

autofile

Trade Me issues listings warning

A used car dealer has been issued with a "stop now" notice by Trade Me after the website raised concerns that its classified listings asked would-be buyers to take part in competitive tenders.

Jon Duffy, head of trust and safety, says the matter was brought to the attention of the site, which acted swiftly to apply the brakes to the practice.

"Within the text of its classifieds on Trade Me, the trader was saying vehicles were for sale by

competitive tender," he told Autofile.

The Consumers' Guarantees Act (CGA) doesn't apply to sales by auction and tender, although that will change when the Consumer Law Reform (CLR) Bill comes into practice.

"They were putting in a clause saying the vehicles were to be sold by tender," says Duffy. "We were uncomfortable with that because it was misleading and avoids CGA obligations that would otherwise have applied."

Practices adopted by Ezybuy Car Auctions Ltd, which is based in

Penrose, Auckland, have also been highlighted by the Motor Vehicle Disputes Tribunal (MVDT).

Adjudicator Chris Cornwell has raised his concerns over the trader's use of tenders in a report to the government and has referred other matters to the authorities.

An inquiry, launched in January 2012, is also being carried out by the Commerce Commission.

"Our response is limited as we are investigating Ezybuy Car Auctions Ltd," a spokesman told

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'Goodwill' shown in takeover

JEVIC New Zealand has met with the board of Vehicle Inspection NZ to ensure a smooth transition of ownership following its successful takeover bid.

The company received acceptances representing 100 per cent of VINZ shares by the 5pm deadline on February 14.

The offer went unconditional in

respect to conditions in the offer document – some were satisfied, others waived – and payments were due to be made to VINZ shareholders on February 21.

"We are delighted to have secured acceptances from all shareholders for our increased offer," says Euan Philpot, chief executive of JEVIC NZ.

"That our offer received unanimous support shows we enjoyed a high level of goodwill through the transaction."

He adds this has helped to streamline the rest of the offer process because JEVIC NZ doesn't need to compulsorily acquire shares.

"We've started working with

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Four-door coupé enters M range p16

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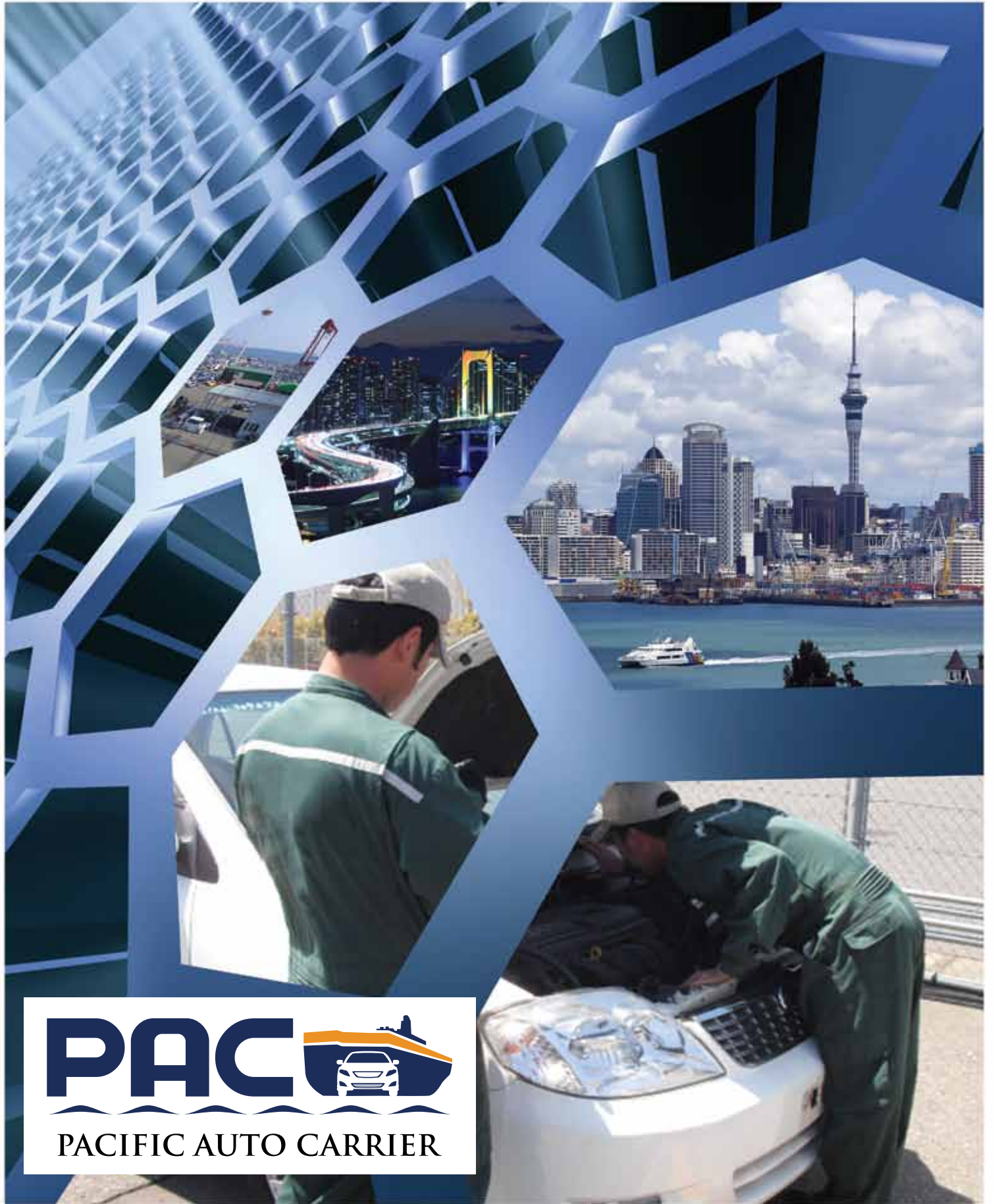


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Holidays are time to get away from home and work, kick back and relax, catch some rays, take in the sights and culture, and tuck into plenty of tasty kai washed down with lashings of beer.

But, for some, there's a slight issue to that equation for bliss – working in this industry means that, in most places, vehicles are everywhere resulting in a kind of busman's holiday.

Take a trip to Thailand last year, for example. Solutions for clogged-up roads are everywhere, from water taxis navigating rivers to fume-belching tuk-tuks.

One issue overlooked back then was end-of-life tyres (ELTs). The Thais love their royal family and pictures of them in huge frames adorn the sides of roads.

These frames have claw feet, with the bottom two often placed into ELTs for balancing purposes.

This idea could be put to similar use here. Imagine photos of our queen – or Gerry Brownlee and his merry men – brightening up mighty Aotearoa along SH1, all propped up by used rubber.

These posters could come with a "fill in your own score box", so punters can insert "consumers 10, automotive industry 0" – the irony being, of course, that people in this industry are also consumers.

A trip the Hokianga illustrated one serious matter. A product stewardship scheme is desperately

needed for worn-out tyres – and even possibly vehicles judging by the amount of wrecks dumped in fields by unsealed roads.

A few hours messing about on a quad bike illustrated they're only dangerous if the rider doesn't know what he's doing, breaks the rules, discards the skid-lid or is tanked up.

However, for a biker, a thumb-operated lever on the handlebars created a few problems by the throttle not being operated by the wrist.

As for dune buggies, they should only be handled by experts. Sandtrails in Mitimiti boasts one that's basically a Volkswagen engine mounted onto a "Kiwi can-do" frame.

Talking about can-do, the automotive industry is showing buckets of it, according to the first batch of statistics in 2013.

There were 17,119 sales in the combined vehicle market, which includes New Zealand new and first-time registered used imports. This was up by 12 per cent – or 1,818 units – compared to last January.

The franchises started the new year at about the same level as January 2012 with new passenger vehicles, but with a slight sales drop of 1.5 per cent.

Last month proved to be a bumper one for used cars, which jumped by 16 per cent to 7,397 sales.

Taking into account January is normally slower than most months that follow, these figures are a solid foundation.

The new emissions rule massively affected used imports in 2012, but it's good to see arrivals record an impressive year-on-year increase from 3,191 to 4,484 units.

The dollar's strength against the yen and pound is playing its part and there's more qualifying Japanese stock to import.

However, manufacturers and trade associations there – such as the Japan Automobile Manufacturers' Association – are fiercely lobbying their government to get the high yen under control to bolster competitiveness and profits on exports.

Used UK imports returned their highest month. Sterling may rise slightly over the coming months and it's unlikely to return to pre-meltdown levels for some time, while interest rates there are showing little upwards movement.

One area of the statistics that raised a smile was used commercials and its 75 per cent year-on-year sales increase for its best month since December 2009.

This sector struggled during 2012 – from the lack of qualifying stock and trade-ins dropping off, to decent vehicles being thin on the ground.

The only used commercial dealers to have a good time were those who held onto stock, or imported a few years back.

They reaped basic supply and demand rewards – you can get a lot for what you've got when there's a dearth of it available.

Let's make the most of some good news because who knows when the Minister of Transport is coming to a billboard near you.

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Group's sales revenue soars

A motor vehicle dealer group has reported a total profit increase of 20 per cent to \$6.5 million for the six months to December 31.

The Colonial Motor Company (CMC) Ltd's after-tax trading profit of \$5.7m was down by three per cent on the corresponding comparable period, while non-trading items included a \$400,000 write-back of deferred tax.

Sales revenue of \$298m was up by 11 per cent, while the interim dividend of nine cents per share was unchanged for the country's only NZX-listed dealer group.

Chairman Jim Gibbons says the industry has been buoyant, with new vehicle registrations – including cars, light commercials and heavy trucks – in the year to December 2012, exceeding 100,000 units for the first time since 2007.

Within that, Ford's share grew from 10.2 to 11 per cent, while Mazda's share dropped from seven to 6.3 per cent.

"The market continues to shift to SUVs from large and medium cars," says Gibbons. "Even though sales grew, supply shortages – especially of the Ford Ranger – meant the full potential was missed."

In October, CMC introduced an extra brand to the group by opening a new dealership, Hawkes Bay Nissan, on a leased facility in Hastings.

It operates the Nissan franchise for the Hawkes Bay and has made a "successful start" since opening.

"Truck orders – in particular for DAF – remain strong with consequential effects on our stock up \$17.9m, and our bank borrowing is up \$15.9m on six months ago," says Gibbons.

"The development of Southpac Trucks' new workshop facility in Manukau city was completed on schedule in December.

"The site adjoins the existing Wiri Station Road property and consolidates Southpac's Auckland operations onto one location."

In a letter to shareholders, Gibbons also highlights property for sale.

"Following the move of our Porirua operations to a smaller location in August, we have entered into an unconditional contract of sale for the vacated property," he says.

The property previously occupied by Capital City Motors has been reclassified, resulting in the reversal of the deferred tax liability to the tune of \$400,000. ☺

At a glance

The Colonial Motor Company Group sells and services a wide range of vehicles.

These include Case IH and New Holland tractors, Kenworth and DAF heavy trucks, Suzuki motorbikes and Ford and Mazda cars, as well as its



recently acquired Nissan and Hyundai dealerships.

Each dealership is managed locally under the control of a dealer principal, who reports

monthly to the chief executive.

The Wellington-based and Kiwi-owned public company is listed on the stock exchange. The group chairman is Jim Gibbons, pictured.

Major shareholdings are held by members of the wider Gibbons family. They collectively have more than 60 per cent of the company's shares.

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Traders need to be accurate

Autofile. "The investigation relates to alleged Fair Trading Act breaches arising from motor vehicle sales."

Trade Me didn't wish to comment on tender process itself, but insists its classifieds must accurately represent the vehicles being sold.

Duffy says asking prices on classifieds aren't necessarily what buyers end up paying because people often go onto car yards as part of the process and may choose to add extras to vehicles.

But he insists vehicles should be

'stop now' letter with a deadline of less than five days to comply, or its account would have been terminated.

"It was close to that when Ezybuy decided to cease trading on the site. It has recently started trading again on Trade Me with listings and auctions [as Ezybuy Motor Warehouse].

"We've been told this trader has since reviewed its business model in light of the freight train bearing down in the shape of the CLR Bill and the CGA."

