

autofile

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Tribunal's views canned

Dealers will continue to be out of pocket when buyers reject vehicles because the government is refusing to amend legislation to take depreciation and usage into account.

The Motor Vehicle Disputes Tribunal (MVDT) and industry organisations have made their cases to the Ministry of Consumer Affairs to change the Consumer Guarantees Act (CGA).

But the issue of depreciation is excluded from the Consumer Law Reform (CLR) Bill, which has now had its second reading in Parliament.

Chris Cornwell, the MVDT's adjudicator in Auckland, recommended the government

amend the law to recognise lower values when some vehicles are rejected.

"There's no provision [in the CGA] for account to be taken of the use of goods before a consumer rejects them," he says.

"This isn't an issue where the goods are an appliance for a few hundred dollars.

"However, when the goods are an expensive motor vehicle – and the purchaser has had months of use before rejecting it – the situation can be unfair to the supplier who may be ordered to refund the full purchase price and take a vehicle back."

Cornwell says cars can

be rejected with thousands of kilometres more on their odometers than at the time of sale and wants the CGA changed to enable the tribunal to reduce refunds in proportion to use.

But that idea – and concerns and suggestions of the Motor Industry Association (MIA), Motor Trade Association (MTA) and Imported Motor Vehicle Industry Association (IMVIA) – aren't being taken forward.

The government takes into account MVDT adjudicators' recommendations as part of any review of legislation associated with motor vehicles.

"Consideration was given to

depreciation through use prior to rejection as part of the CLR Bill," Ministry for Consumer Affairs officials told Autofile.

"Cornwell recommended the CGA be amended so when a consumer rejects a vehicle, use can be taken into consideration by the MVDT and depreciation applied."

But the ministry stresses the CGA's intention is to leave consumers no worse off than they would have been had vehicles not been faulty when purchased.

"With the price of vehicles increasing generally over time, it's likely a consumer who receives depreciated compensation would

[continued on page 4]

Review bolsters takeover bid

Government proposals to cut the number of inspections carried out in the automotive industry are among the reasons shareholders have been given to accept a takeover bid.

JEVIC New Zealand Ltd issued its offer for all Vehicle Inspection NZ (VINZ) shares at \$1.65 each under the

Takeovers Code on December 11.

The formal offer was sent to shareholders on January 9, after which it is to remain open for 35 days.

The offer document states VINZ is likely to be affected by the Vehicle Licensing Review (VLR) being considered by the Ministry of Transport (MoT) and the number of vehicles imported has

declined over the past decade.

JEVIC NZ says the VLR options for warrants and certificates of fitness (WOFs and COFs) will reduce the amount of inspections completed annually, according to the MoT.

"If any of the options are

[continued on page 7]

Barina Spark gets auto option



pg 6

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Challenges facing motor industry

Another festive season comes and goes with some hearty sighs that it was over too quickly.

For many, it's about spending time with friends and family. For others, it's about presents from Father Christmas or going to church and, for some, it involves sending greetings to Blighty.

Cards with Santa making sandcastles on a beach similar to St Heliers seemed ideal but, alas, another wet Christmas Day in Auckland and no snow in London.

Good King Wenceslas with snow "deep and crisp and even" popped into my head. The Easter hymn was rewritten in the 1800s with festive lyrics, so not everything is always as it seems.

There's no snow during Christmas time in the Bible but it sometimes falls in Bethlehem, where temperatures can drop to 8°C between November and April.

In England, snow being associated with this time of the year is down to the Victorians – think of Dickens' *A Christmas Carol*, for example.

But what of children and the odd deranged adult posting letters to the North Pole? Well, many experts say Santa is derived from Holland's Sinterklaas, who was a robed, bearded bishop.

Christmas is also a time to reflect and look ahead, and for the motor vehicle industry the double spectre of regulation and

legislation reared its head at the start of 2012.

Tougher emission rules for used imports came into play last January. They had an effect, but it wasn't as bad as many expected.

The government will be looking into a raft of issues during this year's review – including the fleet's age and ensuring vehicles on Kiwi roads continue to meet emissions standards.

In some ways, 2012 was a mixed bag. One company exited the shipping market and the biodiesel industry in this country all but evaporated. The national enforcement unit was "restructured", but decisive action was taken against online skill bidders.

During 2013, the Commerce Amendment Bill will look into how international shipping companies operate while the so-called loan shark laws, in the shape of the Credit Contracts and Consumer Finance Amendment Bill, will be on the agenda.

Other issues will be how an end-of-life tyres scheme will develop and the Targeted Review of Qualifications, which will see automotive training course numbers slashed to better serve the industry.

The Vehicle Licensing Review will affect the sector, especially the warrant of fitness regime.

Last year, after an anonymous "transport official" was repeatedly quoted in the media, the Ministry of Transport and NZTA sent a

co-signed letter to stakeholders stating no predetermined outcomes had been made.

Decisions on the way forward were due to be issued by the government before Christmas, but Autofile now understands these are likely to be released in three to four weeks' time.

Meanwhile, the Consumer Law Reform (CLR) Bill could become law this year and create a new playing field for car dealers with all their sales to the public falling under the remit of the Consumer Guarantees Act (CGA).

There will, however, be a six-month grace period for some of the new legislation to allow for businesses to change working practices.

The government has thrown an olive branch of sorts. It wants to consult the industry in drawing up non-legislative guidelines on how

the CGA will apply to second-hand car sales.

It's almost bizarre that one issue – the use of vehicles before rejection – has gone unchecked.

The Auckland adjudicator for the Motor Vehicles Disputes Tribunal suggests depreciation should be taken into account when purchase prices are refunded.

That idea is unlikely to see the light day in the CLR and it's an example of traders being left out of pocket through no fault of their own.

This year is likely to mirror 2012, in that the spectre of regulation and legislation will raise a myriad of issues.

But the industry will do what it does best – overcome obstacles, meet challenges and move forward.

If only we had letters to Santa and good kings standing in the snow to scratch our heads about.

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Dealers left out of pocket

be worse off as a result of a faulty vehicle," it says.

"Additionally, such an approach would be too complicated to administer in practice."

The MIA and MTA have both called for vehicle depreciation to be taken into account at the time of rejection.

"I don't know what planet they're on if they think vehicles are increasing in value over time," says Perry Kerr, chief executive officer of the MIA.

"It wouldn't be too complex because there are depreciation rates in place for tax, so this reason is irrational and bizarre. It's not too complicated and consumers would be no worse off."

Kerr points out the MIA doesn't have a problem with cars

being rejected after one month of use – but some rejections take place after six months, some after two years.

"In those cases, consumers have had the use of vehicles at potentially no cost at all, so it's not equitable," he told Autofile.

"I understand this happens quite a bit with computers, when TV models are superseded and across the board, but pressure for

change is probably only coming from the motor vehicle industry.

"Unfortunately, the odd ratbag is giving the rest of the industry a bad name."

Kerr believes the MVDT adjudicators are well-placed to take depreciation values on-board when issuing decisions on applications.

He also questions the government's rationale when it comes to the automotive sector.

of the current market value of the vehicle would be an appropriate means of assessing depreciation."

Even when a fault is being identified and remedied, or while a vehicle is being repaired, it could potentially be driven and mileage clocked up, so its value drops further.

The MTA's submission on the CLR echoes many of the MIA's views and supports Cornwell's

"The odd ratbag is giving the rest of the industry a bad name." – Perry Kerr, MIA



What's behind QR codes?

The answer is anything that you want – from images to video or text, but in most cases they're about redirecting customers to mobile websites.

Quick response (QR) codes originated in Japan as two-dimensional barcodes mainly for use in the automotive industry, but usage is now widespread and they cover a multitude of applications.

This growth is driven by the ready access to QR readers, which are easily downloaded onto smartphones or are resident within applications such as the NZ Herald.

Within the Herald's iPhone application, you scan QR codes in the printed newspaper to take you off to extended content about the story.

This linking of printed content to other media, such as video, makes best use of these codes' abilities.

The same methodology can be

easily used in the automotive sales environment.

Prospective customers can be shown extra information about a vehicle, a manufacturer's video clip or to bookmark a vehicle on a dealer's mobile website for later reference.

The key requirement is to send customers to mobile-optimised content because they will be viewing it on their smartphones.

Customers currently using MotorWeb's window cards will soon have the ability to include QR codes, which link to any customised content they wish.

This will be as easy as adding the URL of the content, or entering plain text when generating the window card.

QR codes are pretty clever bar codes and you never know what maybe behind them, so it's always worth a look.



"This is an issue for the whole of the industry," Kerr says. "It's potentially unfair that there's no provision in the CGA for wear and tear.

"With new vehicles, some distributors buy back cars causing concern with consumers and this is a real problem with used cars.

"It's not unusual when a contract is rescinded by the tribunal for the buyer to have a free ride for 12 months."

In the case of cars, significant faults can develop that aren't foreseeable at the time of sale and these could result in vehicles being rejected.

The right to reject must fall within in a "reasonable time", according to the law, but it may be exercised over a considerable amount of time.

"It may not be uncommon for six to 12 months to pass and thousands of kilometres travelled before the fault occurs and the vehicle is rejected," says Kerr.

"A one-size-fits-all approach fails to address differences in a wide variety of goods.

"An independent assessment

notion that an adjudicator should have the flexibility to consider usage when considering rejection.

Tony Everett, dealer services and mediation manager, says the MTA's position on this, and other related matters, were included in its submission to the Commerce Select Committee earlier this year.

Vehicles may develop "substantial" faults after some years and no allowance for use at time of rejection can result in inequitable outcomes.

The MTA believes the CGA should be amended for courts or adjudicators to consider the circumstances of individual cases and make awards recognising usage.

"Vehicles are complex machines and it's not unreasonable they will develop faults," says Everett.

"Many overseas product reliability surveys show faults are likely to occur in all new vehicles. Those faults will usually be rectified under the relevant new vehicle warranty and that's reasonable.

"It's not reasonable when a substantial fault can be remedied, but the consumer refuses to have

“Vehicles are complex and it’s not unreasonable they will develop faults.”

– Tony Everett, MTA



◀ it remedied and rejects the vehicle at the original purchase price with no allowance for use.”

The MTA also submitted for the word “substantial” to be better defined.

“A safety-related problem is increasingly recognised as substantial fault under the CGA,” says Everett. “Once defined as substantial, the decision rests with the consumer about what remedy should occur.

“Options include repair, return and refund, or replace. The customer can reject the goods, even though the cost to repair the fault may be relatively insignificant.

“In the context of a used vehicle, a faulty ball-joint could be regarded as a safety issue and therefore substantial.

“The repair may be inexpensive, but if the consumer decided they didn’t want the vehicle, they have the right to reject and get a full refund.”

The MTA says that in such circumstances, no recognition of use of the vehicle can be an unfair.

Another area that needs tackling is inequity when the cost to repair is greater than the purchase price.

Currently under the CGA, the consumer’s rights include repair, replacement or refund when a substantial fault arises.

The MTA believes it’s unreasonable when the repair exceeds the purchase price that replacement or refund doesn’t take precedence.

It submits the trader should have the right to revert to a full

refund of the purchase price.

David Vinsen, chief executive of the IMVIA, says when contracts are cancelled by the MVDT, the position for the trader and consumer reverts to what it was before the transaction took place.

“The sub-issue is the use of the vehicle and who should pay for it,” he says.

“There should be allowance for use and the principle should be that the consumer shouldn’t have a free ride. A mileage allowance might work.”

Adjudicator Chris Cornwell’s recommendation for motor vehicle usage to be taken into account at the time of rejection was made in his annual report to the Minister for Consumer Affairs and was also considered as part of the CLR.

SECOND READING

Automotive industry concerns about the CLR Bill have been highlighted by the government.

Simon Bridges, Minister of Consumer Affairs, told MPs during the bill’s second reading that the legislation will amend the CGA to cover all transactions between traders and consumers.

All goods sold by traders to consumers will be covered by basic guarantees – they must have clear title, comply with description and be of acceptable quality.

“I acknowledge some traders, particularly traders of motor vehicles, have raised concerns about the guarantee of acceptable quality,” says Bridges.

“The bill will now amend the acceptable quality guarantee to make it clear the context of a

sale must be considered when acceptable quality is judged.

“If, for example, a consumer buys a used car for, say, \$1,000 with 300,000km on the clock, it probably will not be reasonable to expect the trader to repair it if it breaks down several weeks later.”

Autofile has previously reported that non-legislative guidelines for used vehicles will be drawn up to explain how the law works to help traders and

consumers understand their obligations and rights.

A change to the Fair Trading Act (FTA) means traders will have to identify themselves when selling on websites to prevent them posing as consumers.

“The FTA will include rules for consumer transactions – lay-by sales, uninvited direct sales, extended warranties and auctions conduct,” says Bridges.

“We all have experienced, or heard of, being sold an extended warranty when it’s not clear why a person may need it.

“With uninvited direct selling, a concern was the new provisions were too broad.

“The select committee has made changes to ensure trade events, such as Fieldays, aren’t captured by the provisions.”

Disclosure requirements in extended warranties have been changed.

Traders must list what extra

[continued on page 6]

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Extra **spark** with auto option

A five-door hatch may gain extra appeal by an automatic transmission being introduced.

The updated Barina Spark is being offered in CD auto and manual versions this year.

"The intention was always to offer the choice of automatic transmission and now is the right time," says Jeff Murray, managing director of Holden NZ.

"Sales in the light car segment have been increasing and more buyers are opting for automatic shift."

The new Barina Spark CD auto



The new Spark CD auto has Bluetooth connectivity and steering wheel-mounted phone controls, electric power steering, remote flip key, hill-start assist and fuel-saving neutral idle.

It's powered by a 1.2-litre DOHC engine, which generates 62kW of power and produces 112Nm of torque. It returns 5.8l/100km on the combined cycle and is E10-compatible.

This year's range gains exterior and interior updates. These include a new front grille, side skirts, headlamps, tail lamps, 14-inch alloys and body-colour rear spoiler with

integrated LED stop lamp.

The automatic version features a four-speed transmission and motorbike-inspired instrument cluster.

The CD standard model has heated and power-adjustable exterior mirrors, electronic stability control, AM/FM audio system, with CD player, iPod/iPhone auxiliary input, USB input for MP3 players and security immobiliser.

Available this month, the Barina Spark CD manual is priced at \$16,990, with the automatic costing \$18,490.

Meanwhile – and with features including the marque's MyLink infotainment system – the Barina CDX hatch is now available with a new six-speed auto for \$26,990.

