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## Motor-vehicle industry supports Christchurch

People across New Zealand have come together to console and help those affected by the shootings on March 15

After the attacks on two mosques in Christchurch, which claimed the lives of 50 people and left many needing hospital treatment, the city is still in mourning.

But lives – personally and professionally – are getting back on-track with great Cantabrian resilience being shown.

And members of New Zealand's automotive industry have been helping out in the city and are supporting those affected by the terrible events of March 15.

Organisations such as VIA (the Imported Motor Vehicle Industry Association), the Motor Industry Association (MIA) and Motor Trade Association (MTA), have

extended their condolences with the latter among those involved on the ground.

Joris Sanders, chairman of the MTA's Coast To Coast region, says: "People are cracking on with life. Family and friends have

got together. This has made our community stronger."

His association has donated vouchers as a practical way of helping those affected to ensure they can get around, "something meaningful".

"I was honoured to present them to members of our wonderful Muslim community on March 22," says Sanders.

"Our MTA vouchers have been distributed through support groups

**"Everyone has shown resilience, courage and strength"**

to those who need help in meeting their travelling needs. They can be used to buy fuel to visit family and community members, or make trips to the airport.

"They have been well-received as something immediate because

donations via charitable websites can take a while to be distributed.

"Thankfully, we're aware of none of our members being directly affected by what happened by having family or friends killed or injured, but everyone has been affected in their own way.

"Everyone has shown resilience, courage and strength, and part of that's because we've been through so much over the past decade."

The MTA's other work has included calling all its Christchurch members on March 17. On the same day, it emailed members nationwide to remind them counselling is available through its employer assistance programme (EAP).

"This is available to all members because these shootings have had a massive shock on people no matter where they live," Sanders told Autofile. "It's important to look after your mind's health for general well-being"

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GUEST EDITORIAL

## Learn new tricks to gain success

In these times of change, Phill Haynes gives his views on how the industry can move forward

When it comes to being a benchmark trader or running a successful business in our industry, I subscribe to the view of "solve the problem" as in the 1990s film Disclosure – fix it or you lose.



PHILL HAYNES  
Forward-thinking futurist

the next decade or so, I don't believe it will come down to safety issues or going electric because such issues lie in Wellington.

The biggest change is needed in retailing methods and business culture. For this, one

answer is more women. If you have no women in your management team, none in your showroom or none in frontline services, you're unlikely to be optimising or prioritising growth.

If traders, dealer principals and brands have women alongside men, they tend to do better. Employing more females will change us and find future profits. We will become more digital, innovative, welcoming and quicker to adapt.

Women are more respected advisers during shorter sales interactions, which will be beneficial when vehicle ownership shifts to subscription and internet deals, and they also make top business managers.

And legislators need to make it easier to source from the three type-approval regimes of Europe, Japan and the US now that Australian production is dead, otherwise New Zealand may end up waiting a long time in the future... just saying. ☺

*Phill Haynes has worked for Deloitte Motor Industry Services, Honda NZ and globally. His views are based on more than 400 dealer visits here and in Australia. He works for Holden NZ as general manager of CX and network. His views in no way reflect those of Holden.*

Over the next two years, dealers need to get disciplined and be less distracted, not just be lucky. Used vehicles will become a problem for many.

When it comes to being a trader, dealer principal or managing director of a brand, I'd shift it up a gear.

A good way to inject positive energy is by using the "\$10,000-a-month trick". The idea is to ask your managers to learn some new tricks to make \$3,000 of savings next month and find \$7,000 of new – or lost, dormant or recovered – customer profit from at least three years since the last service or parts invoice, or five years since the previous sale. If you're a small dealer, make it \$5,000.

You can't save your way to success, so the only dollar-number combination that matters is the profit bit being bigger than the savings bit. Give managers a two-month deadline and hold them to it.

Offer them 20 per cent, then five per cent of what lasts for one year. It rarely stops at \$10,000 or does not get past \$1,000. Ensure it's planned out, not all at once, because your managers still have your business to run.

When it comes to changes for the industry to stay healthy over

## autofile

DIRECTORS

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

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

DESIGNER

**Angela Smith**  
justbuzzme@gmail.com

EDITOR

**Darren Risby**  
ris@autofile.co.nz

JOURNALISTS

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

**Lucy Pink**

lucyp@autofile.co.nz

MOTORSPORT

**Mark Baker**

veritas.nz@xtra.co.nz

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

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Counselling and other assistance is being co-ordinated by Nicóla Green, manager of the MTA's member support centre, and her Wellington-based team.

"We've contacted all Canterbury members to offer support to them, their staff and families. Free, confidential counselling via our EAP is a practical means of support. It's also available to MTA members across New Zealand who may have known those who died or were injured, or have family members down there.

"Our new member support team has also been phoning all of our Canterbury members to find out how they're doing. Our team has found them to be very receptive, and they've appreciated our calls and services."

Green adds: "No one should have to experience something like this. It has shocked the whole country, so it's important we give assistance to help them get through it.

"It's amazing to see the



Joris Sanders

strength of people in Christchurch. My team members have personally found making calls to be of particular meaning by being able to touch base with so many people. Our hearts go out to all affected by this."

As well as being the MTA's regional chairman, Sanders is also managing director of Leading Edge Automotive in the city.

He believes it's a matter of onwards and upwards for everyone, and there will be some hindsight in the way people prepare and move forward.

For example, his business is based in Selwyn Street. It's on the south-east side of South Hagley



Nicóla Green

Park, a 2.5km drive from the Al Noor mosque where most people died in the first shooting.

"Being so close, we probably should have had lockdown procedures in place," says Sanders. "We never thought this sort of terrible thing would happen anywhere in our country, let alone here. Now we know it can happen anywhere at any time.

"Thinking about it now, all businesses should have plans in place and make an immediate call to go into lockdown as our schools did."

Gordon Shaw, VINZ's chief executive officer, visited Christchurch on March 19 with Grady Stevens, central regional manager, to show his support after the terror attacks on two of the city's mosques.

"I felt it was essential to pay respects, including laying wreaths, on behalf of the company and our staff, of whom about 50 out of 200 are of the Muslim faith," he says.

"We closed our sites on March 16 to allow our teams to spend time with their families after the attack. It's important to support staff at our two testing stations in the city and I also visited our third-party sites."

Shaw says no VINZ staff died or were injured, but two of his vehicle inspectors were directly affected.

He adds: "We have our EAP system so staff, in Christchurch and across the country, have someone professional to talk to. There has been a lot anxiety about what happened and, as leader of our business' family, it was important to be there especially with so many people being linked to this.

"This attack shocked the nation. On the Tuesday after the shootings, everyone was feeling raw. They still are. It's essential we support our staff with all they need."

Stella Stocks, general manager of motoring services, has been among the AA's senior staff to visit the Garden City to support employees and business partners.

AA staff can access its free EAP, have been supported in marking memorial services, and have been encouraged to let managers know if they need time off or more support.

"We have staff who lost family members and friends, or

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## Tragic loss of life

Staff at Ports of Auckland were devastated to learn someone they worked with for five years died in Christchurch on March 15.

On-site flags were flown at half-mast to remember Atta Elayyan, co-founder of technology LWA Solutions. He also played futsal for New Zealand, gaining 19 caps for his country.

Matt Ball, head of communications at the port, says the 38-year-old was "always a

pleasure to work with".

He told Autofile: "Atta first worked with us on an app to streamline environmental

processes and digitise paper-based clipboard inspections.

"His company went on to develop our pilot virtual-reality [VR] app and a VR straddle training programme.

"Those of us who worked with him

found him to be kind, caring and intelligent. He was a loving father, husband, brother, son. Atta's friendly face, kind demeanour and



Atta Elayyan



◀ were caught up in the attacks in other ways,” Stocks told Autofile. “We’ve offered them support and time off when needed. We will continue supporting them in any ways we can.”

The AA is also assisting any members affected by the shootings, while its employees have looked at ways they can personally contribute.

Its centres in Christchurch have displayed messages of support, and staff in Penrose, Auckland, held a *kia kaha* fundraiser for those affected via Victim Support’s Give A Little webpage.

VTNZ has three branches in Christchurch – in Northwood, on Litchfield Street and in Jipcho Road, with the latter two locked down on March 15, the day of the attacks.

Employees were given the opportunity to go home or stay at work. All three branches were closed the next morning with staff rostered on paid for the day.

Greg O’Connor, VTNZ’s country manager, flew into the city three

days after the attacks. He and area manager Jody Mills visited each branch and spoke to employees.

“As a company, we’ve helped where we can,” he says. “For example, to mitigate disruption to the public, VTNZ arranged with the NZTA for any driver-testing candidates who didn’t show for pre-booked practical tests to be rescheduled at a later date free of charge.

“Test routes were temporarily changed to accommodate road closures and ensure people could sit practical driving tests at their pre-booked times.”

VTNZ had three employees and several customers indirectly impacted by the shootings.

“One employee flew from Auckland to support his friend’s family and help with the burial process. Staff can call our EAP at any time or the crisis hotline on 1737. We continue to monitor our employees’ well-being.”

Ed Finn, general manager of corporate affairs at Holden NZ,

was in Christchurch on March 15 preparing for an event, which would have seen 12 journalists test-driving the new Equinox SUV on coast-to-coast runs from Sumner, a coastal suburb in the city, to Punakaiki.

“Out of respect for victims, their families and everyone in Christchurch, we postponed it,” he says. “It was scheduled for March 20-22, and would have involved our vehicles being driven in and out of the city. We felt that would’ve been inappropriate.

“Our suppliers have been supportive of our decision. They are pleased in equal measure that we’ve recommitted to the event taking place in mid-June.”

Shane Breckon, director of Motorcentral, whose Addington offices are close to Al Noor mosque, says: “I was away on the day of the attacks, but our business went into lockdown.

“Some staff knew people who died, which was particularly hard for our team. But we’ve started to bounce back and have been relaxed about people taking time off to attend memorials.

“My staff are saying everyone is now friendlier with each other and feeling more positive. There’s more warmth in our community with many people making donations.

“The way we have responded makes me feel proud to be a Cantabrian.” ☺

expert knowledge will be greatly missed. New Zealand has lost someone special.”

Organisations across the automotive industry have expressed their condolences.

David Vinsen, of VIA, says: “Our thoughts are with the people of Christchurch and wider Muslim community. A tragedy such as this affects everyone in New Zealand and we share this pain.

“An event of this enormity is likely to change the way we think about ourselves and how we go about our lives.”

The MIA’s David Crawford says: “Everyone at the MIA, along with the rest of our country, stands horrified in the aftermath of these hate crimes.

“We reiterate the words of many in saying this is not New Zealand, it is not our way of life and it is not how we think of ourselves as a country.

“In the coming months, it’s my personal hope that – as a country – we can have a sensible and lasting discussion on how to avoid such tragedies.”

Craig Pomare, of the MTA, says: “Our hearts go out to the people of Christchurch, particularly Kiwis in the Muslim community who have suffered unimaginable loss. On behalf of MTA members, I extend our sincere condolences. *Kia kaha.*”

Visit [www.autofile.co.nz](http://www.autofile.co.nz) for more on those who died and messages of support from the motor-vehicle industry. ☺

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# 'Retrograde step' for car imports

Organisations in the automotive industry have been in talks with a working group set up by the government to look into the long-term future of ports, logistics and freight.

The Upper North Island Supply Chain Strategy aims to be a comprehensive review to ensure the industries are fit for purpose over the next 30 years.

However, there could be major impacts for the vehicle-import sector because it includes a feasibility study to consider moving Ports of Auckland's work to Northport.

David Vinsen, chief executive of VIA (the Imported Motor Vehicle Industry Association), warns cars will likely be the first cargo category to head north to Whangarei if such a move happens.

VIA and the Motor Industry



VIA's David Vinsen warns moving motor-vehicle imports to Northport would involve considerable time and money. David Crawford, of the MIA, agrees

Association (MIA) have presented to the working group to explain how processes across the automotive supply chain operate.

The group is reporting to government departments, and the ministers of finance, transport and regional development, while the Ministry of Transport,

NZTA and Ministry of Business, Innovation and Employment are providing support.

"We are remaining open-minded about the future, but shifting automotive imports would involve considerable time and money because the market for used vehicles in New Zealand is

predominately in Auckland and the Waikato," Vinsen told Autofile.

"Much of our compliance industry is in South Auckland, so relocating everything doesn't make sense. There would be significant costs, delays and handling issues, all amounting to more risks and time by shifting vehicles to Northport."

That said, Vinsen adds the industry will have to go with whatever the government decides "but it would be a long and expensive game".

"We are talking 20-25 years when it comes to resource consents and all at a cost of \$7-8 billion," he points out. "Northport does, however, have a lot of space to construct buildings and store vehicles, as such a move may involve relocating the compliance industry there."

The MIA welcomes the

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◀ government's review, but stresses the long-term needs of industry require careful planning to cater for future capacity and logistics options.

"Our concern remains that this review is prejudiced from the outset with a series of political drivers focused around moving freight to Northport, which would be a retrograde step for the vehicle-import sector," says David Crawford, chief executive officer.

"No one in their right mind would envisage taking freight further away from main markets and adding significant costs to get goods to consumers in the process, let alone planning the land-transport capacity to move freight down country to our markets."

The government points out New Zealand's freight volumes are expected to continue growing, which will impact all of the supply chain. Expansion is anticipated at about 50 per cent over the next three decades.

Shane Jones, Associate Minister of Transport, says our ports, freight services and coastal shipping are critical to the economy, and to promote regional development and employment.

"Understanding the drivers and uncertainties around future demand is vital to ensuring our supply chain is fit for purpose."

Jones cites the coalition government's agreement as a commitment to exploring the feasibility of moving Ports of Auckland, including giving Northport "serious consideration".

"We're also committed to investigating a rail line to Marsden Point and Northport, and upgrading the North Auckland Line to take pressure off roads."

The New Zealand First MP wants to see Northport grow and says he's eagerly anticipating the working group's findings.

"We need to be confident what the options are. We're keen to transfer economic activity from Ports of Auckland further north. It was something we campaigned on, but we only got seven per cent of the vote. That means we can't deliver everything in our manifesto."

Jones' stance on the matter has already copped criticism from Phil Goff, Mayor of Auckland.

"At some point, growth of freight into Auckland will outgrow land available for the port," says Goff. "We also understand moving it will free up foreshore access and valuable land to meet Aucklanders' needs in other ways."

"However, the port is a critical lifeline for freight into our city, which is vital to social and economic well-being."

He stresses a strong business case must be put forward before moving the port or any of its operations.

"That decision needs to be evidence based, rather than political, and the costs of alternative infrastructure – and impact on the cost of goods reaching Auckland – need to be objectively calculated."

Jones says he understands opposition to moving the port, but is unconcerned Goff believes the working party's findings will be predetermined. "Phil's a politician and he's got a track record of letting his tongue run away from him."

In 2016, Auckland Council formed a working group to look into options. The resulting Port Future Study said it would face issues going forward due to its location.

"Capacity will constrain its ability to meet future freight ship demands, which may limit economic growth in the long term," it stated.

The report added potential locations for a new port at Manukau Harbour or the Firth of Thames should be investigated.

Auckland Council officially outlined its concerns about the Upper North Island Supply Chain Strategy's working group in a letter to it late last year.

The working party is chaired by Wayne Brown, former chief executive of the NZTA. Other members include Noel Coom, who has 46 years' supply-chain experience, and Gregory Miller who has spent three decades in the logistics sector and has worked for the Mainfreight Group. ☺



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CEO Provident Insurance, NEW ZEALAND.

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# Shareholders vote for takeover

**T**rade Me shareholders have overwhelmingly voted in favour of the online company being taken over by Titan AcquisitionCo NZ Ltd.

The scheme of arrangement for the deal to go ahead has been passed under the Companies Act, which requires special thresholds to be met.

That basically means 75 per cent or more of votes cast in each interest class needed to be in favour of the buy-out in addition to more than 50 per cent of the total number of votes able to be cast backing the takeover.

Trade Me has only one interest class of shareholders and 396,973,029 shares on issue.

The takeover is still subject to high-court approval with a final hearing scheduled for April 16.

Chairman David Kirk says the vote was strongly in support of the scheme – 66.08 per cent of shares were voted and 99.29 per cent were in favour.

“The board was unanimously in favour of this proposal and was confident it was an attractive offer for shareholders,” he says.

“Shareholder approval is a major hurdle in the takeover process. The remaining formal step is the hearing of a court



Trade Me chairman David Kirk at the shareholders' meeting on April 3

application later this month.

“Provided this proceeds as we expect, Titan will acquire all Trade Me shares in May, and Trade Me will then leave the New Zealand and Australian stock exchanges.”

Kirk adds shareholders are required to do nothing further at this stage.

“We’ll update shareholders again after the high-court application has been heard. At this stage, we would expect the scheme to be implemented and shareholders to be paid \$6.45 per share around May 8.”

An independent adviser’s report prepared by Grant Samuel assessed the value of the

company’s shares to be in the range of \$5.93 to \$6.39 each.

This means Titan’s offer price of \$6.45 amounted to a 27 per cent premium on Trade Me’s one-month volume-weighted average price to November 20, 2018 – the day before the offer was made public – and an implied equity value of \$2.56 billion.

Before the special shareholders’ meeting was held, Kirk said while Trade Me’s board had a positive outlook and was confident the business was well-positioned to deliver long-term growth, \$6.45 provided certainty of value for shares if the takeover went ahead effective, and there was no

assurance better returns could be achieved in the future.

“The directors consider \$6.45 is an attractive price and believe the reasons to vote in favour of the scheme outweigh reasons to vote against,” he said.

As for the way forward, the deadline for filing notices of opposition was set for 5pm on April 8 before the final court hearing on the 16th to approve the deal.

The trading halt date is May 2, which is when Trade Me shares are expected to be suspended from the NZX and ASX.

The takeover implementation is slated for May 8. This is when shareholders will be paid and Trade Me delisted or shortly afterwards. The end date is July 12. All dates are indicative, except the end date.

Voting closed at 2.30pm on April 3 at the special shareholders’ meeting in Wellington. For the record, votes cast in favour of the takeover came to 260,437,605, which was 99.29 per cent of votes actually cast and 65.61 per cent of total votes able to be cast.

There were 1,869,464 votes against the scheme, which was 0.47 per cent of total votes able to be cast. ☺

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# Review into bug controls

**T**he Ministry for Primary Industries (MPI) is seeking feedback on plans to introduce stricter import requirements for vehicles and containers.

Changes to import health standards (IHS) are intended to make it harder for brown marmorated stink bugs (BMSBs) to establish in this country, says Dr Cath Duthie, of Biosecurity NZ.

"This invasive pest is continuing to spread throughout Europe and the US," she says. "The proposed measures will help stop bugs from hitching rides to New Zealand."

The changes being considered include extending the list of countries required to treat vehicles, machinery and equipment imports before they arrive here.

At present, 18 countries have pre-treatment requirements. The new list has 33.

Those expected to be on the

IHS' revised schedule three are Albania, Andorra, Armenia, Austria, Azerbaijan, Belgium, Bosnia and Herzegovina, Bulgaria, Canada, Croatia, the Czech Republic, France, Georgia and Germany.

The others are Greece, Hungary, Italy, Kosovo, Liechtenstein, Luxembourg, Macedonia, Montenegro, the Netherlands, Romania, Russia, Serbia, Slovakia, Slovenia, Spain, Switzerland, Turkey and the US.

All imported cargo relating to vehicles will need offshore treatment, including sea containers. In the past, only non-containerised cargo has had to be treated before arrival. The MPI also intends to refine off-shore management requirements under the existing IHS, and has worked with Australia's Department of Agriculture and Water Resources to get measures aligned so it's easier for traders and shippers to comply. ☺

## IN BRIEF

### Emissions rules in Europe to push electric models

Daimler will promote electric and hybrid cars more aggressively after tougher tests revealed emissions levels recorded by Mercedes-Benz Cars in Europe rose by seven per cent last year.

EU regulators are forcing a 40 per cent cut in carbon-dioxide (CO<sub>2</sub>) emissions from 2007-21 to mitigate global warming. And in the wake of the Volkswagen scandal, tighter testing methods now reflect real-world driving conditions causing average readings to rise across the industry.

The new procedures and consumers shifting to SUVs lifted average fleet emissions levels for Mercedes and Smart cars in Europe to 134g of CO<sub>2</sub>/km in 2018 – up from 125g in 2017 – making it harder to lower average fleet emissions to a target of 105g/km by 2021.