"For dealers to list classifieds and then run tenders to sell cars, and have no comeback on them, is a terrible for consumers," he says.

"Perhaps traders will have to think more about the sort of vehicles they acquire to on-sell in the future.

"Certain vehicles may end up costing dealers more than what they got the car. Changing business models now could end up foreshadowing changes to the industry.

"The majority of people aren't

well-informed and we must act for the majority."

Trade Me took action against Ezybuy after reviewing its listings and on the basis classified transactions are predominantly completed off-site.

"In particular, if there are more MVDT rulings against this trader, we will review its status," says Duffy. "We reserve the right to review any membership on Trade Me.

"All dealers must behave ethically and legally on the site, and follow our terms and conditions. If there are significant concerns about ethics, and instances of members suffering, membership will be refused.

"Trade Me keeps an eye on all such matters and interested parties in these issues, and we also do our own checks."

"We issued the trader with a 'stop now' letter with less than five days to comply."

– Jon Duffy, Trade Me



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available to buy at the asking price and without any extras, should the consumer choose to do so.

"When the buyer has to go that extra step on the classified price by making a tender, for example, that's a false representation," he says.

"We wrote to Ezybuy at the end of October or start of November to highlight these and other concerns.

"At the time, the trader was charging a compulsory fee to, among other things, include guarantee to title.

"We place an obligation on all traders that vehicles must come free of encumbrance. We decided it wasn't fair play to charge a fee and asked Ezybuy to cease doing that."

Duffy describes the trader's upfront prices on classifieds as "misleading" and the exact amount of the fee wasn't disclosed on the adverts.

Trade Me was also concerned about the large number of MVDT rulings against the company in the preceding 12 months.

"We raised these issues with Ezybuy, which effectively put its membership in limbo," he says.

"We issued the trader with a

Duffy says Trade Me reacting to forms of "competitive tendering" is likely to fall away because of impending consumer law changes.

"At the moment, we have the CGA applying to classifieds but not to vehicles sold via auctions," he explains. "An auction can be competitive, but with the 'buy now' loophole thrown in so the CGA doesn't apply."

Duffy's trust and safety team keeps a close eye on motor vehicle sales, but that doesn't mean Trade Me is singling out traders.

"There are many things that can go wrong and many areas traders must comply with," he says.

"This issue was, in part, about running competitive tender adverts through classifieds and this dealer hasn't been alone.

"We've had another trader doing the same thing, but it was co-operative and amended its listings as soon as we made the first approach."

Duffy says it's worth emphasising the loopholes some traders go through to avoid their obligations, but business models based on that are unlikely to go undetected.



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Rulings made against tenders

DISPUTES TRIBUNAL

Chris Cornwell, the Auckland adjudicator for the MVDT, raised Ezybuy Car Auctions Ltd in his annual report to the Minister of Consumer Affairs.

He highlighted what he describes as “sham tenders” with the issue arising because of section 41 of the Consumer Guarantees Act (CGA), which states the law doesn’t apply to auctions or competitive tenders.

Cornwell’s report states Ezybuy gets customers to acknowledge in writing they have bought via competitive tender on an “as is, where is” basis. “In fact, no such tender process takes place,” he states.

Autofile is aware of six applications heard by the MVDT in relation to the trader since January 2011.

Heard on May 19, 2011: Kere Croft bought a 2003 Ford Transit Coach for \$14,500. Within two months it needed major repairs.

The tribunal ruled the sale wasn’t by competitive tender, the CGA applied and the vehicle wasn’t of unacceptable quality.

It also decided the buyer had wrongly been overcharged in fees to the tune of \$260.

June 10, 2011: Martin Prinsep paid \$9,860 for a 2001 BMW 540, but there were problems with the cooling system.

It was ruled the car wasn’t sold by competitive tender, so the CGA hadn’t been excluded. The tribunal ruled the trader had to pay for the repairs after declining to have it fixed.

August 13, 2012: Tere and Ina Isaaka bought a Honda Odyssey for \$6,900, which had no consumer information notice (CIN) displayed. They rejected it within 10 weeks.

The tribunal ordered the \$3,200 deposit to be refunded and vested



Ezybuy Car Auctions Ltd is now dealing on Trade Me as Ezybuy Motor Warehouse

Legal basis for action

The MVDT has alleged that Ezybuy – by having buyers sign a “tender form” and “rules of auction tender” that excluded warranties – breached section 43(4) of the Fair Trading Act (FTA) 1986.

The law states suppliers and manufacturers commit an offence against section 13(i) of the FTA when purporting “to contract out of any provision of this act, other than in accordance with sub-section two or section 43a”.

The tribunal cannot act against motor vehicle traders for such breaches, but has forwarded its decisions to the Commerce Commission, which is responsible for investigating and starting proceedings if an offence has taken place.

the finance agreement on the trader.

It ruled various faults, including the engine surging and stalling, pre-existed at the time of sale, which wasn’t a competitive tender.

October 4, 2012: Zora Feilo-Makapa spent \$2,060 on a 1994 Nissan Cefiro with no purchase price on the CIN.

It billowed black smoke two days later and the tribunal was informed the engine needed replacing at a cost of \$2,688.

The tribunal decided the trader

refused to pay for the repairs and the CGA applied to the sale because it wasn’t a competitive tender.

November 26 and December 17, 2012: Karen Sweatman bought a 2001 Toyota Estima for \$7,760 and one week later the engine failed.

The buyer alleged Ezybuy refused to repair it.

Her rejection was upheld and the trader ordered to refund the purchase price. The trader claimed the car was supplied by competitive

tender, but the tribunal disagreed.

The sixth application was highlighted by Cornwell in his annual report to the government, which covered the period from July 1, 2011, to June 30, 2012.

Maria Barber bought a 1997 Land Rover Discovery for \$5,760 and applied to reject it after it overheated within two weeks of purchase.

The buyer claimed Ezybuy’s manager Mr Clarke told her it was sold “as is, where is” and the trader wasn’t responsible for fixing the fault. At the hearing, she produced a “tender form” signed at purchase.

“The tribunal was satisfied the vehicle wasn’t supplied by tender,” says Cornwell. “There was no evidence competing offers had been made.

“The CGA hadn’t been excluded. The vehicle wasn’t free from defects at sale because it overheated after a few hundred kilometres of use.

“A mechanic’s report listed 17 faults, many of which raised the question as to how the vehicle obtained a warrant of fitness. The tribunal had little doubt it didn’t comply with the guarantee of acceptable quality.”

Cornwell adds the tribunal was satisfied “the trader had shown no inclination” to repair the car and ordered a full refund.

“Since this application was heard in August 2011, there have been seven other applications filed against Ezybuy,” he says. “Each has involved the completion of a ‘tender’ offer by the purchaser.”

Of those applications filed, six were settled “a day or two” before the hearing date.

Cornwell adds: “Although the tribunal isn’t always told the settlement details, it understands that in most cases the purchasers have received a full refund.” ☺

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Better offer boosts takeover

the outgoing board to ensure a smooth transition," says Philpot.

"We look forward to sitting down with VINZ's senior management team to better understand the business."

This will be carried out on a function-by-function and location-by-location basis to identify potential synergies throughout the inspection supply chain.

Philpot feels a number of factors boosted the takeover bid. These included the increased offer of \$2.15 per share, the support of VINZ's board, clarity about the Vehicle Licensing Reform (VLR) and a positive response from VINZ shareholders.

Ken Worsley, chairman of VINZ's board of directors, says: "Full ownership will avoid the uncertainty for minority shareholders, which would have



Changing of the guard – Ken Worsley, left, and Euan Philpot

existed had the takeover been only partially successful."

He believes a sole shareholder with strong background in the industry will provide improved security and control for VINZ "in these uncertain times" in respect to the government's announcement on changes to the

warrant and certificate of fitness (WOF and COF) regimes.

"VINZ is an established concern with skilled and committed staff and, under JEVIC NZ ownership, it will no doubt continue to prosper," adds Worsley.

Last month, JEVIC NZ increased its offer to \$2.15 a share from the \$1.65, valuing VINZ at \$5.4 million.

This resulted in VINZ's directors announcing they were selling their holdings into the takeover offer and recommending other shareholders follow suit.

The \$2.15 offer was close to the middle of a value range in Simmons Corporate Finance's independent adviser's report.

The shares were listed on the unlisted securities trading facility and JEVIC NZ had lock-up agreements with four shareholders, who held about 18.5 per cent of VINZ.

WINDS OF CHANGE

The scale of VLR changes is in line with what JEVIC NZ expected when it made its offer for VINZ.

Euan Philpot says the government's announcement means inspection volumes will reduce from 2014, impacting on fees and commissions for services providers.

"The changes will increase competition, encourage new entrants in some areas and drive industry consolidation," he says.

"However, they will also create opportunities for businesses best able to weather the storm and VINZ will enjoy the support of a

patient backer prepared to make the necessary investment.

"It's an ongoing reform process. That will mean continued disruption to the inspection industry for up to 24 months."

Philpot says the WOF changes are of the level expected and will reduce costs to consumers.

By talking about "extra education and communication measures to encourage New Zealanders to keep their vehicles roadworthy", the government wants owners to understand the onus for compliance will shift onto them.

Philpot believes this creates opportunities for inspection companies to develop new services and build deeper relations to increase customer loyalty.

He adds: "A more flexible COF licensing regime will enable safe operators to reduce costs, which will benefit the economy, and create opportunities for inspection providers to develop new and different service strategies to assist transport operators."

Ken Worsley says there will be changes to the frequency of WOF and COF inspections, and to the COF regime by permitting other approved parties to conduct inspections.

"Details of the criteria are unknown at this stage and we cannot quantify what level of interest or uptake will emerge from the process," he says.

"The VLR announcement is more or less in line with our expectations and the changes will impact on the business of VINZ.

"The market size for WOFs will reduce significantly and the COF market will be more challenging with the possible entry of new inspecting parties. Both changes will reduce VINZ's revenues.

"As far as the JEVIC NZ takeover was concerned, the likely changes were taken into account in the share price value range calculated by Simmons Corporate Finance in its independent report." ☺



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MG's comeback on Kiwi market



The MG6 fastback

Fresh life is being breathed into an iconic marque on these shores – and before our neighbours across the ditch can get their hands on the stock.

Three dealerships in New Zealand have been signed up to sell MGs, with the marque being handled here by British Motor Distributors (BMD).

Four MG6s have already been sold, with a target of 30 units set for this calendar year.

BMD – a branch of the Archibald Motor Group that sells European luxury cars such as Audi, Porsche, Jaguar, Land Rover and Volvo – also needs more franchises to sell the Chinese-made sedan and hatchback.

The 80-year-old marque, which is owned by Shanghai Automotive Industry Corporation (SAIC), is planning to release more models – including the smaller MG3 light hatch – later this year.

“We’ve just started selling and that’s going well,” Kerry Cheyne, BMD’s operations manager, told Autofile.

“We had four registrations during January with a few more on the go. Up to recently we have

been showing the car off.”

Eight MG6s were imported by BMD last year to take around the country and the model made two appearances at Hampton Downs last month, one as the VIP car at the NZ Festival of Motor Racing.

“The traffic on our website has gone up massively and we’re expecting more feedback,” says Cheyne.

“I’ve been driving these cars for

which bought MG Rover in 2005.

SAIC is rebuilding the brand by using MG’s designers and engineers in Birmingham, England, to design new models including the MG6, MG5 small car and MG3.

All models are built in China, with some parts shipped for assembly in the UK where the MG6 races it in the British touring car series.

MG sits alongside SAIC’s domestic luxury range, Roewe. This name is a

“We’re looking at 30 vehicle sales in the first year.” – Kerry Cheyne, BMD



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a year. I’m not just saying this, but I know how good they are.”

From \$29,990 plus on-road costs, Cheyne describes the MG6 Magnette sedan and GT hatch in S, SE and TSE specifications as “well-priced”.

All are powered by a 1.8-litre turbocharged petrol engine. This can propel the car, which is larger in size to Holden’s Cruze, from 0-100kph in 8.5 seconds. A 1.9l diesel engine is said to be in the pipeline.