MyLink boasts a seven-inch colour touch-screen radio capable of displaying music, videos, photos and contacts for hands-free calling.

Launching with the Stitcher Smart Radio application, it will



be supported with extra apps in the future to offer drivers more information and entertainment options.

The 2013 Barina offers fuel economy of up to 6.3l/100km on the range-topping CDX sedan thanks to its new six-speed auto with active select and electric power steering.

The auto is also offered as an option for the CD, and improves fuel economy by about 10 per cent over the comparative 2012 model.

The MY13 Barina CD hatch manual retails for \$22,990, the CD hatch auto for \$24,990 and the CD sedan auto for \$24,990. ⊕

[continued from page 5]

Minister 'acknowledges' concerns

provisions the warranty gives over and above the CGA, so benefits of an extended one are transparent.

Enforcement powers and penalties have also been strengthened. These include the Commerce Commission having compulsory interview powers when investigating serious breaches of the fair trading law.

Penalties for significant FTA breaches, such as giving false or misleading representation, have been raised to \$200,000

for individuals and \$600,000 for corporates.

In addition to the CGA and FTA, the CLR covers the Weights and Measures (WMA), Door-to-Door Sales Act and Layby Sales Acts.

The Unsolicited Goods and Services Act will be merged into the FTA and an Auctioneers Act, with a modern approach to registration, will be put in place.

Bridges says binding the CLR legislation is a purpose clause that will precede the FTA, CGA and WMA.

"This clause has been amended to better reflect the acts' driving principles – consumer protection and a trading environment that encourages healthy competition among traders," says the minister.

"The revised purpose is to ensure the interests of consumers are protected, businesses compete effectively, and consumers and businesses participate confidently in the marketplace.

"It's through delivering

positive outcomes to consumers and businesses that we will see markets flourish and the economy thrive."

The CLR Bill has one more reading in Parliament after the second took place just before Christmas and it should be passed early this year.

Some amendments will come into force when the bill becomes law. Others will take effect after six months so businesses can adjust current practices. ⊕

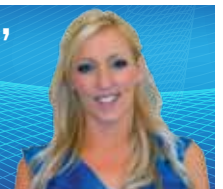
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[continued from page 1]

Conditions attached to offer

adopted, providers will be competing for a share of a smaller inspection market," the offer document states.

"The reforms have introduced uncertainty and VINZ has initiated an internal restructuring programme in response."

JEVIC NZ points to a VINZ report for the six months ending September 30, which notes: "Owing to the VLR, the board has cancelled plans for opening new testing stations and other replacement capital expenditure is subject to rigorous review."

In November, VINZ informed clients and staff it intended to carry out internal restructuring to cope better with changes to some NZTA services it delivers.

On December 14, after JEVIC NZ announced its takeover bid, VINZ put the restructuring on hold.

"As market dynamics change, companies like VINZ are likely to experience further stress and uncertainty," states the offer document.

"The costs of the proposed restructuring, the need to deal with challenges to parts of VINZ's operations and competing in a smaller market will have an effect."

JEVIC NZ believes these factors are likely to impact on VINZ's profitability, dividends and share prices.

As for the offer of \$1.65 per share, JEVIC NZ describes this as "fair and attractive" – it's a 10 per cent premium on \$1.50, the most recent price at which they traded on the unlisted platform.

"Over the past 12 months, shares have largely traded between \$1.40 and \$1.55," says the document.

"The exception was a parcel of 323,000 shares, for which a party acting in concert with JEVIC NZ agreed to pay \$2.50 per share to acquire a strategic stake in VINZ.

"The premium recognises shareholders will need an incentive to forego what has been a reliable income stream. If

'Respected player'

VINZ's board is considering the takeover offer and has advised shareholders to hold onto stock for now.

Board chairman Ken Worsley, pictured, and his board don't consider the bid hostile because JEVIC NZ is a "respected industry player" and he's staying open-minded in evaluating the takeover's merits.

The board should receive an independent adviser's report on the offer this week, "which we'll need to review before making



any decision", says Worsley. "Until this time, our recommendation to shareholders would be to not sell holdings."

Euan Philpot, chief executive of JEVIC NZ, told Autofile: "We feel very positive about the offer document and offer.

"The adviser's report is due within 14 days of the offer and we await that with anticipation."

As for Worsley recommending his shareholders keep their stock for now, Philpot says this is good advice and common sense.

He adds the offer document should be read with the adviser's report and VINZ's board statement.

market conditions change, future dividends may not be as reliable."

The offer refers to VINZ's report up to September 30, which notes VLR options could have a "devastating effect" on inspection volumes.

JEVIC NZ controls 18.52 per cent of VINZ shares after working with four parties to acquire 463,000 of the 2.5 million available – Brent Whale holds 12.92 per cent, Matthew Griffiths has 2.4 per cent, Stuart Weir has two per cent and Martin Dijkgraaf holds 1.2 per cent.

While the takeover offer is for 100 per cent of VINZ shares, JEVIC NZ may make its offer unconditional if it gets acceptances for more than 50 per cent by February 13.

Other conditions to be met or waived include:

- ▶ The NZTA assuring VINZ contracts will not be negatively impacted by a takeover.
- ▶ General manager Frank Willett staying with VINZ.
- ▶ Nothing adverse happening to VINZ's financial position or trading operations.

JEVIC NZ says it has 85 per cent of the vehicle biosecurity inspection market, with VINZ holding 40 per cent of the certification market in addition to its WOF, COF and driver licensing activities.

Through the takeover, JEVIC NZ hopes to create a tracked inspection service covering pre-shipment inspections in Japan to certification for on-road use in New Zealand.

About 5.5 million WOFs and 365,000 COFs, excluding re-inspections, are carried out every year. Around \$245m a year is paid in WOF fees and about \$40m in COF fees to providers. ☺



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Independent tests essential

Although the warrant of fitness (WOF) regime has dominated the debate, the automotive industry has submitted detailed views on other aspects of the Vehicle Licensing Review (VLR).

The Ministry of Transport (MoT) and NZTA's joint initiative also covers certificates of fitness (COFs), annual vehicle licensing and transport services licensing.

COFs are carried out by three transport service delivery agents (TSDAs) – and all oppose that changing and inspections no longer being independent.

VINZ supports one element of option one for COFs – relaxing minor faults resulting in vehicles having to be rechecked, with operators being responsible for these post-inspection repairs.

It also backs other initiatives – such as greater use of compliance



A VINZ inspector carrying out a COF inspection. General manager Frank Willett says: "Deregulation of a regulatory product amounts to disaster followed by crisis."

technology and better targeted enforcement – but it's against option three.

"Suggestions in options two and three with regards to inspection service provision would amount to deregulation," says Frank Willett, general manager, in VINZ's submission.

"Deregulation of the motor

vehicle sales industry in 2003 has resulted in an increase in dispute tribunal cases, and costs to the government and consumer alike.

"The resultant registered motor vehicle traders' system seems to be easily exploited by opportunists and undesirables.

"The deregulation of a regulatory product amounts to disaster followed by crisis."

VINZ is concerned at the lack of differentiation between COF A for light vehicles – mostly taxis and rentals – and COF B for heavy vehicles, during the VLR process.

"These groups share little in business operations and philosophies," says Willett, who highlights the lack of acknowledgement of investment required by current providers to fulfil NZTA and legal criteria for COFs.

VINZ is "categorically" opposed to converting COF A to the WOF regime.

"We don't support changes to inspection frequencies in the 'hire or reward' service," says Willett.

"COF A considers additional requirements of 'for reward or hire' vehicles from the Passenger Service Vehicle Rule.

"These can be complex and – as only TSDAs inspect to those requirements – there's little variance in inspection outcomes."

With COF B, open competition and more providers could mean delivery becomes based on financial viability, with remote sites having no service.

VINZ stresses inspection impartiality is essential to safety and

heavy vehicles tend to cause major incidents when they fail in-service.

"We work with operators and repairers, and are briefed on numerous in-service failures that don't get reported to the NZTA or police," explains Willett.

"In nearly all cases, failures have occurred when pressure is applied to get vehicles back on the road by a set time.

"Such pressure often results in short cuts. Maintaining the independent provision for COF removes this risk."

In its submission, the AA wants TSDAs to be sole providers of COFs and COF A retained for light commercials.

It supports TSDAs fixing minor faults and issuing COFs with operators performing basic repairs without needing rechecks.

The AA backs six-monthly COFs as the default for vehicles "for hire or reward", says Mark Stockdale, senior policy analyst, as well as three, nine and 12-monthly COFs inspections with an audit regime.

"The penalty of a three-monthly inspection may lead to improved maintenance," he says.

"The AA doesn't have confidence in proposals for alternative accreditation."

Mike Walsh, chief executive of VTNZ, says there needs to be a way of incentivising willing compliance within the trucking industry.

"We agree with various COF frequencies but the devil will be in the detail," he says.

"If policymakers enable the NZTA to determine variable frequency, the key is looking for a safety outcomes framework for that."

Walsh stresses it would need a lot of thought. For example, a line-haul vehicle might do about 350,000km a year, but a rubbish truck might only do 50,000km and stop-starts countless times.

"Wear isn't just based on distance travelled, it's also based on age, vehicle type and usage," he says.

"Independence must be retained in the inspection process. ▶

[continued on page 10]



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[continued from page 8]

Options just 'tinker' with rego

If you compromise it, there will be less inspection and safety will be comprised. The COF B system isn't broken. When it comes to price, service, waiting times and access, it compares favourably with other jurisdictions.

"We would support option one with caveats – independence of inspection and a framework robust on variable frequencies."

The Motor Trade Association (MTA) recommends light rentals no longer have COF A but WOFs at the current frequency – annual for one year and then six-monthly.

It says COF A is the same inspection as a WOF and road-safety risks with rentals are the same as WOF vehicles owned by businesses for staff use or those used by people other than the owners.

The MTA supports option one for COF B, which has variable inspection

frequency with a six-monthly default.

It also wants auditable maintenance to manufacturer and legal requirements.

Option two is for variable frequency with 12-monthly inspections as the default and more testing sites and organisations. However, the MTA believes annual COFs would put all operators at the "top of the class".

The Motor Industry Association (MIA) supports changes to the COF system, but has no preferred option.

"Most COF-compliant vehicles travel long distances and can be subjected to extreme wear and tear," it submits.

"If the period for a COF is extended to 12 months, it's important operators have robust and audited maintenance programmes, including regular servicing, to ensure vehicles are roadworthy."



"What we've got is a mountain of stuff at the periphery." – Mike Walsh, VTNZ

The MIA is disappointed at the missed opportunities to significantly reform rego.

"To exclude the ACC component has left limited opportunities for change," says Perry Kerr, chief executive officer.

"The MIA and other organisations saw benefit in shifting the ACC component to the pump.

"The option provided a viable and logical alternative, which would have minimised opportunities for avoidance and provided greater equity to motorists – higher levies would have been paid by those driving the longest distances and subject to the greatest risk."

The MIA believes keeping the current structure of the licensing fee reduces the options for reform.

"We support all proposals but see these as of marginal benefit and – apart from proposals around infringements – will not alter greatly levels of compliance."

Rego options include direct debit payments, fleet and multiple owners managing vehicles via one account, and improving communication for reminders.

Other ideas are early payment incentives and late payment penalties, removing some vehicles from licensing and changing or removing the rego label.

The AA supports expanding payment options to reduce the burden of the relicensing fee and encourage on-time payment.

"We aren't surprised 40 per cent of vehicles are licensed on time given the high fees – largely due to

the inequitable ACC funding model, especially for diesels – and inflexible methods of payment and period options," says Mark Stockdale.

"While the AA supports demerits for operating an unsafe vehicle, we don't believe non-payment of the licence warrants this."

The MTA submits all VLR decisions should be deferred until ACC has considered "fundamental" rego options.

It wants all licensing costs to be covered by an excise tax on fuel, petrol, LPG, diesel and or road user charges (RUC).

The MTA is touting an alternative option – for insurers to collect the ACC portion of the licence with compulsory third-party vehicle insurance fees, with the National Land Transport Fund component collected as a tax on fuel.

The MTA is disappointed with the rego changes, with some members describing them as "tinkering with the system".

It says: "All of these [options] – other than removing some vehicles from the system that don't need to be licensed – would be unnecessary if true reform were undertaken."

"We are happy to help the NZTA get better compliance and more vehicles registered," says Mike Walsh, of VTNZ.

"But there are grounds to collect revenue at the pump or by some insurance charge. Helping people pay is good, but that will not see significant cost savings."

VINZ's submission states: "We can see benefits in making changes to the licence label. However, removing the label wouldn't achieve dramatic cost savings as some other mechanism would have to be installed."

VINZ echoes many industry views – add rego to excise duty and RUC.

"This would have resulted in 100 per cent compliance, no infringements and no cost to the justice system, and would have been a future-proof mechanism for revenue collection with minimal costs." ☺

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Sports car takes out title

The chief executive officer of Toyota NZ described the 86 as a "very special vehicle" after it scooped the New Zealand Car of the Year award.

Alistair Davis said two decades was a long time to wait between victories, with the marque last taking the crown in 1992 thanks to the Corona Amon.

He said the 86, which also won the sports/performance car award, was created to bring the fun back to driving.

"The success of the 86 reflects an appetite in the New Zealand market for a sports car designed to stimulate all five senses," added Davis.

"The vehicle is now a significant part of Toyota's sports car heritage, thanks to those who joined forces to design and produce it."

David Linklater, president of the NZ Motoring Writers' Guild,

described the 86 as a spacious and affordable sports coupé.

"It provides a high level of performance and safety and, starting at \$41,986, is good value for money," he added.

The winner was selected from 10 finalists.

To be eligible, vehicles had to be launched onto the Kiwi market between October 1, 2011, and September 30, 2012.

BMW took out four awards. The 3 Series, 5 Series and X5 won best in class for medium car, luxury car and large SUV, with the 3 Series being named safest car.

"We're thrilled with this result," said Greg Hedgepeth, national sales and marketing manager



The Toyota 86, NZ Car of the Year



Alistair Davis, CEO of Toyota, holding the NZ Car of the Year Award with Brian Gibbons, right, CEO of the AA, and David Linklater, of NZ Motoring Writers' Guild



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of BMW Group NZ. "It's been a successful year."

Other best-in-class winners – chosen from vehicles currently on sale – were the Suzuki Swift, small car; Ford Focus, compact; Skoda Superb, large; Mazda CX5, small-medium SUV and the Ford Ranger, utility.

