid and electric vehicles (EVs) are thought to be having little impact on air quality.

The MoT reports that in 2013 there were about 200 electric cars, 80 electric trolley buses and 8,800 hybrid vehicles in the fleet.

"At a little over one-quarter of one per cent of the fleet, we wouldn't expect them to be significant but every bit helps."

The MoT was involved in the original advisory group that decided useful indicators for the Air Domain Report. It provided some raw data but wasn't involved in any modelling or review.

"The report provides independent evidence that policies implemented since the first Vehicle Exhaust Emissions Rule in 2003 are having a positive effect on levels of harmful emissions," it states.

"However, there's still a significant level of pollution. This means we need to continue to investigate options to reduce vehicle emissions, especially in Auckland where they are the most important source of pollution."

**GUIDELINES AND DATA**  
Monitoring in New Zealand is carried out at a mixture of peak and non-peak sites.

The MfE compares data to guidelines or standards and provides

information on whether pollutants are above appropriate levels.

Using different guidelines provides comparisons for a wider range of pollutants and time periods.

In 2012, the monitoring of NOx indicated the World Health Organisation's (WHO) long-term guideline was met at 98 per cent of monitoring sites – or 121 out of 124.

However, each year from 2010-

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# Action with greener engines

long-term guideline is exceeded.

Three regional councils and one unitary authority also monitor NOx and did so before 2010, and methods used can be compared with the same WHO guideline.

From 2006-12, average PM10 concentrations at monitoring sites decreased by eight per cent in cities, 11 per cent in medium-sized towns and 19 per cent in small towns.

Average PM10 concentrations were higher in the South Island than the North Island. These reflect more wood and coal being used for heating homes, and relatively settled winter conditions meaning less dispersion.

PM10 concentrations were lower in every city in 2012 than a decade before.

In 2012, no breaches of the national standard for carbon

monoxide occurred at 20 sites, and 17 of the 20 locations had concentrations less than half the national standard.

None of the nine sites monitoring sulphur dioxide



**“It’s not the vehicles coming in that are of concern. Those here are less environmentally friendly.”**

– David Vinsen, chief executive of the IMVIA

breached the short-term, or one-hour, national standard in 2012.

Of these, three peak sites exceeded the WHO short-term – or daily – guideline for sulphur dioxide, but have large emissions from industrial or shipping activities.

## MARQUES JOIN FORCES

Car manufacturers in Japan have made significant changes to vehicles to reduce the emissions.

Eight marques there have come together to develop greener engines

to develop technology to cut diesel engine carbon-dioxide emissions by 30 per cent from 2010 levels.

The plan is to adapt technology for commercial use in diesel and petrol-powered vehicles to

to compete with overseas rivals.

The University of Tokyo and Waseda University will join Toyota, Honda, Nissan, Suzuki, Mazda, Mitsubishi, Daihatsu and Fuji Heavy in the project.

By 2020, the group plans to

create a competitive edge over European marques and help meet international regulations.

Growing demand for EVs isn't expected to outstrip the dominance of the internal combustion engines for the time being. ☺

# Electrical systems' roll-out delayed

**A**udi and BMW are launching 48-volt architectures next year, but deployment delays and combustion engine advancements mean demand is a long-term proposition.

More energy can be recuperated when braking with 48V mild hybrid powertrains than existing 12V stop-start systems.

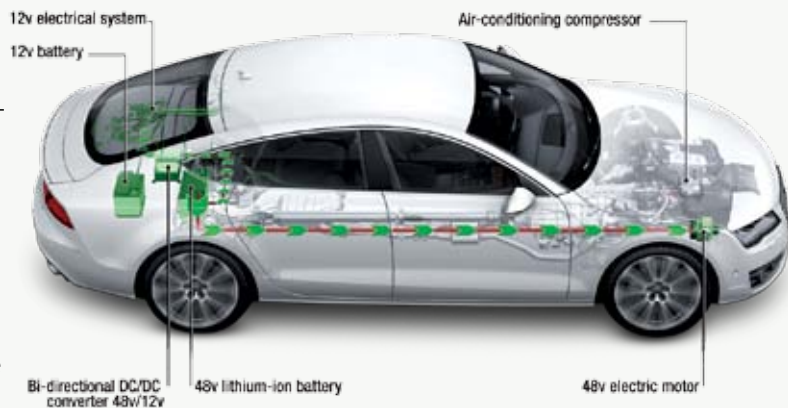
Demand is expected to reach 1.2 million units by 2020, but could grow to 2.7 million if other marques adopt 48V systems as more stringent mandates are legislated or proposed.

These include a corporate average fuel-economy level in the US of 23.17km/l by 2025, the European Union's aim to lower carbon-dioxide emissions to 68-78g/km by 2025, and a worldwide-harmonised light-vehicles procedure may soon replace less realistic tests.

Tougher rules and making mild hybrid powertrains more cost effective and desirable to buyers have led to more interest in 48 volts – globally and in high-volume compact models.

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# Plan for technology of the future

government is likely to lay down what frequency is used.

Although similar in concept to internet wireless connections, C-ITS will be faster and more secure.

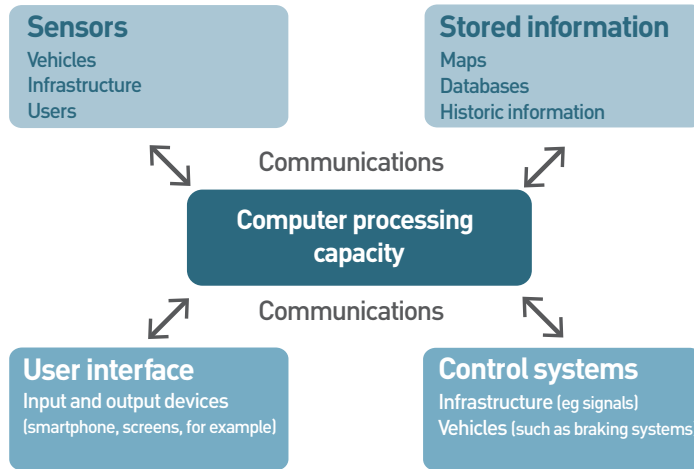
This means allocating spectrum to ensure sensors in advanced driver-assistance systems – and eventually autonomous cars – do not cause interference and aren't subject to it.

Communication between C-ITS vehicles and infrastructure will depend on international standards – and Japan, the US and European Union (EU) are planning to use different parts of the radio spectrum.

As vehicles in a fleet should operate to the same standard, New Zealand will need to select one range.

The proposed allocation for C-ITS vehicles in the US, EU and Japan fall in the 5.8 and 5.9GHz range.

The Ministry for Business,



Intelligent transportation systems result in information, data, communication and sensor technologies being applied to cars, infrastructure and operating systems

Innovation and Employment (MBIE) has yet to formally reserve 5.9GHz, but it's available with demand being monitored.

The 5.8GHz range being used in Japanese vehicles can be legally adopted in New Zealand.

However, it has been allocated for public use, such as cordless phones and wireless modems. This means it cannot be reserved for transport and be protected from interference.

"Diverging standards could lead to vehicles entering New

Zealand with equipment that will not work because it relies on other technology that isn't present," the action plan states.

"If vehicles contain technology not permitted, it may have to be decommissioned rendering vehicles 'unintelligent' and little better than current vehicles.

"Of more concern, technology may be subject to potentially dangerous interference from other users if left active.

"Australia has proposed adopting the 5.9GHz range allocated in the EU for C-ITS.

"Most new vehicles offered in this country are built to Australian or European standards, so there's good reason for New Zealand to adopt the same range as Australia."

AFFECT ON USED IMPORTS  
The government recognises

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# Accurate positioning essential

choosing a radio frequency now may limit options for importing used vehicles from Japan.

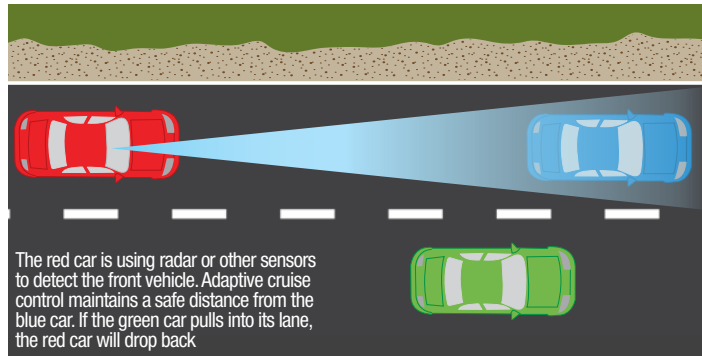
But it says an indication is needed to allow planning by importers and potential infrastructure providers.

“Australian standards are usually European standards, but may have different implementation dates,” says the report.

“Because used Japanese vehicles are generally not imported until seven or eight years old, there will be time to consider compatibility issues.

“There’s also an expectation of a solution to the issue of divergent standards by the time importation of Japanese C-ITS-equipped vehicles is common.”

The MBIE will allocate radio spectrum for ITS when international agreement is reached



on frequencies and standards.

Other frequencies also need allocating. Radar technologies used by, among others, emergency braking systems are expected to operate in the 79GHz range and overseas standards for interference-free radar have yet to be finalised.

Incompatibility between ITS standards – especially C-ITS – is likely to have greater implications

for New Zealand than other countries where most vehicles are built to one jurisdiction’s standard.

If there is a difference, devices should be “sufficiently smart” to know where they are and adapt. Most cellphones, for example, now work in many countries without having changes made.

There will be a role for the government to work through overseas forums to promote compatibility between countries.

In addition to standards, other technical aspects relating to ITS may need government guidance or rules.

An ITS leadership forum being set up will identify other issues that may impact on systems here.

The MoT will also work with ITS New Zealand on international standards, while transport agencies will look into compatibility with a wide range of systems here.

## CAR POSITIONING SYSTEMS

Accurate real-time positioning is a key requirement of many ITS with applications having requirements not always available through mass-market global navigation satellite systems (GNSS).

This is likely to cause problems in New Zealand because of safety parameters. These are:

- ▶ Accuracy – the closeness of measurements. For example, in relation to cars’ true positions.
- ▶ Integrity – level of trust in the navigation system.
- ▶ Continuity – data reliability.
- ▶ Availability – the likelihood of parameters meeting ITS requirements.

- ▶ Inter-operability – the ability of systems to work using data from more than one source.
- ▶ Timeliness – delivering data to systems to ensure they operate properly.

Mapping and location data in New Zealand is accurate enough for navigation systems to determine a vehicle’s position on a map.

However, it’s not good enough to represent road geometry and identify the lane a car is in.

GNSS may be unsuitable for emerging safety and fuel-efficiency applications that need precise locations, although reliability and accuracy can be improved by real-time services.

Corrections are calculated from reference stations, such as the Land Information NZ’s PositionNZ network, and transmitted to users via terrestrial or satellite systems.

Real-time positioning has been implemented that provides augmentation from space or land-based transmissions.

But to be economically viable, deploying a satellite-based system to achieve this would probably need to be done in co-operation with Australia.

Because GNSS signals are weak compared to other radio transmissions and satellites, they aren’t always visible because of tall buildings or mountains. Without being bolstered, they can also be jammed.

The government is considering investing in a real-time positioning service to support ITS and non-ITS uses.

## REVIEWING RULE BOOKS

The MoT and NZTA are developing a vehicle standards map as part of the Safer Journeys Action Plan for 2013-15.

This will identify technologies that could improve safety or efficiency, such as autonomous emergency braking.

When possible, the document will indicate systems the

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◀ government may encourage by advertising, incentives or legislation.

The MoT and its agencies will now scan legislation to identify barriers to deploying ITS.

This work will consider the need to review laws because of the increasing introduction of advanced driver-assistance systems and semi-autonomous vehicles.

#### TECHNOLOGY TEST-BED

The government intends to build

on New Zealand's reputation as a good place for international companies to carry out large-scale or long-term testing.

For instance, in the 1980s banks trialled and rolled out Eftpos payments.

More recently, New Zealand has been used to test new vehicles and there's a winter testing facility in the South Island that's used during the northern hemisphere's summer.