MG’s Kiwi franchises are Paul Wallace European in Christchurch, Autohaus Rotorua and Gazley in Wellington.

“There are site changes going on in Wellington and there are some moves internally with our sites,” says Cheyne.

“We’re starting up slow and light, and looking for expressions of interest to represent the brand. In June or July, we hope to launch our small car. It’s going to be a bright future.”

BMD is having talks in Auckland about franchises there, while it’s also targeting Hamilton and Dunedin.

The marque was acquired by SAIC when it absorbed Chinese rival Nanjing Automobile Group,

substitute for Rover because BMW owned the original moniker when it bought Land Rover before selling it to Indian company Tata.

Apart from China, MGs are sold in the Middle East, Africa, and South and Latin America, while Australia is a future market.

As well as the MG6 being built in right-hand drive, it qualifies for Europe’s safety and emissions standards. It scored four stars in its European NCAP crash test, above some western countries.

Originally called Morris Garages, MG is best known for its open-top sports cars and most recently the TF that’s still in production in the UK but what of the badge’s heritage now.

“You can look at every brand and ask how it relates to old models, but we’re trying to keep MG heritage’s values and turn this into a viable business,” says Cheyne.

“With the previous company, the cars were aspirational but it wasn’t a good business model. SAIC, however, has everything going for it.

“With the British touring cars, they will be going for the title this time after coming third after its introduction.”

[continued on page 12]

Start buying direct from the source

TWO WELL-KNOWN FACES IN THE automotive industry have established a secure marketplace for dealers to sell and buy cars, both here and overseas.

Autoport leaves the auction site model in its wake by providing an online offer and counter-offer system so traders can negotiate prices just as they would face-to-face.

The system gives buyers peace of mind because what they see online is what they will get, while Autoport takes care of money handling, vehicle inspection processes, freight and logistics.

The company's co-directors are David Paviour and Hamish Lusk, who founded AutoBase before selling the company last year.

AutoBase's catch-cry was "the dealer-only doorway to Trade Me Motors, providing online services and solutions to dealers and classified listings since 1999".

Now Lusk and Paviour have their sights set further afield with a direct line for dealers to buy vehicles, which saves money by cutting out the middle man.

"We will get stock from dealers in Japan before it goes to auction, so traders in New Zealand can buy direct and the system then deals with transport and logistics," explains Paviour.

"Dealers can buy with none of the delays of vehicles going to auction. Most cars on the site are reasonably priced and will work in this environment.

"We've found the right formula. Now we'll grow the site with stock and invite dealers to find something they want. Soon we'll have more and more better priced cars online."

Autoport co-founders Hamish Lusk, left, and David Paviour



HOW IT ALL WORKS

Dealers who have uploaded to AutoBase or Trade Me will be able to put a car on Autoport, it's that simple.

1 Sellers load vehicles onto www.autoport.net with a free on-board price by using the web-based management system. Data can also be received in electronic format as an export from stock systems.

2 Buyers search for stock on Autoport, which also emails additions, pre-saved searches and vehicles wanted listings. These are easy to manage, and turn on or off.

3 A buyer negotiates with the seller using the offer and counter-offer process, or agrees to the asking price via the buy-now option.

4 The buyer pays the full amount to Autoport, which is then instructed to send the car to port. An inspection company verifies the condition is as advertised and the vehicle is booked on-board.

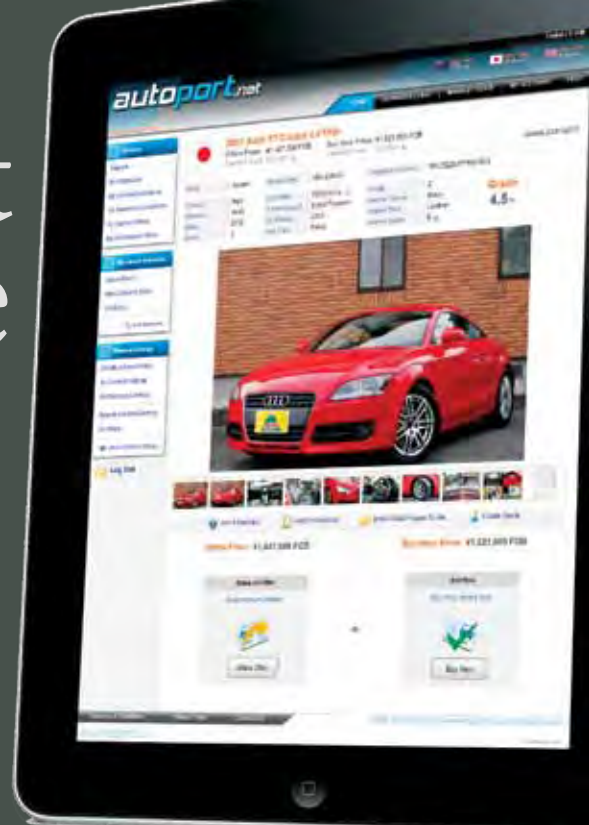
5 After being confirmed on-board, Autoport pays the seller in local currency.

"After checking the vehicle online and the price being agreed, the car is independently verified to see if it's a fair representation of the vehicle, as advertised," Lusk explains.

"If it doesn't reflect the vehicle as advertised, the buyer is given the option to proceed or not.

"Autoport has checks and balances. We cannot run dealerships, but will ensure as much information as possible is available and correct.

"The rest is up to dealers to run with, just like they do now, only the vehicle will go through fewer hands, hence savings to the buyer."



Autoport also offers a vehicles wanted service and it doesn't cost a cent to be a regular member.

"There's no cost to list vehicles on the local market, so dealers can list on Autoport at the same time they list on their websites, which increases market opportunities," says Lusk.

"Our independent trading platform has robust and reliable systems, and is about good prices with low risks and no surprises."

Autoport has secured the services of a reputable and experienced representative in Japan and is looking to grow the team.

"Right now we're looking for a New Zealand-based sales rep, an administration manager and an IT support person," says Lusk.

Paviour adds: "There's a bit of way for us to go, but dealers here need a wholesale listing system.

"Japan is the biggest market, but some cars will come from the UK, and next month we should have a much larger range to choose from."

Paviour says massive savings are there for the taking. It may take a dealer 10 days to get a car to the right auction in Japan. If it doesn't meet its reserve price when listed, it may not sell for 10 more days.

This is time the vehicle could be on sale to Kiwi dealers and buyers have access straight away via listings on www.autoport.net.

"There's a groundswell of dealers in Japan who want to sell in this way, but don't know how to organise it at their end," says Paviour.

"They will check the chassis number and model code on three-digit stock and grading will be reliable. They are small traders who know their cars and information on quality will be properly managed"

autoport.net

David Paviour: (09) 903-0711 david@autoport.net

Hamish Lusk: (09) 903-0712 hamish@autoport.net

www.autoport.net

[continued from page 10]

Growth in China marches on

This is one example of the marque reclaiming its proud past, while "more MG genes will be put back into new models".

Cheyne adds: "The designers and marketing people are brand-orientated and aren't a bunch of newbies."

Then there's the train of thought owners of "300hp monsters" need to drive something on a daily basis – and those needs can be met by MG.

"When we're selling 24,000 units a month in New Zealand, perhaps MG can think about a 700hp front-wheel-drive rocket," quips Cheyne.

"Seriously though, I would love to see an aspirational open-top MG roadster. That will only come after the small, medium and SUV models."

The next milestone is Shanghai Motor Show in April, when MG's full



The MG6 GT being put through its paces

model line-up will be unveiled.

With the Chinese flexing their muscles in right-hand-drive export markets, the marque will be looking to bring out a diesel MG6.

The mid-sized MG6 is likely to be followed by the 1.5l MG3 and the 1.8l MG5 with variants. There's also talk about a compact crossover called the Icon.

"SAIC produced more than four

million cars last year and that's good growth," says Cheyne.

"It's looking to add production in Thailand to service its markets. If production is split, we'll take cars from wherever they're produced but SAIC will be adding to its production capacity."

Cheyne uses one word to describe SAIC's potential and that's "big".

In December, sales in China for the domestic market topped 5,200 MG3 units, 840 MG5s and 3,500 MG6s. Add Roewe and the month resulted in 24,000 units sold.

As for MGs being built in Thailand from next year, that will be under a venture between Charoen Pokphand Group and SAIC.

It's likely to result in all models being shipped to Australasia under free trade agreements with the south-east Asian country.

The Thai factory is expected to be completed by 2014 with an initial capacity of 50,000 cars a year, eventually increasing to 200,000.

The expansion will relieve pressure on SAIC's production facilities in China, where it sold a record 4.49 million cars in 2012 – up 12 per cent over the previous year.

SAIC has joint ventures with the two biggest foreign brands in China, General Motors and Volkswagen, although MG and Roewe accounted for 200,000 sales.

In New Zealand, MG's future may follow a similar vein to another English icon, the oak tree – the marque aims grow tall from a small acorn.

"We're looking at 30 vehicle sales in the first year," says Cheyne.

"At the moment, our marketing relates to that."

STACKING UP THE STATS

SAIC is the biggest car manufacturer in the world's largest domestic automotive market.

Last year, it made 3.64 million cars in China alone with GM under the Buick, Volkswagen, Chevrolet and domestic Wuling brands.

SAIC sold 4.49m units worldwide during 2012, up 23 per cent on the previous year.

Roewe, its China-only brand, and MG totalled about 200,000 units last year, up 23 per cent on 2011 and the biggest percentage growth in the SAIC group's automotive divisions.

Shanghai General Motors, SAIC's venture with GM, had 13.8 per cent growth to sell 1.39m cars.

Its venture with Shanghai VW posted a 12 per cent increase in 2012, selling 1.28m units, while SAIC-GM-Wuling partnerships grew by 12 per cent to 1.46m units.

In China, the Roewe 750, 550, 350 and W5 models have been introduced, while the MG7, MG6 and MG3 completed the first phase of establishing the marque.

The second generation of Roewe and MG models was launched last year, with the Roewe 950 executive model and the MG5 mid-sized sporting hatchback.

Models to be made at its new Thailand plant are yet to be revealed, but they should have few problems meeting Australasia's crash safety and emissions regulations, while the MG6 has passed ADR approval. ☺

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NEWS in brief

Government unveils changes at the Beehive

The Minister of Transport, Gerry Brownlee, pictured, is taking over responsibility for the Vehicle Licensing Review (VLR) from Simon Bridges.

Michael Woodhouse has replaced Bridges as Associate Transport Minister but his delegation will not include the VLR, as stated in the previous issue of Autofile.

Woodhouse will be responsible for policy, development and making Land Transport Rules and regulations, including having a daily oversight of existing rules and regulations unless otherwise advised.

He also takes on responsibilities relating to the Safer Journeys Action Plan and other road safety matters, including those relating to the road toll, coroners' reports and existing road safety policy.

Some of his other responsibilities relate to road policing, rail safety, public transport – but excluding the public transport operating model, Christchurch and Auckland public transport, and metro rail – and accessibility, disability, walking and cycling issues.

In addition to becoming Minister for Consumer Affairs, where he will oversee the Consumer Law Reform Bill, Craig Foss is also Associate Minister for ACC.

Bridges, who is now in cabinet with the energy and resources and labour portfolios, is also Associate Minister for Climate Change Issues.



New distributor appointed to oversee nine marques

Chrysler Group International has announced that Fiat Chrysler NZ Ltd has been created to distribute and service vehicles for various manufacturers.

These are Chrysler, Jeep, Dodge, SRT, MOPAR, Fiat, Fiat Professional, Abarth and Alfa Romeo in New Zealand.

Chrysler says it appreciates the service provided by Sime Darby and Ateco Automotive Group, which previously distributed the brands. The new entity, effective from May 1, will be based in Auckland.

Japanese manufacturer takes out global title

Toyota is not only the best-selling marque in New Zealand, it has reclaimed the crown of world's biggest car maker of 2012 by outselling General Motors.

The Japanese company sold 9.75 million units last year. This 23 per cent gain allowed it to reclaim first place from GM, with Volkswagen coming third. GM sold 9.29m units and the German company sold 9.07m.