"The awards recognise excellence in value for money, performance, handling, comfort, fit for purpose, style, economy, interior design and build quality," said Stella Stocks, the AA's general manager of motoring services.

"Motorists buying any of these award-winning vehicles can be assured they have chosen one of the best on the market."

There were also two farewell speeches at the awards ceremony at Auckland's Viaduct Events Centre on December 12.

They were made by Mark Gilbert, outgoing president of the Motor Industry Association, and its chief executive officer, Perry Kerr, who is retiring later this year.

Gilbert, who has been replaced as managing director of BMW by Nina Englert, joined the marque around the time the 5-Series won the inaugural award in 1988.

"It was cheap to win car of the year in those days – there wasn't a lot of competition," he said.

Gilbert described the highlight of his career as walking into BMW's offices, while the lowlight was leaving. ▶



BMW's 3 Series, the NBR Car of the Year

Mazda's CX-5, AMI Insurance NZ Autocar Car of the Year



Euan Philpot, left, of JEVIC NZ Ltd, with BMW's Greg Hedgepeth



Mark Gilbert

Kerr thanked people with whom he has forged friendships over the years. "Working with the industry has been a wonderful experience."

He was presented with a limited print of a Kiwi landscape and will be leaving his position after a handover period to David Crawford, who works for the Ministry of Business, Innovation and Employment.

SUCCESS FOR SUV

The Mazda CX-5 was voted the AMI Insurance NZ Autocar Car of the Year, coming two points ahead of Volvo's V40.

It was the second consecutive year the SUV and utes category winner also took the top honour.

The six finalists had a two-day road test. Each vehicle was assessed out of 100 points and scored on aspects such as design, performance, safety, practicality, specification and value.

Category winners included Suzuki's Swift Sport for small car and the people's choice (PC) award, and Volvo's V40 for compact car with Honda's Euro Civic as PC.

The title in the medium/large category went to Toyota's Camry

with Hyundai's i40 winning PC.

Mazda's CX-5 was PC in the SUV class. Judges' and PC awards went to the BMW 3 Series and Toyota's 86 for luxury and performance vehicle respectively.

The MV Agusta F3 saw off the Ducati Monster 659 to claim motorcycle of the year.

The BMW 3 Series was the NBR's car of the year. Class winners included Mazda's CX-5 for crossover, the Toyota 86 for sports and the Porsche 911 for performance.

Holden's Volt was green car of the year, while Subaru's EyeSight system took out the technology title.

HONOURS OVERSEAS

The Mazda CX-5 won the 2012-13 car of the year title in Japan, with the jointly developed Toyota GT 86 / Subaru BRZ sports car coming second.

While the sports car was praised for its handling, high-revving boxer engine and reasonable price, it was the CX-5's Skyactiv technology, handling and economical, clean diesel engine that most impressed the judges.

Skyactiv refers to a series of body, chassis, engine and transmission technologies that increase fuel efficiency, reduce weight and cut emissions while improving handling and ride quality.

The last Mazda to win was the MX-5 Roadster in 2005, while last year's winner was the all-electric Nissan Leaf.

Subaru's BRZ, together with its Toyota 86 twin, have been jointly named CarsGuide's car of the year by News Ltd's motoring

editors around Australia.

They voted the pair winners ahead of several SUVs, describing the BRZ as the most significant sports car since the original MX5 was launched in 1989.

Wheels magazine handed out the same accolade at its 50th car of the year awards.

McLaren's MP4-12C supercar was car of the year at the Middle East Motor Awards, ahead of 50 other models.

After being launched in the region in November 2011, it has recorded more than 100 sales – 10 per cent of the car's global total.

The marque's retail network stretches across Bahrain, Kuwait, Qatar, Saudi Arabia and the UAE.

The Toyota 86 has been crowned Top Gear's car of the year in the England, where it also picked up the coupé of the year award and was presenter Jeremy Clarkson's favourite car of 2012.



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Tribunal applications decrease

The Motor Vehicle Disputes Tribunal (MVDT) in Auckland received 33 fewer applications and issued 35 fewer decisions during 2011/12 than in its previous reporting period.

Adjudicator Chris Cornwell put this down to three factors:

- ▶ The national downturn in used vehicle sales being offset by more new car sales.
- ▶ Reduced availability of finance to higher risk used car buyers.
- ▶ Some traders at the market's lower end ceasing to trade.

The number of applications heard by the MVDT for the reporting year ending June 30 was 246, compared to 308 in the previous year.

The amount settled or withdrawn in its Auckland and Wellington areas was 69, or 28

Details of cases

The two MVDT adjudicators must submit annual reports within three months after June 30.

They must detail cases that require special mention and make recommendations for amendments to laws they think are suitable.

per cent. This compared to 95 in 2010/11, or 31 per cent.

Cases transferred unheard to the Disputes Tribunal due to jurisdiction issues from both areas amounted to 62.

Auckland area motor vehicle disputes came to 110, or 145 with cases carried over from the previous year. The Wellington totals were 28 and 40.

Disputes in Auckland found in favour of the trader came to 39, or 34 per cent. The total for the same period in the previous year

Any changes recommended are noted by officials to the Minister of Consumer Affairs and considered when there are legislative reviews.

The MVDT's Auckland area starts from New Plymouth and heads north, while the Wellington area goes south from Palmerston North. ☺

was 51, or 35.8 per cent.

Those found for the buyer amounted to 71, or 61.2 per cent, compared to 93 – or 64.1 per cent – in 2010/11.

Six cases – or 5.2 per cent – were dismissed or transferred, compared to one, or 0.69 per cent, in 2010/11.

The total cases in Auckland with decisions delivered amounted to 116. The previous total was 145.

Of the applications heard, 87 per cent were decided on

the basis of the Consumer Guarantees Act (CGA), seven per cent under the Fair Trading Act (FTA) and six per cent under the Sale of Goods Act (SOGA).

Nicola Wills, the Wellington adjudicator, reported that five disputes, or 17.5 per cent, were found for the trader compared to six – or 15 per cent – in 2010/11.

Those found for the buyer amounted to 23, or 82.5 per cent. The previous period's share was similar, but related to 33 disputes. One case was dismissed or transferred last year, 2.5 per cent of the total.

The number of cases heard with decisions delivered amounted to 28, down on 2010/11's total of 40.

Of the applications heard, 72.4 per cent were decided under the CGA, 24.1 per cent through the FTA and 3.5 per cent under the SOGA. ☺

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Shrinking violets might want to steer clear of this tangerine-coloured incarnation of the Subaru WRX.

This model, called the Crouching Tiger, is limited to 10 units in New Zealand and – highlighted by a black STI boot spoiler and 17-inch black alloys – it makes quite a visual statement.

The marque's quad-cam 2.5-litre turbocharged boxer motor has been re-tuned to produce 211kW, compared to the standard WRX's 195kW and the STI's 221kW.

It features uprated STI springs, lowering the car by 20mm, and an STI front suspension strut brace.

Full privacy glass and black fender garnish distinguish the new model from the standard WRX.

Subaru's symmetrical all-wheel-drive transmission has a limited-slip rear differential, a viscous centre differential in the Crouching Tiger, together with a five-speed manual gearbox.

There's full leather upholstery with an orange WRX motif stitched into the front seats, a leather-covered steering wheel and alloy pedals.

The Crouching Tiger's price-tag is \$54,990 and it's on sale now. The entry-level WRX is \$49,990 and the STI starts at \$69,990. ☺

Simon Beirne, far right, CEO of SBL, with Auckland sales executive Mark Heywood, centre, and Mark Ching, of Armacup



National vehicle broker creates physical presence in Auckland

ONE OF NEW ZEALAND'S TOP DISTRIBUTORS of used imports is expanding its national presence by opening an office in Auckland.

SBL, which specialises in high-grade vehicles from Japan and the UK, says the time is right to have a presence in the City of Sails.

Based in Christchurch, SBL has clients across the country signed up to its door-to-door service.

And the key reason for having an Auckland office is for SBL to have daily, personal contact with dealers.

"SBL is well-established with more than 30 years' experience, 25 of these engaging with Japan," explains Simon Beirne, SBL's founder and CEO.

"We currently operate in Auckland, but feel now is the time to expand our brand and attract more clients."

From its Christchurch office, SBL visits dealers and networks with them. It now wants to extend that personal touch to Auckland.

"Dealers get peace of mind with SBL because we have the experience and knowledge to deliver on our promises," says Beirne. "The company is customer service-driven, professional and honest."

Mark Heywood, SBL's Auckland sales executive, has 25 years' experience in the industry and an in-depth knowledge of the Auckland market.

He started out as a motor mechanic by trade and has held senior management positions within the automotive industry over the past 14 years.

His previous role was general sales manager of Archibald & Shorter – Jaguar and Land Rover. Before that he was used car sales manager with Papakura Toyota and was with Newmarket Nissan for eight years.

"SBL's an innovative, exciting and professionally run business," says Heywood. "It provides a great service. I'm looking forward to working with new customers and growing the business."

"Having a physical presence in Auckland is about building on prime market position and getting the message across that we're here to stay."

"The biggest challenge may be proving to dealers that the opportunities that exist in the UK are theirs for the taking

and offering them a chance to dip their toes in the water."

Heywood will soon be flying to Japan to gain more experience and find out how SBL's product fits into the bigger picture.

"SBL had been planning an Auckland presence and when Mark approached us, it was too good an opportunity to refuse," says Beirne. "We're excited to have him as part of our team."

"SBL has been well-received and recognises great opportunities exist in the North Island. Seventy per cent of trade is there, with Auckland having a big captive market."

"In the near future, we are looking to have another three to five people on the ground to grow the business further."

"We aren't fly-by-nighters and won't let customers down – we have a proven track record and are here to stay."

Beirne says one of SBL's greatest assets is its many years of personal interaction in Japan and he also believes exceptional opportunities are coming out of the UK.

"We've been engaging there for more than three years," he says. "We've brought our UK agents out to New Zealand to visit compliance centres and give them an appreciation of our customers' expectations. We believe this is paramount."

"Having the right agents in the UK instills confidence in dealers to take advantage of exceptional opportunities relative to the exchange rate."

SBL's strengths are in its relationships and it has a long-standing relationship with Armacup, its Japan logistics partner.

"Director Mark Ching runs a 'tight ship' and has made great efforts to secure a third ship per month from Japan to New Zealand," says Beirne.

"Armacup's services depart from Japan every 14 days with 16-day transit to New Zealand, meaning a quick turnaround."

"This also ensures there are fewer delays and more time for customers to meet the market."

"Our clearance work is completed by Customs Solutions in Auckland, which does a fantastic job."

"Both companies are like us – they're true to their word and consistent with delivery. It's all about long-term relationships."

HOW SBL WORKS

SBL is a one-stop shop for dealers with customer service as its main focus.

After buying offshore, SBL charges a flat brokerage fee and delivers to the client's door, either complied or not complied.

SBL's revolutionary search engine links into auctions across Japan so dealers can access thousands of cars daily, which are filtered by the company's agents on the ground.

The company understands the importance of supplying dealers with high-quality vehicles at the best prices with a service second to none. Give SBL a call, you will not be disappointed.

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GET IN TOUCH

SBL's Auckland office is at 77 Great South Road, on the corner with Market Road, Epsom. It's operated by sales executive Mark Heywood. Phone (09) 520-6145 or 021-771-062, or email mark@sbltd.co.nz.

SBL's Christchurch office is at 157 Moorhouse Avenue. Phone (03) 377-6578 or fax (03) 377-6579.

For more information, visit the company's website at www.sbltd.co.nz.

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NEWS in brief

Summit focuses on future transport challenges

Driving economic growth is the theme of this year's New Zealand Transport Summit.

The speakers include José Viegas, secretary general of the OECD's International Transport Forum, who will speak about transport trends and innovations.

Michael Deegan, of Infrastructure Australia, will talk about how the public and private sectors can work together on transport system to support economic growth.

The Lowy Institute for International Policy's director, Mark Thirlwell, will take part in panel discussions on economic aspects of global trade trends and local infrastructure development.

Gerry Brownlee, Minister of Transport, will open the summit, with associate minister Simon Bridges giving the closing address.

Chief executive of the Ministry of Transport, Martin Matthews, says: "How do we create an integrated, connected transport system, which optimises opportunities for our trade and enterprise? The summit will be a key forum to discuss these challenges."

The sessions will include the links between the economy and transport and New Zealand's place in world trade, international shipping and aviation trends and how they influence this country, and how New Zealand should position itself in global supply chains.

The summit is at Te Papa, Wellington, from February 18-19. Log onto www.transportsummit.co.nz for more details.

Currency and economy key to making progress

Akio Toyoda, chairman of the Japan Automobile Manufacturers' Association (JAMA), says urgent issues facing the country include the high yen and deflationary economy, in addition to recovering from 2011's earthquake and tsunami.

He made the comments after the Liberal Democratic Party, led by Shinzō Abe, romped to a landslide victory in last month's general election.

Yoshihiko Noda's Democratic Party was ousted after just three years in power.

"Citizens and corporates are struggling to cope with this challenging environment, making every possible effort to overcome difficulties facing them," adds Toyoda, pictured.

"JAMA members hope the new administration will demonstrate the understanding, leadership and initiative required build a society whose concerns are addressed and whose efforts are rewarded"

The industry also wants the automobile acquisition and tonnage taxes scrapped to reduce the burden on vehicle owners.

To boost the competitiveness of industries, JAMA also advocates continued measures aimed at correcting the yen's "excessive strength".



Marque marches forward with wider range

Kia is accelerating car production by rolling out 51 new or updated models globally over the next five years, starting late last year with the Kiwi launch of the Sorento R.

At least five new models are planned for this year along with refreshes to existing models, with several earmarked for New Zealand. They include a mid-size sedan, compact people mover, crossover, three-door sports model and Kia's first all-electric car.

Kia Motors' vice-chairman, Lee Hyoungh-ken, says the company intends to become a "premium automotive brand" within five years.

Part of this drive is a target of 2.21 million export units by 2017, which represents an eight per cent hike above Kia exports for 2011. ☺

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The IMVIA Technical Report is proudly brought to you by leading certification service provider, VINZ
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Building on progress we've made

Last year was not as bad for the used vehicle import industry as we had feared.

We expected a dramatic drop in used imports because of the effects of implementing the last phase of the exhaust emissions rule.

But about 75,000 units crossed the border in 2012, far more than we had predicted.

Around 190,000 vehicles in New Zealand were scrapped last year – a significant increase over previous years – and a higher scrappage rate is needed to get rid of older vehicles in the fleet and encourage the uptake of more newer imports.