Daimler will boost its hybrid and electric vehicles to 20 models by 2020 – up from five in 2018. By 2025, up to 40 per cent of cars will be electric or hybrid, it predicts.

### Extended range of 540km for marque's fifth model

Tesla revealed its Model Y to New Zealanders by live-stream link on March 15.

The mid-size SUV will command a price-tag of US\$39,000, or about NZ\$57,000, for the standard-range version. It will also come in long range, dual-motor all-wheel drive and performance variants.

The standard version's range will be 390km on a single charge, while the long range variant's in real-wheel drive is 540km. The seven-seater has 19 cubic metres of storage space.

Deliveries should start in the first quarter of 2021 for the standard range and the last quarter of 2020 for its variants.

### Dealer principal puts success down to dedicated team

Blackwells Mazda is the marque's dealer of the year for 2018 after all areas of its operation were evaluated – from vehicle and parts sales, to the service department and customer satisfaction.

David Hodge, managing director of Mazda NZ, says the team in Christchurch has improved year on year and innovatively looks at ways to grow the business.

Dealer principal Seth Ovens says: "It's humbling to see our efforts rewarded. I credit the success to our dedicated and passionate team."

Five other dealerships have been recognised for outstanding performance. They are Nicholson Mazda in Whakatane, North Harbour Mazda in Auckland, Pacific Motor Group in Whangarei, Palmfeld Motors in Palmerston North and Wanganui Motors in Whanganui.

### Loan providers fined \$100k for breaching credit law

Alternate Finance and Crester Credit Company – third-tier lenders based in Christchurch – have pleaded guilty to four representative charges under the Credit Contracts and Consumer Finance Act.

They failed to ensure their credit contracts didn't take security interests over prohibited consumer goods. They were fined \$103,500 and ordered to pay \$21,238 in damages to 99 borrowers. Visit [www.autofile.co.nz](http://www.autofile.co.nz) for more on this story.



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# Agency clears compliance files

The NZTA says it has cleared its backlog of more than 850 compliance cases.

Its five-month investigation has found around 36,000 questionable warrants of fitness (WOFs) and certificates of fitness have been issued.

This has led to vehicles being retested, while dozens of service providers have been suspended for failing to adhere to regulations.

The review was launched in October by Phil Twyford, Minister for Transport, and the NZTA's chairman Michael Stiasny. Law firm Meredith Connell was drafted in to oversee the investigation headed by managing partner Steve Haszard.

"When we came in, we could only take on what we thought were the riskiest areas and then shine a light into dark corners we perceived to be less risky," says Haszard.

"The NZTA wasn't doing what

it ought to be doing to reduce the risks of vehicle certification or transport operators contributing to the cause."

There are about 60,000 regulated parties under the agency's jurisdiction, including some 12,000 certifiers. The number of vehicles needing recertification has topped 36,000 with many arising from investigations into larger operations in Auckland and Hamilton.

About 130 notices of suspension or revocation of approval have been issued, with 53 immediate suspensions and 24 revocations.

Vehicle inspector Rajesh Singh and Gravity Services, which is based in Glen Innes, Auckland, was the

agency's most recent suspension on March 19.

The inspecting organisation had been allowing unauthorised people to inspect cars that were then given WOFs. Singh allegedly also failed to correctly inspect mechanical systems and seatbelts. In total,

5,740 vehicles were affected.

"We're unaware of specific concerns relating to individual vehicles," says a NZTA spokesman.

"However, due to the poor quality and unusually high

number of inspections, there's a possibility some may have been incorrectly passed. We encourage people with WOFs issued by Gravity Services to get their vehicles rechecked."

It's believed as many as 10,000

cars may still be on the road with failed WOFs, so the offer of free rechecks for owners was extended to March 31.

They have been written to, and contacted by phone and via a social-media campaign, which targeted people within a 7km radius of inspectors found to have issued unsatisfactory warrants. However, current legislation means they cannot be forced to have their cars rechecked.

Meanwhile, submissions on the NZTA's review into conflicts of interest in entry certification closed last month.

Policy development is expected to be completed between April and June, with new rules taking effect on December 31.

A separate Ministry of Transport review into the NZTA's regulatory performance was due soon, but has been pushed back to mid-April. ☺



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## Court orders issued

The Commerce Commission has filed high-court proceedings against a finance company seeking orders that it returns costs of borrowing totalling about \$680,000 for 1,721 loan contracts.

The commission is also seeking – in the alternative – that Linsa Finance pays statutory damages to affected borrowers.

The company, which has offices in Tauranga and Manurewa, South Auckland, offers secured and unsecured personal loans of up to about \$4,000.

It is alleged that between June 2015 and March 2016, its contracts failed to include key disclosure information required under the Credit Contracts and Consumer Finance Act (CCCFA).

Section 99(1a) of the act states a consumer isn't liable for the costs of borrowing – that's to say credit fees and interest – during any period in which the lender

has failed to comply with the act's disclosure requirements.

The CCCFA allows for the award of statutory damages against a creditor if the lender fails to comply with rules about disclosure for borrowers and guarantors, and doesn't comply with the regulations about interest.

This includes disclosing interest payable and how and when it can be charged, and failing to ensure disclosure is made about credit-related insurance, repayment waivers or extended warranties.

Linsa is majority-owned by director Jim Smylie, who declined to comment on his position. He previously headed Western Bay Finance, which went into receivership in August 2006 owing \$48 million to some 2,400 investors.

Western Bay's portfolio was made up of about 10,000 loans, reports NBR, mainly for cars. Loans with a principal of \$30m were sold to Finance Now for \$27.9m. ☺



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# Port work to boost car sector

Ports of Auckland Ltd (POAL) is working towards getting its supply chain operating on a 24/7 basis and on infrastructure projects to benefit the automotive and other industries.

One of the major schemes is its new car-handling building with the latest images of how it will look being supplied to Autofile.

The facility at Bledisloe terminal's southern end will have capacity for 2,500 passenger and light-commercial vehicles depending on whether they are new or used imports.

For example, the close "block stocking" of 500 new cars of the same model or by the same marque will be possible, while used consignments will take up more space due to vehicle dimensions.

The building, which should be operational next year, will have side ramps for easy entry and exit, and to avoid cars having to be driven around in circles inside.

Most vehicles, which in the future will be kept in the facility until moved off-site, come through Bledisloe, and Captain Cook and Marsden wharves, with the multi-cargo area used for overflow.

A major benefit for car importers will be faster processing times, so stock will get to dealers quicker although, as construction progresses, space for vehicles coming into the country will be at a premium.

To help ease possible congestion, POAL will use an inland vehicle-storage facility in Highbrook, East Auckland.

Essentially, it's an off-site extension of the port. When required, cars will be moved there to keep dockside areas free for arrivals. POAL is footing the bill for the relocation service.

Access to move vehicles out of the inland yard is being restricted to certain times to avoid congestion with transporters, some of which would have been available to shift vehicles off-wharf.

Tony Gibson, chief executive officer, says by building up to create more room for handling vehicles, the port will be using its land more intensively and eliminating the need for future reclamation.

"The building will be a striking addition to the waterfront," he adds. "Its western façade will be covered with 3,000 LED lights, which can be used to create stunning displays. Its roof will be strengthened for a future public park.

"Site set-up has started and it's expected to be completed by late 2020. Longer term, it will enable us to open up Captain Cook wharf –

currently used for vehicle handling – for cruise ships."

The port is in the middle of a major investment programme, which will increase its capacity and efficiency, but infrastructure projects affect operations in the short term.

The container terminal is working at less capacity as more automation – due to be completed later this year – is introduced.

This has limited POAL's ability to respond to unexpected jumps in demand, and resulted in congestion during September and October 2018.

It has also highlighted a vulnerability in Auckland's supply chain, which is at capacity meaning small problems can quickly escalate.

"The city's growth means the supply chain needs to evolve to handle increased volumes," explains Gibson. "Factors behind this vulnerability include delays to shipping, and labour shortages affecting the port and trucking industry.

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## Changes to supply chain

Port of Tauranga reports increased cargo volumes contributing to a four per cent increase in net profit after tax to \$49 million resulting in a strong start to the 2019 financial year.

Trade increased by 8.8 per cent to nearly 13.6m tonnes while container volumes grew by 5.1 per cent to 621,117 TEUs, or 20-foot equivalent units, for the half-year to December 31. Transshipment volumes jumped by 18.9 per cent to 174,983 TEUs.

"Tauranga is working well as an international hub for shippers looking to efficiently access large ship container services," says company chairman David

Pilkington. He adds it's the only port in this country that can easily accommodate such big vessels, and he's pleased by transshipment levels from other New Zealand locations and Australia.

Chief executive Mark Cairns says: "It has been two-and-a-half years since our expansion for larger ships. All evidence points to a continuing trend to bigger vessels. We're now planning for the next stage of growth."

Preparations are under way to extend the quay at the container terminal by up to 385 metres by converting port-owned land south of the existing 770m facility, while options are being assessed



What POAL's car-handling building will look like when illuminated at night, above, and how it fits, facing page, into the wider port landscape

"Our goal is to promote change to more efficiently use existing capacity. This will require a combination of technology, greater co-ordination, and better use of off-peak periods at night and weekends."

The port is updating its processes and business rules to incentivise shifting to a 24/7 operation, including getting imported vehicles off-site faster.

"We're working with the National Road Carriers' Association to inform our partners about issues and changes needed," says Gibson.

"While severe congestion is behind us, we will continue to operate with reduced capacity until automation infrastructure works are completed later in 2019. That will improve the situation, but we'll still be operating at capacity until automation comes on-stream early in 2020."

In relation to what this means for the automotive industry, Justin Maddock, manager of commercial relationships, told Autofile: "A significant area of opportunity within all supply chains is night-time and weekend operations. Traditionally, these hours aren't well-utilised when compared to the traditional 7am-7pm period."

"By increasing the operating hours of the overall supply chain,

the volume of cargo entering it can be better managed during periods of congestion.

"Better use of technology will facilitate efficient movement in the supply chain through the reduction in manual paperwork and processes, ultimately resulting in stock being available for transport in a more efficient manner."

Other projects aim to improve all port operations, such as increasing capacity by laying about 22km of fibre-optic cable and upgrading 23 truck lanes.

Issues associated with brown marmorated stink bugs (BMSBs) have impacted on port operations and will continue to do.

"A decline in car sales, plus the impact of measures to prevent the introduction of the BMSB into the country, have caused a fall in volumes," says Gibson in his half-year report to December 31.

"Car imports for the full year are expected to be lower than the previous year. This reduction is reflected in total volume handled across our general cargo wharves, which includes cars, heavy vehicles and bulk goods, such as cement."

A 22 per cent increase in container volumes reflected the return to full service of ship-to-shore cranes put out of action following the effects of the 2016 earthquake in Kaikoura when such activity didn't resume for about 10 months.

"We're working with experts, customers and stakeholders to deliver a regeneration plan later this year," says chairman Lachie Johnstone.

"Concepts are being drawn up to create a more ideal approach and access to the port."

"To continue servicing the lines that have approached us regarding bigger ships, we're scoping a resource consent for capital dredging likely in three areas just outside our footprint." ☺

to boost container storage and handling capacity.

The port's current focus includes exploring new and emerging cargo categories, such as cars.

Meanwhile, CentrePort in Wellington achieved net profits after tax of \$11.9m for the six months to December 31 and declared an interim dividend of \$2m – the same as the pay-out for the 2017/18 full year.

The result is \$7.2m more than for the last financial year and is in advance of budget. It reflects continued strong growth in trades and finalising earthquake-related insurance settlements, while operating revenue of \$41.3m jumped by 21 per cent up on 2017's corresponding period.

With the current high-risk season for stink bugs ending on April 31, POAL understands disruption has so far been related to non-Japanese cargo and has affected only a handful of vessels.

The company continues to work with the Ministry for Primary Industries and shipping lines on the challenges posed by biosecurity risks and managing them on-site.

Maddock says: "The stink-bug issue is one of the factors affecting volumes, but not the main factor."

"The overall market is driven by supply and demand with an oversupply of stock still working its way through to car dealers. The arrival rate of stock, especially in the used segment, is affected."

In the six months to the end of 2018, there was an overall drop in trading performance.

Car volumes came in at 124,190

units – down by 16.6 per cent from 148,879 when compared to the previous corresponding period. Container and general cargo volumes also decreased – by 4.6 and 4.7 per cent respectively.

The volume mix for the half-year was split down the middle with new and used vehicles, whereas it was 52-42 per cent in favour of used in the same period of 2017/18.

Looking ahead, Gibson notes POAL is anticipating more growth in vehicle imports, which have tripled since 2009 – albeit at a slower pace in the future.

As for the port's financial performance, revenue for the past half-year came in at \$123.6 million, up by 2.5 per cent, but net profit after tax dropped by 16.4 per cent to \$24.4m.

"The next 18 months aren't going to be easy," warns Gibson. "Work we have under way is important for the sustainability of our operations. Long-term benefits are clear, but the short term will be challenging." ☺

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# Electric-vehicle business disruption

**M**aking the switch will disrupt our lives and the way we work in ways extending well beyond our choice of car.

Flip The Fleet calculates the average cost of power to drive an electric vehicle (EV) is 3.6 cents/km, but many businesses and owners with cheaper rates pay less than 1c/km. Before recent petrol-price hikes, we reckon a new middle-sized internal combustion vehicle (ICV) cost about 13c/km to fuel.

Cheaper motoring helps everyone. Companies are better able to deliver goods and services at a competitive cost – not just by using EVs and eventually even driverless cars, but also because of technology and business model development happening alongside and in partnership with automobile innovation.

Internet, smartphones and apps allow for customers to call for service from wherever they are. You can see the beginnings of delivery revolution already with services such as Uber Eats – many restaurants offer dinner delivered by a pool of part-time drivers in their own cars.

Sure, your food is still most likely to arrive in an ICV, but the advent of EVs will add to the speed of the service's uptake and lower costs to make business disruption all the faster.

It's all part of a new world where "transport as a service" will displace the traditional individual ownership model of vehicles.

For most of us, our car sits parked for 95 per cent of the day and night, and – more often than

## Top 10 EVs by popularity of Flip The Fleet members

Rank	Make and model	Vehicles
1	Nissan Leaf 1.2 (24kWh)	521
2	Nissan Leaf 1.3 (30kWh)	291
3	Nissan Leaf 1.1	284
4	Mitsubishi Outlander (PHEV)	92
5	Nissan e-NV200	64
6	BMW i3	29
7	Hyundai Ioniq (EV)	26
8	Renault Zoe	17
9	Tesla Model S	14
10	Nissan Leaf 2.1	13

*This table shows the top 10 EVs Flip The Fleet's drivers have chosen, as of February 21, 2019. About 1,400 EVs from across New Zealand have been registered with it. The organisation says government financial incentives are needed to secure supply of new EVs in this country.*

not – there's just one person in it on the road.

Some modelling from the US suggests ride-sharing could mean cars are in use 45 per cent of the day, so we would need way fewer cars overall.

Not everyone wants to share a trip with strangers, but more are willing to buy the right to use a shared car rather than own one. Provided you are guaranteed access when needed, why have the hassle of owning, garaging, fuelling, maintaining and cleaning it when someone else provides that service at much lower cost.

Car-sharing operations spread the cost of manufacturing and maintaining vehicles across a community of users. Therefore, the fuel bill to propel each one becomes a bigger proportion of the service's cost. That's where EVs

can beat the competition.

The cost of electricity is much more stable than petrol. Over the past three years, it has risen gradually from an average retail price of 28.8c to 29.7c per kilowatt hour – up by about four per cent.

Over the same period, the price of 91 octane varied between \$1.82 and \$2.49 per litre for a fluctuation of 37 per cent.

New Zealand is fortunate to be able to generate more than 80 per cent of its electricity from renewable sources.

Not only can we capture business efficiency and improved productivity from cheaper mobility, we can also be more resilient and deliberate in planning business investments by using EVs – and dodge international oil-market price and supply shifts.

These macro-economic drivers

make the uptake of EVs all the more certain and will probably incentivise the government to spend a lot of public money on accelerating their uptake in the near future.

New Zealand also needs to pay for climate-change mitigation to reach the goal of a net-carbon zero economy by 2050. Alternative ways of reducing greenhouse gas emissions, such as capping the dairy industry and tourism, will cost the country more than incentivising EV uptake through feebates, removing GST on EV purchases or making fringe-benefit taxes more favourable for electric cars.

My grandfather, Jens Møller, was no Einstein. He bought a thriving horse dealership in Denmark a few years before cars took over the world. He can, perhaps, be forgiven for eroding our family inheritance.

Disruptions are hard to pick, and jumping on-board takes homework, courage and foresight. There's now huge demand for EVs in New Zealand, but supply is the critical unknown.

We cannot simply rely on second-hand imports with limited servicing support. We're going to need government financial incentives to secure supply of new EVs for our small market where we drive on the left-hand side of the road.

EV dealers are crucial "early adopters" who deserve more support to get us started on a journey to a better economic future based on cheaper, greener and smarter mobility being accessible to most businesses and families. ☺

*Henrik Moller is a retired sustainability scientist. Additional research by Daniel Myall and Dima Ivanov. Visit [www.flipthefleet.org](http://www.flipthefleet.org).*

Live EV listings on Trade Me:

**+4.0%**

Compared to last month

**+67.8%**

Compared to prior year

New EV listings on Trade Me:

**-2.9%**

Compared to last month

**+75.6%**

Compared to prior year

EV watchlists on Trade Me:

**-0.8%**

Compared to last month

**+37.3%**

Compared to prior year

# Action needed to hit target

Drive Electric says there's no way the current target of getting 64,000 electric vehicles (EVs) onto New Zealand's roads by 2021 will be hit without government policies to boost uptake.

The advocacy group is calling on the coalition to clearly signal its intentions on moving forward the fleet's switch following "huge progress" over the past half-decade.

Chairman Mark Gilbert says it's now a question of "where do we go from here" because the five-year vision and plan Drive Electric set for itself and the industry in 2014 was largely achieved by 2018.

"There's no way of getting to 64,000 vehicles without additional political will," he says. "We've got to get clear insights of what the policy incentives are going to be and when they will be applied."

He hopes Drive Electric's Project Switch proposal – to offer companies fringe-benefit tax relief on new EVs for a period to

accelerate uptake in corporate fleets – will be considered.

"Project Switch is a no-brainer because it's an opportunity cost, not a loss of money, and it doesn't have to be open-ended."

Although charging infrastructure is now visible nationwide, corporates are more inclined to include EVs in fleets, there's a wider variety of electric models on the market with more to come, and there are about 13,000 EVs on our roads, Gilbert says that's insufficient to meet the 64,000 target set by the previous government for two years' time.

Drive Electric, which has influenced past policies, will continue pushing for more EV uptake this year.

"Our members are involved in all aspects of the EV industry, says Gilbert. "We have arms in different areas – energy, cars, mobility as a service, intelligent transport systems, financial services, fleets and charging infrastructure. We

represent all converging sectors."

Included in its work is Drive Electric's white-paper programme, which will put a focus on several areas, including heavy transport.

The government indicated policies are in the pipeline after signing the Birmingham Declaration on Zero Emissions Vehicles at end of last year.

"The transport sector has a critical role to play in the transformation to a low-emissions global economy," says James Shaw, Minister for Climate Change, who endorsed commitment to a zero-emissions future for transport on a visit to London.

"I'm pleased to add New Zealand to this declaration as a

signal of our commitment to take action, along with others, in this important sector."

Shaw adds the proportion of electric light-vehicle registrations is increasing and has now surpassed two per cent of our fleet.

"EVs still make up a small proportion," he notes. "The government is looking at policies to encourage their supply to bring prices down so they are more widely available and affordable for New Zealanders."