With a view to facilitate testing here, the government is seeing if any laws need changing.

No specific legislation enables testing vehicles equipped with experimental ITS but the NZTA has enough powers to put conditions on this to ensure public safety.

It's legal to test driverless cars on public roads if they meet

relevant standards and a competent person can take control of them if required.

However, regulations around testing vehicles when drivers aren't present will be clarified.

The government is proposing to develop a land transport rule to manage testing and bring controls into one document.

Internationally, consideration is being given to what laws will be needed to drive autonomous

vehicles, especially to determine accident liability.

The government will monitor developments overseas and draw on them when progress is made and when it's clearer these cars will be commercially available.



**“Vehicles may be so well-equipped they are almost impossible to crash.”**

– Gerry Brownlee

#### THE BEEHIVE'S VIEW

The government says ITS are becoming integral to transport.

“Some technologies will be acquired by government,” says Gerry Brownlee, Minister of Transport.

“Others, such as vehicle monitoring systems, will be used by consumers, and

others by companies using supply-chain systems to manage freight and vehicles.”

He sees the government's role as setting standards and ensuring open technology markets.

“We are likely to see new applications. Vehicles may be so well-equipped they are almost impossible to crash.

“We are well-placed to capitalise on ITS benefits and New Zealand has a history of being early adopters of technology.

“The government needs to provide strategic direction and priorities. This will include identifying what barriers exist to new technologies and how the government can minimise them.”

Matthew Newman,  
Chief Executive, South  
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– MATTHEW NEWMAN, Dealer Principal/Chief Executive, South Auckland Motors (Ford and Mazda)

### More with Autofile Online

Find out more about examples of ITS online at [www.autofile.co.nz](http://www.autofile.co.nz) – including autonomous cars and advanced driver systems.

Other website stories look into what future standards are needed for the likes of geospatial mapping used in the automotive and shipping industries.

We also look at the government's perceived role in ITS and more of its planned actions, including on-road enforcement.

# Airbag recall hits 10 million cars

**M**azda, Nissan and Honda are among the latest marques to issue global recalls because of potentially explosive airbags in cars.

The number of new vehicles and used imports sold in New Zealand being called back due to faulty systems supplied by Japanese corporation Takata is now breaking through the 10,000-barrier.

The recalls cover passenger and driver-side airbags made by the world's second-biggest car safety parts company.

The global total of about 10.5 million units over five years means it's one of the biggest recalls in the industry's history, while other marques affected include BMW, Chrysler, Ford and Toyota.

Mazda New Zealand says some models sold on our shores are

affected, but has yet to confirm how many.

They include NZ-new Mazda 6s – as well as RX-8 and Atenza used imports – built from 2002-06. They may be affected by defective

He is unable to confirm a timeframe for remedial work connected with the recall to be completed because marques around the world are trying to secure replacement airbags.

trying its best to obtain the parts as quickly as possible."

Honda is recalling about two million units globally because of their airbags – and 5,856 in New Zealand are affected.



**“Based on information received from Takata in June, Nissan is adding vehicles not included in a 2013 global recall”**

– John Manley, managing director, Nissan NZ

airbags that could send shrapnel flying from exploding inflators.

“All of our dealers are involved in every recall and we send out a comprehensive service bulletin to provide the details,” says John Van Der Velden, national service manager of Mazda NZ.

“Obtaining them is going to be a challenge,” he says. “That’s being co-ordinated by Mazda Motor Corporation in Asia, which will organise the parts and then dispatch them.

“We’re not privy to what the company is negotiating, but it is

Bryan Davis, national service manager, says all owners concerned will be sent a letter immediately.

“All of the affected vehicles require replacement passenger airbag inflators,” he told Autofile.

The models affected are the 2003 Accord and the CRV, and the

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## Be alert for thieves

**B**urglars have been targeting unregistered cars and vehicle keys in Auckland – with the most recent raid taking place in Church Street, Penrose, on June 6.

The Imported Motor Vehicle Industry Association (IMVIA) is advising dealers and other businesses to complete security audits of premises.

It says measures to consider are protection bollards, alarms, security cameras, inventory and stock control, and insurance.

Traders should avoid leaving

keys in cars and ensure keys are kept somewhere secure.

Malcolm Yorston, the IMVIA's technical services and membership manager, told Autofile: “In the latest incident, one car was stolen.

“When staff checked the inventory, they also found some car keys had gone missing.

“We had problems with this sort of thing a few years back, so we just want to give everyone the heads-up about it. It's important for people to be vigilant and keep security up to date.”





Vehicles sold new in this country and affected by the airbag recalls include the Mazda 6 built between 2002 and 2006, the 2003 Honda Accord, and the Nissan Navara made from 2001-03

Civic and Jazz built between 2002 and 2003.

Nissan has 2,308 vehicles made from 2001-03 on New Zealand roads affected, including the N16 Pulsar, D22 Navara, Y61 Patrol, T30 X-Trail and A33 Maxima.

"Based on new information received from Takata in June, Nissan is adding vehicles not included in a 2013 global recall," says John Manley, managing director of Nissan NZ.

Toyota says its recall update of June 11 – first reported by [www.autofile.co.nz](http://www.autofile.co.nz) – affects about 5,400 NZ-new units, or around 3,000 fewer than first thought.

The Avensis, Corolla and Picnic built between 2000 and 2005 are involved.

"In every case, the remedy is free and at minimal inconvenience," says Spencer Morris, general manager of customer services at Toyota NZ.

"We work with customers to have work undertaken at a dealership that suits them and at a time that suits them."

Morris told Autofile the marque has the largest dealership network in New Zealand, so it's confident staff can manage recalls without placing added pressure on its supply chain.

"People appreciate us having a thorough approach to safety," he says. "While any recall is inconvenient, taking care of customers is the right course of action.

"As vehicles become more technologically advanced and, as

we share knowledge more easily, recalls will remain a fact of life for every car manufacturer."

BMW NZ launched a recall last month to replace the front passenger airbags of its 3 Series models made from 1998 to 2005, of which there are about 350 in this country.

#### YEAR OF THE RECALL

This year is a record-breaking one for recalls with more than 39.85m units called back. The previous highest total was 33m in 2004.

The global total is likely to grow further with Takata willing to support marques – including Honda, Toyota, Chrysler and Ford – in replacing certain airbag inflators it made for 2000-07 vehicles in

some high-humidity regions.

Takata's chief executive officer, Shigehisa Takada, and its chief operating officer, Stefan Stocker, say the company is working with safety regulators and car makers.

"We will aim to strengthen quality control and work to prevent problems happening again."

Among previous large-scale recalls, about 14m Fords were affected over a decade to 2009 because of faulty cruise-control deactivation switches.

From 2009, Toyota recalled more than nine million units for unintended acceleration and, in 2012, it called back about 7.4m vehicles to repair power-window switches. ☺

## Leaf gets \$30k price cut

**N**issan NZ has slashed \$30,000 off the price of its Leaf as part of its commitment to zero-emissions motoring.

The marque's seven North Island and two South Island franchises for the model now have it available from \$39,990.

It's a price that's aimed at injecting more activity into the electric vehicle (EV) market, which has been slow to take off, while new authorised Leaf dealerships are being planned.

"There are no government subsidies [for EVs] and we can't move it in the volumes we need, so we have taken this step," says John Manley, managing director of Nissan NZ.

"It isn't a profitable step, but it's important for Nissan. The company is committed globally to EVs and the Leaf is the cornerstone of its pledge to cut emissions."

Unlike many countries, the New Zealand and Australian governments

offer no subsidies on plug-in EVs.

The UK has an up-front grant of about NZ\$10,000. The US federal administration offers a tax credit of around US\$8,500 while some states, such as California, also have incentives.

Manley says the lower price aims to capture the attention of Kiwi buyers, who may be put off by the high cost of EVs. It also enables the Leaf to compete with similar-sized petrol cars on the basis of cost of ownership.

"We are delighted to make it more appealing to new-car buyers," says Manley. "First-time drivers are surprised by its performance and owners will never tire of not having to buy petrol."

The Leaf's name stands for leading environmentally friendly affordable family car and it was the 2011 World Car of the Year.

It has sold more than 100,000 units worldwide, with about 23 Kiwis buying one new for about \$70,000 since 2012. ☺

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# Concerns over safety measures

Vehicle inspection organisations have raised some doubts about a \$2 million safety campaign launched by the government.

The NZTA's Check Your Car programme is being touted as a way to mitigate any issues brought about by cutting the frequency of warrants of fitness (WOFs).

Light vehicles first registered on or after January 1, 2000, moved from six-monthly to annual inspections at the start of July after cars registered between 2004 and 2008 made the same shift at the start of this year.

Check Your Car aims to encourage owners to take active roles in staying safe on the road by keeping their eyes on tyres, windscreen, indicators, rust and lights – or "Twirl" for short.

The NZTA says it doesn't take

long to check a car – "just give it a regular Twirl and take it to an expert if anything's wrong".

However, VINZ, VTNZ and the AA have reservations about aspects of the campaign.

Concerns have also been expressed by the Motor Trade Association (MTA), which – along

have relied on experts' advice about their cars in the past.

"Twirl has some benefits in introducing motorists to take more responsibility," he told Autofile.

"But more time and effort is needed to get them into the habit and relying on them, especially when safety has traditionally been

lack the technical knowledge."

Walsh points out VTNZ's safety essentials check, which is similar to a WOF, can provide peace of mind. "We have been selling services before this change in WOF frequency and people are valuing them."

Another area Walsh raises is extra on-road enforcement



**"Six-monthly WOFs were introduced in the 1930s and vehicle technology has improved since then." – Robyn Elston, NZTA**

with VTNZ and VINZ – opposed annual WOFs as part of the Vehicle Licensing Reform (VLR).

Frank Willett, chief executive officer of VINZ, describes the \$2m being spent over three years as "relatively light" given most people

in the hands of inspection agents.

"There are multiple risks in extending WOF periods and we're happy to talk to motorists about intermediate inspections to ensure they are confident safety is up to speed."

The three transport service delivery agents have had discussions with government officials over the past 18 months about what's happening.

Willett says: "VINZ is of the view the market hasn't changed. We hope education and enforcement can make a difference, and the road toll and amount of serious accidents don't increase."

He adds a "change in culture is needed with everything thrown" at vehicle safety.

Mike Walsh, chief executive of VTNZ, says it's necessary for the NZTA to raise awareness around safety because people used six-monthly WOFs to check roadworthiness.

"My main issue with Twirl is other items may not be observed by drivers walking around vehicles – such as the inside of tyres if wheel alignment isn't right – and people may not be as thorough as qualified mechanics.

"We encourage the NZTA to continue raising awareness. This is all about ensuring oncoming vehicles are safe, but there will always be people who aren't skilled when it comes to this because they

"because we're waiting to see concrete plans to meet undertakings given".

"It's unclear from the NZTA and police about what's being done at this stage," he says.

"The awareness campaign needs to be ongoing. The NZTA needs to turn up the noise like the drink-driving campaigns because there will always be risks with annual WOFs.

"How campaigns are targeted and their longevity are important, but we support what's being done because a safety net is needed to mitigate risks."

The AA believes responsible motorists check their vehicles, so the Check Your Car campaign should be about getting the rest to follow suit.

"There are no inherent dangers to self-checking over and above WOFs and regular servicing," says Mark Stockdale, senior policy analyst. "If people are unsure, they should get professional help.

"The VLR changes came about because New Zealand had such frequent inspections and motorists were doing nothing to their vehicles in between.

"That's wrong, but Kiwis got into that because of that frequency. What's needed is getting the message out there about what to do in between."

The AA backed the government pushing WOFs out to 12 months



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◀ if action was taken to reduce any negative impacts.

"Our support is conditional on a campaign teaching motorists about their responsibilities," insists Stockdale. "A disproportionate number of cars don't even have WOFs and the frequency makes no difference to owners taking more responsibility."

While the AA is behind Check Your Car – and a broad range of media, including social, being included – a change in direction may be needed.

"Kiwis are tired of the same adverts on television about speeding and drink-driving," says Stockdale. "If we haven't got the message now, perhaps we never will."