Factors that mitigated the emissions rule's effects included:

- ▶ New models being introduced in Japan, with demand stimulated by government subsidies for fuel-efficient and environmentally friendly vehicles.
- ▶ A reduced demand from other competing markets.
- ▶ The continued strong exchange rate with Japan.
- ▶ The Kiwi economy, while not buoyant, didn't slip into recession.

There were also low interest rates, rising property prices in some areas and a feeling we've come through the worst of the economic slowdown still affecting other countries.

Although implementing the final phase of the emissions rule saw the end of the Imported Motor Vehicle Industry Association's (IMVIA's) work on this major item, there were plenty of vehicle-related, political and technical matters the association was involved in. These included:

- ▶ Representing the industry on

the Tyrewise working group and preparing recommendations to the government for a scheme to deal with end-of-life tyres.

Our position is any levy required to fund such a scheme should be paid by the vehicle user, not the importer, and collected at initial registration.

- ▶ Consultation with the Ministry of Transport and NZTA on developing strategies and policies to achieve the government's aim of reducing the effects – through death and trauma – of accidents.

The Safer Journeys initiative tackles all aspects of motoring – drivers, roads, speed and vehicles. Electronic stability control is an issue that has been raised and is likely to come up again.

- ▶ Intelligent transport systems provide vehicles and drivers with real-time information about road conditions, traffic and so on. We've been researching this and have had initial discussions with officials.

Although the government has recognised the potential



DAVID VINSEN
IMVIA Chief Executive

for such systems and has set aside some radio frequencies, implementation seems unlikely in the medium term.

Vehicle manufacturers and other countries' transport authorities have been unable to

agree on standard protocols or technical specifications.

- ▶ It seems there are no plans for a formal scheme to be developed to deal with end-of-life vehicles.

Current arrangements for scrapped vehicles, with the value of recoverable materials paying for the costs, are working effectively and efficiently.

- ▶ The Emissions Trading Scheme has been implemented and was subject to a government review.

Its effect on vehicles will be a tax on greenhouse gases in air-conditioning units. At the current carbon price, the tax will be less than \$10 per vehicle but this is likely to increase over time.

We've pushed hard for this cost to be borne by the end user. The tax will be collected at the time of first registration, rather

than being paid by importers.

- ▶ The government has been looking at all aspects of vehicle licensing, including registration, annual licences and warrant of fitness frequency.

The Vehicle Licensing Reform aims to reduce costs but the net effect of suggested changes may increase costs for consumers with no safety improvements.

In retrospect, 2012 was better than predicted but with a raft of minor issues to be dealt with.

So what about 2013? If last year was the low point in terms of used import volumes, it can only get better.

The huge number of older vehicles in the fleet will need to be replaced over time.

The IMVIA is predicting greater availability of compliant vehicles in Japan and other markets that meet consumers' requirements and budgets.

The stock we want is also in demand by other export markets and some of those markets will be limited because of their own legal requirements.

A year after implementing the final phase of the emissions rule, the range of models we can target without competition from other markets has increased.

If our economy keeps trickling along, and even grows, we will have demand from consumers, a good exchange rate and access to improved supplies of compliant stock.

This year is going to be good one for the used vehicle import industry and the IMVIA, the association that services it. ☺



The number of used vehicles brought into New Zealand last year exceeded IMVIA estimates



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Tribunal rules faults were major while recall repairs needed carrying out

Background

Ashley Adam bought a 1994 Toyota Hilux for \$10,999 from Orange Autos Ltd, Christchurch, on June 9, 2012.

She identified mechanical issues and rejected it under the Consumer Guarantees Act (CGA).

The trader claimed Adam wasn't entitled to do this and the trader was prepared to fix the problems, but hadn't been given a chance to do so.

The case

When Adam bought the car, the odometer reading on the vehicle offer and sale agreement and consumer information notice was 176,400km.

That appeared to be an underestimation as the warrant of fitness (WOF) inspection the following day recorded it as 176,649km.

The day after Adam took the car home, it overheated and the battery failed. The trader agreed to replace it, but when this was being done the battery clamp also needed replacing.

The trader told Adam it was "no big deal" because the car had passed its WOF. She replaced the clamp at her own cost.

She then smelt burning oil and fuel. On June 15, she took the car to Burbridge Automotive Ltd. The clock was then on 177,261km.

Burbridge identified a fuel smell in engine bay, the throttle body plug was disconnected, a fog light was wired incorrectly, the vacuum assembly bracket was loose on right side of engine and a vacuum pipe was missing.

It detected a faulty radiator cap, water bubbling in radiator that was a sign of faulty head gasket, a used head check was positive for a small leak, the right exhaust manifold

was leaking, the air-con belt and idler bearing were loose, and the power steering box was leaking.

Adam emailed the trader on June 18 to reject the car and ask for a refund. She summarised Burbridge's findings and said it had serious faults.

The trader said the faults were minor and offered to repair the car.

Burbridge's mechanic referred Adam to the Motor Trade Association (MTA). She spoke to Julian McMullan, who suggested she obtain an AA report.

This pre-purchase inspection was carried out on June 21, when the odometer was on 177,389km.

The report noted defects requiring attention, including items considered to be potential WOF defects, and a fuel smell under the bonnet but no leak was found.

Potential WOF failures were the front fog lamp being insecure and out of line, steering seals leaking oil and the suspension's left-hand front assembly anti-sway bar link being disconnected.

Other faults requiring urgent attention included:

- ▶ Engine assembly – oil leaking on the bottom area, right and left sides.
- ▶ Air conditioning – loose belts.
- ▶ Steering – front assembly needing lubrication.

The report noted the engine assembly had been recently cleaned, and commented on the body and interior condition.

On the basis of the AA report, the MTA advised the car was unsafe because of the fuel smell and disconnected sway bar.

Adam went back to the trader for a refund. Again, it refused. The MTA

advised the buyer to take the car to a Toyota dealer.

She took it to Rangiora Toyota with the odometer on 177,447km. Its report confirmed the AA's inspection of the engine and gave extra information about its condition.

Allan McLean, of Rangiora Toyota, suspected a cracked head but couldn't determine this without dismantling the car.

He said there were signs of Chemiweld – a product designed to cover up a cracked head by sealing the leak without removing it and properly repairing the crack – and confirmed the cooling system was in poor condition with a faulty radiator cap. Bolts were missing and vacuum hoses were disconnected.

McLean added the strong fuel smell, which couldn't be diagnosed without stripping the engine, meant he wouldn't recommend driving the car without further diagnosis.

He noted other work was needed. Toyota issued a recall notice for the steering rod some years ago and that repair had yet to be carried out. He said the rod was unlikely to fail.

After receiving the Rangiora Toyota report of June 25, Adam hadn't driven her car.

The same day she received the report, she emailed the trader reiterating her rejection. She said she was entitled to reject the car because it was sold in an unsafe condition.

The trader didn't accept that, so Adam made her application to the tribunal.

Carl Loader, co-owner of Orange Autos, presented submissions for the trader, whose position was it didn't dispute the car had faults but it had offered to

The case: The buyer rejected a second-hand Toyota Hilux after a disconnected sway-bar link and a fuel leak were found after purchase.

The decision: The tribunal ruled the ute failed the guarantee of acceptable quality in two key areas. They were substantial failures and provided the buyer with the right to reject it.

At: The Motor Vehicle Disputes Tribunal, Christchurch.

remedy them for the purchaser.

The trader said the process was frustrated because Adam refused to provide copies of the reports, or take the car in so its repairer could assess problems.

The finding

The tribunal accepted the head gasket problem had yet to be determined, but two significant issues were confirmed – the disconnected sway-bar link and fuel leak.

The sway-bar link wouldn't pass a WOF and it seemed this was overlooked during the inspection at the time of sale. A disconnected bar can result in a car rolling or losing control.

The leak was serious. Adam was advised not to drive the car until it had been fixed because of the fire risk.

The tribunal ruled these failures were substantial in regards to the CGA's guarantee of acceptable quality.

Adam was entitled to a refund of the price and losses. The Burbridge report cost \$79 and she paid Rangiora Toyota \$196 for its report.

There was no evidence as to the cost of the AA report, but the tribunal was aware they cost about \$140.

Orders

The buyer's rejection of the car was upheld and the trader was ordered pay Adam \$11,413.

The buyer was to then release the vehicle to the trader. ☺

Buyer accepted compensation from trader for fitting replacement engine

Background

On August 8, 2011, Michael Maloni bought a 2004 Mazda MPV from Japan Auto Group, represented by GM Car Wholesalers Ltd.

The buyer rejected it, claiming the trader had refused to fix faults after a warrant of fitness (WOF) inspection in May 2012.

The trader said the WOF defects were minor, the vehicle was of acceptable quality after its engine was replaced and the buyer had no grounds to reject it.

The case

The buyer took the vehicle for a test drive. He said the engine was noisy and there were other minor faults.

Maloni bought it for \$12,000, which included a one-year mechanical breakdown policy. The odometer was on 128,479km.

He collected the car the next day and returned it a week later for the trader to rectify the faults and noisy engine.

The trader had the vehicle for about one month. It fitted a second-hand engine and rectified other faults.

On September 26, the trader paid Maloni \$1,000 in compensation. The parties signed a piece of paper. The trader agreed it would fix the vehicle. If it couldn't do so, it would refund the buyer or exchange it.

On May 8, 2012, after the vehicle had clocked up 7,733km after delivery, Maloni took it to Mobile Puhinui Workshop for a WOF.

It failed because all of the tyres didn't comply, the headlamp and handbrake needed adjusting, and the left-hand tie-rod end was damaged.

The check sheet noted the

rear coil springs were rusty, the air-intake hose was cracked and the throttle body vacuum was damaged.

The workshop quoted \$140 for each tyre, \$60 to adjust the headlamp and handbrake, and \$37 for the tie-rod end.

Maloni was also quoted \$170 for an air-intake hose and \$280 for a throttle body with \$120 labour.

He wrote to the trader on May 14, enclosing a copy of the check sheet and saying he was rejecting the vehicle as he wasn't satisfied with it.

The trader replied by letter dated June 11 expressing its concern the WOF had expired on November 19, 2011, and the vehicle was unregistered.

The trader told Maloni it would pay for repairs covered by the warranty, but any not covered were wear-and-tear items.

It requested the vehicle be taken in for assessment. Maloni didn't do this, but took it to another WOF issuer on June 14 when the odometer was on 136,868km.

The vehicle failed because of the tyres and an exhaust leak. The check sheet didn't include the WOF issuer, the inspector's signature or number, the WOF expiry date, whether the vehicle was re-inspected and on what date, or if the buyer paid for the inspection.

Maloni said he spent \$480 replacing the tyres because two of them were snow tyres and he had the exhaust leak welded for \$80. He had no invoices. He then obtained a WOF, but there was no record of that on the check sheet.

In regard to faults identified in the WOF of May 2012, Maloni said the handbrake was repaired at no

cost and he didn't fix the tie rod because it passed the second inspection.

No repairs had been done to the throttle body or air-intake hose, the vehicle hadn't been serviced and remained unregistered. Maloni had "no idea" what the current odometer reading was.

The trader, represented by finance manager Mr P Scarlett, said the vehicle was imported on April 13, 2011, and passed compliance on May 17. It was sold with the same odo reading as at the time it passed a WOF on May 17.

The trader paid \$2,200 for a second-hand engine, which it fitted using its own employees.

Scarlett said because ASB Bank had a charge over the vehicle the trader decided, for commercial reasons, to pay Maloni compensation of \$1,000 to keep it.

When the trader received Maloni's letter rejecting the vehicle, it wrote to him on June 11, 2012, asking him to take it in to be assessed. Maloni failed to do so.

Scarlett said the faults that the vehicle had in May 2012, which caused it to fail a WOF, were wear and tear.

The handbrake adjustment was done for free by Mobile Puhinui Workshop and the second WOF made no mention of the tie-rod end or the need to adjust the headlamp's aim.

When Maloni filed his application on July 23, the trader received a copy and wrote to him on July 27 asking him to get a mechanical report completed on items he was concerned about. The buyer hadn't done so.

The case: The buyer wanted to reject his Mazda MPV because of faults at time of purchase and others found about nine months later.

The decision: The tribunal ruled the car wasn't of acceptable quality at sale but faults were repaired to the satisfaction of the buyer, who kept it and took compensation.

At: The Motor Vehicle Disputes Tribunal, Auckland.

The finding

The tribunal noted the trader failed to supply the buyer with a WOF issued within 28 days of the sale.

The engine had a problem with its camshaft bearings, which caused it to be noisy, and there were cosmetic faults.

At the time of sale, the vehicle didn't comply with the CGA's guarantee of acceptable quality.

But the trader repaired and returned it to the buyer, who accepted it with compensation.

Since the repairs, the buyer travelled 7,733km before trying to renew the WOF, which expired on November 19.

The tribunal ruled the failure faults of May 8, 2012, were minor, which any reasonable motorist would regard as acceptable in a seven-year-old car that had travelled 136,212km.

While it wasn't of acceptable quality at sale, faults were rectified by the trader to the buyer's satisfaction because he agreed to keep the vehicle and take \$1,000 in compensation.

The inspection faults were minor, which a reasonable consumer buying a vehicle of this age, mileage and price would regard as acceptable.