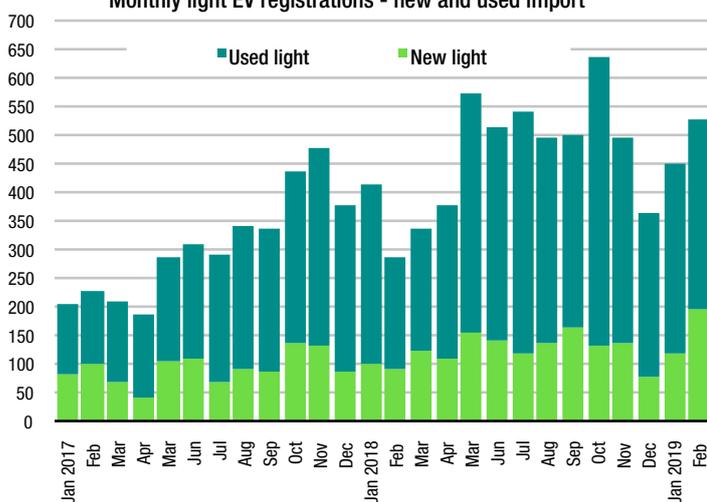
Signatories to the declaration commit to accelerate the switch to low-emission vehicles to enable growth of this market and support the development of zero-emissions technology. ☺

## Light EV ownership

	Pure electric		Plug-in hybrid	
Individual	7,087	74.55%	1,877	60.80%
Company	1,843	19.39%	1,843	37.58%
Other	576	6.06%	50	1.62%

*"Other" owners are typically central, regional or local government*

Monthly light EV registrations - new and used import



EV percentage share of registrations



Source: MoT, March 5, 2019

### Top 5 EV models

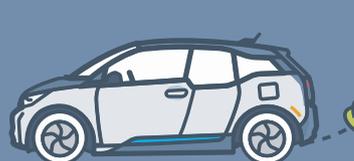
listed on Trade Me last month:

- Nissan Leaf
- Nissan e-NV200
- BMW i3
- Smart Fortwo
- Hyundai IONIQ

Average listing price for the month:

**\$25.3k**

## Eye on EVs



trademe  
motors

\* Figures as per the end of March 2019

# Commission steps up action

A dealer based in the South Island has been issued with a formal warning for likely breaching the law while selling motor vehicles.

The Commerce Commission has taken the action as part of its clampdown on the automotive industry.

Taieri Motor Court, which is based in Mosgiel and has a second branch in Mount Roskill, Auckland, is likely to have breached the Fair Trading Act (FTA) in the commission's view.

It did this by making misleading representations about a car's mileage, selling vehicles on a private basis and breaching the Consumer Information Standards (Used Motor Vehicles) Regulations.

The commission took action after a complainant alleged Taieri Motor Court advertised a 2001 Subaru Impreza with an odometer reading of 160,000km when it was actually 166,000km.

In reply to the commission's enquiries, the dealer advised that the vehicle was sold privately and without it displaying or providing a consumer information notice (CIN).

"We have warned Taieri Motor Court that, in our view, its odometer representation and failure to display a CIN likely breached the FTA," says commissioner Anna Rawlings.

"Traders must display a CIN in the vehicle and online advertisement, and must not misrepresent its history."

The commission subsequently identified another car on the company's Facebook page – a 2013 Mercedes-AMG – advertised as a private sale. It established both vehicles were registered to the dealer when advertised.

Rawlings says: "Different rights and obligations apply when consumers buy from a person in-trade as opposed to a private seller, so telling consumers they are buying privately has the potential to mislead them."

The commission has also written to Taieri Motor Court over

**"Different rights and obligations apply when consumers buy from a person in-trade as opposed to a private seller"**  
– Anna Rawlings



## At a glance

The CGA requires goods be of acceptable quality, fit for purpose and comply with their description when sold in-trade.

Traders are banned from contracting out of the act except in limited circumstances involving business deals. All registered motor-vehicle traders are classed as in-trade.

If a car is being sold online, the CIN – or a link to it – must be on the same webpage as the listing.

its response to an enquiry the Subaru was offered on an "as-is, where-is" basis "because it wasn't yet ready for sale".

In the commission's view, this was a possible breach of the FTA and the trader was given advice to ensure future compliance.

"Using a term like 'as-is, where-is' can suggest the Consumer Guarantees Act [CGA] doesn't apply to the vehicle and the consumer has no recourse against the seller if those guarantees are breached," explains Rawlings.

"However, this isn't the case. Traders are prohibited from contracting out of this act when they sell to individuals. Recent court

decisions have confirmed this."

The warning, which was issued on January 30, comes at a time when motor-vehicle retail is a priority for the commission – three cases have recently been or are before the courts.

In July last year, Vehicle Logistics Ltd in South Auckland was fined \$75,000 for misrepresenting consumers' rights and failing to display CINs after eight charges were brought against it for FTA breaches. Trading as SsangYong Takanini, it sold trade-ins with \$1 reserves on Trade Me.

Five charges arose from advertising used cars for sale "as-is, where-is" and or "no guarantee or warranty" applied, which were attempts to contract out of the CGA.

Registered motor-vehicle traders cannot evade their responsibilities by using phrases such as "end-of-life vehicle" or "suitable for parts only, but runs well".

When consumers buy vehicles from traders rather than privately, statutory guarantees – such as being of acceptable quality and complying with descriptions – apply.

In sentencing, the judge said there was no difference between physical and online sales. "Any attempt to contract out is important, particularly in the case of the internet, which could lead to a breach of trust for consumers using e-commerce in their daily lives."

The charges covered 382 listings between June 2015 and January 2017, and were offered for sale via two Trade Me memberships operated by the dealer's sales consultants.

Trade Me repeatedly advised the company of the errors, but it only changed the way it listed vehicles after being informed of the commission's investigation.

In October 2018, 1 Dollar Reserve Cars and its owner were convicted after advertising vehicles as auctions of "complete packages of second-hand parts" and claiming the CGA didn't apply.

The Auckland-based company was fined \$8,000 and owner Adam Cooper \$4,000 after pleading guilty to FTA charges. Six were for CGA breaches and 10 for no CINs. They covered 94 vehicles on his Trade Me account from September 2015 to November 2017.

Cooper said he regretted his failure to include CINs and thought he could avoid CGA obligations by claiming cars for sale were packages of parts. He and his company had received warnings about 10 listings from Trade Me for failing to provide CINs.

On January 29, 10 charges were laid against 2 Cheap Cars under the FTA for advertising claims and its use of "warranty waiver" documents after an investigation was opened in November 2017.

Details of that matter can be found in the February issue of Autofile and online at [www.autofile.co.nz](http://www.autofile.co.nz). ☺

## Warning letters

A Commerce Commission warning advises the recipient it has, or is likely to have, breached the law – in the regulator's view.

It will not state a "finding" of non-compliance has been made – only the courts can determine if the law has been flouted.

The aim of a warning letter is to inform the recipient there has been a likely breach, and prompt a change in behaviour and encourage compliance.

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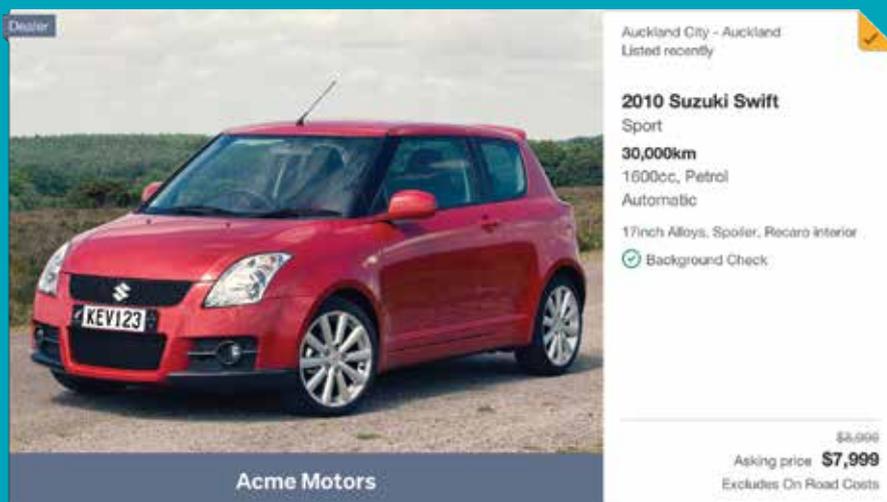
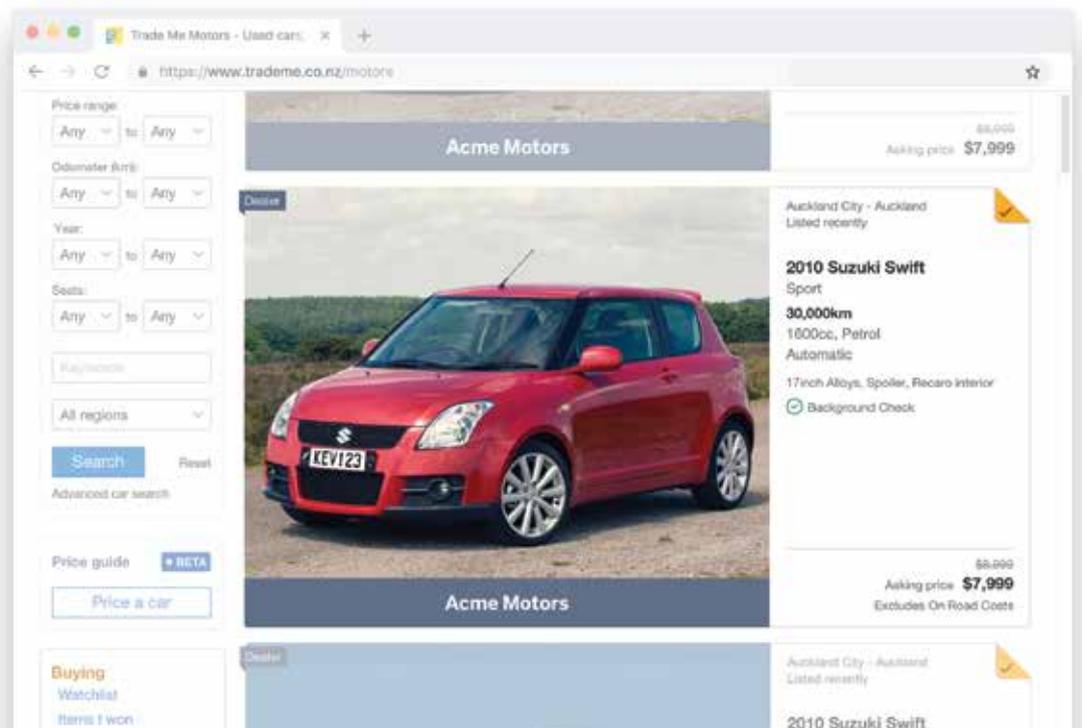
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# Crossing over into future

The wraps have come of Nissan's all-new IMQ concept vehicle – an advanced technology and design showcase signalling the direction of its next generation of crossovers.

Unveiled at Geneva Motor Show, the SUV incorporates the latest innovations of the marque's "intelligent mobility", its "future of automotive transport".

The IMQ offers other insights into Nissan's vision. It's equipped with an advanced prototype of the ProPilot driving-assistance system, which "can offer enhanced autonomous capability on urban streets and suburban highways".

This is possible due to an array of in-car advanced sensors, radars and cameras that can interpret road, traffic and information signals.

The concept also features invisible-to-visible technology – a



Nissan's IMQ concept vehicle

three-dimensional interface where the real world converges with the virtual world.

The opportunity to "see the invisible" is possible with the marque's omni-sensing technology. This connects the IMQ to real-world sensing information inside and outside the cabin, which is displayed before the driver after being combined with

data from the virtual world.

It can help users see around corners, visualise precise information about traffic jams and determine alternative routes. Drivers can even have a virtual passenger in the form of a 3D avatar.

Nissan's "gliding wing" instrument panel dominates the front of the cabin, with a centre console stretching back into the rear.

The interior is focused on the driver. This is demonstrated by the user interface, which is dominated by a 33-inch screen embedded in the main panel.

A secondary screen hosts the virtual personal assistant. It enhances driving experience by controlling functions, such as navigation, in response to human input.

The IMQ's 22-inch alloys have bespoke Bridgestone Connect "smart" tyres, which communicate information to the driver via a graphical user interface about load, pressure, temperature, grip level, wear and tyre health so in-vehicle control systems are automatically calibrated to work optimally.

At the IMQ's heart is the next generation of e-Power, a 100 per cent electric-motor drive system delivering instant acceleration.

It includes a 1.5-litre

turbocharged petrol engine with a power generator, inverter, battery and electric motor.

Used solely to charge the high-output battery, the petrol engine always runs at optimal speed. This leads to superior fuel efficiency and lower emissions compared to traditional internal combustion engines (ICEs).

Currently, e-Power is available in two models in Japan where more than 70 per cent of Notes and almost half of Serenas sold have the system. In the IMQ, it delivers an output of 250kW and 700Nm of torque via a new multi-motor all-wheel-drive system.

A concept called Imagine By Kia imagines the future of electric vehicles (EVs). It shows off the marque's "power to surprise" in a number of ways, according to Gregory Guillaume, vice-president of design for Kia Motors Europe.

"We wanted to move away from the rational and focus on the emotional to embrace a more human approach to electrification," he says.

"We imagined designing an all-electric car that answers concerns around range, performance, recharging networks and driving dynamism, but also one to give you goose bumps when you look at it and make your neck hairs stand up when driving it."

The sports-orientated design sits higher off the road like an SUV. Its unique features include a combined glass windscreen and roof. Even the marque's signature tiger-nose grille has a fresh look, a "tiger mask" encircling the main LED headlamps.

Imagine By Kia is the company's ▶

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Inside the IMQ concept



The 720S Spider by MSO



Imagine By Kia



The Ginetta Akula supercar

◀ first pure electric four-door passenger car. Unlike the Niro EV, which is based on the hybrid SUV's architecture, it's underpinned by a low-mounted, induction-charged battery pack powering a compact drivetrain.

The powertrain's architecture is designed to maximise interior cabin space, and provide innovative storage and cargo solutions.

A front trunk, or "frunk", complements rear-storage space accessible via a glass hatch. The back side doors are rear-hinged for easier cabin access and a huge opening when both swing out.

Guillaume says of the large C-segment EV: "I think of it as a category-buster and disruptor. When they talk about EVs, many car makers promote the same data-driven messages as with ICE vehicles, such as range, economy and performance."

But Kia's approach to addressing consumer concerns with the Imagine is "by approaching electrification from an emotional point of view".

As a result, the concept is more of a design study than a production prototype. Beyond stating its powertrain will be all-electric, no specific facts and figures – other than its chassis architecture – were revealed in Geneva.

Todd McDonald, managing director Kia Motors NZ, says: "It's another indication of the forward-thinking and innovative nature Kia has displayed in recent years.

I'm sure we'll see elements of its design and technology appear in future vehicles."

Of course, Geneva is famed for toys aimed at the rich and famous, and this year's show was no exception.

As interest in the new 720S Spider accelerated after publication of its first driving impressions, McLaren Special Operations (MSO) displayed a unique car that's possible with a bespoke order.

It highlights the advanced aerodynamics of the Super Series convertible by accentuating elements of its design and a blend of three metallic paints.

Specialist staff dedicated more than 260 hours to complete the tri-tone elements on body panels to emulate airflow over the Spider's body while it's moving.

MSO-defined features include a gloss carbon-fibre tonneau cover with the component developed for the 720S Spider.

Carbon-fibre treatment includes the diffuser and B-pillars, while other options include a sports exhaust and electrochromic glass for the retractable hard-top's panel.

Since being launched in 2017, the 720S Coupé's design has boasted innovative aerodynamics characterised by its "eye socket" front-air intakes and double-skin dihedral doors channelling air into side radiators.

The Spider boasts a combination of the Coupé's aerodynamics with its one-

piece hard-top and glazed flying buttresses.

With lightweight second-generation proactive chassis control and a four-litre twin-turbocharged V8, the company believes the 720S is its most accomplished convertible supercar with MSO visual innovation to match.

The engine powers the Spider from 0-96.5kph in 2.8 seconds and onto a top speed of 341 kph.

The Ginetta Akula made its global debut in Geneva, with the company confirming the name, pricing and ownership details of its all-new supercar.

Akula is the Russian word for shark, and was chosen to combine its aerodynamically optimised design

and potent performance. The vehicle, which is limited to a production run of 20 units next year, will be priced from about NZ\$650,000.

Paramount to Ginetta's programme is removing barriers often associated with owning a supercar. Aside from a personal relationship with the engineers who built their vehicles, buyers will get a full introduction to the brand with an experience day culminating in track time in the G58 racer.

Powered by a V8 and weighing 940kg, the G58 showcases race-derived technology used in the Akula to new levels with a factory driver, full pit crew and a range of Ginettas from the G40 to the G58 at customers' disposal. ☺



The futuristic interior of the Imagine By Kia

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# The month that was... April

April 24, 2008

## Fuel prices hit record high

The price of high-octane petrol topped \$2 per litre for the first time, prompting the AA to call on the government to intervene.

BP added 3c/l to its prices to take 98 octane to \$2.03/l. The company lifted 91 octane from \$1.86 to \$1.89/l. The record highs in petrol prices over the previous four weeks had added 11c/l to the price of petrol.

AA spokesman Mark Stockdale urged the Beehive to consider removing GST on petrol excise tax – a move it said could cut prices by more than 5c/l.

But Finance Minister Michael Cullen's office said the government wouldn't change the tax system because creating GST exemptions would add extra compliance costs for businesses, which were passed onto consumers.

David Vinsen, chief executive of the Imported Motor Vehicle Dealers' Association (IMVDA), said: "The price at the pump is a direct influence on people's purchasing decisions and we will likely see this affect the industry more so in the future. There will be a trend towards public transport, car-pooling, small-vehicle purchases, and the more considered use of vehicles. The future of the trade continues. But the vehicles we deal in will change."



April 26, 1999

## Tough times for wholesalers

A record high for used imports in March obscured another problem entirely – market confusion.

Despite a record month for registrations and imports of used cars, the wholesale market had slowed almost to a standstill sparking fears of stockpiles.

More than 11,100 used cars were sold in March and 13,800 were imported in April, but there were no signs sales had reached that level.

In addition, margins – particularly wholesalers' – were being squeezed to the point where there was little room left for both a retail and a wholesale margin.

Ian McCallion, general manager of ABC Cars, said retail sales had gone from buoyant to dead, a view shared by many dealers.

He predicted wholesalers would eventually become a thing of the past while on a retail level, the successful will be in one of three categories – small independents dependent on customer loyalty for business, larger dealers, such as ABC, and distributor networks.

John Nicholls, chairman of the IMVDA, said about 20 to 30 wholesalers had closed in the past year, or had restructured to take advantage of retail margins.



April 8, 2005

## 'No change' for entry regime

After months of delays, Land Transport New Zealand finally made a decision on its proposed entry-inspection regime.

Its board of directors announced the status quo would be maintained for a three-year period.

The country's three transport services delivery agents – the AA, VTNZ and VINZ – had been waiting for the decision for months.

VTNZ's chief executive, Mike Walsh, said: "It's good for the industry. It will provide some certainty for all involved and allow us to get on with the business in the most effective way possible."

Stella Stocks, the AA's general manager of technical services, agreed it was good a decision that had been made.

She added: "At the same time, we're disappointed there wasn't a decision to change things because we believed the red-green lane system had the potential to take some of the cost out of compliance."

The IMVDA's chief executive, David Vinsen, said: "We're confident that, through consultation with the trade, we can put in place a robust regime that will be cost-effective and free of conflicts of interest."



April 5, 2007

## Used-import industry unites

More than 200 people attended an IMVDA meeting to discuss proposed exhaust-emission standards, which they believed would limit the type and amount of vehicles imported annually.

The industry said research showed that up to 78 per cent of the vehicles coming into the country would be banned if this proposal went through as the government had indicated.

Iain McGlinchy, principal adviser for technology and fuels at the Ministry of Transport, said the government wanted to improve air quality and the overall quality of New Zealand's fleet.

"Our recommendations to the government was that in 2008 we use the Japan 00/02 standard, then the Japan 05 standard in 2011," he added.

"Cabinet changed the recommendations by bringing the dates forward stating it wanted the newer vehicles in the fleet sooner. If you make an allowance for vehicles manufactured to the 00/02 standard, but built prior to 2000, the available market is probably closer to 60 per cent."

Land Transport NZ released the draft rule for public consultation the following month.



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# Maximising sales potential online

Your customers shouldn't learn anything new when they visit your dealership which they haven't already seen, read or experienced on your website, other than the personal experience, and your vehicles being as good as you said they would be.

Not only is your website the face of your business, it's also the beginning of the experience with your dealership for prospective buyers who have come to land on it, to learn a little more about it and the cars they may be interested in.

A good website plays an important part of the process in the customer journey that influences the probability of selling a vehicle.

