

# Agency to monitor activity on register

Action will be taken if rules around owners' personal details are flouted by car dealers when system comes online

he NZTA and industry organisations are warning car dealers, finance companies and other businesses to only use the Motor Vehicle Register (MVR) for legitimate purposes.

Changes to accessing names and addresses of registered persons held on the system start at the end of this month.

Previously, class authorisations were granted for all traders and other specified businesses, but these

expire on October 31. The agency is advising those covered by one that they need to have their own authorisation to continue obtaining names and addresses from the MVR – or use an approved industry body they are a member of.

These organisations include the Motor Trade Association (MTA), the VIA (Imported Motor Vehicle Industry Association) and Financial Services Federation. The NZTA is taking MVR security issues seriously and will act if regulations are flouted or abused.

Autofile queried if users of the new system will have to be designated and how the agency will know who, for security purposes, is getting the information.

The agency says people accessing the register via a portal provider are required to be authorised users

#### "We are concerned with any allegation involving a breach of privacy" - NZTA

and the portal will validate access against the published authorised organisation list.

"The NZTA will be monitoring access activity," says a spokesman. "The portal providers' systems facilitate access log-ins and so on for companies and individuals we approve. The number of users with access is taken into account when we review their applications." In relation to an incident involving a former VTNZ worker accessing MVR details that were passed onto a gang, the agency says "the case in question involved a deliberate and conscious breach of the system by the individual".

It adds: "The NZTA is concerned with any allegation involving a breach of privacy or unauthorised \_\_\_\_\_\_\_access to personal

information.

"We worked with the police to monitor the individual involved and took action to ensure that person wasn't

able to access any information from the motor vehicle or driver licence register.

"We are monitoring VTNZ's response to this incident to ensure any necessary steps are taken to strengthen processes and policies with respect to personal information." The VIA is among the

organisations striving to keep their [continued on page 4]













GLOBAL VEHICLE LOGISTICS NZ - JAPAN - AUSTRALIA - UK - EUROPE

### Where on earth are all your vehicles?



# Find them with Jacanna's new Global Tracking System<sup>\*</sup> (GTS)

Track your vehicles in real time anywhere in the supply chain from Japan to your yard

To find out more, contact neil@jacanna.co.nz





www.jacanna.co.nz Tel. +64 9 825 0888

\*in partnership with Japan Forwarding Agency



### Drive your business forward with

provident **A**insurance

Call Steve Owens now on 021 947 752

**GUEST EDITORIAL** 

# Port constricted by interference

Chris Carr is MD of Carr & Haslam Ltd, a transport company with more than 150 years' experience in New Zealand

Short-term political aspirations should never get in the way of long-term infrastructure developments.

Sadly, we have many politicians who never think further than the next election and gullible voters who facilitate their short-sighted thinking.

In Auckland, we have a port on which the country relies for import and export trade, something which is important for an isolated island nation.

Somehow, politicians fail to understand this and elect to stand in front of an ill-informed public who think developing skyscrapers and cafes is more important than supplying goods to New Zealand.

The irony of wanting to live in a vibrant and developing Auckland while stifling the essential elements that sustain this is something I find hard to reconcile.

Interference has hobbled Ports of Auckland (POAL) ever since the regional council bought its publicly owned shares and turned it into a political football.

Prior to this, our port was run with all the disciplines and disclosure any public company has. Now it sits as a restricted and constricted toy, beaten into submission by inept politicians.

To see what the port could have been we only have to look at Tauranga, which has been allowed to run as a public company with financial results better than POAL.

Auckland now has a port with



CHRIS CARR Carr & Haslam

as it should because politicians have said it has to move. Simply put, there is nowhere to relocate the port to without spending at least \$20 billion Auckland Council doesn't have. Inept politicians have

a constricted footprint.

It's struggling to perform

painted themselves into a corner. Now all they can do is play a delaying game and hope people forget the current position to quietly allow the port to get on with business.

The recent folly of moving cars to Northport is just silly. Assume for a minute it was operationally possible. The added transport and congestion costs would be passed directly to the public.

Trucks every two-and-a-half minutes between Auckland and Northport is a mindless imposition. Those who point to KiwiRail fail to account for the costs of connections to the port and through Auckland, and fail to allow for somewhere to unload cars once they get to the city so trucks can deliver them.

KiwiRail puts the connection costs in the billions, and then there's the need for rolling stock to carry 25,000 cars, trucks and heavy machines per month in a timely manner.

It took 28 years to build the Waterview tunnels, so I doubt the comparatively mammoth task of moving the port will happen in the next 50 years. It would be nice if politicians thought of the nation's efficiency rather than their own election prospects. ⊕

### autofile

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

Darren Wiltshire dazzz@autofile.co.nz ph. 021 0284 7428

DESIGNER Adrian Payne arpayne@gmail.com EDITOR Darren Risby ris@autofile.co.nz

JOURNALISTS Sue Brebner-Fox sue@autofile.co.nz

Jonathon Thomson jonathon@autofile.co.nz

MOTORSPORT Mark Baker veritas.nz@xtra.co.nz

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

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

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

ISSN 0112-3475 (print) ISSN 2350-3181 (online)



### Your Import Finance Specialists!

#### Flexible import and floorplan finance for dealers Streamline your buying, and your cashflow

One finance facility / multiple suppliers - giving you the freedom to choose how and when you buy, ship, and comply.

Find out more: 

blackbirdfinance.co.nz 

0800 000 999

members up to speed with the changes for using the MVR.

For example, it has already told them that - as an approved industry body - they do not need to apply for access separately, but the VIA needs their up-to-date trading details.

Malcolm Yorston, membership and technical services manager, says the VIA recommends members restrict access to the MVR to the sales or finance manager, and they should require that all sales staff request the information from the authorised member by email.

"That way each request is filed for audit purposes," he told Autofile. "We understand and support what the NZTA is trying to achieve with the restrictions as the revelations of 'gangs' accessing information from the MVR through authorised users is a cause for concern.

"We note the agency has listed all organisations that can access the MVR on its website and believe each authorised person needs a unique identifier to minimise unauthorised access."

There have, however, been some issues in getting the new system up and running.

"Even having requested information from the NZTA's S241 team as to what the agency's expectations of 'representative

organisations' are, we're still in the dark as to what our expected obligations are," says Yorston.

"We have sent out alerts to our membership expressing what we understand it is trying to achieve by analysing the gazette notice."

Greig Epps is industry relationship manager at the Motor Trade Association (MTA), which is also an approved industry association. This status means its vehicle trader and service station members can access the MVR without making individual applications.

His association is advising its members they should review internal systems to ensure they



have appropriate processes and training in place to protect personal information retrieved from the MVR.

"These details should only be accessed for 'specified purposes' under the published

terms and conditions of use," Epps explains. "All staff should recognise and respect private owner information.

"All information requests via the MVR can be tracked and any inappropriate use of private-owner information will be treated seriously.

"For our members, there is a requirement to comply with applicable regulations for their sector. Failure can lead to internal disciplinary action by the MTA."

Epps expects the process to be seamless for MTA members come November 1 as they exit the existing class approval system.

"The same name and address

information should be available as long as the business seeking access is a member of one of the approved organisations or if it has individual authorisation," he emphasises.

"Dealers not covered by one of those mechanisms will have to rely on existing 'confirm or deny' provisions available through the government's MotoChek service.

"For our MTA dealer members, we advise it's important they do what they can to ensure the person presenting a trade-in has a legitimate connection to that vehicle."

Epps says commonality between the "seller" presenting the car and the person recognised in the MVR is a simple - but important - part of the trade-in process because failure to adequately complete such checks could leave the dealer open to future disputes.

The MTA has been working to ensure it keeps the NZTA updated on who its vehicle trader and service station members are.

"The NZTA needs that information to confirm

### Put yourself in the driver's seat.

Take control of your dealership with MotorWeb.

Driving your dealership shouldn't be full of unpredictable twists, turns and bumps in the road. MotorWeb takes the hassle and risk out the everyday tasks so you can keep your eye on the road ahead and your foot firmly planted on business acceleration.

MotorWeb provides the most detailed Vehicle Information Report – VIR<sup>™</sup> and the most comprehensive suite of online motor vehicle trading tools in the market.

- Innovative risk management tools when purchasing and financing vehicles.
- Simplified compliance to the Motor Vehicle SalesAct 2003.
- Fast online vehicle transactions with the NZTA.
- Accurate vehicle documentation at the click of the mouse.



MotorW

Vehicle Information Authority

Ph: 0800 668 679 www.motorweb.co.nz



 authorisation when allowing access to the MVR," says Epps.

"We have found the NZTA to be receptive to suggestions on how the process should work from an industry point of view and haven't experienced any problems through this process.

"Moving to a new system that meets stricter privacy and access requirements is complex, and we understand the agency has needed to take time and even delay its project to ensure all the parts worked together.

"Assuming the system works as planned, MTA members shouldn't experience any difference from the old access regime."

Mark Greenfield, general manager of Motorcentral, says the company has adapted its dealership management system to cope with the changes and will be able to provide solutions.

"One will be to those that have approved access either independently or by way of approval under an industry organisation or body, and also for those that aren't approved," he says.

Speaking on behalf of the National Auto Industry Technology Association, Greenfield adds: "Our application to be an approved industry organisation is still pending. We expect to hear the outcome of this soon. This would allow any members to continue to have access.

"The process has been longer



than expected, but we're looking forward to an outcome to reduce any potential disruption that's likely to take place. The new system is unlikely to be the final system. We see it as more of an initial starting point."

When Autofile checked on October 11, there were about 1,640 companies and individuals with authorised access to the MVR.

Of those, around 640 were motor-vehicle traders compared to about 3,400 car dealers that are registered in New Zealand.

Fuel suppliers, or service stations, made up the majority of the approved access groups at 53 per cent followed by car dealers with 39 per cent and financial service organisations with five per cent.

The NZTA says it's keeping an accurate record of those covered individually or by a representative body.

Car dealers can get this information through alternative methods on a case-by-case basis or by verifying known details through a free check on the

#### Guide to what's happening

Class authorisations have previously been granted for all traders, insurers, finance companies and petrol stations to access the MVR. They expire on October 31.

Those previously covered by one need to have their own authorisation – or use one for an industry body they are a member of – to continue getting names and addresses.

The NZTA's rules for accessing information are the same for all approved industry bodies and individual applicants.

However, why car dealers need to access personal details is different to fuel suppliers, finance companies and insurers.

The NZTA says: "Standard terms

[for] vehicle traders, fuel suppliers, finance companies and insurers assist a decision being reached more quickly."

Those who access MVK name and address details through a portal will no longer be able to so unless they are also a member of an approved industry body or have applied for their own authorisation.

These portals include CarJam, Centrix, Equifax run by Veda Advantage, Infolog, LemonCheck, Motochek and MotorWeb, which is owned by Trade Me.

Standard access to details such as warrant of fitness and licence expiry, stolen flags, odometer readings and so on are all still available.

"Staff should recognise and respect private owner information" – Greig Epps, MTA

transport agency's website.

It adds: "We understand there may be traders who haven't applied or aren't covered by a representative body. There are alternatives in place to manage this.

"Organisations whose membership in an industry body has lapsed may experience disruptions – such as one that hasn't applied for access because it's a member of an industry body that has applied on behalf of all its members but hasn't realised their membership has lapsed.

"This would mean their company name isn't on the authorised access register. Therefore, they will not have continuous access. We encourage everyone to check online at www. nzta.govt.nz/s241."

The NZTA has previously extended its deadline twice for the new MVR system "to allow more time for industry to assess whether they need individual access or whether there are other options more suitable to their needs" – such as using the free and immediate confirmation of a name check if someone has a vehicle to sell or trade.

"Rather than extend for a third time, the agency decided it would be best to apply additional resource for the month prior and just beyond the October 31, 2017, deadline."

It did this to ensure applications could be processed before that date.

It normally allows eight weeks, but this was reduced to four, for its advising agencies – the Ombudsman, Privacy Commissioner and Police Commissioner – to have time to evaluate the NZTA's recommendation for granting or declining an application.  $\bigcirc$ 



PEACE OF MIND

All vehicles Ramp Inspected before departure

contact: **Kei Mikuriya** email: mikuriya@heiwa-auto.co.jp **www.heiwa-auto.co.nz** 

STRICTLY DEALER ONLY

Heiwa Auto never sell or export vehicles to private buyers



## Lending advice for dealers

The Financial Services Federation (FSF) is urging all car dealers and finance providers to follow the law and guidelines when it comes to arranging customers' loans.

The advice comes with the Commerce Commission highlighting issues with the automotive and finance sectors in its annual report, which also singles out lending practices that may be responsible for generating an increasing number of complaints.

That said, it needs to be noted the majority of motor-vehicle dealers and sales of their products comply with the requirements of consumer and finance legislation.

The matters are raised in its Consumer Issues Report for the year ending June 30, 2017, which covers complaints it has received in regards to the Contracts and Consumer Finance Act (CCCFA) and Fair Trading Act (FTA).

The commission says finance companies continue to have complaint levels disproportionate to their share of the New Zealand credit market, but this proportion has decreased.

"With regard to motor-vehicle financing specifically, trends in regards to complaints against these lenders are broadly similar to those against other finance companies," says Lyn McMorran, executive director of the FSF, which has more than a dozen members related to the automotive sector.

"It is concerning to us that vulnerable consumers are being provided with loans they are unable to repay.

"That would not seem to be

responsible behaviour from either the consumer's or lender's point of view given that finance providers don't tend to be in business for long if their loans aren't being repaid."

Under the CCCFA, all finance providers – including car dealers – must adhere to lender responsibility principles. These, among other things, require lenders to be satisfied customers can in which they calculate their fees against these guidelines as a matter of urgency."

According to the commission's report, the four areas of lender conduct most under scrutiny in 2016/17 were:

 Reasonable inquiries not being made by finance providers about borrowers' needs and or abilities to pay, as set out in the

"Lenders should review the way in which they calculate their fees against guidelines as a matter of urgency" – Lyn McMorran, FSF

make payments without suffering substantial hardship.

"They are also required to assist borrowers to reach informed decisions as to whether or not to enter into agreements and be reasonably aware of the full implications of doing so," McMorran told Autofile.

"We would suggest if lenders are aware that a complaint has been made to the commission against them in respect of any of the above, they should review their processes. Even if they think they might not have a problem, this would be an appropriate response.

"This also applies to their fees. The Commerce Commission published its guidance to lenders on consumer credit fees in light of the MTF-Sportzone High Court judgement. "Lenders should review the way



responsible lending principles – 54 complaints.

- Lenders potentially failing to properly disclose terms and conditions before borrowers agree to loans – 34 complaints.
- Repossession practices 10 complaints.
- People finding it difficult to apply for hardship protection – 10 complaints.

These four issues accounted for 45 per cent of the 242 CCCFA complaints in 2016/17 – an increase of 22 per cent compared to the equivalent in 2015/16.

The three types of lenders most complained about were finance companies with 59 complaints and 24 per cent of the total, high-cost short-term finance providers with 33 and motor-vehicle lenders on 25. The finance companies' 24 per cent was greater than their share of New Zealand's credit market at about two per cent. However, the proportion of CCCFA complaints about them has dropped from 43 per cent in 2015/16.

Continuing the trend observed in 2015/16, specific lending for cars generated a consistent number of complaints under the act.

Cases were diverse and related to new car finance offered by marques, credit arranged by car dealers from third-party lenders and specialist third-tier lenders.

Of the 25 complaints specifically recorded as relating to buying vehicles, 11 were about lenders not making reasonable inquiries about borrowers' circumstances or them not having received required information before agreeing to loans.

The commission has been told by budgeting advisers that "vulnerable consumers are often being provided with vehicle loans they are unable to repay".

Some complainants have described many charges levied by some motor-vehicle lenders, such as application fees or balance requests, as "unreasonable".

Overall, there were 31 credit-fee complaints relating to the CCCFA with most about vehicle loans.

The commission has reminded lenders that contracts should not include unreasonable credit or default fees.

Providers must not make a profit from these and have been barred from adding a margin onto fees passed on from unrelated third parties.

The CCCFA's responsible lending



 principles, which came into play on June 6, 2015, apply to all consumer credit contracts.

The onus rests with finance providers to make reasonable inquiries to be satisfied lending is affordable and meets borrowers' needs. This means lenders must obtain details about customers' financial situations before signing contracts.

The CCCFA requires lenders to provide clear and correct disclosure of the terms and conditions of borrowing, including information about fees and interest.

"We continue to receive complaints from consumers that lenders are not sufficiently disclosing terms and conditions before consumers sign loan documents," notes the commission.

McMorran says: "The report talks about the fact that complaints relating to the CCCFA increased by 22 per cent over the previous year, but it goes on to say this is partly fuelled by an increase in the number of complaint referrals from other consumer agencies.

"We are also pleased to hear these agencies are encouraging consumers to make complaints when they feel they have been treated irresponsibly by consumer finance providers.

"We think the increase in complaints is a result of this and increased consumer awareness of rights under the CCCFA since it was amended in 2015. This is good for ensuring standards of responsible behaviour are being adhered to."

Overall, the FSF is pleased with the way information in the report has been presented.

"In previous years, the commission has named traders about whom it has received the largest number of complaints during the year," says McMorran.

"Even though it has placed a caveat around this, the fact is it hasn't taken any action against traders as a result of these complaints.

"In our opinion, the caveat wasn't sufficiently highlighted that it was obvious to a reader of the paper and, therefore, naming the trader would have adverse reputational consequences for it.

"A further concern we had in regard to naming traders – quite

logically in the consumer-credit space at least – was lenders that process a larger volume of individual loans annually tended to have the largest number of complaints against them.

"What wasn't made clear, however, was that these might have numbered in single figures while the number of loans they processed each year would be in the tens of thousands.

"They were, therefore, a much less significant percentage of their overall lending than a similar number of complaints against a lender processing hundreds of loans per annum.

"The fact the commission has listened to our concerns and has chosen this year not to name traders about whom they have received complaints – apart from one mobile trader it successfully prosecuted under the Crimes Act – is pleasing."

#### NUMBERS IN PERSPECTIVE

As an industry, motor-vehicle retail and sales generated the third most FTA complaints to the Commerce Commission in 2016/17 with 359 or 5.3 per cent out of the total of 6,798.

The telecommunications and domestic appliance industries were first and second with 603 and 8.9 per cent and 403, or 5.9 per cent, respectively.

Some 110 buyers complained the quality – and, in some cases, specifications – of vehicles were misrepresented by dealers.

"Industries, such as motor vehicle and domestic appliance retail, generate the most complaints about potential misrepresentation of goods," states the commission.

"The high value and importance of goods such as cars make their accurate representation paramount when consumers are choosing what to purchase. This in turn can cause greater detriment when the quality of goods purchased isn't satisfactory."