Order

The buyer's application to reject the vehicle was dismissed. ☺

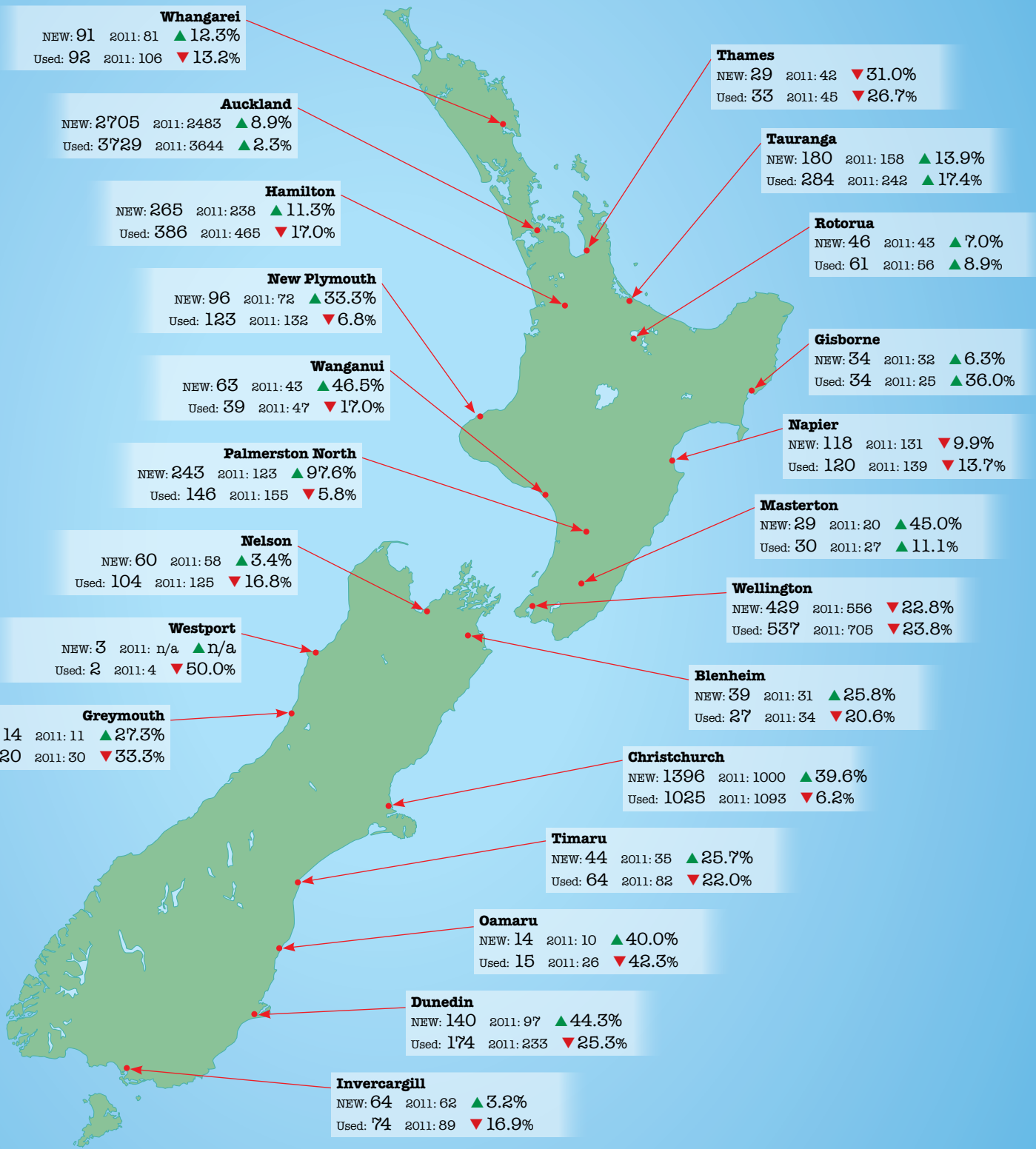
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Around the country

Car sales - December 2012

Total New Cars
6102 2011: 5326 ▲ 14.6%

Total Used Cars
7119 2011: 7509 ▼ 5.1%



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Tough conditions for traders

Despite difficult conditions being exacerbated by last January's emission rule hitting Japanese imports, used car sales during 2012 were steady compared to the previous year.

Last year, there were 78,311 sales of used passenger vehicles and in 2011 there were 80,852 transactions.

And last month, there were 7,179 sales compared to 7,504 in December 2011.

Graeme Macdonald, who runs Westwyn Trading Company Ltd in Henderson, west Auckland, describes 2012 as a "reasonable year".

He told Autofile: "Traditionally, this is a numbers-based industry when it comes to measuring success – it's all about volume."

However, consideration should be given to profits and margins, and last year was pretty significant in that area.

Dealers can lose their competitive edge when many have similar vehicles in stock because all they've got to trade on is price.

"Traders try to undercut and out-do each other, so 2012 stands out for its sheer competitiveness but for profits it was a very tough year," says Macdonald.

He points to the lack of suitable vehicles in New Zealand and the effect of the global financial crisis, in that the new car industry was "all but shut down from 2007-09".

Macdonald says traders have ended up having similar vehicles on their yards and "the public will only pay up to a certain point".

"You can import and sell all the numbers you want but if you're not making money, it's pretty pointless selling."

As for the year ahead,

Macdonald says: "My crystal ball is broken and it hasn't been working for quite some time, but a lot will depend on the economy with the used car industry being driven by need and desire.

"Cars do break down and wear out. The desire to replace them will depend on people having confidence in their lives with jobs and secure incomes.

"If they don't, we will not see a significant lift in the marketplace. Until consumers see confident times ahead on the TV news, they will not buy.

"We need to grow the number of later model cars on the market. The best way to achieve this is to grow the economy and the ability of people to afford them.

"If they have no confidence, they will make do with what they've got until they have the ability to afford newer cars.

"The 1996-97 cars are so good at holding together for longer. Through string and chicken wire, they will stay on the road."

Macdonald believes most Kiwis don't want to update their vehicles at the moment and would rather spend \$500 keeping them going.

Guy Walker, of Central Motor Group in Taupo, says last year saw the internet playing a major role in used vehicle sales and he "doesn't know where we would be" without the web.

"Half of our used cars are going on the net," he says. "This side of the business is just getting bigger and bigger.

"Overall, we're selling a similar amount of stock, but half is off the internet and that's very price driven – it's pretty much the same for the whole of New Zealand, not just the central North Island.

"This has been a huge change

and has affected yard traffic. Now our stock is available to the rest of the country."

As for securing sales of used vehicles, Walker says nothing has changed with "the sweet spot being from \$8,000 through to \$15,000".

He adds: "Later model New Zealand-new is always popular. It can be hard to get stock because people buy from you and then sell their previous car on the internet.

"Good, clean product will always sell but it's a challenge to get that stock sometimes."

Noel Friend, of Ingham Great Wall and Chery in Hamilton, says: "We have a few used cars – among the 25 vehicles we have on the yard at any one time, eight or nine will be used.

"December was a good month for used. Our new cars were relatively quiet then, so we concentrated on used and got more in stock."

One of the surprises in the used car statistics comes in the shape of the model at the top of the 2012 charts, with Nissan's Tiida taking over the number-one

spot from the Toyota Corolla.

In 2011, the Tiida recorded 994 used sales for a 1.2 per cent market share. In 2012, it sold 3,733 units for a 4.8 per cent share.

Conversely, 4,566 used Corollas were sold in 2011 for 5.6 per cent of the market. Last year, its share dropped to 3.6 per cent with 3,000 units demoting the model to fourth position on the table.

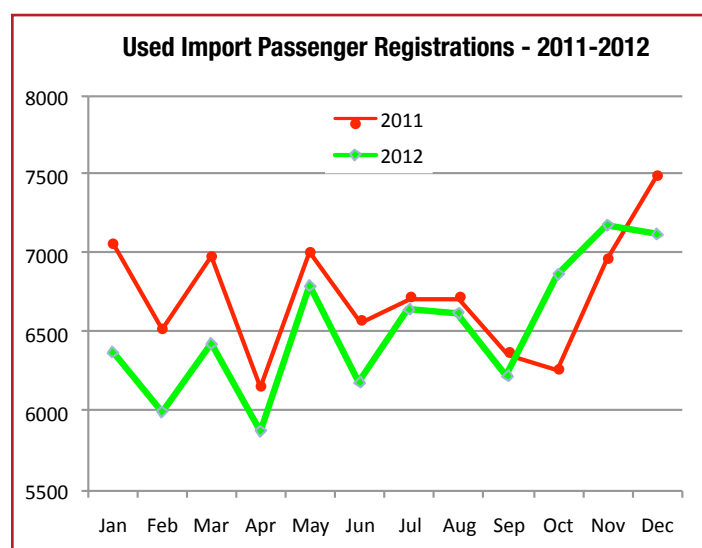
December's percentage differences between the two models were further apart.

The Tiida sold 554 units last month for a market share of 7.8 per cent. That was a 244.1 per cent rise on December 2011, when 161 units were sold.

The Corolla slumped to 259 sales in December 2012, which was down by 32.4 per cent on the same month of 2011 when 383 units were sold.

Toyota did, however, come top of the brands table, although with a reduced market share of 25.6 per cent.

The marque sold 20,039 units in 2012 compared to 22,426 in 2011, when its market share was 27.4 per cent. ☺



Used Passenger Vehicle Sales by Make - December 2012

MAKE	DEC '12	DEC '11	+/- %	DEC'12 MKT SHARE	2012 TOTAL	2012 MKT SHARE
Toyota	1853	1987	-6.7	26.0%	20039	25.6%
Nissan	1550	1360	14.0	21.8%	14437	18.4%
Mazda	1143	1079	5.9	16.1%	13323	17.0%
Honda	679	723	-6.1	9.5%	8237	10.5%
Subaru	326	513	-36.5	4.6%	4226	5.4%
Suzuki	312	206	51.5	4.4%	3343	4.3%
Mitsubishi	289	341	-15.2	4.1%	3289	4.2%
Volkswagen	209	211	-0.9	2.9%	2136	2.7%
BMW	164	286	-42.7	2.3%	2180	2.8%
Audi	129	107	20.6	1.8%	1159	1.5%
Ford	80	136	-41.2	1.1%	1106	1.4%
Mercedes-Benz	66	85	-22.4	0.9%	904	1.2%
Chevrolet	46	70	-34.3	0.6%	582	0.7%
Land Rover	33	26	26.9	0.5%	298	0.4%
Jaguar	25	23	8.7	0.4%	321	0.4%
Hyundai	19	32	-40.6	0.3%	269	0.3%
Bentley	17	-	-	0.2%	46	0.1%
Holden	17	19	-10.5	0.2%	123	0.2%
Mini	17	25	-32.0	0.2%	151	0.2%
Volvo	17	26	-34.6	0.2%	335	0.4%
Daihatsu	16	15	6.7	0.2%	181	0.2%
Porsche	14	11	27.3	0.2%	124	0.2%
Lexus	10	16	-37.5	0.1%	125	0.2%
Dodge	9	8	12.5	0.1%	99	0.1%
Chrysler	8	35	-77.1	0.1%	153	0.2%
Peugeot	8	38	-78.9	0.1%	242	0.3%
Renault	7	-	-	0.1%	81	0.1%
Buick	6	-	-	0.1%	25	0.0%
Pontiac	5	9	-44.4	0.1%	46	0.1%
Alfa Romeo	4	10	-60.0	0.1%	51	0.1%
Oldsmobile	4	-	-	0.1%	16	0.0%
Ferrari	3	-	-	0.0%	15	0.0%
Jeep	3	24	-87.5	0.0%	89	0.1%
Kia	3	-	-	0.0%	31	0.0%
Mercury	3	-	-	0.0%	16	0.0%
Others	25	83	-69.9	0.4%	513	0.7%
Total	7119	7504	-5.1	100.0%	78311	100.0%

Used Passenger Vehicle Sales by Model - December 2012

MAKE	MODEL	DEC '12	DEC '11	+/- %	DEC'12 MKT SHARE	2012 TOTAL	2012 MKT SHARE
Nissan	Tiida	554	161	244.1	7.8%	3733	4.8%
Mazda	Axela	294	176	67.0	4.1%	3463	4.4%
Mazda	Demio	294	247	19.0	4.1%	3333	4.3%
Toyota	Corolla	259	383	-32.4	3.6%	3000	3.8%
Suzuki	Swift	257	136	89.0	3.6%	2621	3.3%
Subaru	Legacy	206	324	-36.4	2.9%	2657	3.4%
Mazda	Atenza	190	308	-38.3	2.7%	2433	3.1%
Toyota	Vitz	179	230	-22.2	2.5%	2351	3.0%
Toyota	Estima	177	325	-45.5	2.5%	1664	2.1%
Toyota	Wish	171	-	-	2.4%	1419	1.8%
Mazda	Mpv	167	132	26.5	2.3%	1670	2.1%
Honda	Fit	154	105	46.7	2.2%	1980	2.5%
Honda	Odyssey	137	147	-6.8	1.9%	1400	1.8%
Nissan	Note	137	-	-	1.9%	1117	1.4%
Volkswagen	Golf	123	115	7.0	1.7%	1266	1.6%
Toyota	Ist	121	156	-22.4	1.7%	1608	2.1%
Nissan	Bluebird	118	162	-27.2	1.7%	1310	1.7%
Nissan	March	110	119	-7.6	1.5%	1488	1.9%
Mitsubishi	Outlander	96	-	-	1.3%	587	0.7%
Nissan	Presage	96	-	-	1.3%	741	0.9%
Toyota	Ipsum	96	104	-7.7	1.3%	909	1.2%
Nissan	Teana	91	-	-	1.3%	718	0.9%
Nissan	Wingroad	90	156	-42.3	1.3%	939	1.2%
Honda	Accord	89	121	-26.4	1.3%	1220	1.6%
Mazda	Premacy	89	-	-	1.3%	1017	1.3%
Mitsubishi	Colt	89	-	-	1.3%	1008	1.3%
Toyota	Caldina	86	95	-9.5	1.2%	966	1.2%
Honda	Stream	74	145	-49.0	1.0%	1078	1.4%
Toyota	Avensis	73	-	-	1.0%	288	0.4%
Toyota	Auris	71	-	-	1.0%	551	0.7%
Honda	Civic	61	110	-44.5	0.9%	956	1.2%
Others		2370	3547	-33.2	33.3%	28820	36.8%
Total		7119	7504	-5.1	100.0%	78311	100.0%

100,000 vehicles per week

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Good stock available in Japan

It was pretty messy but nowhere near as bad as many in the industry had feared.

Last year, 72,837 used passenger vehicles crossed the border, a far cry from predictions of 55,000 to 60,000 due to last January's emissions rule change.

The total was down by 24.4 per cent on the 87,712 units in 2011. Japanese imports fell by 25.8 per cent to 67,442 from 83,534 in 2011, while UK imports rose by 3.9 per cent from 1,573 units to 2,730.

Nick Owens, manager of Christchurch-based Auto Inspection Services Ltd, which carries out compliance on used imports, says the first few months of last year were poor before the market averaged out and returned a good final third.

"The volumes have sorted themselves out to a level we are more familiar with," he says.

A lot of similar models – Nissan Tiidas, Marchs and Notes in white and silver – were being imported at the start of 2012.

"Now there's a nice selection of three-digit stock in different colours and models, and that will help," he says.

With the emissions rule, there weren't many cheap three-digit cars available "but we're in a pretty good place at the moment".

Owens, also South Island vice-chairman of the Imported Motor Vehicle Industry Association (IMVIA), adds: "The emissions rule stuffed up the market, but this should now have little effect.