Nissan and Honda also returned record sales as Japan gave more signs of resurgence from disruption caused by its earthquake and the floods in Thailand. Nissan sold 4.94m units, while Honda sold 3.82m.

Lion and stone brand gets claws into league

Holden has signed a three-year, multi-million-dollar deal with the National Rugby League to sponsor State of Origin, the Kangaroos and the Holden Cup for under-20s.

The deal is the marque's first major football sponsorship in more than 15 years, and coincides with the release of the new VF Commodore and upgraded Cruze this year.

Trucking deal takes in most share of market

Commercial Autos Ltd (CAL) Isuzu Hamilton is the new owner of the Isuzu franchise TCL to create one of the country's biggest trucking firms.

The deal between CAL and the Stevenson Group, the former owner of TCL, increases CAL Isuzu's share of the truck market to almost 54 per cent nationwide. ☺

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The IMVIA Technical Report is proudly brought to you by leading certification service provider, VINZ
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Avoid problems with electronics

An IMVIA member recently sold a Nissan Bluebird Sylphy to someone who used it privately for about one month before deciding to turn it into a taxi.

He presumably had an unqualified technician set up the taxi meter and wiring components. He tried wires behind the glove box and under the bonnet on the left side.

The technician joined wires and probed others to fit the meter's componentry, soldering meter wires into the step motor wire. Within hours, the customer had transmission problems.

The dealer took it to a transmission expert, who interrogated the central processing unit (CPU) with a scanner. A fault code highlighted the stepper motor, so a new one was installed.

The transmission was refitted, tested and rescanned with the same code coming up. A later model tool produced the same result.

The expert suspected a CPU problem and recommended the car be taken to a dealer's workshop.

Before the vehicle went to Nissan, the owner arrived with his technician, who removed wiring and other components he had installed. The car was scanned by the dealer and the same fault was identified.

The transmission was removed and replaced with one supplied by a warranty company, and the codes were cleared and tested.

There's been no problem with the car since but the customer has since tried to reject it.

When the Motor Vehicle Disputes Tribunal (MVDT) delivers its decision, our member will have to take the buyer to the normal Disputes Tribunal to recover the costs to repair and replace the transmission.

The addition of equipment by someone with little knowledge, in my opinion, caused cross-feeding in the CANBUS system.

This caused the CVT's control unit and the CPU to interpret the signals as a transmission fault, putting the vehicle into limp-home-safe mode.

As the meter equipment was in the car when the transmission was expertly refitted, I believe cross-feeding continued to confuse the CPU.

When this equipment was removed, the fault codes remained in the CPU's memory. The codes hadn't been cleared, so it would continue to operate in safe mode.

If the fault code had been cleared once the equipment had been removed, it's likely the CPU would have cleared the safe mode for the car to operate normally.

There are untrained and



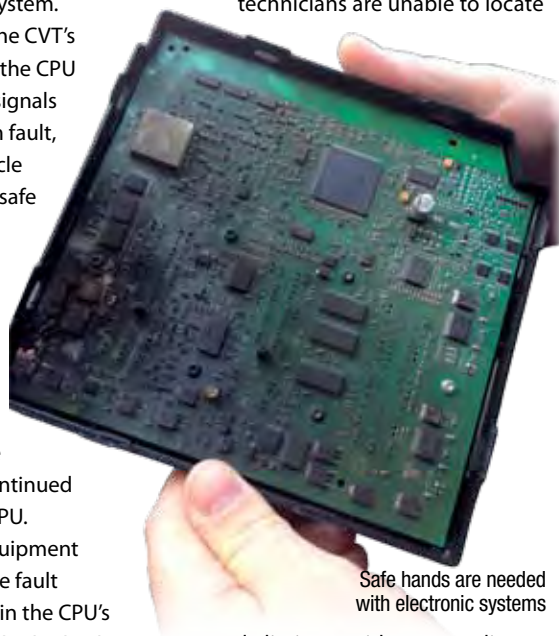
MALCOLM YORSTON
IMVIA Membership and
Technical Services Manager

unqualified installers out there who don't understand electronics in modern vehicles – they compromise manufacturers' equipment and road safety.

With systems getting more sophisticated, these people could be

putting lives at risk.

There are costs to buyers when installations throw up faults technicians are unable to locate



Safe hands are needed with electronic systems

and eliminate without spending an inordinate amount of time examining the electrical system.

I recall a MVDT decision a few years back. A Mercedes or BMW buyer had an alarm fitted, and then had problems with brakes and other items working incorrectly. The adjudicator was

very scathing of the installer.

This situation wouldn't occur in the aviation industry where there's much more regulation and only suitably qualified technicians are permitted to work on avionics.

While I'm against over-regulation, I'm starting to subscribe to having installers licensed or, failing that, a code of practice introduced.

Most installers doing things correctly will face increased compliance costs that will be passed onto consumers, but the cowboys need to be brought into line so road and public safety isn't compromised.

I've written to the NZTA, Motor Industry Training Organisation, Motor Trade Association and Vehicle Service Federation about the situation.

The NZTA has appointed an employee to start a preliminary investigation, who has canvassed trade associations to gauge the extent of the problem.

Some distributors' technical staff have provided information to the NZTA, via the Motor Industry Association, outlining issues uncovered.

Most good technicians have close relationships with franchises' parts departments, which normally provide wiring diagrams and model-specific information.

Ensure you use experienced, qualified installers when having after-market electronics installed in cars for customers, or to attract them, and ensure buyers don't come back with faults that can be attributed to the work. ☺



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Four-door coupé unveiled

The M6 Gran Coupé is the third model to enter BMW's M range.

Air cooling, chassis geometry, weight balance and aerodynamics have dictated the car's form, while there's a V8 engine with TwinPower Turbo technology under the bonnet.

The front is dominated by large air intakes, standard adaptive LED headlights and a chrome-fronted kidney grille.

From the side, the marque's first four-door coupé is distinguishable from the M6 coupé thanks to its rear doors and longer wheelbase.

The gills, aerodynamic exterior mirrors, high-gloss shadow line and 20-inch alloys underline the car's appearance as do twin exhaust tailpipes on the rear's outer edges.

Inside, sport seats and merino leather upholstery for the driver and

passenger are fitted as standard.

The engine produces 560hp. It has two twin-scroll turbochargers, a cross-bank exhaust manifold, direct petrol injection, variable valve timing and continuously variable camshaft control.

The 4,395cc unit creates peak torque of 680Nm between 1,500 and 5,750rpm, while maximum output is developed between 6,000 and 7,000rpm. The engine revs to a maximum of 7,200rpm.

The Gran Coupé goes from zero to 100kph in 4.2

seconds and has an electronically limited top speed of 250kph.

Average fuel consumption in the EU test cycle is 28.5mpg and CO2 emissions are 232g/km.

The seven-speed transmission's management system ensures the right gear is selected for optimum traction. It also has a launch control function for maximum acceleration, low-speed assistance for extra comfort and auto start-stop for efficiency.

The electronically controlled multi-disc limited-slip differential works with the dynamic stability control system to split drive between the rear wheels.

Arranged around the gearshift lever on the centre console are buttons used to configure adjustable powertrain and chassis functions.

Standard kit includes leather trim, heated front seats, multimedia navigation system and BMW ConnectedDrive features, such as a head-up display and park distance control.

A rear-view camera, high-beam assistant, speed-limit information, lane change and departure warnings, surround view and night vision with pedestrian recognition are optional.

New Zealand pricing and specifications will be announced closer to launch in the second half of this year. ☺



Towns take out title

A franchise in Canterbury has clinched the Toyota Dealer of the Year's supreme award.

Entrants were assessed on all business aspects and Rangiora Toyota was the top-ranked dealer with 88.5 points out of 100, the highest score achieved since the system was introduced in 2005.

Chief executive officer Richard Brown is delighted with the win, which he says reflects on his 50-strong team in Rangiora, Kaiapoi and Ashburton.

"For us, the focus is on being a complete operation so we can provide great service and do the right thing by our customers," says Brown, pictured with the Yokoi Cup.



"It's fantastic to be recognised for the efforts the team has put in. The award is something for the staff to reflect on."

Rangiora Toyota was above the national market share for new vehicles in its territory, with an overall share of 21 per cent.

It also led the field in passenger and commercial sales in its territory, and delivering customer satisfaction was taken into account.

Manawatu Toyota scooped the president's trophy for excellence in customer satisfaction and Christchurch-based Miles Toyota won the leadership award. Lexus of Auckland was that marque's dealer of the year. ☺

Pricing key selling point

Subaru is lauding its debut rear-wheel-drive sports car as an "economic alternative" to supercars.

Some of the BRZ's components are developed from the WRX STI, while the floor pan and suspension are the same as the latest Impreza.

Subaru's FA two-litre four-cylinder horizontally opposed Boxer engine has been designed for the model and is mounted as low as possible.

It produces 147Kw of power and 205Nm of torque. Power is fed to the rear wheels via a Torsen limited-slip differential.

The FA offers high output, fuel efficiency and eco-friendly

performance. It combines the D-4S injection system with the dual active valve control system for linear power delivery from low revs.

When cruising, the BRZ has fuel consumption of 7.8l/100km for the manual and 7.1l/100km for the automatic.

The marque and Toyota teamed up to co-jointly develop the BRZ and 86 at Subaru's Gunma main plant in Japan.

The BRZ is such a success worldwide that Subaru only expects small shipments to New Zealand until the middle of 2013.

The six-speed manual sells for \$48,990 for and the six-speed auto with paddle shift costs \$49,990. ☺



Quality training boosts values

Everybody in a motor vehicle or motorcycle dealership is a sales person – from the groomer, to the receptionist, business manager and the dealer principal, literally everyone.



RAY MEHARG
National sales manager

spiel or presentation that will establish their buying needs and lead customers to buying solutions, while adding value to the relationship and increasing the chances of them buying from you again.

That's easier said

Each contact with a customer or potential customer – conducted professionally and with purpose – will either increase or decrease your chances of them buying from you not just once, but time and time again.

than done, you may think, but perhaps it's not.

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“Winging it is an issue that can be minimised dramatically.”

I'm sure you can easily recall an instance when you went into a retail store and left with the impression that the staff weren't looking after your best interests.

Or when they had no structured sales pitch that was genuine and left you in no doubt that they really could – or wanted to – help you.

In fact, they were probably just "winging it", doing the best they could with the lack of training they had received.

Winging it is a common issue among sales people throughout many businesses.

But with proper training and support structures, this is an issue that can be minimised dramatically.

The first step is to develop a

presentation, which will increase sales and – more importantly – lead to higher profits.

With market and regulatory changes effecting business more than ever before, now is the time to talk to PROTECTA, to work together and maximise every opportunity possible.

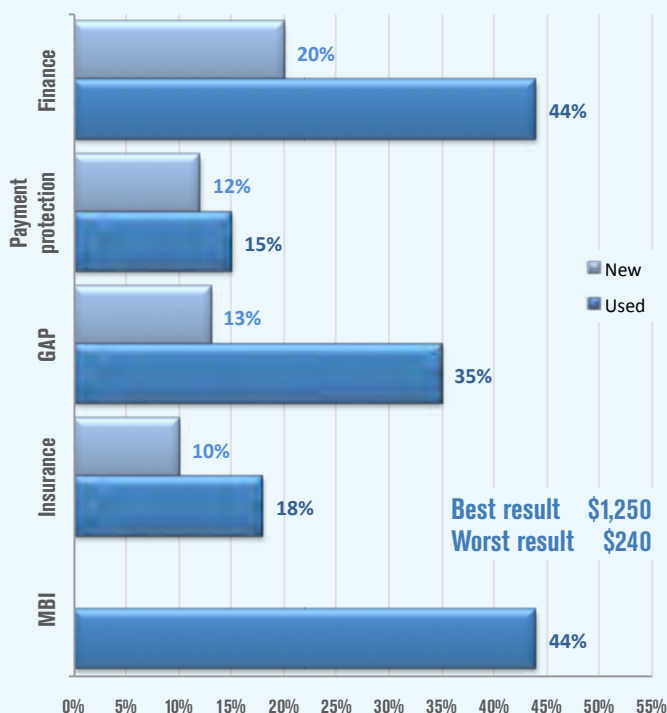
Winging it may work in 30 per cent of cases but a professional sales presentation will more than double your chances of success, so which would you prefer?