The latest National Consumer Survey noted that, while most Kiwis trusted businesses not to mislead them, 35 per cent of respondents stated they generally didn't trust those in motor-vehicle retail.

Complaints about car dealers were widespread across traders, "indicating issues across the country and industry", while 55 per cent of complaints were [continued on page 8]



### WHAT DRIVES JAQUES GRAY?

NATIONAL SALES MANAGER

"Before I joined Provident, I raced yachts. Steve said that I could go back to sailing in a year. That was four years ago."

"This company was established in 2012 and look where we are now. We've built a brand and a reputation and we're seen as professional business partners to some of the largest, most respected dealerships in the country.

Steve and I share a similar philosophy of passion and commitment. To help make Provident succeed.

#### Your success is our goal.

We try hard to help our clients and it's important we balance that with responsible underwriting. It's a partnership and our objective is to help improve the profitability and performance of our dealers, responsibly.

Your success is our goal and you can measure our performance by the results that we help you achieve."



www.providentinsurance.co.nz

#### news

#### [continued from page 7]

#### Motor vehicle lending

Continuing the trend observed in 2015,<sup>44</sup> lending for motor vehicles generates a consistent number of complaints under the CCCF Act, with 25 complaints in the 2016/17 /marcial year.<sup>44</sup> Complaint narratives are diverse and relate to new car (mance offered by brand name financies, credit arrange by car dealers from third party lenders and specialist third-fer lenders.

by car bears non-time party research and presenting to the purchase of motor vehicles, 11 were Of the 25 compains specifically recorded as relating to the purchase of motor vehicles, 11 were about the lender not making received lenguines about the circumstances of the portower and/or the borrower not having received the required information from the lender before agreeing to the

credit contract.

Budgeting advisors have told us that vulnerable consumers are often being provided with vehicle lo
budgeting advisors have told us that vulnerable consumers are often being provided with vehicle lo
budgeting advisors have told us that vulnerable consumers are often being provided with vehicle lo
budgeting advisors have told us that vulnerable consumers are often being provided with vehicle lo
budgeting advisors have told us that vulnerable consumers are often being provided with vehicle lo
budgeting advisors have told us that vulnerable consumers are often being provided with vehicle lo
budgeting advisors have told us that vulnerable consumers are often being provided with vehicle lo
budgeting advisors have told us that vulnerable consumers are often being provided with vehicle lo
budgeting advisors have told us that vulnerable consumers are often being provided with vehicle lo
budgeting advisors have told us that vulnerable consumers are often being provided with vehicle lo
budgeting advisors have told us that vulnerable consumers are often being provided with vehicle lo
budgeting advisors have told us that vulnerable consumers are often being provided with vehicle lo
budgeting advisors have told us that vulnerable consumers are often being provided with vehicle lo
budgeting advisors have told us that vulnerable consumers are often being provided with vehicle lo
budgeting advisors have told us that vulnerable consumers are often being provided with vehicle lo
budgeting advisors have told us that vulnerable consumers are often being provided with vehicle lo
budgeting advisors have told us that vulnerable consumers are often being provided with vehicle lo
budgeting advisors have told us that vehicle lo
budgeting

13 Consumers have complained that some of the many fees (such as application receiption of the source) of the source of the s



5. Please note that complains narratives do nice away? Is indication: The complaints in this sum include which le brand finance companies, car dealers an anapric in lenders rehouse core lending is for vehicle purchase and complaint narratives where vehicle purchase from any lenders removes that complete the second secon

The Commerce Commission says in its latest Consumer Issues Report that fees charged by some car lenders are unreasonable

made about different sellers.

Concerns were across the board – from new and second-hand car dealers, to online traders and dealers concentrating on selling imported vehicles.

Historically, it has been noted about 85 per cent of FTA motorvehicle complaints involve non-Motor Trade Association (MTA) members.

Consumers have tended to raise multiple issues in a single complaint, such as absent consumer information notices (CINs) or CCCFA concerns, like perceived coercion to sign financial documents.

#### Guarantees that

accompanied purchases – such as manufacturers' warranties and automotive insurances – generated 60 complaints in 2016/17, which raised concerns that Consumer Guarantees Act (CGA) rights were also misrepresented.

These complaints about car and appliance retailers were higher than any other industry, which "could be due to the high-value, technical goods that traders in these sectors sell".

The commission doesn't directly enforce the CGA, but the FTA states no person in trade may make a false or

misleading representation about a consumer's rights under the CGA, which brings this issue under the commission's remit.

Potential misrepresentation of consumers' rights regarding the CGA has been a theme in complaints about purchases with buyers saying it can be difficult to obtain refunds, repairs or replacements.

In addition, some traders offering insurances or extended warranties on high-value goods have failed to adequately explain the benefits additional to buyers' protection under the CGA.

"Ideally there would be no complaints about traders breaching the consumer laws," Craig Pomare, chief executive officer of the MTA, told Autofile.

"However, we are heartened the commission acknowledges very few complaints involve our members. We also note many of the complaints don't meet the threshold for inquiry and are not pursued."

The MTA has promoted awareness of new laws among its members and says this report serves as a reminder to the wider sector about updating practices or facing the consequences.

"Over the past 18 months, the commission has taken enforcement action against 15 traders – only one was an MTA member," says Pomare. "This breach, like many of the others, related to the CIN displayed in cars for sale."

David Vinsen, chief executive of VIA (the Imported Motor Vehicle Industry Association), says the number of complaints need to be seen in perspective – there are hundreds of thousands of vehicles sold each year.

"For there to be only 384 complaints specifically relating to dealers is a remarkably low number," he says. "It shows me that – for the vast majority of cases – the industry is doing things properly, as it should.

"Dealers take their consumer responsibilities seriously. Training and oversight from insurance and warranty service providers has helped them raise their professional standards over the past few years.

"While not wishing to make

## Stacking up the numbers

The Commerce Commission has received complaints alleging sales staff have misrepresented people's rights under the CGA in the past year.

"We are receiving an increasing number of complaints about FTA issues, such as representations about goods and services, and warranties and guarantees," says commissioner Anna Rawlings.

"We are continuing to focus on compliance with consumer credit laws. We will prioritise investigating irresponsible lending practices."

The commission received 7,270 complaints in 2016/17. Of these, 6,798 were about the FTA, 242 were CCCFA-related and 230 focussed on the Commerce Act.

There were 359 FTA complaints about motor-vehicle retail and sales. In regards to the CCCFA, there were 59 complaints against finance companies and 25 against motorvehicle lenders.

Of the overall FTA complaints, 1,492 were about pricing practices, 1,030 covered the representation of services, 925 were on the representation of goods, and 694 about warranties and guarantees.

In regards to total CCCFA complaints, 54 were for reasonable inquiries about lenders' circumstances about disclosure of terms, while there were 10 each for repossession and hardship matters.

light of any breaches of consumer law, or even ethical business standards, it does need to be borne in mind that 384 complaints out of 750,000 transactions is an infinitesimal 0.48 per cent." ⊕

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

#### **TOYOFUJI SHIPPING SCHEDULE** NEW ZEALAND Toyofuji vessels Voyage Moji Auckland Osaka Yokohama Nelson Nagoya Lyttelton Wellington Trans Future 6 99 12 Oct 14 Oct 16 Oct 17 Oct \_ 18 Sep 19 Sep 23 Sep Dream Orchid 9 Oct 10 Oct 12 Oct 02 26 Oct \_ \_ Trans Future 7 99 2 Oct 3 Oct 7 Oct 26 Oct 28 Oct 30 Oct 31 Oct 23 Oct 24 Oct 25 Oct 30 6 Nov Dream Diva

#### TOYOFUJI SHIPPING NEW ZEALAND LIMITED

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

# Driving great partnerships for over 30 years

Talk to us today about how we can add value to your business.



### Your Motor Insurance PARTNER

www.protecta.co.nz | contact@protecta.co.nz | 0800 776 832

## **Celebration for half-century**

Staff past and present, clients, industry figures and Sir John Key have marked the 50th anniversary of Turners Car Auctions' first official board meeting.

The milestone in the auction trade was celebrated at a glittering party at Auckland's War Memorial Museum on September 21.

People who attended were taken through the company's evolution since 1967 and gained an insight into where it's heading.

Todd Hunter, chief executive officer of Turners Automotive Group, and Greg Hedgepeth, CEO of Turners Group NZ, addressed the crowd before Sir John recalled tales past.

"While it may have appeared our journey has been a random road trip, it hasn't," said Hunter. "No company grows, innovates, evolves and prospers for 50 years by accident.

"Fifty years ago, the average tenure of companies on the S&P 500 was 33 years. By 1990, it was 20. It's forecast to shrink to 14 by 2026. About 50 per cent will be replaced over the next 10 years.

"This is a reminder of a general principle – a company cannot endure in the long term without reinventing itself."

Hunter highlighted former leaders of the business who made tough calls, such as John Boswell who chose television advertising over floor painting and was the driving force behind its national expansion.

And Jeff Wesley and Stuart Clarke "who had the foresight to develop the supersite concept – these were ballsy calls lesser people wouldn't have made".

Hunter added: "You need people who are engaged and passionate. There are four who embody what it means to be a Turners 'blue blood' person – Ben Nicholson, Craig Robinson, Chris Redwood and Ian Curry. Between them, they have more than 120 years' service.

"As lan reminds me, once upon a time you would have got sacked for selling a car outside of the auction. Last month we sold over



From left, Greg Hedgepeth, chief executive officer of the Turners Group NZ, former CEOs Jeff Wesley and John Boswell, Sir John Key and Todd Hunter, CEO of Turners Automotive Group



Todd Hunter raises smiles on the faces of Turners' lan Curry, Craig Robinson, Ben Nicholson and Chris Redwood

1,500 cars this way.

"We have come a long way since that first truck was sold at a Turners & Growers' produce auction and we moved into the automotive market.

"We have sold more than 1.5 million cars sold to New Zealanders, over 100,000 trucks and pieces of machinery and equipment, and half-a-million cars through our damaged vehicles channel.

"The future of motoring has never been more exciting. With your support, we are looking forward to moving New Zealand for another 50 years."

Hedgepeth said: "It gives me pleasure to share Turners reaching the half-century. I believe only about three per cent of Kiwi companies achieve this milestone.

"When the opportunity presented itself to join Turners, it was an easy decision. I'm a self-confessed petrol-head who's passionate about innovation



Turners staff outside Auckland Museum. From left, Matt Randell, Jonathan Sergel, Sean Wiggans, Shane Prince, Sonya Rose with her husband Andrew, David Karl and Adam Edmonds



Sir John Key

and brand transformation, and Turners ticks those boxes.

"I believe it is well-placed to lead a paradigm shift in the remarketing landscape for our vendor partners and end customers.

"This is something we need to do due to three factors – our ever-changing customer needs, a competitive landscape and the onslaught of digitalisation."

In his address, Sir John congratulated Turners for its success over five decades and entertained guests with his stories.

Turners' Daniel Peet, Dion Jones, Andrew Ferguson (MTF), Brian Taylor and Ian Curry

The former Prime Minister said one of his first cars was "an old-style 1100 Escort". When he took it to a nearby trader, "he said, '1300' and I said, 'no mate, it's an 1100'.

"He said, 'no, I'm offering you \$1,300'. And I said 'get stuffed, you Labour bugger'. Anyway, it was red funnily enough and I took it to Turners."

Visit www.autofile.co.nz for more on Hunter's and Hedgepeth's speeches, Key's address, including playing golf with Barack Obama, and photos from Turners' big night.  $\oplus$ 



### We've got Electric Vehicles covered!





BEV

Battery Electric Vehicles e.g. Nissan Leaf Range-Extended Electric Vehicles e.g. BMW i3

REEV



PHEV

Plug-in Hybrid Electric Vehicles e.g. Mitsubishi Outlander



HEV

Hybrid Electric Vehicles e.g. Toyota Prius

Now you can offer your customers great Electric Mechanical Breakdown Insurance cover at a reasonable price – for all makes, models and types of electric vehicles.

Ask your Autosure Account Manager about our new Electric MBI Cover today.

www.autosure.co.nz | 0800 267 873

## **Bank boosted by car loans**

eartland's motor-vehicle net receivables grew strongly over the past financial year, increasing by \$72 million - or by 10 per cent - to \$824.3m.

The bank, which has a significant network of dealers and partners in this sector, has posted net profit after tax of \$60.8m for the year ending June 30, up by 12 per cent on 2016.

The company attributes its "healthy results" to focusing on niche products and distribution channels that extend customer reach.

It saw growth of 14 per cent across all divisions and an increase in retail deposits of 13 per cent.

Net operating income from the consumer division - which includes vehicle and personal loans, and lending through Harmoney increased by \$1.9m, or by three per cent, to \$57.2m.

Jeff Greenslade, chief executive

officer, says: "The increase in profitability was driven by growth in receivables combined with a strong net interest margin. Earnings for 2017 resulted in a return on equity of 11.6 per cent, up from 11.1 per cent.

"Our cost-to-income ratio reduced and we were ranked as having the strongest net interest margin among our peers."

Impairment expense in the household division was up by \$3.2m, which was largely attributable to higher write-offs in personal and vehicle loan books along with higher collective provisions from loan-book growth of 13.8 per cent.

Consumer net receivables grew by \$112m, or 14 per cent, to \$919.1m. This was not reflected in net operating income growth due to lower earning rates on vehicle and personal loans, and less operating lease income on a smaller lease book.



"Motor-vehicle lending was strong," says Greenslade. "Our focus on new technology to improve the speed of origination and autodecisioning is expected to have a positive impact in the coming year."

Heartland's focus is now shifting to lending small-tomedium enterprises (SMEs), of which there are about 500,000 in New Zealand with about 70 per cent being sole traders.

Through its platform Open For Business, Heartland can provide online decisions in about three minutes after a short web-based application has been completed.

"The traditional route for SMEs to secure capital is to approach the bank they hold their residential mortgages with and borrow against equity in the property, usually the family home," explains Greenslade.

"Our approach is different. We provide value through speed and certainty during the origination process, and make lending decisions based on factors related to the business and its performance."

Looking forward, the company sees "excellent opportunities for further growth". Heartland expects net after-tax profits for the year ending June 30, 2018, to be \$65m-\$68m with the potential for acquisitions remaining a part of its strategy. 🕤

### The Autotrader team

With extensive experience in the car sales industry, I can help you create smart marketing solutions that get results. If you'd like to work with someone who is as passionate about selling cars



### Recall effects low

he call-back of about 1.21 million new cars made and sold in Japan by Nissan Motor Co over the past three years is unlikely to have any noticeable impact on this country.

The company took the action after it was discovered that final vehicle inspections were carried out by unauthorised technicians.

The call-back affects about 24 models made from October 2014 to September 2017 and includes topsellers, such as the Serena and Note.

All recalled vehicles will undergo re-inspections for checks on issues, such as steering radius and braking and acceleration capabilities, at a cost of about NZ\$313m.

They have no quality issues and need no replacement parts, the company says, while new Nissans exported from Japan aren't involved.

"We believe the recall for unauthorised inspections of new Nissans made over the past three years for the Japanese market will

have little or no effect on used imports entering New Zealand," says Malcolm Yorston, technical services manager of the VIA (Imported Motor Vehicle Industry Association).

"The vehicle compliance rule requires all used imports undergo an invasive, rigorous entrycertification inspection process with safety-related components and systems checked to ensure they are 'within safe tolerance of the manufacturers' OEM specifications'.

"Because we have this robust entry-certification procedure in place, we don't envisage any problems."

An investigation has been launched by Nissan into how and why the inspections took place, and is expected to take about one month.

Passenger car registrations in Japan account for roughly 10 per cent of Nissan's global sales.

The company stresses there is no difference in quality between cars made for its domestic market and those for export.  $\odot$ 



## Why are Dealers Switching to IBC?

- Large selection of fresh vehicles purchased by IBC buyers experienced with the NZ market. Vehicles can be purchased in JPY, NZD or NZD with GST. Fixed price compliance available.
- Communicate with and receive fresh stock offers daily from IBC.
- Bidding at Japan auctions through iDirect is easy with IBC's mobile app. Experienced staff are available to manage your bids, provide feedback on vehicle condition and ensure hassle-free buying process.
- Comprehensive Vehicle Inspection Report sent to you for every vehicle purchased, giving you full knowledge of vehicle condition.
- NZ based IBC staff ready to provide complete post purchase services when you need them.

For more information, call (09) 257 0050. W W W . I B C J A P A N . C O . J P

## **Company faces second audit**

trader is facing a 24-month stand-down from recruiting migrant workers after failing to comply with employment standards.

And a second external audit of 2 Cheap Cars is currently being undertaken to ensure all current and former workers have received their correct entitlements.

The action follows it being ordered to pay a \$70,000 penalty and being liable for upwards of \$250,000 in estimated arrears following a Labour Inspectorate investigation.

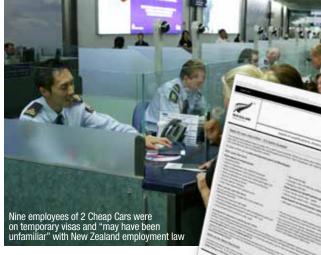
The Employment Relations Authority (ERA) made the order after serious breaches of minimum wage, holiday pay and recordkeeping were uncovered.

After taking a sample of 12 of 83 workers employed by the business, the inspectorate found they were owed \$20,835.

However, the inspectorate, which falls under the remit of the Ministry for Business, Innovation and Employment (MBIE), says the systemic nature of the breaches meant almost all of 2 Cheap Cars employees were affected.

The company has subsequently been placed on two-year standdown "from recruiting migrant workers as a consequence of not having complied with employment standards".

The full extent of the case has



only just come to light with the ERA's full determination being published.

The Labour Inspectorate's probe started on May 18, 2015, when it visited 2 Cheap Cars' retail branches to audit its compliance with employment standards "based on the basis of media reports".

It obtained a list of staff over two years, IR345 and IR348 forms, holiday and leave records, employee agreements, pay records and payslips for 12 employees, manager sales reports, and vehicle offer and sale agreements for three workers.

These were analysed by the inspector, who found that 2 Cheap Cars' wage and time records failed to comply with section 130 of the Employment Relations Act (ERA). In addition, holiday and leave records for seven of the sampled employees weren't compliant with section 81 of the Holidays Act (HA).

The company also failed to calculate and pay annual holiday in accordance with the HA – resulting in arrears of \$15,533.

2 Cheap Cars didn't pay, calculate and provide entitlements for public holidays in accordance with the HA for arrears of \$4,697, nor provide employment agreements to be compliant with section 52 of the HA for two people.

