

IMVIA looking towards the future

The Imported Motor Vehicle Industry Association (IMVIA) highlighted a significant jump in strategic activity at its recent AGM

he recent Annual General Meetings (AGM) were held over the 30-31 May in Christchurch and Auckland for both the North and South Island chapters.

During the AGMs, Chief
Executive David Vinsen thanked
members and key sponsors for
their support, and spoke in
detail about the challenges
facing the industry. In
particular, he mentioned
the record year where a
huge number of cars and
commercial vehicles were

The number of vehicles for the calendar year of 2016 totalled 303,000. This included 160,000 used and 143,000 new vehicles. Of particular note, was the amount of vehicles which exited the fleet. During the year, 175,000 vehicles were deregistered and scrapped. According to the annual report, it is

the total number of vehicles exiting

the feet that materially affects the

average age of the fleet, and also

registered.

the opportunities to sell newer, more modern vehicles.

Although the year was positive in terms of sales and the economy has remained very buoyant, the IMVIA posted a loss for the financial year. Vinsen explained that this was mainly attributed to a decreased income from technical services as



the numbers of vehicles requiring certificates were reduced. "We set the budget last year based on what we thought were realistic assumptions based on trends but two things happened. The number of vehicles increased, and the number of vehicles that required certification reduced - which is

where a good income stream came through for the IMVIA," says Vinsen.

Although the senior management team at the IMVIA had planned for certification to abate slowly, it was not expected that the levels would decrease at such a pace. To get the financial records back on track, Vinsen says

> the team has spent quite a lot of time working out how to address the deficit. "This year we have prepared a budget which also shows a deficit, but we believe we can trim that up and work on a strategy going forward," Vinsen says.

Vinsen provided updates on the more immediate issues that the

Association had dealt with during the year.

For the past two years, IMVIA has also been assisting with setting up the Australian Imported Motor Vehicle Industry Association (AIMVIA). During this time, the IMVIA provided governance, leadership, advice

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GUEST EDITORIAL

Planning for the future

Euan Philpot is chief executive of JEVIC NZ and board chairman of Vehicle Inspection New Zealand (VINZ). He has been involved with the NZ auto industry for more than 25 years with the last 13 of these managing the interests of JEVIC for Australasia.

ike many in the industry I have regularly been asked, how long will the market stay strong? I remain amazed at the volumes of vehicles that enter New Zealand month by month and year by year. The last number of years have

FUAN PHII POT

proved to be consistent with growth.

The New Zealand economy continues to be in a strong position, certainly the automotive sector keeps providing solid results, the trend looks set to continue for a while yet.

In a time where the market remains strong and consistent sometimes the more valid question could be what are you doing on your business to prepare for the future.

With strong business conditions it is easy to get caught in the trap of what does the business need from me today rather than making the conscious decision to work on the business not in the business. It is so easy regardless of the size of the business to get caught up in today's needs rather than planning for the future

I am fortunate to have attended a number of great motivational conferences and a regular quote used is "if we fail to plan we plan to fail". The New Zealand motor industry is regarded as a mature industry and market place, for the industry to retain its edge it needs to continue to plan for the future both as an industry but also as individual



businesses.

Planning for the future is not something that should be left just to the regulators and government officials, the industry itself must continue to be involved Chief executive, JEVIC NZ and on occasions lead discussions. The industry

> is in my opinion well represented in this respect.

There is a need however for business owners and senior management within each business to determine to plan for the future of their own individual business, the reality is the business will only survive if you do start to plan for the future.

Without doubt the pace of technology, connectivity, interconnectivity and automotive developments is impacting every business in the automotive industry and how businesses operate, its causing us to change what and how we do business

In both my business career and my personal life planning is a high priority and key driver in whatever I do. For many business owners and those in management goal setting (planning), KPI's, targets and time line schedules are part of our DNA, the challenge is to take enough time to plan for the future.

A final question could be "are you ready for change that technology is bringing to the industry?"

The more telling question is, "are you ready to lead your business to change?" ⊕

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and administration support as their new association was getting established.

As well as continuing its work on more immediate issues, the IMVIA has been acting on behalf of industry on longer term issues. These include challenges governing the ongoing supply of used vehicles from source markets, and potentially radical changes in transportation on the horizon worldwide – especially to the traditional models of vehicle ownership.

Looking ahead, the IMVIA has pointed to a range of issues set to affect importers and dealers in the future. In March 2018, all light passenger vehicles over 2000cc are to be fitted with electronic stability control (ESC), and the IMVIA is researching models and variants that will fall under this category. Meanwhile, all other used class MA, MB and NA light passenger and goods vehicles will be required to have ESC fitted, from March 1, 2020 and the IMVIA will

continue to monitor the effect of ESC regulation on used Japanese commercial imports.

In the midterm, the IMVIA will continue to be involved with government initiatives regarding electric vehicle (EV) targets, autonomous and intelligent transport and the future proposition of Mobility as a Service (MaaS).

"For us, it's a matter of lifting our sights from our traditional day-to-day advocacy, and addressing challenges that lie on the horizon," Vinsen says. "Even the more basic, immediate technologies available at the moment has the propensity to have great effect on congestion. MaaS is going to affect the NZ fleet – so much so that we are already in talks with NZTA to make plans for the future."

The Ministry of Transport (MoT) has a policy section which is working on developments in road transport, and the NZTA team involved with the Connected Journeys programme is currently developing apps and software to work with emerging technology.

"Technology is changing so quickly that even though the MoT prepared a strategy document only two years ago, looking forward to the next five years, they are currently being forced to refresh it because it is already out of date," says Vinsen.

A key issue which will impact the future usage of EVs and connected transport technology is Japan's use of the 760 KHz radio frequency in ITS-enabled vehicles. This frequency is not available for transport in NZ, as it has been sold for 4G mobile use. The IMVIA is currently working closely with the MoT, Spark and others on ways to identify vehicles that can transmit on this frequency, and disable the function before they arrive in NZ.

In response to this and a few other issues relating to the industry, the IMVIA recruited Kit Wilkerson in the position of policy analyst three years ago.

Wilkerson has since assisted the organisation in becoming "one of, if not the, pre-eminent expert in New Zealand, on the global harmonisation of standards, technology uptake and the downstream effects upon a worldwide trade in used vehicles," according to the 2017 chairman's report.

Looking forward, North Island chairman, Graeme McDonald stated, that the IMVIA "has kept an eye on both the challenges of the day and the other eye fixed firmly on the future." With the changes that are sure to take place in the future, he states that the industry cannot remain reactive. "Today and tomorrow we must look at being proactive."

He says the IMVIA is now presenting a budget that is proactive and will make no apology about working to increased funding and sponsorship. "We are certain that the benefits to our industry, over time, will repay that financial commitment many times over."

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Armstrong network expands

rmstrong Motor Group has had a busy May with a new opening and various acquisitions. The dealer network first announced last month that Hyundai will feature alongside Mercedes-Benz at the new Botany site and trade as East Auckland Hyundai.

It's the first fully-dedicated Hyundai dealership for Armstrong, which represents 19 brands at 13 locations throughout New Zealand.

The new Mercedes-Benz franchise, the third in Auckland and tenth for New Zealand, is trading as Mercedes-Benz Botany. It's the largest dealership in the country, with over 500m2 of floorspace housed under a single roof. Doors officially opened on June 1.

"We now have two exceptional franchises for the site that complement each other really well, and it will create a new automotive centre that East Auckland has lacked up until now," managing director Rick Armstrong says. For the Armstrong Motor Group, this further expands its Auckland profile, with dealerships already operating in Grey Lynn, Greenlane and Mt Wellington.

"We are incredibly happy with the outcome. The dealership is in the centre of one of New Zealand's fastest growing areas and now having Hyundai – a quality, high volume brand with a wide range of vehicles, it will compliment Mercedes-Benz, and is a perfect fit for us." Armstrong says.

Armstrong Motor Group has also acquired New Zealand distribution rights of PSA Group brands
Peugeot, Citroën and DS from Sime Darby Motors after the Malaysian-based conglomerate decided to sell the distribution rights to the brands.

"This is in line with Sime Darby Motors' strategy to focus on the expansion of its retail car and commercial truck footprints on both sides of the Tasman," the managing director of Sime Darby Motors, Patrick McKenna, said.

Sime Darby first took over distribution of Peugeot, Citroën and DS-branded vehicles from the Ateco Group in 2013. The French brands have a relatively minor presence in New Zealand, with just over 1000 units sold in the country last year combined.

The Armstrong Group will distribute the vehicles via a newly-formed company, Auto Distributors New Zealand Ltd, which will be "separate and independent of retail operation" and will distribute the marques nationwide.

"Fifteen years ago, Peugeot was my first new car franchise. When the opportunity came up to become the Peugeot and Citroën distributor in New Zealand, I jumped at it," Rick Armstrong says."These are great brands with a long proud history not only in my business but across New Zealand. I'm looking forward to building on their success for a long time into the future."

Vice president and head of sales and marketing for the India and Pacific region, Anne-Sophie Achard, says the PSA Group is "fully committed to grow the presence of the Peugeot and Citroën brands in New Zealand".

"I am delighted to form this partnership with Armstrong Motor Group, who brings distribution excellence to our brands and has a strong track record in New Zealand," she says.

"The timing is excellent as we are launching a strong product offensive. We are confident that, together, we will better meet the expectations of New Zealand consumers and improve our performance in the region."

New brand image for IMVIA

he Imported Motor Vehicle Industry Association (now to be known as VIA) has approved the redevelopment of the organisation's brand identity.

According to a statement from the management team, the current acronym is too long to be used effectively in daily speech and many people, including members and staff, mispronounce it. In some cases people refer to the organisation by pronouncing it phonetically ('Im-vee-a') or by shortening it to the Importers' Association.

"This leads to confusion and dilutes the understanding of our identity and purpose," says Claire Hamilton, communications manager at VIA.

The abbreviation is especially difficult to pronounce for speakers of other languages. Due to these issues, the organisation has come up with a new brand name 'VIA'.

"It forms an easier word to say

(Vee-a), rather than spelling out five letters."

It also has the potential to evolve into its own acronym (e.g. Vehicle Industry Association). The word via can be translated into 'road' in Latin. "It also means 'way', which represents the journey of imported vehicles to our shores and onto our

roads, via the complete supply chain we represent."

Alongside the new brand name, a rejuvenated colour palette and logo was accepted at a board meeting and then unveiled at the AGM held earlier this month. A phased roll-out will be communicated to all members.

"The IMVIA is a forward-looking business association, with both a proven history and a promising future of supporting its members in the imported motor vehicle trade. We require a visual identity that reflects our stature as the voice of New Zealand's imported vehicle industry," says Hamilton.



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Autonomous technology's podium race

he world's top car brands are in the pole position when it comes to developing autonomous vehicle technology. The manufacturers most likely to lap the competition when it comes to self-driving technology include Nissan Motor Company, which is currently well known for its electric vehicle (EV) technology and is at various stages of autonomous vehicle testing. Nissan plans to have vehicles that have the ability to navigate busy city intersections without a driver by 2020.

Ford is one year behind and a statement on its website highlights its aim to have driverless vehicles on the road by 2021. In order to reach that goal, Ford is developing 3-D mapping, radar technology and camera sensors. Vehicles such as the fully autonomous Fusion Hybrid could also be a part of the company's future.

Toyota is also promising to be on the streets with similar technology by 2020 and is developing next-generation 5G technology to enable autonomous cars to gather information on traffic conditions. The manufacturer is working with American technology company, Nvidia to design a platform with a processor called Xavier, which will power the autonomous driving systems inside its self-driving vehicles.

Toyota's Research Institute (TRI) is updating the Lexus and General Motors (GM) is planning to deploy self-driving Bolt hatchback EVs along with its ride-sharing affiliate Lyft Inc as test fleets early next year.

BMW has announced that level five self-driving models will be available by 2020. The German manufacturer is working closely with Intel and the chipmaker's newly acquired self-driving hardware and systems subsidiary Mobileye.

Finally, Tesla, which has been at the forefront of EV technology, is developing a variety of sustainable alternatives to vehicle power technology, with mass production of lithium-ion battery cells, built with Panasonic, taking place at the Gigafactory. Chief executive Elon Musk says he believes level five autonomous driving is only two years away, though Tesla should have advanced autonomous driving systems before then.

Among the new technologies being developed for the cars of the future are artificial intelligence (AI), internet connections for vehicles, and anti-crash safety systems.

Companies such as Apple and Google are also creating technology and vehicles to get their slice of the pie. In 2017, Apple secured a permit to test autonomous vehicles in California.

An American EV start-up called Faraday Future also unveiled a concept car which features Formula One-level acceleration, a driverless system and AI that adapts to the driver while Chinese internet company, Baidu Inc, has plans to roll out a commercial self-driving car by 2018.

With each company in the race for the best autonomous technology, Swedish car maker Volvo, is working on safety features that could be "death proof" by 2020. They are conducting self-driving tests to put the technology through its paces. Whatever the future, it's clear that the business of driverless vehicle technology is lucrative and it's only a matter of time, money and technological nous before one of the big manufacturers gets there first.





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Encouraging customers to purchase safe cars

It's probably no surprise that a new vehicle with up-to-date safety features provides more protection during a head-on crash than an older model with no airbags and less features.

Although the average New Zealand driver knows that modern vehicles are safer, it turns out that our roads are still made up of a large number of pre-2000 models that are, according to the Automobile Association (AA), twice as likely to result in a fatality in a crash. In fact, according to the New Zealand fleet annual statistics for 2015, the average vehicle in the NZ fleet was more than 14 years old and counting. According to statistics from the NZTA, cars built before 2000, which represents nearly 40 per cent of all passenger cars and SUVs on New Zealand roads, are involved in 57 per cent of fatalities.

Outcomes improved hugely a decade later. Cars produced between 2010 and 2015, which make up 17 per cent of the fleet, were involved in 10 per cent of fatalities. With 328 people dying on the roads during 2016, the AA believes there would be fewer deaths if older cars were not part of the fleet.

"Vehicle manufacturers are playing their part by building better, safer cars packed full of crash prevention technology, but for this to have more impact on our road toll the average age of the fleet must reduce significantly," AA Motoring Services general manager Stella Stocks says.

Chief executive officer of the Motor Industry Association (MIA), David Crawford, says that the focus on car design, to about 2005, centred on protecting the occupants however since then the shift in research and development has been on how to avoid accidents happening altogether.

"The benefits of this are only now being mainstreamed in new vehicles so new vehicles protect the occupants in an accident plus they help to either avoid an accident or significantly reduce the impact of an accident."

He says that cars older than seven years are not fitted with crash avoidance technology. In order to illustrate the stark difference between a late 1990s vehicle and a more up-to-date car, the AA and the New Zealand Transport Agency (NZTA) conducted tests which revealed the results of a car-to-car crash test which was conducted by vehicle safety advocate, the Australasian New Car Assessment Programme (ANCAP).

During the test, a 1998 Toyota
Corolla was lined up against its
2015-built counterpart, which has
a five-star ANCAP safety rating,
and the two vehicles crashed in a
simulated off-set head on collision.
The 1998 Corolla was built before
the current frontal impact rule was
applied that sets minimum safety
standards for cars sold in New
Zealand. It is also not equipped with
life-saving airbags. The crash was at
a closing speed of nearly 130km/h
and each vehicle was pulled on a
wire to a speed of 64km/h.

"On the open road with a closing speed of 200km/h, the outcome would have been even more significant for the occupants of both cars and almost certain death for any occupants of the older vehicle," says Stocks.

After showcasing the crash on their website and various media outlets (visit the Autofile website or Facebook page to view the video), the teams at the AA and NZTA are hoping that those who still own pre-2000 vehicles will update their vehicles. According to the NZTA, crashes are very complex and the reasoning and outcomes behind them are influenced by a large range of factors including the speed in which the vehicles are travelling, whether one of the drivers was distracted or affected by alcohol or drugs and the condition of the road and roadside, as well as the vehicles themselves.