"It may be time to replace them with other advertising. Most people don't drink and drive, and budget responsibilities need to ensure vehicles are safe enough to be on our roads."

"There could be a better prioritisation over the existing spread of advertising."

Rob MacGregor, chief executive officer of the MTA, says: "We've been working with the government – and the NZTA, in particular – to get information out to members and the public, and we support the Twirl messaging."

Many repairers have concerns about vehicles they are seeing, but that's a feature of an "ageing car park" clocking up high mileages – a situation being mirrored in the US.

MTA members have been giving flyers to customers having vehicles checked and serviced, as well as tyre-checker key rings.

"We can't comment on the effectiveness of other campaigns – we haven't seen the statistics and time will tell," says MacGregor.

## More with Autofile Online

Certificate of fitness proposals and transport service licensing are covered in the June 19 issue. Visit [www.autofile.co.nz](http://www.autofile.co.nz) and click on "magazines".

The website also has more information on what Check Your Car is about and the latest WOF changes.



Government advice following the latest changes to warrants of fitness includes listening for unusual engine noises, "they usually indicate something is wrong"

"From a repairer position, responsive operators will be able to move from a compliance culture to a service culture."

"Mechanical issues facing our fleet aren't going anywhere. The light fleet's average age is still old by international standards, it's getting older and there are more cars here than any other time in New Zealand's history."

"There's more work around than before for those tapping into it. One of the key pieces of work for the MTA this year is helping to identify them."

### EDUCATING CAR OWNERS

Robyn Elston, the NZTA's acting manager for access and use, says vehicle technology has improved since the 1930s when six-monthly WOFs were introduced.

"Moving to 12-monthly inspections saves owners and businesses time and money without compromising safety," she says. "We are all responsible for ensuring our vehicles are properly maintained."

The Twirl part of Check Your Car covers the minimum legal depth of 1.5mm for tyres, and the importance of correct pressure levels and ensuring the rubber is in a good condition.

Motorists should also check wiper blades and mirrors. They need to ensure the windscreen washer is full and working, lights and indicators are operational, and look for obvious structural rust.

Issues with brakes and shock absorbers are covered. If the exhaust is "smoky or sounding unusual, it could be a sign there's a problem", while people should "listen

for unusual noises, they usually indicate something is wrong".

The campaign aims to reach drivers through radio, billboards, petrol-station advertising, brochures, posters, YouTube clips and practical tools.

Unlike the MTA's Hands Off Our WOF campaign, no television advertising is being considered at present.

### NEW INSPECTION REGIME

The length of WOFs for light

motor vehicles is based on when they were first registered anywhere in the world.

For a new car, the warrant is for three years. If first registration was less than two years ago, it's issued on the third anniversary of the vehicle being first registered.

If registered more than two years ago – but less than three – WOFs are valid for 12 months. It's the same for vehicles registered from January 1, 2000.

Six-monthly warrants remain for vehicles registered before January 2000 because research shows the percentage involved in crashes with WOF defects – while "very low" – starts to increase.

Government data also indicates the increase for older vehicles is falling over time as quality improves.

Leaving cars older than 12 years on six-monthly inspections "allows the fleet to gradually move to annual inspections as pre-2000 vehicles leave". ☺

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# Sales boom for joint venture

It has been about a year since Clyde Campbell and Sir Neville Crichton joined forces to create Fiat Chrysler New Zealand, and since then the co-directors have enjoyed success importing and distributing some iconic brands.

The company shares its headquarters in Mt Wellington, Auckland, with Ateco NZ where it announced it was taking on the marques in May last year.

The venture also resulted in Ateco NZ, which Crichton owns, focusing on the Chinese brands it holds, while there are no connections with Fiat Chrysler Australia, the latter of which Campbell is chief executive officer.

Fiat Chrysler NZ also distributes Dodge, Jeep and Alfa Romeo on these shores, and Campbell looks back on the past 12 months or so with some satisfaction without getting complacent.



Clyde Campbell at Fiat Chrysler NZ's headquarters in Auckland

"It is going well, we're excited about what we've been able to achieve and what's in front of us," he told Autofile. "Business has been

good and compared to the 12 months prior we were up by about 59 per cent overall."

Fiat has returned strong sales. They have almost doubled when comparing May 1, 2013 to April 30, 2014 against the preceding 12-month period.

Its range has been broadened, which has boosted the figures. It traditionally had a narrow range, but more models and variants are now available in New Zealand.

"We were told Kiwis wouldn't drive manuals but we've proven that's not the case," says Campbell. "People buy when a vehicle is a compelling proposition and you must have the right car at the price."

"Customer satisfaction levels with Fiat have gone through the roof even though it doesn't have such a big profile as Jeep.

"Some brands need to have a presence to drive sales. Fiat almost has a cult-like following with models for nine months priced at less than \$20,000."

Buyers see value in the marque,

especially with its build and badging, while many want something "European, alternative and stylish."

Campbell believes in a "critical threshold" of about 500 cars of any manufacturer to be on the road somewhere the size of Auckland.

"There are about that many Jeeps on a daily basis here and there could be more. We have

broadened the variants even though there are fewer models.

"Two-wheel-drive SUVs have a place in New Zealand. You need to look no further than Japanese brands to see how many are sold across the size range. They have been well-received."

While mid-size SUVs may be in this country's fastest-

growing segment, volume has been missing with Jeep but it's hoped the Cherokee's arrival will overcome that. "We can only sell what we've got but that's beyond our control."

As for the Wrangler, he says: "It's the icon Jeep was founded on. Owners buy into a concept, ideal and lifestyle. It goes places other cars cannot."

**"Some brands need to have a presence to drive sales."**

**- Clyde Campbell**

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The Dodge Journey, distributed here by Fiat Chrysler NZ, sold 539 units in 2013, according to NZTA statistics

**Fiat Chrysler NZ sales**

MARQUE	2012	2013	DIFFERENCE
Alfa Romeo	192	195	+ 1.6%
Chrysler	114	125	+ 9.6%
Dodge	635	541	-14.8%
Fiat	80	173	+ 116.3%
Jeep	665	845	+ 27.1%

\*NZTA calendar-year registration statistics

◀ Meanwhile, the Dodge Journey has sold out worldwide with Fiat Chrysler NZ having to wait for a factory allocation so it can be batch built.

"We might sell 60 one month, then 50, 30 and none, and may only have a few weeks' stock at any one time. Until we get a better supply, that's how it will go."

Few car enthusiasts will disagree with Campbell describing Alfa Romeo as a marque that evokes passion.

"It's one of the most exciting badges around. It's mentioned in the same breath as German marques and Jeremy Clarkson says you aren't a car person until you have owned an Alfa Romeo.

"We will see sales grow further and need to get growth in our dealer network to drive sales."

Campbell returns to SUVs. They are seen less frequently on European roads, which is indicative of the difference in ownership patterns here "where people need cars to suit the infrastructure".

He recalls the launch of Mercedes-Benz's ML, "which was derided by some, as was BMW's X5". He feels it's a bit different with the Cayenne because Porsche is seen as a "pure sports-car brand".

But what about Alfa Romeo? "It's more of a sports-car brand as well, but its SUV will have some really good DNA and will be sexy."

**THROUGH THE LOOKING GLASS**  
Campbell started out as an accountant before studying full time to be a lawyer while making ends meet by selling Toyotas.

He became a commercial lawyer and when Mercedes-Benz and Daimler Chrysler merged, he was taken on to work on the Asia-Pacific

deal. After that, he was general manager for Daimler Chrysler in New South Wales.

Campbell was also involved in an IT business in New Jersey, but when it was sold in 2010 he returned to Australia.

"Chrysler came knocking. I was missing the wholesale business but I'm not a corporate, although I affected change by getting sales up to 25,000 units a year after they were at 7,000.

"The recruitment process was interesting because I didn't really want to go back into a big corporate environment. I wanted a percentage of the uplift because I was confident about improving the business.

"I insisted they let me treat the company as if it was mine, while a lot of the management didn't want to be there but couldn't find other jobs."

That's when Campbell adopted the "Clive's mum approach" – basically building a business from the consumer's end and working backwards. His mother has a Fiat 500 and his father a Jeep.

He set about rebuilding by bringing in people with the right attitude – from suppliers to the dealer network.

"We built brand advertising and did away with the distressed selling and discount mentality. This adds value and sells more cars in the long run."

**LOOKING TO THE FUTURE**  
Fiat Chrysler NZ added a few more dealerships to its portfolio last year while changes to its network have been completed.

Models for 2014 include the Cherokee and 4C, and the company would like to get a couple of "buzz models" – that's to say, limited

editions from Europe and the US.

"That hasn't happened before but we want to continue generating interest in the brands," explains Campbell.

"We're aiming to be more visual. We were at Fieldays for the first time this year to create an interactive experience and we're looking to be more involved in the community."

The company has sponsored the Freeview channel Sommet Sports, which is "good news for sports-mad Kiwis" with so much coverage on pay-to-view television.

"Not only are our cars being

advertised on Sommet, but we have a lot of commercial activity with the AFL, NRL and MotoGP. Interest generated by running a competition for a holiday on the Gold Coast and going to an AFL game was unbelievable.

"Companies also need to take corporate social responsibility seriously and we do that, such as by supporting charities with auction prizes and so on.

"We have ideas for local activations and for dealers to get involved, so a lot of responsibility rests with them." ☺

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# Funding model under review

The Imported Motor Vehicle Industry Association (IMVIA) is considering changing the way it's funded.

Chief executive David Vinsen says the organisation is continuing to control costs and receives fantastic contributions.

"These include AUTOHUB making the offer two years ago of donating \$5 for each vehicle it imports and that arrangement was originally for one year," he told Autofile.

"We have also entered into some profitable exercises and been accredited by the NZTA, which has enabled us to build a good base going forward.

"There could now be another progressive change in the way we are funded."

Vinsen says the challenge is to maintain the IMVIA's position of financial strength into the future.



Graeme Macdonald, left, and Lloyd Wilson, the IMVIA's North and South Island chairmen

The executive has asked for a review into a unit fee model so the organisation is funded by everyone who derives an income from importing used vehicles.

"If a levy was charged, the catchment would fall further up the supply chain through our sponsors, contributors and corporates based on the number of



imports and we would get a clip-on through that," explains Vinsen.

"This would result in lump sums from sponsors, perhaps through monthly contributions. We are working with existing sponsors, service providers and corporates on this."

A levy system was looked at a few years ago and never got off the ground, but moving away from fixed contributions to a per-unit basis means fees can be consolidated in the cost of sales.

"The charge could be \$1 or 50 cents so everyone is included and contributes. This could spread costs more."

Vinsen says the IMVIA appreciates contributions and assistance from its other sponsors – Armacup Maritime Services, Autosure, Jacanna, JEVIC, Nichibo, Ports of Auckland and VINZ.

It also receives significant contributions from international and corporate members, including Heiwa, Autoterminal and McCullough Ltd.

"We have recruited some new members," adds Vinsen. "They usually require some specific service, especially technical, or information.

"We've also recruited service providers to the industry as new members."

On the technical side, the IMVIA's core activities include statements of compliance and advice on compliance issues, exhaust emissions certificates and applications to the NZTA for

exemptions on a range of issues.

Others are assistance with documents for UK vehicles and fuel consumption certificates, and research into international standards.

The chairmen's annual report for 2013/14 – penned by Graeme Macdonald for the North Island branch and Lloyd Wilson in the South Island – confirms the IMVIA is on an "even keel" financially.

Following on from the fall-out of the global financial crisis and the retrenchment of the vehicle market in New Zealand, the executive charged itself with returning the balance sheet to stability.

This gives the association flexibility to move onto forward planning – and advance its strategy from reactionary to being proactive.

"The solid balance sheet shows a healthy statement of position with adequate financial reserves for the first time since the recession of 2008," they report.

"It has been refreshing to take our focus as an executive away from financial concerns that absorbed much of our time, to look to the future of the association and setting in motion a strategic plan to serve the industry in the second half of the decade."