"There's access to a wider

range of vehicles in Japan. There was such a small range for a while, but the price to land them here is right again.

"At the start of 2012, I had eight cars in the workshop waiting to be put on the hoist – six were Tiidas, with one Note and a March. Thankfully, we've gone away from that based on what comes through our doors."

Owens notes more used imports are coming from Europe and he has six or so ex-UK vehicles awaiting compliance, but these tend to be higher end.

There were changes in market conditions during 2012 and the yen exchange rate – which is now sitting around 72 – improved and remained steady to create confidence, says Graeme Macdonald, who is the North

Island chairman of the IMVIA.

Importers could source more varied used vehicles with better supply coming on stream.

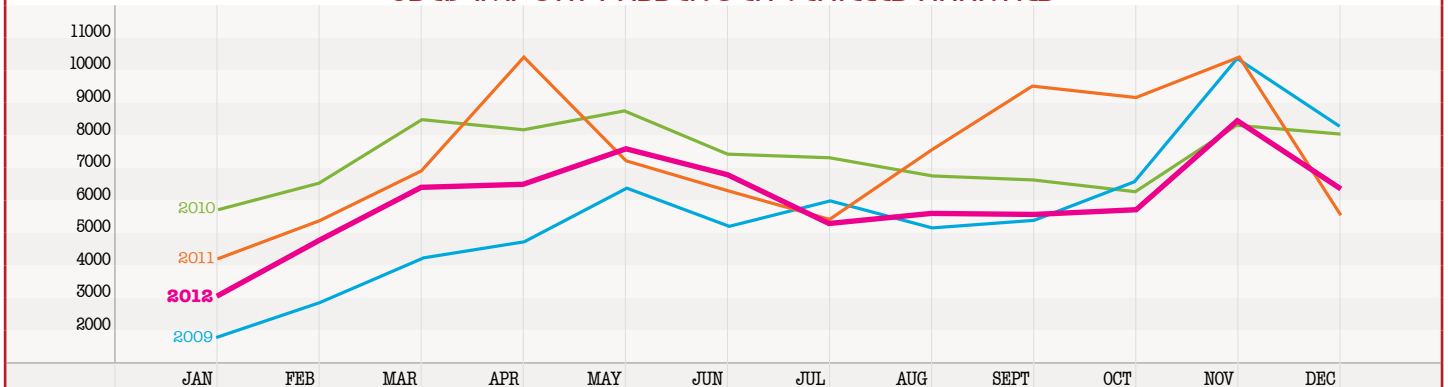
"There's always the resourcefulness of dealers to factor in and they sourced different cars to buy," he told Autofile.

"Different models have come onto the New Zealand market, including the Kia Forte and Toyota's Sienta.

"We're getting different models as importers fill the gap caused by the emission rule and, in quarter four, compliant cars cascaded down the fleet.

"The emissions rule put the industry 18 months behind the cycle for buying, but I expect its buying effects to diminish. There should be a strong first quarter to this year." ⊕

USED IMPORT PASSENGER VEHICLES ARRIVALS



Used Import Passenger Vehicles By Country Of Export

COUNTRY OF EXPORT	2012													2011		
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	2012 TOTAL	MTHLY+/- %	2011 TOTAL	% TOTAL
Australia	85	90	101	80	112	110	114	94	67	101	123	122	1199	-0.81	1015	1.2%
Great Britain	250	161	190	243	241	220	178	226	214	242	277	288	2730	3.97	1573	1.8%
Japan	2777	4565	6099	6189	7178	6474	4926	5099	5127	5211	7920	5877	67442	-25.80	83534	95.2%
Singapore	5	6	20	14	23	11	14	25	6	15	8	7	154	-12.50	327	0.4%
USA	57	79	86	76	86	73	74	88	65	100	92	100	976	8.70	976	1.1%
Other Countries	17	19	8	11	53	59	29	8	27	19	66	20	336	-69.70	287	0.3%
Total	3191	4920	6504	6613	7693	6947	5335	5540	5506	5688	8486	6414	72837	-24.42	87712	100.0%

Internet inquiry boosts trade

Sales of used vehicles by dealers to the public received a boost last month.

There were 15,436 trader-to-public transactions in December, up by 4.5 per cent on 14,689 sales in the same month of 2011, while public-to-dealer sales remained constant.

Nelson recorded the country's highest percentage increase in dealer-to-public sales – up by 21.8 per cent from 266 units in December 2011 to 324 last month.

Autofile spoke to some traders in the Tasman Bay city.

Ryan Durry, managing director of Quay Cars, says 2012 was good for trading and up on 2011, with business over the past four months picking up by about 25 per cent.

"I've been trying to figure out why, but cannot put a finger on it," he says. "Our stock selection has

been better and heaps of stuff has been going out of town.

"We have the right stock people want to buy, rather than run-of-the-mill imports. The past six months have been good and we've been getting a lot of internet inquiry.

"We haven't been doing anything different and have always sold out of town. People are paying the money and we're shipping stuff all over the country."

Durry says margins have been good and he hasn't been giving away stock, which has been a mixture.

"I've pretty much stopped importing from Japan because of the financial outlays and returns," he says.

"The later model stuff is costing \$6,000 to \$15,000 and the margins aren't there. I've gone from

importing 10 a month to none."

Durry is finding a sweet spot above \$10,000 and under \$12,000 while also targeting high-range stock with utes, which have bigger margins.

He says Quay Cars prides itself on colourful and varied stock sourced from around New Zealand, and hopes last year's good trading conditions will roll over into 2013.

Neil Howard, co-owner of Value Vehicles, says there was a rush at the start of 2012, but business was quiet from August to mid-November.

Trade then picked up, so his year was similar to 2011 and economical hatchbacks proved popular.

"Everything priced right seemed to do okay, but sedans tended to stick around for longer," says Howard.

"We sell well up to \$13,000 or \$14,000. Anything around \$12,000 looks good at this stage. We tend to leave anything higher to the bigger yards."

As for Japanese imports, Howard "watched what was coming in" before "dipping our toes into the water in April".

"By then we knew the models coming in and what to buy, but we were wary at the start."

As for the year ahead, Howard hopes trade will tick along as it is now and, if that's the case, it will be "pretty positive".

Michael Smith, of Haven Motors, reports used sales last year as a bit slower than in 2011.

"We had some good months earlier in the year, but trade slowed down around October and the school holidays in November." ☺

SECONDHAND CAR SALES - December 2012

	DEALER-TO-PUBLIC				PUBLIC-TO-PUBLIC			PUBLIC-TO-DEALER		
	DEC '12	DEC '11	+/- %	MARKET SHARE*	DEC '12	DEC '11	+/- %	DEC '12	DEC '11	+/- %
Whangarei	474	476	-0.4	3.09	1478	1637	-9.7	211	220	-4.1
Auckland	5155	4817	7.0	33.59	12560	12777	-1.7	3790	3689	2.7
Hamilton	1295	1240	4.4	8.44	2761	2800	-1.4	981	1014	-3.3
Thames	178	168	6.0	1.16	438	470	-6.8	72	65	10.8
Tauranga	741	729	1.6	4.83	1636	1777	-7.9	494	509	-2.9
Rotorua	237	248	-4.4	1.54	647	633	2.2	139	119	16.8
Gisborne	145	139	4.3	0.94	284	373	-23.9	108	94	14.9
Napier	452	458	-1.3	2.95	1173	1251	-6.2	364	347	4.9
New Plymouth	358	350	2.3	2.33	866	941	-8.0	238	210	13.3
Wanganui	185	158	17.1	1.21	394	412	-4.4	96	106	-9.4
Palmerston North	666	674	-1.2	4.34	1359	1485	-8.5	580	568	2.1
Masterton	153	138	10.9	1.00	291	340	-14.4	81	71	14.1
Wellington	1307	1301	0.5	8.52	2623	2695	-2.7	999	1012	-1.3
Nelson	324	266	21.8	2.11	774	791	-2.1	222	192	15.6
Blenheim	135	142	-4.9	0.88	304	325	-6.5	116	98	18.4
Greymouth	78	96	-18.8	0.51	189	201	-6.0	40	53	-24.5
Westport	28	25	12.0	0.18	83	99	-16.2	-	-	-
Christchurch	2191	1928	13.6	14.28	4344	4637	-6.3	1410	1568	-10.1
Timaru	208	241	-13.7	1.36	457	467	-2.1	136	161	-15.5
Oamaru	67	58	15.5	0.44	157	169	-7.1	23	35	-34.3
Dunedin	606	606	0.0	3.95	1459	1584	-7.9	440	455	-3.3
Invercargill	363	431	-15.8	2.37	783	842	-7.0	308	332	-7.2
NZ Total	15346	14689	4.5	100.00	35060	36706	-4.5	10848	10918	-0.6

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

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Sales outperforming economy

Strong passenger and commercial sales last month capped off a good year for the new vehicle industry, which broke the 100,000-unit barrier for only the third time since 1989.

Total sales of 100,795 were made up of 76,871 new cars and commercial vehicle registrations totalled 23,924, despite slow conditions across much of the economy.

Last month's passenger car registrations of 6,102 were the highest December total since 1976. They were up 14.6 per cent – or 776 units – on the last month of 2011.

Predictably, Toyota dominated the new vehicle market. The launch of its new Corolla helped propel it to 21,620 units and a 21 per cent share of the 2012's market.

Ford came second with sales of 11,132 units for an 11 per cent share. Third place went to Holden, which sold 9,446 units for nine per cent of the market.

Toyota netted 36.1 per cent of passenger car registrations in December with 2,202 units. This was up by 6.4 per cent on December 2011.

Ford held onto second place with 534 registrations last month for an 8.8 per cent market share. This total was up by 23.9 per cent when compared to the last month of 2011.

Holden took out third spot in December with 467 registrations, or 7.7 per cent market share. This was down by 19.5 per cent on December 2011's total of 580 sales.

Toyota has now topped the market for 25 consecutive years with combined total registrations of 21,620 vehicles – 14,992 passenger cars and 6,628 commercials.

"Plenty has changed over the past 25 years," says Alistair Davis,

chief executive officer of Toyota NZ. "We now have more than 100 model variants in our range, compared to around 60 in 1988."

He highlights the introduction of hybrids as another feature of the company's past two-and-a-half decades with almost 5,000 new hybrids, including Lexus, sold in this country.

Although the marque's top-selling model over the past 25 years has been the Corolla, he lists the Hilux, Camry and Hiace as its other mainstays.

"We can't take the loyalty of customers for granted," he says. "For us it's about the Japanese idea of kaizen, or continuous improvement, focused on the needs of all New Zealanders."

Dealerships across the country reported good trade to Autofile throughout last year.

Guy Walker, sales manager of Central Motor Group in Taupo, which holds franchises for Ford and Mazda, is feeling "bullish" about the year ahead after returning good results in 2012.

"Year-on-year, we sold more than the previous year and the year before that," he enthuses.

"I think the market has been better because people who have been putting off their purchases have said 'bugger it, I'm only getting three per cent at the bank for my money'.

"The business guys have been updating and all this combined to make last year a 100,000-unit industry."

The dealership had a positive year with the Ford Ranger, despite issues with supply, while Mazda's CX-5 was a "wonderful" product in 2012.

"We have had supply issues with the CX-5 diesel model and,

with high demand in Japan, this has made it tough," says Walker. "For instance, I bought one three months ago for my sister and it has yet to arrive.

"Generally, the CX-5 is just a wicked product, it has been voted SUV of the year and has been great for us.

"The Mazda 3 continues to be strong and the Ford Fiesta has been strong as well, and we have the Mazda 6 coming out in February.

"This year, we're expecting another good year with more excellent product coming out from Ford and Mazda."

Walker also notes the dealership's finance and insurance penetration rate has returned better figures year on year.

"It has increased drastically and that's telling me people are more willing to sign the form, borrow the money and we're competing well with the banks."

Noel Friend, of Ingham Great Wall and Chery in Hamilton, says: "In the end, last year was not too bad for us.

"We had some positive months and moved onto our new site, so we are now a standalone

operation from the main Ingham branch up the road.

"Throughout New Zealand, Great Wall is increasing every year and with new product it will just get better and better."

The Chinese marque's V-Series petrol double-cab is popular as is the whole of Chery range, "but they are still new products to a lot of people".

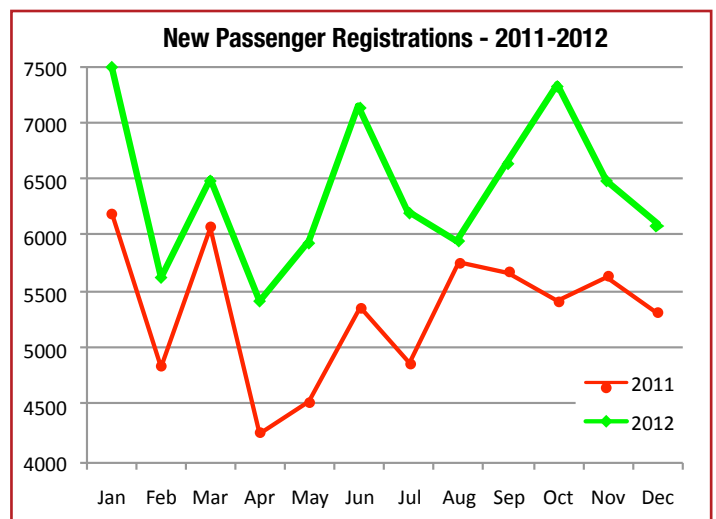
Friend says both marques have attracted unfair criticism for their quality in the past and "we have to get past that".

"We're mainly selling in the used car market and that's based on price," he adds.

"People can have a brand new vehicle for the same as a used one that has done 100,000km – and that's the whole of our market."

As for the coming year, Friend is looking forward to the release of the Chery J3 with an automatic transmission to complement the manual model currently on the market.