"Our approach to reducing deaths and serious injuries adopts a safe system approach which targets improvement in all of these



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areas. That approach holds that while human beings are fallible and mistakes are inevitable, deaths or serious injuries are not," says Harry Wilson, road safety director for the NZTA. "Humans are not infallible, we make mistakes. This is compounded by poor decision making, fatigue, distraction and a host of other factors. What a newer or safer vehicle provides to the occupants of vehicles compared to older ones is better technology to help protect occupants when things go wrong."

The NZTA is currently urging people to buy the safest vehicles which they can afford.

"We're pushing that message through a range of channels," continues Wilson. "We have a separate, targeted road safety advertising campaign for this purpose.

"The campaign encourages people aged between 30-49 years, who want to buy a safe car but don't actually know where to start, to make safer vehicle choices by specifically looking for two key safety features in their purchase. These include electronic stability control and side curtain airbags. The message of the campaign is that 'cars with electronic stability control and side curtain airbags will protect you much more than cars without'.

"We also provide a wealth of free tools and information on our website to help people choose



safer used vehicles," says Wilson.

"We know that people are less likely to be involved in a crash if they are driving a vehicle equipped with modern safety features such as ABS brakes and ESC, and we know that people are more likely to walk away from a crash in a vehicle equipped with multiple airbags and side-intrusion beams. If all drivers changed their current vehicle to the safest in their class we would reduce road crashes by a third," he says.

Which begs the question: what is stopping people from buying newer vehicles in order to stay safe? In some cases, it can be a price-point issue, but new vehicles are currently the least expensive they have been for years and hire-purchase interest rates are also very low.

According to industry research which took place last year, the consumer price index has risen by 55 per cent since 1994. During the same time, the price of a new car has decreased by 22 per cent. Which means that new cars are 80 per cent less expensive than they were 22 years ago.

"The range of affordable used

cars with high safety ratings and modern safety features is bigger than ever," says Wilson.

In fact, NZTA's website www. rightcar.govt.nz allows consumers to access and compare safety ratings for thousands of used vehicles.

"Looking at the Corolla as an example, within a few years Toyota was building cars with a four and five star ANCAP safety ratings. All models of the Corolla since 2011 have earned five stars in ANCAP crash tests. And that's true of most brands since then and nearly every new car today. In today's market used car buyers can easily find much safer vehicles than the older example in the 'Corolla vs Corolla' crash test, for a price often well under \$10,000."

He says that dealers have the power to influence people's purchasing decisions and remind customers of the value of choosing the safest vehicles they can afford.

When it comes to encouraging New Zealanders to buy brand new, Crawford says the industry responds by ensuring new products meet the best standards they can achieve and that vehicles

are competitively priced at all times. At present, there are also no rules that relate to removing the older cars off the road.

"Governments in other jurisdictions have tried implementing scrappage schemes. These tend to have limited success and inevitably drive up the price of the oldest cars in the fleet by the value of the scrappage scheme subsidy. The best way to manage the overall standard of the fleet is to ensure entry standards are high," Crawford says.

"Our focus is to encourage people to buy the safest car they can afford, always," says Stocks.

"That doesn't mean we expect everyone to go out and buy new because most people can't afford that. We'd like people to look at what they need, what they can afford and then consider all the options that meet those requirements. We support ANCAP and the Used Car Safety Ratings, which are updated every year. We do this to help provide information to consumers to make it easier to make decisions on safety."





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Turners up profit prediction

urners Group Limited has posted a substantial profit for the year ending March 31, 2017. The group delivered a 13 per cent increase in net profit after tax to \$17.6 million and net profit, before tax, was up 14 per cent, at \$24.6 million. This was slightly ahead of the company guidance released in March 2017.

Revenue for the year was up 48 per cent to \$252.4 million following recent business acquisitions, which included Pacific Life insurance and Buy Right Cars Group, and growth in automotive retail, as well as the finance and insurance books. Contributions from the **Autosure Insurances business** are expected during the 2018 financial year. Automotive retail revenue increased 64 per cent and achieved an operating profit of \$15.4 million for the year.

This division includes Turners and Buy Right Cars, which was acquired at the end of July 2016. Buy Right Cars is performing above expectation, and within the Turners business, increased numbers of vehicles are being sold to retail customers rather than dealers, which Turners says creates the opportunity to add on sales of finance and insurance products.

The percentage of 'fleet' vehicles purchased and on-sold by Turners has increased to 50 per cent of transaction, up from 15 per cent in 2014. This figure is expected to grow as Turners looks to expand its market share in second-hand vehicles. Shareholder equity was \$171.7 million on March 31- up 32 per cent on the previous year. The company has made further investments in the trucks and machinery arm of its operations with the aim of building a specialised retail network.

Two new sites have been established in Tauranga and Palmerston North, and a new lease is about to be signed in Hamilton, to add to the existing locations in Auckland and Christchurch.

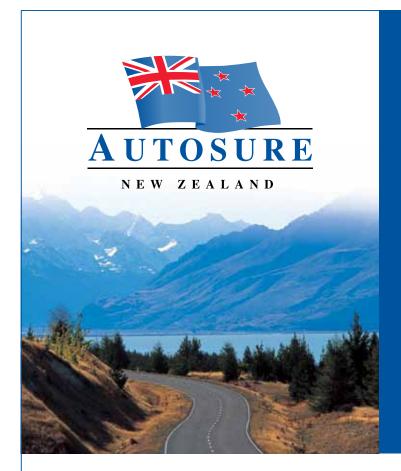
Turners' securitisation programme is now operating, and credit approval is drawn to \$87 million from the initial \$150 million limit implemented by BNZ. The programme is expected to reduce the cost of funds. provide headroom for finance growth and strengthen the company's funding base for its finance business.

"It has been another pleasing and positive year for our company, with continuing growth coming from both acquisitions and by leveraging organic growth opportunities in each business,"

chief executive officer Todd Hunter savs.

"Our share of the automotive sector continues to grow and allowed us to take advantage of a buoyant market of used car sales in New Zealand. We have a proven track record in successfully acquiring and integrating value accretive businesses into our portfolio."

Hunter says the company will continue this next year, with a number of opportunities for mergers and acquisitions currently under consideration. "We are also actively looking for organic growth opportunities, by developing innovative products and services, running our businesses well and delivering value to our customers. The Cartopia online retail channel and the MTF non-recourse partnership are good examples of



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Getting the basics right

etting the basics right is an important component of any dealership, which is often overlooked due to complacency, a lack of process, or just not being aware of a need.

The basics I am referring to here are very simple, however for a multi-billion dollar industry in New Zealand, they can be overlooked and a dealership may be unaware of not only how important they are, but also what they do, and how they enhance a business to be more successful.

The "basics", as I refer to them, are:

- Identifying how many customers make contact with the dealership each day, week, month, quarter or year.
- What we do with them once they make contact, what information do we record and how successful are we at converting them to a vehicle sale.
- And lastly what do you do to ensure you generate referrals from that customer and retain them for their next purchase.

IDENTIFYING CUSTOMERS THAT CONTACT THE DEALERSHIP

The first steps to measuring your dealership's customer activity is to ensure every opportunity is loaded into your Dealer Management System (DMS), or at the very least recorded on an old school prospect book. To be honest I much prefer the discipline of having a good process around entering information into a system, then you can track activities against a vehicle and determine actions relating to activities or lack of, a lot more efficiently.

The key activities that should be recorded as opportunities are:

- ▶ Phone enquiry
- ► Email enquiry
- Physical appointment
- ▶ Walk in
- Test drive
- ▶ The sale

Make sure accurate information is

including their name, email address

To go one step further I would

also suggest recording the referral

method or medium from which

each of these activities came.

E.g. website, Trade Me, repeat

customer, referral from a friend,

recorded against each customer

and contact number.



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This first basic step to

understanding how

many customers you

don't sell to each month

You then have a starting point to measure from, that identifies how many phone enquires and emails that lead to appointments and ultimately how many test drives lead to sales. If you don't understand and measure these areas how do you know where to focus your attention and improve?

will be telling friends, family and work colleagues about the new car they purchased, the dealership they purchased it from and, hopefully, your outstanding service. This window of time generally lasts for anywhere between two and four weeks and then progressively drops away quite steadily from there.

This is where a diligent CRM process comes into play to initiate some soft touchpoints with the customer, reminding them of your dealership and that you are thinking of them. What this does is keeps you present and top of mind, just enough that a year later, when someone mentions they are looking to buy a car, your dealership's name is the first thing that your customer mentions to them. Remember without recording the customer's email and/or mobile number you have reduced your ability to keep in touch.

This same principle applies to when it's time for them to upgrade or replace the vehicle they purchased from you. If they haven't heard from you, then you have significantly reduced your chances of them returning. However, if you have invested in keeping in contact with them, you have a much better chance of being considered.

Keeping in touch sells more cars, it's as simple as that.

These really are some basic steps that can be taken to maximise some very key and important areas of your dealership. They are not rocket science and anything that hasn't been talked about hundreds if not thousands of times over the last century, but dealerships like many other businesses, must still focus on the basics first.

After the sale you have a natural honeymoon period where customers will be telling friends, family and work colleagues about the new car they purchased, the dealership they purchased it from and, hopefully, your outstanding service.

walk in, etc. This information then allows you to establish your return on investment in each of those areas and the effectiveness of what you are doing in those spaces.

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Walsh elected to **CITA's Bureau**

TNZ chief executive officer Mike Walsh has been voted onto the Bureau Permanent of the International Motor Vehicle Inspection Committee (CITA) during its 18th general assembly in Croatia. CITA, a not-for-profit based in Belgium, is made up of members from around the world in various vehicle safety organisations. The committee's main purpose is to improve road safety and protect the environment throughout the world by exchanging information and experience among its members.

CITA also promotes and coordinates studies to help improve vehicle inspections, and New Zealand members include Vehicle Testing New Zealand

(VTNZ), Vehicle Inspection New Zealand (VINZ) and the New Zealand Transport Agency (NZTA).

"I firmly believe that periodic technical inspections contribute significantly to road safety for all road users," Walsh said in his tender for Bureau Permanent. "It is important that we, as CITA members, work collaboratively together to ensure standards are upheld and safety benefits are understood and valued by national governments and regulatory bodies."

With the new Bureau Permanent decided at this month's election. Walsh had reached out to local and international members for their support, and spoke with Autofile about his nomination and plans for CITA before he went.



"I've been lobbying for support with the members here in New Zealand, Asia-Pacific and also in Europe," he said, "I've done the groundwork to get some support."

In total, six hopefuls applied for the four vacancies on the Bureau Permanent, and Walsh was the only nominee from the Asia-Australasia region.

Walsh said he was "passionate about the automotive industry", where he has spent most of his working life. Before his 13-year tenure as CEO of VTNZ began in 2004, he was an operations manager and director for Mobil New Zealand.

"The automotive passion flows into my spare time as a competitor in Targa Rally events over the years," he added.

The vacancies at the Bureau Permanent come at a critical time for the auto industry worldwide. Driver assistance technologies are becoming more commonplace in new vehicles, and with several large automotive companies conducting expansive on-road trials, the prospect of fully autonomous vehicles on the roads is now less than five years away.

Walsh said it's vital that testing legislation keeps pace with technological developments. "The auto industry is going through tremendous innovation right now, and it's important, from a safety perspective, that there are systems in place to ensure that these new technologies are working as designed and as expected," he said.

"It's making sure that we have an agreement across jurisdictions that do vehicle inspections, that inspections cover those items so that we can have confidence in that technology." Walsh says that his position on the Bureau "provides the opportunity for me to promote and share the trends and experiences of vehicle roadworthiness measures in New Zealand.

"Additionally, it will provide a direct connection for New Zealand to the latest trends and technological advancements in vehicle safety inspections and certifications worldwide. It is important that New Zealand's current WoF and CoF inspection scope remains up to date with technology innovation."

A closer relationship with CITA will mean that New Zealand could learn from the world's best when it came to vehicle testing legislation. "CITA is able to show from a range of options or a range of different applications of how various regimes could work with the different standards on vehicle safety and the like," Walsh said.

"The Ministry of Transport and NZTA would take notice of what CITA is doing, and then apply that to what the situation is here in New Zealand."

New Zealand faces some complex challenges when it comes to improving road safety, particularly around the age of the national fleet and its terrain. The average Kiwi car is 14 years old, according to the latest Massey University research, older than the UK (7.7 years), the EU (9.5 years), Australia (10 years) and the US (11.6 years).

This means the NZTA can't simply copy safety legislation from one country, and one strength of CITA is its broad, global member base, which gives an insight into other legislative bodies around the world.

'We can't go to any one market and say, 'that's the one market that is identical to NZ, and we will copy or watch what happens there with interest," Walsh said.

"I don't think there's another fleet in the world that's our age, the type of geography and terrain. We need solutions that benefit New Zealand, but learning what other jurisdictions are doing helps to have better decision-making, in mv view." 🕣





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'Careful lady owner' not major seller

hen it comes to marketing a used car, it turns out the old stock phrase "careful lady owner" or similar variations such as 'careful female driver' are still regularly used by sellers.

But that's not what buyers are searching for, according to Trade Me's head of motors, Alan Clark. He says that although it is a popular catch phrase for traders and private sellers alike, "it doesn't look like our buyers are looking for vehicles with one lady driver".

In fact, he says that when it comes to highly searched terms, phrases such as 'well maintained' and 'excellent condition' are more likely to be entered into a computer's search bar.

"A small bunch of Trade Me people use that clichéd description. It's a big generalisation because we know plenty of careful male drivers

out there and plenty of women who give their cars a fair thrashing," he says.

"There are more than 80,000 used cars listed for sale on Trade Me and currently about 500 sellers with 'careful lady owner', 'female owner' or a similar variance in their description. But it is 2017 and both sexes can be hard on cars. So, most people have moved on to more appropriate descriptions such as 'well maintained' when they list a car," Clark says.

According to research by AMI insurance, older people in general are better prepared to drive on the winter roads and nine out of 10 baby boomers (people in the 50-to-70-year age bracket) had checked their vehicle's tyres in preparation for bad weather and stored a spare tyre jack in their car. More than 80 per cent know how to change a tyre. A vigilant 93 per cent of them



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Trade Me and

currently about

80,000 used

said they had checked their car's windscreen wipers (front and rear) and refilled the wiper fluid bottle before the colder weather arrived.

The research shows that older drivers are careful with their cars, but it doesn't pinpoint the difference between the sexes.

AA Insurance's claims' data

shows that some cars are involved in accidents more than others and these can be attributed to the driver as well as the type of vehicle they choose to drive. In this data, it shows that younger female drivers tend to have fewer accidents than their male counterparts, which means that premiums for women are lower. In contrast, however, older females are actually more likely to have an accident, which means that their premiums become higher than those of male

drivers

However, the 2017 AA Insurance driver survey, which included 1,000 New Zealand drivers older than 18, also found that two thirds of drivers had a car accident in their lifetime and the majority of accidents occurred during the ages of 15-29 years (66 per cent).

have an accident (making up 71 per cent) during their lifetime, compared to women (64 per cent). Of women over 60 years of age, 59 per cent were likely to have an accident during their lifetime, compared to 72 per cent of men in the same age bracket.

If we take that information

into context we can probably say that younger female drivers are safer drivers than their older female counterparts, however this is, once again, a generalisation as not all older women drivers will have an accident in their lifetime so it really depends on who the consumer buys from.

Clark says: "We don't think that the age and gender of an owner is an indicator of the condition of a vehicle. If buyers aren't confident, the best thing to do is to

get the car professionally checked. A safe, reliable and mechanically sound vehicle is much more important than the description in the vehicle listing."

When dealers market their cars, it's time for them to ditch the old clichés because buyers will almost never type the words 'careful lady



Men were more likely to



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The Guardian vs The Chauffeur

n my previous article, I highlighted the two main approaches to the design of artificial intelligence (AI) and how they are each being used in the development of automated vehicles. What's likely to interest us more, however, are the strategies for how automated vehicles will operate.