With research suggesting that it only takes 0.05 seconds for a user to form an opinion about your website that determines whether he or she will stay or leave, it's crucial for your online presence to make a great first impression.

Ideally, you want them to spend as much time on your website as possible to hopefully convert them through to making an enquiry or visiting your dealership.

With more than 60 per cent of searches being made on mobile devices, your customers' experiences with your site on their smartphones is an important component to consider.

It's critical to ensure the user's mobile experience is simple, easy and informative, so be sure to have a fully responsive website that's mobile-friendly and easy to navigate.

With such a large percentage of vehicle browsing done online, your website is there to act as a

credible reference to your business for clients who are checking you out from other listing sites, or have visited your site organically from their own research or because of a referral from a friend.

Your website should also act as a hub that everything points towards across all forms of advertising through to customer-relationship management components.

Whichever online mediums your customer interacts with your business on, they all need to transition the client to your site.



MARK GREENFIELD  
Motorcentral

as one of those they will visit.

Giving them a bad, uninformed or un-mobile friendly experience is actually providing them with reasons why not to do business with you.

It's really not all that different from the

pre-internet days when customers would walk or drive from dealership to dealership in search of vehicles they liked, or they came across a highly effective sales person they couldn't help but buy a car from.

The only difference today is they have the tools to view thousands of cars and hundreds of dealerships in

what it is today in many businesses.

Show your face, talk to a camera, build trust and familiarity with your customers in the space they're doing all of their homework.

Once they arrive at your dealership, they have already chosen which two dealerships they're visiting, so getting it right online ensures you will be one of those.

Websites are a low-cost investment for the value they can offer your business and your prospective customers.

It is the online face of your dealership, it is open 24/7 and is there for many years to come with renovations and upgrades along the way.

Businesses are quick to spend hundreds of thousands of dollars on their dealerships and advertising, yet overlook what they should be doing online.

Websites will continue to play an even bigger role for businesses as technology continues to evolve.

The team at Motorcentral continues to develop and deliver websites with features and functionality that are viewed by many as unparalleled in value in New Zealand.

Our team understands dealerships, their customers and the needs of both. Regardless of who your site is built by, just ensure it portrays your dealership, your people and your vehicles online in a way that's consistent with the experience on the ground. **m**

*If you want to learn more about Motorcentral's websites, which are compatible with most dealer management systems, phone our team on 0800-623-687 or email [dealersolutions@motorcentral.co.nz](mailto:dealersolutions@motorcentral.co.nz).*

**“Ensure your website portrays your dealership, people and vehicles in a way that's consistent with the experience on the ground”**

A good website should do as much of the sales process as possible, as if you are face to face with the visitor.

It's the opportunity to deliver an experience to your customers, present to them vehicles that suit their needs, and create an easy path for them to engage with your dealership, make an enquiry, book a test drive, apply for finance, or simply see where you are and call in for a visit.

Delivering a good online experience increases the probability of them choosing your dealership

a matter of minutes or hours with 24/7 access, without the need to be persuaded by any smooth-talking or instant rapport-building sales person, or dealership environment they trust.

Therefore, it's got to be conveyed online as best as you can in a short space of time. This doesn't apply just to your website, it applies across everything you do and all advertising material you are presenting.

I cannot stress enough how much the human element needs to be presented online more than



# Constraints on trading profits

The Colonial Motor Company (CMC) has posted a decrease of nine per cent in its half-year trading profits after tax.

The figure came in at \$10.8 million for the six months to December 2018 compared to previous reporting period's record result of \$11.9m, but ahead of trading profit of \$10.3m achieved in 2016.

CMC adds the new light-vehicle industry grew by a modest one per cent over the previous corresponding period compared to four per cent and 13.5 per cent in the prior years.

"Coming off a growth curve with its unfulfilled expectations is always challenging," says chairman Jim Gibbons.

"Established trends in the market continue with traditional sedans and hatchbacks now the smallest

segment at 26 per cent of the total.

"SUVs continue to grow and are now at 44 per cent, while light commercials are steady at 30 per cent.

"Ford continues to be the market leader in light commercials with New Zealand's number-one selling vehicle, the Ranger, and is now adding the Transit van range."

Gibbons notes Mazda's strength is founded in its "desirable range" of SUVs – the CX-9, CX-8, CX-5 and CX-3.

"The extra-heavy truck market grew, and within that Southpac increased its market share with its two brands, Kenworth and DAF," he adds.

"However, higher costs and

**"Coming off a growth curve with its unfulfilled expectations is always challenging"**

**– Jim Gibbons  
CMC chairman**

lower margins resulted in lower trading profitability compared to the more favourable circumstances experienced in the comparable period a year ago."

The company is continuing to push ahead with developments in regards to its dealerships.

Macaulay Motors Ford and Mazda in Queenstown has moved to a larger company-owned facility in Grant Road, Frankton, while new subsidiary company Southern Lakes Motors is being established to represent Mitsubishi and Nissan at the previous site on Glenda Drive.

Capital City Motors has opened two showroom hubs by

Wellington's waterfront to take the Ford and Mazda brands to the CBD. They boast touch-screen technology in a more relaxed environment. In addition, a company-owned retail service centre for both marques has opened in Taranaki Street.

CMC has also bought a property in Botany to expand Southern Autos – Manukau's stable of brands in south and east Auckland.

Looking ahead, Gibbons says the new light-vehicle market and extra-heavy truck markets have "levelled off at a historically high levels – the effect is high volumes, but tighter margins.

The company's profitability is down on the record 2018 result, but ahead of 2017. "The immediate outlook is for revenue to remain high, but lower margins and higher costs will constrain trading profitability." ☹

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# Clean versus green argument

There's a lot of debate on how we should reduce emissions locally and globally. In this case, I mean emissions in the broadest sense and – since I'm in the transport industry – I especially mean anything coming out of cars' tailpipes.

Some emissions are benign, such as water vapour. Others are noxious chemicals that cause direct harm to those exposed to them. And other emissions are slowly changing our environment in potentially undesirable ways. Reducing the latter of the two types can only be a good thing.

**Air pollution** is any contaminant that directly harms health. Sometimes serious health effects can result from short-term exposure to air pollutants. But in the case of vehicle emissions, the biggest risk to society is the impact of cumulative, long-term exposure.

Chronic effects will most likely be seen by commuters spending significant time behind the wheel or people living near busy roads. Air pollution can also damage natural ecosystems, and detrimentally affect crop yield and quality.

Most air pollutants are gases, but particulate matter (PM) is one of the most pervasive and harmful. PM refers to solid and liquid particles suspended in the air. Because of their size, they behave like a gas and are small enough to be inhaled.

Researchers usually use size to categorise PM. PM<sub>10</sub> has a diameter of 10 micrometres (µm) or less, PM<sub>2.5</sub> has a diameter of less than 2.5µm or less and ultrafine particles are less than 0.1µm in diameter.

In general, the smaller the particle, the greater the impact on health because smaller ones penetrate further into our bodies.

The primary sources of PM, in order of estimated impact, are residential home heating, agriculture including field burning, manufacturing and construction, road dust and on-road emissions.

Other air pollutants exist as gas in the atmosphere. Again, by estimated impact, these include nitrogen dioxide, sulphur dioxide, ground-level ozone, carbon monoxide and volatile organic compounds, such as benzene.

Air pollution – PM and gaseous – results from human activities and natural sources. In New Zealand, primary human activities include burning fuels for home heating, vehicle exhaust from combustion engines, industrial emissions, power generation, agriculture and pesticides. Motor-vehicle use is the largest source of gaseous pollutants. Natural sources include wind-blown dust, pollen, smoke from wildfires, sea salt, ash and volcanic gases.

**Greenhouse gases (GHGs)**, contrary to pollutants, are causing environmental changes indirectly impacting on quality of life. Since 1909, they have increased the average annual temperature by 1°C. This might seem like a small change, but it's only an average so sometimes the effect is greater.

Most important is the rate of warming is increasing. The



**KIT WILKERSON**  
Policy adviser and analyst  
kit@via.org.nz

effects of this change are most obvious in a rise in the rate and impact of extreme storms, but there are others. For instance, oceans are changing from increased temperature and absorption of gases, such as carbon dioxide (CO<sub>2</sub>). Specifically,

average sea-surface temperatures are increasing and the ocean is becoming more acidic.

Additionally, since 1977, New Zealand's glaciers have lost one-quarter of their volume. This effect is being seen globally, which has led to oceans here rising up to 22cm. There have also been measurable changes in our soil, leaving it drier in most areas – especially in those prone to drought.

Finally, we've observed ecological changes as they've occurred. In the past few decades, growing ranges for plants and animals have been shifting. This is an important factor for New Zealand because of the risk of biological contaminants and invasive species, especially insects.

Like pollutants, there are many types of GHGs. Among the worst by estimated effect are CO<sub>2</sub>, black carbon, methane, fluorinated gases – human-made gases found in products such as refrigerators, air-conditioners with hydrofluorocarbons, and nitrous oxide.

Black carbon is of particular interest because it's also a directly harmful pollutant – it is fine PM<sub>2.5</sub> and most commonly soot formed

through incomplete combustion. Sources include vehicle emissions especially from diesel engines, burning solid fuels, such as wood or coal for home heating, and farming burn-offs.

Because of its dark colour, black carbon is so good at absorbing sunlight that it's estimated to be second only to CO<sub>2</sub> in its contribution to global temperature rises. In addition, when black carbon settles on ice or snow, it absorbs heat and decreases reflectiveness. This increases the rate of melt, which raises sea levels. Resulting open water and bare earth also absorb more solar energy, further warming the environment.

But are GHGs pollutants? I don't have an answer and think it depends on one's world view.

If pollution is defined as a substance that contaminates the environment and causes direct harm, then many GHGs probably are not. However, if we change the requirement for direct harm to more general harm, it's hard to argue GHGs aren't causing effects at least harmful to some.

Most countries have now classified GHGs as pollution. This change was likely less about propaganda or prescribing language use than about using regulations in place to control pollutants to create limits GHG limits.

Ultimately, the debate's semantics detract from the more important discussion. A simple fact remains – it would be better for the status quo if there were less pollutants and GHGs in the atmosphere. So, what's the best way to make that happen? ☺



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# Industry movers

**KANE PATENA** has been appointed to the NZTA's newly created role of general manager of regulatory.

Chairman Michael Stiassny says he has extensive regulatory compliance experience in the public and private sectors.

He adds: "Patena has a proven track record of improving compliance teams he has led and was previously compliance practitioner of the year. His contribution will be critically important as the agency transitions towards a best-practice regulatory compliance model."

Patena joins the NZTA after three years with Wellington City Council where he was most recently director of strategy and governance. He was previously a partner at law firm Meredith Connell and served as a crown prosecutor.



**GEORDIE CASSIN** has been appointed marcomms and commercial manager at the Motor Trade Association.

He previously worked for 13 years at the Ministry of Social Development. For the last four years, he was national manager of campaigns.

Highlights there included increasing the ministry's use of its online services and being part of an inter-agency team that delivered fees-free tertiary education.

Cassin's other roles have included communications manager at the Institute of Chartered Accountants and the AA's public affairs manager.



**GEOFF DANGERFIELD**, former chief executive of the NZTA, has joined Port Nelson's board of directors.

"I'm keen on how the transport system works, ports in particular," he says.

Dangerfield also chairs the audit and risk committee at the Ministry for Children, and the major outsourced contracts advisory board for the Department of Corrections.

Before his seven years at the NZTA, he was chief executive of the Ministry of Economic Development and was deputy secretary to the treasury for six years.



**SHAWN RUSHBY** has been appointed dealer principal at Archibald & Shorter Roverland on Auckland's North Shore.

He has been promoted into the position following a period as general manager. Before that he was brand manager for Jaguar Land Rover after joining the company in 2017.

Prior to that, Rushby was general manager at West Auckland Nissan, and general sales manager for John Andrew Ford for three years. He was previously based in Perth as a dealer principal for Jaguar.



**CHARLES RONALDSON** is now general manager of operations at the NZTA after previously heading up its customer design and delivery team.

The agency's new operations group was set up in January 2019, along with other changes aimed at simplifying its organisational structure by grouping functions together.

Ronaldson joined the agency in May 2017 having previously worked for a number of government departments over 16 years.



# NZ labour market report

## WE SAW QUITE A FEW

changes to our employment laws on April 1 with more to come on May 6, so car dealers need to take note and ensure they are across what's new.

Far too often, such changes go undetected and many employers end up giving new staff employment agreements that are out of date, or they are simply not aware of these changes.

This poses a lot of issues that put employers into compromising situations, which can then become expensive scenarios.

To ensure your dealership is current with changes on these two dates, I've highlighted what some of them are so you're aware.

The minimum wage is now \$17.70 per hour. That's an increase of \$1.20.

The Domestic Violence – Victims' Protection Act is also in force. Employees have an entitlement of 10 days' domestic violence leave for which they are eligible after six months' continuous employment.

## CHANGES FROM MAY 6

Employers with less than 20 staff will be able use 90-day trial periods.

Those with 20 staff or more will be able to use a probationary period, but employers will need to follow the usual fair process for managing performance issues or ending employment.

Workers will not be prevented from raising personal grievances for unjustified dismissal if they are dismissed under a probationary period.

Meals and rest breaks will be taken at set times. If your employees work an eight-hour day, they will be entitled to two 10-minute paid rest breaks – one each morning and afternoon – and a one-half hour unpaid meal break. These breaks will need to be taken at agreed times or at times set by the legislation.

When changes in employment law come into effect on certain dates, it's also a really good time



WILL ALLAN  
Hello Monday

to update any older employment agreements any of your workers are on because, ideally, you want everyone to be on the same agreement.

There is the odd occasion that you may have one of your people on a legacy employment contract, which may not reflect and represent your business currently. This can pose issues especially if you have a change to your business or have an entitlement that no longer exists.

Rather than give an amendment letter regarding the change, provide your people with new and current employment agreements and, of course, follow a consultation process because you want to let individuals know what the changes between previous and new agreements are.

By ensuring you have everyone on the right employment agreement, it mitigates future risks for grievances.

For example, you may have taken on an office junior or someone in a junior role in your dealership over the summer on a casual basis. Now it seems he or she is actually consistently working 40 hours a week across five days since January 7. If you think this role is becoming permanent, then give that person a permanent employment agreement.

This will also apply to any fixed-term contracted workers you have who may look like they're going to be extended over 12 months. This way they are receiving the correct entitlements and have the right agreements to reflect that nature of their roles.

Having all your team members on the correct employment agreements, and also on updated ones, reduces your risk for any issues that may become quite costly and also time-consuming.

If unsure what to do, get in touch with your employment lawyer or have your human-resources person look into it. ☺

# Why customer service is critical

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

We are all conditioned by the availability and use of technology. You and your business are expected to be on-hand whenever somebody may want to make contact.

People browse the internet to look at cars. They send emails and expect fast responses. They call your after-hours number late at night and expect replies.

We know it's unrealistic, but that's what consumers are expecting more and more. If they're bothering to contact you, then they are definitely considering purchasing from you.

We need to understand this and be prepared to deliver. How are you dealing with their expectations? Do you have a

24/7 answer service or an automatic reply, and then follow up enquiries the next day?

Does this contact get followed up? Do you have processes to monitor this to ensure they are being followed up? Do you prioritise your call options?

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

I'm continually amazed at how people see purchasing a new item as so time-sensitive – especially when they have been thinking about it for a while. Buyers have usually done their homework, know the type of vehicle they



COLIN MARSHALL  
Direct sales & marketing manager  
Protecta Insurance

want, and are now ready to inquire and make a decision.

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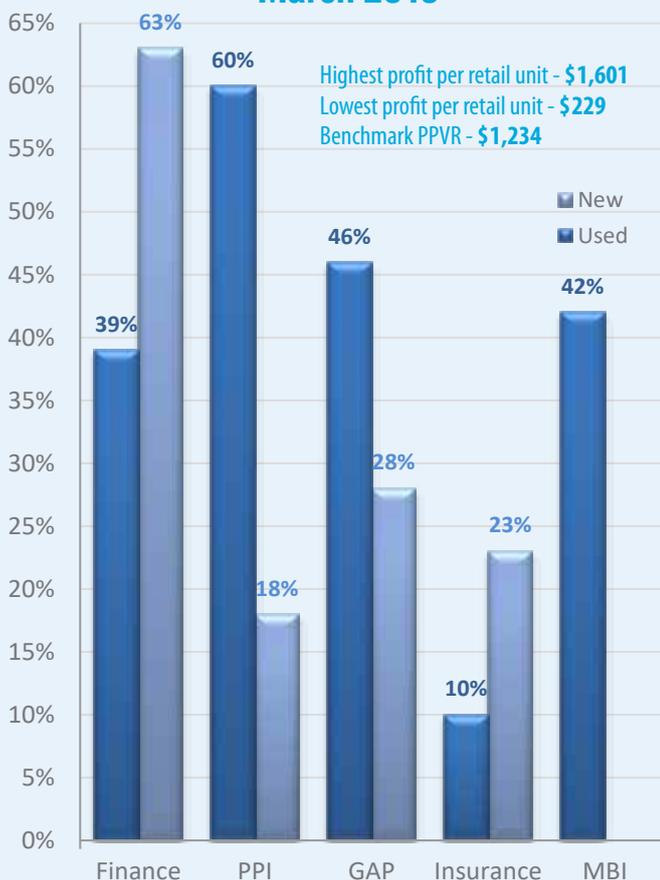
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# Dealing with industry changes

**G**reig Epps is the first to concede he knows little about cars, but issues facing traders and the industry as a whole are never far from his mind.

He researches a plethora of issues from changes in driver behaviour to car ownership – in New Zealand and across the world – so he can pass on his knowledge as member advocacy and strategy manager for the Motor Trade Association (MTA).

“Car dealers need to stay aware of local developments, such as keeping a close eye on changes in public transport and ride-sharing,” says the South Auckland-raised lawyer.

“That even extends to Lime scooters, which may make a difference to the need to own or drive vehicles for some people.

“Various transport options may affect a dealer’s business in the future. I don’t think changes will happen in a rush, but traders don’t want to be left sitting with yards of stock they can’t sell.

“They also have to look at demographics in their areas. Older people may have money to buy an electric vehicle [EV] or may just use public transport, while the local younger population may be using Uber or Lyft and not buying cars.”

A while back, Epps was intrigued by the number of people saying that many teenagers are in no hurry to get behind the wheel of a car. So he researched statistics to discover a 30 per cent drop-off in 16 to 19-year-olds obtaining licences between 2010 and 2015.

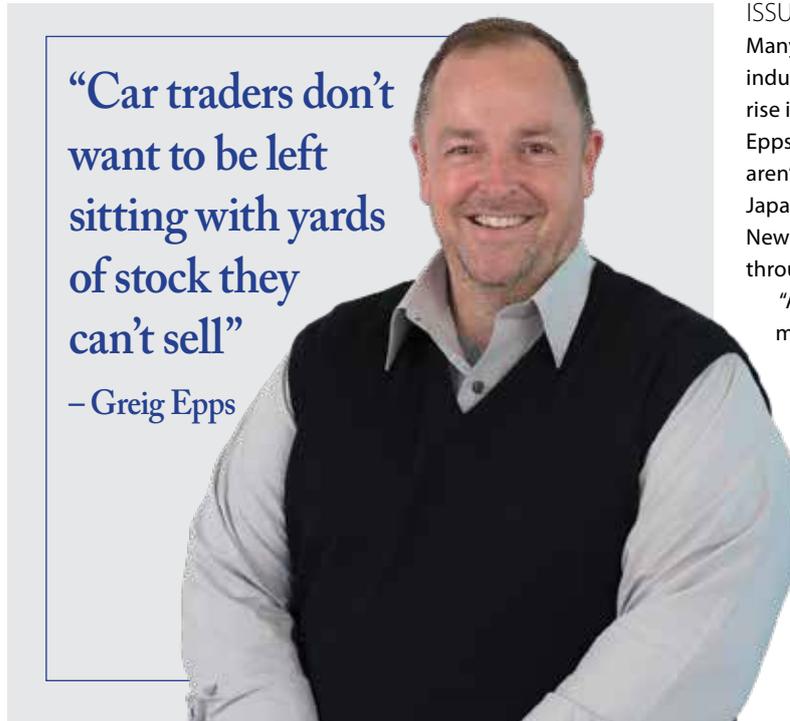
However, his work also shows only a one per cent decline in those aged 20-24 getting driving licences, perhaps because those in this age group need vehicles to get to work.