Vinsen adds the IMVIA's "excellent financial results, combined with the relatively benign political landscape", means the association is well-positioned to deal with any challenges as they arise. ☺

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## Stacking up the numbers

The IMVIA returned a surplus of \$269,199 in 2013/14, which was an improvement on \$133,863 in the previous financial year.

The surplus for membership activities increased from \$109,824 to \$241,851, while equity rose from \$406,900 to \$676,099.

Assets jumped from \$455,826 to \$780,063 and liabilities went up to \$110,323 from \$56,360 for net assets of \$676,099 – up from \$406,900.



# Sportback powering up options

**A**udi's revised five-door A7 Sportback has new engine configurations, transmissions and infotainment systems, while visual changes include the grille, bumpers, tailpipes and headlights.

It's being offered with a choice of two petrol and three diesel engines – and their power rating ranges from 160-245kW.

The V6 in the "ultra" version – with 160kW and front-wheel-drive – uses an average of 4.7l/100km

with CO<sub>2</sub> emissions of 122g/km, while aspects of the three-litre TDI clean diesel with 200kW have been newly developed.

The three-litre TDI bi-turbo clean diesel delivers 235kW and is matched with an eight-speed tiptronic transmission. Other engine configurations have a seven-speed S tronic transmission.

In front-wheel-drive versions, the dual-clutch transmission has been redeveloped and replaces the multitronic.

In configurations starting at 200kW, quattro permanent all-wheel-drive can be supplemented with the sport differential, which distributes power between the rear wheels.

The range-topping four-litre TFSI engine in the S7 Sportback delivers 331kW of power and uses cylinder-on-demand technology.

Some engine configurations are equipped with new lightweight brakes, and the power-steering system features an electro-mechanical drive for high efficiency.

Audi's drive select system is standard. Options include dynamic steering, sport suspension versions

and adaptive air suspension, and the S7's air suspension has a firmer set-up.

Assistance systems include adaptive cruise control with stop-and-go function, night-vision assistant and pre-sense safety system, while side and active lane assist work closely together.

The cargo space under the long, electric trunk lid has a base capacity of 535l. With the rear seat backs down, this increases to 1,390l.

The A7 Sportback will start arriving at dealerships later this year. Its base German price is about \$80,200 with the S7 starting at \$128,700. ☺



Audi's new A7 Sportback

## Fuel-efficiency boost

**H**onda is adding more choice for two-wheel-drive CRV buyers with a higher grade model.

It says the SN boasts better driving performance and fuel efficiency as well as advanced features.

Its two-litre CVT transmission is new to the marque's line-up in New Zealand.

It provides more responsive acceleration than the existing five-speed automatic four-wheel-drive CRV S with figures similar to 2011's CRV Sport 2.4L.

A converter brings out the engine's best performance with torque improved across the rev range and – due to its wider ratio – the SN makes 0-100kph in 11.2 seconds.

The model has gone through

Japan's JC08 fuel-testing regime, which involves cold and warm starts, and is designed to give a more real-world representation.

Its economy rate under this is 6.9l/100km, which is more than a 10 per cent improvement on the 7.7l/100km ADR figure for the CRV S.

The SN takes styling cues from the top-end Sport with fog lights, privacy glass, daytime running lights, chrome door handles and 17-inch alloys.

It adds automatic headlights, cornering lights, blind-spot parking mirror, heated wipers, smart entry with push-button start and extra storage.

The CRV SN is priced from \$39,900 plus on-road costs. ☺



Honda's new CRV SN

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## NEWS in brief

### Marque keen to bring electric vehicle to our shores

The zero-emissions Soul has gone into production as Kia's second all-electric vehicle (EV) and its first for sale outside Korea.



The engine has a 192-cell, 27kWh lithium-ion polymer battery pack and 212km range.

It can be plugged into standard household supplies for recharging, which takes up to five hours for a fully depleted battery using a 6.6kW AC slow charger. An 80 per cent charge is achieved in 25 minutes with a 100kW charger or in 33 minutes using a 50kW DC charger.

The Soul is left-hand drive, but if a right-hand-drive version becomes available Kia Motors NZ hopes to bring it here.

General manager Todd McDonald says: "It's the first really practical EV that can be used in everyday life without being constrained by range on a single charge."

Pricing for the Soul EV in Europe, which contains 23kg of bio-based plastic and 10 per cent bio-based organic carbon content, has yet to be announced. Annual output is initially planned to hit 5,000 units.

### Blue oval topples rival to claim global green title

Ford has scooped the number-one ranking on Interbrand's 2014 list of the 50 Best Global Green Brands by beating last year's winner Toyota and other multi-nationals, such as Coca-Cola and Microsoft.

The marque won top spot for its approach to environmentally responsible and sustainable manufacturing, greater transparency about operations and disclosure of information. Its focus on water, waste reduction and green-building efforts contributed.

### Luxury car maker interested in 300km range

Porsche's Panamera hybrid, pictured, may be more expensive than Tesla's Model S, but they're fighting for the same market.



Matthias Muller, chief executive officer of the German marque, is none too excited by the number of customers moving across to Tesla.

He says Porsche has little enthusiasm in extended-range electric vehicles, but is interested in seeing one with a range of at least 300km. Its past best is 172km.

### Manufacturer sets record for worldwide production

Honda has reached an all-time production high with global figures from April 2013 to March 2014 showing an increase for the second consecutive fiscal year.

The number of vehicles coming off Japanese production lines amounted to 936,879 for the last reporting period, which was an increase of 6.9 per cent compared to 2012/13.

Outside Japan, this rose by nine per cent to 3,466,193 units and worldwide production was 4,403,072 – up by 12.4 per cent.

Meanwhile, Honda NZ is extending its three-year warranty and roadside assistance to five years on any new car registered from June 2014. Visit [www.autofile.co.nz](http://www.autofile.co.nz) for more on this story. ☺

# European models on their way

**H**olden's pledge to source the best vehicles from around the planet is moving forward with three European cars joining next year's line-up.

The Astra three-door hatchback will return to these shores in GTC and VXR form, and will be joined by the two-door Cascada convertible and four-door Insignia VXR.

"We are determined to offer New Zealand customers the best products from our global operations," says Stefan Jacoby, General Motors' executive vice-president.

"It's critical we focus on consumer and market-driven strategies that enable global scale while engaging local customers. The Astra, Cascada and Insignia are proof of this."

Gerry Dorizas, Holden's chairman, adds the three cars will be



"niche vehicles in terms of volume – their performance credentials will provide more choice".

The Astra GTC and VXR will come with 1.6-litre and two-litre turbo petrol engines respectively.

The GTC has six-speed manual and automatic transmissions, with the VXR having the latter.

Overall Astra sales by Opel on mainland Europe and Vauxhall in the UK came to almost 200,000 in 2013.

In the UK, where it has been a perennial favourite for more than 25 years with prices starting at about NZ\$25,400, it sold 26,657 units by the end of May to claim

fourth behind the Corsa on 37,279.

The Cascada has a 1.6-litre petrol engine matched with a six-speed manual or automatic transmission and front-wheel-drive.

The Insignia VXR sedan comes with a 2.8-litre turbo V6 engine, six-speed automatic transmission and all-wheel-drive. ☺

## Broadening appeal

**K**ia is celebrating the Sportage's 21st anniversary by releasing a 2014 model built in Europe.

Buyers have two engine choices – a high-compression two-litre GDI petrol or 2.2-litre R-series turbo-diesel. Both have six-speed automatic transmissions.

Kia is adding another four-by-two model to broaden its SUV's appeal – the 4x2 Limited – while all-wheel-drives remain an important part of the range.

There are two petrol and three diesel four-wheel-drives, with an LX joining the line-up.

Vibration across the range has been tackled. The front sub-frame is bush-mounted instead

of being bolted to the body shell, an intermediate shaft has been added to the drivetrain and a transmission mounting bracket means greater rigidity.

The SUV has a new mesh front grille, revised LED rear-cluster lights, 17 and 18-inch alloys, and a shark-fin roof antenna.

The cabin boasts more soft-touch materials on the dashboard and door sills, while the seats have cloth-leather upholstery combinations.

All models have rain-sensing wipers and – except the LX Urban – front and rear parking sensors, along with a reversing camera. The LX Urban only has rear sensors.

The range starts from \$34,240 plus on-road costs. ☺



Kia's 2014 Sportage

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# Industry movers

**ROBYN ELSTON** has been appointed as the NZTA's acting manager of access and use after being national manager for delivery, access and use.

Celia Patrick has resigned after joining the agency in October 2011. Before that, she worked for Housing NZ as director of operations for Auckland.

Delivery, access and use at the NZTA covers regulatory intervention, legislative frameworks and standards, regional operations, user relationships, the Transport Registry Office and rail.

The recent departure of two senior managers has resulted in other changes to the NZTA's leadership team.

**ERNST ZOLLNER**, pictured, has been appointed regional director of Auckland and Northland. He replaces Stephen Town, who is now chief executive of Auckland Council.



Zollner was previously the NZTA's group manager of strategy, communications and performance. Jenny Chetwyn has taken his old position after being the agency's regional director – central.

Tommy Parker has been appointed group manager of highways and network operations from highways manager for Auckland and Northland. He replaces Colin Crampton, who's now chief executive at Capacity Infrastructure Services.

**DARREN MARMONT** has left Autosure after 17 years to head up the new sales manager role at Motorcentral.

He believes the Christchurch-based company's products, passion and vision fit his work ethic and beliefs.

Marmont takes a wealth of sales, and finance and insurance, experience into his new position and is looking forward to sharing it with Motorcentral's dealerships.



**DAVID DAWES** has been appointed as operations director of FleetPartners New Zealand. He joins the company with 30 years' experience in the automotive industry here and in the UK.

Before joining FleetPartners, Dawes spent 12 years with GE (Custom Fleet) holding various roles.

These included manager of national operations and business operations, and national sales manager for distribution finance.



**ANNA RAWLINGS**, a partner at Minter Ellison Rudd Watts in Auckland, has joined the Commerce Commission with Anita Mazzoleni retiring as a member. She has a background in cross-disciplinary competition and regulatory law with a practice specialising in industry regulation, consumer protection and marketing law.

**ALAN BAKER-SLATER** has been promoted to after-sales manager for Coutts Mercedes-Benz in Newmarket, Auckland.

Previously parts manager at Coutts, he used to work in England at the Vindis Group, Suffolk, and Marshall Motor Group in Cambridge.

**TO FEATURE IN INDUSTRY MOVERS** EMAIL [EDITOR@AUTOFILE.CO.NZ](mailto:EDITOR@AUTOFILE.CO.NZ)

# NZ labour market report

**IN ANCIENT EGYPT SOME 10,000** years ago, beer was the national currency. It was a dietary staple, important medicine and a valuable commodity.

Beer was traded in return for goods and services and enhanced productivity – presumably, to a point.

Historians have speculated that had the ancient Egyptians not developed the taste for beer they did, civilisation would have taken a different path. In fact, the pyramids may never have been created.

Fast forward to New Zealand in June 2014 where an Auckland employer has just been taken to task by the Employment Relations Authority (ERA) for attempting to pay part of a former worker's wages in the "amber fluid".

The worker took his former employer to the ERA claiming he had been unjustifiably dismissed the previous year after being handed an envelope containing \$80 and being told not to come back because there was no work for him.

He also claimed that, while employed by the company, he had been paid less than the minimum wage for the hours he had worked and hadn't received payment for statutory holidays or any holiday pay when his employment ended.

The company claimed it had paid him correctly throughout his employment. It admitted it hadn't paid his holiday pay, but claimed that this was because his employment hadn't ended.

This was rather odd given the worker had done no work for the company for nearly a year.

During the course of the ERA's investigation meeting, it became clear the company hadn't provided correct information about the worker to Inland Revenue as it was required to do.

It also came out that instead of paying employees who worked on Saturdays their normal wages as required by law, the company had given them "a few beers" instead.

The ERA had no hesitation in finding this to be contrary to the requirement of the Minimum Wage Act 1983 that employees are paid a minimum wage for hours worked.

The ERA also found the company failed to comply with its legal obligations to keep accurate wage and time records, or holiday and leave records.

