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Offshore car listings being trialled online

Trade Me may investigate options for vehicles not in transit to New Zealand to be rolled out to all dealers in future

All registered motor-vehicle traders could have offshore listings on Trade Me if a pilot scheme is a success and there is a demand for such a service.

New Zealand's biggest online marketplace says it will look into how the trial it launched on January 24 could be expanded if there's enough demand from car dealers and consumers for it to be warranted.

A listing on Trade Me for a car in the UK

The company launched its trial for 200 listings of stock in Japan or the UK after trying out the idea last year.

"If we see a genuine demand from buyers for these types of vehicles, we'll be looking at how we can make this work for all of our dealers," says Alan Clark, head of Trade Me Motors.

"There are still a lot of things for us to work through before we could offer this to all dealers. We're going to see how this trial goes and then look at what we do in future."

He told Autofile the company would need to investigate what conditions it would have in place "to ensure a great experience for buyers and sellers".

"We know the issues facing the industry at the moment and, ultimately, the purpose of this trial is to help our dealers explore their offshore options in the near future," adds Clark.

He says Trade Me Motors knows some buyers are becoming more comfortable with purchasing vehicles sight unseen from overseas.

The trial is being run with listings by Auckland-based Autoport, "which we chose because we thought it was best-placed to help us with this trial".

All listings by Autoport, which offers a direct-to-consumer model, must clearly state the vehicle is offshore, be subject to the same criteria as any other registered trader and offer a money-back guarantee if the buyer is unsatisfied.

Trade Me Motors ran a short pilot scheme with 1,000 Autoport listings in October 2019. Afterwards, it reviewed its members' feedback and "made some tweaks to improve the buyer experience in this current experiment".

Clark adds: "We're always looking at new ways we can make the buying and selling experience better for car buyers, dealers and private sellers."

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GUEST EDITORIAL

The wheel turns full circle to advocacy

Representing industry is still 'primary purpose' of association moving forward, says David Vinsen

DAVID VINSEN
Chief executive, VIA

I've been reflecting on VIA's core function and how we need to strip it back to the essentials to provide support for the industry.

Some 30 years ago, when it was established – as the Licensed Motor Vehicle Dealers' Import Association – its sole purpose was the provision of political advocacy for the just developing used-imports industry.

Used-vehicle imports in commercial numbers started in 1988, and there was fierce opposition to this new industry from the new-vehicle sector, from vested interests, from some politicians of the day, and from some government departments and their officials. The new association's function was to fight to enable the industry to continue to develop.

It was quickly realised the association needed to build credibility, which required accurate statistics and comprehensive technical information – our submissions had to be authoritative to be effective.

This was the original reason for having statistics and technical services. And the need for these services hasn't changed because the wheel has turned full circle and we're back to focusing solely on vigorously representing the industry.

Three years ago we rebranded as "VIA" for our trading name while still retaining our full name, the Imported Motor Vehicle Industry Association. We chose a graphic for our logo, which could be seen as a "disrupted wheel".

Little did we realise the significance this would have in just three short years. Our logo symbolises disruption and VIA is now experiencing extreme disruption.

"Disruption" is the buzz word for the effects of new technologies on established business models, such as Uber, Lime Scooters, Airbnb, Netflix, the internet of things, artificial intelligence, 3D printing, blockchain, robotics and so on.

These technologies bring exciting changes to the way we do things and conduct our businesses. Although usually seen as positive to the consumer or end-user, it's a different matter when your own business model is being disrupted.

In VIA's case, the changes we're undergoing are the result of an existential crisis, brought about by funding constraints and budgetary requirements. We've had to review our "reason for being" and the services we provide.

And we've identified that, after 30 years, nothing has changed. As the French would say, "plus ça change, plus c'est la même chose", or the more things change, the more they stay the same.

Recent reviews and analysis by the association's key stakeholders have clearly identified that VIA's core function of advocacy on behalf of the industry is still our primary purpose.

And just as it was 30 years ago, accurate timely statistics and comprehensive technical information are required to ensure we remain credible and authoritative. The wheel has, indeed, turned full circle.

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Trade Me Motors' trial with offshore listings was announced to dealerships by email last month and first reported by Autofile Online.

The email states the pilot scheme comes in response to market changes showing a "growing willingness to buy vehicles sight unseen, as well as requests from dealers to offer this type of transaction".

The email continues: "This trial takes place outside our current policies, but if the trial shows genuine demand from buyers, we'll be looking at how all dealers can list offshore vehicles. This will include reviewing how buyers can filter and sort listings for offshore vehicles."

It states certain conditions apply for offshore listings via Autoport. These include "it's made very clear to buyers the vehicle is currently located offshore and the effect that has on delivery time, they offer a money-back guarantee, and they have a signed agreement giving them exclusive rights to list and sell the vehicle on Trade Me".

> "Ultimately, the purpose of this trial is to help our dealers explore their offshore options in the near future"
> – Alan Clark

Trade Me Motors has taken on-board feedback from last year's offshore trial and has set a number of conditions for such vehicles.

Other conditions include Autoport abiding by all requirements for being a registered motor-vehicle trader, abiding by the Consumer Guarantees Act, and avoiding "overwhelming any individual vehicle category; make, model and year".

On February 5, one offshore listing was for a 1.3-litre 2011 Honda Fit with 165,150km on the clock for $7,350. This drive-away price from Ellerslie includes 12 months' mechanical breakdown insurance, 12 months' registration, on-road costs and up to $100 in fuel.

Importantly, the description states it's an "international listing" from Japan and the vehicle is not in New Zealand. "This vehicle is currently located in Japan with one of our authorised suppliers".

The listing goes on to say the Honda Fit will meet all requirements for this country, including the new rule about electronic stability control that comes in on March 1, and that it isn't accident damaged. Delivery time is given as five to seven weeks, "meaning your car will be available for collection mid-March".

The car can be returned within five days for a full refund "providing it is in the same condition and has not travelled more than 500km".

An example of a UK offshore listing was a 2013 Mini Cooper 2.0D Clubvan for $28,650 for which the delivery time was eight to 10 weeks and it was "available for collection early April".

SITE'S GENERAL POLICY

Trade Me Motors' general policy for all other listings, other than for those part of its offshore trial, still apply.

"You may only sell a vehicle offshore if you are a registered motor-vehicle trader," its website states.

"If you are a registered trader and want to sell a vehicle that is offshore, you must hold clear authority to sell the vehicle and ensure it is in transit to New Zealand before you are able to list it. You must also clearly indicate such vehicles are offshore or in transit in the listing."

A post on the website from March 2013 states: "It is a general Trade Me rule that members only place listings for items that exist, are to be sold and that the member is legally entitled to sell those items.