The strategy we hear about most often is full autonomy. The goal of full automation is vehicle autonomy - a "chauffeur model" with the result of removing the need for the driver entirely. If this strategy wins out, we will likely see legislation soon after that restricts where non-automated vehicles can be driven.

Benefits to public safety, automated compliance, and transport efficiency will be realised, the thinking goes, by simply removing the opportunity for unsafe and inefficient driving.

On the other hand, some manufacturers, such as Toyota, are advocating for a different approach to automation. Toyota sees an opportunity for "parallel autonomy", where the automated vehicle watches the road and helps only when it becomes apparent the human is having a problem or when it recognises a risk. This is being called the "guardian angel" approach.

It is argued that the guardian angel approach can generate similar benefits as the chauffeur model by assisting to keep vehicles safe, as well as notifying the human drivers when their driving has become unsafe or inefficient. Over time, it is thought that this will influence humans to be better drivers, without many of the questions and concerns

chauffeur model.

Perhaps more importantly to the original equipment manufacturers (OEMs), the guardian angel approach removes many of the risks and liability questions. Since drivers always remain in control, the automated features would be safety features

and never assume complete control over the vehicle. Similarly, using AI for smart safety features is a much easier computational problem than full autonomy, easing development challenges and costs.

What we are likely to see is a general progression; some manufacturers will continue to focus on full autonomy, but that autonomy will only be used in limited locations where information



is likely to be identical, fully automated vehicles. The exception to this will be in jurisdictions that do not adopt a fully autonomous vehicle strateav.

We do not yet know which scenario New Zealand will adopt, but opportunities will exist either wav.

A fully automated fleet will create many opportunities for our industry. An example of a possibility is distributed Vehicles-as-a-Service.

Since fully automated vehicles can be used 24/7, it is likely that many owners, personal or commercial, will opt to profit by allowing the vehicle to be used during down periods. This will be an opportunity for those who can coordinate the provisioning and

to others when not being used by the owner. The manager of the property takes the payment from customers and provides a portion of that back to the owner.

In return, the property manager's fees often include basic maintenance of the property.

Applying this model to vehicles, we could have fleet management companies that do not own their own vehicles. Instead, these companies would coordinate the use of customers' vehicles and, depending upon the arrangement, maintain the vehicles between uses. Vehicle owners benefit by the income and other services.

This sort of model would likely create a short-term increase in new car sales and a drop in used car sales, as people who would normally have opted for a later model used vehicle decide to instead purchase the autonomous vehicle as an investment with return. Of course, this will only be the case until these vehicles start coming on to the used vehicle market.

Whichever future happens, there are things we know will be the same. There will be those who refuse to adapt and those who embrace change; there will be those who see reality as it is and those who see it as it could be; there will be those who need to be served and those who are ingenious enough to figure out how to serve them.

We are always amazed at the way the players in our industry continually reinvent themselves with new ideas, new products, and new solutions. This, I predict, will not change. 🕣



Will our automotive future involve the vehicle helping us drive or driving for us?

and connectivity is readily available. As connectivity expands, the automated functionality can be used in more areas.

Other manufacturers will focus on limited automation that can be used anywhere, and slowly expand those functions as hardware and software allows.

The end-case of both scenarios

supply of these vehicles.

Brands will be created locally and nationally that provide transport as a service.

Consider a model like bach and holiday home management, such as that offered by Bachcare, Bookabach, or even Airbnb. The bach is available to the owner when they want it, but rented out



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Researchers find VW 'defeat device'

team of international researchers has found the code buried deep in onboard software which enabled Volkswagen to circumvent **United States and European** emissions tests for more than

six years.

The code allowed a car's onboard computer to determine if the vehicle was undergoing an emissions test, and then

activate emission-curbing systems to lower the pollutants emitted.

When a car is tested for emissions levels, it is placed on a chassis equipped with a dynamometer, which measures

the engine's power output. The test then begins a specific speed profile designed to imitate real-world urban driving with frequent stops.

Because the conditions for this test are standard throughout

all stations, and publicly available, manufacturers are able to anticipate the exact conditions of the test. The code found

in Volkswagen vehicles checks the speed, distance, and wheel position, and if it matches the conditions of the emissions test, the code will allow the onboard computer to activate the emissions-curbing system. 🕣

NEWS in brief

Ford appoints new CEO

International business leader Jim Hackett has been appointed as chief executive officer of Ford Motor Company, replacing the outgoing Mark Fields, who is retiring after 28 years. Together with executive chairman Bill Ford, Hackett has pledged to focus on sharpening operation execution, modernising the Ford business and transforming the company for the future.



"We're moving from a position of strength to transform Ford for the future," Bill Ford says. "Jim Hackett is the right CEO to lead Ford during this transformative period for the auto industry and the broader mobility space."

A total of five new high-level appointments have been announced, including three new leaders who will report to Hackett.

A spokesman for Ford New Zealand says despite the major changes in global leadership, it would be "business as normal" here.

Toyota is New Zealand's most trusted car brand

Toyota was voted the most trusted car brand at the annual Reader's Digest Most Trusted brand awards, beating Nissan and Mercedes-Benz for the top spot in New Zealand.



Toyota also ranked ninth of all brands surveyed throughout the country,

behind household brands such as Whittaker's, Air New Zealand, Resene and Edmonds.

In other auto-related categories, BMW took out the top motorcycle brand ahead of Honda and Yamaha, and Hertz was awarded top rental car company, while Avis and Budget were highly commended.

Z was the most popular petrol station, with commendations for BP and Caltex, while Bridgestrone beat rivals Firestone and Goodyear to claim the tyres category title.

AA Insurance also took out the general insurance award for the seventh vear in a row.

The Readers Digest survey, in its 18th year, was conducted by Roy Morgan, who polled 1400 New Zealanders for their opinion on brands in more than 60 categories.

NZ new car sales buck global trends

According to vehicle type, Kiwis are much more likely to purchase larger new vehicles compared to the world-wide average.

International sales statistics for the first quarter of 2017 released by Jato Dynamics show that globally, small cars such as hatchbacks and sedans made up nine of



the 20 highest-selling new models. In New Zealand, there were just four.

Of the top 20 models sold worldwide, there are three utes, four sedans, seven SUVs/crossovers, five hatchbacks and one van.

However, NZ's top 20 contains seven utes, two sedans, nine SUVs/ crossovers, two hatchbacks and one van.

When it comes to sedans and hatchbacks, New Zealanders prefer to buy second-hand - 15 of the 20 highest-selling used vehicle models in the



the fastest SUV ever, is due to hit the New Zealand market in December, ahead of initial release estimates.

"It is fantastic to be able to say that the Grand Cherokee Trackhawk will be on sale in New Zealand in December," David Smitherman, chief executive officer of Fiat Chrysler New Zealand, says.

"From the moment it was revealed in New York we have been working to bring it to New Zealand. The interest in the Trackhawk has been phenomenal. The media have been asking constantly when it will arrive, and our dealers have had a steady stream of people ready to buy a Trackhawk as soon as it arrives."

A 6.2-litre V8 engine powers the Trackhawk, which generates 527kW and 874Nm of torque, making it the most powerful SUV to be mass produced. Matched to an 8-speed automatic transmission, the Trackhawk clears 0-100km/hr in 3.6 seconds, and has a top speed of 290km/h.

The SUV features the Jeep Quadra-Trac four-wheel-drive system, containing an electronic limited-slip rear differential. A strengthened driveshaft and revised housing design has improved torque capacity and durability, and new Brembo brakes allow the Trackhawk to come to a complete stop from 100km/h in 36 metres.

A range of drive modes,

including auto, sport, track, snow and tow, allows drivers to alter the four-wheel-drive system, transmission, paddle shifters, suspension and electric power steering to suit driving conditions, with a custom mode also available.

Inside the cabin, an 8.4-inch touchscreen equipped with Apple CarPlay and Android Auto also shows a range of performance timers and gauge readouts, and measures horsepower, torque and transmission gear in real-time. A snapshot function allows drivers to save these readouts to USB.

A host of safety technologies feature on the Trackhawk, including a trailer hitch camera, so drivers can view their towed load through a rear-mounted camera while driving at speed, adaptive cruise control with stop; advanced brake assist; blind-spot monitoring with rear cross-path detection; full-speed forward collision warning with crash mitigation; front- and-rear park assist; lane departure warning; and ready alert braking.

Prices and full specifications for the Trackhawk will be announced when it arrives in December. \oplus



LC500 best of both worlds

he new Lexus LC 500 coupe is due to arrive in New Zealand dealerships in mid-July, and drivers have the option of both petrol and electric powertrains.

The LC 500 contains a 5.0-litre V8 engine, which generates 351kW of power and 540Nm of torque, and is matched to Lexus' first direct shift 10-speed close ratio automatic transmission. Zero to 100km/h takes 4.7 seconds.

The 500h is powered by a 264kW 3.5-litre V6 hybrid engine containing a lithium-ion battery and two electric motors paired with a new multi-stage hybrid transmission, which introduces physical gears to adjust engine revs. Engineers have combined a CVT gearbox with a conventional four-speed automatic to emulate a

10-speed automatic transmission.

Reaching 0-100km/hr in the hybrid is a fraction slower than the V8 500, at "under five seconds", according to Lexus. An 'EV-only mode' has been included, where the driver can switch off the petrol engine at speeds of up to 140km/h, although there's been no confirmation of driving range.

"I would expect this to provide an interesting dilemma for customers when faced with the choice of a hybrid or a V8," Spencer Morris, Lexus New Zealand's general manager of product, says.

Ten vehicles have already been pre-ordered in New Zealand. Pricing begins at \$215,000 for the glass-roof model in both the V8 and hybrid powertrain, and \$220,000 for the carbon-fibre roof option.





miles motor group

Road to Trade Me via the Big Apple

espite a stellar career, which includes assisting some of New York City's major retailers to increase their billions in revenue, Trade Me's new head of motors, Alan Clark, still feels "privileged" to be working for one of New Zealand's favourite companies.

"I loved working with the American retailers and it was great to see the changes we implemented generate positive results so quickly," Clark says of his role as a project leader with The Boston Consulting Group in New York.

However, after Clark and his young family decided to return to New Zealand to be closer to family, he says he "jumped at the chance to work for Trade Me".

"I couldn't turn down the opportunity and I knew I was lucky to get the role of strategy development across all the different businesses in Trade Me," Clark says.

The Dunedinite's path to Trade Me includes a number of major roles in large companies, after he finished six years of study at university. From 1999 to 2005, Clark studied engineering and arts at Canterbury University, graduating with a BA majoring in German, a bachelor's degree in engineering with honours, majoring in electrical and electronic engineering, and a PhD in telecommunications.

Like many other young New Zealanders, he headed off to London on his big overseas experience and while there he was fortunate to score a role with British Telecom.

"After university, I went to the UK and worked for British Telecom. It was a challenging role and I learned so much," he says.

Clark was part of a research unit focused on future proofing communications systems.

After returning to New Zealand in 2007, Clark secured a role with the United States-based company The Boston Consulting Group (BCG) which has offices in Australia and New Zealand.



"It was a blast living in New York. I loved the fast pace of the city and people were outgoing and friendly. We made some great friends there."

"In late 2010, we moved to New York. Our first child was only five months old, so it was constant sleepless nights, but it was a blast living in New York. I loved the fast pace of the city and people were outgoing and friendly. We made some great friends there," he says.

Clark's main focus with BCG was retail consulting, which involved helping large multi-million dollar retailers improve their merchandising and operations to increase their ability to get people through the door time and time again while guiding them to better understand what items to stock on their shelves.

"There is a bit of an art to it (retailing) - good operators have

to keep up with industry and consumer trends and it's often a high velocity but low margin business, so minor changes in customer behaviour or how the business is run can have a big impact on the bottom line," he says.

It was in 2012, after Clark and his family returned to New Zealand, that a strategy development role with Vodafone beckoned.

"Vodafone has a track record of understanding consumers, picking trends and marketing products. It is a fantastic company," Clark says.

But after three years with Vodafone, the opportunity to work for Trade Me was too hard to resist and Clark took up the challenge to head up the online market place site's strategy development team.

The strategy team's goal is to ensure Trade Me is focusing and investing in the right areas to continue adding value to customers and remain relevant. Trade Me has increased their capacity to ensure they keep up with market trends such as mobile development.

"As an example, our focus on mobile development is pretty high, ensuring that the browse, buy and sell experience on a phone is as simple and streamlined as possible."

When the head of motors role at Trade Me became available late last year Clark says he was thrilled to secure the position and lead the team of 55 staff members

"We have a large technology team that makes sure the site runs smoothly, and is focused on making improvements for vehicle buyers, dealers and direct listers. We also look after a few software platforms that sit behind the scenes, like Dealerbase and MotorWeb."

The account management team based in Auckland, Wellington and Christchurch, work with dealers to advise them how to get the best value out of Trade Me and make sure the listing and selling process is as easy as possible. "We want to make sure dealers are happy using Trade Me and customers have a great experience."

Trade Me has about 4.7 million listings and more than 80,000 of those listings are vehicles.

According to Clark, challenges within the industry include increased advertising options and







Clark's previous employer, Boston Consultancy Group, was named in the top three Best Companies to Work For in the US by Fortune.com

the changing nature of consumer behavior.

"The choices surrounding marketing and advertising are getting larger and more difficult to navigate. Trade Me has to show great value for advertisers. If you have \$100 to spend on advertising there are a large number of ways to spend it, such as in print media or on social media. Our ongoing challenge is to continue to be the best value place for dealers and the public to advertise a vehicle," Clark says.

Another challenge is understanding changing consumer behavior.

"People are continuing to research what they want to buy more and more online. A recent US survey showed people will research online for 11 hours before they buy a car. In the US, 75 per cent of customers will show up unannounced at a dealership and we see a similar trend in New Zealand. People will see a vehicle online and then drive down to the dealer to see it." Clark says.

"Their assumption is that the vehicle is there and that there is a knowledgeable salesperson ready to answer detailed questions and give advice at any instant. The shift to do more and more research online before going to a dealer presents dealers with a new set of challenges. Pricing still forms a large focus, with New Zealand buyers being very price

Clark rates his '95 Subaru Impreza as his favourite of the cars he has owned

focused and spending a lot of time comparing pricing. The purchase of a vehicle is very important to most people as it usually entails a large outlay of money," he says.

"Beyond price, people are looking for trust and advice from dealers. One of our challenges is to help dealers differentiate themselves in ways other than price. We really want to help dealers showcase the things that set them apart."

Clark says that his favourite car to date was a silver, turbocharged Subaru Impreza WRX, which he owned during his youth.

"It was just wonderful, it zipped along those great South Island roads pretty well and was surefooted up the ski-field roads, but it was probably too fast for my skill as a young driver," he says.

The Impreza was a big step up from Clark's first car, which was a late-1980s Toyota Starlet, purchased from his mother when he was about 18.

"The Starlet was reliable, cheap to maintain and a beige colour which was the opposite of eye catching. I owned the Starlet for about four years while I was at university. Petrol was \$1 a litre back then and the Starlet was economical on gas which was great for a poor student," he says.

These days, with two young children, Clark says the family's car is a practical SUV.

"It's very sensible with two children's seats in the back, with a few squashed raisins of course. It fits all the bikes, scooters and sports gear in the back easily.

When it came to purchasing we behaved like fairly typical consumers - my wife and I did a tonne of research online to

narrow down the makes and models we wanted, and then headed to a dealership. The sales reps at the dealership had great advice and knowledge and it was only then we decided on the specification and ended up going for the more expensive diesel model with a few options."

In his spare time, Clark says he likes to go trail running, albeit slowly, and heads out frequently into New Zealand's national parks and Auckland's regional parks.

"I like to get out and get some fresh air. I'm trying to run the great walks throughout New Zealand. I started over the summer by running the Routeburn Track then the Rakiura Track in Stewart Island in March. It's always great to get back down south."

In conclusion Clark had this to say, "We really want to make a difference to dealers, to help them get noticed so that ultimately they have more money hitting their tills. We are always working on ways to improve on this and to come up with innovative ways of increasing their traffic and look forward to continue working together with the dealers to deliver top notch solutions."