As a result, where there were conflicts in the evidence from the employer and worker about the amount of leave and wages owed. The ERA preferred the worker's evidence on each occasion.

Ultimately, the ERA concluded that – as well as his successful minimum wage claim – the man had also been unjustifiably dismissed by the company, which failed to follow any sort of reasonable process before dismissing him.

The ERA ordered the employer to pay him more than \$12,000, which was made up of lost remuneration, wage arrears, outstanding holiday pay and legal costs.

Although this case is perhaps towards the extreme end of the scale of bad employer behaviour, it serves as a useful reminder that however small an employer might be, statutory employment requirements apply to all employers in New Zealand and must be observed.

And as nice as beer may be, in the modern world it's no substitute for cold, hard cash.

*Steve Wragg, senior associate, Kensington Swan*  
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### Holden Commodore SV6 SIDI 2011

> 84,000km. Sedan, 3600cc petrol engine, tiptronic  
> Lower Hutt City, Wellington  
> Closes Wed, 13 Mar

Watchlist



### Holden Commodore 2003 dealer

Free 1yr warranty, own me from \$139 per week  
> 114,000km. Sedan, 3800cc petrol engine, manual  
> Lower Hutt City, Wellington  
> Closes Wed, 13 Mar

Watchlist



### Holden Commodore 1994

> 100,000km. Station Wagon, 3800cc petrol engine

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- 3 Ford
- 4 Holden
- 5 Mazda

Most popular car models searched\*

- 1 Corolla
- 2 Golf
- 3 Falcon
- 4 Commodore
- 5 Skyline

Most popular body styles searched\*

- 1 RV/SUV
- 2 Ute
- 3 Sedan
- 4 Station wagon
- 5 Hatchback

Most popular makes of motorbike searched\*

- 1 Honda
- 2 Harley-Davidson
- 3 Suzuki
- 4 Yamaha
- 5 Kawasaki

A new 5.2-litre V10 Lamborghini Gallardo LP550-2 E-Gear has been listed for \$349,000. It has a six-speed sequential manual, rear-wheel-drive and makes 0-100kph in 3.9 seconds. Optional carbon ceramic brakes and yellow calipers cost \$24,830.

\*in June on Trade Me Motors



# Tribunal orders \$95k refund 20 months after the date luxury car was supplied

## Background

Andre Bodde was supplied with a 2010 Audi S4 by Quattro Motors Ltd, trading as Giltrap Autos, on May 25, 2012. He rejected it on February 4, 2014.

The dealer said the fault was minor and was repaired at its cost.

## The case

The S4's odometer was on 12,309km when supplied. It was a replacement for a 2009 S4 Avant that Bodde bought in December 2011 for \$95,000 and was accepted as faulty in May 2012.

In late July 2012, he noticed the oil level was low. He was told it was normal for the engine to consume some oil, but it should be topped up.

Bodde returned the car on "more than a dozen occasions" for this to be done.

On April 4, 2013, the trader did a stage-one oil-consumption test and the result was 0.038l/1,000km. It was topped up and the car serviced.

Bodde said he also returned it four other times in 2013 and when he was on holiday in late December, the oil warning light came on. The trader asked him to top it up and take the car to its workshop on his return.

The engine thermostat failed on January 28. Bodde took the S4 back after it cooled and was provided with a loan car.

The next day, he was told Audi NZ had authorised it to replace the engine. The trader offered him a 2013 S4 demonstrator in exchange for the car for an extra \$30,000, but he declined.

A meeting took place between Bodde and Mr G Periam, the dealer's general manager, on February 14.

Bodde claimed Periam said the car was probably consuming oil in excess of the marque's specification because it hadn't been properly run by the first owner and this probably glazed the cylinder bores. Periam was given a rejection letter.

On February 27, Bodde's solicitors wrote to the trader to confirm the rejection and seek a refund.

Bodde collected the car on March 6 if his agreement to use it was without prejudice. The dealer accepted that.

The trader's solicitors, Sharp Tudhope, wrote to Bodde's solicitors on March 24 to say it didn't accept it was obliged to refund the price because the dealer had replaced the engine block.

But if Bodde remained dissatisfied with the vehicle it was prepared to buy it for \$70,000 – its claimed current value.

Sharp Tudhope's letter stated when defects were minor, the supplier had the choice of remedy, and the fault was fixed and wasn't substantial.

Bodde said an invoice dated March 4 showed the cost the trader incurred in replacing the engine block, parts and labour, but excluding GST, was \$34,863.

He didn't consider that minor, but a substantial failure entitling him to reject the car.

Periam said the vehicle was sold for \$97,500 with a two-year factory warranty and service plan.

The engine sump held 6.2l of oil and a decrease of one litre or more caused a warning light to come on.

When a second test showed consumption exceeded the manufacturer's specification of 0.05l/1,000km, the trader followed

a process the marque required.

Its short block was replaced and the warranty invoice of \$34,863, excluding GST, was at retail rates.

Mr R Scott, service manager, provided invoices for work on the car.

Fluid levels were checked on May 29, 2012, when it had 12,309km on its odometer.

A stage-one oil-consumption test and service was done after 24,799km on May 7, 2013, for \$1,517. Consumption was 0.38l/1,000km.

On June 10, a 1.2l top-up of oil was needed. The engine oil separator was replaced two weeks later after 27,518km for \$818.

Another test between November 28 and December 24 showed consumption of 0.63l/1,000km – in excess of the marque's maximum of 0.5l/1,000km.

Scott said one cylinder bore was scored. Approval was obtained from Audi NZ in January to replace the short block.

He said while the trader had problems with excessive oil consumption from Audi's two-litre petrol engines, this was the first time an S4's engine was replaced due to excessive oil use.

## The finding

The tribunal ruled the car wasn't as durable as a reasonable person would view as acceptable – it needed oil added on four or five times from its supply date to the end of December 2013, even though it was checked and topped up last May.

It said the oil needed between services was unreasonable, while consumption of 0.63l/1,000km

**The case:** The buyer rejected an Audi S4 under the Consumer Guarantees Act (CGA) claiming it was using too much oil, but the trader said this was minor and repaired the car at its own cost.

**The decision:** The tribunal ruled the vehicle wasn't as durable as a reasonable person would view as acceptable. It said the oil it needed between recommended services was unreasonable and consumption of 0.63l/1,000km was excessive.

**At:** The Motor Vehicle Disputes Tribunal, Auckland.

was excessive for a modern, low-mileage and high-cost vehicle.

The consequence was Bodde would have needed to replace the equivalent of a full sump between each 10,000km service.

The tribunal ruled the car wasn't as durable as a reasonable buyer would deem acceptable having regard to its age, mileage and price so it didn't comply with the CGA's guarantee of acceptable quality.

The cost of replacing the engine short block was \$34,863 exclusive of GST.

If a "reasonable consumer" had to pay for that, it would have cost – with GST – \$40,093, or 42 per cent of the purchase price.

The tribunal didn't accept the defect was minor because no reasonable consumer would have bought the car knowing the extent of the problem and cost to fix it, and ruled the failure was substantial.

The rejection took place within about 20 months of supply. Given both parties didn't know how serious the problem was until December, January was "within a reasonable time".

## Orders

The rejection was upheld and the trader ordered to refund \$95,000. After receiving payment, the buyer had to return the car. ☺

# CONNECT & ENGAGE

# Buyer failed to produce any evidence 'whatsoever' to show vehicle was faulty

## Background

Ellesmere Holdings bought a new Can-Am RS-S Spyder from JFK Jetskis & Rentals – trading as JFK Jetskis and Motorcycles – for \$19,300.

Although the three-wheeler was registered in New Zealand last year, it was described in the vehicle offer and sale agreement as being made in 2011.

The buyer claimed – after its director Nigel Baddeley had an accident – that its dynamic power-steering (DPS) system was faulty and unsafe, and there were problems with its vehicle stability system (VSS), ABS and twin-throttle control system.

He applied to reject it under the Consumer Guarantees Act (CGA).

The trader denied the DPS system was dangerous and there were other faults. It believed the accident was caused by excessive speed or the driver was at fault.

## The case

Baddeley bought the vehicle in Ellesmere Holdings' name on April 13, 2013.

On February 1, he took his 20-year-old son as a passenger around Whangarei. On returning home, he said he was in first gear travelling at 6-8kph on a dry, shared driveway.

After rounding a sharp right-hand corner on an uneven part of the driveway, Baddeley said the steering froze causing the front left wheel to hit a wall. The vehicle overturned throwing Baddeley and his son off.

The vehicle went about 3.5 metres to the other side of the driveway.

The rear tyre gained traction, which caused the vehicle to right itself before it went uphill on its own for about seven metres and crashed into another wall where it stopped.

Baddeley said the impact

wasn't caused by careless driving or excessive speed, but by a steering fault.

However, he didn't have the vehicle examined and didn't lodge a claim with the buyer's insurer, so there was no independent evidence to verify that.

His claim was founded on recalls in 2009 and 2010 by the manufacturer, Canadian company Bombardier Recreational Products (BRP), to correct faults with the model's DPS.

In his experience and other Spyder owners, the DPS was faulty. Baddeley produced comments from North American owners detailing issues experienced with models of various ages and mileages to support his view.

He also had copies of complaints lodged with the National Highway Traffic Safety Administration in 2011 and 2013.

One claimed a Spyder went into limp-home mode suddenly, another that the rider experienced shaking in the front end and wheels turned on their own, and another stated the DPS failed.

Baddeley produced comments made on an online forum called Spyder Riders NZ (Auckland) Meet Up, on which two people posted discussions about steering issues in 2013 and 2014.

He notified the dealer soon after the accident and completed a report form on February 11. The trader listed repairs of \$5,704.

Mrs L Kelly, director representing the dealer, said Baddeley spoke to her husband and asked for a replacement or a refund, but this was denied.

The business had sold more than 120 Spydres since 2008. It was only

aware of two incidents – one with a parked car, the other with a tree.

Kelly said Mr B Roberts, Spyder's service manager, arranged for Baddeley to complete an incident report, and for the vehicle to be taken to Auckland for testing and a quote.

Kelly said the dealer replaced the DPS on 40 vehicles as part of BRP's recall in 2010 and it never had any incidents or complaints from other owners regarding this or other safety issues.

Roberts sent the report to BRP in Canada but received no comments back.

He took a download from the vehicle's computer and produced a report dated February 14, which showed no stored fault codes.

Roberts stated the three-wheeler's assembly number and it was made on January 5, 2011.

This was after the 2010 recall to replace units, so he believed the DPS on this vehicle was an updated one.

He went for a test ride, and checked the VSS, ABS, twin-throttle control and return systems and clutch, which were working normally.

With regard to BRP's two recalls, Roberts said 2009's was a software upgrade to de-rate steering sensitivity at high speeds.

The second in 2010 was to replace DPS units because those installed hadn't been produced to specification and had slightly excessive free-play in gears, which caused a feeling of "steering vagueness".

Roberts thought Baddeley might have – on coming around the corner – pulled on the throttle, which caused the vehicle to hit the wall.

When it went onto its side, he suggested there was enough

**The case:** The buyer claimed a three-wheeler's dynamic power steering system was faulty, and there were also issues with its vehicle stability, twin throttle control and anti-lock brake systems.

**The decision:** The tribunal said the purchaser relied on reports by other users of the same model to try to establish his vehicle might have had a fault. It ruled for the trader, whose evidence was "compelling".

**At:** The Motor Vehicle Disputes Tribunal, Auckland.

residue and vapour in the fuel system and carbon canister to power the engine. He thought the vehicle went on its side, righted itself and went up the driveway.

## The finding

In determining if it complied with the CGA's guarantee of acceptable quality, the tribunal expected a new Spyder that had clocked up 3,372km over 10 months to be free of faults.

However, the buyer failed to produce any evidence whatsoever to show it was faulty, unsafe or failed to meet the guarantee.

Baddeley relied on reports by North American users and comments from Kiwi drivers to try to establish his Spyder might have had a faulty DPS.

The tribunal considered it would be dangerous to rely on these comments to conclude faults were present in the buyer's vehicle.