“Car dealers need to be aware of transport initiatives happening around them,” advises Epps. “For example, Uber and Lyft tend to operate best in areas with high populations.

“Traders have to monitor the increased use of e-scooters.

“Car traders don’t want to be left sitting with yards of stock they can’t sell”

– Greig Epps



People ride-sharing to get to public transport and car-pooling could even threaten the uptake of public transport.”

Epps mentions talk of an initiative in Philadelphia with Mercedes-Benz piloting a scheme similar to a lease arrangement whereby people pay a monthly fee, which includes choosing your vehicle and being able to change from a sedan to a sports car or SUV at any time.

That sort of thing could result in marques making fewer vehicles and spreading them around depending on demand.

“Subscriptions and bundling are happening in the tech space.

Perhaps that model could work in the automotive industry, although I’m unsure if Kiwis would buy into it. Or people could drive an EV during the week and with money they save on fuel rent an SUV at weekends.

“It could be 10 to 20 years before we see significant changes in consumer behaviour – we simply don’t know when the tipping point will occur.

“The possibilities are exciting and dealers need to be thinking about them. Franchises need to stay in touch with their manufacturers’ future plans and check out what their brands are doing overseas.”



Epps relaxing in Hong Kong when he worked there

## ISSUES ON THE AGENDA

Many people in the automotive industry are talking about the rise in the popularity of EVs, but Epps warns that – in reality – there aren’t enough electric cars in the Japanese domestic market for New Zealand to meet its targets through second-hand EVs.

“Although there are dozens of models due to be released in this country over the next 10 years, many people will be unable to afford these EVs, so I don’t think the switch to electric will be that quick,” he says.

“No one knows when the price of new electric cars will come down and older models start flowing into our second-hand market.

“There’s also the issue regarding the production capacity of batteries. China wants a huge cut for its domestic market because it’s churning out electric buses and cars.

“New Zealand’s in a sticky situation due to our old fleet. Other countries are grabbing EVs as well, so we’ll be fighting other markets to get enough of them to meet government targets.

“We have to ask ourselves, ‘what will the transition from petrol to EVs look like’. Ultimately, we’re trying to reduce emissions. Do we look at LPG? People are also talking about hydrogen.”

## PATH INTO AUTOMOTIVE

Epps, who holds degrees from the University of Auckland – he studied English, French, the classics and law – started working in university administration before becoming Vector’s company secretary in 1998.

After two years, he was keen for a fresh challenge. He heard about a similar role with InterGen, which builds power stations and has its head office in Boston.

“I maxed out my credit card to get a ticket to Hong Kong and got the job in 2000. Living in a city with so many people was crazy, ▶



Greig Epps on a dog-sleigh trip in Quebec, dealing with the perils of Quebec's snow and exploring Alberta in a Chrysler PT Cruiser. He lived in Canada from 2002-07

◀ but being close to other countries was great.

"We could easily do weekend trips to Thailand or Shanghai. We mixed with other foreigners there – Brits, Americans and Australians – and I played social rugby."

While there, Epps' girlfriend Tracey – now his wife – was studying in Canada. After two years apart, she joined him in Hong Kong.

"As luck would have it, she got offered a good job in Toronto and a three-year work visa. We got married earlier than planned to ensure I could travel there with her and work."

Epps secured a job at Toronto Law School assisting a Kiwi professor on a research project on funding decisions in Canada's public health-care system. "It was a thought-provoking role and something different."

The couple spent the next five years in Toronto before returning to New Zealand in 2007. "The big thing I miss about living there is the city's definite seasons. I do miss a good change of season."

On their return here, Tracey secured a good job in Dunedin. However, Epps struggled to find employment as the global financial crisis hit.

"Dunedin is a good city, but there was no work at that time. I spent a year looking for a job and eventually got an administration role at Lincoln University." They shifted to Christchurch and Tracey boarded with friends in Dunedin, but "it was tough living apart".

They then moved to Wellington in 2009 after Tracey landed a role with the Ministry of Foreign Affairs, and Epps became a legal adviser and company secretary for the Gas Industry Company. He stepped up to principal legal counsel and corporate services manager before leaving in 2014.

"I took a couple of months off to think about what I wanted to do with my career," he says. "Once again, I wanted something different."

"I've been lucky with jobs coming up and saw the MTA role. I was really open to learning something new. I thought, 'cars – awesome', but knew nothing about them."

"There's so much more to the role. It's all about finding ways to analyse issues facing members and lobbying the government on their behalf."

"The MTA has reinvented itself recently. There was an internal change in 2015 from 29 branches to eight regions overseen by regional committees. We're giving the regions power to deliver what they need, such as training."

"They are able to respond better to what they need rather than what we think they need. All change is scary, but the regional structure is working well and we have a call centre to keep members informed about what's going on."

More recently, the MTA has reduced its field staff and increased its outreach to members. ☺

## Adventures behind the wheel

Greig Epps' first car was a "drab green" Hillman Hunter he bought for \$500 when he was 18.

That was in the early 1990s and he had been slower than his peers to obtain his driver's licence. Unfortunately, he wrote the vehicle off after crashing into a concrete wall on Grafton's off-ramp on SH1 through Auckland.

"Crashing the Hillman Hunter was a learning moment for me," says Epps. "It showed me that a warrant of fitness is important as is having good tread on your tyres. Luckily, I was going slow enough that I wasn't injured."

In 1998, Epps bought his favourite vehicle to date – a manual 1.8-litre 1987 Ford Laser Sport. He acquired the two-door hatchback in 1998. It was black and boasted a red stripe. "It had a good gearbox and was nice to drive."

He adds: "I have fond memories of that time. I was flatting with friends in Auckland and we were having a lot of fun."

Epps and his wife never

owned a car while living in Toronto for five years. Instead, they got to work on public transport and hired vehicles to travel across Canada.

"We drove a Chevrolet Impala along the Dempster Highway, which is 700km of gravel with one petrol station halfway along. It had a front bench seat and column shift, and handled like a boat. I had flashbacks to the Hillman Hunter, but it was a great experience."

Because he "loves life", Epps quips he would never drive in Hong Kong, while his current car is a gun-metal grey 2012 BMW four-door hatchback.

Outside work, he enjoys a good book, checking out Netflix and rugby union. He loves the game so much he was voluntary president of the Toronto Dragons in 2016.

"It was great being elected. It was, and still is, a great bunch of guys dedicated to bringing the sport to the centre of Canada's biggest city."



Greig Epps and his wife drove this Chevrolet Impala along the Dempster Highway in the Yukon

# Lawson opts for European year

**L**iam Lawson has committed to the FIA Formula Three championship fresh from victory in the 2019 Castrol Toyota Racing Series (TRS) and being confirmed as a Red Bull driver to contest the Formula Europe Masters.

The talented Pukekohe teenager's move doubles his seat time and once more pits him against Kiwi rival Marcus Armstrong.

Lawson's financial backers say they will keep a close eye on the young racer's workload and will also be evaluating the benefit of his Red Bull Junior driver status.

In the Formula Europe Masters, he will race with Dutch team Motopark using vehicles built to the "old" F3 specifications using control engines similar to the Tatuus FT50s he drove in TRS.

In the new F3 series, his drive with MP Motorsport fuses GP3 and F3 technology, and is significantly more powerful than 2018's F3 cars.

It was Armstrong, though, who topped the timesheets at the first big test for the championship held at Circuit Paul Ricard in France.



Lawson's TRS car



Liam Lawson



Marcus Armstrong



Armstrong in TRS action

He placed first on the opening day and was narrowly edged to second place on day two by Renault F1 junior driver Christian Lundgard.

As for Lawson, who was born in Hastings, he began karting aged seven. He competed in numerous championships in New Zealand and secured two titles in 2014.

He made his single-seater debut in the Formula First Manfeild Winter Series with Sabre Motorsport in 2015, taking a win and 10 podiums to come second overall.

A few months later, he contested the NZ Formula First championship with Sabre, and claimed sixth overall and the rookie of the year title.

Lawson then graduated to the F1600 series, claiming all but one of 15 victories on offer to become its youngest champion.

In 2017, he moved up to the Australian F4 championship with BRM and finished second.

The next year, Lawson stayed at this level, but contested the ADCA F4 with Van Amersfoort Racing. He was twice vice-champion before moving into the TRS. 📧

## Spark of hope for racing enthusiasts

**H**aving confirmed it will be the host broadcaster for Formula One coverage in New Zealand, Spark has now finalised pricing and package details for its streamed service.

Although its platform wasn't ready for the opening round in Melbourne, it was expected to have full coverage of the

second round in Bahrain, which also featured the FIA Formula 3 championship being contested by New Zealanders Marcus Armstrong and Liam Lawson.

The streaming service costs \$19.99 per month. To watch on an internet-enabled television, customers can AirPlay to Apple TV from an iPhone or iPad and Chromecast to an internet-

enabled TV from a web browser on a laptop or desktop computer.

At launch, Spark Sport was unavailable on Android devices, but this capability is expected to follow shortly.

During the months following launch, the Spark Sport app will become available on a range of content platforms, such as Apple TV, Samsung, Panasonic, LG and

Sony smart televisions, and more.

The switch has brought protests from Kiwis living in areas where there is insufficient broadband speed to enable streaming.

Rural users are completely shut out of the service, which also has rights to the World Rally Championship, NBL and Rugby World Cup at extra cost. 📧



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# Paddon's way unbreakable

He's New Zealand's most successful rally driver at international level. He has won an international rally – Argentina in 2016 – and has stood on the podium countless other times.

He battled through his "horrible" year of 2017 and spent 2018 learning about politics at the highest levels of his sport globally. He's also defending New Zealand Rally Champion after winning all five rounds last year.

Now Hayden Paddon has announced his most diverse competition year ever as he works on "what's next".

Paddon confirmed a new contract with Hyundai Motors NZ last month. It centres around three iconic Kiwi rallies, extends into Global Rallycross Europe and wraps up with another run at the Ashley Forest Rallysprint.

New Zealand's only rally driver to have won a full-status international round of the World Rally Championship (WRC), Paddon says the key to his 2019 campaign is the loyal support of Hyundai NZ – a relationship that began five years ago.

One of only two marques providing such dedicated support to Kiwis competing at the premier level, it involved its dealer network in funding his first WRC drive.

The rest, as they say, is history. "I'm proud to be part of the Hyundai NZ family. Without its support, we would never have made it to the WRC."

FIVE YEARS AT THE TOP  
Paddon's arrival at Hyundai's



Photo: Marcin Rybak

world rally team coincided with engineering developments that created a sensationally competitive vehicle based on its road-going i20 hatchback.

He found himself drawn into a spiral of faster stage times, the team's drivers working to shave 10ths or 100ths of seconds off them. Immense pressure for any athlete.

Eventually, as the team reshaped itself, a new line-up was decided for 2019 and Paddon found himself on the outer and was offered the prospect of a single drive on the busy WRC calendar.



**"I'm a positive, independent person and know what I can achieve"**  
– Hayden Paddon

At the time, Paddon was, "very disappointed, but I understand that can be the reality of professional sport. We can be proud of what we achieved and hold our heads high".

He added: "We were always told it was impossible for a Kiwi to be in the WRC. Not only did we get there, we won a rally and had eight podiums – success that wasn't possible without the belief and help of so many people in New Zealand."

Paddon now says it's not over until it's over. After experiencing the highs and lows of the WRC, he wants to be back in the championship and says 2020 offers that prospect.

"Our 2017 was pretty bad. So many things happened in the first half of the season that were beyond our control I felt we were at a real disadvantage within the team by mid-year and had to just focus on delivering what the team wanted of us."

During the 2018 season, Paddon says he got a lesson in elite-sport politics. Drawn by the team's front-running form, drivers clustered around looking for seats in 2019. Shrugging off

the frustrations of 2017, he again focused on delivering for the team and finished the season on good terms with Hyundai. But when the team signed returning world champion Sebastian Loeb, Paddon was left without a full-season drive.

Cue regrouping in New Zealand and establishing Paddon Rallysport's 500-square-metre facility at Highlands Motorsport Park near Cromwell.

"This is certainly not the end," he said. "Rallying is in my blood. It's a matter of regrouping and planning the next steps. We have some nice ideas and projects we'll try to put in place with our own Kiwi team, always with the support of Hyundai."

## DEEP DETERMINATION

Knock-backs are expected at every level in any sport. What defines an elite athlete is reacting to them. For Paddon, fighting back from bad results or mechanical failures has been a matter of reaching within himself for strength to return to form.

"Once the car door closes, you're totally focused on the job. None of that other stuff intrudes, but you learn to deal with that."

He has also been working with Formula Medicine in Italy and locally with All Blacks sports psychologist Gilbert Enoke.

Seasoned campaigner John Kennard has retired from full-time navigating with Paddon to allow Seb Marshall to step up, but the former will be reading the pace notes for the first competition outing of the year – piloting the locally built i20 AP4+ at the Otago Rally.

The event is among Paddon's favourites and one that has seen his on-board action go viral globally.

"I'm a positive, independent person and know what I can achieve. I feel I've reached my prime this year, so I'm looking forward to some top results and setting stage records in Otago." 🏆



Hayden Paddon in action at last year's Hyundai NZ Gold Rush Rally of Coromandel. He won all five championship rounds in 2018. Photo: Aaron Wishart

# Buyer fails to reject \$41k sports car over lack of full service history

## Background

Anthony Onslow-Bartlett bought a 2008 Porsche Cayman S from VH Ltd, trading as Hutt European, in November 2017.

In May 2018, he told the trader he wanted to reject the car because the original handbooks weren't supplied with it.

Onslow-Bartlett added he was dissatisfied with the information Hutt European supplied to him about the Porsche's service history.

The trader said the buyer wasn't entitled to reject the vehicle because he had spent about 40 minutes inspecting it before collection and should have decided at that point not to go ahead with the purchase in the absence of a full service history.

## The case

The primary issue under dispute was whether the car failed to comply with its description. Section nine of the CGA states: "Where goods are supplied by description to a consumer, there is a guarantee that the goods correspond with the description."

The Porsche's Trade Me listing included key details and that the car came with a full handbook set. No other written statements were provided in relation to the vehicle or its history.

The buyer said the trader's director, Mark Frickleton, told him a full book set and service book pack would be supplied with the car.

When he collected the Porsche, Onslow-Bartlett said Frickleton told him he had sent the service book

back to Singapore, from where it had been imported, for stamping.

Nearly four months after purchase, he emailed Frickleton asking if he had received the handbooks and service book.

Frickleton replied that the Porsche Cayman handbooks, along with three other book sets, were being sent later that week.

However, nothing arrived by the end of April, so the buyer emailed Frickleton. He wrote: "I was informed by Porsche specialists to only consider purchasing these models provided they had a hand pack with service books stamped showing a full service history.

"Experts and enthusiasts will confirm that a Porsche without the hand packs [and/or] service-book stamps should be avoided as these vehicles are worth many thousands less. I wish to give you the opportunity to pay some compensation or purchase this vehicle back"

Onslow-Bartlett didn't hear back from Frickleton, so he emailed him again on May 31. He stated he was requesting a full refund as Hutt European had "advertised and quoted there was a service history and a complete handbook/pack backing this up" but – despite his requests – Hutt European hadn't provided him with this.

Frickleton replied he had a "complete set of Porsche Cayman books" being sent to him, and expected delivery of them between June 16 and 21.

In July 2018, Frickleton forwarded to Onslow-Bartlett

what he described as the "full book set", and copies of three servicing invoices for the vehicle by Stuttgart Auto PTE Ltd in Singapore covering 2008-10. The dealer also supplied three invoices for servicing a Porsche Cayman between 2015 and 2017.

However, the buyer was sceptical about this paperwork because the number plate was different and there were no other identifying vehicle details. Frickleton acknowledged there were no servicing invoices for 2011-14.

Onslow-Bartlett received the car's maintenance booklet in August last year, stamped by the Porsche dealer in Singapore, to record the 2008-2010 servicing.

Without any supporting evidence, the buyer claimed the vehicle's value without the missing information was \$33,000 to \$35,000 rather than the \$41,000 he paid for it.

Frickleton submitted the buyer wasn't entitled to reject the car. He said the buyer spent about 40 minutes inspecting the vehicle prior to collecting it and he should have decided then not to go ahead with the purchase in the absence of a full service history.

The dealer stated in its Trade Me listing the Porsche came with "a full book set". Nothing in the advert claimed it came with a "full service history".

Frickleton added he had honoured what he said he would do – to send the service booklet back to get stamps – but he didn't discuss with Onslow-Bartlett about who serviced the car.

**The case:** The buyer wanted to reject his Porsche because the original handbooks and service documents weren't supplied with it. He claimed the car failed to comply with its description under section nine of the Consumer Guarantees Act (CGA). The trader said it had to get the service documents stamped in Singapore.

**The decision:** The dealer said the buyer shouldn't have collected the car knowing the documents were unavailable and should not have cancelled the purchase. The application was dismissed.

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

The tribunal's assessor said there was no evidence the vehicle was devalued as a result of its incomplete service history. He added the Porsche had a good amount of information regarding its history compared to similar imported cars of its age.

## The finding

The tribunal ruled the evidence didn't show the purchaser was misled about the Porsche's history – he should have obtained detailed written information about its history before buying it.

Also, he should have decided not to complete the transaction once he knew the full service history wasn't immediately available.

No guarantees were provided that the complete history was obtainable or what the history might reveal about the car, which suggested the buyer was prepared to accept a degree of risk in that regard.

The tribunal rejected the claim that the vehicle failed to correspond with its description.

## Order

The application was dismissed. ☹

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# Consumer rejects vehicle after engine unrepaired within 'reasonable' period

## Background

Paul Henderson purchased a 2013 Mazda Atenza for \$19,280 from Mars Motors on November 16, 2017.

At the end of January 2018, the car lost power and broke down. He returned it to the trader, which replaced the turbo, the air-fuel ratio sensor, O2 sensor, battery and cleaned the diesel-particulate filter.

However, the remedial work, which was carried out over four months, didn't fix the power fault.

Mars Motors tried to return the Mazda to Henderson, who rejected it. The trader refused to accept this rejection, so the buyer filed a claim with the tribunal.

Mars Motors said Henderson wasn't entitled to reject the car because it had performed repairs and the Atenza was free of defects when it was sold, so it had no further liability under the Consumers Guarantees Act (CGA).

## The case

After the car broke down at the end of January 2018, Henderson returned it to Mars Motors in early February for repairs.

The trader sent the vehicle to at least four separate repairers including Autosparx, SC Autos, Diesel Tune and Turbo Chargers, and John Andrew Mazda for its faults to be diagnosed and fixed.

Mars Motors had the vehicle assessed by Diesel Tune on February 26. It found a turbo shaft was broken and it was replaced by SC Autos.

Although the fault was fixed, the diagnosis and repair work didn't identify nor rectify the problem that caused the vehicle to be low on power.

On May 15, the Atenza was assessed by Autosparx, which removed the exhaust-gas recirculation pipe. It found the exhaust was blocked, but this wasn't remedied.

The Mazda was assessed two days later by John Andrew Mazda, which reported the lack of engine power could be caused by faulty fuel injectors.

It also reported the vehicle was likely to have faults with its O2 sensor, air-fuel ratio sensor and vacuum pump.

Mars Motors replaced the two sensors, but performed no repairs to the fuel injectors. None of the remedial work fixed the power fault.

The tribunal's assessor said the problem could have a range of causes, including a blocked exhaust system and faulty fuel injectors.

Henderson told the tribunal he was entitled to reject the Mazda because Mars Motors had failed to remedy the issues within a reasonable time. Four months had passed since the vehicle had broken down and it still had a major engine fault.

Despite the fact the car was still faulty, the trader tried to return the vehicle to Henderson in May, which he refused because all of its problems hadn't been fixed.

Another issue considered by the tribunal was the

circumstances in which a purchaser could lose the right to reject a car under the CGA in relation to damage to the Mazda.

This occurred after Henderson rejected the car. He was still its legal owner, but it was in possession of Mars Motors.

Henderson wanted to inspect the Mazda and eventually tracked it down to a "trucking yard". It had minor dents and scratches to its bumpers.

He was told by the yard owner it had broken down outside his premises and another vehicle had collided with it while parked on the street.

## The finding

The tribunal ruled the undiagnosed fault that caused the Mazda's power issue breached the CGA's acceptable quality guarantee.