The month that was.... June

With more than 30 years of history, Autofile is delving into the past to see which stories previously made headlines

June 8, 1998

Industry considers consequences of new MVD Act

Dealers were divided over whether they would support the MVDI when the new Motor Vehicle Dealers Act became law in 1999.

Under the new legislation, the MVDI would no longer have statutory functions and membership would not be compulsory.

Dealers would have to be licensed, but salespeople would not.

There were mixed feelings among dealers about the effects of these changes on their businesses.

Gisborne used vehicle dealer Fred Lewis said

the deregulation of the industry would be the worst thing that had ever happened to it.

"Every Tom, Dick and Harry will be able to get a licence and when things go wrong they'll duck for cover, and pop up again using someone else's licence," he said.

Lewis predicted that the courts would be full and the tribunals process would take disaffected purchasers months or even years to complete.

Kapiti franchise dealer, Alan Kirby, said dealers would have to demonstrate to the public that they were looking after them.



June 1, 2007

Emissions draft rule released

The government released its draft rule on vehicle exhaust emission standards and the industry responded with counter proposals.

New stringent vehicle exhaust emission standards designed to improve air quality and public health were put forward by the government.

The tougher standards would apply to vehicles when they were registered for New Zealand roads.

New vehicle imports would require a documentation check and used vehicle imports would be physically tested to ensure they met the required standard.

A Ministry of Transport report released in 2002 showed about 400 people died prematurely each year from vehicle exhaust emissions.

Strengthening existing minimum vehicle emission standards was one of a package of measures the government was introducing to improve the environment.

David Vinsen, chief executive of the Independent Motor Vehicle Dealers Association, said the proposed restrictions on used imports would increase the cost of basic cars by 50 per cent and have no positive environmental benefit.

"New Zealanders will not be able to easily upgrade to newer imports and will have to keep their current vehicles for longer. The national vehicle fleet will, as a result, be older and generate more pollution," he said.

The association recommended the standards developed by the Japanese be implemented in New Zealand in the same staged manner that they were in Japan.

The Motor Trade Association (MTA) agreed that the government's proposed plan was not workable.

"Simply put, most of the people looking to update their older cars could not afford the cars being allowed in. These owners have no option but to

hold on to their cars even longer," said Andy Cuming, communications manager for MTA.

June 29, 2007

By the end of the month, the IMVDA and the MTA had joined forces on proposed exhaust emission legislation and agreed to work together on an approach to government.

The two associations commissioned a fresh study by the New Zealand Institute of Economic Research (NZIER) that formed a joint response to the draft rule.

Andy Cuming said there was a positive industry commitment to lowering emissions but the matter was complex.

"The fundamental need is to maintain an adequate flow of good quality, affordable vehicles enabling owners to continually refresh and replace.

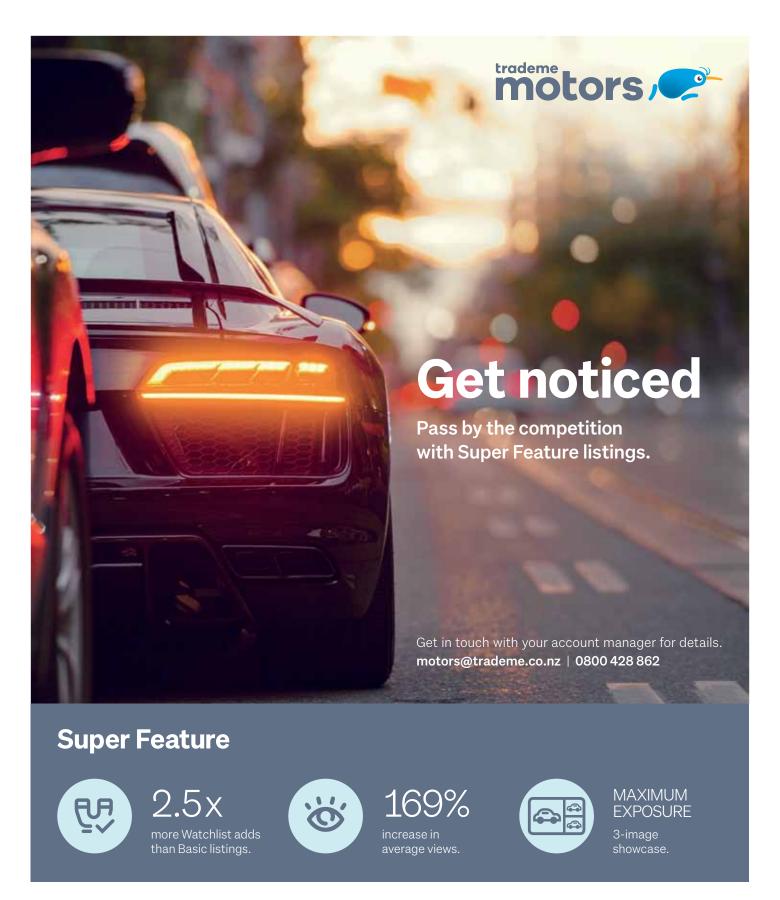
The proposed legislation would disrupt this continuous improvement – and accordingly the legislation would not achieve its stated aims," he said.

Cuming said more time was needed in order to come up with a workable solution and to analyse vehicle manufacturing data.

He said information from dealers had highlighted a large number of 2000-year models and newer vehicles that do not comply with the draft rule in its current form.

As a result, both associations put a request to the ministry of transport for a two-month extension to the deadline to the submission date of July 9. Θ





May | Statistics

Popular searches	1 st	2 nd	3 rd	4 th	5 th
Car make*	Toyota	Nissan	BMW	Ford	Mazda
Body style*	RV/SUV	Sedan	Ute	Hatchback	Station Wagon
Car model*	Golf	Hilux	Corolla	Commodore	Skyline
Motorcycle make*	Harley Davidson	Honda	Yamaha	Suzuki	Kawasaki

All stats are based on Trade Me site statistics, May 2017. Super Feature only displays 3 photos at the same time in the carousel. Super Feature applies for 1 month minimum. *In May 2017 on Trade Me Motors.

Demand for skilled auto workers

Within auto-industry

jobs, Hays found that

sales managers and

team leaders capable

in developing teams

are in especially high

demand.

buoyant vehicle sales market has seen a jump in advertisements for jobs in the auto industry, according to the latest government data, although as a whole the tight job market appears to be easing. Advertisements for job vacancies held firm in April, with year-on-year growth at 11.7 per cent, the Ministry for Business, Innovation, and Employment (MBIE), says. Auto-related jobs stand out in MBIE's more detailed report on annual job growth.

Advertisements for automotive electricians were the highest, up 56 per cent annually compared to April 2016. This was followed by motor vehicle and vehicle parts salespeople, up 32 per cent, and motor mechanics, up 28 per cent.

Job ads for technical sales representatives increased 15 per cent year-on-year and retail managers increased 8 per cent.

Panelbeater ads, however, were static, up 1 per cent, and ads for motor vehicle parts and accessories fitters were down 19 per cent compared to April 2016.

"Overall, job advertisements were steady in April, following a period of above-average growth," MBIE's labour market trends

manager Nita Zodgekar says.

Trade Me's head of jobs, Jeremy Wade says that the market is still strong, but half that of the opening quarter.

"We don't think this

is indicative of a significant slowdown," he told Autofile.
"The timing of Easter made for a

relatively quiet April, but May has rebounded strongly. We expect the market to come in at about 12 per cent up year-on-year for the second quarter."

Wade says the same sectors were driving growth in the job market, most notably trades and services, transport and logistics, construction and roading,

manufacturing and operations, and, to a lesser extent, hospitality and tourism. All saw strong doubledigit growth.

Although the job market continues to build in the

wake of steady economic growth, the skill gap is widening across the country. The latest Hays Quarterly Report noted an increased demand for skilled professionals and a growing pool of jobseekers that lack the professional and technical skills that employers want.

"With our improving economy and a more sustainable building boom, the jobs market is active with demand outstripping the supply of highl-skilled local jobseekers," managing director of Hays in New Zealand, Jason Walker, says.

"Candidates are available, but employers are very particular in their requirements and want locally experienced and knowledgeable professionals. The balance started to tip across a wide range of industries and sectors last year as job vacancy activity increased."

Within auto-industry jobs, the Hays report says skills in the highest demand include sales managers and team leaders "with a strong track record in coaching and developing teams".

ANZ has also warned that the job market as a whole is starting to ease off.

"The ongoing high level of job ads indicates a strong labour market, though the pace of growth now appears to be moderating," the bank says in its latest job market report.

"The data suggests cooling but still very strong employment growth, with the unemployment rate set to continue to edge lower."

Job ad growth in the regions outperforms that in the cities, the MBIE says. Waikato experienced the highest job ad growth, up 24.6 per cent, followed by the Nelson, Tasman and Marlborough region, up 23.9 per cent, and Southland, at 21.9 per cent.

Within the cities, job ads in Auckland increased the most, up 11.9 per cent year-on-year. Wellington, up 5.8 per cent, and Canterbury, up 4 per cent, had the slowest annual growth rates in the country.

Job ad website SEEK found the highest performing industries in Auckland were ICT, manufacturing, transport and logistics administration and office support.

ICT was also the top industry in Wellington, followed by administration and office support then trades and services.

In Christchurch, trades and services was the highest-performing industry, followed by construction and then manufacturing, transport and logistics.

"The most sought after trades and services professional across Canterbury this April were electricians, automotive mechanics and technicians, and builders," Janet Faulding, general manager for SEEK New Zealand says.

"This reflects the skills the Canterbury population needs personally, such as getting their car serviced, or for residential and commercial projects, like construction."

"Relative to 12 months ago, competition conditions were tougher for jobseekers in Auckland, Wellington and Canterbury this April, This means there has been a slight increase in the number of people applying for jobs," Faulding says.

Business confidence is also on the up, with the latest ANZ Business Outlook report noting a 4 per cent increase amont surveyed companies to 14.9 per cent. ⊕



Are you complying with the law?

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Responsible Lending Code

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- The credit, finance or insurance provided will meet the borrower's requirements and objectives.
- The borrower will make the payments under the agreement without suffering substantial hardship.

You must assist the borrower to make an informed decision as to whether or not to enter into the agreement by ensuring that:

- Any advertising is not, or is not likely to be misleading.
- ➤ The terms of the agreement are expressed in clear, concise plain language.
- Any information provided by the lender to the borrower is not presented in a manner that is, or is likely to be misleading.

The lender may rely on information provided by the borrower or guarantor unless the lender has reasonable grounds to believe the information is not reliable.

Anti-Money Laundering and Countering Financing of Terrorism Bill (AML/CFT)

There is a Bill going through Parliament to amend current AML/CFT law. It will place obligations on motor vehicle and boat dealers to report suspicious transactions and all cash transactions over a certain threshold to the New Zealand Police Financial Intelligence Unit.



It is intended that the Bill will have been passed before the election.

Financial Advisers Act Review

A review of the Financial Advisers Act 2008 is under way. The current Act is seen as being too confusing for consumers.

In the meantime, the current exemptions included in the existing Act will remain in place: i.e. dealers providing financial products such as loans and insurances to their customers.

As the insurer that provides quality training to the motor and finance industries, Protecta Insurance conducted a roadshow

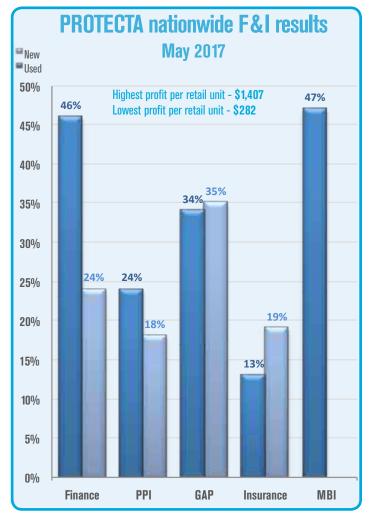
with the Financial Services
Federation to update customers on
the pending changes to legislation
that affects their businesses.
Sessions were held in Auckland,
Wellington and Christchurch
with some dealers travelling
long distances to attend these
important briefings.

Lyn McMorran, executive director of Financial Services Federation, explained changes to the acts and how they might affect those in the industry. The sessions were very informative and provided clarity and direction in a subject area that could cause dealers a lot of financial pain.

ARE YOU UP TO DATE?

For Protecta's schedule of training events or to request some in-house training please contact:

Erin Mills, Training Manager erin.mills@protecta.co.nz





Formula E - Berlin, Germany World Rallycross Championship MotoGP - Barcelona-Catalunya, Spain F1 - Montreal, Canada NASCAR Cup Series - Pocono, USA Motocross World Championship Orlyonok, Russia NASCAR Races - Irwindale, USA World Endurance Championship F3 European Championship - Budapest, Hungary **DTM** - Budapest, Hungary NASCAR Cup Series - Michigan Speedway, Brooklyn, USA Blancpain Endurance Series Circuit Paul Ricard, France WTCC - Vilareal, Portugal Endurance World Championship Slovakiaring, Bratislava Blancpain GT Series Asia - Suzuka, Japan MotoGP - Assen, Netherlands NASCAR Cup Series - Infineon Raceway, Sonoma, U European Touring Car Cup - Vilareal, Motocross World Championship Maggiora, Italy Blancpain GT Sports Club - Spa-Francorchamps, Belgium WRC - Rally Poland NASCAR Cup Series - Daytona, USA Formula E - Brussels, Belgium World Rallycross Championship Formula 3 European Championship Norisring, Germany

VRC round for NZ on the cards

'iwi Hayden Paddon might be having his most frustrating year at World Rally Championship level, but the push to regain a WRC round in New Zealand is gathering momentum.

Drivers have always loved New Zealand's roads (and weather); now WRC teams are coming out in favour of the idea but emphatically against adding to the already busy calendar.

In a recent interview with UK magazine Autosport, Hyundai Motorsport technical director Alain Penasse said New Zealand is a proven venue and can tap into a high number of experienced organisers. Adding the eye-



appeal of Kiwi scenery and the style of the roads here – and the growing switch to internet viewing of WRC events - the package begins to make sense.

Also in the running are Turkey despite ongoing political instability - and relatively unproven Croatia. The 2017 WRC calendar

features 13 rallies. 🕣

Auckland aiming to retain V8s

aving almost literally dropped the ball on the Sevens rugby show and having also decided to stand aside from the bid process for the New Zealand Grand Prix, Auckland is sticking to its motor racing knitting with work underway to retain the V8 Supercars at Pukekohe.

Auckland Council's promotional arm, Auckland **Tourism Events and Economic** Development (ATEED), is now working to shore up its pitch to retain the V8 Supercar NZ round, secure in the knowledge that few other circuits have the financial muscle to challenge for the rights but wary of spending more money upgrading facilities at Pukekohe.

Supercars want ATEED to



continue to help fund the event and sought a new contract before Christmas. They are committed to the circuit for 2017 but the contract is then up for renewal or to pitch.

V8 Supercars boss James Warburton has said they are looking for Auckland to invest in updating facilities at Pukekohe and upgrading the track surface.

ATEED is disappointed with the event's declining crowd numbers - the 2016 race drew 106,000, the

lowest since the cars returned to Pukekohe – and that pre-Christmas target for signing a new contract came and went.

Series drivers are known to favour a second round staged in New Zealand. Six-time champion Jamie Whincup has suggested that the series needs to come to New Zealand twice, a call supported by current championship leader Fabian Coulthard and fellow Kiwi Andre Heimgartner.

The series is looking once more at staging a round in oil-rich Malaysia.

Meanwhile in Australia, Archer Capital has put its majority V8 Supercars shareholding up for sale, seeking \$150m though industry sources say the more likely price will be under \$100m. ⊕

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A focus on the sporting elite

television sports producer with decades of top-level experience, Lower Hutt-born David Turner has turned his passion into a career.

"I used to fancy myself a bit of a race driver, but I quickly worked out I was better creating the coverage and over time that became my career," he says.

Turner pitched the longrunning Sunday motorsport programme to TVNZ sport bosses, then with the help of new sponsor Shell Helix won the rights to screen Formula One when SKY couldn't agree terms with the Formula One Association (FOA).