"Further to this, members may only list items in their possession, except when Trade Me has approved otherwise in writing.

"In the case of vehicles that are offshore… you must also indicate such vehicles are offshore or in transit in the listing."

By "in transit", Trade Me says it means the vehicle is being transported from a dealership or equivalent to a private holding facility, wharf or port where it will await shipping to New Zealand as its ultimate destination.

In such situations, the transportation or holding time is to be no longer than three weeks until the vehicle on its way here.

Two decades in trade

Autoport's story started more than 20 years ago when founding director David Paviour partnered with Hamish Lusk to set up AutoBase – a bulk listings site for car dealers.

In 2012, Trade Me bought AutoBase after which Paviour and Lusk set up Autoport – a business importing and selling cars at wholesale.

"With online buying gaining in popularity, David and Hamish decided it was time to disrupt the used-car market and offer a unique buying experience, this time for the consumer – much the same way Uber and Airbnb have," according to their website.

In 2018, the Auckland-based company launched its retail website, which states: "Without unnecessary overhead costs of car yards, finance costs associated with holding stock and removing a number of steps in the supply chain, Autoport offers significant savings to the consumer."

As of 9.30am on February 5, its website had "10,114 cars to buy located offshore".

Office closure to save funds

VIA (the Imported Motor Vehicle Industry Association) is to become an office-free organisation as part of a review into how it operates.

The association's headquarters in Mount Wellington, Auckland, will close at the end of February, as first reported by Autofile Online on January 24.

The move has come about by the national executive and council members looking at VIA's structure after it recorded a budget deficit in 2018/19.

As a result, action is set to be taken on various fronts with the association concentrating on core issues – essentially, political advocacy for the used-imports sector.

David Vinsen, chief executive, says mothballing the offices will save VIA up to $50,000 a year.

"It means we will be an office-less organisation as many are these days," he adds. "There are limited hours when all our staff are there at the same time anyway.

"We will still have regular meetings at convenient times and locations. Our staff already do a lot of work from home, and we're able to communicate and collaborate well by using modern technology."

VIA has also analysed all of its services and some, such as providing stationery and supplies, will be discontinued. "These barely cover costs and most people who purchase them are not even members."

Another proposal is to scrap its two-branch system – at the moment, there is one in each of the North and South Islands.

"This is an anachronism from times before electronic communication when members had regular branch meetings," explains Vinsen.

"In the past, each branch held brief annual meetings before the association's main AGM, but that's no longer necessary."

As for the future, VIA will focus on its "absolute core issue – political advocacy for the used-imports industry".

Vinsen adds: "I regard this review process as positive for VIA and how we continue to provide services to our industry."

Before any changes go ahead, the association's rules will need to be reviewed and adopted at a special general meeting, which has been pushed out from mid-February to a date to be fixed. The new rules will then have to be lodged with the Incorporated Societies Register.

"The process depends on how long it takes to get the redrafting of the rules done and circulated to members," explains Vinsen. "We will hold the special general meeting as soon as possible.

"This whole process has been a friendly nudge from key stakeholders to encourage VIA to move into the current decade."

Question of finance

A working group has been reviewing VIA's operations following a deficit of $233,181 for 2018/19.

The shortfall was largely attributed to reduced income from technical services with vehicles needing special certificates reducing.

VIA also reported a $264,258 deficit for 2017/18 and one was presented for the current financial year at May 2019's AGM.

Fire at dealership

The sales team at a dealership managed to keep business going despite a massive blaze destroying a workshop and eight vehicles.

Staff at MS Ford in Nelson were devastated after flames engulfed a service building, but also thankful 12 fire crews managed to stop other parts of the premises from being damaged.

The showroom was open for business as usual after the drama, and the company kept its service operations going by using alternative locations in Nelson and nearby Richmond.

Fire and Emergency New Zealand (FENZ) crews worked through the night after being called to the "significant" incident on Haven Road at about 10pm on January 25.

No one was hurt in the drama, although witnesses reported hearing explosions as the flames took hold of a stack of tyres along with gas bottles and airbags stored in the workshop.

Kane Squire, service manager at MS Ford, says he had no idea what caused the blaze, but said there was "lots of things back there – welding tanks, oils and airbags".

Squire, who has worked at MS Ford for 13 years, describes seeing the damage to the service lane and cars as "pretty hard".

Daniel Reilly, FENZ shift manager, says residents were worried the flames might have spread to vegetation, and threatened nearby homes and a neighbouring petrol station.

Senior station officer Craig Davies, operations commander at the scene, posted this message on Facebook: "A huge thanks to all the crews that came in to help us.

"Not often do we get a fire with all the different aspects this one had. Petrol station with LPG tank and LPG cylinder storage right next door. A workshop full of hazards including acetylene and O2 [oxygen] bottles, 150 airbags exploding etc. A big night."

Emissions from fleet tumble

Average greenhouse gas (GHG) emissions from new vehicles sold in New Zealand during 2019 have declined at a significantly faster rate than in the previous five years.

Emissions have tumbled from 220.7 grams per km (g/km) to 174.4g/km for an overall decrease of 21 per cent since 2006, which was when the Motor Industry Association (MIA) began annual recording of average emissions for new stock entering the fleet.

The rate of reduction had been flat since 2014, but has picked up again since 2018 with the last year's drop of 2.6 per cent being the biggest annually since 2013.

This positive trend is a result of a growing range of models with some form of electrification coming onto the market, as well as increasing fuel efficiency across a range of new vehicles.

"There has been a significant increase in sales of vehicles with some form of electrification, which include hybrids, plug-in electric hybrids and pure battery electric vehicles [EVs]," says David Crawford, chief executive officer of the MIA. "This is starting to have a positive impact on our emissions.

"This is certainly an accelerating trend. The rate of reduction in average emissions is heading in the right direction with the biggest decrease coming last year when compared to the past five years."

He adds nearly 9,000 new vehicles powered by some form of electrification were sold in this country last year, which he describes as a "major jump" from the previous year when less than 4,000 were registered.

"As the range of brands and models of EVs grows, they're also becoming more affordable with more New Zealanders seeing them as viable purchases."