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Rejection upheld after water collected as droplets inside vehicle's lights

Background

Carol Van Beek bought a new 2012 Toyota Corolla from North Albany Motors Ltd, trading as Albany Toyota, on May 21 last year.

She said condensation formed in the headlamps and tail-lamps in winter. She stated she asked Albany Toyota to fix the issue and gave the trader a reasonable time to do so, but it failed.

Van Beek wanted a refund of the purchase price under the Consumer Guarantees Act (CGA).

The trader said the car wasn't faulty, the condensation was caused by atmospheric conditions and Van Beek wasn't entitled to reject it.

The case

Van Beek told the tribunal she started work at North Shore Hospital at about 6am after driving from her Beach Haven home.

After travelling about 98km in the vehicle, condensation was present in its front and rear lamps. She took photos of the lights and emailed them to Albany Toyota.

The trader asked Van Beek to take the car in and, on June 11, swapped all four lamps with those from another Corolla.

Within two hours, she phoned Albany Toyota to say condensation was in the new lamps. The trader said there was none on the lamps removed from Van Beek's vehicle and put on the other car.

In August, Albany Toyota used Van Beek's car for two weeks to identify the cause of the problem.

Her first loan car was a new Corolla and condensation formed in its lamps. This was seen by Mr Boyd, service adviser at Albany Toyota, when he collected it.

The second loan car was a new

Yaris. Van Beek said condensation also occurred in this car's lamps.

Mr N Kumar, the trader's group service manager, agreed Boyd also saw condensation in that vehicle's lamps.

Toyota NZ authorised Albany Toyota to replace the headlamps, but not the tail-lamps.

The company investigated the matter although, according to Kumar, it didn't examine Van Beek's Corolla.

The tribunal was told Toyota NZ decided the fault wasn't a manufacturing defect and wouldn't accept responsibility.

It stated headlamp fogging could be caused by dew condensation when the lens was cooled by rain or water from washing the vehicle, or by water entry. Moisture in the air inside the headlamp or tail-lamp condensed on the inside of the lens.

Van Beek said the Vehicle Inspection Requirements Manual (VIRM) had been changed to require warrant of fitness (WOF) inspectors to reject vehicles from June 9 if a lamp contained "moisture in the form of large droplets, runs or puddles".

She took copies of the photos of the rear lamps to Mr Orange, manager of Birkdale Motors Ltd and a WOF inspector.

Orange, in letter dated October 2, said if the car was presented to his workshop for a WOF in the same condition as the photo, he would have to fail it.

Van Beek's husband, also a WOF inspector who worked for German Motors Ltd, trading as Forrest Hill Motors, said he would fail the car on a WOF with the tail-lamp having moisture as shown in the

photograph marked by Orange.

Mr T Zachacker, another vehicle inspector at Forrest Hill Motors, stated the same thing.

The tribunal noted neither Orange nor Zachacker had seen the car with condensation in the tail-lamp.

Van Beek said she rejected the car by emailing the marque's website on October 8, but no copy was provided. On October 17, she emailed someone named Andrew to reject the car.

Kumar said the buyer was requested in an email dated August 15 to return the car for new rear lamps to be fitted, but she refused claiming Albany Toyota had had sufficient time to fix the fault.

The decision

Although described as a demonstrator, the Corolla only had a few kilometres on its odometer when sold on May 21, 2012.

The tribunal considered a new vehicle costing \$29,000 should be fault-free, but the car supplied to Van Beek wasn't.

There was condensation in the headlamps and tail-lamps. The car was unaffected during warmer months, but the tribunal thought the problem would reoccur in winter conditions.

The tribunal didn't think a reasonable consumer paying \$28,990 for a new car would regard the condensation as acceptable.

It concluded the Corolla failed to comply with the guarantee of acceptable quality in the CGA because it wasn't free of minor faults.

The tribunal made no finding the car wasn't safe. "For obvious reasons", it placed no weight on Mr Van Beek's or Zachacker's evidence.

The case:

The buyer wanted to reject a new Toyota Corolla because condensation formed in the headlamps and tail-lamps during winter conditions, and the trader failed to fix the problem.

The decision:

The tribunal considered the \$29,000 vehicle failed to comply with consumer legislation when sold because it should have been supplied fault-free.

At: The Motor Vehicle Disputes Tribunal, Auckland.

Orange's opinion was given after looking at a photo of part of the tail-lamp, so little weight was placed on his views.

The tribunal considered the failure was one that could be remedied.

Van Beek gave the trader a reasonable time to find a solution, from early June until mid-October.

The trader made a reasonable attempt to solve the problem. But, following advice from Toyota NZ, it decided it wasn't a manufacturing fault, the condensation was down to atmospheric conditions and there wasn't much it could do except replace the tail-lights.

The tribunal thought Van Beek was entitled to reject the car by October 17 for a full refund because the trader hadn't fixed the fault.

Van Beek rejected the car within five months of the date of supply, which was within a reasonable period in terms of the CGA.

This allowed for the time that had to pass while she met her legal obligation to give the trader a reasonable time to fix the fault.

Orders

The buyer's rejection was upheld and the trader was ordered to pay back \$28,990. After receiving the money, the buyer was to return the car to the trader. ☺

Buyer took too long from the date of purchase to claim refund for car

Background

Nikki Hayes rejected a 1998 Nissan Pulsar from Karens Wholesale Ltd, trading as Ferry Auto Court, Christchurch, and wanted a refund under the Consumer Guarantees Act (CGA).

She said the brakes were faulty and the trader failed to fix them within a reasonable time.

The trader said the car had been examined and there was nothing wrong with it.

The case

Hayes bought the vehicle for \$4,990 on March 22, 2012. It drove well, the brakes made no noise and the odometer was on 224,625km.

A few days later, Hayes noticed an intermittent grinding from the front driver's side when the engine was hot and she used the foot brake, and when driving in second gear through a car park.

Hayes returned it to Karens Wholesale. It checked the brake pads, discs, fluid level and hoses and found no problem.

Karyn Brown, managing director, said her husband and salesman Dean Brown drove the car but heard no noises.

Hayes returned it on March 26. A strut was repaired, and shims and brake pads replaced. When the car was returned, the noise was still present.

In July, Hayes took the car back. It was inspected by Auto Scanning Solutions Ltd, which scanned the ABS system for faults.

It removed the front wheel and cleaned the ABS sensor, but no faults were listed on its invoice of July 23.

In August, the car was collected by City South Van

Spare. Barry Low removed the front wheels and replaced the front brake pads and one calliper that might have been sticking.

The car was returned a few days later because there was still a problem. Low took it to Safe R Brakes Ltd, which stated the braking system was working satisfactorily.

But Mr Coutts said he and a technician from Safe R Brakes found an intermittent fault under light braking, with the brake pedal becoming "rock hard".

The brakes were applied on one side, causing the vehicle to "twist itself". This occurred three or four times in a three-minute test drive.

Coutts thought there was a fault with the ABS system, probably in the leads from the wheel sensor(s) to the computer.

He believed the fault made the car unsafe, but was unlikely to be detected during a warrant of fitness (WOF).

Coutts recommended asking an experienced auto electrician to test the leads from the sensors to the computer to see if there was a fault in one of the leads or in the system. That didn't happen.

Hayes was asked to return the car on August 15 for repairs, but she refused because the trader was unable to provide a loan car.

On August 21, Hayes rejected the car for "continuing problems" that hadn't been remedied within a reasonable time.

On October 15, she took the car to Autotech, which tested it for a WOF. It failed on four items, none to do with the brakes.

Mr Dillard, of Autotech, said a road test and brake inspection were completed.

Its report stated: "Our technician noted a light squeak at low speeds from the front of the vehicle.

"The technician noted the front disc pads were of low quality, and there were no anti-vibration shims fitted to the backing of the pads. The rear disc pads and all disc rotors were grooved and worn.

"Our technician road tested the vehicle again. The noise had not disappeared. We conclude the noise was caused by vibration.

"Our recommendation is to machine all rotors, replace all disc pads with quality items and fit anti-vibration shims to the backing of the front pads."

On November 10, after Hayes fixed two unrelated faults, VTNZ issued a WOF, finding no faults with the brakes. The car had then travelled 228,608km.

The trader said the noise was investigated five times between March 23 and July 23 by reputable repairers and none faulted the brakes. Hayes' refund request was unreasonable, said the seller.

The finding

The tribunal ruled the brakes were safe when inspected by VTNZ, but there was probably a fault with the front brakes caused by a fault in the ABS system.

The tribunal ruled this was likely to be present at sale as Hayes complained of noise from the brakes after delivery.

It acknowledged the trader's and its agents' efforts to find the problem, but didn't think it had been fixed and didn't accept Autotech stating it could be caused by vibration.

The case:

The buyer of a 14-year-old car with 224,625km on the clock rejected it about five months after purchase.

The decision:

The tribunal ruled the purchaser had taken too long from the date of supply to demand a refund, while the trader was required to repair faulty brakes.

At: The Motor Vehicles Disputes Tribunal, Christchurch.

The tribunal wasn't satisfied the car complied with the CGA's guarantee of acceptable quality. It wasn't free of minor faults at sale and a reasonable buyer wouldn't regard it as acceptable.

But the date of rejection is considered against the supply date. The buyer didn't reject the car until August 21, five months after supply.

Hayes noticed the noise a day or two after purchase and returned the Pulsar five times before rejection.

She complied with the CGA by requiring the supplier to remedy the failure. The trader had a reasonable time in which to do so and didn't achieve this.

The car was 14 years old and had travelled 224,625km when bought and the tribunal thought Hayes should have rejected it several months sooner. Even after rejection, she continued to drive it.

Hayes didn't reject the car within a reasonable time of supply, but was still entitled to a remedy – to have the failure fixed.

Orders

The buyer's application to reject the car was dismissed.

The trader had to take it to an experienced auto electrician to have the ABS system diagnosed. Any faults found were to be rectified at its cost within two months. ☺

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Around the country

Car sales - January 2013



BIGGEST INCREASES/DECREASES BY TOWN YEAR-ON-YEAR (JANUARY 2013 vs JANUARY 2012)

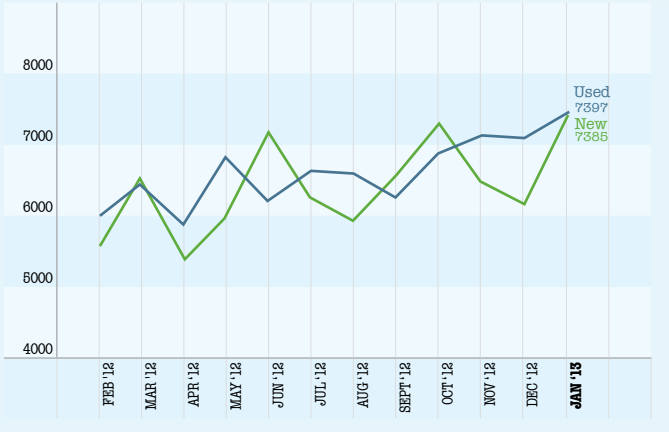
Biggest Increases

New		Used	
Timaru	▲ 53.3%	Oamaru	▲ 81.1%
Thames	▲ 39.5%	Gisborne	▲ 65.4%
Palmerston Nth	▲ 37.7%	Timaru	▲ 52.9%

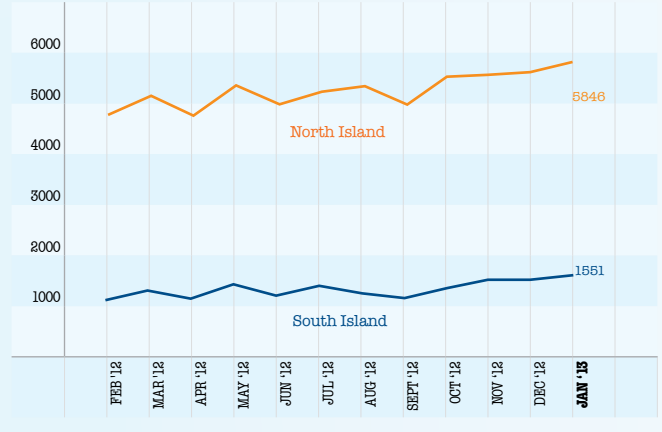
Biggest Decreases

New		Used	
Greymouth	▼ 65.0%	New Plymouth	▼ 8.6%
Wanganui	▼ 51.2%	Greymouth	▼ 7.7%
Dunedin	▼ 21.0%	Masterton	▼ 5.7%