A reasonable consumer wouldn't expect a car of this price, age and mileage to develop a fault that caused it to be low on power soon after purchase. Therefore, it wasn't as durable as a reasonable consumer would consider acceptable.

The tribunal was satisfied Mars Motors had failed to rectify the fault that caused the car to be low on power within a reasonable time.

It took possession of the vehicle in early February 2018 and had still not fixed the loss of power fault by May.

Although Henderson continued to allow Mars Motors an opportunity to rectify the Mazda's

**The case:** The buyer's Mazda developed two major engine faults. The dealer replaced the car's turbo, but didn't fix a power issue. After waiting four months for repairs, the buyer rejected the vehicle. The dealer refused to accept the rejection and tried to return the car to the consumer.

**The decision:** The buyer's application was upheld by the tribunal. The trader was ordered to refund the purchase price of \$19,280 plus costs.

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

faults during May, he rejected the car in a letter sent by his lawyers Duncan King Law on June 8 and had already returned the vehicle to the dealer.

The tribunal also ruled the subsequent damage to the car while it was in Mars Motors' possession didn't affect the buyer's right to reject the vehicle.

As a result, the tribunal found Henderson had complied with his obligations under the CGA to reject the Mazda.

## Orders

The tribunal ruled that Mars Motors must refund the purchase price of \$19,280 to the buyer, as well as \$431 to cover fees paid by Henderson to Heartland Bank to enter into a loan agreement to buy the vehicle.

The trader also had to pay \$310, which was the cost of having the faults assessed, \$80 to have the car towed after it broke down on January 26, 2018, and all interest payments made by Henderson under the loan agreement from June 9 until November 20. ⊕

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JAPAN	Moji	–	15 April	–	15 May
	Osaka	2 April	16 April	2 May	16 May
	Nagoya	3 April	17 April	3 May	17 May
	Yokohama	4 April	18 April	4 May	18 May
NEW ZEALAND	Auckland	20 April	6 May	21 May	6 June
	Wellington	29 April	10 May	28 May	10 June
	Lyttelton	27 April	9 May	8 June	9 June
	Nelson	29 April	16 May	10 June	14 June

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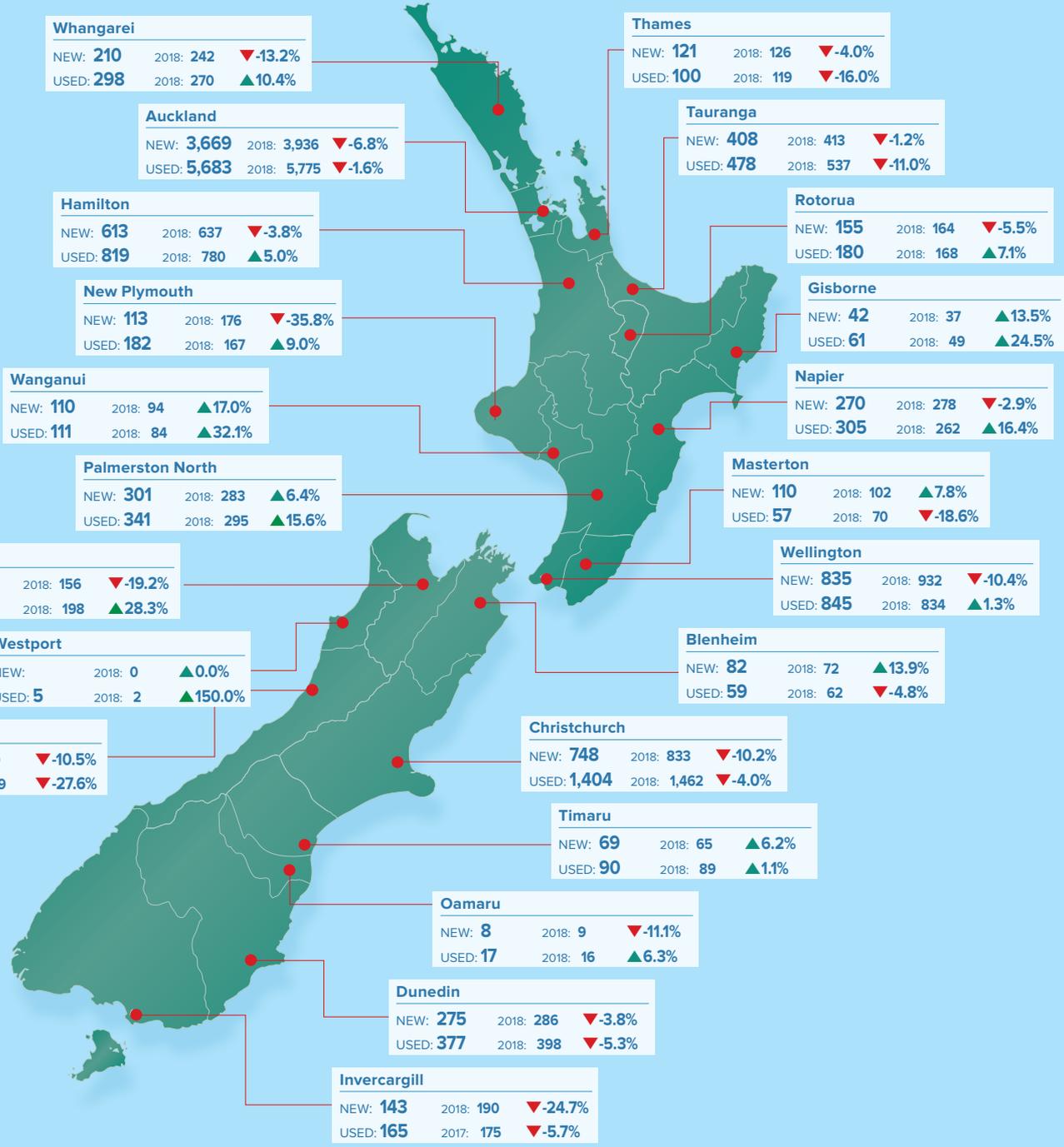
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### Imported Passenger Vehicle Sales by Make - March 2019

MAKE	MAR'19	MAR'18	+/- %	MAR'19 MKT SHARE	2019 YEAR TO DATE	2019 MKT SHARE
Toyota	2,483	2,878	-13.7	21.0%	7,339	21.2%
Nissan	2,260	2,132	6.0	19.1%	6,795	19.7%
Mazda	1,979	1,978	0.1	16.7%	5,632	16.3%
Honda	1,373	1,188	15.6	11.6%	3,867	11.2%
Suzuki	691	606	14.0	5.8%	1,945	5.6%
Subaru	665	704	-5.5	5.6%	1,939	5.6%
Mitsubishi	526	307	71.3	4.4%	1,609	4.7%
BMW	456	514	-11.3	3.8%	1,268	3.7%
Volkswagen	356	357	-0.3	3.0%	1,091	3.2%
Audi	248	235	5.5	2.1%	635	1.8%
Mercedes-Benz	152	227	-33.0	1.3%	472	1.4%
Lexus	122	80	52.5	1.0%	339	1.0%
Ford	84	104	-19.2	0.7%	253	0.7%
Volvo	57	58	-1.7	0.5%	172	0.5%
Jaguar	45	45	0.0	0.4%	126	0.4%
Chevrolet	39	48	-18.8	0.3%	122	0.4%
Holden	32	40	-20.0	0.3%	87	0.3%
Mini	30	34	-11.8	0.3%	92	0.3%
Jeep	28	32	-12.5	0.2%	73	0.2%
Land Rover	28	34	-17.6	0.2%	119	0.3%
Hyundai	25	35	-28.6	0.2%	68	0.2%
Dodge	24	35	-31.4	0.2%	94	0.3%
Citroen	22	6	266.7	0.2%	27	0.1%
Chrysler	21	18	16.7	0.2%	60	0.2%
Porsche	15	21	-28.6	0.1%	60	0.2%
Cadillac	8	8	0.0	0.1%	15	0.0%
Kia	7	8	-12.5	0.1%	27	0.1%
Bentley	5	3	66.7	0.0%	12	0.0%
Daihatsu	5	8	-37.5	0.0%	21	0.1%
Peugeot	5	22	-77.3	0.0%	16	0.0%
Pontiac	5	5	0.0	0.0%	10	0.0%
Smart	5	3	66.7	0.0%	14	0.0%
Isuzu	4	1	300.0	0.0%	8	0.0%
Maserati	4	1	300.0	0.0%	8	0.0%
Buick	3	4	-25.0	0.0%	11	0.0%
Others	40	62	-35.5	0.3%	153	0.4%
<b>Total</b>	<b>11,852</b>	<b>11,841</b>	<b>0.1</b>	<b>100.0%</b>	<b>34,579</b>	<b>100.0%</b>

### Imported Passenger Vehicle Sales by Model - March 2019

MAKE	MODEL	MAR'19	MAR'18	+/- %	MAR'19 MKT SHARE	2019 YEAR TO DATE	2019 MKT SHARE
Mazda	Axela	627	575	9.0	5.3%	1,850	5.4%
Suzuki	Swift	593	520	14.0	5.0%	1,686	4.9%
Honda	Fit	575	446	28.9	4.9%	1,684	4.9%
Nissan	Tiida	503	473	6.3	4.2%	1,584	4.6%
Mazda	Demio	489	441	10.9	4.1%	1,375	4.0%
Toyota	Prius	304	270	12.6	2.6%	938	2.7%
Mitsubishi	Outlander	298	181	64.6	2.5%	956	2.8%
Subaru	Legacy	265	365	-27.4	2.2%	795	2.3%
Nissan	Leaf	262	134	95.5	2.2%	820	2.4%
Mazda	Atenza	257	261	-1.5	2.2%	697	2.0%
Mazda	Premacy	234	239	-2.1	2.0%	681	2.0%
Subaru	Impreza	231	158	46.2	1.9%	676	2.0%
Nissan	Dualis	217	162	34.0	1.8%	645	1.9%
Toyota	Aqua	212	55	285.5	1.8%	565	1.6%
Nissan	Note	190	149	27.5	1.6%	614	1.8%
Toyota	Corolla	167	168	-0.6	1.4%	448	1.3%
Toyota	Auris	160	153	4.6	1.3%	456	1.3%
Honda	Stream	159	146	8.9	1.3%	429	1.2%
Nissan	X-Trail	155	111	39.6	1.3%	475	1.4%
Nissan	Skyline	151	166	-9.0	1.3%	349	1.0%
Toyota	Blade	117	147	-20.4	1.0%	376	1.1%
Nissan	Bluebird	117	103	13.6	1.0%	319	0.9%
Toyota	MarkX	109	242	-55.0	0.9%	323	0.9%
Mazda	Verisa	104	109	-4.6	0.9%	309	0.9%
Honda	CRV	103	112	-8.0	0.9%	272	0.8%
Toyota	Ractis	98	109	-10.1	0.8%	266	0.8%
Mazda	CX-5	95	54	75.9	0.8%	256	0.7%
Honda	Odyssey	95	124	-23.4	0.8%	282	0.8%
Nissan	Juke	93	51	82.4	0.8%	250	0.7%
Nissan	Serena	89	49	81.6	0.8%	299	0.9%
Honda	Accord	87	87	0.0	0.7%	229	0.7%
Nissan	March	87	95	-8.4	0.7%	269	0.8%
Subaru	Forester	85	71	19.7	0.7%	221	0.6%
BMW	320i	83	116	-28.4	0.7%	238	0.7%
Honda	Civic	81	83	-2.4	0.7%	220	0.6%
Others		4,360	5,116	-14.8	36.8%	12,727	36.8%
<b>Total</b>		<b>11,852</b>	<b>11,841</b>	<b>0.1</b>	<b>100.0%</b>	<b>34,579</b>	<b>100.0%</b>




# Import restrictions on horizon

The first quarter of 2018 has ended with 34,579 used imported passenger vehicles being registered here for the first time.

That represents a decrease of 8.1 per cent compared to the first three months of 2018 when 37,608 units were sold.

There was a 0.1 per cent rise in registrations of used imported cars last month compared to March last year – by 11 units to 11,852.

When compared to sales during February, March's total was up 6.5 per cent, or by 723 units.

Mazda's Axela was March's top model on 627 registrations, while Toyota was top marque with 2,483.

Greig Epps, member advocacy and strategy manager for the Motor Trade Association, believes the market is going well at the moment.

"The numbers are healthy, but the new stink-bug treatment programme has caused delays and extra costs for dealers.

"Traders also need to look at what stock they're ordering with electronic stability control [ESC] applying to all vehicles being imported from April next year."

Also on the horizon are signals the price of diesel could increase in 2020 as the international requirement for shipping fuel to have a low-sulphur content kicks in.

"We're hearing from the Shipping Federation of NZ that a lot of its companies are looking to change to diesel, which could push up its price at the pump," Epps told Autofile.

"That's something to be aware of from the end of 2019 and into 2020. It could affect demand for diesel

cars and hike up delivery costs."

Later this year, the government is looking to publish its latest Safer Journeys strategy, which may include proposals for minimum safety features for new vehicles, such as autonomous emergency braking or lane-keep technology.

"We don't know all the options that will be in the strategy, but this government wants zero deaths on our roads," says Epps. "Dealers need to keep an eye out for consultation about this in the next couple of months."

Graeme Macdonald, of Westwyn Trading Company in West Auckland, also warns importers of used vehicles to be aware of the final phase of the mandatory rule for all cars to have ESC fitted and operational from April 2020.

He believes there's a lot of hesitation and trepidation about the import restriction, and the impact it's going to have.

"This year really is when it starts to impact on our buying, 'what are

you going to do this year?'; 'what are you going to do next year?' These are questions that need to be asked," says Macdonald.

"Up until now, the impact has been pretty minimal because the stock the ESC inclusion was required for wasn't run of the mill, but smaller vehicles – the bread and butter of the fleet."

Macdonald, who is also chairman of the North Island branch of VIA (the Imported Motor Vehicle Industry Association), points out the impact and inclusion of ESC in cars in Japan wasn't "until quite late in the piece".

He says all this means many dealers are scratching their heads and asking themselves what they're going to buy in 2020.

"So I don't think 2019's going to be a year of expansion," he told Autofile. "I think it's going to be a year of watching trends and patterns carefully before making any big capital purchasing and employment decisions."

Gary Allan, of Eastwood Motor Group in Masterton, says 2018 was another good year for the business and he's looking forward to the rest of 2019.

"We're the biggest-selling dealership in town and have been for a few years, so we have a loyal customer base," he adds.

Meanwhile, the automotive industry made the mainstream media in March courtesy of Statistics NZ, which is of interest to all sectors – especially when it comes to biosecurity issues.

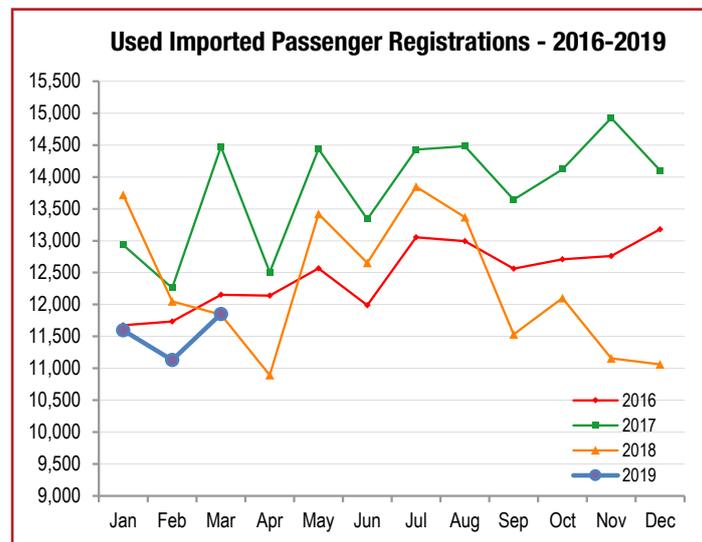
Delays in vehicles arriving in previous months played a part in pushing the value of imports in February up when the total value of goods rose by \$547 million – or 13 per cent – to \$4.8 billion.

Vehicles, parts, and accessories were the main contributor to the imports increase. They rose by \$133m, or 29 per cent, to reach \$634m. Cars climbed by \$93m – or 36 per cent – when compared with the same month in 2018.

"The value increase in cars was in part due to the discovery of stink bugs on four vehicle carriers in February last year, which meant car imports in that month were unusually low," says David Adair, Stats NZ's manager of international statistics.

"Higher car imports in 2019 may reflect another catch-up as we saw in the middle of 2018."

The next largest increases were in aircraft and parts, which rose by \$122m, and petroleum and products, including crude oil, petrol and diesel – up \$64m – all of which made the month massive when it came to transportation-based imports. ☺



contact: **Kei Mikuriya**

email: [mikuriya@heiwa-auto.co.jp](mailto:mikuriya@heiwa-auto.co.jp)

[www.heiwa-auctions.com](http://www.heiwa-auctions.com)

# Good first quarter for imports

There were 13,290 used passenger vehicles imported into New Zealand in March, which was an increase of 2,518 units when compared to the same month of 2018.

The total for last month was also up by a massive 51.6 per cent – or 4,526 units – on February’s level of arrivals.

March’s result brought the year-to-date total to 35,533 used cars crossing the border. This represents an increase of 6,596 units compared to the first quarter of 2018.

There was a significant rise in used cars imported from New

Zealand’s main supplier, Japan, which notched up 12,287 units. This was up by 56.7 per cent, or 4,446 units, when compared to February.

The figures were also higher for other main jurisdictions this country imports from. Some 647 used cars came in from Australia, 163 from Singapore and 74 from the UK.

Tony Woods, director of Greenwood Cars and 4x4s in Penrose, Auckland, says: “My vehicles are all sourced in New Zealand and 95 per cent are NZ-new.

“I wouldn’t want to be an importer of used cars because

there are too many traders doing it. Their margins are being severely eroded by the amount of people who now do it.

“It seems like everyone is trying to out-do the other on who can sell the cheapest Japanese imported car.”

“I think what has previously slowed things down is there has been a lot of dealers bringing in 2009 and 2010 Suzuki Swifts, and other small cars from Japan, that have done about 90,000km,” says Brandon Keit, owner of Motive Trading in Silverdale, north of Auckland.

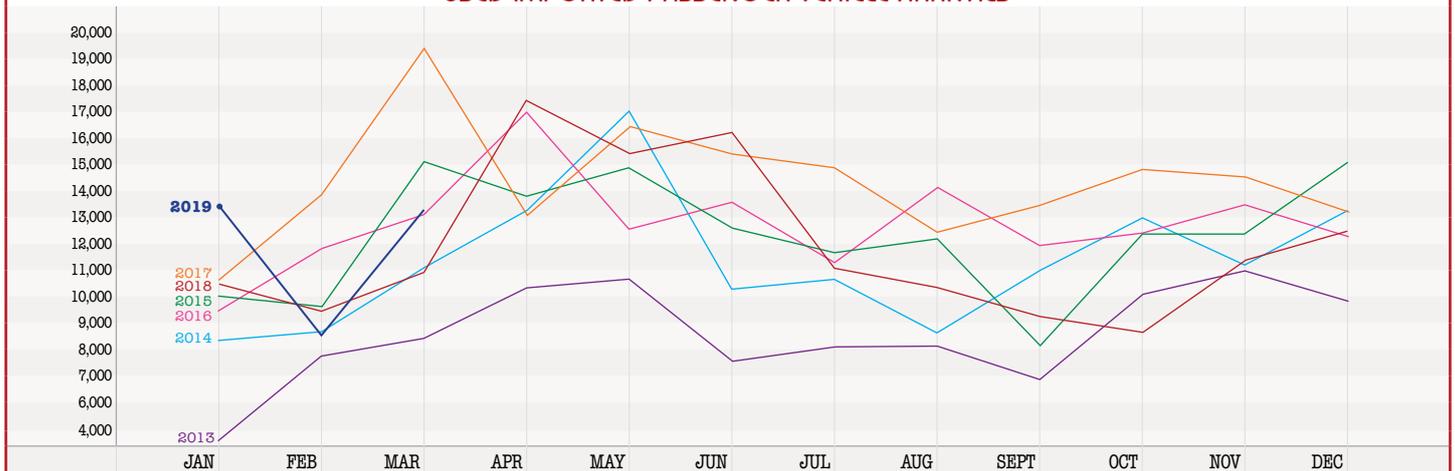
“These traders are only making about \$500 a vehicle from each

sale. You just can’t compete with that. I don’t know how dealers survive on that when they’re making almost nothing out of sales of their cars.”