CO_2 reductions – new vehicles entering NZ fleet

YEAR	AVERAGE CO2 EMISSIONS (G/KM)	DECREASE % FROM PREVIOUS YEAR	ACCUMULATIVE % DECREASE BY YEAR FROM 2006	REDUCTION FROM PREVIOUS YEAR (G/KM)	ACCUMULATIVE REDUCTION BY YEAR SINCE 2006 (G/KM)
2019	174.4	2.6	21	4.7	46.3
2018	179.1	1.3	18.8	2.4	41.6
2017	181.5	0.9	17.8	1.6	39.2
2016	183.1	0.5	17	1	37.6
2015	184.1	1.1	16.6	2	36.6
2014	186.1	0.7	15.7	1.4	34.6
2013	187.5	1.5	15	2.8	33.2
2012	190.3	3.5	13.8	6.8	30.4
2011	197.1	2.2	10.7	4.5	23.6
2010	201.6	1.2	8.7	2.4	19.1
2009	204	3.1	7.6	6.6	16.7
2008	210.6	4.1	4.6	9.1	10.1
2007	219.7	0.5	0.5	1	1
2006	220.7				

Crawford notes the decline in GHG emissions has also been boosted by the large volume of small and efficient petrol vehicles on the market, as well as increased efficiency across a range of models.

"New Zealand is a fast technology adopter and the popularity of electrified vehicles reflects that.

"We're a tiny market on the global stage and have minimal ability to directly influence manufacturers, but these figures show we're able to closely follow progressive regions, such as Europe, in reducing emissions from our light-vehicle fleet."

He says the accelerating rate in the drop of GHG emissions from the new fleet calls into question the need for the government to introduce its proposed clean car policies.

However, Crawford says that if the government feels the need to introduce policies to support the reduction in emissions, then the proposed clean-car discount, which provides rebates to purchasers of fuel-efficient vehicles while attaching penalties to larger less fuel-efficient models, will help reinforce this positive trend.

The MIA – along with VIA (the Imported Motor Vehicle Industry Association), AA and Motor Trade Association (MTA) – has been involved in a series of workshops hosted by the Ministry of Transport (MoT) to discuss the clean-car proposals put forward last year by Julie Anne Genter, Associate Minister of Transport.

The most recent meeting with officials took place at the end of October, but a final workshop is yet to be held – and the clock is inexorably ticking towards September's general election.

"From our perspective, lower emissions achieved through sales of new passenger vehicles and light commercials in 2019 illustrates that this country's market can take up technology fast," says Crawford.

"Last year, distributors brought in more electrified and well-priced models to increase the amount of hybrids and pure EVs, as well as long-rangers, such as Hyundai's Kona and Tesla's Model 3 with consumers saying they will pay around $75,000 for a EV that goes up to 400km on a full charge. Kiwis are voting with their wallets.

"With 8,500 new EVs and hybrids sold last year with some form of electrification, that helped

The long-range Hyundai Kona was introduced to the Kiwi market in 2019

reduce emissions for our fleet.

"The question is what policies can augment this? A feebate scheme would. But we don't need a fuel-economy standard, especially if that means small cars being penalised or marques withdrawing them from the market because we would then be going backwards.

"We're in limbo at the moment and disappointed with the lack of progress being made by the government."

Representatives from the MIA, VIA, MTA and AA attended the first workshop in Wellington hosted by Genter and MoT officials on September 19 after the four organisations lodged formal submissions during the consultation process on the discussion document for the clean-car proposals.

> "New Zealand is a fast technology adopter and the popularity of electrified vehicles reflects that"
> – David Crawford

Two more meetings were held after that and all have taken place behind closed doors. What has been discussed remains confidential, but a range of key points have been raised by the automotive industry in a frank and honest two-way manner. The date for the fourth workshop, also anticipated to be the final one, has yet to be announced.

As reported by Autofile in its October 2019 issue, Julie Anne Genter's proposal to penalise imports based on their fuel efficiency could cost the new-vehicle industry upwards of $1.3 billion, according to the MIA.

"In-line with our submission, we've reiterated the need for work to be done on how to implement the proposed feebate scheme as other industry associations have," says Crawford.

"We remain committed to liaising with the government on sensible policy design that's focused on reducing greenhouse gas emissions."

The MIA, VIA, MTA and AA have been critical of the supply-side mechanism with concerns centring on the proposal's modelling and costs.

There have been calls for the fuel-economy standard to be canned and for the government to develop one, in the longer term, in consultation with the industry and perhaps along the lines of a system used in Europe.

Crawford contends a clean-car standard as proposed in 2019 is likely to create "huge market distortions leading to drops in sales".

Some distributors may withdraw certain models, while one marque may have to pull out altogether.

There is widespread belief across the motor-vehicle industry that the supply-side policy as stated in the discussion document would amount to another tax on vehicles without achieving anywhere near the reduction in GHG emissions being aimed for.

Industry issues 'taken on-board'

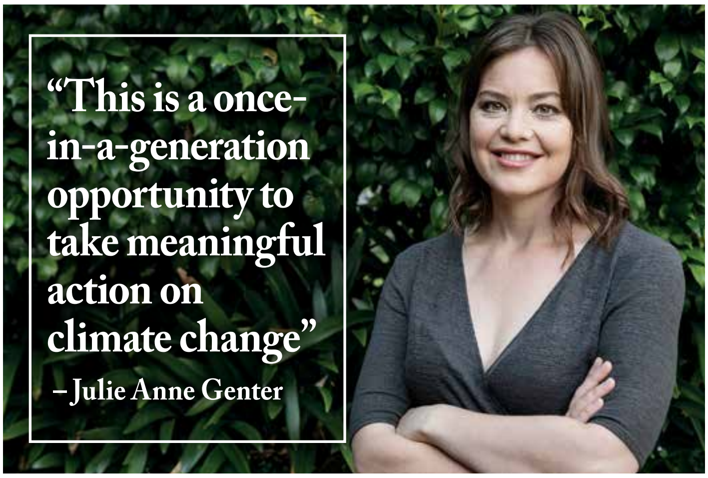
The policies behind the clean-car proposals are "being refined" says Julie Anne Genter, Associate Minister of Transport, following feedback received during public consultation and subsequent workshops with industry.

"Progress from this point on is dependent on the cabinet process," she told Autofile on February 5, although there is no confirmation on the timescale moving forward.

"In September 2019, I accepted the vehicle industry's request to hold a series of workshops," adds Genter. "Held with industry experts and ministry officials, they served as a great forum to review and refine the clean-car discount and clean-car standard.

"The ministry proposed a schedule for the topics to be discussed and the vehicle industry provided feedback, which enabled participants to develop a clear understanding of the options, and weigh the pros, cons and risks of different policy designs.

"I have taken on-board issues raised by the industry – particularly those around timing and phasing-in of targets, where target levels are set and how we might close loopholes to prevent rorting. I am reviewing what changes might be required."



Genter says New Zealand is one of only three developed countries not to regulate the fuel efficiency of vehicles entering the market.

"As a result, the cars imported into New Zealand pollute more and cost more to fill up.

"The real-world evidence is clear. Countries that have most successfully reduced climate-polluting emissions from cars have done so by combining fuel-efficiency standards with price incentives."