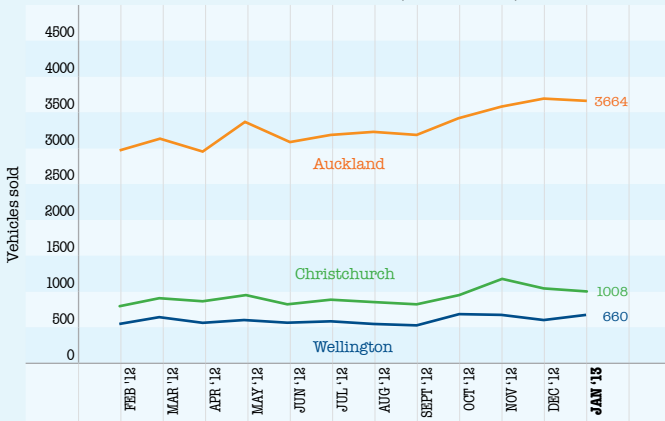
SALES OF NEW PASSENGER VEHICLES VERSUS USED IMPORT PASSENGER VEHICLES



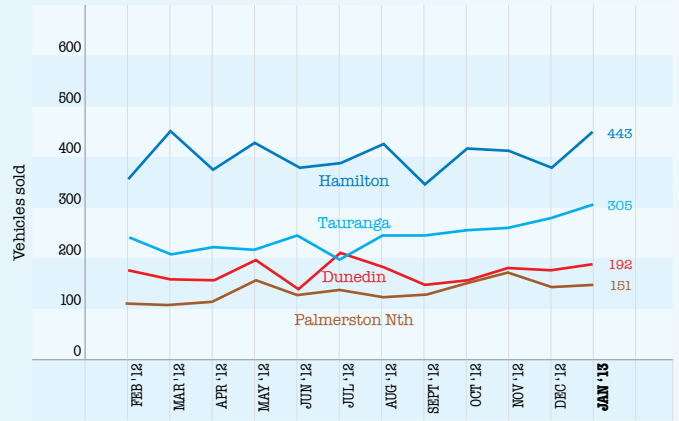
USED VEHICLE SALES - NORTH ISLAND VERSUS SOUTH ISLAND (LAST 12 MONTHS)



USED IMPORTS PASSENGER SALES IN AUCKLAND, WELLINGTON, CHRISTCHURCH



USED IMPORT PASSENGER SALES IN HAMILTON, TAURANGA, DUNEDIN, PALMERSTON NORTH



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Nagoya	1 Feb	13 Feb	1 Mar	18 Mar
Yokohama	2 Feb	15 Feb	2 Mar	19 Mar
Auckland	17 Feb	5 Mar	17 Mar	7 Apr
Wellington	25 Feb	10 Mar	25 Mar	11 Apr
Lyttelton	23 Feb	8 Mar	23 Mar	20 Apr

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Market sustaining confidence

Although the number of used cars crossing the border in January was noticeably down compared to monthly totals from March to December, there was cause for some celebration.

The first month of 2013 saw 4,484 units imported compared to 3,191 during the same month of 2012.

Japanese imports accounted for 87.9 per cent of the total, or 3,940 units, while 293 units from the UK made up a market share of 6.5 per cent.

Industry consultant John Nicholls, who also compiles statistics for the Imported Motor Vehicle Industry Association, believes many factors came into play last year.

The bad start was mainly caused by motor vehicle dealers importing stock before the new

emissions rule came into play.

But the market was "pretty confident" as the year progressed, with the numbers finishing ahead of some predictions.

"At the Japanese end, many people thought the Russians would come back and swallow up the vehicles but that didn't happen," Nicholls told Autofile.

"This meant there was a slowdown in competition in Japan, particularly for models we want here.

"The feedback I'm getting is, generally speaking, the used imports trade is expected to continue at about the same level, although I don't have any data to support that.

"Part of the problem has been people in Japan holding onto their cars for longer for part-financial and part-quality reasons.

"Vehicles last longer than in

the past and there's no longer the automatic change after three years when shaken on new vehicles expires.

"Cars there are getting older and may not be suitable for the market here. Quite a lot of makes and models are fading off, and this can affect the buying mood in New Zealand."

Gisborne-based Nicholls has noted a shift to vehicles with lower-sized engines being imported from Japan.

"There's great interest in buying smaller capacity vehicles and we aren't getting the higher cc-ratings," he says. "Volumes have increased markedly between 1,500cc and two litres."

For cars with engines sized 1,000-1,500cc, there were 30,019 used imports last year compared to 23,658 in 2011. That was a substantial hike, especially when 1,500cc to three-litre

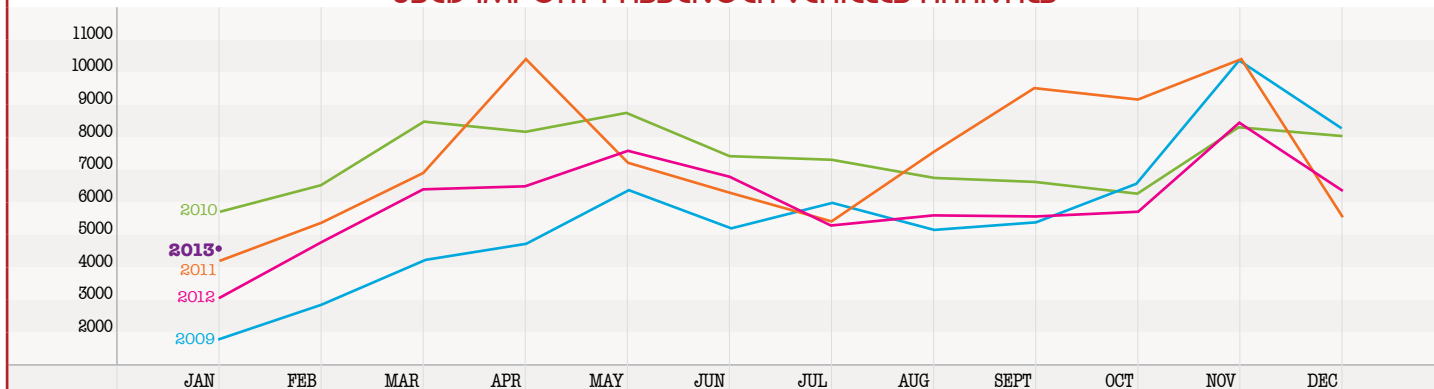
engines dropped from 52,374 to 44,861 units.

"Perhaps for fuel economy, price and reliability, people are moving away from bigger stuff," says Nicholls. "But in the five litres and over category, there were about 1,800 used imports last year compared to around 900 in 2011."

The number of petrol vehicles dropped last year compared to 2011, but diesel passenger cars bucked the trend. Some 1,746 crossed the border compared to 937 in 2011. Hybrids were also up over the same timescale, from 168 to 210 units.

Used imports are likely to continue being attractive with the improved cross-rate of the Kiwi dollar against the Japanese yen and British pound, which can boost dealers' spending power via better prices without deflating margins. ☺

USED IMPORT PASSENGER VEHICLES ARRIVALS



Used Import Passenger Vehicles By Country Of Export

COUNTRY OF EXPORT	2013			2012						2011	
	JAN'13	MARKET SHARE %	2013 TOTAL	Q1	Q2	Q3	Q4	2012 TOTAL	MARKET SHARE	2011 TOTAL	% TOTAL
Australia	113	2.5%	113	276	302	275	346	1199	1.6%	1015	1.2%
Great Britain	293	6.5%	293	601	704	618	807	2730	3.7%	1573	1.8%
Japan	3940	87.9%	3940	13441	19841	15152	19008	67442	92.6%	83534	95.2%
Singapore	11	0.2%	11	31	48	45	30	154	0.2%	327	0.4%
USA	94	2.1%	94	222	235	227	292	976	1.3%	976	1.1%
Other Countries	33	0.7%	33	44	123	64	105	336	0.5%	287	0.3%
Total	4484	100.0%	4484	14615	21253	16381	20588	72837	100.0%	87712	100.0%

Smaller engines proving popular

Sales of secondhand cars have got off to a good start in 2013, with a marked increase in transactions compared to January last year.

Dealer-to-public sales came to 15,773 last month, which was an increase of 14.6 per cent on 13,767 for the same month in 2012.

Public-to-trader transactions rose by 16 per cent over the same period, from 10,242 sales to 11,878, while there were to 36,648 public-to-public sales.

Oamaru's 76 dealer-to-public transactions amounted to the country's highest percentage increase.

This compared to 52 during January 2012, a 46.2 per cent difference, while public-to-dealer sales rose by 158.3 per cent – from 12 to 31 units.

Autofile contacted some dealers in North Otago's largest town for their views.

Allan Paterson, sales manager of Derwent Car Sales, hopes the numbers continue to track in the right direction.

Last year was "surprising, it wasn't too bad" for the business and industry in general – and better than 2011.

Paterson says vehicles in the 1,300cc to 2,500cc range are proving popular and the sweet point for pricing is up to \$15,000.

"Over \$15,000 we sometimes struggle with," he says. "I think that's down to the area that we are in.

"The year's usual slow start until mid-January is cranking up now for different reasons, including the second wave of holidaymakers getting back. It's starting to pick up nicely now.

"We're buying a bit of stock from Japan and sometimes from wholesalers, but there are only four or five of them left in the area because the local market has dried up."

Nissan's Tiida and similar vehicles form the "bread and butter" of the business.

"Nissan seems to be my strong market, but we try to keep a mix in stock," explains Paterson. "They are, however, bullet-proof vehicles.

"Honda's CR-V had a big run a couple of years ago, but that market has now drifted away.

"We're finding people who were buying vehicles similar to the CR-V are going back to mainstream family cars. A lot of it is price-driven."

Martin McFelin, of North Otago Motor Group, says: "We have target figures. Sometimes we don't make them, but

generally the market is strong.

"We have to be careful with pricing and ensure the stock is right. Some months can be patchy. Sometimes we sell a lot in the first week, but other months at the end.

"We sell a variety, from the mum who needs a cheap car for her daughter who's going university to Land Cruisers for use on the farm.

"There are no patterns to it and trade last year was about the same as in 2011. You've just got to target what you have and fill the gaps."

Dunedin City Motors has a branch in Oamaru, where Robert Bain says there has been a lot of inquiry for used cars and while trade was quiet in January, it picked up during February.