"The automatic could end up doubling our sales of the J3," he says. "The manual costs \$16,990 drive-away and I don't think the auto will be much more." ☺



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New Passenger Vehicle Sales by Make - December 2012

MAKE	DEC '12	DEC '11	+/- %	DEC'12 MKT SHARE	2012 TOTAL	2012 MKT SHARE
Toyota	2202	2069	6.4	36.1%	14992	19.5%
Ford	534	431	23.9	8.8%	7653	10.0%
Holden	467	580	-19.5	7.7%	7922	10.3%
Suzuki	411	286	43.7	6.7%	5327	6.9%
Hyundai	377	245	53.9	6.2%	7127	9.3%
Mazda	344	312	10.3	5.6%	5180	6.7%
Nissan	337	213	58.2	5.5%	3676	4.8%
Mitsubishi	188	231	-18.6	3.1%	3223	4.2%
Volkswagen	176	127	38.6	2.9%	2910	3.8%
Kia	170	165	3.0	2.8%	2907	3.8%
Honda	134	107	25.2	2.2%	3013	3.9%
Subaru	126	30	320.0	2.1%	1729	2.2%
BMW	72	26	176.9	1.2%	1646	2.1%
Mercedes-Benz	68	79	-13.9	1.1%	1094	1.4%
Peugeot	67	46	45.7	1.1%	999	1.3%
Ssangyong	59	23	156.5	1.0%	497	0.6%
Audi	53	61	-13.1	0.9%	1540	2.0%
Jeep	51	32	59.4	0.8%	665	0.9%
Dodge	40	64	-37.5	0.7%	635	0.8%
Skoda	39	16	143.8	0.6%	581	0.8%
Lexus	37	45	-17.8	0.6%	492	0.6%
Chery	35	26	34.6	0.6%	227	0.3%
Daihatsu	26	15	73.3	0.4%	322	0.4%
Mini	23	16	43.8	0.4%	430	0.6%
Land Rover	14	17	-17.6	0.2%	408	0.5%
Chrysler	9	-	-	0.1%	114	0.1%
Can-Am	8	-	-	0.1%	84	0.1%
Fiat	7	-	-	0.1%	80	0.1%
Alfa Romeo	6	9	-33.3	0.1%	192	0.2%
Porsche	5	4	25.0	0.1%	165	0.2%
Great Wall	4	8	-50.0	0.1%	199	0.3%
Citroen	3	9	-66.7	0.0%	247	0.3%
Volvo	3	12	-75.0	0.0%	244	0.3%
Aston Martin	1	-	-	0.0%	16	0.0%
Ferrari	1	-	-	0.0%	16	0.0%
Fraser	1	-	-	0.0%	1	0.0%
Geely	1	-	-	0.0%	8	0.0%
Jaguar	1	3	-66.7	0.0%	120	0.2%
Morgan	1	-	-	0.0%	9	0.0%
Renault	1	9	-88.9	0.0%	107	0.1%
Others	0	10	-100.0	0.0%	74	0.1%
Total	6102	5326	14.6	100.0%	76871	100.0%

New Passenger Vehicle Sales by Model - December 2012

MAKE	MODEL	DEC '12	DEC '11	+/- %	DEC'12 MKT SHARE	2012 TOTAL	2012 MKT SHARE
Toyota	Corolla	1125	743	51.4	18.4%	5324	6.9%
Toyota	Camry	266	266	0.0	4.4%	1502	2.0%
Suzuki	Swift	245	159	54.1	4.0%	3316	4.3%
Toyota	Yaris	226	320	-29.4	3.7%	2252	2.9%
Ford	Mondeo	200	111	80.2	3.3%	1623	2.1%
Toyota	Highlander	184	268	-31.3	3.0%	1799	2.3%
Holden	Captiva	178	149	19.5	2.9%	2506	3.3%
Holden	Commodore	140	165	-15.2	2.3%	2439	3.2%
Nissan	Qashqai	139	120	15.8	2.3%	1126	1.5%
Ford	Focus	131	73	79.5	2.1%	2158	2.8%
Mazda	CX-5	118	-	-	1.9%	1298	1.7%
Hyundai	Santa Fe	115	58	98.3	1.9%	1733	2.3%
Mazda	Mazda3	100	114	-12.3	1.6%	1724	2.2%
Toyota	Aurion	100	122	-18.0	1.6%	500	0.7%
Toyota	RAV4	99	275	-64.0	1.6%	1585	2.1%
Ford	Fiesta	93	75	24.0	1.5%	1038	1.4%
Holden	Cruze	90	37	143.2	1.5%	1864	2.4%
Mitsubishi	Outlander	82	77	6.5	1.3%	966	1.3%
Suzuki	SX4	77	-	-	1.3%	692	0.9%
Toyota	Prius	75	-	-	1.2%	473	0.6%
Volkswagen	Golf	72	-	-	1.2%	1023	1.3%
Mazda	Mazda6	69	81	-14.8	1.1%	845	1.1%
Ford	Territory	62	69	-10.1	1.0%	1386	1.8%
Hyundai	Elantra	59	-	-	1.0%	359	0.5%
Honda	Civic	55	-	-	0.9%	913	1.2%
Nissan	X-Trail	52	-	-	0.9%	665	0.9%
Subaru	Outback	52	-	-	0.9%	450	0.6%
Mitsubishi	ASX	50	38	31.6	0.8%	551	0.7%
Hyundai	i30	49	108	-54.6	0.8%	1909	2.5%
Nissan	Juke	48	-	-	0.8%	596	0.8%
Hyundai	iX35	43	-	-	0.7%	926	1.2%
Mitsubishi	Lancer	43	75	-42.7	0.7%	1204	1.6%
Ssangyong	Korando	42	-	-	0.7%	265	0.3%
Dodge	Journey	40	37	8.1	0.7%	465	0.6%
Mazda	Mazda2	39	60	-35.0	0.6%	752	1.0%
Nissan	Micra	38	-	-	0.6%	304	0.4%
Mercedes-Benz	C	37	-	-	0.6%	419	0.5%
Toyota	86	36	-	-	0.6%	150	0.2%
Kia	Carnival	35	-	-	0.6%	148	0.2%
Others		1398	1726	-19.0	22.9%	27623	35.9%
Total		6102	5326	14.6	100.0%	76871	100.0%

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New products will create busy year

Toyota claimed 36 per cent of last year's passenger car market with 2,202 sales, while Ford nudged Holden into third with a one per cent advantage.

The blue oval sold 534 units for a nine per cent market share and the lion-and-stone moniker secured 467 sales.

Last month's private-business transactions split, which excludes SUVs, saw 2,356 units – or 87.2 per cent – of Toyota's total 2,702 sales go to the business sector.

Ford secured a similar split – its 597 business sales represented 84.8 per cent of its 704-unit total.

However, Holden returned a more even split.

In its December total of 583 units, 224 – or 38.4 per cent – were private sales and 359 – or 61.6 per cent – were business transactions.

Only Suzuki, with 59.3 per cent of its 415 sales being private, secured a higher percentage in this category among the top six marques.

"We were really pleased with our passenger vehicle and overall sales last year," says Michael Doeg, national sales manager of Holden New Zealand.

"It was a positive year with good increases over 2011. Our rise in sales amounted to 21 per cent and that was a few percentage points higher than the rest of the market."

Doeg is happy with Holden's performance across its range. The Captiva secured 2,506 sales last year, while the Commodore sold 2,439 units and the Cruze 1,864 units.

"We're looking to grow our volumes in 2013 and with new Holden product coming onto the

market it will be a busy year," he told Autofile. "We also have a few surprises for our customers in the near future."

A replacement Commodore will enter the market this year and the Malibu will replace the Epica as the marque's medium-sized car.

There will also be specification and modification upgrades across product lines.

"Last year, we saw a lot of fleets returning to the market because they needed to roll over and more private buyers came back," says Doeg. "There were also some competitive campaigns run by manufacturers.

"We have focused on our mix of private and business sales to strengthen our share of the market.

"Some manufacturers are more aggressive in business sales, but we will be focusing on increasing all areas during 2013 so we have a good business model, including great customer service."

Doeg describes the business market as a "competitive environment", with more companies foregoing brand loyalty in favour of financial considerations.

"Our portfolio of products is well-weighted between business and private buyers," he says.

"Our range has offerings suited to both private and business use. The Commodore, for example, sells more in the business sector.

"Cars such as the Captiva are more equally weighted to both sectors, while the Colorado is more business.

"Most of our other lines are weighted either way and we're looking forward to a good, strong 2013." ☺

Passenger Car Sales by Private/Business split (Does not include SUVs)

MAKE	PRIVATE	% PRIVATE	BUSINESS	% BUSINESS	TOTAL
Alfa Romeo	5	83.3	1	16.7	6
Aston Martin	1	100.0	0	0.0	1
Audi	16	30.8	36	69.2	52
BMW	29	40.3	43	59.7	72
Chery	11	31.4	24	68.6	35
Chrysler	4	44.4	5	55.6	9
Citroen	1	33.3	2	66.7	3
Daihatsu	17	65.4	9	34.6	26
Dodge	29	72.5	11	27.5	40
Ferrari	0	0.0	1	100.0	1
Fiat	7	63.6	4	36.4	11
Ford	107	15.2	597	84.8	704
Geely	0	0.0	1	100.0	1
Great Wall	26	38.2	42	61.8	68
Holden	224	38.4	359	61.6	583
Honda	104	77.6	30	22.4	134
Hyundai	105	26.8	287	73.2	392
Isuzu	4	28.6	10	71.4	14
Jaguar	1	100.0	0	0.0	1
Jeep	21	42.9	28	57.1	49
Kia	63	37.1	107	62.9	170
Land Rover	7	50.0	7	50.0	14
Lexus	22	59.5	15	40.5	37
Mazda	125	30.3	288	69.7	413
Mercedes-Benz	21	20.8	80	79.2	101
Mini	15	65.2	8	34.8	23
Mitsubishi	79	22.9	266	77.1	345
Nissan	182	34.7	342	65.3	524
Peugeot	25	36.2	44	63.8	69
Porsche	3	100.0	0	0.0	3
Renault	1	100.0	0	0.0	1
Skoda	9	23.1	30	76.9	39
Ssangyong	26	36.1	46	63.9	72
Subaru	26	20.6	100	79.4	126
Suzuki	246	59.3	169	40.7	415
Toyota	346	12.8	2,356	87.2	2702
Volkswagen	85	34.6	161	65.4	246
Volvo	1	33.3	2	66.7	3
Total	1994	26.6	5511	73.4	7505

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

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SUVs claim quarter of sales

Just over one out of every four new registrations last year was an SUV, with 26,052 units sold during 2012.

The top-selling SUV of the year was Holden's Captiva with 2,506 units, with Toyota's Highlander claiming the runner's-up spot with 1,799.

Hyundai's Sante Fe secured 1,733 sales and Toyota's RAV 4 sold 1,585 units. Ford's Territory rounded off the top five with 1,386 sales, with Mazda's new CX-5 just behind on 1,298.

Michael Doeg, of Holden NZ, says the Captiva 5 and 7 were among the marque's best performers last year, securing a 3.3 per cent market share.

While the Captiva has been on the market for a while, its sales have "grown every year" and

"updates in early 2012 revitalised the product line".

Doeg told Autofile: "When the Captiva came onto the market, it was our first serious SUV and has grown on the back of its own success."

Alistair Davis, of Toyota NZ, says: "Twenty-five years ago, our sales were dominated by sedans, hatchbacks and wagons and we sold just 48 SUVs. In 2012, we sold more than 4,000."

Boosted by the new Sorento R in November and demand for the Sportage, Kia increased its passenger vehicle sales by more than 22 per cent in 2012 to hit 2,907 units.

The Sportage was its most popular model with 790 registrations, or 27 per cent of Kia sales. It and the Sorento accounted

for almost 40 per cent of the marque's sales last year.

"There's been a growing trend for SUVs particularly compacts, which are just as handy around city streets as in rural locations," says Todd McDonald, of Kia Motors NZ.

"Drivers love the styling, versatility and high driving position of SUVs to give them a better view of the road and the extra room, which used to only be found in station wagons."

Peugeot ended 2012 on 1,012 units, up by 32 per cent year on year for its best result since 2007.

The marque says this reflects expansion into growing segments and aggressive pricing.

"This is largely due to the hard work of our dealer network,

supported by growth in the small and compact SUV segments with the launch of the 208 and 4008 during 2012," says Simon Rose, of Peugeot NZ.

"For a small market, globally, we have boxed well-above our weight to achieve a result to be proud of."

In the luxury car segment, BMW took first place with 1,646 sales ahead of Audi with 1,540 and Mercedes-Benz on 1,094.

Toyota took out the new passenger vehicles title, with the Corolla selling 5,324 units, while Suzuki's Swift was second with 3,316 sales.

Holden's Captiva came third, with the marque's Commodore fourth on 2,439 sales. Fifth spot went to Toyota's Yaris with 2,252 sales. ☺

NEW VEHICLE SALES BY BUYER TYPE - December 2012

	DEC '12	DEC '11	MTH%	2012 YTD	2011 YTD	% YTD
Passenger	4,244	3,630	16.9	50,218	44,021	14.1
Private	1,064	1,031	3.2	17,050	14,583	16.9
Business	1,492	1,168	27.7	22,791	20,979	8.6
Gov't	131	271	-51.7	2,812	2,759	1.9
Rental	1,557	1,160	34.2	7,565	5,700	32.7
SUV	1,823	1,656	10.1	26,052	19,260	35.3
Private	655	437	49.9	9,022	6,031	49.6
Business	873	769	13.5	14,031	11,133	26.0
Gov't	51	27	88.9	652	633	3.0
Rental	244	423	-42.3	2,347	1,463	60.4
Light Commercial	1,438	967	48.7	20,911	18,235	14.7
Private	275	161	70.8	4,007	3,398	17.9
Business	1,016	673	51.0	14,726	12,574	17.1
Gov't	90	75	20.0	1,503	1,400	7.4
Rental	57	58	-1.7	675	863	-21.8
Sub Total	7,505	6,253	20.0	97,181	81,516	19.2
Private	1,994	1,629	22.4	30,079	24,012	25.3
Business	3,381	2,610	29.5	51,548	44,686	15.4
Gov't	272	373	-27.1	4,967	4,792	3.7
Rental	1,858	1,641	13.2	10,587	8,026	31.9
Heavy Commercial	204	160	27.5	2,872	2,380	20.7
Other	41	35	17.1	531	465	14.2
TOTAL	7,750	6,448	20.2	100,584	84,361	19.2

NEW VEHICLE MARKET SEGMENTATION - December 2012

	DEC '12	DEC '11	MTH% DIFF	2012 YTD	2011 YTD	% YTD
Passenger	4,244	3,630	16.9	50,218	44,021	14.1
SUV	1,823	1,656	10.1	26,052	19,260	35.3
Light Commercial	1,438	967	48.7	20,911	18,235	14.7
Heavy Commercial	204	160	27.5	2,872	2,380	20.7
Other	41	35	17.1	531	465	14.2
TOTAL MARKET	7,750	6,448	20.2	100,584	84,361	19.2
Light	1,009	909	11.0	13,904	12,221	13.8
Small	1,996	1,423	40.3	21,038	16,901	24.5
Medium	731	787	-7.1	7,714	8,000	-3.6
Large	325	419	-22.4	5,209	5,341	-2.5
Upper Large	17	2	750.0	252	196	28.6
People Movers	80	46	73.9	856	463	84.9
Sports	86	44	95.5	1,245	899	38.5
SUV Small	465	250	86.0	5,610	3,348	67.6
SUV Medium	562	641	-12.3	9,180	7,045	30.3
SUV Large	773	732	5.6	10,902	8,564	27.3
SUV Upper Large	23	33	-30.3	360	303	18.8
Light Buses	22	29	-24.1	433	321	34.9
Vans	321	298	7.7	4,853	4,791	1.3
Pick Up/Chassis Cab 4x2	383	249	53.8	5,299	4,509	17.5
Pick Up/Chassis Cab 4x4	712	391	82.1	10,326	8,614	19.9
Heavy Commercial	204	160	27.5	2,872	2,380	20.7
Other	41	35	17.1	531	465	14.2
TOTAL MARKET	7,750	6,448	20.2	100,584	84,361	19.2

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Supply issues getting sorted

Toyota's domination of last year's new commercial sales, with its 6,628 units, represented 27.7 per cent of the market.