She says that is why the clean-car standard, also known in the industry as the fuel-economy standard, and the clean-car discount – referred to by many as a feebate scheme – "when enacted, both will prevent more than six million tonnes of dangerous climate pollution entering our atmosphere".

Genter points out the discount scheme on the supply side will make electric vehicles (EVs) up to $8,000 cheaper and very fuel-efficient petrol cars nearly $3,000 less expensive, so that Kiwi families can choose a model that's better for the climate and their back pockets.

"The benefits of these policies will also flow into the second-hand market as more fuel-efficient hybrids and EVs are sold.

"The clean-car standard improves the fuel efficiency and lowers emissions of new cars brought into New Zealand. It's expected to save the country more than $3.4 billion in fuel – or more than $6,800 over the lifetime of an average vehicle.

"As a percentage of weekly income, fuel savings from more efficient vehicles are the highest for low-income households, so this is of real benefit for Kiwi families."

Genter emphasises transport is the fastest-growing source of climate pollution in this country.

"By making fuel-efficient cars and EVs more affordable to New Zealanders, we will dramatically reduce climate pollution.

"The cars, utes, vans, four-wheel drives and trucks we drive every day present the biggest challenge – accounting for 67 per cent of all transport emissions.

"This is a once-in-a-generation opportunity to take meaningful action on climate change – and it's our kids and grandkids who will benefit from the ambitious, proactive, big-picture actions we take now.

"It won't be easy and won't happen overnight. But we're committed to increasing the number of fuel-efficient cars and EVs on roads. When we work together, New Zealand can achieve a net-zero carbon economy by 2050."

Fair-trading grievances jump

Complaints made by consumers to the Commerce Commission have jumped by more than 20 per cent to nearly 9,000.

The regulator received 8,964 gripes during its 2018/19 reporting year with the increase relating almost entirely to matters covered by the Fair Trading Act (FTA), which climbed by more than 1,500.

The figures have been released by the commission in its first "complaints snapshot", which helps identify what it should investigate – including issues in the automotive industry.

The commission stresses grievances raised don't necessarily mean any laws have actually been breached, while others on the same matter might have gone to other complaint bodies.

It adds larger industries are likely to generate more complaints because they have more customers, while high levels of publicity about a sector can result in more issues being raised.

When it does investigate, outcomes include providing information to help businesses comply with the law, warnings and prosecutions.

The motor-vehicle retail industry came fourth on the ladder during 2018/19 with 449 complaints in regards to the FTA with the regulator compiling indicative groups of issues raised.

These included the dealer saying the vehicle was in great condition, but the buyer having issues post-purchase. Others were:

- I've found faults with the used car I recently purchased and my dealer is refusing to fix them.
- The vehicle didn't have the features I was told it would have.
- I ended up paying more for the car than the price-tag because the advertised price didn't include GST or on-road costs.

Motor-vehicle rentals came ninth on the ladder with 143 FTA complaints during 2018/19, while electricity retail rounded out the top 10 on 138.

The top three were telecommunications retail-service providers with 727 complaints, online ticket reselling on 585 and retailers of domestic appliances with 469.

The Commerce Commission regularly receives complaints about dealers refusing to repair cars they've sold

CONSUMER CREDIT

The Credit Contracts and Consumer Finance Act (CCCFA) is also enforced by the Commerce Commission.

Not only is it important legislation for finance providers to follow, it's also essential for car dealers, who often act as agents, to understand – and some are financiers in their own right.

Debt collection topped this area with 124 complaints in 2018/19, such as companies repeatedly calling and being aggressive towards consumers – and even trying to make people pay debts they didn't owe.

Responsible lending is a major area moving forward with further legislation before parliament to beef up the so-called "loan-shark laws". This area attracted 116 complaints with indicative concerns.

These included being offered an extra loan when struggling to pay off current debts. Others were:

- The lender gave me a loan when others wouldn't. It didn't check whether I could afford to pay it back.
- I applied for a loan because "no credit checks" were advertised and there didn't seem to be much in the way of fees.
- When I lost my job, the lender wouldn't consider adjusting my repayments.

There were 50 complaints about disclosure, such as lenders failing to provide loan documents and terms, not calculating the total cost of lending and declining to inform consumers of how much was outstanding when asked to do so.

Issues around lending fees came in at 33, and included "the lender charged me lots of different fees, which I felt were excessive".

The Commerce Act, which covers takeovers, is another piece of legislation enforced by the commission. In regards to anti-competitive behaviour, there were 114 complaints about market power during 2018/19, 109 on restrictive contracts and 13 about price-fixing.

VIEW FROM TOP

The commission's "complaints snapshot" is the first time it has published its data in this way.

Chairwoman Anna Rawlings says it has been done to make this information more accessible and meaningful to consumers, and to show all complaints received are important even though it cannot investigate all of them.

When it comes to the FTA, a common theme has been people being told the Consumer Guarantees Act does not apply when they tried to return faulty products, while complaints about irresponsible lending jumped by nearly 40 per cent to 116.

Over the past five years, the regulator has noticed up to an 80 per cent increase in complaints relating to online retail, which now make up about one-third of all its fair-trading complaints.

These include traders inflating the original price to make the sale price look appealing, extra charges being added so more than the advertised price is paid, and people rushed into buying because of countdown timers.

"We can only investigate what's causing the most harm to New Zealanders," says Rawlings. "Complaints help us to prioritise, but also show us where consumers and businesses need more information to understand or comply with the law.

"They also inform the advice we give to policy makers and we also hope the information is of assistance to businesses when assessing their own compliance."

Stacking up numbers

The Commerce Commission enforces the Fair Trading Act, which prohibits false and misleading behaviour by businesses, and a range of other unfair business practices.

This topped the regulator's ladder during 2018/19 with 8,302 complaints.

Next up with 348 complaints was the Commerce Act, which bans anti-competitive behaviour and acquisitions that substantially lessen competition.

The Credit Contracts and Consumer Finance Act, which protects consumers when they borrow money, attracted 314 complaints.

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IN BRIEF

Association raises in-fleet safety concerns

The percentage of fatal accidents involving issues with vehicles has tripled between 2013 and 2018, according to the Motor Trade Association (MTA).

Greig Epps, advocacy and strategy manager, describes the trend in data as "unmissable and undeniable".

He says: "From 2013-18, the percentage of fatal crashes involving some sort of vehicle factor rose from five to 15 per cent. In 2013, vehicle factors contributed to 12 fatal crashes. By 2018, the number was 51."

Epps adds the data is consistent with what MTA members have been seeing. "Over that same period, there's been a steady increase in failure rate for warrants of fitness. The first time the failure rate was 35 per cent in 2013. It's now sitting more than 40 per cent. In the Waikato, it's closer to 50 per cent.