"We have a 50-50 split between new and used, which is a good sign," he says. ☺

SECONDHAND CAR SALES - January 2013

	DEALER-TO-PUBLIC				PUBLIC-TO-PUBLIC				PUBLIC-TO-DEALER			
	JAN '13	JAN '12	+/- %	MARKET SHARE	JAN '13	JAN '12	+/- %	JAN '13	JAN '12	+/- %		
Whangarei	445	402	10.7	2.82	1574	1542	2.1	239	211	13.3		
Auckland	4975	4268	16.6	31.54	12465	12188	2.3	3992	3332	19.8		
Hamilton	1285	1197	7.4	8.15	2854	2713	5.2	1131	1030	9.8		
Thames	199	146	36.3	1.26	414	419	-1.2	93	76	22.4		
Tauranga	778	672	15.8	4.93	1724	1779	-3.1	570	511	11.5		
Rotorua	247	208	18.8	1.57	645	587	9.9	149	131	13.7		
Gisborne	172	135	27.4	1.09	356	338	5.3	108	94	14.9		
Napier	567	454	24.9	3.59	1328	1228	8.1	429	372	15.3		
New Plymouth	440	417	5.5	2.79	956	884	8.1	271	237	14.3		
Wanganui	153	150	2.0	0.97	451	461	-2.2	107	116	-7.8		
Palmerston North	743	676	9.9	4.71	1526	1461	4.4	635	552	15.0		
Masterton	142	130	9.2	0.90	346	339	2.1	80	79	1.3		
Wellington	1373	1259	9.1	8.70	2598	2751	-5.6	1128	853	32.2		
Nelson	332	253	31.2	2.10	879	857	2.6	246	212	16.0		
Blenheim	182	168	8.3	1.15	333	349	-4.6	109	122	-10.7		
Greymouth	96	105	-8.6	0.61	205	200	2.5	46	56	-17.9		
Westport	27	31	-12.9	0.17	114	100	14.0	-	-	-		
Christchurch	2166	1837	17.9	13.73	4817	4780	0.8	1611	1401	15.0		
Timaru	261	213	22.5	1.65	465	449	3.6	177	127	39.4		
Oamaru	76	52	46.2	0.48	215	185	16.2	31	12	158.3		
Dunedin	684	627	9.1	4.34	1519	1598	-4.9	414	428	-3.3		
Invercargill	430	367	17.2	2.73	864	868	-0.5	312	290	7.6		
NZ Total	15773	13767	14.6	100.00	36648	36076	1.6	11878	10242	16.0		

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

MAKE	PRIVATE	% PRIVATE	BUSINESS	% BUSINESS	TOTAL
Alfa Romeo	8	47.1	9	52.9	17
Aston Martin	2	40.0	3	60.0	5
Audi	36	38.7	57	61.3	93
Bentley	5	71.4	2	28.6	7
BMW	60	56.6	46	43.4	106
Chery	11	33.3	22	66.7	33
Chrysler	6	66.7	3	33.3	9
Citroen	14	82.4	3	17.6	17
Daihatsu	1	16.7	5	83.3	6
Dodge	34	61.8	21	38.2	55
Ferrari	2	100.0	0	0.0	2
Fiat	6	85.7	1	14.3	7
Ford	98	24.4	303	75.6	401
Holden	128	17.6	599	82.4	727
Honda	117	59.7	79	40.3	196
Hyundai	125	33.4	249	66.6	374
Jaguar	7	43.8	9	56.3	16
Kia	42	40.0	63	60.0	105
Lamborghini	1	50.0	1	50.0	2
Lexus	8	34.8	15	65.2	23
Lotus	1	100.0	0	0.0	1
Maserati	2	100.0	0	0.0	2
Mazda	108	32.0	230	68.0	338
Mercedes-Benz	33	33.3	66	66.7	99
Mini	28	65.1	15	34.9	43
Mitsubishi	48	73.8	17	26.2	65
Nissan	21	47.7	23	52.3	44
Peugeot	30	45.5	36	54.5	66
Porsche	9	60.0	6	40.0	15
Renault	4	36.4	7	63.6	11
Rolls-Royce	0	0.0	1	100.0	1
Skoda	3	4.7	61	95.3	64
Subaru	10	23.8	32	76.2	42
Suzuki	252	64.9	136	35.1	388
Toyota	221	18.3	987	81.7	1208
Volkswagen	115	52.5	104	47.5	219
Volvo	5	25.0	15	75.0	20
Total	1601	33.2	3226	66.8	4827

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

Top brands make new year in-roads

Toyota returned a steady start to 2013, with 1,208 new passenger car registrations last month.

Although this compared to 2,702 units in December, many marques – including Holden and Ford – also returned month-on-month drops.

Toyota's passenger car total in January, excluding SUVs, included 987 business transactions – that was 81.7 per cent of its total.

Holden secured the highest proportion of business transactions among the marques retailing in excess of 100 units. Of its 727 sales, 82.4 per cent – or 599 units – were in this category.

Third spot on the ladder went to Ford with 401 units. That included 98 private sales, or 24.4 per cent of its total.

BMW beat Audi to become last year's top-selling luxury car brand in New Zealand, with 1,640 new passenger vehicle registrations.

That was a record for BMW on these shores, eclipsing the previous high of 1,585 sales in 2005.

The German marque also topped its segment last month. It sold 106 passenger cars. Its 60 private transactions accounted for 56.6 per cent of its total.

Mercedes-Benz came second with 99 sales and 66.7 per cent, or 66 units, were business. Audi sold 93 units, with 57 business sales equating to 61.3 per cent of its total.

Managing director Nina Englert says part of BMW NZ's success is down to offering a wide model range "with enhanced practicality and a variety of rear and all-wheel-drive options".

She says: "This, combined with

efficient and dynamic petrol and diesel engines, means we have the perfect vehicle for any lifestyle."

The three most popular new cars in the premium segment last year were BMWs – the 1 Series with 378 sales, the 3 Series on 327 units and the X5 with 261.

Englert believes one reason for the marque's class success is the value equation its models offer.

"We strive to ensure vehicles represent the best value in terms of specification, technology and resale," she explains.

"Our diesel engine technology is generally best in class. As a result, BMW has the best-selling luxury diesels in New Zealand – fourth overall against all high-volume brands, which is an accomplishment.

"For example, the recently launched triple-turbo X5 M50d delivers sports car-like performance with unbelievable fuel economy."

Two specification-rich limited-edition models to celebrate BMW's 30th anniversary in New Zealand are also being launched.

Based on the 116i, 320i and 320d, their badging will identify them as limited-release Edition 30 models.

There's also new product launching soon, including the all-new 3 Series Touring, the 4 Series range and M135i hatch.

Englert says: "We have great momentum and 2013 is a big year for us."

Overall, there were 4,827 passenger car sales last month, with 3,226 – or 66.8 per cent – being business transactions.

Suzuki was fourth overall. Its 252 private sales represented 64.9 per cent of its 388 new registrations. ☺

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Two segments see major growth

New vehicle registrations of 9,279 in January were up by 7.4 per cent on 8,642 sales during the same month of last year.

However, sales of passenger cars of 4,827 were down by 9.9 per cent on January 2012's total of 5,356 registrations.

Light commercial vehicles enjoyed a 68.8 per cent boom when last month's 1,671 sales are compared to 990 in January 2012.

SUVs remained a highly popular segment with 22.4 per cent of total registrations – 2,501 sales compare favourably against 2,044 over the same timescale.

Autofile contacted dealerships in Oamaru to see how the new year has started.

Robert Bain, of Dunedin City

Motors, which also has a branch in Oamaru, has been taking on more staff to cope with an upturn in business.

Trade in the town has been positive with some growth. It has been spread out with the onus falling on the dealership, which has franchises for Ford and Mazda, to supply what its customers in Oamaru need.

"There has been a lot of growth in commercials and SUVs," says Bain. "The Ford Ranger has been a hit and some product backlog has been created due to its popularity. It's quite a leap from the previous model.

"This isn't a strong dairy area, but with sheep and beef we've got some older money down here and that's holding up pretty strong."

Martin McFelin is the new car sales manager of North Otago Motor Group, which has franchises for Toyota and Holden.

He reports some good trade in January with business being a bit slower this month, "but we're still very happy with that".

Sales have been in up across both marques so far this year and when comparing 2012 to 2011.

"The Holden Cruze hatchback and Toyota's double-cab Land Cruiser have proved popular, while the Hilux, Commodore, Captiva and Colorado have also been good around here," says McFelin.

The two manufacturers are bringing a substantial amount of new product to the market this year.

McFelin is looking forward to the

new VF Commodore and RAV4, and better Land Cruiser supply.

"With the new Holden Trax, one local body down here has Suzuki SX4s at the moment," he says.

"It has been asking about the Trax as a comparison and they could find them to be handy vehicles."

In regards to the local economy in North Otago overall, McFelin feels the area has been generally insulated from the downturn.

Last month, Toyota took out 20.8 per cent of total registrations in New Zealand with 1,936. These were split between 1,528 passenger cars and 408 commercials.

Holden was second with passenger cars – its 908 units accounted for 12.3 per cent of the market. ☺

NEW VEHICLE SALES BY BUYER TYPE - January 2013

	JAN '13	JAN '12	MTH%	2013 YTD	2012 YTD	% YTD
Passenger	4,827	5,356	-9.9	4,827	5,356	-9.9
Private	1,601	1,623	-1.4	1,601	1,623	-1.4
Business	1,778	1,908	-6.8	1,778	1,908	-6.8
Gov't	175	239	-26.8	175	239	-26.8
Rental	1,273	1,586	-19.7	1,273	1,586	-19.7
SUV	2,501	2,044	22.4	2,501	2,044	22.4
Private	915	693	32.0	915	693	32.0
Business	1,340	1,077	24.4	1,340	1,077	24.4
Gov't	41	40	2.5	41	40	2.5
Rental	205	234	-12.4	205	234	-12.4
Light Commercial	1,671	990	68.8	1,671	990	68.8
Private	362	200	81.0	362	200	81.0
Business	1,197	719	66.5	1,197	719	66.5
Gov't	87	48	81.3	87	48	81.3
Rental	25	23	8.7	25	23	8.7
Sub Total	8,999	8,390	7.3	8,999	8,390	7.3
Private	2,878	2,516	14.4	2,878	2,516	14.4
Business	4,315	3,704	16.5	4,315	3,704	16.5
Gov't	303	327	-7.3	303	327	-7.3
Rental	1,503	1,843	-18.4	1,503	1,843	-18.4
Heavy Commercial	225	202	11.4	225	202	11.4
Other	55	50	10.0	55	50	10.0
TOTAL	9,279	8,642	7.4	9,279	8,642	7.4

NEW VEHICLE MARKET SEGMENTATION - January 2013

	JAN '13	JAN '12	MTH% DIFF	2013 YTD	2012 YTD	% YTD
Passenger	4,827	5,356	-9.9	4,827	5,356	-9.9
SUV	2,501	2,044	22.4	2,501	2,044	22.4
Light Commercial	1,671	990	68.8	1,671	990	68.8
Heavy Commercial	225	202	11.4	225	202	11.4
Other	55	50	10.0	55	50	10.0
TOTAL MARKET	9,279	8,642	7.4	9,279	8,642	7.4
Light	1,304	1,248	4.5	1,304	1,248	4.5
Small	2,060	2,602	-20.8	2,060	2,602	-20.8
Medium	695	751	-7.5	695	751	-7.5
Large	530	499	6.2	530	499	6.2
Upper Large	29	21	38.1	29	21	38.1
People Movers	69	135	-48.9	69	135	-48.9
Sports	140	100	40.0	140	100	40.0
SUV Small	514	449	14.5	514	449	14.5
SUV Medium	956	737	29.7	956	737	29.7
SUV Large	1,002	842	19.0	1,002	842	19.0
SUV Upper Large	29	16	81.3	29	16	81.3
Light Buses	32	32	0.0	32	32	0.0
Vans	354	331	6.9	354	331	6.9
Pick Up/Chassis Cab 4x2	447	198	125.8	447	198	125.8
Pick Up/Chassis Cab 4x4	838	429	95.3	838	429	95.3
Heavy Commercial	225	202	11.4	225	202	11.4
Other	55	50	10.0	55	50	10.0
TOTAL MARKET	9,279	8,642	7.4	9,279	8,642	7.4

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Best result in three decades

Sales of commercial vehicles during January made up the segment's highest monthly figure for more than 30 years.

New registrations last month came in at 1,908 units, up by 726 units – or 61.4 per cent – on January 2012's total of 1,182.

January 2012's figures were hit by shortages of utility vehicles caused by flooding in Thailand in late 2011.

January 2013's total, however, was the highest monthly figure since 1982.

Wayne Pateman, dealer principal of Timaru Motors, a franchise for Ford and Mazda, says buyers were prepared to wait for Ranger stock to arrive last year.

"Demand created a shortage but when they do arrive business reaches targets easily, so that's great for commercials," he told Autofile.

"Mazda's BT-50, when we can get product, sells well.

"It has also had supply issues because of the earthquake in

Japan. The hook is its modern look."

Fixed-price servicing for BT-50s "up to 100,000km is a drawcard", with scheduled Mazda services costing no more than \$200.

Pateman says: "This means businesses can budget to keep a BT-50 for three years for no more than \$200.

"The Ranger is still more popular but, depending on what the supply is, that can easily turn around."