The forum reports didn't link assembly numbers and build dates with this vehicle's faults, which were critical to show linkage.

The tribunal described Roberts' evidence as "compelling". He said there were no recorded faults, and a test drive and inspection failed to find malfunctions.

## Order

The application was dismissed. ☹

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 USED: 846 2013: 620 ▲ 36.5%

**Blenheim**  
 NEW: 52 2013: 44 ▲ 18.2%  
 USED: 48 2013: 38 ▲ 26.3%

**Christchurch**  
 NEW: 1551 2013: 1292 ▲ 20.0%  
 USED: 1491 2013: 987 ▲ 51.1%

**Timaru**  
 NEW: 57 2013: 68 ▼ 16.2%  
 USED: 86 2013: 65 ▲ 32.3%

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 NEW: 26 2013: 18 ▲ 44.4%  
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Yokohama	5 Jul	18 Jul	4 Aug	18 Aug
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### Imported Passenger Vehicle Sales by Make - June 2014

MAKE	JUN '14	JUN '13	+/- %	JUN '14 MKT SHARE	2014 TOTAL	2014 MKT SHARE
Toyota	2532	1948	30.0	23.5%	14331	23.7%
Nissan	2128	1403	51.7	19.8%	11228	18.6%
Mazda	1718	1362	26.1	16.0%	9955	16.5%
Honda	1119	811	38.0	10.4%	6461	10.7%
Suzuki	661	457	44.6	6.1%	3617	6.0%
BMW	469	268	75.0	4.4%	2418	4.0%
Mitsubishi	417	384	8.6	3.9%	2279	3.8%
Subaru	415	351	18.2	3.9%	2435	4.0%
Volkswagen	358	243	47.3	3.3%	2107	3.5%
Audi	240	150	60.0	2.2%	1220	2.0%
Mercedes-Benz	161	118	36.4	1.5%	996	1.7%
Ford	115	75	53.3	1.1%	697	1.2%
Volvo	62	37	67.6	0.6%	326	0.5%
Chevrolet	49	44	11.4	0.5%	331	0.5%
Jaguar	41	21	95.2	0.4%	238	0.4%
Lexus	40	15	166.7	0.4%	233	0.4%
Hyundai	38	10	280.0	0.4%	193	0.3%
Mini	36	18	100.0	0.3%	215	0.4%
Holden	27	13	107.7	0.3%	141	0.2%
Land Rover	26	35	-25.7	0.2%	165	0.3%
Daihatsu	15	12	25.0	0.1%	95	0.2%
Dodge	14	14	0.0	0.1%	74	0.1%
Peugeot	10	10	0.0	0.1%	69	0.1%
Porsche	7	10	-30.0	0.1%	74	0.1%
Renault	7	4	75.0	0.1%	33	0.1%
Chrysler	6	6	0.0	0.1%	24	0.0%
Alfa Romeo	5	3	66.7	0.0%	23	0.0%
Kia	5	0	500.0	0.0%	18	0.0%
Fiat	4	0	400.0	0.0%	18	0.0%
Jeep	4	5	-20.0	0.0%	32	0.1%
Aston Martin	3	2	50.0	0.0%	10	0.0%
Smart	3	2	50.0	0.0%	15	0.0%
Buick	2	0	200.0	0.0%	13	0.0%
Citroen	2	0	200.0	0.0%	18	0.0%
Maserati	2	2	0.0	0.0%	20	0.0%
Others	19	29	-34.5	0.2%	234	0.4%
<b>Total</b>	<b>10760</b>	<b>7862</b>	<b>36.9</b>	<b>100.0%</b>	<b>60356</b>	<b>100.0%</b>

### Imported Passenger Vehicle Sales by Model - June 2014

MAKE	MODEL	JUN '14	JUN '13	+/- %	JUN '14 MKT SHARE	2014 TOTAL	2014 MKT SHARE
Nissan	Tiida	618	367	68.4	5.7%	3296	5.5%
Suzuki	Swift	541	394	37.3	5.0%	3007	5.0%
Mazda	Axela	531	365	45.5	4.9%	2817	4.7%
Mazda	Demio	379	384	-1.3	3.5%	2586	4.3%
Honda	Fit	344	302	13.9	3.2%	2141	3.5%
Toyota	Wish	269	190	41.6	2.5%	1593	2.6%
Toyota	Corolla	265	264	0.4	2.5%	1597	2.6%
Mazda	Atenza	250	209	19.6	2.3%	1381	2.3%
Subaru	Legacy	244	216	13.0	2.3%	1380	2.3%
Volkswagen	Golf	222	140	58.6	2.1%	1278	2.1%
Toyota	Vitz	219	203	7.9	2.0%	1410	2.3%
Nissan	Note	207	116	78.4	1.9%	1051	1.7%
Mazda	MPV	194	190	2.1	1.8%	1205	2.0%
Honda	Odyssey	180	101	78.2	1.7%	986	1.6%
Mitsubishi	Outlander	180	180	0.0	1.7%	853	1.4%
Mazda	Premacy	150	82	82.9	1.4%	734	1.2%
Nissan	March	137	124	10.5	1.3%	917	1.5%
Toyota	Estima	134	116	15.5	1.2%	787	1.3%
Nissan	Bluebird	133	158	-15.8	1.2%	763	1.3%
Mitsubishi	Colt	128	88	45.5	1.2%	715	1.2%
Toyota	Ist	128	180	-28.9	1.2%	886	1.5%
Honda	Accord	125	96	30.2	1.2%	752	1.2%
Nissan	Skyline	123	43	186.0	1.1%	532	0.9%
Nissan	Dualis	115	48	139.6	1.1%	420	0.7%
Nissan	Teana	114	81	40.7	1.1%	635	1.1%
Toyota	Auris	114	63	81.0	1.1%	712	1.2%
Toyota	MarkX	113	40	182.5	1.1%	502	0.8%
BMW	320i	111	67	65.7	1.0%	628	1.0%
Honda	Stream	110	78	41.0	1.0%	598	1.0%
Nissan	Murano	110	71	54.9	1.0%	580	1.0%
Toyota	Blade	106	46	130.4	1.0%	559	0.9%
Honda	CRV	104	40	160.0	1.0%	505	0.8%
Mazda	Verisa	102	48	112.5	0.9%	493	0.8%
Toyota	Caldina	102	75	36.0	0.9%	537	0.9%
Toyota	Avensis	99	79	25.3	0.9%	542	0.9%
<b>Others</b>		<b>3759</b>	<b>2618</b>	<b>43.6</b>	<b>34.9%</b>	<b>20978</b>	<b>34.8%</b>
<b>Total</b>		<b>10760</b>	<b>7862</b>	<b>36.9</b>	<b>100.0%</b>	<b>60356</b>	<b>100.0%</b>

# Car buyers braving the cold

The onset of winter is failing to keep buyers away from used car yards, with last month seeing 10,760 used imported passenger vehicles sold.

That was 2,898 units – or 36.9 per cent – ahead of June 2013's total of 7,862.

Bruce Stewart, owner of Coventry Cars in Lower Hutt, describes trade as being "pretty strong" at the moment.

"The margins aren't as good as they have been, but the volumes are okay and there's still business out there," he told Autofile.

"We're all in the same boat in that there's an oversupply of used imports at the moment and we want to be in the top 25 per cent of dealers.

"We are pretty good marketers and chase business as opposed to waiting for it to come to us because the middle 50 per cent of the market isn't somewhere we want to be."

Coventry Cars was voted the best used car dealership in the Wellington region for six years running in the Motor Trade Association's annual awards.

It has been around for two decades, with about one in every two cars sold being to a repeat or referred customer.

"With more than 180 vehicles in stock at any one time, we have vehicles to fit most needs," says Stewart.

"We try to sell station wagons and hatches – everything really – but there has been a short supply of good wagons.

"I'm quite fussy and go for late models and low-mileage stock. There's a general rule of thumb that if it's easy to buy, it's hard to sell.

"But if it's hard to buy, it's easy to sell. As a buyer, we have to try to buy cars no one else has.

"We're not seeing any resistance towards bigger vehicles, such as coaches, because people who generally buy that sort of stock tend to need it."

Stewart has staff members who have been with the business for a long time, which is a relief because "it's always a struggle to get people in this industry because of the weekend work".

He says: "For guys who have been working weekends for a

We just have to get through the winter and the oversupply of stock just happens to be taking place now."

Stewart doesn't expect trade to trail off too much compared to past winters "because people will still look for cars on their computers on cold, rainy days".

Paul Burborough, of Winger Hamilton, describes the used car market in the city as "steady as she goes".

He says: "June wasn't quite as firm as it has been all year. I don't think used car sales will get

one of the finance companies," he says.

"There's a perception that when people come through the door with cash that they are in a stronger bargaining position, but they aren't because we still have to write an invoice."

Martin Dunn, of Universal Imports in Warkworth, says: "The light commercial stuff has been going well as have SUVs, but it's really difficult to get a hold of them because the stock hasn't been readily available.

Dunn, who came to New Zealand with 20 years' experience from the UK's motor trade, says the other dealer in the town is a Toyota franchise so he has found a niche for used imports.

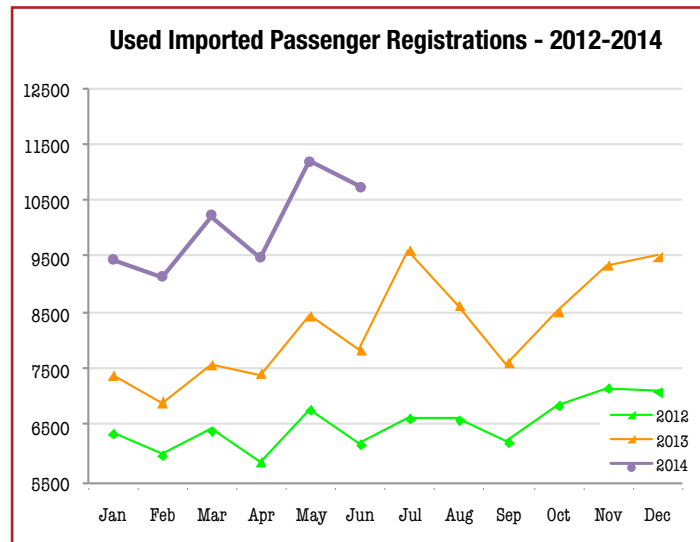
He also keeps an eye on changes in legislation and feels recent amendments to laws – such as the Consumer Guarantees and Fair Trading Acts – "might help because we might rid of a few cowboys" to the benefit of those operating legitimately.

Top of the table last month was the Nissan Tiida on 618 units. It was followed by Suzuki's Swift on 541 and Mazda's Axela on 531. The Demio recorded 379 units, while the Honda Fit came in with 344.

Toyota topped the marques table on 2,532 units to bring its year-to-date market share to 23.7 per cent. This was a 30 per cent jump on 1,948 in June 2013.

Nissan was second on 2,128, followed by Mazda on 1,718. Honda secured 1,119 registrations and Suzuki had 661.

BMW remained the top European marque with 469 registrations. This increased its total by 75 per cent compared to 268 in June 2013. It was followed by Volkswagen on 358. ☺



long time it's just routine, but it's difficult for those new to the industry."

Stewart feels there are also regional differences between New Zealand's big centres.

"Wellington is different because our economy isn't growing at the rate of Auckland and Christchurch," he says.

"During an election year, our city tends to hurt as well with people not putting their hands in their pockets as much.

"But going forward, the long-term prospects are quite good.

worse, but I don't think we'll see the growth.

"Just because we have had one slow month in this area, it's not time to hit the panic button. The pricing of used vehicles is key and to be competitive you have to price well."

Peter Day, of Peter Day Motors in Palmerston North, says finance has been competitive.