That was the last time Formula One has been screened on free-toair TV in New Zealand.

"My focus as producer was always local, local, local. We aimed to foster local and support local and we covered many international events where Kiwis went including that first trip to Indy with Scott Dixon. In the end I think one of the things that meant F1 moved back to Sky was the simple fact they could cover more sessions from practice to race and free-to-air TV could only cover the race. Bernie [Eccleston] was a big supporter of free-to-air but dollars and the amount of content changed the landscape," he says.

That award-winning show carried premier motorsport alongside local content, running the World Rally Championship

as well as Formula One and local motor racing. It remains the most successful TV sports programme in New Zealand and with Shell on board it was also the longest running sports TV sponsorship.

It was a wish to help foster Kiwi racing talent that brought Turner to the MotorSport NZ Elite Academy. The Academy grew from the vision of the late lan Snellgrove, who sought to help create a true career path for young Kiwi stars.

Now in its 13th year, the Academy mentors successful applicants in areas like media savvy, mental toughness, diet and fitness. Funded largely by donations, it is managed by four trustees: Turner, Tony Herbert, Bob McMurray and Lyall Williamson, with MotorSport New Zealand's president having input on behalf of the sport.

Anchored around a one-week intensive 'boot camp' programme of physical and educational training each July, the Academy takes up to nine young competitors a year and jump-starts their careers. The rest of the 12 month term is about mentoring and follow-up. Participants can earn points right through their year by demonstrating their grasp of what they have been taught.



"We look for race or rally competitors who have already demonstrated the ability to excel in their chosen motorsport discipline and the tailored 12 month follow up package ensures they retain and further develop the skills they have learned through the training regimes and educational opportunities demonstrated 'in camp."

Its success is enviable.

"On any given weekend we know there's an Academy graduate racing somewhere in the world. Like the Toyota Racing Series, the Academy is an 'incubator' of rising talent. In fact many Kiwi TRS graduates have also come through the Academy," he says.

Turner says acceptance of the

merit of the programme came almost immediately.

"It's been fantastic to watch the difference we are making to the rising race talent of this country. Competitors latched onto this concept very quickly and they all proudly carry their participation as a highlight on their racing CVs. This is a very rewarding programme to be part of - for tutors, mentors and participants."

The 2017 draft was named at the MotorSport New Zealand annual awards night in late May. East Auckland Toyota 86 racer Jacob Smith was also named the winner of the 2016 Academy and awarded the lan Snellgrove Trophy.

"Jacob is another young driver that is paving his way forward in the sport. He understands how to give value to his sponsors, how to interact with media and he presents himself very professionally," says Turner.

Turner says the 2016 Academy was a very tightly fought year between Smith and his classmates - so tight it was down to a small margin at judging time.

"That speaks highly of the talent we have and also of the way everyone conducts themselves. They all understand and value the support they are getting, and that gives me great hope for the future of motorsport in this country," he says. ⊕

Promising new intake for Elite Motorsport Academy

Eight motorsport competitors have been selected to participate in New Zealand's world-class Elite Motorsport Academy programme for 2017.

Representing race and rally motorsport disciplines, the talented young competitors selected for the 2017 Elite Motorsport Academy are:

- ▶ Jordan Baldwin, 19, race driver, Auckland
- ► Sarah Brennan, 25, rally co-driver, Christchurch
- Arran Crighton, 19, race driver, Auckland
- ▶ Samantha Gray, 22, rally co-driver, Lincoln
- ► Reece Hendl-Cox, 16, race driver, Whakatane
- ► Kaleb Ngatoa, 16, kart/race driver, Marton
- ▶ Job Quantock, 23, rally driver, Christchurch
- ▶ Jack Williamson, 25, rally driver, Hamilton



Buyer's old Delica van was not free of defects at the time of sale

Background

Alisha Hart bought a 1996 Mitsubishi Delica van with 200,135kms on the odometer for \$4,750 from Auckland Budget Campervan Limited trading as D&M on September 1, 2016.

Hart told the trader that she wanted a camper van for a two-month tour of the South Island.
Hart said the trader assured her the vehicle was suitable for that purpose.

The contract of sale was recorded in a one-page agreement, under which the trader wrote that the van was sold "as trade-in condition" and the sale was a "private sale on "as is, where is" basis".

The agreement also stated Hart agreed she had "no recourse for this vehicle once the sale was complete" and that "the Consumer Guarantees Act & the Fair Trading Act do not apply to this Purchase". The trader provided a "7-day mechanical warranty".

The case

Hart said 10 minutes after leaving the trader's premises, the vehicle started shaking, lurched when shifting gears and the oil light flickered. She returned the Delica to the trader. It worked on the van and returned it to her that afternoon. Hart said the van continued to shudder, the oil light flickered and the engine temperature would "shoot up" when the vehicle's windows were closed.

She again returned the Delica to the trader on September 7. The trader said the van's problems were normal and related to "the power draw" but fixed an idling issue.

Hart said the van's performance improved, although it continued to shudder and the oil light flickered. On two occasions the engine temperature rose as the vehicle drove uphill, subsequently dropping downhill.

But she did not raise these issues with the trader because the mechanical warranty had expired.

In October, Hart left Auckland in the Delica for the South Island. She stopped in Hamilton because the van's temperature gauge was "very high" and it overheated again the next day in Piopio. She took it to Grainger Motors Limited which checked the cooling system, removed the thermostat housing, found no thermostat was fitted and refilled and bled the cooling system. Hart said Grainger Motors also identified a leaky hose and a "dodgy pipe" connection to the radiator. Grainger Motors told Hart it was unable to repair the van and charged her \$39.10.

Hart took the Delica to New Plymouth's Strandon Automotive Limited, which installed a new thermostat, and replaced the clutch fan hub and leaky radiator hose, costing \$581.52.

Hart said the van continued to overheat but she could not afford further repairs.

After researching into her legal rights, Hart spoke with the trader's director Daryosh Marjomaki, and asked for a remedy under the CGA.

She said Marjomaki stated the Delica had a seven-day warranty but paid her \$375 for repair costs. She said Marjomaki told her the trader had done everything required under the law.

Hart continued to experience problems with the Delica and on December 9, she had trouble starting it.

On December 16, Hart rejected the van saying it had significant faults and was not fit for purpose. The trader said the CGA did not apply to the purchase of the Delica as it was a "park to sell" and private sale.

On advice from the tribunal, Hart had Caltex Blockhouse Bay, an MTA certified repairer, inspect the van in March 2017. It recommended the radiator unit and thermostat be replaced, a cost of \$695 + GST, and charged \$80.50 for the assessment.

The finding

The tribunal said the trader was also a supplier under the CGA. It sold vehicles on behalf of others. It also supplied goods to a consumer – it transferred ownership and possession of the vehicle to the purchaser therefore the CGA applied to the transaction.

The tribunal said the trader's attempt to exclude the CGA was likely a breach of the FTA, which prohibited false or misleading representation about the existence of rights.

The tribunal ruled the van didn't comply with the CGA's guarantee of acceptable quality because it was not free of defects at the time of sale nor durable because it had almost immediate problems with overheating.

A reasonable consumer would not expect an old, cheap van

The case: The buyer had issues with her van immediately following purchase and wanted to reject it three months later. The trader said the Consumer Guarantees Act did not apply to the van's purchase because it was a "park to sell" private sale.

The decision: The purchaser's application to reject the vehicle was dismissed.

The trader was ordered to pay the buyer \$245.62 for repairs, \$80.50 for a quote and \$799.25 to replace the van's radiator and thermostat.

At: The Motor Vehicle Disputes Tribunal, Auckland

with high mileage to be free of all defects. However, a reasonable consumer would not expect the defects to affect the vehicle's performance at the time of purchase or lack durability.

The trader had been aware of the faults since September 7 and had a reasonable opportunity to repair them but failed to do so which gave Hart the right to reject the vehicle under the CGA.

However, that right to reject can be lost through delay and the tribunal ruled Hart took too long to exercise her right to reject the vehicle.

The tribunal said that had Hart not been misled about the existence of her rights under the CGA, she would likely have rejected the vehicle before departing for the South Island.

However, the tribunal ruled Hart was entitled to a remedy under the CGA because the vehicle was not of an acceptable quality at the time of sale and she had paid for repairs even though the trader had a reasonable opportunity to fix the faults.

The order

The trader had to refund Hart for repairs to the vehicle, less the \$375 paid, and replace the radiator and thermostat.



Sorento rejection dismissed because claim was against manufacturer

Background

Michael Griffin bought a used 2008 Kia Sorento with 17,025kms on its odometer for \$39,795 from Winger Motors Limited on May 12, 2009. The car was first registered on May 13, 2008, and Griffin obtained the unexpired term of the manufacturer's five-year warranty.

Griffin rejected the Sorento in May 2016 claiming it had a failure of substantial character, which he said was an ongoing loss-of-power issue, that made it unsafe under the terms of the Consumer Guarantees Act and filed an application against Kia Motors New Zealand Limited (the manufacturer).

Kia Motors said the vehicle's fault was caused by contaminated diesel fuel which was not a failure on its part to comply with the act's guarantee of acceptable quality. Kia Motors said that under the act, the right to reject a vehicle can only be exercised against the supplier not the manufacturer.

The case

Griffin said in August 2009, the car lost power during acceleration from an intersection. He stopped the Sorento and restarted the vehicle successfully. The car performed satisfactorily until it lost power again five months later. Waikato Kia scanned the vehicle's ECU but was unable to find any fault codes. Griffin said that after January 2010, the loss-of-power issue occurred every two months at low speed. Griffin said he was not greatly troubled by the car's fault because it was covered by the manufacturer's

warranty and he was confident the trader would fix it.

In 2013, Waikato Kia told Griffin it would continue the warranty cover for the loss-of-power fault. Griffin said the Sorento was returned to Waikato Kia on numerous occasions but it failed to diagnose the cause of the fault.

In January 2016, Griffin said he was driving the Sorento when it lost power and almost collided with another vehicle. Waikato Kia replaced the car's fuel pickup assembly but about three weeks later the fault reoccurred.

Griffin told Kia Motors in May 2016 that he wanted to reject the vehicle. Kia Motors offered Griffin a deal to buy a replacement vehicle but he rejected the offer.

On October 4, Griffin's legal adviser sent a letter to Kia Motors rejecting the vehicle on his behalf. The manufacturer's lawyers replied explaining that under the act, the right to reject a vehicle can only be exercised against the supplier.

The finding

At the start of the hearing, the tribunal's adjudicator explained the remedies which the act provided to a consumer to make a claim against a manufacturer and gave Griffin the opportunity to apply for an adjournment so he could take legal advice. However, Griffin decided to continue with the hearing.

The tribunal heard that in February 2012, the manufacturer instructed Waikato Kia to replace the turbo and radiator assembly based on information of known components that caused intermittent loss of power.

On March 4, 2013, Griffin told Waikato Kia the vehicle was losing power under load. A scan found no fault codes. Waikato Kia removed the fuel pump and reported finding debris in the fuel swirl pot.

Waikato Kia rechecked the vehicle for intermittent loss of power from February 2016 to June 2016 and a fault code P1186 (fuel pressure monitoring too low) was recorded. The manufacturer said that code confirmed a fuel system component failure from the fuel contamination identified by Waikato Kia in March 2013 and recommended replacing all components in the fuel system, an estimated at \$18.062.

In determining whether the vehicle complied with the guarantee of acceptable quality at the time of sale, the tribunal considered the Sorento's age, mileage and sale price.

The tribunal accepted Griffin's evidence that the Sorento lost power three months after purchase and the ongoing fault was intermittent.

The manufacturer's claim that it was not responsible for the loss of power fault because there was debris in the fuel swirl pot in March 2013 was not accepted by the tribunal because it did not explain the loss-of-power failures in August 2009 and January 2010. The tribunal's assessor said a small amount of debris might reasonably be expected in the fuel swirl pot in a diesel vehicle after seven years and 84,175kms and should not cause the intermittent loss of

The case: The buyer wanted to reject his 2008 Sorento under the terms of the Consumer Guarantees Act because it had an undiagnosed, intermittent loss-of-power issue. The manufacturer said the vehicle's fault was caused by contaminated diesel fuel, and the act didn't cover the remedy of rejection when a claim was brought against a manufacturer.

The decision: The buyer's application to reject the vehicle was dismissed by the tribunal because his claim was brought against the manufacturer of the vehicle and not the supplier.

At: The Motor Vehicle Disputes Tribunal, Auckland

power described by the buyer.

The assessor said the fault was likely to be caused by the control module or an earth loom issue and possibly a voltage problem.

The tribunal found that the Sorento failed to comply with the act's guarantee of acceptable quality because it lacked the durability which a reasonable consumer would regard as acceptable for the vehicle's age, price and mileage.

However, under the terms of the act, the buyer's redress against the manufacturer was limited to damages for any reduction in the value of the goods below the price he paid because the vehicle had an intermittent loss-of-power fault. The buyer was also entitled to any consequential losses that met the test of foreseeability under the act. Griffin told the tribunal he had no idea what those damages would be.

Order

Griffin's application to reject the car was dismissed because his claim was against the manufacturer of the vehicle and not the supplier, and because he failed to offer evidence of any reduction in the car's value as a result of the issue.

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z	Osaka	2 Jun	16 Jun	2 Jul	17 Jul	2 Aug
JAPAN	Nagoya	3 Jun	17 Jun	3 Jul	18 Jul	3 Aug
3	Toyohashi	-	18 Jun	-	19 Jul	-
	Yokohama	4 Jun	19 Jun	5 Jul	20 Jul	4 Aug
	Auckland	21 Jun	7 Jul	21 Jul	6 Aug	21 Aug
Ŋ	Wellington	28 Jun	11 Jul	28 Jul	10 Aug	25 Aug
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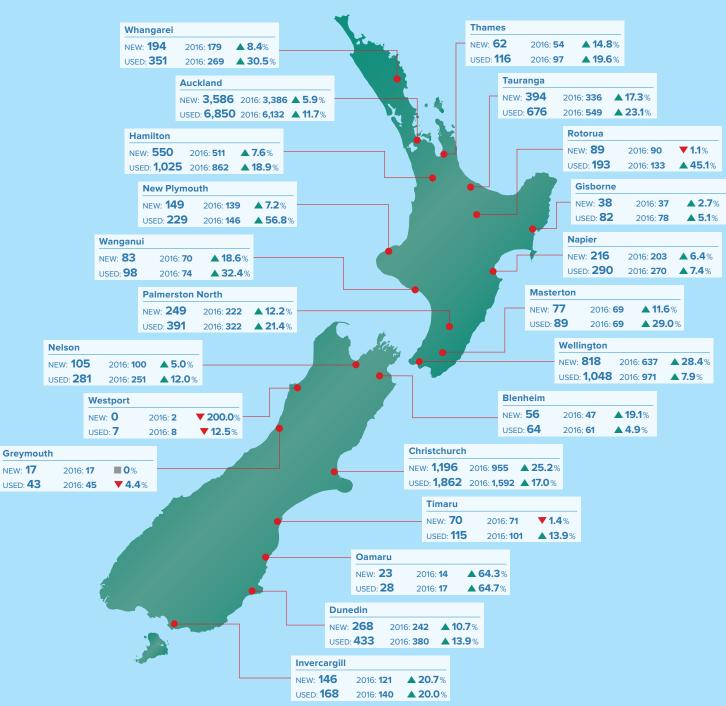
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MAKE	MAY'17	MAY'16	+/- %	MAY'17 MKT SHARE	2017 YEAR TO DATE	2017 MKT SHARE
Toyota	3,604	3,103	16.1	25.0%	16,969	25.5%
Nissan	2,750	2,429	13.2	19.0%	12,053	18.1%
Mazda	2,153	1,895	13.6	14.9%	9,884	14.8%
Honda	1,409	1,267	11.2	9.8%	6,707	10.1%
Suzuki	692	628	10.2	4.8%	3,294	4.9%
Subaru	669	579	15.5	4.6%	2,936	4.4%
BMW	660	542	21.8	4.6%	3,022	4.5%
Mitsubishi	559	438	27.6	3.9%	2,453	3.7%
Volkswagen	446	511	-12.7	3.1%	2,365	3.6%
Mercedes-Benz	368	242	52.1	2.5%	1,553	2.3%
Audi	287	222	29.3	2.0%	1,327	2.0%
Lexus	103	58	77.6	0.7%	411	0.6%
Ford	98	151	-35.1	0.7%	529	0.8%
Volvo	88	91	-3.3	0.6%	434	0.7%
Holden	60	46	30.4	0.4%	292	0.4%
Chevrolet	58	44	31.8	0.4%	294	0.4%
Mini	48	43	11.6	0.3%	221	0.3%
Porsche	45	16	181.3	0.3%	176	0.3%
Jaguar	44	32	37.5	0.3%	237	0.4%
Dodge	39	13	200.0	0.3%	138	0.2%
Hyundai	36	50	-28.0	0.2%	163	0.2%
Land Rover	32	27	18.5	0.2%	259	0.4%
Jeep	26	18	44.4	0.2%	129	0.2%
Chrysler	25	17	47.1	0.2%	92	0.1%
Maserati	21	2	950.0	0.1%	65	0.1%
Renault	15	12	25.0	0.1%	43	0.1%
Peugeot	14	23	-39.1	0.1%	77	0.1%
Kia	13	4	225.0	0.1%	48	0.1%
Daihatsu	11	7	57.1	0.1%	66	0.1%
Bentley	6	1	500.0	0.0%	51	0.1%
Alfa Romeo	5	6	-16.7	0.0%	14	0.0%
Aston Martin	5	0	500.0	0.0%	18	0.0%
Skoda	4	1	300.0	0.0%	12	0.0%
Cadillac	3	3	0.0	0.0%	19	0.0%
Isuzu	3	2	50.0	0.0%	12	0.0%
Others	40	44	-9.1	0.3%	250	0.4%
Total	14,439	12,567	14.9	100.0%	66,613	100.0%