"We're concerned New Zealanders are losing the know-how and habit of maintaining their vehicles in a safe condition."

Of the 51 fatal crashes involving vehicle defects in 2018, 23 involved tyres with worn tread. "It's not just about the primary groove having the minimum 1.5mm, but ensuring inner and outer walls aren't showing deterioration."

Future of road transport set for take-off

A prototype of the personal air-landing vehicle (PAL-V) Pioneer, which is a mix of Dutch engineering and Italian design, has been unveiled in the US.

The flying car features retractable overhead and rear propellers and tail wings. It can top 160kph on terra firma and can soar at 180kph.

Designed for two people, it can accelerate on the road from 0-100kph in less than nine seconds and has a fuel economy of 7.6l/100km.

The PAL-V, pictured, converts from a three-wheeled car to a gyrocopter in 10 minutes and can cruise at an altitude of 3,500m with a full tank of fuel for more than four hours.

It is made of carbon fibre, titanium and aluminium, and handles similar to a motorbike in that it relies on the driver tilting the vehicle with a control stick.

The Pioneer will be priced from NZ$850,000. About 70 units have been pre-sold with deliveries expected to start in 2021. Visit www.autofile.co.nz for the full story.

Businesses need to be on alert for viruses

VIA (the Imported Motor Vehicle Industry Association) is warning staff who contract a contagious virus to report it to their employer immediately.

It says responsible action needs to be taken by bosses and workers. Options available include taking paid sick leave, using annual leave or taking unpaid leave.

Employees have no right to demand to continue going to work if they could infect others, but bosses should consider options for them to continue undertaking duties for a period of time, so they aren't financially disadvantaged.

Businesses should have clear processes to manage contagious or potentially contagious situations as part of health and safety plans.

Probe into contracts for rental vehicles

A rental company is refunding more than $40,000 to affected customers after signing court-enforceable undertakings with the Commerce Commission.

It has also agreed to provide better information about options for clients to reduce their liability in the event of damage.

Australia-based Travellers Autobarn had previously offered options for people to cap their rental liability at three levels – $2,500, $1,200 and zero. However, a clause in contracts purported to exclude the cost of damage caused in certain situations and customers could be held liable for more than the capped amount.

The regulator's investigation discovered occasions when the company used the exclusions to void consumers' liability limitations and demand significant costs over the cap. For example, one hirer with "$0 liability" incurred $10,000 extra because of a single-vehicle rollover, which was an exclusion.

Anna Rawlings, commission chairwoman, says: "In our view, describing options as '$2,500 liability', '$1,200 liability' and '$0 liability' was likely to have breached the Fair Trading Act because they were likely to mislead consumers as to protection.

"Exclusions in contracts resulted in consumers paying more than capped amounts – sometimes considerably more."

The company acknowledges the commission's view and has co-operated with the investigation.

"It has agreed to refund $40,500 paid for damage excluded by the relevant clause, and the option formerly described as '$0 liability' will now include damage due to a single-vehicle rollover or write-off," adds Rawlings.

The company will also ensure exclusions and effects of its options are accurately represented.

Specifically, it will ensure its New Zealand website identifies any qualifications on caps to consumers' liability under liability options, provide transparency by setting out exclusions in a prominent place, and update its training processes and materials.

After following practices and criteria in its guidelines, the regulator say it's in the public interest to resolve this investigation by court-enforceable undertakings provided by the company.

Warning over scam

A bogus email about vehicle licences featuring the NZTA's logo has been back in circulation.

What appears to be a standard reminder for registration renewal with links to an online transaction website is part of a sophisticated phishing exercise.

Anyone who has received such an email should check the details carefully because genuine emails sent out by the agency always have an nzta.govt.nz suffix and include specific details, such as the plate number, model and current expiry date.

The NZTA says anyone who may have received a scam email should call the agency on 0800-108-809.

People who have unintentionally clicked on a suspicious link and entered credit card or banking details are recommended to contact their bank to stop any payments that may have been authorised.

Targets of the scam should also report receiving the email to their local police cyber-crime division and keep it in their junk folder in case officers require it for examination.

Visit www.netsafe.org.nz for more information on dealing with online scams and advisories.

Huge ‘shake-up’ in fuel market

The Motor Trade Association (MTA) says the findings of a Commerce Commission investigation into the retail fuel sector are game-changing.

The industry body is now looking to the government to step up and implement the recommendations as soon as possible.

“We’ve been raising concerns about the lack of competition at the wholesale level and inflexible contracts that prevent resellers switching suppliers for a long time,” says Craig Pomare, chief executive of the MTA.

“This sets the scene for the biggest shake-up in this sector since deregulation in 1988.”

Pomare hopes the decision-makers will now focus on making the recommended changes as soon as possible and drop “unhelpful emotive rhetoric” about motorists being fleeced.

He adds if the changes are actioned as recommended, vehicle owners can expect more openness about pricing.

“The motoring public is well-aware that half of the price of a litre of petrol is determined by the government in the form of tax.”


Megan Woods

The regulator’s study found suppliers have made “persistently higher profits” over the past decade than would be expected in a competitive market leading to drivers paying more at the pump than they should.

Megan Woods, Minister of Energy and Resources, says the government accepts the commission’s findings and is “ready to act on them”.

“We’ll be introducing the best options to increase competition, which will filter down to the retail market and forecourt prices,” she says.

The report found fuel dealers and distributors couldn’t easily switch suppliers due to restrictive contract terms, so the government will consider a mandatory industry code to regulate conduct.

The commission’s recommendations for cabinet approval also include a more transparent wholesale pricing regime, greater contractual freedoms and fairer terms to facilitate competition, and improving the openness of premium-grade fuel pricing.

Kris Faafoi, Minister of Consumer Affairs, says retailers will also be required to display regular and premium petrol prices on service-station price boards.

“We see merit in adding premium fuel prices to the Ministry of Business, Innovation and Employment’s monitoring of regular-grade petrol and diesel margins for a better awareness of price trends,” he adds.

“The report has found action is required in several key areas. The steps we’re going to take to address these will make the retail fuel market fairer for all New Zealanders.”

The commission used a range of indicators to assess the profitability of fuel companies.

These included import margins more than doubling over the past decade, fuel-company returns being double the regulator’s estimate of a reasonable return, some new retail sites being paid off unusually fast, and fuel companies’ market values being significantly higher than physical build costs.

Aiming to boost charging life

What's known as "battery capacity fade" gradually reduces the range of an electric vehicle (EV) as it gets older, and determines how long the car remains usable before the battery must be refurbished or replaced.

Those in EVs fade gradually, but steadily, even if left in garages. It has little to do with how far is driven each year, or whether a rapid or slow-charger is used.

It's primarily a combination of hot temperatures, and the high and low "state of charge", that kills them faster.