And the company failed to pay three employees the minimum wage for every hour worked as set down in the Minimum Wage Act (MWA) for arrears of \$605.

By email, Eugene Williams, chief executive of 2 Cheap Cars, acknowledged the draft investigation report. He stated: "We will accept your findings and move on from this, hopefully with better systems."

The company paid the arrears and leave entitlements as outlined in the inspector's report on November 8, 2016.

Given the systemic nature of the breaches, an improvement notice was issued to 2 Cheap Cars on November 3 last year. This set out compliance steps with most requiring it to audit pay and record-keeping practices.

2 Cheap Cars engaged an

external auditor – New Zealand Payroll Practitioners Association – to audit its systems. Its report and calculations were received by the authorities on July 14 this year.

In addition to arrears of \$20,835, the auditor's report identified \$251,503 in minimum wage and holiday pay owing to 2 Cheap Cars' other previous and current employees. These people have been repaid with funds also going into MBIE's trust account for those who couldn't be contacted.

Work Visa

As conduct arising in this case occurred after the start of the Employment Relations Amendment Act 2016, amendments applied – in particular section 133a, which outlines matters the ERA and court must consider when setting penalties.

These include the breach's nature and extent, whether it was intentional, inadvertent or negligent, the nature and extent of losses or damages, or gains made or losses avoided by the person in breach.

Other considerations are compensation payments, steps to avoid or mitigate adverse effects of the breach, circumstances including the vulnerability of the worker and if previous breaches have occurred.

Both parties accepted the maximum penalty should be reserved for the most serious cases and this claim didn't fall into that category, while the standard of proof for imposing a penalty was on the balance of probabilities.

The inspector claimed penalties for 35 breaches. Of \$20,835 in arrears identified, the annual holiday pay component was \$15,533 – about 75 per cent of the total.

It was submitted 2 Cheap Cars was liable to maximum penalties of \$440,000 in respect of 22 breaches with each breach being liable to a penalty of up to \$20,000.

In its statement in reply, it identified its non-compliance as arising from rapid growth and increase in turnover of 11,203.7 per cent over five years. It accepted

### Reaction to the case

The Labour Inspectorate says there is "no excuse" for employers to not meet their obligations and – as the 2 Cheap Cars case shows – failure to do so can be costly.

Regional manager Loua Ward says: "Not only did the employer breach the rights of people, it attempted to gain an unfair advantage over law-abiding competitors.

"A number were migrant workers who may not have been aware of all their rights and entitlements.

"Every worker in New Zealand must be paid at least the minimum wage for every hour worked, along with holiday and leave entitlements." Eugene Williams, chief

executive officer of 2 Cheap Cars, says: "This is a serious matter. We didn't have administration structures in the place that we should have.

"2 Cheap Cars has been on a growth curve over the past few years and, while we don't offer that as an excuse, it does explain how the situation arose.

"The important thing is paying back all arrears. We have put in place new payroll systems and more administration structure to ensure these mistakes aren't repeated."  systems were non-compliant and stated it was rectifying this.

While it was accepted record inaccuracies and arrears might not have been intentional, counsel submitted 2 Cheap Cars' failures were negligent and caused the labour inspector difficulty in establishing if minimum code breaches had occurred.

Difficulties associated with poor records were identified in the independent auditor's report, which described historical records provided as "poor and recalculations were required" and issues with employee records had a "major impact" on its audit.

Eleanor Robinson, member of the ERA, said in her determination: "While some pay records existed, these were clearly not accurate or fully compliant.

"Employers are expected and considered to know minimum legal requirements in respect of employees, and adhere to them.

"While these proceedings have been taken in relation to the

sample of 12 employees whose records were analysed by the labour inspector, the systemic breaches in relation to recordkeeping have resulted in wage and holiday pay arrears of \$251,503 to other 2 Cheap Cars employees."

It was also noted there was an element of vulnerability present in nine workers, who were on temporary visas.

"Employees – as non-New Zealand nationals or residents – may have been unfamiliar with [our] employment law, their entitlements under legislation and how to access the information," added Robinson.

The parties agreed the need for deterrence was important, and that 2 Cheap Cars' obligation to ensure it maintained an adequate system of keeping records and ensure effective administration was basic and fundamental.

Mitigating factors for the financial penalty included 2 Cheap Cars co-operating with the investigation, including prompt acceptance of its findings, and "While some pay records existed, these were clearly not accurate or fully compliant" - Eleanor Robinson, member of the ERA

undertaking the external audit.

It had repaid arrears identified by the Labour Inspectorate and external auditor, and was making timely payment to workers subject of the proceedings.

Robinson said: "Deficiencies identified appear to be caused by negligence rather than a deliberate attempt to exploit workers, and 2 Cheap Cars is amending its practices to the satisfaction of the labour inspector.

"The company co-operated with

MBIE, including admitting liability at the outset and proposing ways to deal with this matter in an effective manner. 2 Cheap Cars also advised its systems had been modified to ensure it was compliant.

"The parties acknowledged penalties imposed should be in proportion to the amounts of money unlawfully withheld from employees as a result of 2 Cheap Cars' breaches and the circumstances in which they took place."

Both parties submitted the penalty of \$70,000 was appropriate and arrears owed came to \$20,835.

"Although this penalty exceeded the level applied in some ERA decisions, the parties submitted the authority's approach had been diverse and the facts of this case were unusual," said Robinson.

"A penalty at this level was proportionate and achieved deterrence – for this employer and generally for others."

2 Cheap Cars also paid the Labour Inspectorate's filing fee of \$71.56 and \$350 towards legal costs. ⊕



### WE WANT TO BUY VEHICLES!

• Ford • Holden • Mazda • Toyota • Utes • Commercials • Sedans • SUV's

**AND ANYTHING ELSE!** 



Call Reade - 021 539 091

reade@carsonline.co.nz

**Cars Online NZ Ltd** 

## Safety boost for global fleet

ehicle Inspection New Zealand (VINZ) has gone global after creating a new service to carry out random safety checks of the international vehicle fleet run by Tourism Holdings Ltd (THL).

VINZ will carry out the inspections on-site at THL facilities, and provide the equipment and staff for each location.

The independent and randomly selected tests form part of qualitycontrol checks starting last month, including complete vehicle services and checks by an on-site mechanic team as each camper is returned to site and before it leaves.

VINZ will provide the service in this country and Australia. It will deliver the audits through other companies in the JEVIC Group, of which VINZ is a subsidiary, in the US, UK and where it does not have a direct presence. "This agreement – and the work we have put into developing a service delivery and reporting model – represents an opportunity for VINZ to demonstrate our ability to provide customised inspection services on a global scale," says Gordon Shaw, chief executive.

"VINZ was able to be innovative in providing a global solution for THL by the leverage we gained through our parent company JEVIC."

Shaw told Autofile it took more than 12 months of development, including a pilot programme, before both parties were happy for the audit to go ahead.

"The inspection process has been developed with THL to deliver a mix of inspection outcomes," he explains.

"Part of this is VINZ developing the standard operating procedures and training of inspectors.

"As this is not a regulatory inspection, we have the freedom "VINZ was able to be innovative in providing a global solution for THL by leverage we gained through our parent company JEVIC" – Gordon Shaw

to use best practices and not be constrained by specific country regulations."

The audit is part of THL's efforts to ensure optimum safety and compliance of all of its vehicles, provide better data about the fleet's overall condition, and deliver a higher quality and more consistent customer experience in all markets.

Grant Webster, THL's chief executive officer, says: "Quite simply, the single biggest health and safety risk in the RV industry is moving vehicles.

"We do all we can to ensure the safety of our fleet and to give customers peace of mind along with other road users.

"This initiative is part of our commitment to having the safest fleet of commercial motorhomes on the road – in New Zealand and around the world."

VINZ and THL have a longstanding partnership incorporating entry certification for imported vehicles and on-site certificate of fitness testing.

Vehicles rented through Mighway, THL's peer-to-peer campervan hire company, will also be part of the independent testing.  $\oplus$ 



### Fen models aim for title

The top 10 for this year's New Zealand Car of the Year has been announced with one margue having two shots at the title.

The shortlist of finalists consists of the BMW 5 Series, Holden Astra, Honda Civic hatchback, Hyundai Ioniq and Land Rover Discovery.

Other finalists are the Mazda CX-5, Skoda Kodiaq, Subaru XV, and Suzuki's Ignis and Swift.

The AA and New Zealand Motoring Writers' Guild will announce the winner at Auckland's Viaduct Events Centre on December 12.

The final 10 will now be independently ranked on various elements, such as value, design and quality.

Stella Stocks, the AA's general manager of motoring services, believes the judges – members of the guild and an AA representative – have their work cut out.

"This year's top 10 line-up represents a great cross section of new cars available to the market from lower-cost small cars loaded with technology to very practical and more expensive luxury vehicles," she says.

"From this list, it's clear car manufacturers are anticipating the market's needs and producing vehicles to match."

As well as the finalists for the top gong, there will be best-in-class awards for micro-light, smallcompact, medium-large, and luxury cars; small, medium, large and luxury SUVs; utility, sports car, and electric vehicle or plug-in hybrid.

The safest car for 2017 will be based on ANCAP crash-test results. There's also the people's choice award. Voting for one of the top 10 finalists starts on the AA's website from November 1.  $\oplus$ 

Hyundai's loniq



## Generating more buyer referrals

ustomer referrals play an important role in maximising opportunities vou have from individual customers.

They aren't generally made or received lightly. When your customer refers your dealership to a friend, family member or someone in conversation, it tends to carry some weight and be respected by the person who is being referred to you.

Also, this prospective referee customer is generally at the stage of wanting to buy and your business has been provided with an instant opportunity that it's likely no other dealer or private seller will receive.

When it comes to referrals there is a definite honeymoon period in the very first few weeks of ownership, so it's important you understand how you can maximise this for years to come. You want as many of your customers as possible to become your evangelists.

For this to happen, there are a couple of key areas you need to ensure you get right otherwise referrals aren't going to be something you have much experience with at your dealership.

#### Create memorable customer

experiences. This isn't about being flashy, and rolling out the champagne and red carpet. It's about treating your customer with respect and delivering good old-fashioned service that has the client feeling listened to in the buying process.

You have to always remember that a vehicle purchase is a big

deal. Regardless of whether the car is being bought for \$4,000 or \$100,000, it's still a significant investment and commitment. Customers will be excited about their vehicles and you need to foster this with them.

When it comes to delivery, this is where it's easy to rest on the sale and lose interest in the buyer. But if you want referrals, you need to kick it up another notch and deliver the car in a manner that leaves the customer feeling informed and confident about driving away from your dealership.

Whatever you do, don't throw them the keys and say "thanks". Deliver the vehicle to them in

Recommendations by clients to people they know have significant worth to your business



MARK GREENFIELD Motorcentral

ensure the car is ready for delivery prior to this actually happening. Give it a pre-delivery inspection to ensure all promises have been met and there are no unexpected issues the customer will bring to your attention.

#### Keep in contact with buyers

post-sale. Your diligence in customer experience and the delivery process mentioned above will set you and your dealership up well for referrals. It's the foundation towards building sales from this part of your business.

There's not much point keeping in contact with customers post-sale if you have given them a poor and easily forgettable experience. Get what's



the sense of going over all of its aspects, such as how to open the bonnet, fuel cap, adjust the driver's seats, fold down the rear seats, open the boot, use the controls and so on.

Better still, because you're going to do this process, you better covered above right first before implementing ways to keep in contact and your dealership in their minds over years to come.

In that way, whenever they hear of someone looking to buy a vehicle, you want to be the one they mention and the experience they had. This could be a friend, family member, work colleague or hairdresser - pretty much anyone they come in contact with, so the potential is huge.

You can deploy a range of methods for remaining present in their minds. Some dealership management systems either have customer relationship management (CRM) tools you can utilise or third party ones you can export to.

The success of this is actually making sure you do something. This is why the more automated your system is the better, as it means you need no staff resources to keep in touch.

Some of the touchpoints with your new customer to consider are "thanks for buying", birthday messages, seasons greetings, warrant of fitness and registration reminders, and so on.

These all mean that over the course of a year they have received two to four pieces of communication from your dealership that are "soft", thoughtful, and or helpful. What I mean by "soft" is these aren't about constant sales you have going on – they have their place.

It's about remaining respectful and present, while varying communication across texting and emailing can be effective.

Motorcentral offers fully automated CRM solutions with its marketing programmes for dealers. This makes increasing customer referrals through aftersales contact simple and easy. If you'd like to learn more, email sales@motorcentral.co.nz or call us on 0800 623 687. 👼



### **Anywhere.** Anytime.

Your most important dealership information accessible from any desktop, tablet or mobile device. Faster. Easier. Smarter.





#### Talk to the specialists about entry certification - fast, efficient, professional 0800 GO VINZ (468 469) www.vinz.co.nz

In a likely mixed

benefits and freedom of

the current model, but

### Change in wind for ownership

isruption is a word that's being so overused it has lost all meaning. Originally it was intended to mean a change in thinking so radical that current business models would be shaken, if not destroyed.

Now everyone who aims for change wants to classify themselves as a disruptor, their change as a disruption.

One place where experts do agree that disruption is in progress is in the definition of ownership. A new "shared economy" has been taking root - an idea that has the potential of ending traditional models of ownership and use. Contrary to how this issue has been presented, this isn't necessarily a binary option.

Just considering vehicle ownership, there is the current system in which most people own their personal vehicles. This model of ownership has many benefits, including convenience and freedom. To many, owning a vehicle is a status marker.

On the other side, we have the zero-ownership model. In this system, which many analysts think is the direction we're moving to, most consumers don't own their own vehicles.

Options of what this might look like are plentiful - everything from a public vehicle network to privately owned fleets that are rented when needed. In any version, the defining characteristic is that consumers don't own cars.

The zero-ownership model also has many benefits. Perhaps most importantly, it allows the most optimal use of resources.

Several original equipment manufacturers (OEMs) have recently announced their readiness to make vehicles with level-four autonomy built in. These companies say the technology is ready, and they are simply waiting

for regulation and legislation to catch up. Where this news gets

interesting is where this announcement is paired with a discussion on whether they intend to sell them to the public.

Most OEMs have begun investing heavily in businesses such as Lyft and Uber. A potential conclusion of this could see OEMs providing vehicles for mobility-asservice fleets. We may soon see the end of selling new cars.

As I previously mentioned, however, the options need not be one or the other. There is a mixed path that combines the benefits of both.

Even a Tesla can become cost neutral in a mixed-ownership model



Policy adviser and analyst kit@via org nz

> ΛΑ improves the efficiency of resource use by allowing others to access them when they need them.

People are currently forced to consider fulfilling rare intended uses when buying – even if the needs of that use are counter to evervdav use.

Someone, for instance, might purchase a ute to tow a boat a few times a year. For the rest of the 12 months, he or she is forced to commute to and from work in that ute when a more efficient car would suit.

In the mixed model, people can buy the vehicle they want for whatever purpose makes sense

to them and rent one for other purposes.

There will be challenges in adopting the mixed model, public acceptance being the most obvious as well as achieving a critical mass of vehicles to meet any purpose. There are businesses trying to overcome these issues.

New Zealand is uniquely qualified for implementing a mixed-ownership model because we already have in-service testing.

As is, we could require any vehicle participating to have an upto-date certificate of fitness (COF) as rentals have at the moment. Requiring more vehicles to have COFs versus warrants of fitness might also positively impact on the fleet by forcing the retirement of safety and efficiency gross offenders.

In an increasingly connected world, it will also become easier to implement more flexible and granular systems. For instance, insurance schemes could allow shared cars to be covered by different policies at different times and in different locations.

In places such as California, where similar systems are working, many drivers find they can afford much nicer vehicles because they can use the income from sharing them to cover their payments. In many cases even a Tesla becomes a cost-neutral proposition.

Since people will always buy the best car they can afford, we might find that a system like this can significantly impact the nature of our fleet by allowing consumers access to much better vehicles. ⊕



**SPECIALISTS IN PRE-SHIPMENT VEHICLE INSPECTIONS** 

ph 09 966 1779 www.jevic.co.nz

## Visions for a greener future

he wraps came off more than 100 production cars, concepts and projects embracing hybrids, hydrogen fuelcell propulsion and electric vehicles (EVs) at Frankfurt Motor Show.

Mercedes-Benz used the event to unveil the world's first plug-in hybrid production car to combine battery power with a hydrogen fuel cell.

Dubbed as a family-friendly EV with a range of up to 437km, the GLC F-Cell will be an alternative to an allelectric GLC. Production is slated to start in Germany in late 2019.

Fast refuelling is hydrogen's advantage over pure EVs, but lack of infrastructure compared with electricity is the hurdle.

Other fuel-cell vehicles – such as the Honda Clarity, Toyota Mirai, Audi H-tron and Hyundai Tucson Fuel Cell – run only on hydrogenfuelled electricity, but the GLC F-Cell adds a 13.8kWh lithiumion battery for 49km of driving before the fuel cell kicks in.

For shorter trips, drivers will be able to charge it from a home socket or public charger while only filling the twin carbon-fibre hydrogen fuel tanks – holding 4.4kg of gas – on longer journeys.

They can be topped up in three minutes, while the battery can be charged in 90 minutes on high charge. The electric motor driving the rear wheels produces 147kW of power and 350Nm of torque.

Mercedes-Benz claims the SUV's fuel-cell system is 40 per cent more efficient than what's in the 2010 B-Class F-Cell and 30 per cent more compact.

The drive system has four modes. In hybrid, the electric motor feeds from the battery and cell with the latter operating in its optimum efficiency range.

In f-cell mode, it draws power from the fuel cell to reserve battery power. In battery mode, the car runs off the battery. The fuel cell tops up the battery in charge mode while driving to create reserves for hill climbs or fast driving.





The vehicle will draw waste heat from the fuel cell to help warm the car on cold days, while cooling is all-electric.

#### DESIGN SIMPLIFIED

BMW's i Vision Dynamics

Honda's Urban EV Concept shows off battery technology for a fully electric production vehicle expected to be on sale by 2019.

Its powertrain will include a lightweight and high-density battery pack, "integrated heat management". It will be built in right-hand drive and launch first in Europe in two years' time before elsewhere is considered.

The marque believes EVs will

account for two-thirds of its global sales by 2030, led by the European market reaching this level five years earlier.

While the concept's technology may be fresh, Honda has gone for a simplified design with its exterior almost being a throwback to its N360 hatchback from the 1960s.

The Urban EV has a low stance with minimal overhangs, flared wheel arches and multi-spoke body-coloured wheels in beige.

The front fascia features ringed LED lights and the marque's emblem are finished in blue – a styling feature to be adopted for all of its EVs.

#### **OPTIONS FOR POWER**

Toyota revealed its C-HR Hy-Power concept to preview its "strategic future development of highperformance hybrid options" to be announced next year.