Martin McFelin, of North Otago Motor Group, says Toyota's Hilux and Land Cruiser have been good sellers, while Holden's Colorado has been a popular model.

He says the Oamaru dealership focuses on commercial sales because of its rural location, while the town is set to benefit from two major projects – a cement works and a new industrial park.

These could further boost

business in commercials, although there is some uncertainty over mill jobs.

Terry Honan, general manager of Schofields of Newmarket in Auckland, says supply issues have largely been overcome.

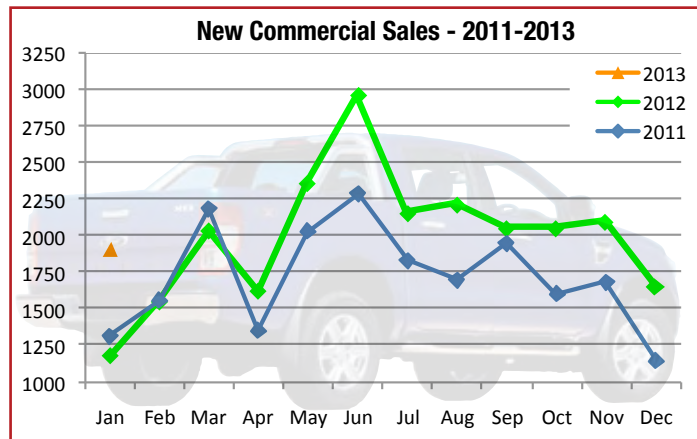
"In the utes market, there were shortages of the Colorado last year between models," he says.

"It was a struggle right through until mid-year 2012, while the Navara was also up and down with supply."

Toyota topped January's ladder with 408 registrations for 21.4 per cent of the market. This was up by 72.2 per cent, or 237 sales, on the first month of last year.

Ford was second with 285 sales, up by 115.9 per cent from 132 units, followed by Nissan on 228, which was an increase of 157 units or 45.2 per cent.

Toyota's Hilux was the top model with 252 sales followed by Nissan's Navara on 220 and Ford's Ranger three units behind. ☺



New Commercial Sales by Make - January 2013

MAKE	JAN '13	JAN '12	+/- %	JAN '13 MKT SHARE	2013 FULL YEAR	2013 MKT SHARE
Toyota	408	237	72.2	21.4%	408	21.4%
Ford	285	132	115.9	14.9%	285	14.9%
Nissan	228	157	45.2	11.9%	228	11.9%
Holden	184	53	247.2	9.6%	184	9.6%
Mitsubishi	157	70	124.3	8.2%	157	8.2%
Volkswagen	102	95	7.4	5.3%	102	5.3%
Isuzu	93	55	69.1	4.9%	93	4.9%
Mazda	81	55	47.3	4.2%	81	4.2%
Great Wall	55	56	-1.8	2.9%	55	2.9%
Hyundai	40	60	-33.3	2.1%	40	2.1%
Mercedes-Benz	28	23	21.7	1.5%	28	1.5%
Mitsubishi Fuso	26	22	18.2	1.4%	26	1.4%
Fiat	25	10	150.0	1.3%	25	1.3%
Hino	20	34	-41.2	1.0%	20	1.0%
Ssangyong	20	-	-	1.0%	20	1.0%
DAF	17	-	-	0.9%	17	0.9%
Volvo	17	-	-	0.9%	17	0.9%
Kenworth	16	11	45.5	0.8%	16	0.8%
Freightliner	13	-	-	0.7%	13	0.7%
Scania	11	20	-45.0	0.6%	11	0.6%
Alexander Dennis	9	-	-	0.5%	9	0.5%
Caterpillar	8	-	-	0.4%	8	0.4%
Others	65	92	-29.3	3.4%	65	3.4%
Total	1908	1182	61.4	100.0%	1908	100.0%

New Commercial Sales by Model - January 2013

MAKE	MODEL	JAN '13	JAN '12	+/- %	JAN '13 MKT SHARE	2013 FULL YEAR	2013 MKT SHARE
Toyota	Hilux	252	89	183.1	13.2%	252	13.2%
Nissan	Navara	220	144	52.8	11.5%	220	11.5%
Ford	Ranger	217	95	128.4	11.4%	217	11.4%
Holden	Colorado	173	43	302.3	9.1%	173	9.1%
Toyota	Hiace	127	132	-3.8	6.7%	127	6.7%
Mitsubishi	Triton	94	50	88.0	4.9%	94	4.9%
Mazda	BT-50	81	55	47.3	4.2%	81	4.2%
Volkswagen	Amarok	69	37	86.5	3.6%	69	4.2%
Mitsubishi	L300	63	20	215.0	3.3%	63	3.6%
Ford	Transit	59	31	90.3	3.1%	59	3.3%
Isuzu	D-Max	53	-	-	2.8%	53	3.1%
Hyundai	iload	38	-	-	2.0%	38	2.8%
Great Wall	V240	34	32	6.3	1.8%	34	2.0%
Toyota	Landcruiser	29	16	81.3	1.5%	29	1.8%
Fiat	Ducato	24	-	-	1.3%	24	1.5%
Great Wall	V200	21	-	-	1.1%	21	1.3%
Isuzu	N Series	20	19	5.3	1.0%	20	1.1%
Ssangyong	Actyon Sport	20	-	-	1.0%	20	1.0%
Mercedes-Benz	Sprinter	19	15	26.7	1.0%	19	1.0%
Volkswagen	T5	18	31	-41.9	0.9%	18	1.0%
Mitsubishi Fuso	Canter	17	-	-	0.9%	17	0.9%
Isuzu	F Series	14	19	-26.3	0.7%	14	0.9%
Others		246	354	-30.5	12.9%	246	12.9%
Total		1908	1182	61.4	100.0%	1908	100.0%

Trade-ins thin on the ground

The used commercials market has got off to a flying start in 2013, with a 75.1 per cent increase in sales over the first month of last year.

There were 429 transactions during January compared to 245 in January 2012, while there were 328 units sold in December.

Martin McFelin, of North Otago Motor Group in Oamaru, says the town has been traditionally strong in commercial sales, although it has become harder to access used stock.

The dealership doesn't have too many units on its yard, but some Colorados and Hiluxes have recently been traded.

McFelin says these vehicles have been "okay for the meantime", while any used commercial that comes in needs to be of good

quality and well-presented.

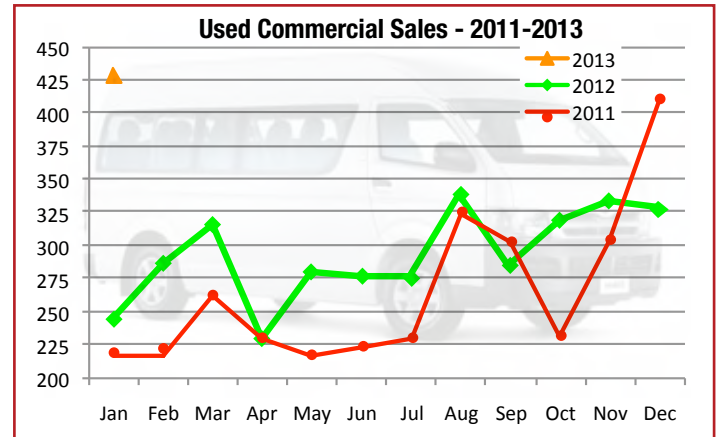
Other than trade-ins, "it will hit the cheque book hard if you had to go out and find good stock".

He believes farmers are replacing old vehicles with new stock but, instead of coming into the dealerships, those units seem to be going to other folk on the farm or to contractors down the line.

Also, if a veterinary practice has, for example, a dozen commercials, when two older ones drop off the end, they are finding their way onto Trade Me instead of car yards.

As for trade in used commercials overall, McFelin concedes "there's just no pattern to it".

Wayne Pateman, of Timaru Motors, also confirms stock is an issue, especially with a lack of commercials being traded in.



"Getting New Zealand-new stock is a challenge," he says. "The new commercials are generally bought by businesses, such as farmers and builders, with the used vehicles handed down the fleet.

"They come in to buy new commercials, but we don't have a strong supply traded back in."

Allan Paterson, of Derwent Car Sales in Oamaru, says: "With used commercials and the run on that market, we've found we cannot buy them.

"The industry knows what the problems are, and that's all of the

regulations around them and they are price prohibitive.

"A lot of it is price-driven. With vehicles above the \$15,000 mark, we find our market is a bit price shy of that stock."

Toyota returned a 158.8 per cent increase in sales last month compared to January 2012. It sold 176 units in January and 68 in the first month of last year.

Nissan was second with 85 units, up by 4.9 per cent on January 2012, while Ford secured a 230.8 per cent increase – from 13 units last January to 43 last month. ☺

Used Commercial Sales by Make - January 2013

MAKE	JAN '13	JAN '12	+/- %	JAN '13 MKT SHARE	2013 FULL YEAR	2013 MKT SHARE
Toyota	176	68	158.8	41.0%	176	41.0%
Nissan	85	81	4.9	19.8%	85	19.8%
Ford	43	13	230.8	10.0%	43	10.0%
MAN	26	-	-	6.1%	26	6.1%
Isuzu	13	8	62.5	3.0%	13	3.0%
Mazda	13	35	-62.9	3.0%	13	3.0%
Fiat	9	8	12.5	2.1%	9	2.1%
Mercedes-Benz	9	-	-	2.1%	9	2.1%
Chevrolet	8	9	-11.1	1.9%	8	1.9%
Hino	8	6	33.3	1.9%	8	1.9%
Iveco	5	-	-	1.2%	5	1.2%
Land Rover	5	-	-	1.2%	5	1.2%
Mitsubishi	5	6	-16.7	1.2%	5	1.2%
Volkswagen	5	1	400.0	1.2%	5	1.2%
DAF	4	-	-	0.9%	4	0.9%
Peugeot	3	-	-	0.7%	3	0.7%
Dodge	2	-	-	0.5%	2	0.5%
International	2	-	-	0.5%	2	0.5%
Daihatsu	1	-	-	0.2%	1	0.2%
Factory Built	1	-	-	0.2%	1	0.2%
Great Wall	1	-	-	0.2%	1	0.2%
Hyundai	1	-	-	0.2%	1	0.2%
Leyland	1	-	-	0.2%	1	0.2%
Others	3	10	-70.0	0.7%	3	0.7%
Total	429	245	75.1	100.0%	429	100.0%

Used Commercial Sales by Model - January 2013

MAKE	MODEL	JAN '13	JAN '12	+/- %	JAN '13 MKT SHARE	2013 FULL YEAR	2013 MKT SHARE
Toyota	Hiace	137	46	197.8	31.9%	137	31.9%
Nissan	Caravan	47	24	95.8	11.0%	47	11.0%
Ford	Transit	26	8	225.0	6.1%	26	6.1%
Nissan	Vanette	19	45	-57.8	4.4%	19	4.4%
Toyota	Regius	14	4	250.0	3.3%	14	3.3%
MAN	16284Laerc	11	-	-	2.6%	11	2.6%
Nissan	Atlas	11	4	175.0	2.6%	11	2.6%
Toyota	Dyna	11	-	-	2.6%	11	2.6%
Isuzu	Elf	10	-	-	2.3%	10	2.3%
Fiat	Ducato	9	7	28.6	2.1%	9	2.1%
Mazda	Bongo	9	27	-66.7	2.1%	9	2.1%
Toyota	Hilux	8	-	-	1.9%	8	1.9%
MAN	20280Dfareg	7	-	-	1.6%	7	1.6%
Ford	Everst	6	-	-	1.4%	6	1.4%
Man	14.2	6	-	-	1.4%	6	1.4%
Hino	700	5	-	-	1.2%	5	1.2%
Nissan	Navara	5	7	-28.6	1.2%	5	1.2%
Toyota	Townace	4	6	-33.3	0.9%	4	0.9%
Volkswagen	Transporter	4	-	-	0.9%	4	0.9%
Ford	Courier	3	-	-	0.7%	3	0.7%
Ford	F150	3	-	-	0.7%	3	0.7%
Ford	Falcon	3	-	-	0.7%	3	0.7%
Others		71	67	6.0	16.6%	71	16.6%
Total		429	245	75.1	100.0%	429	100.0%



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