Nissan Leafs are the workhorses of New Zealand's electric fleet. They are relatively inexpensive, and readily available as used imports from Japan and the UK.

It's a potential worry that Leafs are among few EV models without active "thermal management" of batteries to keep them from overheating during charging. Newer EVs nearly all have systems to blow air over the pack or pass through a cooling liquid.

Could the lack of active cooling be shortening lives of Leafs in our conditions? Might larger 30kWh variants fade faster than their 24kWh cousins because they take longer to charge and, therefore, get hotter for longer?

Flip The Fleet, with help from a Curious Minds grant from the Ministry for Business, Innovation and Employment, has been testing these possibilities by fitting an "EV black box" to 46 Leafs and e-NV200 vans.

They plug into the OBD2 port to intercept battery-temperature data from the CAN bus and send it to Flip The Fleet every few minutes via the 3G network.

The mean maximum temperature by car (left panel) in 24kWh Leafs was 36.7°C. For the 30kWh variant, the mean maximum was 5.2°C higher.

The average temperature (right panel) of batteries in 24kWh variants was 20.3°C and for 30kWh Leafs the mean average was 1.3°C higher.

Flip The Fleet also has tentative evidence that internal resistance rises more quickly in 30kWh than 24kWh batteries as each gets older. Increasing this resistance makes the battery get hotter while being charged. This may be part of the reason for the higher maximum temperature observed in 30kWh variants.

Another factor is the 30kWh keeps charging at a higher rate for longer. The battery is also at higher charge and hottest at this crucial top end of the charging cycle.

The 24kWh Leafs and e-NV200s have an optional dashboard setting to stop charging when 80 per cent full. The 30kWh variant doesn't.

None of this proves 30kWh batteries will need to be replaced sooner than 24kWh units. The average run-time temperature is only marginally higher in the larger variant.

It might be that 30kWh owners are charging up less frequently – after all, they can do more trips between charges. If so, the time the battery remains charged and hot isn't that much different between variants. It may also be that different chemistry helps stave off the long-term effects of hot batteries.

Although unproven, we're concerned occasional much-higher maximum temperatures in all Leafs and e-NV200s, especially in 30kWh Leafs, will shorten battery life. Perhaps long-term damage occurs from relatively infrequent overheating.

The battery reaches its maximum temperature at the end of a charging session. If the EV is charged repeatedly on long journeys, it has no time to cool between top-ups. The higher maximums we recorded seemed to be, therefore, mostly triggered by longer trips using fast-chargers en-route.

To minimise these risks, owners should avoid multiple fast charges in quick succession, and keep them between 20 and 80 per cent state of charge.

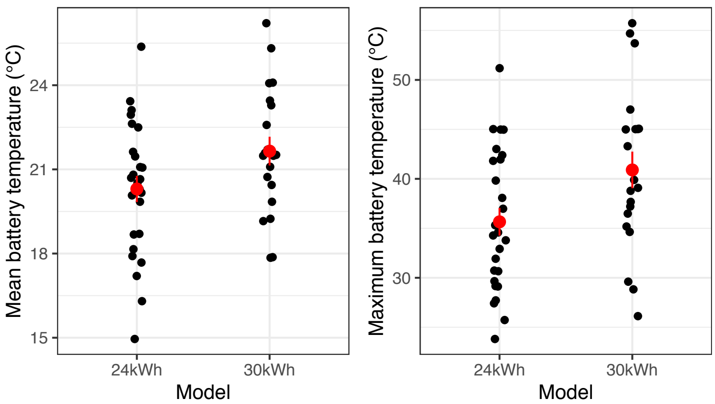
Also, they shouldn't leave vehicles sitting fully charged while on holiday – instead, store them at 30-50 per cent state of charge.

It's important to not continually top up between trips if the battery is still nearly fully charged, and avoid leaving the vehicle in the sun – especially in summer.

It's also a good idea to charge overnight when it's cooler. Electricity may be cheaper then, while the on-board timer makes this automatic and easy.

By Henrik Moller, retired sustainability scientist. Extra research by Daniel Myall and Dima Ivanov. Visit www.flipthefleet.org.

Battery temperatures – Nissan Leaf



Flip the Fleet gathered 1.1 million battery temperature measurements from 26 Leafs with 24kWh batteries and 700,000 from 20 Leafs with 30kWh units between July 2018 and February 2019. The red dot and bar show the average maximum, left, and running time, right, temperature with 95 per cent uncertainty limits of bugged vehicles during everyday use in New Zealand.

Live EV listings on Trade Me:

-3.2% Compared to last month

-5.3% Compared to prior year

New EV listings on Trade Me:

-5.4% Compared to last month

-24.2% Compared to prior year

EV watchlists on Trade Me:

+27.5% Compared to last month

+10.8% Compared to prior year

Boom in electrified arrivals

The number of newcomers to the country's light-vehicle fleet that boast some form of electrified engine provides some powerful pointers to the future.

Figures supplied to Autofile by the Motor Industry Association (MIA) highlight some notable changes during 2019 in this part of the market.

Among them were the top three fully electric vehicles (EVs) with Tesla's Model 3 coming first on 657 units. Two Hyundais – the Kona and Ioniq – were next up with 395 and 160 sales respectively.

The combined sales of the Model 3 and Kona came in at 1,052 to account for 55.5 per cent of 1,896 new pure EVs sold on our shores last year, according to the MIA.

In contrast, 2018's top three consisted of the Ioniq on 211 units, the Model X on 146 and Golf with 109 – although the Model S and Kona weren't far behind the Volkswagen on 108 and 106 respectively.

Last year's statistics for EVs shows market demand does indeed exist for newly released models – it has always been the industry-wide view that more options available to consumers equates to extra overall sales.

The MIA's figures show a total of 25 different new pure EV models – including light vehicles and commercials, and four factory builds – were registered. This compared 12 in 2018.

Looking a total overall pure EV registrations, there was a 146.8 per cent year-on-year jump recorded – 1,895 in 2019 compared to 768 during 2018.

Also worthy of note is that Kiwis, who could afford to do so, splashed out hefty sticker prices for longer-range models – the Model 3's is 560km and the Kona's 449km. By comparison, the Ioniq's is 200km.

As for plug-in petrol hybrids last year, the Mitsubishi Outlander – with 460 sales – easily saw off Mini's Countryman on 129 units and Toyota's Prius with 125. The top three in 2018 were the Outlander with 300, Prius with 133 and Ioniq on 66.

There was an increase of 31.7 per cent in plug-in hybrid sales with 926 during 2019 compared to 703 in the previous year.

The rise in registrations of petrol hybrids came in at a massive 174.6 per cent – from 2,140 to 5,876 over the same timescale.