It says the car uses a system "that offers more power and performance" than the 90kW power output of the petrol-electric drivetrain in its C-HR and Prius.

It adds the lightly tweaked concept with brighter colours and trim "signifies the presence of a more powerful hybrid powertrain".

"It's our ambition to provide core models with a choice of two [continued on page 21]

### **VEHICLES WANTED DEALERS BUYING NOW**



#### Mercedes-Benz pre-owned vehicles wanted. Jeremy Spicer - Dealer Principal 027 700 0077 jeremy.spicer@mbbotany.co.nz

Mercedes-Benz

Mercedes-Benz Botany 279 Ti Rakau Drive, Botany. 09 535 8889 www.mbbotany.co.nz

To advertise here, contact: advertising@autofile.co.nz or ph 021 455 775

### Supercars' home opens

amborghini has opened its new Auckland showroom boasting its revamped corporate design.

It's being operated by the marque's dealer partner at the Giltrap Group's headquarters in Grey Lynn.

The facility reflects the need for extra space as Lamborghini expands its model line-up with its "super sports utility vehicle" due to be unveiled in December.

"Lamborghini is a strong brand," says its chairman, Stefano Domenicali. "Our new dealership environment is a tangible demonstration of this.

"It's important we continue to build a strong dealer network that communicates our brand in the way we look and operate." Greg Brinck, general manager at Lamborghini Auckland, adds: "We've had impressive growth of 16.7 per cent in sales year to date. We are committed to investing in better design for our brand space."

The showroom's all-glass exterior includes the marque's bull logo that glows at night.

It houses the full range of models, including the Aventador S Roadster, while the Huracán Performante made its Kiwi debut at the opening ceremony on September 21.

Inside, a configuration system can guide customers in specifying their cars, product areas have samples of exterior and interior finishes, and video walls give an insight into the world of Lamborghini.

### **NEWS in brief**

#### Car manufacturers driving forward alliance

Renault, Nissan and Mitsubishi Motors are strengthening their cooperation to accelerate the use of common platforms, powertrains and new technologies.

Known as Alliance 2022, they anticipate total annual sales will exceed 14 million units with nine million based on four common platforms.

It plans a major expansion in shared electric vehicle (EV) technologies, alongside developing and deploying advanced autonomous drive systems, vehicle connectivity and mobility services.

Twelve new EVs will be launched by 2022, while 40 will be introduced with different levels of autonomy. Robo-vehicle ride-hailing services will feature strongly.

#### Call for more safety features to be available

The AA says buyers of new light cars have plenty of safe picks to choose from.

The Kia Rio, pictured, which hit the market earlier this year, and higher spec models of Suzuki's Swift – the GL Auto, GLX and RS Auto – have scooped five-star ANCAP ratings.



The GL manual achieved four stars after falling short of safety-assist technologies needed for a top rating.

Stella Stocks, the AA's general manager of motoring services, says: "It's disappointing the Rio features crash-preventing technologies only available on variants in Europe. We would like New Zealand drivers [to have] the same degree of crash-prevention technologies – if not as standard, then as an option."

#### Industry members step up for regional honours

Mercedes-Benz Botany has scooped the top prize at the Motor Trade Association's northern region annual awards.

Dealer principal Jeremy Spicer accepted the overall and best franchise awards at a function at Auckland Museum.

Other winners included VTNZ for best marketing, Pearce Brothers' highquality vehicle centre for best used car dealership, Cyclespot was best motorcycle dealership and Giltrap Audi's Anton Hamelmann was judged to be top automotive apprentice.

#### Deal struck on trade between Japan and Europe

The Japan Automobile Manufacturers Association (JAMA) has welcomed an agreement in principle for negotiations to establish an economic partnership agreement with the EU. Launched in April 2013, talks have been long and rigorous.

"The expansion of free trade is of critical importance to the Japanese automobile industry," says JAMA. "Economic co-operation between the EU and Japan is significant. They account for more than 30 per cent of world trade.

"We applaud the agreement to eliminate tariffs on vehicles and auto parts exported to the EU, thereby ensuring a level playing field for our industry there."

#### Marque's customer centre takes out national gong

Toyota New Zealand's customer dialogue centre has won the national supreme diamond honour at this year's CRM Awards. The award was for the best service offered by a call centre with less than 50 staff.

The operation in Palmerston North also won the gong for top automotive call centre, while Aaron Wheeler was one of the five top "favourite" reps receiving calls.





hybrid powertrains," says Toyota. "One will provide efficiency and fuel economy, like in our current offer. The second will build on this, and add more power and a more dynamic driving character."

The C-HR Hy-Power mixes a dark carbon matte-silver exterior with gloss-black elements on the front lip spoiler, wheel-arch flares, 20inch alloy wheel inserts, side skirts and rear roofline with spoiler.

#### **EXPANDING RANGE**

BMW's i Vision Dynamics will soon be a fully electric model positioned between the i3 and i8. The fourdoor gran coupe concept has a 600km range, a top speed of more than 200kph and will make the 0-100kph dash in four seconds.

The margue estimates the start of the next decade to launch the car, which it says will hold broader appeal than its two current i models.

The concept moves forward last year's Vision Next 100 in terms of styling with its design elements including a fresh take on BMW's kidney grille, which no longer needs to function as an air intake for the engine compartment because it's an EV.

Sensors underneath hint at the higher autonomous-driving capability to be built into the vehicle.

From the side, the i Vision Dynamics has an almost symmetrical front and rear window design that BMW says ensures all passengers have a good view out, which will become more important in an autonomous driving future.

BMW announced last month that



it will offer 25 electrified models by 2025 with 12 being full EVs.

#### STEERING WHEEL OUT

Audi has previewed its level-five fully autonomous future with its Aicon, which does away with the conventional steering wheel and pedals for self-driving experience.

Powered by four electric motors, it features a combined output of 260kW and 550Nm with a range of 700-800km.

Audi claims the Aicon can recharge to 80 per cent capacity in 30 minutes, while its on-board artificial-intelligence system can drive itself to a charging station all thanks to its wireless charging abilities and 800-volt system.

With each motor driving a wheel, the car has an electronically controlled all-wheel drive and steering, and a damper suspension and pneumatic spring set-up with electric actuators to counteract body roll.

Positioned around the hexagonal single-frame front grille, which will feature on future Audi EVs, are large light fields with more than 600 pixels arranged to light up parts of the road.

Paired to a new LED lighting system, the Aicon will use a laser and radar sensor system to spot oncoming obstacles in complete darkness.

#### **GETTING CONNECTED**

Renault's glass-domed Symbioz presents its vision of mobility by 2030 and how vehicles may become integrated with owners' homes.

In addition to level-four autonomous capability, the



concept can deliver a 500kW, rear-wheel drive from its two electric motors, accelerate from 0-100kph in about six seconds in high-performance mode and, in "well-being" comfort mode, can reach 500km on a full charge.

While on the road, the Symbioz also connects with other vehicles and infrastructure as part of its autonomous capability, which when enabled causes the dashboard, steering wheel and pedals to retract



so occupants can rotate their seats and face rear passengers.

The Symbioz has been developed with high-tech companies, such as Ubisoft, Devialet, LG, IAV, Sanef and Tomtom.

Renault and other EV makers are already close to implementing Symbioz-style smart energy-sharing solutions between cars, homes and the power grid. Visit www.autofile. co.nz for more news from last month's show in Frankfurt. 🕀



## Great working in car industry

fter six months as managing director of Mazda Motors New Zealand, David Hodge has settled into the role.

"Some days are more challenging than others, but every day is different. You don't know what's going to happen when you go to work in the morning. I love the industry and it's great to be part of it."

Hodge – previously its financial controller - has been with the company since 1998 and told Autofile in March he was excited about his appointment.

He took over as MD from Andrew Clearwater, who retired after 25 years with the margue.

Hodge has also assumed his predecessor's position as chairman of the Mazda Foundation while Clearwater has stayed on as a trustee.

In addition to his previous role, Hodge has worked with dealers as business development manager, and has been responsible for the margue's human resources and IT departments.

"Andrew was open about how he managed things and that has made it much easier to move into my new role," says Hodge.

"But there have been quite a few surprises, such as the large amount of customer communication. There are emails, letters and website inquiries that need responses from someone, and it often ends up on my desk."

Ensuring that every customer has an "outstanding brand experience" is the most important part of the job.

"Your product only gets you so far," he explains. "You must be fully engaged with customers. Then

you will get referrals and repeat husiness

"It comes from the dealers and we have a great relationship with our dealers. We treat them as primary customers, and celebrate and work with them."

Hodge recently completed a tour of every Mazda franchise in New Zealand, and says dealers and their staff were interested to learn more about his background.

He was born in Hawera in South

Taranaki, grew up in Kerikeri and left the small town in 1982 to study accounting and finance for two years in Auckland at what's now known as AUT.

Hodge secured a job with UEB Industries, which was a wool trader, and packaging company and manufacturer of Bremworth Carpets while studying part-time. His second job was at Feltex Carpets for 10 years until 1995. A six-month break from work



### ON THE ROAD

David Hodge's first and only privately owned car was a 1970 bright green VW Beetle he bought from a second-hand car dealer in Ponsonby in 1984.

"It was called the Green

Machine and its name was painted on the back. It was a great car and I owned it for about three years.

"I'm not very mechanically minded, so if things broke they were never fixed. It even caught fire on Gillies Ave. The fire service came and put it out, although it did

Hodge's everyday driver is an MX5-RF

cause some traffic chaos."

Hodge says his dream car is Mazda's new rotary-powered concept car, which will be shown at Tokyo Motor Show at the end of October.

He describes Mazda's RX Vision, the concept shown at the event

two years ago, as "beautiful - it would be fantastic if it was made available to the public".

Hodge recalls going to Tokyo in 2001 just before the Mazda 6 was launched. "The show was huge back then and it was a real eyeopener for me."

His current drive is a machinegrey Mazda MX5-RF with a retractable hardtop.

 followed. He headed off to London. travelled across Europe and the Middle East, and ended up in Kathmandu.

"I have a lot of great memories from that trip. I was fascinated in Iran by the large number of Hillman Hunters on the roads. It seemed to be the only make of car there. In India, it was the Morris Oxford."

After returning to New Zealand, Hodge was doing contract work for Feltex when he saw a job advertised with Mazda. "All I saw at the time was that every second car here was a Mazda."

A recent perk of the job was a prime seat at Wellington's annual international design competition, the World Of Wearable Arts (WOW), for prize-giving night on September 22.

Mazda recently became a major partner of the event. It attracts hundreds of entries from more than 40 countries and about 60,000 people attend its three-week run.

Hodge says Mazda is "thrilled to be partnering with WOW", whose three positioning lines - be passionate, be inspired, be WOWed - reflect the margue's approach to creating vehicles.

"It's an awesome show, and puts New Zealand on the map due to its quality and works of art.

"While a car's design features are nowhere near as elaborate and fantastical as WOW's creations, the importance of imagination and innovative design are key.

"These qualities help elevate

When talking to Autofile at the start of October, he had only been driving it for a week. "It's a fantastic and I'm really enjoying it."

When Hodge isn't working, he loves watching his two teenage children play hockey

The dream car -a Mazda RX-Vision

"The four to five-year

### model cycle doesn't cut it anymore. You need an upgrade every year" - David Hodge

our vehicles into the realm of art." The margue provided three branded Mazdas - two CX-9s and a CX-5 – to be used at the event.

"We had the red CX-5 outside the venue with its own WOW design covering the back of the car. Our brands intertwine well."

After almost two decades in the industry, Hodge says every year brings changes to vehicle technology, design and safety features.

"The level of specs on new cars has increased massively during the past five years. The same thing will happen over the next five years.

"The four to five-year model cycle doesn't cut it any more. You

and he plays indoor cricket for the Mazda Zoombastics team.

This is "great fun and a chance to mingle with staff", while participating in park runs on Saturday mornings "is a good way to start the weekend".

need an upgrade every year. A lot of the changes are safety features and technology.

"We are heading towards autonomy with technology such as radar cruise control, lane assist and autonomous braking already becoming standard. It's the vehicle taking control, but part of the joy of driving is being able to control it."

Hodge stresses the Mazda brand is the most valuable asset and it's his iob to ensure it continues to improve within the local market.

"We are about 15th in the world in terms of production with most of our vehicles coming out of Japan."

Hodge believes the shift towards electric vehicles will be significant, "but just like every other change we will embrace it".

He adds: "Customers will determine the path the industry takes. Mazda is in a good place. New cars are getting more efficient and CO<sub>2</sub> emissions are going down."

However, new car prices haven't changed. "There is zero inflation in the new vehicle industry. Margins get squeezed and you have to be more efficient at what you do to maintain profit levels." 🕀



Auckland Branch 0800 695 546

Christchurch Branch 0800 695 2424 email: nyknz.s.vehicleimports@nykgroup.com

### The month that was.... October

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

#### October 11, 1999

#### **General Motors to buy dealerships**

Reports from the US indicated that General Motors (GM) had set up a business unit to buy car dealerships in top American market areas, and would spend the next 10 years buying between five and 10 per cent of the dealerships in those locations.

It would mean GM selling between 12 and 15 per cent of its cars and trucks through its own dealers. The move into car retailing followed that of Ford Motor Company, which had been forming

joint-venture companies with dealers in a city. By joining together, they hoped to reduce the cost of selling vehicles

by Johning together, they hoped to reduce the cost of selling vehicles by cutting duplication of facilities and resources across all dealerships.

The "auto collection" stores had opened in five US cities with mixed results. One was established in Auckland and combined all Ford dealerships in the metro area.

Don Bowden, managing director of Holden NZ, said: "We have no plans whatsoever of moving into the retail area in New Zealand. The situation in the States is a little different because there are some very big groups of dealerships that are independently owned, such as AutoNation and United Auto Group."

#### EVERY VEHICLE DEALERSHIP IN NEW ZEALAND SHOULD OWN THIS BOOK



The pioneering spirit of used imported car dealers, from the early days to modern era

What "they" threw at the industry to try to shut it down the politics, the barriers, big corporates against small business

How the used import industry thrived - the fun, the antics and, most of all, the will to make a buck

Half-cuts, double invoicing, speedos, emissions, seatbelts, frontal impact, legislative change. It's the history of your industry and it's all in... FROM THE RISING SUN TO THE LONG WHITE CLOUD

#### BUY IT NOW

To order visit autofile.co.nz/book and fill in the order form or call Brian McCutcheon on O21 455 775 Profits from the sale of the book will go to not-for-profit organisations



#### October 17, 2003

#### Used imports 'slowing' technology

The head of New Zealand's market-leading new car distributor took a hefty swipe at used imports.

The country's heavy reliance on importing used vehicles to renew its national fleet was adding to the task of meeting Kyoto Protocol targets, said Bob Field, Toyota NZ executive chairman.



Speaking at the launch of the country's first hybrid petrol-electric car, the Prius, Field

said two out of every three cars coming onto Kiwi roads were now used imports.

He said the average age of used imports was increasing and that access to older vehicles came with an environmental cost, which included a delay in new fuel and exhaust-emission technology coming into the country. Field blamed low fuel prices for our high number of non-efficient large cars and four-wheel drives.

"If petrol prices were higher, people would more seriously consider driving a fuel-efficient, one-litre car for city commuting and would hire a V8 four-wheel-drive monster for the once-a-year skiing trip."

He said many people in the motor industry believed that fossil-fuel supplies would remain plentiful for another decade or more and then run out quickly, causing massive increases in prices and, panic switching to new technology and other forms of energy.

The two biggest selling new vehicles in New Zealand in 2003 were large four-litre cars and the top-selling used imports were four-wheel drives.

#### October 14, 2005 Online company motors into market

Two years after exploding onto the car auction scene in 2003, Trade Me Motors announced plans to challenge traditional dealer-only auctioneers in what it saw as "the lucrative wholesale market".

The new operation had the potential to take business away from existing auction houses, such as Turners and Hammer.

After launching with 5,000 cars at an average price of \$5,000, Trade Me now had 32,000 cars

at an average of \$11,000. In 2005, the site claimed to facilitate the sale of 300 cars daily.

Trade Me founder and general manager, Sam Morgan, said there was room in the market for an online platform on which importers – both new and used – could list stock for dealers.

"There is clearly a market online for people who are importing cars but prefer to sell into the dealer network through auction houses because of the Consumer Guarantees Act," he said.

Morgan said dealers paid about \$350 per car to auction through a traditional auction house. "We think we can offer equally good service for just \$99 per car."

John Boswell, managing director of Hammer Auctions, said: "Online is the channel of the future, but it's still a case of how much of a risk dealers are prepared to take."



### Shine bright

Attract more attention with **Super Feature listings**.

#### **Super Feature**



1.5 X more Watchlist adds than a Basic listings.







MAXIMUM EXPOSURE

3-image showcase.

Get in touch with your account manager for details | motors@trademe.co.nz | 0800 428 862



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

WARREN BROWN has been appointed as chief executive officer and president of Mitsubishi Motors New Zealand.



He replaces Tomoki Yanagawa, who has returned to Mitsubishi Motors Corporation's head office in Tokyo to become general manager of its America and Oceania division.

Brown has 22 years' experience with the company. Having started as marketing co-ordinator in 1987, he progressed to senior marketing co-ordinator, manager of business development, national fleet sales and national sales, general manager of sales and marketing, company director and chief operating officer.

MARK REES has been appointed to Trade Me's

executive team as chief product and technology officer. Rees makes the move from Xero, where he held



technology roles over the past four years, including his most recent being general manager product - small business. Before that, he was chief technology officer at Microsoft NZ.

Jon Macdonald, chief executive officer of Trade Me, says: "This new role brings together three key elements for us - technology, product development and making the most of our data."

**EMMA MULLANE** has joined Nissan Financial Services as general manager for New Zealand.

both Nissan and Mitsubishi.

With the successful launch of Mitsubishi Motors Financial Services in July, she is now responsible for



Mullane has been in the industry for 17 years and has spent 13 of those with Mercedes-Benz Financial Services.

MARK GILBERT will continue as chairman of the Motorcycle Safety Advisory Council for another two years.



He is joined by current members Alan Petrie, David White and Johan Bosch, who have been reappointed for the same length of time.

ACC Minister Michael Woodhouse says the council has a vital role in advising ACC on initiatives that will make motorcycling safer.

Woodhouse says: "They will ensure stability and continuity on the council, and allow for important work to gain further momentum."

The council is funded by the motorcycle safety levy, which is collected from riders when they register two-wheelers. It generates

about \$1.8 million a year. LAUCHLAN McINTOSH has been elected

chairman of Global NCAP to replace Max Mosley, who has retired.