Andrew Collett, of Davie Motors Holden in Manukau, believes there may be some changes in store for the used-car market.

“The import market is interesting,” he told Autofile. “It seems to be getting more and more challenging. However, the New Zealand-new market is alive and well. We’ve had less challenges than used importers have experienced, such as the stink-bug crisis and currency issues.”

USED IMPORTED PASSENGER VEHICLE ARRIVALS



## Used Imported Passenger Vehicles By Country Of Export

COUNTRY OF EXPORT	2019					2018						2017	
	JAN '19	FEB '19	MAR '19	MAR MARKET SHARE %	2019 TOTAL	Q1	Q2	Q3	Q4	2018 TOTAL	SHARE	2017 TOTAL	MRKT SHARE
Australia	279	619	647	4.9%	1,545	1,170	1,054	950	1,009	4,183	2.9%	5,540	3.2%
Great Britain	103	61	74	0.6%	238	280	229	235	282	1,026	0.7%	2,173	1.3%
Japan	12,856	7,841	12,287	92.5%	32,984	26,715	48,862	28,646	30,287	134,510	94.2%	160,822	93.8%
Singapore	142	175	163	1.2%	480	338	351	386	456	1,531	1.1%	1,202	0.7%
USA	61	47	73	0.5%	181	281	287	265	275	1,108	0.8%	1,419	0.8%
Other Countries	38	21	46	0.3%	105	153	80	73	109	415	0.3%	387	0.2%
<b>Total</b>	<b>13,479</b>	<b>8,764</b>	<b>13,290</b>	<b>100.0%</b>	<b>35,533</b>	<b>28,937</b>	<b>50,863</b>	<b>30,555</b>	<b>32,418</b>	<b>142,773</b>	<b>100.0%</b>	<b>171,543</b>	<b>100.0%</b>



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# Growth in dealer revenue

Trade Me Motors, the company's largest classified vertical, has reported another "excellent result in a softening market" with revenue increasing by 8.8 per cent year on year for the six months to December 31 to \$38.6 million.

The result comes as its overall classifieds "continued to shine" with revenue up by 12.9 per cent to \$77.1m as operating net profit after tax jumped by 8.1 per cent to \$50.2m. Company-wide revenue jumped by 7.3 per cent to a record \$132.2m.

Trade Me says its results in motors were "underpinned by great

growth in our depth products".

"We have, however, seen a slowdown in the market since November, which we have taken into consideration in our outlook," says chief executive officer Jon Macdonald.

"MotorWeb had a strong half in New Zealand and Australia with a 2.6 and 20.6 per cent increase in revenue respectively."

Listings on Trade Me Motors dropped by 2.6 per cent, although dealer revenue growth jumped by 16.8 per cent. MotorWeb's revenue expanded by 11 per cent.

Total directs yield growth returned a 3.1 per cent rise and

total dealers' yield climbed by 19.1 per cent.

"Strong dealer revenue growth was driven by depth product uptake despite the softening market," says Macdonald. "New Zealand used car sales have fallen year on year since July 2018."

He adds Trade Me Motors' functionality has been bolstered through key search-word improvements and the additions of new attributes, which have helped to drive increased watch-lists.

Nationwide during March, there were 17,616 second-hand passenger vehicles sold by dealers to the public. This was a 0.9 per

cent decrease on 17,779 units in the same month of last year.

There was a three per cent drop in public-to-trader transactions from 14,158 to 13,734 units, while private sales also fell – by 3.3 per cent to 44,047.

As for the regions, Blenheim notched up 190 dealer sales for a 24.2 per cent increase – the largest in percentage terms – from 153 in March 2018. Next up in this category was Thames with an 18 per cent rise from 266 to 314 units.

As for trade-ins, Thames topped the ladder with transactions jumping to 226 from 176 – a difference of 28.4 per cent. ☺

## SECONDHAND CAR SALES - March 2019

	DEALER TO PUBLIC				PUBLIC TO PUBLIC				PUBLIC TO DEALER			
	MAR '19	MAR '18	+/- %	MARKET SHARE	MAR '19	MAR '18	+/- %		MAR '19	MAR '18	+/- %	
Whangarei	553	554	-0.2	3.14	2,045	2,132	-4.1		251	237	5.9	
Auckland	6,000	6,089	-1.5	34.06	14,818	15,401	-3.8		5,278	5,566	-5.2	
Hamilton	1,468	1,464	0.3	8.33	3,368	3,441	-2.1		1,127	1,163	-3.1	
Thames	314	266	18.0	1.78	663	701	-5.4		226	176	28.4	
Tauranga	865	849	1.9	4.91	2,209	2,118	4.3		627	576	8.9	
Rotorua	392	395	-0.8	2.23	976	1,077	-9.4		132	134	-1.5	
Gisborne	167	174	-4.0	0.95	424	408	3.9		57	91	-37.4	
Napier	660	647	2.0	3.75	1,511	1,614	-6.4		482	410	17.6	
New Plymouth	378	392	-3.6	2.15	1,002	981	2.1		199	223	-10.8	
Wanganui	260	269	-3.3	1.48	578	650	-11.1		118	165	-28.5	
Palmerston North	763	720	6.0	4.33	1,679	1,660	1.1		944	1,061	-11.0	
Masterton	206	222	-7.2	1.17	534	532	0.4		99	114	-13.2	
Wellington	1,534	1,599	-4.1	8.71	3,191	3,311	-3.6		1,048	1,200	-12.7	
Nelson	276	321	-14.0	1.57	1,113	1,117	-0.4		206	229	-10.0	
Blenheim	190	153	24.2	1.08	488	474	3.0		112	96	16.7	
Greymouth	62	74	-16.2	0.35	164	163	0.6		14	24	-41.7	
Westport	9	9	0.0	0.05	28	28	0.0		0	0	0.0	
Christchurch	2,143	2,157	-0.6	12.17	5,282	5,614	-5.9		1,940	1,813	7.0	
Timaru	187	232	-19.4	1.06	564	595	-5.2		83	150	-44.7	
Oamaru	32	45	-28.9	0.18	137	128	7.0		0	3	-100.0	
Dunedin	725	712	1.8	4.12	2,120	2,246	-5.6		521	432	20.6	
Invercargill	432	436	-0.9	2.45	1,153	1,154	-0.1		270	295	-8.5	
<b>NZ Total</b>	<b>17,616</b>	<b>17,779</b>	<b>-0.9</b>	<b>100.00</b>	<b>44,047</b>	<b>45,545</b>	<b>-3.3</b>		<b>13,734</b>	<b>14,158</b>	<b>-3.0</b>	

Vehicle Information Reports now include Takata airbag recall alerts\*.

\*Not all manufacturer data is available yet

### New Passenger Vehicle Sales by Make - March 2019

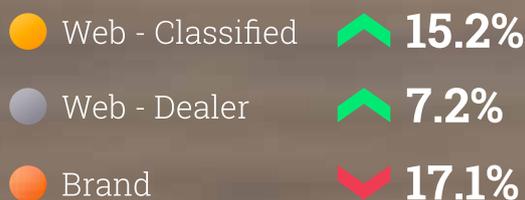
MAKE	MAR'19	MAR'18	+/- %	MAR'19 MKT SHARE	2019 YEAR TO DATE	2019 MKT SHARE
Toyota	960	1,196	-19.7	11.4%	3,478	13.4%
Mazda	805	858	-6.2	9.6%	2,615	10.1%
Honda	699	636	9.9	8.3%	1,661	6.4%
Mitsubishi	631	722	-12.6	7.5%	1,981	7.6%
Kia	626	617	1.5	7.4%	1,916	7.4%
Suzuki	564	605	-6.8	6.7%	1,736	6.7%
Hyundai	561	551	1.8	6.7%	1,640	6.3%
Holden	543	673	-19.3	6.4%	1,777	6.8%
Nissan	489	371	31.8	5.8%	1,214	4.7%
Ford	346	504	-31.3	4.1%	1,368	5.3%
Subaru	338	291	16.2	4.0%	1,019	3.9%
Volkswagen	307	341	-10.0	3.6%	990	3.8%
Mercedes-Benz	214	200	7.0	2.5%	613	2.4%
BMW	178	232	-23.3	2.1%	471	1.8%
Audi	157	193	-18.7	1.9%	388	1.5%
Land Rover	135	83	62.7	1.6%	442	1.7%
Skoda	124	164	-24.4	1.5%	345	1.3%
Peugeot	84	99	-15.2	1.0%	263	1.0%
Jeep	77	143	-46.2	0.9%	242	0.9%
Mini	72	66	9.1	0.9%	178	0.7%
Lexus	70	71	-1.4	0.8%	222	0.9%
SsangYong	67	59	13.6	0.8%	194	0.7%
Volvo	61	53	15.1	0.7%	193	0.7%
Haval	42	41	2.4	0.5%	155	0.6%
Jaguar	36	37	-2.7	0.4%	118	0.5%
Isuzu	29	29	0.0	0.3%	65	0.3%
Porsche	22	37	-40.5	0.3%	131	0.5%
Mahindra	21	11	90.9	0.2%	34	0.1%
Citroen	20	17	17.6	0.2%	76	0.3%
Tesla	20	46	-56.5	0.2%	46	0.2%
Alfa Romeo	19	6	216.7	0.2%	45	0.2%
Renault	16	20	-20.0	0.2%	76	0.3%
Seat	13	7	85.7	0.2%	37	0.1%
Bentley	10	3	233.3	0.1%	25	0.1%
Maserati	10	12	-16.7	0.1%	18	0.1%
Others	59	56	5.4	0.7%	173	0.7%
<b>Total</b>	<b>8,425</b>	<b>9,050</b>	<b>-6.9</b>	<b>100.0%</b>	<b>25,945</b>	<b>100.0%</b>

### New Passenger Vehicle Sales by Model - March 2019

MAKE	MODEL	MAR'19	MAR'18	+/- %	MAR MKT SHARE	2019 YEAR TO DATE	2019 MKT SHARE
Kia	Sportage	379	258	46.9	4.5%	991	3.8%
Mazda	CX-5	310	303	2.3	3.7%	966	3.7%
Toyota	Corolla	301	287	4.9	3.6%	1,205	4.6%
Suzuki	Swift	263	276	-4.7	3.1%	859	3.3%
Mitsubishi	Outlander	261	264	-1.1	3.1%	794	3.1%
Honda	Jazz	213	130	63.8	2.5%	522	2.0%
Honda	HR-V	207	184	12.5	2.5%	483	1.9%
Hyundai	Tucson	207	162	27.8	2.5%	475	1.8%
Nissan	Qashqai	202	178	13.5	2.4%	525	2.0%
Honda	CRV	198	214	-7.5	2.4%	456	1.8%
Mitsubishi	ASX	197	139	41.7	2.3%	732	2.8%
Suzuki	Vitara	159	81	96.3	1.9%	291	1.1%
Toyota	RAV4	155	267	-41.9	1.8%	456	1.8%
Nissan	X-Trail	152	139	9.4	1.8%	439	1.7%
Holden	Commodore	143	310	-53.9	1.7%	470	1.8%
Hyundai	Kona	130	138	-5.8	1.5%	477	1.8%
Hyundai	Santa Fe	130	110	18.2	1.5%	377	1.5%
Volkswagen	Tiguan	129	159	-18.9	1.5%	433	1.7%
Subaru	XV	123	69	78.3	1.5%	369	1.4%
Toyota	Yaris	121	123	-1.6	1.4%	357	1.4%
Mazda	CX-3	111	151	-26.5	1.3%	293	1.1%
Mazda	Mazda3	101	150	-32.7	1.2%	473	1.8%
Mitsubishi	Eclipse Cross	99	161	-38.5	1.2%	238	0.9%
Subaru	Outback	99	153	-35.3	1.2%	275	1.1%
Holden	Equinox	98	66	48.5	1.2%	261	1.0%
Mazda	CX-9	94	105	-10.5	1.1%	263	1.0%
Toyota	Highlander	88	177	-50.3	1.0%	429	1.7%
Mazda	Mazda2	88	116	-24.1	1.0%	300	1.2%
Ford	Escape	86	111	-22.5	1.0%	285	1.1%
Volkswagen	Golf	86	94	-8.5	1.0%	213	0.8%
Holden	Trax	85	52	63.5	1.0%	221	0.9%
Subaru	Forester	84	19	342.1	1.0%	264	1.0%
Toyota	C-HR	81	100	-19.0	1.0%	253	1.0%
Holden	Spark	80	23	247.8	0.9%	136	0.5%
Ford	Focus	74	120	-38.3	0.9%	388	1.5%
Others		3,091	3,661	-15.6	36.7%	9,976	38.5%
<b>Total</b>		<b>8,425</b>	<b>9,050</b>	<b>-6.9</b>	<b>100.0%</b>	<b>25,945</b>	<b>100.0%</b>

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

**LEADS**



**TEST DRIVES**



# Marque continues market shift

**H**olden NZ is delighted with the start it has had to 2019 in regards to registrations of new vehicles and is “exceptionally positive” about where it’s going this year.

Marc Ebolo, managing director, says the marque ran a four-day sale last month, which was “really strong”, and it has “some amazing plans for the remainder of 2019”.

March was a big month for business because it saw the launch of a major campaign to push its range of SUVs as the market continues to shift away from station wagons and larger sedans. That’s not to say it’s leaving its heritage, notably in the form of the Commodore, in its wake.

“As of right now – in terms of mainstream SUV entries – we have the small-sized Trax, medium Equinox, the new large Acadia and four-by-four SUV Trailblazer,” says Ebolo.

“One of the hidden segments we see is the luxury crossover market and there we have the Commodore Tourer.

“When you combine these models with the Colorado, there aren’t many other manufacturers that can actually say they have mainstream entrance in all of those segments.

“That has given us an exceptionally strong product line-up. Our job right now is to transition the brand and let people know we have one of the most extensive SUV ranges in the market with all models having unique characteristics.

“We expect trends to continue in terms of continued growth

in SUVs and light-commercial vehicles. The market for passenger cars is probably the one that’s going to continue in its decline.”

As for the new Commodore, Ebolo says: “We have to ensure everyone drives it at dealer level. It’s an amazing car and you really have to get people to test-drive it.

“We’ve had diehard Commodore fans who have said they would never drive a two-litre turbo. They say the V6 all-wheel-drive looks good and have a drive of it. Then they take out the two-litre turbo as a customer-service vehicle and can’t stop raving about it.

“The Commodore is a big part of our heritage. But we now offer more SUVs than we ever have done in our past and we’re proud of that.”

Holden currently sits fifth on the marques ladder with 1,777 new cars and SUVs sold this year for a 6.8 per cent share of the market.

As for the rest of 2019, Ebolo

expects the New Zealand market to remain strong.

“We certainly aren’t forecasting a decline in the market,” he told Autofile. “We are forecasting that it will be in-line with 2018.”

By comparison, he notes the Australian new-vehicle market has been in decline for about more than a year – from mid-February 2018 to early March.

“There are a lot of different economic conditions over there and things that are unique to Australia that we haven’t seen in New Zealand. The market over there is very different to here,” he says.

“At the same time, we’re cautious and not forecasting significant growth in New Zealand in 2019.”

Neeraj Lala, general manager of product and new-vehicle sales at Toyota NZ, says: “There are a huge amount of finance offers on the market for new cars that don’t necessarily require consumers to put down a large deposit up-front.

“I don’t think people will jump

into deals and accept low trade-in values just for the sake of buying a new vehicle.

“There has been talk about the construction sector being under pressure, but it’s still holding.

“There has also been talk about instability in the rental-car sector with a lot of new entrants in the market, but tourism is still holding strong. In fact, we’ve had a lot of inquiry for rental company business.”

Total registrations of cars and SUVs for March were down by 6.9 per cent and 625 units on 2018’s volumes to a total of 8,425.

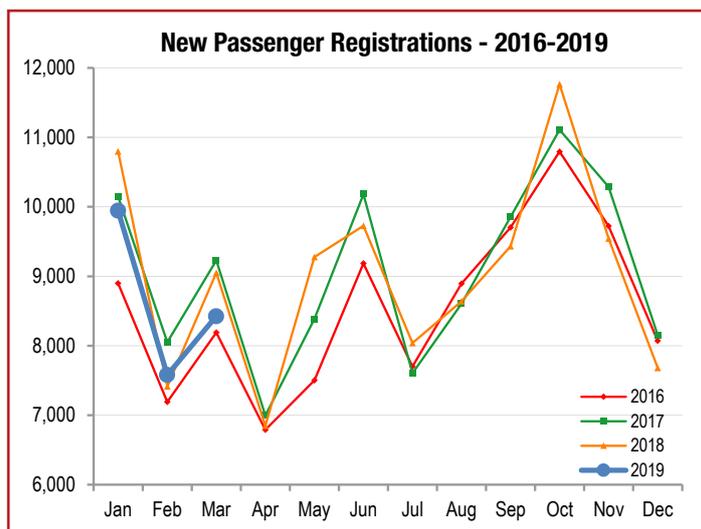
Toyota topped the ladder for car and SUV sales last month with a market share of 11.4 per cent and 960 units. It was followed by Mazda with 9.6 per cent and 805 units. Honda was third on 8.3 per cent and 699 units.

March’s top-selling car was Kia’s Sportage on 379 units. It was followed by Mazda’s CX-5 with 310 units and Toyota’s Corolla with 301.

Meanwhile, the Motor Industry Association predicts this year’s overall market for new vehicles is likely to be down compared to 2018 following a sustained period of growth.

David Crawford, chief executive officer, says: “The outturn for March 2019 was weaker than the same period in 2017 and 2018, but is still strong compared to 2009-16.”

Overall registrations of all new vehicles last month dropped by 5.4 per cent, or by 757 units, when compared the same month in 2018. Year-to-date sales are down by 3.7 per cent or by 1,485 units. ☹



March 2019 ( vs February 2019)

**SALES**

- Web - Dealer 10.5%
- Web - Classified 11.2%
- Repeat 12.3%

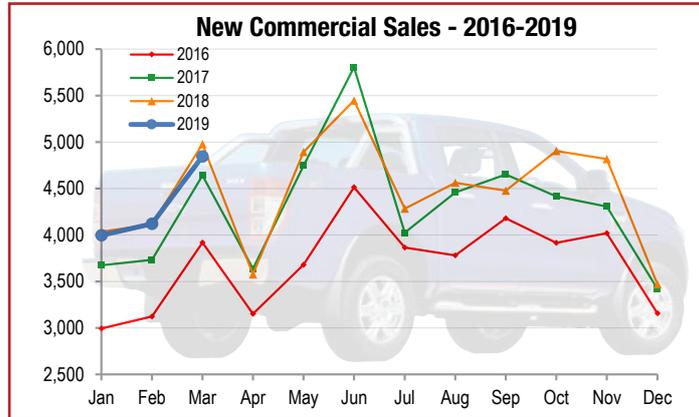
# Blue oval looking to retain crown

**F**ord NZ is "optimistic" the Ranger will retain its title of top-selling new vehicle, but isn't counting its chickens before they hatch.

Competition across the market shows no signs of letting up with the country's three top-selling models all being utes last month.

The Ranger retained top spot with 850 sales, while Mitsubishi's Triton came second on 594 to pip Toyota's Hilux by 13 units. Year to date, the Ranger has 2,386 registrations, the Hilux is second on 1,701 and the Triton is third with 1,544.

Ford's offering has been boosted by its Ranger Raptor notching up 161 registrations so far in 2019.



"We're pleased with Raptor sales, which are running above expectations," says Simon Rutherford, managing director Ford NZ. "We have a healthy order bank due to tight supply.

"Overall Ranger sales are going well with customers enjoying extra content the 2019 model year has on offer across the range."

He says Ranger buyers are increasingly using utes for work

and recreation, and the Raptor answers that call. "It's clear there's an appetite for a performance ute and we've worked hard to deliver something to fit the bill."

Rutherford told Autofile there's also strong demand for the new bi-turbo Wildtrak with its 10-speed transmission.

"And we've just added the Ranger Sport special edition to our line-up just in time for Fieldays," he says.

"With our continuous improvement strategy and focus on delivering value, we're optimistic for the Ranger to continue to be New Zealand's number-one vehicle in 2019. That said, we certainly will not take anything for granted."