Toyota's RAV4 hybrid, which was launched in March 2019, quickly became New Zealand's most popular model in this segment with 1,947 sales for a market share of 33.1 per cent.

Two other Toyota hybrids, the Corolla on 1,528 and Camry with 960, completed this top three.

As for actual models, there were the same number of petrol hybrids and plug-in hybrids on the market in 2019 – two more in each category than 2018.

New electric models sold in New Zealand during 2019

FULLY ELECTRIC MODELS	
Tesla Model 3	657
Hyundai Kona	395
Hyundai Ioniq	160
Volkswagen Golf	107
Audi e-tron	92
Jaguar I-Pace	91
Tesla Model X	89
Nissan Leaf	83
Kia Niro	71
Tesla Model S	55
Others*	95
Total	**1,895**

PLUG-IN PETROL HYBRIDS	
Mitsubishi Outlander	460
Mini Countryman	129
Toyota Prius	125
Hyundai Ioniq	60
Audi A3	43
Land Rover Range Rover Sport	25
Porsche Cayenne	24
Volvo XC60	16
Volvo XC90	9
Kia Niro	8
Others	27
Total	**926**

PETROL HYBRID MODELS	
Toyota RAV4	1,947
Toyota Corolla	1,528
Toyota Camry	960
Toyota Prius C	507
Kia Niro	262
Lexus UX 250h	162
Lexus RX 450h	110
Lexus NX 300h	93
Hyundai Ioniq	61
Lexus ES 300h	53
Others	193
Total	**5,876**

*Source: Motor Industry Association. *Other new pure EV models sold in 2019: BMW i – 46 units, LDV EV80 – 19, Renault Kangoo – 5, Renault Zoe – 5, Alexander Dennis Enviro 200 – 5, Arcimoto Evergreen – 3, MG ZS – 2, Factory Built (FB) Sea Electric – 2, Iveco Acco – 2. One each of the following new pure EVs were registered last year: FB EV10, FB Golden Dragon, FB Yuton, Hino GH, Fuso eCanter, Mercedes-Benz EQC. In addition, there were two new Hyundai Nexos sold, which are electric hydrogen fuel-cell cars, and 24 electric petrol-extended vehicles – all BMW i models – registered during 2019.*

Electric-model sales in New Zealand by engine type

ENGINE TYPE	2019	2018	UNIT RISE	% RISE	% SHARE
Petrol hybrid	5,876	2,140	3,736	174.6	67.4
Battery electric	1,895	768	1,127	146.6	21.7
Plug-in petrol	926	703	223	31.7	10.6
Totals	**8,697**	**3,611**	**5,086**	**140.9**	-

Note: Electric hydrogen fuel-cell vehicles came in at 0.02% of 2019's share.

NZ sales by engine type

TYPE	% SHARE
Petrol	53.21
Diesel	41.14
Petrol hybrid	3.80
Battery electric	1.23
Plug-in petrol	0.60
Electric petrol extended	0.02

Pushing for zero emissions

The chief executive of a government agency understands why New Zealand drivers are switching to hybrids as our fleet transitions to vehicles with lower emissions.

"Hybrid cars are becoming a major part of our journey to a low-emission economy, which is an understandable trend," says Andrew Caseley, of the Energy Efficiency and Conservation Authority (EECA).

"EECA's focus is on promoting the uptake of electric vehicles [EVs]. But until there's a big reduction in their retail prices, which I don't think will happen quickly unfortunately, hybrids have an important role to play.

"Our country's ultimate goal is zero emissions from vehicles by using our renewable electricity to power an EV fleet. However, at the moment – because of price, model range and supply issues in regards to pure electrics – I believe hybrids and other low-emission vehicles are important alternatives."

Caseley says more tracking of buyers' uptake of hybrids is needed because the market is indicating that's the stepping stone consumers want to take towards lower-emission vehicles because of price and availability in terms of models and suitability.

"It's a rational reaction for buyers to look at hybrids. Take the new hybrid RAV4, for example. Toyota can't keep up with demand for this model because it has an attractive price-point and great fuel economy."

Andrew Caseley says it's an exciting and challenging time to head EECA

Although he would like to own an EV to use on his occasional commute from the family home in Hawke's Bay to his apartment in our capital city, issues for him making the switch from petrol typify others, and include range and high sticker prices.

"I would probably have to pay about $75,000 to get the 320km-plus range EV that I would need to travel between Wellington and where I live in one hop. I don't want to stop to recharge the battery, so that's an impediment for me switching."

With no passenger train service between the two locations, and the bus trip taking too long, he often takes a plane or drives his Hyundai Tucson. When in Wellington, however, he parks up and instead either walks, uses public transport or car-shares.

"The issue for me when considering the purchase of a pure EV is how long it will take before their overall price drops to levels that make more sense. The government's proposed feebate scheme could well be a tipping point for me, otherwise I will think about buying a hybrid in the meantime."

Without feebates, Caseley says it "will be a massive stretch" to reach the previous government's target to get 64,000 EVs on New Zealand's roads by the end of 2021.

"Most people 'in the know' agree we're not going to get there with current policy settings. We aren't seeing the monthly sales volumes to suggest EV numbers will keep doubling annually. The feebate scheme will be critical in getting us close to that target.

"While EECA would love to see a rapid uptake of electric cars, the reality is that's not happening yet for a number of logical reasons. You can't swim against the current.

"We have to keep pushing towards accelerated uptake, but still keep moving in the right direction in our transition to a low-emissions and, ultimately, a zero-emissions fleet.

"Hybrids are already a significant part of that equation due to consumer choice and demand in new and used cars. There are significant sales volumes occurring now in lower-emissions vehicles."

As for hydrogen as a fuel, it's a case of "watch this space" for Caseley. "It has been around for a long time as a way to store energy, but hydrogen is inefficient to produce because a lot of energy is lost through the production process, which in turn means it can be very costly.

"While the economics of hydrogen are improving, they aren't sufficient to be a viable alternative to EVs – certainly for the light fleet. It's a case of waiting to see if production technology advances and costs come down sufficiently.

"People see New Zealand as a light-vehicle EV market because most homes have garages for overnight charging and we have highly renewable electricity generation. Consequently, it's our heavier vehicle diesel fleet where hydrogen could be the answer."

Caseley realises changing New Zealand's ageing fleet into a low-emissions fleet is a tough challenge. "There are still in the order of 300,000 new and used vehicles coming into the country each year, and they will remain in the fleet for more than a decade or longer.

"That's why it is so critical to get effective fuel-economy standards in place to ensure we can minimise the impact of those emissions over ▶

He's dreaming of making the Pace

Andrew Caseley was 19 when he paid $5,000 for his first car in 1979 while at Canterbury University. It was a 1975 teal-green Datsun 120Y.