Wendy Machin, who currently chairs ANCAP, says: "Lauchlan has been a dedicated advocate for road safety for decades.

"As a member of the Global NCAP's board of trustees since its formation, he has been pivotal in encouraging collaboration among NCAPs. His appointment as chairman will now accelerate this."

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

### Industry movers NZ labour market report

#### ANNUAL NET MIGRATION

increased in the August 2017 year, according to Statistics New Zealand. The total for the month was 72,100 compared to 69,100 in the August 2016 year.

Migrant arrivals reached 132,200, which was a new annual record, and their departures came in at 60,100 for the year ending August 2017.

"The biggest increase in migrant arrivals were from South

Africa and the UK," says Peter Dolan, population statistics senior manager for Stats NZ.

"The biggest decrease was from India, which was down 2,600 to 9,200. This was due to a decrease in student migrant arrivals."

For the 12-month period, net migration was mostly driven by non-New Zealand citizens. They

provided this country with a net gain of 73,500 migrants, which compared with 71,700 in the August 2016 year.

The migration of Kiwis saw a net loss of 1,500 migrants compared with the net loss of 2,600 in the August 2016 year. Arrivals and departures of non-New Zealand citizens have increased from a year ago.

Incoming non-Kiwis increased from 94,000 in the August 2016 year to 100,000 for the same period of this year, while their departures rose from 22,300 to 26,500 over the same timescale

Meanwhile, the numbers of online job adverts were steady with an increase of 0.4 per cent in August 2017 and 10 per cent over the year, according to the Ministry of Business, Innovation and Employment (MBIE).

The biggest increases in such listings were in construction and engineering, up by 1.3 per cent, and information technology, up by one per cent.

Nita Zodgekar, MBIE's labour

market trends manager, says: "The month saw increases in online adverts across a wide range of industries, occupations, regions and skill levels reflecting the continuing high demand for labour."

The largest increases by occupation group were for machinery drivers – up by two per cent, and technicians and trades workers - up one per cent.

Vacancies increased in all 10

"The month saw increases in online adverts across a wide range of industries, occupations, regions and skill levels reflecting the continuing high demand for labour" - Nita Zodgekar, MBIE

month, with the biggest jump of two per cent being recorded for Nelson, Tasman Marlborough and West Coast. MBIE's report

regions over the

monitors changes in job adverts from four internet job boards - Seek, Trade Me Jobs, the **Education Gazette** and KiwiHealth. It says details

on vacancies is

an important indicator of labour demand, which provides information about economic changes.

According to latest data from Seek Employment Trends, when it came to the major regions Wellington recorded the strongest increase in job ads on the website during August with year-on-year growth hitting 15.4 per cent.

"Fuelling this uplift were industries such as information and communication technology - up by seven per cent year on year, administration and office support – up nine per cent, and government and defence – up nine per cent," says Janet Faulding, general manager of Seek NZ.

Canterbury has been recovering steadily since March and this continued in August with job ads rising by 9.2 per cent year on year.

Trades and services, and manufacturing, transport and logistics remain the top advertising industries - up by eight and 30 per cent respectively. ⊕

## Why customer service is critical

I sn't it amazing in this age and time how people expect immediacy in service, complaints and, actually, in pretty much everything.

We are all conditioned through the availability and use of technology. You and your business are expected to be available whenever somebody may want to contact you.

The public are browsing on the internet looking at cars. They send emails and expect fast responses. They call the after-hours number late at night and expect replies. We know it's unrealistic, but that is what people are expecting more and more.

We need to understand this and be prepared to deliver. How are you dealing with their expectations? Do you have an automatic reply and then follow up the next day? Does this contact get followed up? Do you have processes in place to monitor this to ensure they are being followed up? Do you prioritise your call options?

Make sure your welcome message and most common inquiries are easy to find or hear on your option list. Make it easy for your customers to speak to someone who can help them.

I am continually amazed at how people see purchasing a new item is so time-sensitive especially when they have been thinking about it for a while. Buyers have usually done their homework, know the type of vehicle they want, and are now ready to inquire and make a decision.

The old saying "strike while the iron is hot" is truer now than ever before. You need to follow up your inquiries quickly as these people may



General manager Protecta Insurance

talk to machines. This is why Protecta Insurance has a team of experienced and knowledgeable people answering the phone 24 hours a day, seven

be ready to purchase.

be the first person

who replies to an

Quite often it will

inquiry that will be on

the front foot and have

the first opportunity

to sell a vehicle to a

talking to other folk

customer. People love

and they don't want to

days a week. Our customer services team is trained to qualify that initial inquiry and direct the client to the correct person to avoid delays and frustrations. Replying to inquiries is a priority.

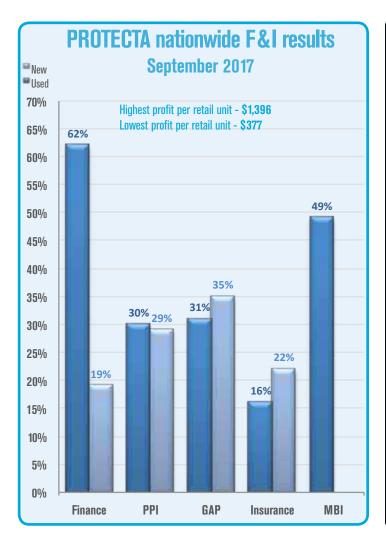
Customer service is one advantage you can have over

your competitors. Superior service throughout your entire business is critical.

That's why Protecta Insurance invested in putting all our staff through a Dale Carnegie "worldclass customer service" training programme. It was great and the results have been fantastic. Happy staff and more satisfied customers are important assets to your business.

If customer service is important to your business – and your clients – have you considered the benefits of giving your staff customer service training? The results will be more sales, more profit and better customer satisfaction.

Remember, a happy customer will tell five to 10 people about their experience whereas an unhappy one tells between 15 and 20, so which buyer would you prefer? Now may be a good time to invest.  $\oplus$ 



### EVs now plugged in at Protecta

We now provide Mechanical Breakdown Insurance for EVs. Contact us today for more info.





Your Motor Insurance Specialist

www.protecta.co.nz

0800 776 832





Raceway, USA

### **Toyota Racing opens new HQ**

oyota Racing New Zealand officially opened its new purpose-built headquarters at Hampton Downs motor racing circuit in the north Waikato at the beginning of October.

Located half-way between Auckland and Hamilton, the base is the largest dedicated motorsport facility in the country.

It is home to the premier Toyota Racing Series and also the singlemake Toyota 86 Championship.

The facility features a high-stud tilt-slab construction, a spacious build floor capable of holding all 20 FT50 race cars used in the Castrol Toyota Racing Series, and sufficient space to enable the championship's transporter vehicles to load and unload inside. Extensive storage areas cater for the comprehensive range of spares required to keep modern single-seater race cars in prime condition.



Above: The ribbon-cutting ceremony at the opening of the new Toyota Racing facility Below: Brendon Leitch



There are built-in office spaces and enclosed workrooms for specialist build functions, including a gearbox build room, composite

repair and fabrication areas. In all, the facility has a main floor area encompassing 1,200 square metres plus mezzanine.

At the launch event, the organisation also confirmed the first driver signing for 2018 -Invercargill racer Brendon Leitch.

Currently ninth in the FIA Formula 4 USA Championship, Leitch finished third overall in the latest TRS. He returns with current champion team, Victory Motor Racing, aiming to take the title. 
The second se

### Cook sets class records at salt flats

he apparently neverending motorsport career of Reg Cook continues this year with news of a string of landspeed records set at Bonneville in the US.

Cook – Shellsport motor-racing champion, rallyman, hill-climber and more - started to put his mind to these records several years ago.

And at his property in the Ness Valley, Clevedon, he has developed two specialised cars to do the job in separate classes.

In 2012, he set a Class G/Pro land-speed record at Bonneville



Cookie, left, and Wairua side by side on the salt being prepped for their final record runs

Speed Week by topping 279.24kph (174.525mph) in Cookie – a tiny Nissan NX Coupe with a two-litre SR20 engine.

Not satisfied with that, he has been back to the salt flats at every chance he could get and this year

he took his self-designed dieselpowered streamliner Wairua as well.

The result was that Cookie set a new class record at 312kph (194mph), while the streamliner Wairua also set a class record by going 420kph (261mph). 🕀



ph 09 966 1779

### **SPECIALISTS IN PRE-SHIPMENT VEHICLE INSPECTIONS**



## Rallying resurgence boosts project

easoned rallyman Neil Allport is behind the arrival of an exciting new Ford Fiesta R5 rally car to New Zealand – and he says potentially there are more to come.

Rallying is in the second year of a rejuvenation brought about by the acceptance of locally built AP4+ cars at championship level.

And Allport sees the R5 specification – almost a "World Rallycar Lite" – as having strong appeal for Kiwis looking for factory-spec rally cars.

The initiative is new, the idea is not.

In the 1970s and 1980s when the rules of rallying were numerically arranged, it was possible to buy a group four Ford Escort RS ready to go.

While Kiwis had been building the Mark 1 here in New Zealand, Jim Donald, Alan Mitchell, Malcolm Stewart and Allport all benefited from the availability of Ford's RS cars and parts.

Today, the AP4+ class is at the forefront, although many are proving fragile, and the cars are not simple to drive or set up.

Approved to run in the same class at championship level, R5 cars are production-derived vehicles and are the sport's main feeder category into the full World Rally Championship class. They are massively popular throughout Europe.

"I think the sport is in the midst of a resurgence, based around these new regulations that allow greater freedoms and let people run cars that are quick, sound great and are spectacular," says Allport.

The three-time national champion and recent MotorSport New Zealand Rally Heritage Award winner has purchased an M-Sport factory-built Ford Fiesta that has done 13 events in Europe.

Asked to look into buying one for a customer in 2015, he has been fine-tuning the financial side of the project – and this year "it was on".

A long-standing relationship with Malcolm Wilson's factorysupported M-Sport operation in the UK was definitely a plus.

"Buying something readybuilt with a comprehensive parts inventory makes huge sense," explains Allport. "It's a business decision. The car has to pay its own way and make money."

R5s are currently slightly quicker than AP4s, and have the advantage of their strong production heritage. But the R5 project is not about elbowing AP4+ out of the equation.

"AP4 is getting sorted and I think the cars will be neck and neck within a couple of seasons," says Allport.

"There are already a lot of similarities – the gearboxes are broadly the same, the suspension follows a similar format, the brakes are similar.

"As time goes on they will develop more. They will evolve to the point where if you have a good driver they will be the same speed or better. I certainly think they can co-exist, no doubt about that."

Max Bayley has previously driven an R2-spec Fiesta and now



steps up to the R5. He will drive the R5 at Rally New Zealand in November.

Allport rates the young driver highly and says even in the R2 he was posting stage times well ahead of rivals in more powerful machinery. "He has settled into the new car very quickly."

As to the future? His Penrosebased business already has prospective buyers chasing R5s. "There has been a lot of interest when the car goes out testing or on shake-down events."

As for Allport? Busy running Neil Allport Motorsport, he has customers in rallying and circuit racing. In between, he keeps his hand in as a driver in an immaculate Mark 1 Escort – a kind of rolling showroom for the business. 🕀



Allport says the R5 project is not about elbowing AP4+ out of the equation

Max Bayley tests his new Fiesta R5 in preparation for November's Rally New Zealand Photos: Geoff Ridder



## Trader cancels deal due to fears buyer unable to meet conditions

#### Background

Yingshan Ji and Wellington Prestige signed a VOSA to sell Ji a 2015 Mercedes-Benz C250 and for the dealer to buy her 2008 C200 as a trade-in.

However, the next day, before any money or vehicles changed hands, the trader said in an email Ji: "The deal is now cancelled."

Wellington Prestige was worried Ji wasn't going to meet VOSA's special conditions. Ji wanted the tribunal to order the dealer to complete the transaction.

#### The case

Wellington Prestige was concerned Ji could not meet the VOSA's special conditions – "clear title of Ji's trade-in vehicle, finance to be approved in writing by March 23 at 5pm".

That was because, on the morning of March 23, the trader received a call from Masterton car dealer Lawson Hoggard asking for \$500 commission in return for financing the purchase of the C250 for Ji.

Wellington Prestige decided it didn't want to be involved in paying another dealer's commission for financing the vehicle's purchase.

Later that morning, Wellington Prestige emailed Ji to cancel the deal and attached a copy of the VOSA with "cancelled" handwritten in large letters diagonally across the page with the words "deal cancelled re: Lawson asking me to finance you" written at the top.

Her lawyer emailed Wellington Prestige that afternoon stating "I confirm finance" and "clear title is a condition of any sale and does not need to be confirmed".

Ji didn't pay any of the purchase price to the trader nor were vehicles exchanged.

Wellington Prestige produced a vehicle information report printed on April 4. It contained an alert stating, "there is a financial interest in this vehicle. It is very likely that money is owing on it". Details of three secured parties were listed.

#### The finding

The tribunal considered whether it had jurisdiction under the Sale of Goods Act (SGA) or Contractual Remedies Act (CRA) to require Wellington Prestige to sell its car to Ji in return for her vehicle at the agreed purchase price and, if so, whether it should grant such a remedy.

The SGA provides an order for specific performance in lieu of damages in an action for breach of contract to deliver specific or ascertained goods. The CRA has broad power to grant relief when a contract is cancelled by any party.

The tribunal found Wellington Prestige had a valid reason for deciding not to proceed with the transaction based on its concerns about finance arrangements for the vehicle. These were not assuaged by the email from Ji's lawyer stating "I confirm finance".

No finance agreement was produced so the lawyer's email was, at best, an assertion that finance was approved.

Wellington Prestige was justified

in remaining concerned based on the earlier request by Lawson Hoggard for \$500 commission to provide finance.

Ji produced bank statements purporting to show she had sufficient funds available to buy the vehicle, but these post-dated the finance deadline by several days.

The presence of the special condition suggested Ji didn't intend to purchase the vehicle exclusively from her own funds.

Wellington Prestige didn't know about the security interests on the vehicle until several days after the deadline. But they provided extra justification for it not proceeding with the transaction.

Specific performance under section 53 of the SGA is a discretionary remedy. The courts prefer to award damages for a breach of contract rather than forcing parties to perform it. It is reserved for unusual cases when there's something particularly special about the item purchased, and similar goods cannot be obtained on the market.

Ji failed to persuade the tribunal there was anything special about the 2015 Mercedes. She could buy a similar model on the market without much difficulty.

For this reason, it was inappropriate to make an order for specific performance under the SGA and the tribunal had no general jurisdiction to award damages for breach of contract.

Under section nine of the CRA, the tribunal had a broad power to grant relief "when a contract is **The case:** The purchaser sought an order requiring the dealer to go ahead with a signed vehicle offer and sale agreement (VOSA) on a 2015 Mercedes-Benz and accept her 2008 vehicles as a trade-in. The dealer said it had cancelled the agreement the day after it was signed because it believed the buyer couldn't meet the VOSA's special conditions.

The decision: The buyer's application was dismissed.

At: The Motor Vehicle Disputes Tribunal, Wellington.

cancelled by any party", but can only make such an order "if just and practicable to do so".

Since the tribunal found Wellington Prestige's cancellation was valid, then it would be the injured party in the failed transaction.

Ji's strongest point was the dealer pre-empted the 5pm deadline on March 23 by purporting to cancel the contract at 11.29am. Apart from an e-mail sent at 4.45pm that day, there was no written evidence that "finance was approved" before the deadline.

The trader was entitled to expect more than an email from Ji's solicitor, such as the written agreement or at least finance company confirmation.

The fact it was requested to pay another dealer commission for financing the transaction suggested finance was at best conditional and not on terms Wellington Prestige accepted.

The condition regarding clear title to the trade-in wasn't satisfied by the deadline and security interests still existed over it on the day before the hearing.

#### Order

The buyer's claim was dismissed.  $\oplus$ 



## Engine damage caused by purchaser driving vehicle when overheating

#### Background

Holly Ryan bought a 1996 Nissan Safari for \$8,000 from Starter Cars on July 25, 2015.

She immediately noticed the air conditioning and tachometer weren't working, and the central locking malfunctioned intermittently.

She returned the vehicle to the dealer on August 1 for repairs. It provided her with a loan vehicle to use until repairs were finished.

The loan car's registration expired while in Ryan's possession and Starter Cars received two \$200 infringement notices for it.

The trader advised Baycorp that Ryan was liable for the debt and provided a debt collector with her personal details.

After receiving repeated demands for payment from Baycorp and Starter Cars refused to pay the fines, Ryan paid the infringements to avoid affecting her credit rating.

Ryan's Nissan was returned to her on September 9. A few weeks later, she noticed the air conditioning had stopped and the engine was overheating.

On September 29, it was assessed by Michies Automotive in Takapuna. It found no fault with the car, but told Ryan to take it back if the overheating continued.

Michies Automotive also said the tyres were worn and required replacement. Ryan was told the tyres would have failed a warrant of fitness (WOF) inspection.

In November, Ryan purchased

new tyres for \$900. She had previously spoken with Starter Motors, which indicated it would be prepared to pay for them.

The overheating continued but Ryan didn't take the vehicle anywhere for an assessment.

Instead, she continued driving despite noticing it overheat on at least four occasions between October and December.

On December 31, the vehicle overheated again. Ryan waited for it to cool and continued driving. The next day, the same thing happened and the engine failed.

The car was towed to Michies, which said the Safari had a blown head gasket and two cylinders had low compression.

It estimated it would cost about \$6,000 to repair. It said the overheating was caused by a leaking frost plug. Ryan sold the vehicle for parts for \$1,200.

#### The case

The buyer applied to the tribunal to recover the loss she made on the sale of the vehicle, cost of new tyres, infringement notices and towing.

Starter Cars failed to appear at the hearing, although Daniel Walmsley, an associate of John Hamblin, a director of Starter Cars, did appear.

Walmsley was of some assistance to the tribunal, particularly in relation to circumstances surrounding the infringements, but otherwise couldn't assist the tribunal in understanding Starter Cars' position on other aspects of Ryan's claim.

#### The finding

The tribunal was satisfied the Safari wasn't of acceptable quality under section six of the Consumer Guarantees Act (CGA) because it had a number of faults that arose shortly after purchase.

These included a leaking frost plug that caused it to overheat and worn tyres that needed replacing two months after purchase.

However, the tribunal ruled the engine damage wasn't a breach of the CGA's acceptable quality guarantee.

Under section seven of the act, goods don't fail to comply with the guarantee of acceptable quality if used in a manner or to an extent inconsistent with the manner or extent of use that a reasonable consumer would expect to obtain from the goods.

The tribunal was satisfied the engine damage was caused by Ryan's continued driving of an overheated vehicle.