## New Commercial Sales by Make - March 2019

MAKE	MAR'19	MAR'18	+/- %	MAR'19 MKT SHARE	2019 YEAR TO DATE	2019 MKT SHARE
Ford	982	1,047	-6.2	20.3%	2,688	20.7%
Toyota	737	1,225	-39.8	15.2%	2,148	16.6%
Mitsubishi	594	382	55.5	12.3%	1,545	11.9%
Holden	493	427	15.5	10.2%	1,148	8.9%
Nissan	325	315	3.2	6.7%	998	7.7%
Isuzu	308	322	-4.3	6.4%	837	6.5%
Mazda	284	159	78.6	5.9%	643	5.0%
LDV	164	191	-14.1	3.4%	424	3.3%
Volkswagen	162	160	1.3	3.3%	380	2.9%
Hyundai	113	80	41.3	2.3%	265	2.0%
Mercedes-Benz	111	73	52.1	2.3%	271	2.1%
Fuso	77	99	-22.2	1.6%	223	1.7%
Hino	68	55	23.6	1.4%	172	1.3%
Fiat	66	69	-4.3	1.4%	161	1.2%
Volvo	52	41	26.8	1.1%	125	1.0%
SsangYong	36	64	-43.8	0.7%	112	0.9%
Iveco	34	23	47.8	0.7%	74	0.6%
Great Wall	30	17	76.5	0.6%	96	0.7%
Kenworth	29	16	81.3	0.6%	79	0.6%
Foton	26	49	-46.9	0.5%	81	0.6%
Others	155	164	-5.5	3.2%	491	3.8%
<b>Total</b>	<b>4,846</b>	<b>4,978</b>	<b>-2.7</b>	<b>100.0%</b>	<b>12,961</b>	<b>100.0%</b>

## New Commercial Sales by Model - March 2019

MAKE	MODEL	MAR	MAR'18	+/- %	MAR'19 MKT SHARE	2019 YEAR TO DATE	2019 MKT SHARE
Ford	Ranger	850	912	-6.8	17.5%	2,386	18.4%
Mitsubishi	Triton	594	382	55.5	12.3%	1,544	11.9%
Toyota	Hilux	581	915	-36.5	12.0%	1,701	13.1%
Holden	Colorado	488	427	14.3	10.1%	1,122	8.7%
Nissan	Navara	324	315	2.9	6.7%	997	7.7%
Mazda	BT-50	284	159	78.6	5.9%	643	5.0%
Isuzu	D-Max	202	215	-6.0	4.2%	534	4.1%
Ford	Transit	132	135	-2.2	2.7%	302	2.3%
Toyota	Hiace	128	261	-51.0	2.6%	364	2.8%
Hyundai	iload	109	76	43.4	2.2%	255	2.0%
Volkswagen	Amarok	83	85	-2.4	1.7%	196	1.5%
Fiat	Ducato	66	69	-4.3	1.4%	160	1.2%
LDV	T60	63	107	-41.1	1.3%	153	1.2%
LDV	V80	56	53	5.7	1.2%	156	1.2%
Volkswagen	T6	47	23	104.3	1.0%	77	0.6%
LDV	G10	42	31	35.5	0.9%	108	0.8%
Mercedes-Benz	Sprinter	42	37	13.5	0.9%	100	0.8%
Mercedes-Benz	X-Class	42	21	100.0	0.9%	116	0.9%
Volvo	FM	40	30	33.3	0.8%	88	0.7%
Hino	500	36	28	28.6	0.7%	104	0.8%
Others		637	697	-8.6	13.1%	1,855	14.3%
<b>Total</b>		<b>4,846</b>	<b>4,978</b>	<b>-2.7</b>	<b>100.0%</b>	<b>12,961</b>	<b>100.0%</b>

## Setting the Benchmark

6 Ports in Japan. 7 Ports in New Zealand

SPEED, SERVICE, VALUE & INDEPENDENCE

# Electric van demand booms

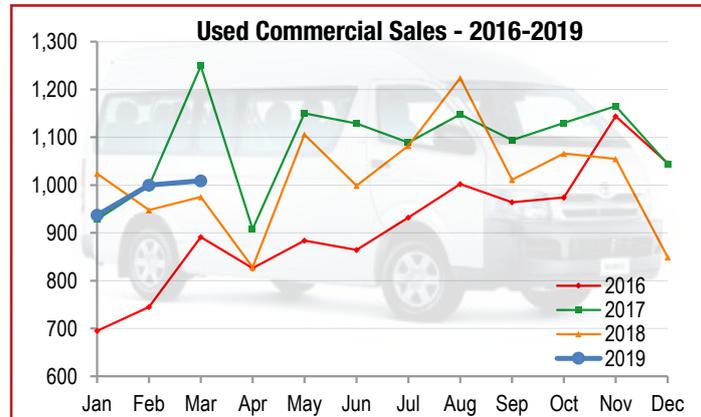
A trader reports the popularity and prices of electric vans have gone through the roof this year.

Dave Boot, of EV City in Christchurch, told Autofile used models were ridiculously underpriced in Japan last year, but they are now seriously overpriced.

“By that I mean there have been more than 50 per cent increases in prices over the past year,” he says.

“In 2018, you could land one for \$17,000 from Japan. Now you cannot get one for \$27,000 and there’s a general absence of stock in the 20kWh sector.

“There hasn’t really been any supply of electric vans out of Japan in recent months. It’s only now that



two or three are showing up and all local dealers are after them.”

The demand for such vehicles in overseas markets is being reflected in pricing. For example, a new Nissan e-NV2000 in the UK

retails from about \$40,000, with Boot saying older 2014-16 models are cheaper.

He adds March was a good month when it came to electric-vehicle (EV) sales for his company,

and he believes last month’s Christchurch shootings will not cause too much of a slowdown effect on businesses in the city.

“Some dealers may have been quieter because of the effects of March 15 and people’s focus may have changed.”

Boot does note, however, the number of used imports have been down for the past few months when compared to the last few months on 2018, although such patterns aren’t necessarily reflected in the EV sector.

There was a 3.5 per cent increase in registrations of used commercial vehicles during March – 1,009 compared to 975 in the same month of last year. ☺

## Used Commercial Sales by Make - March 2019

MAKE	MAR'19	MAR'18	+/- %	MAR'19 MKT SHARE	2019 YEAR TO DATE	2019 MKT SHARE
Toyota	499	399	25.1	49.5%	1,335	45.3%
Nissan	218	229	-4.8	21.6%	637	21.6%
Mazda	50	75	-33.3	5.0%	151	5.1%
Isuzu	45	48	-6.3	4.5%	126	4.3%
Hino	38	30	26.7	3.8%	118	4.0%
Ford	36	39	-7.7	3.6%	142	4.8%
Mitsubishi	20	39	-48.7	2.0%	84	2.9%
Fiat	15	7	114.3	1.5%	69	2.3%
Holden	14	20	-30.0	1.4%	46	1.6%
Chevrolet	12	21	-42.9	1.2%	53	1.8%
Volkswagen	10	3	233.3	1.0%	25	0.8%
Dodge	6	6	0.0	0.6%	16	0.5%
Suzuki	6	4	50.0	0.6%	22	0.7%
Volvo	6	3	100.0	0.6%	12	0.4%
Daihatsu	4	4	0.0	0.4%	13	0.4%
GMC	3	6	-50.0	0.3%	8	0.3%
Mercedes-Benz	3	7	-57.1	0.3%	6	0.2%
Mitsubishi Fuso	3	4	-25.0	0.3%	12	0.4%
Renault	3	3	0.0	0.3%	4	0.1%
DAF	2	0	200.0	0.2%	10	0.3%
Others	16	28	-42.9	1.6%	57	1.9%
<b>Total</b>	<b>1,009</b>	<b>975</b>	<b>3.5</b>	<b>100.0%</b>	<b>2,946</b>	<b>100.0%</b>

## Used Commercial Sales by Model - March 2019

MAKE	MODEL	MAR'19	MAR'18	+/- %	MAR'19 MKT SHARE	2019 YEAR TO DATE	2019 MKT SHARE
Toyota	Hiace	390	313	24.6	38.7%	1,025	34.8%
Nissan	Caravan	64	75	-14.7	6.3%	207	7.0%
Nissan	NV200	56	51	9.8	5.6%	132	4.5%
Toyota	Dyna	42	24	75.0	4.2%	116	3.9%
Nissan	NV350	39	32	21.9	3.9%	104	3.5%
Isuzu	Elf	37	32	15.6	3.7%	93	3.2%
Mazda	Bongo	33	59	-44.1	3.3%	108	3.7%
Toyota	Regius	32	28	14.3	3.2%	87	3.0%
Hino	Dutro	24	11	118.2	2.4%	78	2.6%
Nissan	Atlas	22	17	29.4	2.2%	67	2.3%
Nissan	Vanette	19	30	-36.7	1.9%	71	2.4%
Toyota	Toyocace	18	13	38.5	1.8%	53	1.8%
Fiat	Ducato	15	7	114.3	1.5%	69	2.3%
Mitsubishi	Canter	14	18	-22.2	1.4%	56	1.9%
Ford	Ranger	12	11	9.1	1.2%	32	1.1%
Hino	Ranger	11	15	-26.7	1.1%	24	0.8%
Mazda	Titan	10	12	-16.7	1.0%	24	0.8%
Ford	Transit	9	8	12.5	0.9%	50	1.7%
Nissan	Navara	8	9	-11.1	0.8%	27	0.9%
Holden	Colorado	7	8	-12.5	0.7%	21	0.7%
Others		147	202	-27.2	14.6%	502	17.0%
<b>Total</b>		<b>1,009</b>	<b>975</b>	<b>3.5</b>	<b>100.0%</b>	<b>2,946</b>	<b>100.0%</b>

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# Managing stock is 'an art form'

New car imports and sales were up by a healthy 11.5 and 11.2 per cent respectively in March when compared to February.

There were 8,782 new car imports last month, which was down by 11.8 per cent on the same month of last year, while new car sales hit 8,425 – down by 6.9 per cent on March 2018.

This left a variance increase to 357 units, bringing the total number of unregistered new cars in New Zealand to 80,243 – up by 14 per cent on the same month of last year.

Daily average sales now stand at 293 – down by only four units on March 2018 – and there's nine months of supply of stock on-hand.

Marc Ebolo, managing director of Holden NZ, says: "You always have small matters, such as supplier quality issues, that impact

arrivals or it's something the whole industry is facing – for example, with stink bugs at the moment – that delay arrivals.

"Inventory management is an absolute art form. If you get it right, everyone's happy. If you don't get it right, you end up with large unsold inventories. It's something that's a big focus of ours at the moment."

Ebolo says growth in the SUV and light-commercial markets are not predicted to slow in the next five years.

"I think the trend with SUVs will continue," he told Autofile. "We're getting more and more entries into the market.

"They are continuing to grow in terms of ride and handling, and offer a level of practicality to consumers that once you experience it – research shows us – it's very difficult to go back.

"I haven't gone all the way to SUVs. I still love my station wagons and the way they drive, but with some of the new SUVs we've launched it's becoming tempting to go into one for my next car."

In the electric-vehicle (EV) space, demonstrator models of Kia's Niro EV are already in New Zealand with customers' vehicles expected to arrive by the end of April.

Worldwide demand has outstripped supply of the model. For example, this year's stock in the UK is sold out with the marque there now taking orders for 2020. One of the issues has been the availability of batteries with producers being inundated with orders.

All that said, the Niro EV has a starting price of \$67,990 plus on-roads, which Kia NZ says makes it the most affordable fully electric new SUV in the country.

That's expected to ramp up interest following unprecedented online responses. Its arrival announcement last year led to thousands of people signing up to Kia Motors NZ's webpage for more details and to pre-register interest.

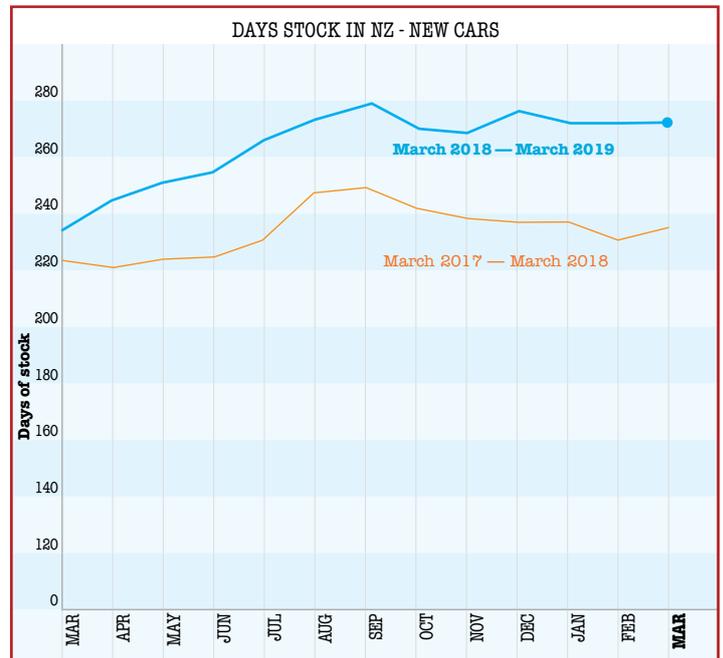
General manager Todd McDonald says: "We've been very encouraged by the huge response. The Niro EV's unique combination of design and SUV practicality appears to have been a massive hit."

The 455 model has a 64kWh lithium-ion polymer battery for a range of 455km. The lower-priced version is fitted with a 39.2kWh lithium-ion polymer battery pack for up to 289km on a single charge.

McDonald is urging those who are interested to register online if they haven't yet done so or talk to a Kia dealer in light of strong overseas response. ☺

## Dealer stock of new cars in New Zealand

	CAR SALES		VARIANCE	STOCK	DAILY SALES - 12-MONTH AVERAGE	DAYS STOCK AT HAND
	IMPORTED	REGISTERED				
Mar '18	9,954	9,050	904	70,390	297	237
Apr '18	10,268	6,848	3,420	73,810	297	249
May '18	12,102	9,275	2,827	76,637	299	256
Jun '18	10,138	9,725	413	77,050	298	259
Jul '18	11,503	8,040	3,463	80,513	299	269
Aug '18	11,175	8,639	2,536	83,049	299	278
Sep '18	10,382	9,431	951	84,000	298	282
Oct '18	9,921	11,765	-1,844	82,156	300	274
Nov '18	7,820	9,543	-1,723	80,433	298	270
Dec '18	9,317	7,681	1,636	82,069	296	277
Jan '19	7,462	9,942	-2,480	79,589	294	271
Feb '19	7,875	7,578	297	79,886	295	271
<b>Mar '19</b>	<b>8,782</b>	<b>8,425</b>	<b>357</b>	<b>80,243</b>	<b>293</b>	<b>274</b>
<b>Year to date</b>	<b>24,119</b>	<b>25,945</b>	<b>(1,826)</b>			
<b>Change on last month</b>	<b>11.5%</b>	<b>11.2%</b>		<b>0.4%</b>		
<b>Change on Mar 2018</b>	<b>-11.8%</b>	<b>-6.9%</b>		<b>14.0%</b>		
	<small>LESS IMPORTED</small>	<small>LESS SOLD</small>		<small>MORE STOCK</small>		



# Issues accessing electric cars

Dealers hoping to break into the used-import sector to cash in on demand for electric vehicles (EVs) are likely to be disappointed because of the lack of available stock in Japan.

That's the view of Graeme Macdonald, the owner of Westwyn Trading Company, West Auckland.

"Although there's currently a huge drive towards electric – in the regulatory sense and by driving uptake – the truth is the used trade is already purchasing every single used EV it can lay its hands on," he told Autofile. "We are a used-vehicle market and they don't manufacture new five-year-old cars that we can take from Japan."

Macdonald notes EVs haven't been particularly successful there with uptake being "relatively muted". "Their sales numbers

haven't really matched what we would need in New Zealand to satisfy our own demand.

"We're almost at peak uptake now. If you look at the number of vehicles sold each month, particularly Nissan's Leaf, and if you look at Leaf sales for three, four and five years ago, we are taking 25-40 per cent each month of those sales.

"That's a huge number out of a fleet, especially when you discount the number of vehicles that may be damaged in an accident, written off or have done high mileage".

Macdonald says businesses dealing in EVs at the moment that have got market plans sorted out should be okay.

However, he warns: "Dealers who think they can just hop onto the EV bandwagon this year to take advantage of any shift in consumer sentiment could end up

disappointed because the supply of suitable vehicles isn't there.

"The government is pushing for uptake. But it's not about consumer demand, it's about the supply of used vehicles. We already know the vast majority of the EV penetration in the fleet thus far has been used."

Macdonald says other general issues in the market include some uncertainty about stock supply.

"There are murmurings from the government about further intervention in market supply and right now – especially with the import trade – it's difficult to source stock," he explains.

"We haven't got a lot of variety to choose from and everyone's competing for the same vehicles to suit New Zealand conditions.

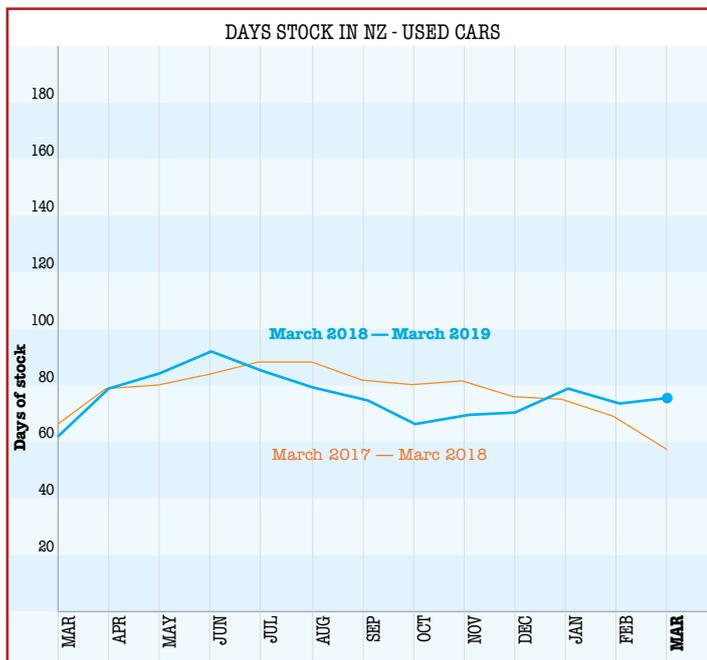
"Our own internal competition between dealers can be pretty intense and it's really intense in

Japan when trying to buy the car you need.

"Paradoxically, the tougher the conditions are for the industry to buy and the tougher government restrictions are, the more likely we are to see sub-standard vehicles coming onto the market. You can't have a clothes store without any clothes to sell."

Some 13,290 used passenger vehicles crossed the border last month, up by a massive 51.6 per cent on February and up by 23.4 per cent on March 2018.

At the same time, dealers registered 11,852 used imports – up by 723 units on February, but only up by 11 units on the same month of last year. When taking into account used car imports in March minus sales, there was a 4.9 per cent increase of stock on-hand compared to February. ☺



	CAR SALES		VARIANCE	STOCK	DAILY SALES - 12-MONTH AVERAGE	DAYS STOCK AT HAND
	IMPORTED	REGISTERED				
Mar '18	10,772	11,841	-1,069	25,931	448	58
Apr '18	19,438	10,893	8,545	34,476	444	78
May '18	15,464	13,420	2,044	36,520	441	83
Jun '18	15,961	12,651	3,310	39,830	439	91
Jul '18	11,028	13,847	-2,819	37,011	438	85
Aug '18	10,282	13,368	-3,086	33,925	434	78
Sep '18	9,245	11,533	-2,288	31,637	429	74
Oct '18	8,669	12,100	-3,431	28,206	423	67
Nov '18	11,301	11,156	145	28,351	413	69
Dec '18	12,448	11,061	1,387	29,738	404	74
Jan '19	13,479	11,598	1,881	31,619	399	79
Feb '19	8,764	11,129	-2,365	29,254	396	74
<b>Mar '19</b>	<b>13,290</b>	<b>11,852</b>	<b>1,438</b>	<b>30,692</b>	<b>396</b>	<b>77</b>
<b>Year to date</b>	<b>35,533</b>	<b>34,579</b>	<b>(954)</b>			
<b>Change on last month</b>	<b>51.6%</b>	<b>6.5%</b>		<b>4.9%</b>		
<b>Change on Mar 2018</b>	<b>23.4%</b>	<b>0.1%</b>		<b>18.4%</b>		
	<small>MORE IMPORTED</small>	<small>MORE SOLD</small>		<small>MORE STOCK</small>		

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