"I have been noticing a lot of people are organising their finance before they come into the dealership and it's easy to do an online application through

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### New Passenger Vehicle Sales by Make - June 2014

MAKE	JUN '14	JUN '13	+/- %	JUN '14 MKT SHARE	2014 TOTAL	2014 MKT SHARE
Toyota	1448	1433	1.0	17.0%	6485	14.6%
Holden	960	814	17.9	11.3%	4819	10.9%
Hyundai	940	895	5.0	11.0%	4097	9.2%
Ford	714	728	-1.9	8.4%	3669	8.3%
Mitsubishi	617	298	107.0	7.2%	2702	6.1%
Mazda	543	470	15.5	6.4%	3226	7.3%
Suzuki	475	422	12.6	5.6%	2645	6.0%
Volkswagen	410	393	4.3	4.8%	2178	4.9%
Nissan	307	343	-10.5	3.6%	2431	5.5%
Kia	299	256	16.8	3.5%	1538	3.5%
Audi	196	195	0.5	2.3%	1089	2.5%
Mercedes-Benz	183	89	105.6	2.1%	960	2.2%
BMW	174	201	-13.4	2.0%	1127	2.5%
Honda	165	236	-30.1	1.9%	1518	3.4%
Subaru	153	153	0.0	1.8%	890	2.0%
SsangYong	120	76	57.9	1.4%	491	1.1%
Jeep	104	54	92.6	1.2%	607	1.4%
Peugeot	103	74	39.2	1.2%	561	1.3%
Skoda	90	47	91.5	1.1%	436	1.0%
Land Rover	84	37	127.0	1.0%	466	1.1%
Chery	54	18	200.0	0.6%	160	0.4%
Lexus	47	40	17.5	0.6%	273	0.6%
Citroen	44	36	22.2	0.5%	243	0.5%
Mini	41	29	41.4	0.5%	278	0.6%
Porsche	36	12	200.0	0.4%	153	0.3%
Renault	35	6	483.3	0.4%	98	0.2%
Dodge	31	52	-40.4	0.4%	233	0.5%
Fiat	30	0	3000.0	0.4%	161	0.4%
Volvo	25	15	66.7	0.3%	219	0.5%
Great Wall	17	29	-41.4	0.2%	79	0.2%
Alfa Romeo	12	12	0.0	0.1%	133	0.3%
Isuzu	12	0	1200.0	0.1%	46	0.1%
Jaguar	12	14	-14.3	0.1%	62	0.1%
MG	8	0	800.0	0.1%	20	0.0%
Can-Am	6	0	600.0	0.1%	33	0.1%
Maserati	6	0	600.0	0.1%	36	0.1%
Bentley	4	0	400.0	0.0%	20	0.0%
Mahindra	4	0	400.0	0.0%	25	0.1%
Chrysler	3	18	-83.3	0.0%	44	0.1%
McLaren	2	0	200.0	0.0%	8	0.0%
Others	3	46	-93.5	0.0%	67	0.2%
<b>Total</b>	<b>8517</b>	<b>7541</b>	<b>12.9</b>	<b>100.0%</b>	<b>44326</b>	<b>100.0%</b>

### New Passenger Vehicle Sales by Model - June 2014

MAKE	MODEL	JUN '14	JUN '13	+/- %	JUN '14 MKT SHARE	2014 TOTAL	2014 MKT SHARE
Toyota	RAV4	371	343	8.2	4.4%	1143	2.6%
Toyota	Corolla	333	416	-20.0	3.9%	2313	5.2%
Toyota	Highlander	308	165	86.7	3.6%	866	2.0%
Holden	Commodore	302	270	11.9	3.5%	1398	3.2%
Suzuki	Swift	257	251	2.4	3.0%	1438	3.2%
Holden	Captiva	253	165	53.3	3.0%	1196	2.7%
Mazda	Mazda3	222	94	136.2	2.6%	1148	2.6%
Ford	Focus	212	191	11.0	2.5%	945	2.1%
Mazda	CX-5	198	155	27.7	2.3%	1256	2.8%
Hyundai	Santa Fe	195	312	-37.5	2.3%	1008	2.3%
Toyota	Landcruiser Prado	194	120	61.7	2.3%	428	1.0%
Hyundai	ix35	181	153	18.3	2.1%	898	2.0%
Hyundai	i30	174	167	4.2	2.0%	831	1.9%
Mitsubishi	Outlander	165	124	33.1	1.9%	800	1.8%
Volkswagen	Golf	164	157	4.5	1.9%	1048	2.4%
Hyundai	Accent	148	19	678.9	1.7%	350	0.8%
Mitsubishi	ASX	142	51	178.4	1.7%	411	0.9%
Holden	Cruze	133	157	-15.3	1.6%	862	1.9%
Ford	Territory	131	113	15.9	1.5%	582	1.3%
Mitsubishi	Mirage	110	62	77.4	1.3%	345	0.8%
Hyundai	Imax	108	49	120.4	1.3%	135	0.3%
Ford	Kuga	107	145	-26.2	1.3%	721	1.6%
Mitsubishi	Pajero	104	13	700.0	1.2%	222	0.5%
Ford	Falcon	98	85	15.3	1.2%	371	0.8%
Suzuki	SX4 S-Cross	98	-	-	1.2%	431	1.0%
Toyota	Yaris	96	152	-36.8	1.1%	833	1.9%
Mitsubishi	Lancer	95	40	137.5	1.1%	891	2.0%
Nissan	X-Trail	95	76	25.0	1.1%	760	1.7%
Kia	Sportage	88	66	33.3	1.0%	463	1.0%
Holden	Barina	86	35	145.7	1.0%	385	0.9%
Ssangyong	Korando	86	40	115.0	1.0%	305	0.7%
Volkswagen	Polo	82	128	-35.9	1.0%	309	0.7%
Holden	Trax	80	-	-	0.9%	371	0.8%
Nissan	Qashqai	79	91	-13.2	0.9%	633	1.4%
Volkswagen	Tiguan	79	48	64.6	0.9%	417	0.9%
Ford	Fiesta	78	100	-22.0	0.9%	518	1.2%
Honda	CRV	73	50	46.0	0.9%	445	1.0%
Kia	Cerato	60	42	42.9	0.7%	290	0.7%
Hyundai	i20	55	59	-6.8	0.6%	403	0.9%
Jeep	Grand Cherokee	55	35	57.1	0.6%	420	0.9%
Others		2622	2802	-6.4	30.8%	15737	35.5%
<b>Total</b>		<b>8517</b>	<b>7541</b>	<b>12.9</b>	<b>100.0%</b>	<b>44326</b>	<b>100.0%</b>

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# Marque completes models hat-trick

There were 8,517 passenger vehicles sold during June, which was up by 976 units and 13 per cent on the same month of 2013, with year-to-date registrations now standing at 44,326.

The Toyota RAV4 was the top-selling model with a 4.4 per cent market share and 371 units, followed by the Corolla on 333 and Highlander on 308 for the marque to take out the trifecta.

The Japanese manufacturer also led the car market with a 17 per cent share and 1,448 sales last month.

Holden came second on 960 units and 11.3 per cent, while Hyundai was third with 940.

Paul Burborough, dealer principal of Winger Hamilton, reports Suzuki's Swift has been strong in the market for private buyers.

"There is more competition available now and some of that relates to trends," he says.

"The Swift has been number one in its segment for the best part of nine years and there aren't many models that remain there for that period in the car market.

"You only have to go back a couple of years to see there weren't many vehicles priced at \$19,990. Now everyone seems to have a car in this bracket."

Burborough believes many dealers are experiencing growth in registrations and has seen the small car market expand over the past few years.

"Used cars aren't quite as firm as they have been because of the great value in new," he says. "Something had to give and it has been used vehicles."

Mike Farmer is group managing director of Farmer Autovillage in Tauranga, which holds franchises for 11 marques.

"The market will always go

through ups and down, so it's how you adjust to those changes."

Staffing is one area he feels has an essential role to play in any franchise's success.

"Service and parts should underpin any dealership," says Farmer. "Technicians are always in demand especially with new vehicle volumes where they are at now, so it's only natural workshop volumes will continue going up.

"With sales staff, I always look to employ on character because everything else can be trained."

thing led to another and we were unable to," says West.

"We have our own Northland Fieldays and sales leads from that were very strong, and I would say equal to the best we've ever had.

"I'm also looking forward to the arrival of Ford's new Mustang. It will be a niche market and you won't see that many sitting around."

Simon Jackson, general manager of Armstrong Prestige in Palmerston North, says: "Audi and Volkswagen numbers are up

because it sits a bit higher up and is easy to get into.

However, the take-up of finance has dropped off since the middle of last year.

"We're not as good as we would like to be on the finance side," says Read.

"It seems to have tightened up and not as many people are getting approved. We have lost deals because our buyers can't get finance."

Stephen Moore, of Moore Cars in Whangarei – the local franchise for Kia and Isuzu, is surprised the Optima hasn't been flying out the door and "it's in a part of the market we're struggling to move".

He adds: "I'm driving one at the moment and it's a beautiful car. A lot of people say it's too big and because the Cerato is so well-appointed, some feel they don't need to spend more for the Optima."

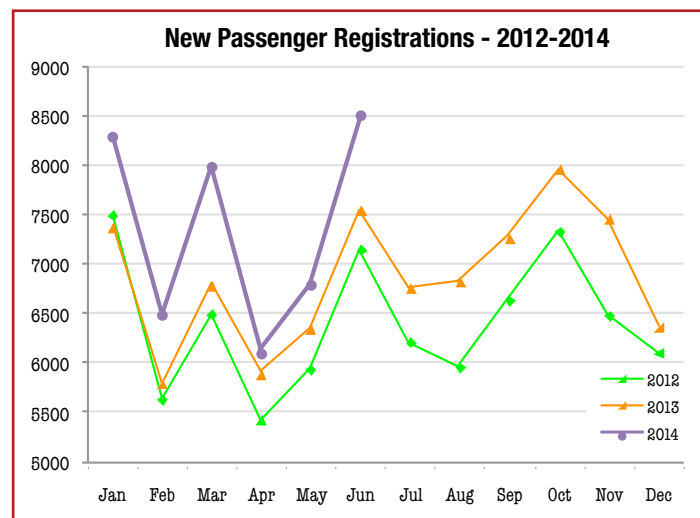
The registration of 12,519 new passenger and commercial vehicles in June represented an increase of 17 per cent on the same month of 2013 and by 14 per cent for this year so far.

Luxury car sales are doing well and they are considered to be a leading indicator of where the economy is at and going, while Fieldays gave June another boost with many dealerships offering specials.

SUVs took 32 per cent of all new vehicle sales in June, followed by pick-ups and chassis-cabs on 22 per cent and small passenger cars on 15 per cent.

Toyota led the overall market with a 20 per cent market share and 2,555 sales.

Ford came second on 11 per cent and 1,361 units. Holden was a close third on 1,344 registrations, which was also 11 per cent of the market. ☺



Farmer says the group is not ruling out expansion outside Tauranga. "Never say never because we are constantly in opportunity mode."

LJ West, dealer principal of Dargaville Ford, says the rural area's fortunes tend to follow on from rises and falls for farmers.

If good pay-outs for them continue, he can see the automotive industry having a "couple of years" of growth levels currently being witnessed when it comes to new vehicle registrations.

"We would normally send a representative to Fieldays, but one

considerably, while the overall market has been strong.

"The VW Golf is our bread and butter. It has won numerous awards and is an extremely good package at a fantastic price."

Jackson is looking forward to the launch of Audi's RS and Q3, and says sales of the A3 have been tracking well.

Brian Read, dealer principal of Gisborne Motors, says the dealership recently received its first Ford EcoSport.

He believes this model will prove popular with older people

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# Fieldays helps to boost business

Dealers have reported good inquiry and sales of new commercials by attending Fieldays – and on the back of specials being run in tandem with the Mystery Creek event.

Paul Burborough, of Winger Hamilton, says his franchises provided support for Isuzu and Suzuki at the national agricultural show.

“Inquiry was good and sales were even better,” he told Autofile. “The Wednesday and Thursday were challenging weather-wise, but there was genuine interest from people attending. Friday and Saturday were exceptional.

“There was no downtime on any day, and it was great being in an environment where so many people come and see you over a short period.

“Collectively, it would be hard to say how many visitors we spoke to,

but our business was represented by two staff members and we must have spoken to more than 140 people.