Michies had told Ryan in September to return the car if the overheating recurred. She failed to do so. Instead she drove the Nissan for three months, and 2,831km, while it was continuing to intermittently overheat.

In the circumstances, the tribunal considered her continued use of the vehicle was inconsistent with the manner in which a reasonable consumer would have used it.

Ryan was, however, entitled to recover the cost of the tyres because she complied with section 18 of the CGA and contacted Starter Cars about the matter. **The case:** The buyer wanted to recover financial loss suffered on the sale of her engine-damaged vehicle, the cost of new tyres, payment of infringement notices for the trader's unregistered loan car and towing fees. The dealer failed to appear at the hearing, but had agreed to pay for new tyres.

**The decision:** The trader was ordered to pay the buyer \$1,300 to cover the cost of the replacement tyres and infringement fines.

At: The Motor Vehicle Disputes Tribunal, Hamilton.

Also, under section 18 of the act, a purchaser can recover the reasonably foreseeable loss or damage that results from a breach of a guarantee.

Ryan used the loan vehicle because of the faults with her Nissan. She suffered loss because of that use. That loss was reasonably foreseeable, in that it was unsurprising that an unregistered vehicle could accrue infringement fines, so Starter Cars was responsible for that loss.

The tribunal ruled Ryan was not entitled to recover the loss on resale of the car or towing costs.

Ryan sold the vehicle for \$6,800 less than she paid for it. She sold it because of the engine damage, which would cost about \$6,000 to repair.

She wanted an order to recover that loss. However, the tribunal ruled it was unable to make that order because the engine damage wasn't a breach of any of the CGA's guarantees.

#### **Order**

The trader was ordered to pay the buyer \$1,300 to cover the cost of replacement tyres and the loan car's infringement fines.  $\oplus$ 

#### **Disputes cost you time & money**

MTA dealer members have access to a free support service. Visit www.mta.org.nz/mediation or call 0508 682 633

## Armacup Driving the Pacific

AECL

## PORT TO DOOR SERVICE

#### **Our services include:**

- 💌 NZ Customs clearance
- **NZTA** inspections
- Constant Series Constant Series Constant Series Constant Series S

- 💌 Insurance
- 💌 MPI inspections

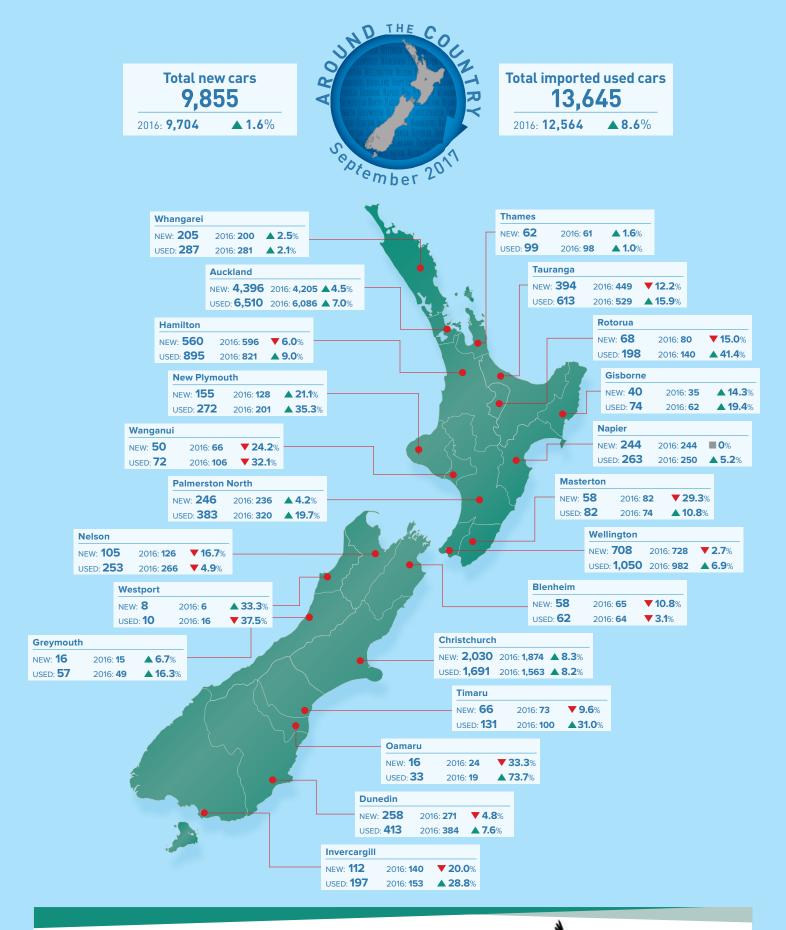
🚾 Delivery nationwide

	LATEST SCHEDULE												
	Port Calls	Lake Taupo v1719	Tokyo Car v1720	Carrera v1721	Lake Taupo v1722	Tokyo Car v1723							
	Мојі	-	17 Oct	-	14 Nov	-							
7	Osaka	3 Oct	18 Oct	1 Nov	15 Nov	1 Dec							
JAPAN	Nagoya	4 Oct	20 Oct	2 Nov	16 Nov	3 Dec							
F.	Toyohashi	-	19 Oct	-	17 Nov	-							
	Yokohama	5 Oct	21 Oct	4 Nov	18 Nov	4 Dec							
	Auckland	20 Oct	7 Nov	20 Nov	6 Dec	20 Dec							
N	Wellington	30 Oct	10 Nov	27 Nov	9 Dec	27 Dec							
NZ	Lyttelton	28 Oct	9 Nov	25 Nov	8 Dec	28 Dec							
	Nelson	31 Oct	14 Nov	28 Nov	13 Dec	1 Jan							

### YOUR FIRST CHOICE IN SHIPPING

Phone **0800 ARMACUP** (0800 276 2287) email enquiries@armacup.com www.armacup.com





### Your Import Finance Specialists!



#### Flexible import and floorplan finance for dealers

Streamline your buying, and your cashflow

One finance facility / multiple suppliers - giving you the freedom to choose how and when you buy, ship, and comply.

Find out more: 
blackbirdfinance.co.nz 
0800 000 999



Imported Pas	ssenger	Vehicle S	ales by	Make - 1	Septembo	er 2017	Imported	Passeng	er Vehicle	e Sales	ь бү М	lodel - S	eptembe	er 2017
MAKE	SEP'17	SEP'16	+/-%	SEP'17 MKT SHARE	2017 YEAR TO DATE	2017 MKT SHARE	MAKE	MODEL	SEP'17	SEP'16	+/- %	SEP'17 MKT SHARE	2017 YEAR To date	2017 MKT SHARE
Toyota	3,234	3,261	-0.8	23.7%	30,781	25.1%	Mazda	Axela	626	527	18.8	4.6%	5,455	4.5%
Nissan	2,538	2,288	10.9	18.6%	22,625	18.5%	Suzuki	Swift	600	524	14.5	4.4%	5,223	4.3%
Mazda	2,220	1,902	16.7	16.3%	18,607	15.2%	Nissan	Tiida	543	529	2.6	4.0%	5,200	4.2%
Honda	1,335	1,267	5.4	9.8%	12,202	10.0%	Mazda	Demio	485	479	1.3	3.6%	4,181	3.4%
Subaru	785	609	28.9	5.8%	5,782	4.7%	Honda	Fit	470	439	7.1	3.4%	4,206	3.4%
Suzuki	688	624	10.3	5.0%	6,100	5.0%	Subaru	Legacy	397	276	43.8	2.9%	2,896	2.4%
BMW	616	528	16.7	4.5%	5,433	4.4%	Toyota	Wish	325	322	0.9	2.4%	3,018	2.5%
Mitsubishi	438	426	2.8	3.2%	4,419	3.6%	Mazda	Atenza	291	248	17.3	2.1%	2,701	2.2%
Volkswagen	427	457	-6.6	3.1%	4,144	3.4%	Toyota	Prius	263	188	39.9	1.9%	2,683	2.2%
Audi	302	259	16.6	2.2%	2,463	2.0%	Mitsubishi	Outlander	255	219	16.4	1.9%	2,482	2.0%
Mercedes-Benz	264	261	1.1	1.9%	2,657	2.2%	Volkswagen	Golf	254	289	-12.1	1.9%	2,532	2.1%
Ford	101	130	-22.3	0.7%	989	0.8%	Toyota	Mark X	254	198	28.3	1.9%	2,357	1.9%
Lexus	87	59	47.5	0.6%	782	0.6%	Mazda	MPV	236	225	4.9	1.7%	1,900	1.6%
Volvo	66	87	-24.1	0.5%	736	0.6%	Toyota	Estima	232	196	18.4	1.7%	1,931	1.6%
Jaguar	63	33	90.9	0.5%	423	0.3%	Mazda	Premacy	221	212	4.2	1.6%	1,823	1.5%
Holden	59	58	1.7	0.4%	537	0.4%	Toyota	Vitz	213	284	-25.0	1.6%	2,282	1.9%
Chevrolet	55	42	31.0	0.4%	499	0.4%	Nissan	Note	194	189	2.6	1.4%	1,589	1.3%
Land Rover	40	29	37.9	0.3%	459	0.4%	Nissan	Dualis	193	177	9.0	1.4%	1,850	1.5%
Mini	39	28	39.3	0.3%	380	0.3%	Nissan	Leaf	182	55	230.9	1.3%	1,230	1.0%
Porsche	36	31	16.1	0.3%	309	0.3%	Subaru	Impreza	176	132	33.3	1.3%	1,315	1.1%
Dodge	31	21	47.6	0.2%	240	0.2%	Toyota	Corolla	174	235	-26.0	1.3%	1,899	1.6%
Hyundai	30	21	42.9	0.2%	294	0.2%	Honda	Odyssey	169	166	1.8	1.2%	1,667	1.4%
Jeep	30	22	36.4	0.2%	233	0.2%	Toyota	Auris	155	169	-8.3	1.1%	1,566	1.3%
Chrysler	22	7	214.3	0.2%	174	0.1%	Toyota	RAV4	155	108	43.5	1.1%	1,313	1.1%
Renault	15	6	150.0	0.1%	112	0.1%	Toyota	Blade	154	172	-10.5	1.1%	1,240	1.0%
Peugeot	14	8	75.0	0.1%	133	0.1%	Nissan	X-Trail	152	86	76.7	1.1%	1,169	1.0%
Cadillac	11	5	120.0	0.1%	43	0.0%	Nissan	Murano	150	160	-6.3	1.1%	1,363	1.1%
Daihatsu	11	15	-26.7	0.1%	114	0.1%	Nissan	Skyline	139	115	20.9	1.0%	1,206	1.0%
Kia	9	8	12.5	0.1%	93	0.1%	Nissan	Bluebird	134	131	2.3	1.0%	1,394	1.1%
Maserati	9	4	125.0	0.1%	106	0.1%	Honda	Stream	134	120	11.7	1.0%	1,190	1.0%
Citroen	5	5	0.0	0.0%	30	0.0%	Mazda	CX-5	130	13	900.0	1.0%	630	0.5%
Fiat	5	3	66.7	0.0%	29	0.0%	Honda	CRV	124	112	10.7	0.9%	1,078	0.9%
Alfa Romeo	4	2	100.0	0.0%	32	0.0%	Toyota	Alphard	116	65	78.5	0.9%	983	0.8%
Bentley	4	7	-42.9	0.0%	73	0.1%	BMW	320i	111	101	9.9	0.8%	1,012	0.8%
Plymouth	4	2	100.0	0.0%	25	0.0%	Nissan	March	109	90	21.1	0.8%	950	0.8%
Others	48	49	-2.0	0.4%	452	0.4%	Others		5,129	5,013	2.3	37.6%	46,996	38.4%
Total	13,645	12,564	8.6	100.0%	122,510	100.0%	Total		13,645	12,564	8.6	100.0%	122,510	100.0%

G

Hands A Possibility

Enhance Auto

www.enhance-auctions.com

(+81) 725-23-8910



## **Election impacts car trade**

Some dealers believe last month's general election adversely affected buyer behaviour with the nation going to the polls.

Grant Wilson, owner of Te Rapa Wholesale Cars and The Cheap Car Place in Hamilton, told Autofile he noticed a fall in sales during the first 10 to 14 days of September, which he puts down to the build-up to the election as well as the weather.

"We had some heavy rain last month and it has been a very wet winter," he adds, but he was expecting sales to take off again after polling day on September 23.

"We have had a great year and sales will improve when we see some sunshine again," says Wilson. "We get good stock from Japan and the dollar has remained strong."

Ishfag Bhatti, owner of Carz and Vanz, which has yards in Mount Maunganui, Auckland and Hamilton – and another that will soon open in Christchurch – says sales picked up during the first two weeks of last month, but have since slowed due to the election.

He says the weekend of September 16 and 17 wasn't good and the following weekend was quiet as well, but once the new government was formed he was expecting "things to take off".

Bhatti says the Auckland market is different from regional New Zealand with buyers wanting small cars in the 1,400cc to 1,500cc range with the Suzuki Swift, Nissan Tiida and Toyota Corolla proving to be popular.

He adds buyers in the regions

want SUVs and cars with two-litre engines and above.

The dealership has just started advertising on Instagram. Bhatti says the Carz and Vanz posting has received a lot of likes, but he says it's too early to know if the campaign is a success.

"It is hard to see the results because it's pretty new for everyone," he says.

Sales of used imported cars dropped by 5.78 per cent during September to 13,645 units compared to August, which saw 14,483 registrations and was 2017's best sales month to date.

However, registrations still increased by a healthy 8.6 per cent last month compared to the same month in 2016 with 1,081 more registrations.

So far in 2017, there have been 122,510 used imported passenger vehicles registered in this country.

Peter Day, owner of Peter Day Motors in Palmerston North, says his dealership imports secondhand cars and vans from Japan for the \$10,000 to \$30,000 market.

"It takes me hours to find the right vehicles at the right price," he says. "We have recently relocated and have been going gangbusters since then.

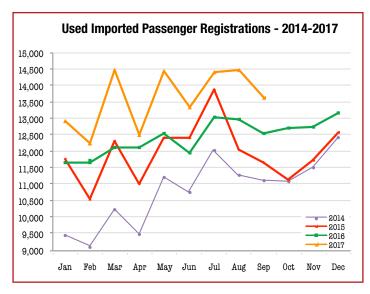
"Traditionally winter is good for us. I have had some of my best days when it has been hosing down."

Day videos the condition of each car on his yard and posts the recording on YouTube. He says this has boosted sales.

"We sell cars throughout New Zealand, but that means we are in competition with every other dealer in the country.

"I believe there are a lot of rubbish cars on the market being sold by some dealers who don't care about repeat business. Reputation is important to us. We sell to good people who want good cars."

Scott Williamson, general manager of Graham Williamson X Factor Cars in Invercargill, says: "The



internet has opened the market for us and it means people can look at our stock whenever they want.

"Some months everything goes north and then during other months we mostly sell to locals. It really comes down to price and how the process pans out."

Back to the statistics and Toyota retained top spot in September with a market share for the month of 23.7 per cent with 3,234 registrations. Nissan was second with 2,538 sales and was followed by Mazda on 2,220.

The battle for top model is a lot closer with the Mazda Axela, Suzuki Swift and Nissan Tiida making up the top three. They hold 4.6, 4.4 and four per cent market shares respectively.

Nissan's Leaf continues to gain popularity with sales of 182 units, an increase of 230 per cent on 55 sales in September 2016. The electric vehicle has now climbed to gain 1.3 per cent of the monthly total for used imported cars.

The other stand-out for last month was Mazda's CX-5 with 130 registrations – up 900 per cent on 13 sales during the same month last year.

In terms of the regions, Oamaru had a stellar month with 33 sales in September compared to 19 during the same month of last year – an increase of 73.7 per cent.

Rotorua's dealers sold 198 used cars – up by 41.4 per cent on September 2016's total of 140.

For the second month in a row, New Plymouth and Invercargill also did well when compared to this time last year with increases of 35.3 and 28.8 per cent respectively. ⊕



AUTO PORTAL CREW WITH PASSION

### A wide range of quality vehicles

#### ALL INCLUSIVE GST INVOICE IN \$NZ AVAILABLE

autoportalauctions.com NZ office - contact Tada: 09-571-2063 or 0800-428-2728



## Importers look at options

S eptember saw 13,401 used passenger vehicles cross the border, which was an increase of 15.2 per cent compared to the same month of last year.

So far this year, 129,437 used cars have entered New Zealand – up by 14,714 units compared to the same period of 2016.

Japan accounted for 12,688 of September's total to bring its year-todate aggregate to 121,315 units. This was a decrease from 11,451 in August.

The biggest month of this year for used imports from Japan was March with 18,426, almost double January's seasonal low of 9,697.

There were 363 used cars

imported from Australia – compared to 537 in the previous month – for an overall total of 4,295.

Matt Adams, branch manager of Advantage Cars in Manukau, South Auckland, says the dealership, which is about to move to new premises in Botany, has started sourcing used cars direct from Melbourne.

He says that's because the dealership has found it harder to buy quality New Zealand-new cars since Turners changed its focus to retail sales. "We have to hunt harder to get good stock." Grant Wilson, owner of Te Rapa

Wholesale Cars in Hamilton, says

Tainui Group Holdings is working on the construction of an inland port at Ruakura.

This will enable dealers to have cars shipped to the Port of Tauranga then freight them by train to the Waikato.

"In the good months, you can get stock down to the Waikato in two to three days [from Ports of Auckland],"Wilson told Autofile.

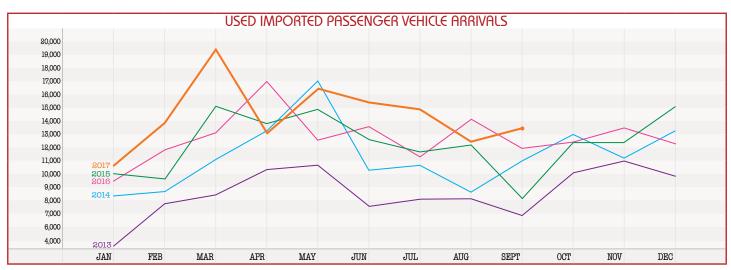
"But there was a big backlog in June, July and August although that has now freed up."

The year-to-date total for used imported passenger vehicles entering New Zealand from the UK now comes in at 1,660 after 163 used cars from there came into the country last month. This was down by 27 units on August's figures.

Fourth spot on the ladder was taken out by the US with 115 imports last month, bringing its year-to-date total to 1,041.

Importations of used passenger vehicles from Singapore took a nosedive – September's total came in at 53 units compared to 124 in August.