Imported	Passenger	Vehicle	Sales	ЬγМ	odel - N	lay 201	7
MAKE	MODEL	MAY'17	MAY'16	+/- %	MAY'17 MKT SHARE	2017 YEAR TO DATE	2017 MKT SHARE
Nissan	Tiida	652	631	3.3	4.5%	2,850	4.3%
Mazda	Axela	625	591	5.8	4.3%	2,910	4.4%
Suzuki	Swift	597	512	16.6	4.1%	2,830	4.2%
Mazda	Demio	475	424	12.0	3.3%	2,274	3.4%
Honda	Fit	467	424	10.1	3.2%	2,299	3.5%
Subaru	Legacy	352	259	35.9	2.4%	1,471	2.2%
Toyota	Prius	352	185	90.3	2.4%	1,568	2.4%
Toyota	Wish	334	314	6.4	2.3%	1,658	2.5%
Mitsubishi	Outlander	325	239	36.0	2.3%	1,354	2.0%
Mazda	Atenza	321	280	14.6	2.2%	1,446	2.2%
Volkswagen	Golf	294	314	-6.4	2.0%	1,471	2.2%
Toyota	MarkX	285	212	34.4	2.0%	1,278	1.9%
Toyota	Vitz	279	265	5.3	1.9%	1,261	1.9%
Nissan	Dualis	225	158	42.4	1.6%	983	1.5%
Mazda	Premacy	225	167	34.7	1.6%	1,003	1.5%
Mazda	MPV	223	208	7.2	1.5%	1,016	1.5%
Toyota	Corolla	218	207	5.3	1.5%	1,103	1.7%
Toyota	Estima	214	140	52.9	1.5%	1,011	1.5%
Toyota	Auris	202	187	8.0	1.4%	904	1.4%
Nissan	Note	198	192	3.1	1.4%	841	1.3%
Honda	Odyssey	194	146	32.9	1.3%	928	1.4%
Nissan	Bluebird	174	133	30.8	1.2%	790	1.2%
Nissan	Skyline	158	139	13.7	1.1%	616	0.9%
Nissan	Murano	153	156	-1.9	1.1%	725	1.1%
Subaru	Impreza	147	119	23.5	1.0%	659	1.0%
Nissan	X-Trail	143	98	45.9	1.0%	593	0.9%
Toyota	RAV4	141	115	22.6	1.0%	679	1.0%
Toyota	Blade	136	169	-19.5	0.9%	666	1.0%
Nissan	Leaf	135	48	181.3	0.9%	555	0.8%
Honda	Stream	128	126	1.6	0.9%	625	0.9%
Nissan	Teana	124	114	8.8	0.9%	570	0.9%
Honda	Civic	120	79	51.9	0.8%	510	0.8%
Honda	Accord	116	126	-7.9	0.8%	505	0.8%
Toyota	Alphard	114	67	70.1	0.8%	491	0.7%
Honda	CRV	111	147	-24.5	0.8%	579	0.9%
Others		5,482	4,876	12.4	38.0%	25,591	38.4%
Total		14,439	12,567	14.9	100.0%	66,613	100.0%





EVs and luxury models to the

egistrations for used imported cars jumped 14.9 per cent in May with 14,439 units compared to 12,567 during the same month last year, and nine of the 10 highest-selling makes seeing double-digit sales growth, with the exception of Volkswagen, which was down 12.7 per cent.

Toyota has extended its market share at the top of the table to 25 per cent, with sales up 16.1 per cent with 3,604 units compared to 3,103 in May 2016. In second place, Nissan sales increased 13.2 per cent to 2,750 units, a 19 per cent market share, followed by Mazda, up 13.6 per cent for a 14.9 per cent market share of monthly sales.

The top-selling used imported model for May was the Nissan Tiida. The hatchback held steady with 652 registrations, a 3.3 per cent increase on the same month last year, for a 4.5 per cent market share and 2.850-unit sales year to date.

Close behind was the Mazda Axela, with sales up 5.8 per cent last month to 625 units compared to 591 in May 2016, and a 4.3 per cent market share for the month. With 2,910 registrations year to date the Axela tops the overall market share with 4.4 per cent. Suzuki Swift came in third, with a 16.6 per cent jump in sales with 597 units and 2,830 registrations so far this year.

Second-hand luxury cars appear to be heating up in the New Zealand market. Most major brands saw significant growth during May compared to the same month last year, including Mercedes-Benz, with sales up 52.1 per cent to 368 units, Audi was up 29.3 per cent

with 287 registrations, and Lexus, up 77 per cent to 103 units.

The popularity of used hybrids and EVs continues to rise. Toyota Prius registrations were up 90.3 per cent to 352 units last month compared to 185 in May 2016, and the model was ranked seventh on the list of top-selling passenger models. The Nissan Leaf continues its boom in sales, up 181.3 per cent to 135 units in May compared to 48 during the same month last year.

Sales of hatchback models appear to be stabilising, with year-on-year sales growth of all 10 ranked hatches – excluding the Suzuki Swift and the EV Leaf - below the average of 14.9 per cent. Larger vehicles, including sedans, SUVs and MPVs, however, saw generally much higher annual sales growth in May, with 15 of the 24 ranked models over the rate of 14.9 per cent. The Subaru Legacy jumped 35.9 per cent to 352 units, the sixthhighest selling model, followed

by the Mistubishi Outlander, up 36 per cent to 325 units and the Toyota Mark X, up 34 per cent.

Several regions saw large increases in used car registrations including Oamaru, up 64.7 per cent in May with 28 sales compared to 17 in May 2016, New Plymouth jumped 56.8 per cent with 229 registrations compared with 146 in the same month last year, while Rotorua rose 45.1 per cent with 193 units compared to 133 registrations in May 2016.

North Otago Motor Group dealer principal Peter Robinson says double-cab utes and SUVs are popular with the region's mostly rural population.

He says Oamaru's economy is steady as dairy farmer pay-outs have increased and the region hasn't suffered a drought for some time.

"There is more intensive farming down here with the irrigation schemes coming online and there has been a noticeable drift of people moving south from Auckland," Robinson says.

"We have seen internal migration and it's a nice trend for Oamaru. There are no empty shops on the main road and the population has increased."

Jonno Leonard, owner of Rockstar Cars in Devonport, Auckland, says "Car sales have steadied up after a rocky six months to the end of February. At the moment, we are basically improving in sales to a sustainable level.

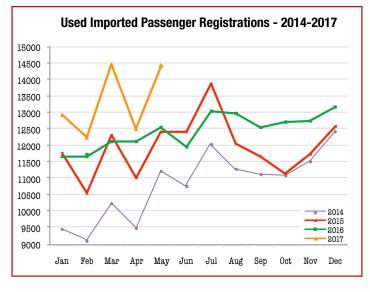
"The buyer inquiries we have are serious and tend to result in sales, although we would welcome an increase in inquiry volume. But more people are coming up with poor credit issues than I remember from previous periods," he says.

Leonard says the dealership's buyers are mostly younger single people. "Probably because we run a price-point yard."

He says there are no specific models that are popular, "We retain an eclectic mix including small hatch backs and wagons, which are our mainstay."

Tony Frost, the owner of Millars Car Centre in Henderson, Auckland, says there has been an influx of cheap "rubbish" imported used cars flooding the market. "There are still buyers out there that don't care what they buy. They want the cheapest car they can buy," he says.

But Frost says his family-focused business, which has been selling vehicles in west Auckland for 28 years, relies on word-of-mouth referrals, and repeat customers. "They may have paid more for the car but it's reliable and we stand by our products and we look after our customers," he says. ⊕





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Australia numbers still strong

total of 16,666 used passenger vehicles crossed the border last month, a 32 per cent increase compared to May 2016. So far, 73,692 used cars have been imported into New Zealand during the year to date.

As usual, the vast majority of used imported vehicles came from Japan, 15,727 units entered from that country, which is a 27.9 per cent rise on April's imports and 32.7 per cent up on the same month last year when 12,563 used cars came in.

There was also an increase in used cars coming in from Britain and Australia, when compared to May 2016 - British imports rose 160.3 per

cent to 190 units, and Australia sent 519 used cars, up 31.4 per cent.

It was also a good month for new passenger vehicles, with imports up 18 per cent on May last year to 9,655 units, the best figures since December 2016.

Year to date, 43,690 new cars have been imported into New Zealand, compared to 38,237 for the same period last year, an increase of 14.3 per cent.

In terms of light commercial vehicle imports, used increased 40 per cent from 438 last May to 614 units last month. New light commercial imports rose 22.1 per cent, from 2309 in May 2016 to 2,819 units last month. Nick Owens, owner of Auto Inspection Services in Christchurch, says that during the past 12 months, there has been a noticeable increase in the number of 10-year-plus used vehicles coming into the country that have a corresponding noticeable increase in the distance the vehicles have travelled.

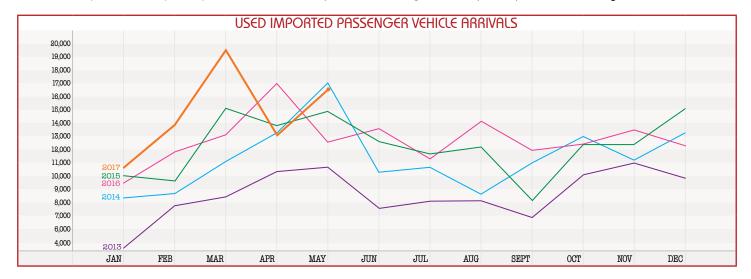
"This may be due to changes in the volumes of vehicles available at the right price at auction in Japan, or maybe just a consistent demand from the cheaper end of the market." Owens says. "There are also a lot of seven-to-nine seat passenger vans coming in like the Toyota Voxy and

Alphard and the Nissan Elgrand."

Owens says the Subaru range, especially the Outback, is always popular with South Island car buyers.

He says there has also been an increase in high-end late model European cars imported from Britain both by dealers and individuals.

North Otago Motor Group dealer principal Peter Robinson says: "It is a challenge getting vehicles from the wharf due to the large volume of new cars coming in. But with 150,000 new vehicles expected this year it is understandable that the transport companies are struggling with the backlog but it is frustrating for us." 🕣



Used Impor	Used Imported Passenger Vehicles By Country Of Export														
COUNTRY OF		2017						2016				20	015		
EXPORT	JAN '17	FEB '17	MAR '17	APR '17	MAY '17	MAY MRKT SHARE %	2017 TOTAL	Q1	02	Q3	Q4	2016 TOTAL	MRKT SHARE	2015 TOTAL	MRKT SHARE
Australia	382	530	630	433	519	3.1%	2,494	1,233	1,201	1,264	1,453	5,151	3.4%	4,893	3.2%
Great Britain	273	173	241	152	190	1.1%	1,029	166	210	387	774	1,537	1.0%	939	0.6%
Japan	9,697	12,924	18,446	12,288	15,727	94.4%	69,082	32,722	40,969	34,514	34,875	143,080	93.7%	143,125	94.9%
Singapore	47	81	97	54	89	0.5%	368	201	362	310	358	1,231	0.8%	611	0.4%
USA	156	100	135	83	120	0.7%	594	251	287	349	388	1,275	0.8%	1,041	0.7%
Other countries	28	21	30	25	21	0.1%	125	61	124	112	141	438	0.3%	253	0.2%
Total	10,583	13,829	19,579	13,035	16,666	100.0%	73,692	34,634	43,153	36,936	37,989	152,712	100.0%	150,862	100.0%



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Trade-ins up 35 per cent in Wanganui

ealer to public sales during May were on par with the same month last year.

There was a total of 18,697 dealer to public sales last month, a tiny 0.8 per cent or 150 vehicles increase compared to 18,547 sales in May 2016.

Public to public sales also remained steady with 43,477 vehicles sold last month. This was a 0.4 decrease from May 2017 when 43,643 were sold.

There was a 3.7 percent increase in trade-ins with 15,574 vehicles changing hands during May compared to 15,021 in the same month last year.

Greymouth had the highest percentage increase during May in relation to dealer to public sales, where a 46.8 per cent increase in sales saw 91 sales compared to 62 in May 2016. Dunedin came in second with a 16.1 per cent increase in dealer to public sales with 777 compared to 669 last year, while Oamaru came in third with a 13.3 per cent increase and 68 sales compared to 60 last year. Auckland, which holds 33.35 per cent of the market share, dipped slightly with a 1.3 per cent decrease during May to 6,236 sales compared to 6,316 during the same month last year.

Wanganui used car traders saw an influx of trade-ins last month

as public to dealer sales increase by 35.4 per cent with 153 vehicles changing hands compared to 113 during May 2016. Masterton was close behind with a 34 per cent jump in trade-ins with 134 vehicles compared to 100 during May 2016, and Timaru was third with a 29.9 per cent increase in trade-ins with 174 compared to 134 last year.

The owner of Stuart Bunker Cars Limited in Pukekohe, Stuart Bunker, who has been a dealer for about 20 years, says he mostly sells vehicles to order to regular clients and through word of mouth. Although he does have a small amount of used vehicle stock which he sells via Trade Me. "I sell all over New Zealand. Often, I never meet the buyers and will ship vehicles from Onehunga to the South Island. Or I will meet buyers at the (Auckland) airport."

The mechanic, who used to own a Toyota franchise in the town, says he services and grooms the vehicles before sale: "if you do it properly there are no problems".

He says a large number of exrental vehicles came up for auction during mid-May which was a boom for dealers.