“From an Isuzu point of view, it’s the fastest-growing brand in the country for sales and well-ahead of last year.”

The registration of 4,002 new commercials last month was the strongest month for the

sector since the Motor Industry Association started recording this data in 1981.

Sales were up by 26 per cent compared to 3,181 in June 2013, and it was also the biggest month of 2014 for the Hilux nationally with 847 registrations. Ford’s Ranger managed 574.

Paul Fisher, new vehicle sales

manager at Waikato Toyota, says sales were up in June compared to the same period last year.

The dealership is also doing well selling Hiaces and overall commercial sales are heading in the right direction.

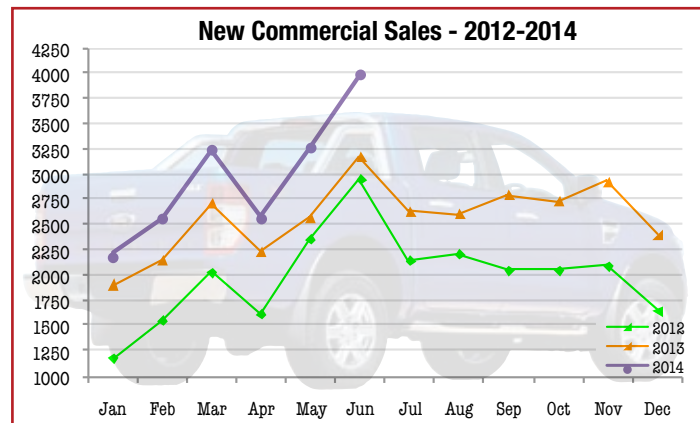
However, he says it isn’t farmers who have been spending – generally it has been trades people and families.

“There is confidence in everything,” enthuses Fisher.

“People are happier and there are some pretty awesome packages out there at the moment.

“You can buy a new vehicle that’s maintenance-free for five years with free servicing, so purchasing one is almost a cheaper option than used.

“We always have a spike over Fieldays and business still seems to be growing quite nicely, which seems to be happening right around the country.” ☺



## New Commercial Sales by Make - June 2014

MAKE	JUN '14	JUN '13	+/- %	JUN '14 MKT SHARE	2014 FULL YEAR	2014 MKT SHARE
Toyota	1107	917	20.7	27.7%	4378	24.5%
Ford	647	482	34.2	16.2%	3084	17.2%
Holden	384	283	35.7	9.6%	1461	8.2%
Mitsubishi	284	264	7.6	7.1%	1218	6.8%
Isuzu	272	215	26.5	6.8%	1072	6.0%
Nissan	247	298	-17.1	6.2%	1387	7.8%
Mazda	159	205	-22.4	4.0%	715	4.0%
Volkswagen	148	116	27.6	3.7%	655	3.7%
Great Wall	106	45	135.6	2.6%	469	2.6%
Hyundai	91	17	435.3	2.3%	425	2.4%
SsangYong	87	45	93.3	2.2%	451	2.5%
Mitsubishi Fuso	78	38	105.3	1.9%	303	1.7%
Hino	62	31	100.0	1.5%	342	1.9%
Mercedes-Benz	51	26	96.2	1.3%	263	1.5%
Foton	45	26	73.1	1.1%	184	1.0%
LDV	33	0	3300.0	0.8%	176	1.0%
UD Trucks	27	10	170.0	0.7%	119	0.7%
DAF	23	16	43.8	0.6%	103	0.6%
MAN	21	6	250.0	0.5%	155	0.9%
Fiat	20	21	-4.8	0.5%	129	0.7%
Others	110	120	-8.3	2.7%	798	4.5%
<b>Total</b>	<b>4002</b>	<b>3181</b>	<b>25.8</b>	<b>100.0%</b>	<b>17887</b>	<b>100.0%</b>

## New Commercial Sales by Model - June 2014

MAKE	MODEL	JUN '14	JUN '13	+/- %	JUN '14 MKT SHARE	2014 FULL YEAR	2014 MKT SHARE
Toyota	Hilux	847	665	27.4	21.2%	2916	16.3%
Ford	Ranger	574	665	-13.7	14.3%	2765	15.5%
Holden	Colorado	359	281	27.8	9.0%	1356	7.6%
Nissan	Navara	247	286	-13.6	6.2%	1387	7.8%
Toyota	Hiace	234	226	3.5	5.8%	1349	7.5%
Mitsubishi	Triton	216	193	11.9	5.4%	827	4.6%
Isuzu	D-Max	175	98	78.6	4.4%	655	3.7%
Mazda	BT-50	159	205	-22.4	4.0%	714	4.0%
Volkswagen	Amarok	113	80	41.3	2.8%	411	2.3%
Great Wall	V240	87	32	171.9	2.2%	366	2.0%
Hyundai	iLoad	87	13	569.2	2.2%	415	2.3%
SsangYong	Actyon Sport	87	45	93.3	2.2%	451	2.5%
Ford	Transit	67	58	15.5	1.7%	289	1.6%
Mitsubishi	L300	67	69	-2.9	1.7%	390	2.2%
Isuzu	N Series	49	50	-2.0	1.2%	180	1.0%
Foton	Tunland	41	0	4100.0	1.0%	168	0.9%
Mercedes-Benz	Sprinter	37	24	54.2	0.9%	196	1.1%
Mitsubishi Fuso	Fighter	36	18	100.0	0.9%	107	0.6%
Hino	500	35	21	66.7	0.9%	160	0.9%
Isuzu	F Series	33	36	-8.3	0.8%	167	0.9%
Others		452	116	289.7	11.3%	2618	14.6%
<b>Total</b>		<b>4002</b>	<b>3181</b>	<b>25.8</b>	<b>100.0%</b>	<b>17887</b>	<b>100.0%</b>

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# Tradies bolster sales figures

Registrations of used commercial vehicles are continuing to track upwards this year.

There were 584 sales last month, which was up by 26.4 per cent compared to 462 in June 2013, to bring the year-to-date total to 3,667.

John Dallimore, of City Motor Group in Auckland, which holds between 50 and 60 used commercials, says business has been "pretty steady".

He told Autofile: "We carry what we can sell, but don't have a large commercial sector. We sell single and double-cab light trucks, and a range of vans but don't stock utes."

Dallimore says the average buyer's price point for a van is generally around \$20,000.

"We hold stock for 90 days and generally we'll look at price reductions if it doesn't sell within that timeframe."

Stock has been selling particularly well to those working in trade-related industries.

"Overall, I'd guess we've had a 20 per cent increase, which would be about right on this time last year," adds Dallimore. "There has been an improvement and that's good to see."

Inquiry has been steady heading into winter, but "we're

not always able to get the stock we want due to price".

He adds: "There haven't seen stock shortages in Japan. Sometimes prices there vary depending on what's happening, but they've been bearable lately."

David Wilmot, of Wilmot Toyota in Warkworth, says trade in the used commercials sector is

"a bit harder" than new.

"People come in looking for a Hilux between \$10,000 and \$30,000, but they are incredibly hard to come by."

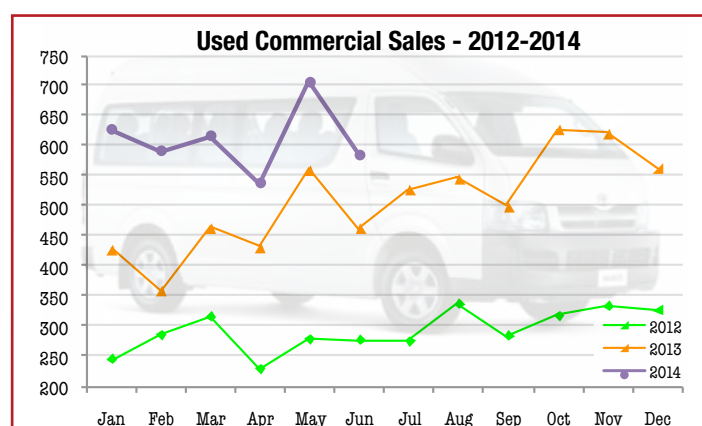
When it comes to ute trade-ins, he says: "It depends whether customers can be bothered.

"The smaller fleet we've got here is more than likely to trade, but we have to pay pretty good money for it.

"For instance, we have two double-cab 2011 Hiluxes – one is automatic and the other is manual. Both are around \$40,000.

"If we could find more \$20,000 Hiluxes, we would be happy, but we just don't seem to find that sort of stock."

Toyotas continue to dominate national sales with 305 last month, up by 51.7 per cent compared to 201 in June 2013. ☺



## Used Commercial Sales by Make - June 2014

MAKE	JUN '14	JUN '13	+/- %	JUN '14 MKT SHARE	2014 FULL YEAR	2014 MKT SHARE
Toyota	305	201	51.7	52.2%	1816	49.5%
Nissan	118	107	10.3	20.2%	771	21.0%
Mazda	32	28	14.3	5.5%	161	4.4%
Isuzu	26	17	52.9	4.5%	196	5.3%
Mitsubishi	21	11	90.9	3.6%	112	3.1%
Ford	14	31	-54.8	2.4%	143	3.9%
Chevrolet	12	7	71.4	2.1%	79	2.2%
Hino	10	10	0.0	1.7%	65	1.8%
Suzuki	7	2	250.0	1.2%	18	0.5%
DAF	5	2	150.0	0.9%	10	0.3%
Holden	5	13	-61.5	0.9%	56	1.5%
Fiat	3	2	50.0	0.5%	30	0.8%
Peugeot	3	1	200.0	0.5%	6	0.2%
Volkswagen	3	5	-40.0	0.5%	20	0.5%
Citroen	2	0	200.0	0.3%	4	0.1%
GMC	2	1	100.0	0.3%	20	0.5%
Liebherr	2	0	200.0	0.3%	3	0.1%
Mitsubishi Fuso	2	1	100.0	0.3%	8	0.2%
Vauxhall	2	1	100.0	0.3%	6	0.2%
Dodge	1	3	-66.7	0.2%	15	0.4%
Others	9	19	-52.6	1.5%	128	3.5%
<b>Total</b>	<b>584</b>	<b>462</b>	<b>26.4</b>	<b>100.0%</b>	<b>3667</b>	<b>100.0%</b>

## Used Commercial Sales by Model - June 2014

MAKE	MODEL	JUN '14	JUN '13	+/- %	JUN '14 MKT SHARE	2014 FULL YEAR	2014 MKT SHARE
Toyota	Hiace	223	141	58.2	38.2%	1365	37.2%
Nissan	Caravan	66	45	46.7	11.3%	366	10.0%
Nissan	Vanette	32	44	-27.3	5.5%	237	6.5%
Toyota	Regius	31	19	63.2	5.3%	158	4.3%
Mazda	Bongo	30	22	36.4	5.1%	131	3.6%
Toyota	Dyna	25	25	0.0	4.3%	127	3.5%
Isuzu	Elf	19	13	46.2	3.3%	95	2.6%
Toyota	Toyoace	12	11	9.1	2.1%	61	1.7%
Nissan	Atlas	11	6	83.3	1.9%	72	2.0%
Mitsubishi	Canter	8	6	33.3	1.4%	33	0.9%
Suzuki	Carry	7	2	250.0	1.2%	18	0.5%
Toyota	Hilux	7	0	700.0	1.2%	58	1.6%
Mitsubishi	Delica	6	2	200.0	1.0%	34	0.9%
Chevrolet	Silverado	5	1	400.0	0.9%	31	0.8%
DAF	LF55	4	2	100.0	0.7%	7	0.2%
Ford	F150	4	4	0.0	0.7%	14	0.4%
Hino	Dutro	4	6	-33.3	0.7%	26	0.7%
Isuzu	Forward	4	1	300.0	0.7%	34	0.9%
Hino	500	3	0	300.0	0.5%	3	0.1%
Holden	Commodore	3	0	300.0	0.5%	16	0.4%
Others		80	112	-28.6	13.7%	781	21.3%
<b>Total</b>		<b>584</b>	<b>462</b>	<b>26.4</b>	<b>100.0%</b>	<b>3667</b>	<b>100.0%</b>

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