Also, 651 used light commercials crossed the border in September, which represented an increase of 10.5 per cent compared to this time in 2016. Last month's total was down compared to 694 units in August.  $\oplus$ 



#### Used Imported Passenger Vehicles By Country Of Export

· · · · ·																	
COUNTRY OF						201	7					2016					
EXPORT	JAN '17	FEB '17	MAR '17	APR '17	MAY '17	JUN '17	JUL '17	AUG '17	SEP '17	SEP SHARE %	2017 TOTAL	Q1	02	Q3	Q4	2016 TOTAL	MRKT SHARE
Australia	382	530	617	431	508	475	452	537	363	2.7%	4,295	1,233	1,201	1,264	1,453	5,151	3.4%
Great Britain	273	173	241	152	190	143	135	190	163	1.2%	1,660	166	210	387	774	1,537	1.0%
Japan	9,697	12,924	18,426	12,274	15,649	14,566	13,640	11,451	12,688	94.7%	121,315	32,722	40,969	34,514	34,875	143,080	93.7%
Singapore	47	81	97	54	87	183	122	124	53	0.4%	848	201	362	310	358	1,231	0.8%
USA	156	100	135	82	119	108	107	119	115	0.9%	1,041	251	287	349	388	1,275	0.8%
Other countries	28	21	30	24	31	55	36	34	19	0.1%	278	61	124	112	141	438	0.3%
Total	10,583	13,829	19,546	13,017	16,584	15,530	14,492	12,455	13,401	100.0%	129,437	34,634	43,153	36,936	37,989	152,712	100.0%



TO AND FROM JAPAN, USA, UK, AUSTRALIA, SINGAPORE, AND THE PACIFIC

**CONTACT US TODAY!** 

 $\mathbf{M}_{c} \mathbf{C} \mathbf{U} \mathbf{U} \mathbf{U} \mathbf{U} \mathbf{G} \mathbf{H}$   $\mathbf{M}_{c} \mathbf{C} \mathbf{U} \mathbf{U} \mathbf{U} \mathbf{G} \mathbf{H}$   $\mathbf{M}_{c} \mathbf{U} \mathbf{U} \mathbf{U} \mathbf{G} \mathbf{H}$   $\mathbf{M}_{c} \mathbf{U} \mathbf{U} \mathbf{G} \mathbf{H}$ 



## Car sales figures soften slightly

econd-hand cars sold by dealers were down by 7.9 per cent during September compared to August, but on par with the same month last year.

There were 18,060 used cars sold by traders to members of the public last month. This was a 0.9 per cent decrease compared to 18,217 units during the same month last year, and down by 1,562 units on August.

The public-to-public category remained steady with 42,979 units sold. This was a 1.4 per cent increase from the same month last year when 42,402 units changed ownership. There was a 2.2 per cent decrease in trade-ins to 13,074 during September compared to 13,368 in the same month last year.

Although some regions experienced a decrease in trader to public sales during September, Napier had the highest percentage figures in relation to dealer car sales with a 11.7 per cent jump to 638 units compared to 571 in September 2016.

Oamaru came in second with a 7.1 per cent increase in dealerto-public sales with 60 units compared to 56 during the same month of last year, while Wanganui came in third with a 5.4 per cent increase and 176 registrations.

Auckland, which holds the biggest market share, rose slightly with a 4.7 per cent jump during September with 6,391 sales compared to 6,105 in same month of 2016.

Oamaru's used car dealers saw a slight increase of used stock last month as trade-ins throughout the region increase by 36.4 per cent with 15 units changing hands compared to 11 during September last year.

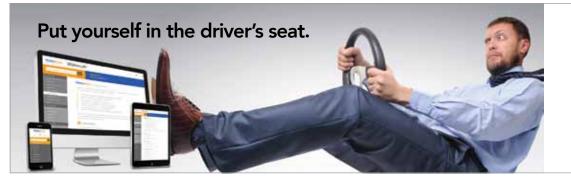
Wanganui was close behind with a 34.4 per cent jump in tradeins with 125 units compared to 93 during September 2016, and Invercargill was third with a 10.7 per cent increase in trade-ins with 289 units compared to 261.

Simon Palfrey, sales consultant at 4Guys Autobarn in Hamilton, says sales have been consistent during the winter months for the dealership, which stocks more than 400 used cars mostly imported from Japan, as well as muscle cars from the US.

"During the winter, the people who come to the yard are serious about buying a car," he told Autofile. "People search for the car they want on the internet and are more likely to buy on the day they step onto the yard."  $\oplus$ 

#### SECONDHAND CAR SALES - September 2017

SECONDHAN	D CHR SHU	<b>:S</b> - Septemb	er 2017							
		DEALER TO P				PUBLIC TO PUBLIC			PUBLIC TO DEALER	
	SEP '17	SEP '16	+/- %	MARKET SHARE	SEP '17	SEP '16	+/- %	SEP '17	SEP '16	+/- %
Whangarei	613	594	3.2	3.4	1,915	2,000	-4.3	265	241	10.0
Auckland	6,391	6,105	4.7	35.4	14,783	14,695	0.6	5,177	4,824	7.3
Hamilton	1,484	1,509	-1.7	8.2	3,592	3,362	6.8	1,069	1,128	-5.2
Thames	250	268	-6.7	1.4	539	642	-16.0	105	127	-17.3
Tauranga	907	937	-3.2	5.0	2,224	2,124	4.7	558	601	-7.2
Rotorua	307	344	-10.8	1.7	837	906	-7.6	81	107	-24.3
Gisborne	167	170	-1.8	0.9	395	329	20.1	74	80	-7.5
Napier	638	571	11.7	3.5	1,466	1,497	-2.1	387	451	-14.2
New Plymouth	419	400	4.8	2.3	1,014	951	6.6	227	247	-8.1
Wanganui	176	167	5.4	1.0	478	574	-16.7	125	93	34.4
Palmerston North	838	862	-2.8	4.6	1,760	1,653	6.5	777	826	-5.9
Masterton	175	182	-3.8	1.0	393	416	-5.5	103	129	-20.2
Wellington	1,585	1,669	-5.0	8.8	3,144	3,007	4.6	1,108	1,263	-12.3
Nelson	310	345	-10.1	1.7	991	1,068	-7.2	225	226	-0.4
Blenheim	173	179	-3.4	1.0	385	415	-7.2	93	143	-35.0
Greymouth	81	90	-10.0	0.5	223	199	12.1	35	34	2.9
Westport	23	30	-23.3	0.1	94	49	91.8	0	0	0.0
Christchurch	2,116	2,335	-9.4	11.7	5,065	5,018	0.9	1,811	1,941	-6.7
Timaru	212	278	-23.7	1.2	593	510	16.3	112	185	-39.5
Oamaru	60	56	7.1	0.3	184	160	15.0	15	11	36.4
Dunedin	730	722	1.1	4.0	1,889	1,848	2.2	438	450	-2.7
Invercargill	405	404	0.2	2.2	1,015	979	3.7	289	261	10.7
NZ total	18,060	18,217	-0.9	100.00	42,979	42,402	1.4	13,074	13,368	-2.2



Take control of your dealership with MotorWeb.



Ph: 0800 668 679 www.motorweb.co.nz



New Passen	iger Vehic	le Sales	by Mal	<b>(e -</b> Septe	mber 20	17	New Pas	senger Vel	hicle Sa	les by	Model	- Septen	nber <u>201</u>	7
МАКЕ	SEP'17	SEP'16	+/- %	SEP'17 MKT SHARE	2017 YEAR To date	2017 MKT SHARE	MAKE	MODEL	SEP'17	SEP'16	+/- %	SEP'17 MKT SHARE	2017 YEAR	2017 MKT SHARE
Toyota	2,320	1,692	37.1	23.5%	12,756	16.1%	Toyota	Corolla	957	481	99.0	9.7%	4,099	5.2%
Holden	1,006	1,197	-16.0	10.2%	6,885	8.7%	Toyota	RAV4	516	284	81.7	5.2%	2,993	3.8%
Mazda	875	883	-0.9	8.9%	7,475	9.5%	Kia	Sportage	314	288	9.0	3.2%	2,831	3.6%
Ford	673	619	8.7	6.8%	5,085	6.4%	Toyota	Yaris	305	241	26.6	3.1%	1,414	1.8%
Mitsubishi	647	565	14.5	6.6%	5,379	6.8%	Toyota	Highlander	262	106	147.2	2.7%	1,769	2.2%
Kia	556	503	10.5	5.6%	5,170	6.5%	Mazda	CX-5	253	235	7.7	2.6%	2,364	3.0%
Suzuki	552	502	10.0	5.6%	5,404	6.8%	Mitsubishi	ASX	236	117	101.7	2.4%	1,530	1.9%
Hyundai	531	716	-25.8	5.4%	5,113	6.5%	Mitsubishi	Outlander	235	202	16.3	2.4%	2,286	2.9%
Nissan	390	534	-27.0	4.0%	3,613	4.6%	Holden	Commodore	231	254	-9.1	2.3%	1,665	2.1%
Volkswagen	297	391	-24.0	3.0%	3,320	4.2%	Ford	Escape	219	0	21,900.0	2.2%	1,276	1.6%
Honda	295	395	-25.3	3.0%	3,461	4.4%	Suzuki	Swift	205	225	-8.9	2.1%	1,853	2.3%
Subaru	292	214	36.4	3.0%	2,553	3.2%	Holden	Trax	204	136	50.0	2.1%	876	1.1%
Audi	205	155	32.3	2.1%	1,626	2.1%	Nissan	Qashqai	198	156	26.9	2.0%	1,440	1.8%
BMW	196	161	21.7	2.0%	1,515	1.9%	Hyundai	Tucson	180	345	-47.8	1.8%	1,706	2.2%
Mercedes-Benz	163	193	-15.5	1.7%	1,925	2.4%	Holden	Captiva	165	271	-39.1	1.7%	1,595	2.0%
Skoda	111	66	68.2	1.1%	1,020	1.3%	Mazda	Mazda6	160	167	-4.2	1.6%	558	0.7%
Land Rover	106	100	6.0	1.1%	912	1.2%	Nissan	X-Trail	157	215	-27.0	1.6%	1,352	1.7%
Peugeot	91	72	26.4	0.9%	574	0.7%	Holden	Spark	154	173	-11.0	1.6%	578	0.7%
Jeep	89	155	-42.6	0.9%	874	1.1%	Mazda	Mazda3	147	192	-23.4	1.5%	1,376	1.7%
Lexus	66	68	-2.9	0.7%	511	0.6%	Subaru	Outback	136	98	38.8	1.4%	1,156	1.5%
Mini	59	61	-3.3	0.6%	538	0.7%	Volkswagen	Tiguan	125	172	-27.3	1.3%	1,628	2.1%
SsangYong	43	158	-72.8	0.4%	631	0.8%	Honda	HR-V	123	134	-8.2	1.2%	1,164	1.5%
Jaguar	35	36	-2.8	0.4%	253	0.3%	Ford	Focus	122	86	41.9	1.2%	1,158	1.5%
Volvo	35	51	-31.4	0.4%	392	0.5%	Mazda	CX-3	111	145	-23.4	1.1%	1,164	1.5%
Citroen	32	15	113.3	0.3%	184	0.2%	Ford	Mondeo	110	81	35.8	1.1%	753	1.0%
lsuzu	25	20	25.0	0.3%	211	0.3%	Suzuki	Vitara	109	119	-8.4	1.1%	1,142	1.4%
Dodge	22	52	-57.7	0.2%	212	0.3%	Hyundai	Imax	107	54	98.1	1.1%	200	0.3%
Porsche	22	33	-33.3	0.2%	293	0.4%	Mazda	Mazda2	103	100	3.0	1.0%	938	1.2%
Tesla	19	0	1900.0	0.2%	180	0.2%	Hyundai	Santa Fe	93	146	-36.3	0.9%	1,324	1.7%
Renault	14	33	-57.6	0.1%	193	0.2%	Mitsubishi	Lancer	92	127	-27.6	0.9%	602	0.8%
Alfa Romeo	11	2	450.0	0.1%	102	0.1%	Holden	Barina	90	131	-31.3	0.9%	606	0.8%
Mahindra	11	7	57.1	0.1%	46	0.1%	Toyota	Camry	90	259	-65.3	0.9%	579	0.7%
Maserati	10	3	233.3	0.1%	116	0.1%	Mazda	CX-9	83	42	97.6	0.8%	988	1.2%
Fiat	8	9	-11.1	0.1%	165	0.2%	Ford	Everest	78	50	56.0	0.8%	473	0.6%
Yamaha	8	5	60.0	0.1%	61	0.1%	Suzuki	Ignis	78	0	7,800.0	0.8%	823	1.0%
Others	40	38	5.3	0.4%	311	0.4%	Others		3,107	3,872	-19.8	31.5%	30,800	39.0%
Total	9,855	9,704	1.6	100.0%	79,059	100.0%	Total		9,855	9,704	1.6	100.0%	79,059	100.0%

Top 3 Sources for Leads, Test Drives and Sales - New Zealand Dealerships

**~ 44.9%** 

7.3%

Web - Dealer

Web - Classified 🔰 13.3%

15.4%

Brand A5.3%

Web - Dealer // 12%

Web - Classified

### Crossover up the ladder

oyota's RAV4 jumped from seventh to second on the top model ladder for September.

The compact crossover SUV had a massive 81.7 per cent increase in sales last month with 516 registrations when compared to 284 during the same month of last year and 214 units in August 2017.

The RAV4 was beaten to the top spot by Toyota's Corolla on 957 registrations – up 99 per cent on September 2016's total of 481. Kia's Sportage held onto third with 314 sales, which was an increase of nine per cent. registered last month – a 37.1 per cent rise on the same month in 2016. In second, Holden sales dropped by 16 per cent on last year with 1,006 compared to 1,197 in September 2016. Mazda sales dropped by 0.9 per cent, or from 883 to 875.

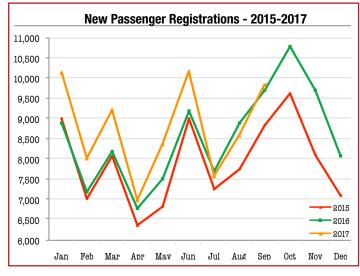
New car sales rose slightly by 1.6 per cent in September to 9,855 units compared to 9,704 in the same month of last year. Year to date, 79,059 new cars have been registered.

Toyota holds 16.1 per cent of the year-to-date market share, followed by Mazda on 9.5 per cent and Holden very close

There were 2,320 new Toyotas

#### NEW VEHICLE SALES BY BUYER TYPE - September 2017

				-		
	SEP '17	SEP '16	MTH %	2017 YTD	2016 YTD	% YTD
Passenger	4,466	4,633	-3.6	32,506	35,835	-9.3
Private	1,356	1,682	-19.4	12,763	14,614	-12.7
Business	1,442	1,696	-15.0	13,995	15,400	-9.1
Gov't	121	124	-2.4	1,466	1,744	-15.9
Rental	1,547	1,131	36.8	4,282	4,077	5.0
SUV	5,333	5,025	6.1	45,992	37,801	21.7
Private	2,071	1,966	5.3	20,744	16,329	27.0
Business	2,051	1,931	6.2	19,407	16,782	15.6
Gov't	84	84	0.0	738	638	15.7
Rental	1,127	1,044	8.0	5,103	4,052	25.9
Light Commercial	3,960	3,492	13.4	33,932	28,784	17.9
Private	810	821	-1.3	8,374	7,155	17.0
Business	2,747	2,375	15.7	23,150	19,611	18.0
Gov't	168	113	48.7	1,244	956	30.1
Rental	235	183	28.4	1,164	1,062	9.6
Sub Total	13,759	13,150	4.6	112,430	102,420	9.8
Private	4,237	4,469	-5.2	41,881	38,098	9.9
Business	6,240	6,002	4.0	56,552	51,793	9.2
Gov't	373	321	16.2	3,448	3,338	3.3
Rental	2,909	2,358	23.4	10,549	9,191	14.8
Heavy Commercial	567	539	5.2	4,419	3,675	20.2
Other	181	174	4.0	1,407	993	41.7
Total	14,507	13,863	4.6	118,256	107,088	10.4



behind on 8.7 per cent.

A relative newcomer to the New Zealand market, Tesla have now amassed 180 cars on the road so far this year with 19 new units being registered in September. Another significant statistic came from Maserati – up by 233.3 per cent with 10 sales compared to three over the same period.  $\oplus$ 

#### NEW VEHICLE MARKET SEGMENTATION - September 2017

	SEP '17	SEP '16	MTH% DIFF	2017 YTD	2016 YTD	% YTD
Passenger	4,466	4,633	-3.6	32,506	35,835	-9.3
SUV	5,333	5,025	6.1	45,992	37,801	21.7
Light Commercial	3,960	3,492	13.4	33,932	28,784	17.9
Heavy Commercial	567	539	5.2	4,419	3,675	20.2
Other	181	174	4.0	1,407	993	41.7
TOTAL MARKET	14,507	13,863	4.6	118,256	107,088	10.4
Micro	214	285	-24.9	1,384	1,661	-16.7
Light	1,161	1,214	-4.4	9,515	10,091	-5.7
Small	1,779	1,634	8.9	12,823	13,378	-4.1
Medium	643	780	-17.6	4,259	5,277	-19.3
Large	348	365	-4.7	2,418	3,020	-19.9
Upper Large	8	10	-20.0	88	161	-45.3
People Movers	160	162	-1.2	581	685	-15.2
Sports	153	183	-16.4	1,438	1,562	-7.9
SUV Small	1,546	1,275	21.3	12,441	9,749	27.6
SUV Medium	2,377	2,175	9.3	19,308	15,262	26.5
SUV Large	1,363	1,519	-10.3	13,577	12,307	10.3
SUV Upper Large	47	56	-16.1	666	483	37.9
Light Buses	107	70	52.9	773	559	38.3
Vans	615	443	38.8	4,841	4,256	13.7
Pick Up/Chassis Cab 4x2	1,423	1,307	8.9	11,569	10,114	14.4
Pick Up/Chassis Cab 4x4	1,815	1,672	8.6	16,749	13,855	20.9
Heavy Commercial	567	539	5.2	4,419	3,675	20.2
Other	181	174	4.0	1,407	993	41.7
TOTAL MARKET	14,507	13,863	4.6	118,256	107,088	10.4

#### September 2017 ( **~ v**s August 2017

/eb - Classified

Web - Dealer

Repeat

7.3%
15.7%
3.1%





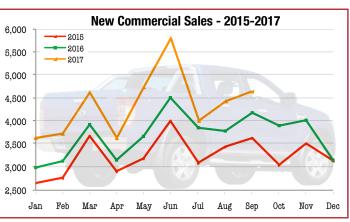
## Battle at the top heats up

Registrations of new Toyota Hiluxes were up by a massive 42 per cent last month on the same time last year – 791 units compared to 554.