Bunker says Pukekohe has grown remarkably and recent development includes the \$100 million Ryman retirement village. \oplus

SECONDHAN	D CAR SAL	ES - May 201	7								
		DEALER-TO-P	UBLIC			PUBLIC-TO-PUBLIC		PUBLIC-TO-DEALER			
	MAY '17	MAY '16	+/- %	MARKET SHARE	MAY '17	MAY '16	+/- %	MAY '17	MAY '16	+/- %	
Whangarei	656	630	4.1	3.5	1,985	1,951	1.7	297	291	2.1	
Auckland	6,236	6,316	-1.3	33.4	14,892	15,124	-1.5	5,693	5,668	0.4	
Hamilton	1,655	1,575	5.1	8.9	3,564	3,422	4.1	1,738	1,503	15.6	
Thames	241	240	0.4	1.3	604	587	2.9	116	90	28.9	
Tauranga	1,047	1,067	-1.9	5.6	2,336	2,297	1.7	633	668	-5.2	
Rotorua	298	348	-14.4	1.6	824	907	-9.2	106	104	1.9	
Gisborne	168	149	12.8	0.9	367	385	-4.7	69	90	-23.3	
Napier	602	652	-7.7	3.2	1,561	1,529	2.1	429	521	-17.7	
New Plymouth	433	383	13.1	2.3	1,051	939	11.9	253	239	5.9	
Wanganui	191	211	-9.5	1.0	506	533	-5.1	153	113	35.4	
Palmerston North	857	793	8.1	4.6	1,661	1,703	-2.5	1,099	885	24.2	
Masterton	216	198	9.1	1.2	440	474	-7.2	134	100	34.0	
Wellington	1,636	1,645	-0.5	8.8	3,046	2,950	3.3	1,263	1,233	2.4	
Nelson	364	330	10.3	1.9	1,080	1,003	7.7	207	211	-1.9	
Blenheim	182	180	1.1	1.0	439	430	2.1	110	125	-12.0	
Greymouth	91	62	46.8	0.5	204	209	-2.4	42	37	13.5	
Westport	18	20	-10.0	0.1	86	82	4.9	0	0	0.0	
Christchurch	2,292	2,365	-3.1	12.3	5,015	5,416	-7.4	2,188	2,187	0.0	
Timaru	250	232	7.8	1.3	597	497	20.1	174	134	29.9	
Oamaru	68	60	13.3	0.4	208	166	25.3	18	22	-18.2	
Dunedin	777	669	16.1	4.2	2,016	1,984	1.6	529	492	7.5	
Invercargill	419	422	-0.7	2.2	995	1,055	-5.7	323	308	4.9	
NZ total	18,697	18,547	0.8	100.00	43,477	43,643	-0.4	15,574	15,021	3.7	



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New Passen	ger Vehi	de Sales	by Mak	ie - May	2017	
MAKE	MAY'17	MAY'16	+/-%	MAY'17 MKT SHARE	2017 YEAR TO DATE	2017 MKT SHARE
Toyota	1,245	965	29.0	14.8%	6,053	14.1%
Mazda	886	671	32.0	10.6%	4,035	9.4%
Holden	681	677	0.6	8.1%	3,970	9.3%
Hyundai	561	628	-10.7	6.7%	2,955	6.9%
Kia	549	400	37.3	6.5%	2,788	6.5%
Suzuki	544	427	27.4	6.5%	3,142	7.3%
Mitsubishi	527	474	11.2	6.3%	2,835	6.6%
Ford	524	697	-24.8	6.2%	3,037	7.1%
Volkswagen	423	301	40.5	5.0%	1,963	4.6%
Nissan	382	394	-3.0	4.6%	2,034	4.8%
Honda	318	268	18.7	3.8%	1,763	4.1%
Subaru	304	234	29.9	3.6%	1,276	3.0%
Audi	231	159	45.3	2.8%	898	2.1%
Mercedes-Benz	202	202	0.0	2.4%	1,097	2.6%
BMW	144	113	27.4	1.7%	845	2.0%
Jeep	120	94	27.7	1.4%	470	1.1%
Skoda	118	112	5.4	1.4%	486	1.1%
Land Rover	105	101	4.0	1.3%	503	1.2%
SsangYong	73	114	-36.0	0.9%	372	0.9%
Lexus	58	55	5.5	0.7%	279	0.7%
Mini	52	31	67.7	0.6%	275	0.6%
Volvo	45	58	-22.4	0.5%	244	0.6%
Isuzu	37	16	131.3	0.4%	98	0.2%
Porsche	36	34	5.9	0.4%	179	0.4%
Peugeot	32	63	-49.2	0.4%	239	0.6%
Jaguar	28	16	75.0	0.3%	141	0.3%
Dodge	26	26	0.0	0.3%	132	0.3%
Tesla	26	1	2500.0	0.3%	73	0.2%
Fiat	23	15	53.3	0.3%	94	0.2%
Alfa Romeo	20	17	17.6	0.2%	44	0.1%
Renault	14	8	75.0	0.2%	108	0.3%
Maserati	10	7	42.9	0.1%	82	0.2%
Citroen	9	45	-80.0	0.1%	73	0.2%
Yamaha	8	6	33.3	0.1%	37	0.1%
Bentley	6	4	50.0	0.1%	21	0.0%
Others	19	69	-72.5	0.2%	171	0.4%
Total	8,386	7,502	11.8	100.0%	42,812	100.0%

New Pas	senger Veh	icle Sc	ıles by	Model	- May 20	017	
MAKE	MODEL	MAY'17	MAY'16	+/- %	MAY'17 MKT SHARE	2017 YEAR TO DATE	2017 MKT SHARE
Toyota	RAV4	391	249	57.0	4.7%	1,593	3.7%
Mazda	CX-5	330	246	34.1	3.9%	1,254	2.9%
Kia	Sportage	302	232	30.2	3.6%	1,520	3.6%
Toyota	Corolla	281	323	-13.0	3.4%	1,829	4.3%
Mitsubishi	Outlander	251	135	85.9	3.0%	1,162	2.7%
Nissan	X-Trail	245	133	84.2	2.9%	735	1.7%
Volkswagen	Tiguan	225	33	581.8	2.7%	1,036	2.4%
Toyota	Highlander	197	105	87.6	2.3%	797	1.9%
Hyundai	Santa Fe	181	151	19.9	2.2%	794	1.9%
Honda	Jazz	168	104	61.5	2.0%	623	1.5%
Holden	Commodore	166	198	-16.2	2.0%	945	2.2%
Hyundai	Tucson	162	216	-25.0	1.9%	965	2.3%
Mazda	CX-9	156	0	15600.0	1.9%	584	1.4%
Mitsubishi	ASX	155	101	53.5	1.8%	841	2.0%
Suzuki	Swift	149	188	-20.7	1.8%	999	2.3%
Holden	Captiva	146	187	-21.9	1.7%	1,010	2.4%
Ford	Focus	139	115	20.9	1.7%	705	1.6%
Mazda	Mazda3	123	137	-10.2	1.5%	775	1.8%
Suzuki	Vitara	123	164	-25.0	1.5%	730	1.7%
Subaru	Outback	119	117	1.7	1.4%	618	1.4%
Mazda	Mazda2	111	125	-11.2	1.3%	522	1.2%
Volkswagen	Golf	110	103	6.8	1.3%	414	1.0%
Toyota	Yaris	110	112	-1.8	1.3%	537	1.3%
Mazda	CX-3	107	109	-1.8	1.3%	626	1.5%
Ford	Escape	105	0	10500.0	1.3%	656	1.5%
Ford	Mondeo	104	107	-2.8	1.2%	429	1.0%
Suzuki	Ignis	101	0	10100.0	1.2%	505	1.2%
Nissan	Qashqai	95	141	-32.6	1.1%	713	1.7%
Kia	Rio	95	44	115.9	1.1%	440	1.0%
Honda	HR-V	91	114	-20.2	1.1%	626	1.5%
Holden	Trax	81	50	62.0	1.0%	469	1.1%
Suzuki	SX4 S-Cross	80	23	247.8	1.0%	380	0.9%
Subaru	Impreza	75	17	341.2	0.9%	147	0.3%
Jeep	Grand Cherokee	74	42	76.2	0.9%	253	0.6%
Mitsubishi	Pajero Sport	71	65	9.2	0.8%	196	0.5%
Others		2,967	3,316	-10.5	35.4%	16,384	38.3%
Total		8,386	7,502	11.8	100.0%	42,812	100.0%

Top 3 Sources for Leads, Test Drives and Sales - New Zealand Dealerships Web - Classified / 16.2% **10.7%** Direct

Web - Dealer

No Change

Brand

Web - Dealer

41.6% 14.4%

10.1%



SUVs reign supreme

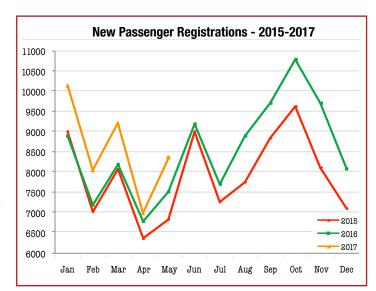
ales of new cars increased 11.8 per cent during May with 8,386 registrations compared to 7,502 units during the same month last year.

Toyota was yet again the most popular make, with year-on-year sales for the month increasing 29 per cent to 1,245 units compared to 965 in May 2016 to take a 14.8 per cent market share for May. Mazda followed, with a 32 per cent increase in registrations on 886 sales, up from 671 in May last year, which gave the marque a 10.6 per cent market share. Holden held steady in third, with sales increasing 0.6 per cent

to 681 units for an 8.1 per cent market share.

SUV registrations have increased significantly, and the sports utility vehicles made up eight of the ten highest-selling models in May.

Toyota's RAV4 took out the top spot last month, with sales up 57 per cent to 391 units compared to 249 in May 2016, followed by the Mazda CX-5, up 34 per cent on 330 units from 246 in the same month last year, and the Kia Sportage saw a 30.2 per cent rise on 302 units, up from 232. In fourth, sales of the Toyota Corolla declined 13 per cent.



Numerous hatchbacks and sedans are experiencing falling sales due to the SUV boom, including the Holden

Commodore, falling 16.2 per cent last month to 166 units sold, and the Suzuki Swift, down 20.7 per cent to 149 units. ⊕

NEW VEHICL	e sales i	3Y BUYE	R TYPE	- May 201	7	
	MAY '17	MAY '16	MTH%	2017 YTD	2016 YTD	% YTD
Passenger	3,172	3,521	-9.9	17,455	19,114	-8.7
Private	1,303	1,583	-17.7	7,145	8,073	-11.5
Business	1,632	1,531	6.6	7,882	8,373	-5.9
Gov't	154	243	-36.6	861	1,031	-16.5
Rental	83	164	-49.4	1,567	1,637	-4.3
SUV	5,169	3,924	31.7	25,091	19,218	30.6
Private	2,289	1,772	29.2	11,586	8,619	34.4
Business	2,293	1,702	34.7	10,970	8,937	22.7
Gov't	78	69	13.0	381	333	14.4
Rental	509	381	33.6	2,154	1,329	62.1
Light Commercial	4,079	3,218	26.8	17,618	14,772	19.3
Private	1,003	793	26.5	4,306	3,747	14.9
Business	2,789	2,260	23.4	12,234	10,125	20.8
Gov't	136	91	49.5	608	480	26.7
Rental	151	74	104.1	470	420	11.9
Sub Total	12,420	10,663	16.5	60,164	53,104	13.3
Private	4,595	4,148	10.8	23,037	20,439	12.7
Business	6,714	5,493	22.2	31,086	27,435	13.3
Gov't	368	403	-8.7	1,850	1,844	0.3
Rental	743	619	20.0	4,191	3,386	23.8
Heavy Commercial	554	415	33.5	2,226	1,841	20.9
Other	159	87	82.8	778	408	90.7
Total	13,133	11,165	17.6	63,168	55,353	14.1

NEW VEHICLE MARKET SEGMENTATION - May 2017												
	MAY '17	MAY '16	MTH% DIFF	2017 YTD	2016 YTD	% YTD						
Passenger	3,172	3,521	-9.9	17,455	19,114	-8.7						
SUV	5,169	3,924	31.7	25,091	19,218	30.6						
Light Commercial	4,079	3,218	26.8	17,618	14,772	19.3						
Heavy Commercial	554	415	33.5	2,226	1,841	20.9						
Other	159	87	82.8	778	408	90.7						
TOTAL MARKET	13,133	11,165	17.6	63,168	55,353	14.1						
Micro	68	220	-69.1	830	941	-11.8						
Light	946	972	-2.7	4,904	5,488	-10.6						
Small	1,244	1,171	6.2	6,901	6,805	1.4						
Medium	436	550	-20.7	2,336	2,810	-16.9						
Large	230	330	-30.3	1,332	1,748	-23.8						
Upper Large	10	16	-37.5	46	121	-62.0						
People Movers	53	57	-7.0	223	242	-7.9						
Sports	185	205	-9.8	883	959	-7.9						
SUV Small	1,201	1,035	16.0	6,866	5,211	31.8						
SUV Medium	2,306	1,569	47.0	10,264	7,494	37.0						
SUV Large	1,568	1,285	22.0	7,584	6,276	20.8						
SUV Upper Large	94	35	168.6	377	237	59.1						
Light Buses	69	43	60.5	398	261	52.5						
Vans	551	461	19.5	2,564	2,199	16.6						
Pick Up/Chassis Cab 4x2	1,347	1,134	18.8	6,124	5,204	17.7						
Pick Up/Chassis Cab 4x4	2,112	1,580	33.7	8,532	7,108	20.0						
Heavy Commercial	554	415	33.5	2,226	1,841	20.9						
Other	159	87	82.8	778	408	90.7						
TOTAL MARKET	13,133	11,165	17.6	63,168	55,353	14.1						

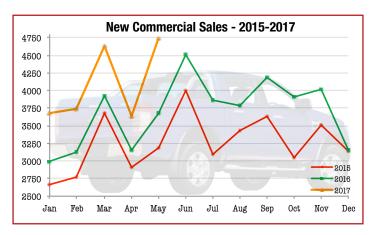


Triton pushes Colorado off podium

ew light commercial vehicle sales rose 29 per cent to 4,745 units during May, compared to the same month last year.

Toyota continues to dominate new commercial sales with a 42.8 per cent increase in registrations with 1,125 units sold compared to 788 during May 2016, and gives the brand a 23.7 per cent market share for the month. Ford came in second, with sales up 19.3 per cent on 971 units compared to 814 during the same month last year, and a 20.5 per cent May market share. Mitsubishi sales doubled to 501 units compared to 246 in May 2016, a 10.6 per cent market share.

Utes continue to rise in



popularity, making up seven of the 10 highest-selling commercial vehicles. The Ford Ranger was the most popular model yet again, with sales up 17.7 per cent in May with 889 units sold compared to 755 in May 2016. Toyota Hilux was second, with registrations up 42.9 per cent to 819 units compared to 573 last May. While the Mitsubishi Triton leaped into third, with sales up 103.7 per cent to 501 units.

New van sales were also going strong during May. The Toyota Hiace was up 37 per cent with 274 registrations, Ford Transit sales were up 65 per cent to 81 units, and the Fiat Ducato rose 82.9 per cent to 75 units.

Paul Bond, dealer principal of Hawkes Bay Nissan, says although the new vehicle market is still trending upward, "it has softened slightly".

"Manufacturers always kick start the first three months of the year with great deals on vehicles but it can be hard to maintain the momentum and the market is very competitive," he says.