Ford was second with 3,481 units for a 14.6 per cent market share, while Nissan claimed third spot with 11.3 per cent and 2,714 sales.

Autofile contacted some dealers for their take on the past 12 months.

Guy Walker, of Central Motor Group in Taupo, is pleased with how the Ford Ranger and Mazda's BT-50 stacked up last year – and 2012 was notable for the amount of Toyotas being traded in.

"We've never traded in Hiluxes before," he says. "Toyota's product is pretty much the same, but we have different animals altogether."

Walker concedes there have been supply problems with the automatic versions of the BT-50 and Ranger.

They share the same drivetrains. While the global Ford gearboxes

have proved to be successful, this has resulted in a shortage of product nationally.

"That will be sorted out though and it will come right with time," says Walker.

"With new and used commercials, there's no lack of interest with would-be buyers queuing up.

"If we have got product, it will sell. We're just constrained

by getting our hands on stuff people want."

Michael Smith, dealer principal of Haven Motors in Nelson, says business has been improving year on year and January is "shaping up to be okay".

"We've had availability issues with utes," he says. "But the Amarok was released as an eight-speed automatic last year and that has helped."

Smith adds that people get a lot of ute for their money with the Amarok, which is 5,254mm long in dual-cab form.

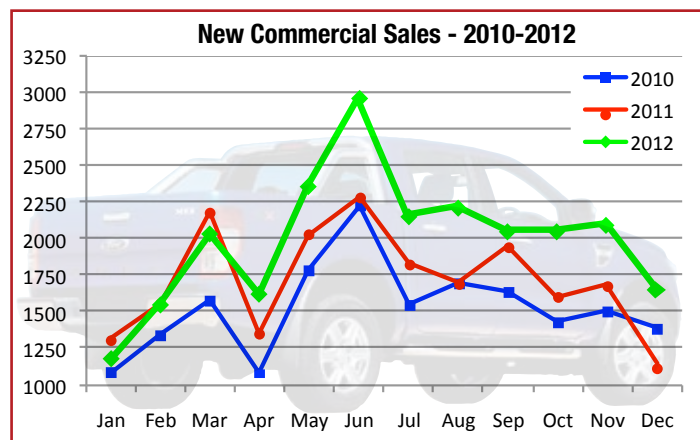
Noel Friend, of Ingham Great Wall and Chery in Hamilton, says Great Wall's V-Series – which comes in single and dual cabs with a V200 diesel or V240 petrol engine – is great value from \$20,990.

"We haven't been having problems with it and aren't getting any complaints," he says.

"That's the main thing and that's a good thing. No one's coming in wanting to trade them in yet."

Commercial registrations of 1,649 in December were 43.4 per cent – or 499 units – ahead of the same month in 2011, and were the highest total for the same month since 2000.

Last year, the three top-selling models were the Toyota Hilux with 4,182 units, Ford's Ranger on 2,815 sales and the Nissan Navara with 2,586 units. ☺



New Commercial Sales by Make - December 2012						
MAKE	DEC '12	DEC '11	+/- %	DEC '12 MKT SHARE	2012 FULL YEAR	2012 MKT SHARE
Toyota	500	301	66.1	30.3%	6628	27.7%
Nissan	187	81	130.9	11.3%	2714	11.3%
Ford	177	177	0.0	10.7%	3481	14.6%
Mitsubishi	158	83	90.4	9.6%	1132	4.7%
Holden	116	88	31.8	7.0%	1524	6.4%
Volkswagen	71	36	97.2	4.3%	995	4.2%
Mitsubishi Fuso	70	37	89.2	4.2%	508	2.1%
Mazda	69	47	46.8	4.2%	1132	4.7%
Great Wall	64	42	52.4	3.9%	800	3.3%
Isuzu	47	40	17.5	2.9%	888	3.7%
Hino	39	19	105.3	2.4%	428	1.8%
Mercedes-Benz	38	64	-40.6	2.3%	418	1.7%
Hyundai	16	38	-57.9	1.0%	489	2.0%
Fiat	14	9	55.6	0.8%	204	0.9%
Ssangyong	13	-	-	0.8%	259	1.1%
Freightliner	10	-	-	0.6%	124	0.5%
Alexander Dennis	8	13	-38.5	0.5%	116	0.5%
Iveco	8	-	-	0.5%	83	0.3%
Volvo	6	-	-	0.4%	168	0.7%
Daf	5	-	-	0.3%	122	0.5%
Scania	5	11	-54.5	0.3%	153	0.6%
Ud Trucks	5	-	-	0.3%	89	0.4%
Others	23	64	-64.1	1.4%	1469	6.1%
Total	1649	1150	43.4	100.0%	23924	100.0%

New Commercial Sales by Model - December 2012							
MAKE	MODEL	DEC '12	DEC '11	+/- %	DEC '12 MKT SHARE	2012 FULL YEAR	2012 MKT SHARE
Toyota	Hilux	320	136	135.3	19.3%	4182	19.2%
Nissan	Navara	178	80	122.5	10.7%	2586	11.9%
Toyota	Hiace	141	128	10.2	8.5%	2227	10.2%
Ford	Ranger	132	130	1.5	7.9%	2815	12.9%
Mitsubishi	Triton	105	40	162.5	6.3%	1223	5.6%
Holden	Colorado	97	57	70.2	5.8%	1332	6.1%
Mazda	Bt-50	69	47	46.8	4.2%	1132	0.0%
Mitsubishi	L300	52	43	20.9	3.1%	738	5.2%
Volkswagen	Amarok	48	25	92.0	2.9%	541	3.4%
Ford	Transit	40	34	17.6	2.4%	586	2.5%
Toyota	Landcruiser	39	37	5.4	2.3%	87	2.7%
Great Wall	V240	33	21	57.1	2.0%	417	0.4%
Mercedes-Benz	Sprinter	33	53	-37.7	2.0%	294	1.9%
Great Wall	V200	31	21	47.6	1.9%	383	1.3%
Mitsubishi Fuso	Canter	30	20.0	50.0	1.8%	242	1.8%
Hino	300	18	-	-	1.1%	110	1.1%
Mitsubishi Fuso	Fighter	17	-	-	1.0%	111	0.5%
Holden	Commodore	16	-	-	1.0%	146	0.5%
Hyundai	Iload	15	-	-	0.9%	279	0.7%
Isuzu	D-Max	15	-	-	0.9%	299	1.3%
Fiat	Ducato	14	-	-	0.8%	199	1.4%
Isuzu	N Series	13	-	-	0.8%	295	0.9%
Others		193	278	-30.6	12.4%	3700	7.3%
Total		1649	1150	43.4	100.0%	23924	100.0%

Problems finding good product

The next 12 months will be a year of "wait and see" for one dealer with more than four decades' experience in the used commercials trade.

Wayne Green, who owns Auckland Light Commercials in Takanini, describes business during 2012 as better than 2011, but with decent stock killed off by the lack of imports.

"I haven't imported anything since 1997 when they changed the rules," he says. "You can get something with 200,000km on the clock for \$11,000, but who wants that."

Green provides his own finance to customers and "wouldn't be operating without that because it means I can take a low deposit".

He told Autofile: "I don't have any ambitions from one month

to next week. I have my own customer base and have been dealing for more than 40 years.

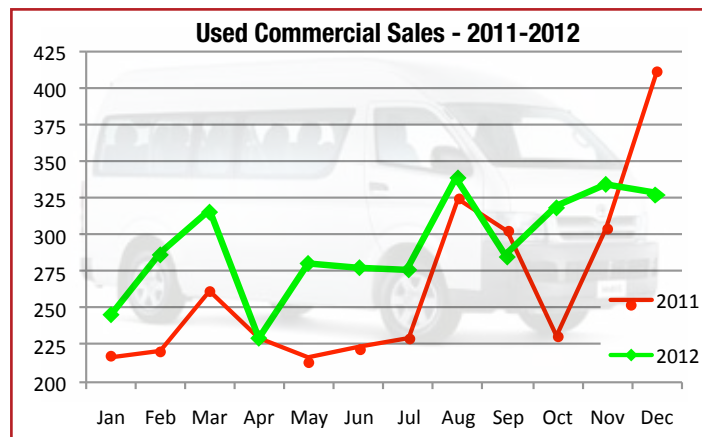
"As for this year, I will wait and see what happens but it's probably my experience that keeps me going."

Green experienced a bad patch from early July to September, when he failed to sell a single unit of his Toyota-only stock.

"I usually sell one vehicle a week and sold 29 for the remaining nine months and ended the year [financially] ahead of 2011."

Nationally, Toyota claimed 42.2 per cent of last year's market with 1,484 out of 3,516 units, while 1,093 Hiaces were sold for a 31.1 per cent market share.

Guy Walker, of Central Motor Group in Taupo, reports that used commercial sales are strong with



stock proving hard to get.

"Clean, good stock is the issue because there's no lack of buyers," he says. "We stay firm on prices – if something's priced well, we'll move it."

"We're feeling pretty bullish about 2013 and, year on year, have been doing better than previous years."

Nick Owens, of Auto Inspection Services in Christchurch, says: "In the past three to four months, there has been an increase in used commercials being imported, mostly with petrol engines.

"The quality hasn't been the best in the past, but we're starting to see some tidy ones, including some diesels and heavy.

"Previously, we dealt with commercials of 2007 and 2008 with box-body trucks, but anecdotally the market seems to be getting better for diesels."

"We try to keep some used commercials in stock and also our trades," says Noel Friend, of Ingham Great Wall and Chery, Hamilton.

"I haven't heard of changes to our uses this year, so we'll just get further into that used vehicle market." ☺

Used Commercial Sales by Make - December 2012

MAKE	DEC '12	DEC '11	+/- %	DEC '12 MKT SHARE	2012 FULL YEAR	2012 MKT SHARE
Toyota	150	77	94.8	45.7%	1484	42.2%
Nissan	54	127	-57.5	16.5%	724	20.6%
Ford	26	36	-27.8	7.9%	232	6.6%
Chevrolet	18	9	100.0	5.5%	119	3.4%
Isuzu	12	12	0.0	3.7%	148	4.2%
Mazda	11	31	-64.5	3.4%	215	6.1%
Mitsubishi	9	6	50.0	2.7%	104	3.0%
Fiat	8	10	-20.0	2.4%	51	1.5%
GMC	6	3	100.0	1.8%	29	0.8%
Hino	5	5	0.0	1.5%	90	2.6%
Peugeot	5	2	150.0	1.5%	11	0.3%
Renault	4	-	-	1.2%	13	0.4%
Volkswagen	4	6	-33.3	1.2%	39	1.1%
Mercedes-Benz	3	16	-81.3	0.9%	38	1.1%
Factory Built	2	7	-71.4	0.6%	15	0.4%
Holden	2	6	-66.7	0.6%	27	0.8%
Citroen	1	-	-	0.3%	8	0.2%
Dodge	1	3	-66.7	0.3%	25	0.7%
Land Rover	1	-	-	0.3%	5	0.1%
LDV	1	-	-	0.3%	1	0.0%
MAN	1	46	-97.8	0.3%	32	0.9%
Studebaker	1	-	-	0.3%	1	0.0%
Suzuki	1	-	-	0.3%	16	0.5%
Others	2	10	-80.0	0.6%	89	0.5%
Total	328	412	-20.4	100.0%	3516	100.0%

Used Commercial Sales by Model - December 2012

MAKE	MODEL	DEC '12	DEC '11	+/- %	DEC '12 MKT SHARE	2012 FULL YEAR	2012 MKT SHARE
Toyota	Hiace	114	36	216.7	34.8%	1093	31.1%
Nissan	Caravan	24	61	-60.7	7.3%	262	7.5%
Nissan	Navara	13	14	-7.1	4.0%	98	2.8%
Toyota	Dyna	13	6	116.7	4.0%	119	3.4%
Isuzu	Elf	9	8	12.5	2.7%	81	2.3%
Fiat	Ducato	8	10	-20.0	2.4%	49	1.4%
Mazda	Bongo	8	26	-69.2	2.4%	171	4.9%
Nissan	Vanette	8	30	-73.3	2.4%	278	7.9%
Toyota	Regius	8	6	33.3	2.4%	108	3.1%
Toyota	Toyoace	8	7	14.3	2.4%	41	1.2%
Chevrolet	Silverado	7	-	-	2.1%	43	1.2%
Nissan	Atlas	7	14	-50.0	2.1%	68	1.9%
Ford	Transit	6	6	0.0	1.8%	124	3.5%
Peugeot	Boxer	5	-	-	1.5%	9	0.3%
Ford	Falcon	4	-	-	1.2%	22	0.6%
Toyota	Hilux	4	-	-	1.2%	21	0.6%
Ford	F250	3	-	-	0.9%	7	0.2%
GMC	Sierra	3	-	-	0.9%	20	0.6%
Mazda	Titan	3	-	-	0.9%	42	1.2%
Mitsubishi	Delica	3	-	-	0.9%	32	0.9%
Renault	Master	3	-	-	0.9%	8	0.2%
Volkswagen	Crafter	3	-	-	0.9%	21	0.6%
Others		64	188	-66.0	19.5%	799	22.7%
Total		328	412	-20.4	100.0%	3516	100.0%

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