The ute is holding its own at the top of the leaders' board with the Ford Ranger just 10 units behind in second with 781 registrations – up by 2.6 per cent on September 2016's 761. The Mitsubishi Triton raced back into third with 373 sales ahead of Holden's Colorado on 353.

New commercial vehicle sales went up by 11.3 per cent during September with 4,652 registrations, compared to 4,180 units in the same month of last year.

Toyota continues to dominate new commercial sales with a



massive 57.9 per cent increase in registrations last month with 1,153 units sold compared to 730 during September 2016, and a 24.8 per cent market share for the month. Ford was second. Its sales rose by 4.8 per cent to 875 units compared to 835 during the same month of last year for an 18.8 per cent market share. Holden's sales were down by 13.4 per cent to 380 units with a market share of 8.2 per cent. Warren Willmot, LDV NZ's sales and marketing manager, says demand for the newly launched T60 ute has been outstanding with the first three shipments of the T60 having sold out.

"We registered 56 before it was even launched," he told Autofile. "We have ordered up large and more utes are arriving. The T60 is significantly cheaper than other utes on the market and even our base model is highly spec-ed.

"I feel New Zealanders have been paying far too much for light commercials. Our sales have been going up for the past two years and we have just started. We have two new dealers on board so we will add even more market share." ⊕

New Commercial Sales by Make - September 2017												
MAKE	SEP'17	SEP'16	+/- %	SEP '17 MKT SHARE	2017 YEAR TO DATE	2017 MKT SHARE						
Toyota	1,153	730	57.9	24.8%	8,894	22.6%						
Ford	875	835	4.8	18.8%	7,821	19.9%						
Holden	380	439	-13.4	8.2%	3,590	9.1%						
Mitsubishi	373	354	5.4	8.0%	3,124	7.9%						
lsuzu	321	326	-1.5	6.9%	2,962	7.5%						
Nissan	267	284	-6.0	5.7%	2,461	6.3%						
Mazda	205	192	6.8	4.4%	1,698	4.3%						
Fiat	157	142	10.6	3.4%	755	1.9%						
Volkswagen	133	108	23.1	2.9%	1,177	3.0%						
Mercedes-Benz	125	124	0.8	2.7%	744	1.9%						
LDV	110	67	64.2	2.4%	891	2.3%						
Fuso	83	0	8300.0	1.8%	593	1.5%						
Hyundai	75	89	-15.7	1.6%	766	1.9%						
Hino	63	61	3.3	1.4%	498	1.3%						
Foton	51	72	-29.2	1.1%	538	1.4%						
SsangYong	38	49	-22.4	0.8%	459	1.2%						
MAN	35	29	20.7	0.8%	178	0.5%						
UD Trucks	25	20	25.0	0.5%	197	0.5%						
Volvo	23	25	-8.0	0.5%	292	0.7%						
DAF	21	24	-12.5	0.5%	195	0.5%						
Others	139	210	-33.8	3.0%	1,534	3.9%						
Total	4,652	4,180	11.3	100.0%	39,367	100.0%						

#### New Commercial Sales by Model - September 2017

MAKE	MODEL	SEP'17	SEP'16	+/-%	SEP'17 MKT SHARE	2017 YEAR TO DATE	2017 MKT SHARE
Toyota	Hilux	791	554	42.8	17.0%	6,298	16.0%
Ford	Ranger	781	761	2.6	16.8%	7,106	18.1%
Mitsubishi	Triton	373	353	5.7	8.0%	3,124	7.9%
Holden	Colorado	353	422	-16.4	7.6%	3,432	8.7%
Toyota	Hiace	337	175	92.6	7.2%	2,377	6.0%
Nissan	Navara	267	284	-6.0	5.7%	2,459	6.2%
Mazda	BT-50	205	192	6.8	4.4%	1,697	4.3%
lsuzu	D-Max	195	221	-11.8	4.2%	1,991	5.1%
Fiat	Ducato	154	137	12.4	3.3%	731	1.9%
Mercedes-Benz	Sprinter	110	100	10.0	2.4%	575	1.5%
Ford	Transit	94	73	28.8	2.0%	711	1.8%
Volkswagen	Amarok	85	61	39.3	1.8%	714	1.8%
Hyundai	lload	71	86	-17.4	1.5%	741	1.9%
LDV	V80	58	46	26.1	1.2%	507	1.3%
Isuzu	F Series	56	50	12.0	1.2%	421	1.1%
Foton	Tunland	51	61	-16.4	1.1%	484	1.2%
Isuzu	N Series	39	36	8.3	0.8%	357	0.9%
Hino	500	38	39	-2.6	0.8%	251	0.6%
SsangYong	Actyon Sport	38	49	-22.4	0.8%	459	1.2%
LDV	T60	36	0	3600.0	0.8%	57	0.1%
Others		520	480	8.3	11.2%	4,875	12.4%
Total		4,652	4,180	11.3	100.0%	39,367	100.0%

### **Setting the Benchmark** 6 Ports in Japan. 7 Ports in New Zealand

SPEED, SERVICE, VALUE & INDEPENDENCE



## od quality utes hard to find

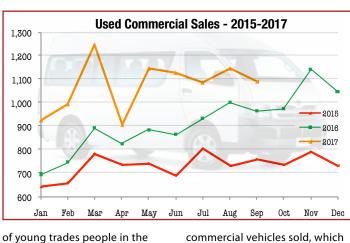
wo dealers in the Waikato's main city believe there are plenty of would-be buyers for used commercial vehicles.

Simon Palfrey, sales consultant at 4Guys Autobarn in Hamilton, says demand for utes is consistent although they can be difficult to find.

"People like to hold onto them," he told Autofile. "Utes are in demand as work vehicles, and people now want them to tow a boat or trailer."

"We do stock utes, but it's hard to find them," adds Grant Wilson, owner of Te Rapa Wholesale Cars.

"We'll buy utes off Trade Me Motors, other dealers and franchised yards. There are a lot



commercial vehicles sold, which Waikato looking for utes and was a 13.5 per cent increase on 964 units during September 2016.

Toyota continues to be the market leader with 526 registrations - up by 20.9 per cent on September last year when 435 units were sold.

Nissan followed with 217 sales - down by one unit on the same month of last year, while Isuzu came in third with 67 for a 45.7 per cent increase on September 2016's 46 registrations.

Year to date, Toyota has a 47 per cent share of the market with 4,551 registrations. Nissan has a 21.3 per cent market share with 2,062 and Mazda is third on 6.8 per cent and 502 units. The Toyota Hiace was again at the top of the commercial models table with 374 registrations last month - an increase of 12 per cent on September 2016 for a market share of 34.2 per cent. 🕤

Used Commercial Sales by Make - September 2017												
Make	SEP'17	SEP'16	+/- %	SEP'17 MKT SHARE	2017 YEAR To date	2017 MKT SHARE						
Toyota	526	435	20.9	48.1%	4,551	47.0%						
Nissan	217	218	-0.5	19.8%	2,062	21.3%						
Isuzu	67	46	45.7	6.1%	502	5.2%						
Mazda	67	67	0.0	6.1%	656	6.8%						
Ford	47	32	46.9	4.3%	367	3.8%						
Mitsubishi	39	45	-13.3	3.6%	347	3.6%						
Holden	23	24	-4.2	2.1%	186	1.9%						
Hino	20	19	5.3	1.8%	264	2.7%						
Chevrolet	18	13	38.5	1.6%	183	1.9%						
Dodge	9	6	50.0	0.8%	43	0.4%						
Volkswagen	9	7	28.6	0.8%	71	0.7%						
GMC	5	4	25.0	0.5%	38	0.4%						
Mercedes-Benz	5	4	25.0	0.5%	52	0.5%						
DAF	4	1	300.0	0.4%	13	0.1%						
Fiat	4	8	-50.0	0.4%	74	0.8%						
Suzuki	4	3	33.3	0.4%	21	0.2%						
Volvo	4	4	0.0	0.4%	22	0.2%						
Kenworth	3	1	200.0	0.3%	24	0.2%						
Daihatsu	2	1	100.0	0.2%	23	0.2%						
lveco	2	1	100.0	0.2%	14	0.1%						
Others	19	25	-24.0	1.7%	180	1.9%						
Total	1,094	964	13.5	100.0%	9,693	100.0%						

vans. They sell quickly in the

\$20,000 to \$30,000 bracket."

there were 1,094 used

As for last month's statistics,

#### Used Commercial Sales by Model - September 2017

SEP'17 MKT SHARE 2017 YEAR TO DATE 2017 MKT SHARE Make MODEL SEP'17 SEP'16 +/- % Toyota Hiace 374 334 12.0 34.2% 3,422 35.3% Nissan Caravan 76 92 -17.4 6.9% 752 7.8% Tovota 67 23 191.3 6.1% 410 4.2% Regius Mazda Bonao 56 55 1.8 5.1% 538 5.6% Nissan NV200 48 40 20.0 4.4% 339 3.5% Isuzu Flf 35 29 20.7 3.2% 275 2.8% Tovota 31 29.2 2.8% 258 2.7% Dvna 24 -21.6 Nissan Vanette 29 37 2.7% 325 3.4% Nissan NV350 24 9 166.7 2.2% 148 1.5% Isuzu Forward 21 11 90.9 1.9% 132 1.4% Tovota Hilux 20 19 5.3 1.8% 149 1.5% Mitsubishi 18 12 50.0 173 Canter 1.6% 1.8% Toyota Toyoace 17 21 -19.0 1.6% 159 1.6% Nissan Atlas 13 11 18.2 1.2% 182 1.9% Nissan -25.0 165 Navara 12 16 1.1% 1.7% 1.1% Ford Ranger 12 12 0.0 134 1.4% Holden Colorado 11 10 10.0 1.0% 76 0.8% Ford F150 175.0 11 4 1.0% 72 0.7% Ford Transit 10 66.7 0.9% 69 0.7% 6 Mitsubishi Delica -10.0 0.8% 57 0.6% 9 10 Others 200 189 5.8 18.3% 1.858 19.2% Total 1,094 964 13.5 100.0% 9.693 100.0%

#### www.moana-blue.com

0800 MOANA BLUE (0800 662 622)





# Parallel imports of concern VIII 243 days' supply of new car stock

ny fears about the general election impacting on sales failed to dampen one dealership's results last month - but there are issues surrounding parallel imports.

Gary Periam, general manager of Giltrap Audi in Grey Lynn, Auckland, says September was a challenging month, but his team didn't let election uncertainty slow sales.

"The month ended up strong," he told Autofile. "We got on the phones and made a lot of calls, so it was a good month in the end.

"Within the group, the luxury brands were the winners during September. Hopefully Winston [Peters] chooses wisely.

"But parallel-import cars are starting to niggle us with imports out of England. If Labour, the Greens and Winston were to get in, then we will get hit by parallel imports. However, if a dealer has a cheaper car than us, it will not have the same specs."

He says many cars imported directly from the UK don't have the same spec-ed safety features as New Zealand-new cars and buyers are often unaware that the car doesn't come with lane-change assist, for example.

As for last month's national

months compared to 271 in September 2016.

There were 7,620 new cars imported into New Zealand last month - the lowest total during the past 12 months.

Despite the low volume, there were 9,855 registrations - a surprising 14.5 per cent increase on August and a 1.6 per cent rise compared to the

#### "If a dealer has a cheaper car than us, it will not have the same specs" - Gary Periam, Giltrap Audi

statistics, imports of new passenger vehicles fell by 28.1 per cent compared to August and 26 per cent on the same month last vear.

That said, average daily sales remain strong. They have held at 295 units per day for the past three months and have sat in the 290 range for the past seven same month last year.

As a result, there was a reduction of unregistered stock of 2,235 units. This means that there has been a three per cent decrease in unsold stock sitting in yards compared to August, but there's still 12.9 per cent more stock than in September 2016.

There is now eight months' or

243 days' supply of new car stock sitting in distributor or dealership yards. This is down from 2017's high of 251 days in August.

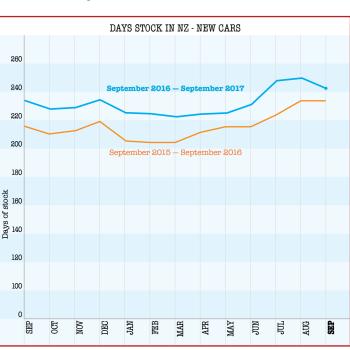
Year to date, 76,365 new cars have crossed the border and 68,909 have been sold leaving a variance of 7,456.

"The saloon car market is tough," says Periam, with the RS6 and RS3 performing well. He says the Q7, Q3 and Q2 SUVs continue to be "incredibly" popular with the franchise's buyers. "The luxury car sector is quite strong," he adds.

When it comes to buyers' preferred colours, Periam says: "White is the new black, but the yellow Q2 is selling well".

Gordon Page, sales consultant at Roger Gill Mitsubishi in Pukekohe, says September was a good month for Mitsubishi sales, especially with light commercial vehicles such as the Triton. 🕣

Dealer stock of new cars in New Zealand												
	CAR S	ALES Registered	VARIANCE	STOCK	DAILY SALES - 12-Month Average	DAYS Stock At hand						
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	8,234	6,996	1,238	65,517	290	226						
May '17	9,539	8,386	1,153	66,670	293	228						
Jun '17	10,483	10,181	302	66,972	296	227						
Jul '17	12,591	7,605	4,986	71,958	295	244						
Aug '17	10,599	8,606	1,993	73,951	295	251						
Sep '17	7,620	9,855	-2,235	71,716	295	243						
Year to date	76,365	68,909	7,456									
Change on last month	-28.1%	14.5%		-3.0%								
Change on Sept 2016	-26.0% LESS IMPORTED	1.6% LESS SOLD		12.9% MORE STOCK								



MARAC

marac.co.nz

Drive away with finance from MARAC Provided by Heartland Bank Limited



heartland.co.nz

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

## registrations trendir

re used cars were sold by dealers last month than the number imported for the second month in a row.

As a result, dealer stock on-hand fell to 81 days in September - down from 82 in August, but still well ahead of the 12-month low of 64 davs in January.

Daily sales have been consistently trending upwards during the past 12 months and reached 442 last month, which was 41 units more per day than in September 2016.

Stock of used cars has fallen by 0.68 per cent in September compared with August.

Some 13,401 units crossed the border compared with the previous month's total of 12,455, and there were 13,645 units sold during the month, which was below August's sales figures by 5.8 per cent.

September's import total was up

15.2 per cent on the same month last year and sales were up 8.6 per cent.

Year to date, 129,437 used cars have entered the country and 122,510 units have sold, resulting in a surplus stock variance of 7,004 units.

That means current overall stock sits at 35,717 vehicles, which is an increase of 21.4 per cent compared to September 2016 when a total of

being unprepared to finance expensive cars.

"They are not spending \$25,000 on a car on finance. They will spend \$15,000. People are being more conservative with their budgets."

He says buyers are now setting their sights on SUVs with between 100,000km and 120,000km on the clock or older sedans.

#### "Finance companies tell us the average lend is up to \$15,000" - Matt Adams, Advantage Cars

29,412 excess vehicles were recorded. Matt Adams, branch manager of Advantage Cars in Manukau, South

Auckland, says: "The beginning of September was slow but we gathered momentum last week [September 11-17]."

He says that was due to the uncertainty brought about by the general election and many people

"Finance companies tell us the average lend is up to \$15,000," Adams told Autofile. "In an election year that makes sense.

"People's disposable incomes in Auckland are getting smaller and often buyers are still living with their parents.

"The city's housing market is slowing down. A lot of people

have moved out of Auckland to the Waikato, Tauranga and Taupo because they can get a house in the provinces for \$400,000, and also improve their lifestyles."

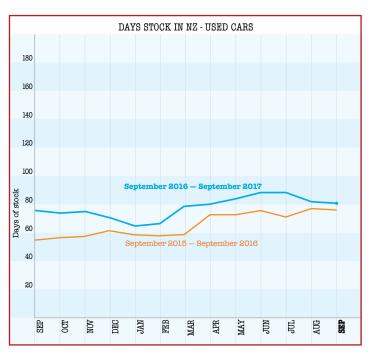
He adds sales during August proved to be better than expected throughout the group."It ended up being better than we thought it would be, so no complaints."

Jono Allen, owner of Tauranga Cars, says the business stocks about 70 vehicles in the city.

It has about another 100 cars in stock in Japan, will buy to order and wholesales cars to dealers throughout the North Island.

"It is hard to predict the market. It changes every day, but we have a good range of stock." he says.

Allen says that small cars - such as the Nissan Tiida, Mazda Demio, Suzuki Swift - are always in demand from buyers, as are Mitsubishi's Outlander and Nissan's X-Trail. 🕀



#### Dealer stock of used cars in New Zealand

	CAR S	ALES Registered	VARIANCE	STOCK	DAILY SALES - 12-Month Average	DAYS Stock At hand
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	19,546	14,474	5,072	33,004	421	78
Apr '17	13,017	12,507	510	33,514	422	79
May '17	16,584	14,439	2,145	35,659	427	84
Jun '17	15,530	13,339	2,268	37,927	431	88
Jul '17	14,492	14,430	62	37,989	434	87
Aug '17	12,455	14,483	-2,028	35,961	439	82
Sep '17	13,401	13,645	-244	35,717	442	81
Year to date	129,437	122,510	7,004			
Change on last month	7.6%	-5.8%		-0.7%		
Change on Sept 2016	15.2% LESS IMPORTED	8.6% MORE SOLD		21.4% MORE STOCK		

marac.co.nz

#### Drive away with finance from MARAC

**Provided by Heartland Bank Limited** 

HEART 'LAND BANK

heartland.co.nz

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

## AUTOHUB BRINGS AUSTRALIA CLOSER

Autohub have been exporting cars from the Great Southern Land to New Zealand for six years – we know the market and the supply chain. So buy the car you want and leave the rest to us.

#### COMPLETE VEHICLE LOGISTICS SERVICE FROM THE AUSTRALIAN SELLER TO YOUR DOOR IN NZ, including:

- **SUPPLY** Autohub can help in providing access to the major auction houses in Australia
- **GST RECOVERY** Talk to Autohub before you purchase and they will work with you to arrange recovery of Australian GST
  - **TRANSPORT** Autohub will organise transport from the seller to the port or storage facility
    - **STORAGE** Autohub can organise secure and economic storage prior to sailing, if required
    - SHIPPING Autohub ship both RORO or container if required. All options available
  - **INSURANCE** Autohub service includes total loss insurance with all shipments unless otherwise specified

To find out more, contact: Tony Tiehuis on 021611271 or email tony@autohub.co.nz



GLOBAL VEHICLE LOGISTICS NZ - JAPAN - AUSTRALIA - UK - EUROPE

www.autohub.co

+64 9 411 7425

info@autohub.co