Bond says buyer trends in the Hawkes Bay are similar to those nationwide - people want SUVs and double-cab utes. ⊕

New Comme	rcial Sale	es by M	ake - M	αγ 2017		
MAKE	MAY'17	MAY'16	+/- %	MAY'17 MKT SHARE	2017 YEAR TO DATE	2017 MKT SHARE
Toyota	1,125	788	42.8	23.7%	4,483	21.9%
Ford	971	814	19.3	20.5%	4,137	20.3%
Mitsubishi	501	246	103.7	10.6%	1,665	8.2%
Isuzu	351	281	24.9	7.4%	1,510	7.4%
Holden	348	411	-15.3	7.3%	1,810	8.9%
Nissan	244	194	25.8	5.1%	1,419	6.9%
Mazda	186	183	1.6	3.9%	844	4.1%
Volkswagen	118	104	13.5	2.5%	522	2.6%
Hyundai	96	77	24.7	2.0%	473	2.3%
Fuso	95	0	9500.0	2.0%	263	1.3%
LDV	76	92	-17.4	1.6%	464	2.3%
Fiat	75	42	78.6	1.6%	359	1.8%
Foton	72	28	157.1	1.5%	290	1.4%
Mercedes-Benz	62	47	31.9	1.3%	286	1.4%
Hino	61	51	19.6	1.3%	249	1.2%
Scania	59	11	436.4	1.2%	130	0.6%
SsangYong	44	66	-33.3	0.9%	287	1.4%
DAF	38	29	31.0	0.8%	101	0.5%
UD Trucks	31	24	29.2	0.7%	106	0.5%
Volvo	29	18	61.1	0.6%	188	0.9%
Others	163	172	-5.2	3.4%	843	4.1%
Total	4,745	3,678	29.0	100.0%	20,429	100.0%

New Com	nercial Sale	ss by	Mode	I - May	2017		
MAKE	MODEL	MAY'17	MAY'16	+/-%	MAY'17 MKT SHARE	2017 YEAR TO DATE	2017 MKT SHARE
Ford	Ranger	889	755	17.7	18.7%	3,802	18.6%
Toyota	Hilux	819	573	42.9	17.3%	3,110	15.2%
Mitsubishi	Triton	501	246	103.7	10.6%	1,665	8.2%
Holden	Colorado	335	382	-12.3	7.1%	1,738	8.5%
Toyota	Hiace	274	200	37.0	5.8%	1,246	6.1%
Isuzu	D-Max	252	187	34.8	5.3%	1,040	5.1%
Nissan	Navara	244	194	25.8	5.1%	1,419	6.9%
Mazda	BT-50	186	183	1.6	3.9%	844	4.1%
Hyundai	lload	94	74	27.0	2.0%	465	2.3%
Ford	Transit	81	49	65.3	1.7%	332	1.6%
Fiat	Ducato	75	41	82.9	1.6%	344	1.7%
Volkswagen	Amarok	69	57	21.1	1.5%	235	1.2%
Ldv	V80	52	50	4.0	1.1%	276	1.4%
Foton	Tunland	51	16	218.8	1.1%	239	1.2%
Fuso	Canter 616 - City	47	0	4700.0	1.0%	83	0.4%
SsangYong	Actyon Sport	44	66	-33.3	0.9%	287	1.4%
Isuzu	F Series	44	33	33.3	0.9%	219	1.1%
Daf	CF	38	23	65.2	0.8%	93	0.5%
Mercedes-Benz	Sprinter	37	35	5.7	0.8%	182	0.9%
Hino	500	31	29	6.9	0.7%	115	0.6%
Others		582	485	20.0	12.3%	2,695	13.2%
Total		4,745	3,678	29.0	100.0%	20,429	100.0%



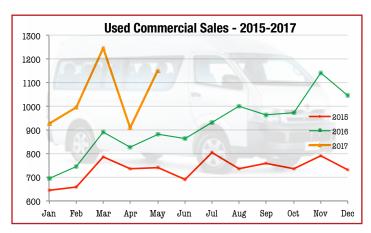
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Utes top May shopping lists

here were 1,150 used commercial vehicles sold throughout New Zealand during May, which was a 30.1 per cent increase on the 884 units registered in May 2016.

Toyota held on to its pole position as market leader with 515 registrations, up 19.8 per cent on May last year when 430 were sold. Nissan followed with 269 registrations up a massive 52.8 per cent on the same month last year, and Mazda was third with 70 sales, a 7.7 per cent increase on May 2016.

Year to date, Toyota has a remarkable 46.6 per cent share of the market with 2,439 registrations, while Nissan has a 21.2 per cent market share with 1,107 and Mazda



continues to hold onto third with a 7.5 per cent market share of 391 units.

The Toyota Hiace held steady at the top of the commercial vehicle models table with 370 registrations for the month, an increase of 13.1 per cent on May 2016 sales, and a market share of 32.2 per cent. Year to date, there has been 1,807 Hiace's sold for an overall market share of 34.5 per cent. Nissan Caravan registrations were up 61.4 per cent from 70 in May last year to 113 last month, while the Mazda Bongo held on to third with a 21.3 per cent rise from 47 units a year ago to 57 this May. However, the Toyota Regius continues to rise in popularity with a 170 per cent jump in registrations from 20 units in May last year to 54 last month.

John Dallimore, who works for a large Auckland dealership which imports vehicles directly from Japan, says the used commercial vehicle market is steady but the availability of secondhand light commercial stock hasn't increased despite the rise in sales of new utes. "People are selling all sorts of cars to get a ute. Utes have always been popular."

Used Commercial Sales by Make - May 2017									
MAKE	MAY'17	MAY'16	+/-%	MAY'17 MKT SHARE	2017 YEAR TO DATE	2017 MKT SHARE			
Toyota	515	430	19.8	44.8%	2,439	46.6%			
Nissan	269	176	52.8	23.4%	1,107	21.2%			
Mazda	70	65	7.7	6.1%	391	7.5%			
Isuzu	58	50	16.0	5.0%	253	4.8%			
Ford	39	29	34.5	3.4%	167	3.2%			
Hino	39	20	95.0	3.4%	150	2.9%			
Mitsubishi	37	32	15.6	3.2%	182	3.5%			
Chevrolet	26	14	85.7	2.3%	100	1.9%			
Holden	23	13	76.9	2.0%	100	1.9%			
Fiat	9	4	125.0	0.8%	54	1.0%			
Volkswagen	9	8	12.5	0.8%	45	0.9%			
Mercedes-Benz	7	1	600.0	0.6%	31	0.6%			
Dodge	5	3	66.7	0.4%	22	0.4%			
GMC	5	3	66.7	0.4%	25	0.5%			
Mitsubishi Fuso	5	0	500.0	0.4%	10	0.2%			
Volvo	5	2	150.0	0.4%	14	0.3%			
Suzuki	4	4	0.0	0.3%	8	0.2%			
Kenworth	3	2	50.0	0.3%	15	0.3%			
Factory Built	2	2	0.0	0.2%	3	0.1%			
Great Wall	2	1	100.0	0.2%	9	0.2%			
Others	18	25	-28.0	1.6%	108	2.1%			
Total	1,150	884	30.1	100.0%	5,233	100.0%			

Used Commercial Sales by Model - May 2017								
MAKE	MODEL	MAY'17	MAY'16	+/- %	MAY'17 MKT SHARE	2017 YEAR TO DATE	2017 MKT SHARE	
Toyota	Hiace	370	327	13.1	32.2%	1,807	34.5%	
Nissan	Caravan	113	70	61.4	9.8%	438	8.4%	
Mazda	Bongo	57	47	21.3	5.0%	325	6.2%	
Toyota	Regius	54	20	170.0	4.7%	231	4.4%	
Nissan	NV200	41	21	95.2	3.6%	157	3.0%	
Toyota	Dyna	37	37	0.0	3.2%	141	2.7%	
Isuzu	Elf	35	32	9.4	3.0%	150	2.9%	
Nissan	Vanette	34	35	-2.9	3.0%	204	3.9%	
Nissan	Atlas	26	18	44.4	2.3%	93	1.8%	
Hino	Dutro	26	12	116.7	2.3%	83	1.6%	
Nissan	Navara	22	12	83.3	1.9%	89	1.7%	
Mitsubishi	Canter	19	11	72.7	1.7%	99	1.9%	
Toyota	Toyoace	19	18	5.6	1.7%	88	1.7%	
Ford	Ranger	17	9	88.9	1.5%	65	1.2%	
Isuzu	Forward	14	14	0.0	1.2%	59	1.1%	
Chevrolet	Silverado	14	4	250.0	1.2%	45	0.9%	
Toyota	Hilux	13	13	0.0	1.1%	86	1.6%	
Nissan	NV350	12	11	9.1	1.0%	54	1.0%	
Hino	Ranger	11	7	57.1	1.0%	56	1.1%	
Nissan	E-NV200	10	1	900.0	0.9%	18	0.3%	
Others		206	165	24.8	17.9%	945	18.1%	
Total		1,150	884	30.1	100.0%	5,233	100.0%	

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New car stock still too high

ealer stock numbers of new cars increased as imports outnumbered sales last month, and edged closer towards the record highs of December last year. In total, 9,655 new cars were brought into New Zealand in May, up 17.1 per cent on April's total of 8,247, and up 18 per cent compared to the 8,184 imports in May 2016.

Registered vehicles also increased in May, up 11.8 per cent annually to 8,386 units. This means 1,269 more vehicles arrived into dealers' yards than were sold, very similar to 1,251 additional stock reported in the previous month.

So far this year, 43,690 new vehicles have arrived in the country, with 42,812 being sold. The leftover balance of 878 extra vehicles puts current stock numbers at 66,799 units, a 1.9 per cent increase on April's figures. Compared to May

2016, stock numbers have increased 16.6 per cent.

Dealers throughout New Zealand now have 228 days worth of stock on hand, two days higher than April. Numbers continued to trend upwards throughout the year, but still fall short of the recent high in December 2016, where dealers had 234 days of stock on hand.

While stock is increasing, retail activity is also on the rise, with demand slowly catching up to the boom in supply. Sales increased to an average 293 per day, in May, 11 per cent higher than May 2016 and are currently at an all time high.

North Otago Motor Group dealer principal Peter Robinson says there has been a surge of interest in the last of the Australian-made Commodores especially the limited edition V8s. Production of the cars across the

Ditch will end in October and New Zealand's quota for these new vehicles are; 51 Magnum utes, 51 Director luxury sedans and 150 Motorsport sedans, all are scheduled to arrive at the end of the year.

The dealership has been allocated one Director, one Magnum ute and three Motorsport cars which he says is exciting for the group.

"The manufacturer has been very fair with its distribution of the cars throughout New Zealand, and we already have orders for our allocation," Robinson says.

Garry Dayman, general manager at Nelson Bays Motor Group, which has three locally owned and operated dealerships servicing four franchises within the region, says the motor vehicle industry seems to be breaking records this year.

"Like everyone we have

problems getting vehicles from Auckland and it's predicted new car sales will reach 150,000 this year. That's growth on growth. There's strong marketing and great finance packages for new cars and a lot of people are stepping up to new cars. But I think new car sales have plateaued at the moment," Dayman says.

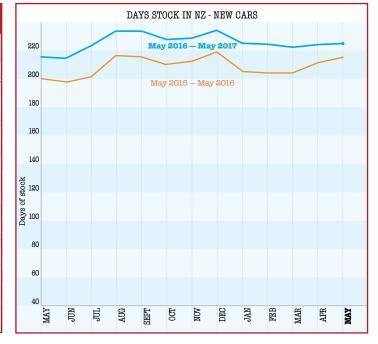
He says the dealership's sales team is looking forward to the annual field days which usually results in increased sales activity.

"Hopefully the sales growth is sustainable," he says.

Dayman says the region's property market is buoyant with sections in new developments often selling ahead of a property title being issued.

"There is a lot of confidence in the region and the population has grown." (The region's population topped 100,000 in January 2016.) ⊕

Dealer stock of new cars in New Zealand								
	CAR SALES IMPORTED REGISTERED		VARIANCE	STOCK	DAILY SALES - 12-MONTH AVERAGE	DAYS STOCK AT HAND		
May '16	8,184	7,502	682	57,289	264	217		
Jun '16	8,924	9,186	-262	57,027	264	216		
Jul '16	9,279	7,701	1,578	58,605	265	221		
Aug '16	13,210	8,894	4,316	62,921	269	234		
Sep '16	10,291	9,704	587	63,508	271	234		
Oct '16	10,115	10,795	-680	62,828	274	229		
Nov '16	11,059	9,722	1,337	64,165	279	230		
Dec '16	9,825	8,069	1,756	65,921	281	234		
Jan '17	8,489	10,150	-1,661	64,260	285	226		
Feb '17	8,099	8,050	49	64,309	287	224		
Mar '17	9,200	9,230	-30	64,279	290	222		
Apr '17	8,247	6,996	1,251	65,530	290	226		
May '17	9,655	8,386	1,269	66,799	293	228		
Year to date	43,690	42,812	878					
Change on last month	17.1%	19.9%		1.9%				
Change on May 2016	18.0% MORE IMPORTED	11.8% MORE SOLD		16.6% MORE STOCK				



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Bumper imports add to stockpile

Stocks of used cars climbed higher in May, with growing monthly sales numbers not enough to offset rising imports.

A total of 16,666 used cars were imported last month, up 27.9 per cent compared to April, and up 32.7 per cent on May 2016. Sales fell short of the increase, up 15.4 per cent in May to 14,439 vehicles, or a year-on-year increase of 14.9 per cent.

Year to date, 73,692 vehicles have crossed the border into New Zealand, and 66,613 units have sold, resulting in a surplus stock of 7,079 units. Stock numbers have varied so far this year, including a fall of 2,350 units in January due to falling imports, and an import boom in March adding a further 5,105 vehicles to existing stock levels.

Despite the varying levels in month-to-month stock levels, sales have been consistently trending upwards. Current overall stock sits at 35,792 vehicles, up 21.5 per cent compared to May 2016, when a total of 29,449 excess vehicles were recorded. At 35,792 units, this is the highest amount of unregistered stock since Autofile started recording this data.

Stock on hand rose to 84 days

have been constantly increasing since July 2016, which had an average 396 sales of used imported vehicles daily.

Jonno Leonard, owner of Rockstar Cars in Devonport, Auckland, says "In terms of stock, we buy a bit of everything and we import small hatchbacks as they

"Second-hand utes are hard to get hold of.

People don't trade them in, they tend to keep them, or pass them along and run them into the ground." – Paul Bond, Hawkes Bay Nissan

in May, up from 80 in April and well ahead on the 12-month low of 64 days in January.

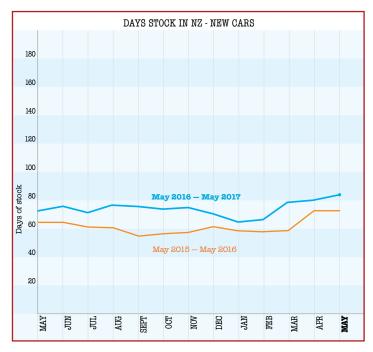
Daily sales have been building and reached a new high of 427 days last month, 6.6 per cent higher than in May 2016. Sales are the hardest to buy locally. We buy them from Japan, just for ease of supply.

"When it comes to stock levels at the moment, supply and demand are pretty even. Small hatchbacks are competitive to buy overseas but easier to buy than they are in New Zealand," he says.

Paul Bond, dealer principal of Hawkes Bay Nissan, says "Secondhand utes are hard to get hold of. People don't trade them in, they tend to keep them, or pass them along and run them into the ground.

"The used car market has softened and other dealers down here have noticed that too. You have to have your finger on the pulse," Bond says.

Tony Frost, the owner of Millars Car Centre in Henderson, Auckland, says "We have received notification that the port is clogged and the compliance centre is clogged and therefore the ships are delayed and that affects us."



Dealer stock of used cars in New Zealand							
	CAR SALES IMPORTED REGISTERED		VARIANCE	STOCK	DAILY SALES - 12-MONTH AVERAGE	DAYS STOCK AT HAND	
May '16	12,563	12,567	-4	29,449	399	74	
Jun '16	13,630	11,991	1,639	31,088	398	78	
Jul '16	11,249	13,055	-1,806	29,282	396	74	
Aug '16	14,058	12,993	1,065	30,347	399	76	
Sep '16	11,629	12,564	-935	29,412	401	73	
Oct '16	12,311	12,709	-398	29,014	405	72	
Nov '16	13,400	12,762	638	29,652	408	73	
Dec '16	12,242	13,181	-939	28,713	410	70	
Jan '17	10,583	12,933	-2,350	26,363	413	64	
Feb '17	13,829	12,260	1,569	27,932	415	67	
Mar '17	19,579	14,474	5,105	33,037	421	78	
Apr '17	13,035	12,507	528	33,565	422	80	
May '17	16,666	14,439	2,227	35,792	427	84	
Year to date	73,692	66,613	7,079				
Change on last month	27.9%	15.4%		6.63%			
Change on May 2016	32.7% MORE IMPORTED	14.9% MORE SOLD		21.5% MORE STOCK			

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