"The car gave me flexibility to travel back home to Hawke's Bay, and I needed a vehicle to get me to work at the freezing works and on farms during the holidays," he recalls.

"I owned it for about five years. It was a reasonable vehicle, so I kept it when I started working full-time after graduating."

As for his dream car, he would opt for an I-Pace if money was no obstacle. "I've always liked Jaguars. My grandfather owned one and I have fond memories from that time."

years to come as we move to a zero-emissions fleet.

"The best way to do that is through standards when we import vehicles because it's very difficult to deal with an existing fleet.

"We have four million light vehicles, so it's no wonder transport is the largest portion of our greenhouse gas emissions after agriculture. It's still increasing and hasn't even plateaued. We need to get it to start heading downwards."

PROGRESSING CAREER

Caseley's career highlights include working for Hawke's Bay Regional Council (HBRC) for 16 years.

"I loved working there, it was a great job. I was chief executive for 13-and-a-half years. Regional councils have an interesting array of responsibilities and Hawke's Bay had a valuable investment portfolio, including Port of Napier."

After graduating from university with a commerce degree majoring in accounting, Caseley has held a variety of roles including his first full-time job as an auditor for a partnership that ultimately became part of PricewaterhouseCoopers.

"I then went overseas to work before travelling extensively through Europe and Africa. When I returned, I worked in Auckland for a private-investment company as company secretary and financial controller for about four years.

"With the diversity of roles I've had, I stayed in them for a reasonable period of time because I enjoyed what I was doing, what the organisation was doing and throughout I've continued to learn in each role."

Andrew Caseley launching EECA's Dealer's Guide To Electric Vehicles in the November 2018 issue of Autofile magazine

"When I was appointed to the chief executive role at HBRC more than 25 years ago, people holding senior roles at a young age wasn't as common as it is now, so to have that responsibility – and confidence of my employer, the council, to give me that role – was a career highlight."

ROLE MATCHES VALUES

Caseley was attracted to becoming EECA's chief executive because the organisation's purposes align with many of his personal values, and he has the skills and experience needed for the job.

"I had never lived in Wellington and had never worked for a crown entity, so I thought it would be great to try both," he explains.

"I love living in the city. EECA is a small organisation in the context of government – we only have 85 staff. Our nimbleness is a massive advantage and the increasing role we have to play in the country's transition to a low-carbon economy is exciting.

"Working for a crown agency is one step removed from core government departments. We still have ministerial accountability and relationships. Being accountable to a board is something I'm used to, so there's no big change in that respect, but EECA helps deliver the government's priorities.

"It's an exciting and challenging time to head EECA, and I feel the onus of responsibility as we play our part in transitioning to zero emissions and what's important to most of us for future generations. I feel massively privileged to be in this role."

Caseley believes there will still be an amount of emissions occurring by 2050.

"There will be an ultimate issue of how the country deals with its residual emissions. Thirty years is a short period to make some massive and significant changes. Time is short and urgency is critical. We can't keep talking about the problem. We have to start acting on it – as a country, communities, households and individuals."

Coming from a strong rural background, Caseley has a deep affiliation with rural issues – land and water in particular.

"There's no question around the degradation of our waterways and what we need to do to remedy that. My farming mates recognise that, but it's just the question of the pace of change that's required to see the improvement everyone wants.

"I feel for the rural community with it coming under increasing criticism and almost being ostracised by parts of society about the situation some of our land-based sectors find themselves in.

"They've been some of our economy's most responsive sectors for decades and I have no doubt they will meet the challenges now as they have done in the past.

"Some fantastic environmental initiatives are happening rurally. Everyone I know who has a rural property is actively doing things to improve environments they operate in."

Dealing with batteries from electric cars

The question of what to do with end-of-life batteries from electric vehicles is a legitimate concern, and Andrew Caseley agrees that it's vexing.

"In my view, you can't wait for the 100 per cent solution. You need to have a level of confidence that we're going to get it right around how we deal with batteries in their post-vehicle afterlives."

He points out there are already a number of uses for old EV batteries, such as for stationary energy storage in homes or at businesses, while "a number of our electricity network companies are experimenting with that and proving it's a viable after-use option".

"In Finland, it has been found that 85 per cent of these batteries can be recycled. There are many other issues around our consumerism where recycling is as significant as the battery issue, so let's not allow it to become more of an issue than it needs to be.

"Globally, people are working to solve matters around climate change, but we aren't going to have 100 per cent solutions all the time. We will work our way through that.

"If you always have to wait for the 100 per cent solution, then we will have a major train smash on our hands as climate change continues to impact more and more significantly."

Agency issues flagged up

The president of the Motor Trade Association (MTA) has reported a mixed year for members with big news being the NZTA's failure to enforce its vehicle-inspection regime.

Dave Harris describes the past year as being "one of ups and downs" for the industry with disruption caused by stink-bug infestations.

There has also been falling demand for new and used cars. However, "sales are still high and new technology continues to attract customers for upgrades".

Major news during 2018/19 was the revelation the NZTA had been too strongly focused on a customer-service approach at the expense of proper enforcement.

"As a result, some operators were able to continue with unsafe inspections for too long, undermining public confidence in the regime," says Harris.

"The MTA is working closely with the NZTA on a transformation of the agency with renewed focus on its regulatory role, making sure no unintended results impact on members."

The association scored a major advocacy success with the government by broadening its draft road-safety strategy to include a focus on vehicle safety.

"In the first round of discussion, there was little attention to vehicle safety," says Harris. "But after hefty lobbying, we're pleased the new strategy – Road To Zero – takes into account of some of our concerns."

The draft proposes improving the safety of vehicles entering New Zealand, ensuring those in the fleet are as safe as possible, including retrofitting new technologies when appropriate, and building public demand for safer cars.

In the next round of consultation, the MTA wants the minimum tyre-tread depth raised to 3mm and vehicle maintenance knowledge tested as part of the driver-licensing regime.

Harris highlights the association is working to limit unanticipated consequences" from the government's "clean car" proposals.

Dave Harris, president of the MTA

The MTA's annual report adds these ideas to lower carbon-dioxide (CO2) emissions from the light fleet as having "the potential to shake up the market on a scale not seen since the country was opened up to used Japanese imports".

While backing efforts to cut emissions, the association's research shows the clean car standard and discount "would work against each other". Instead, it's arguing for a single policy for CO2 entry standards for vehicles, modified penalties to allow for more emissions within higher weight classes and more achievable targets.

The MTA is also urging for incentives and penalties to be applied at the border and not at point of sale because there are far fewer importers than retailers. This would cut costs and simplify processes, and it wants private importers included in the regime.

Another area of concern is the local and global shortage of qualified, skilled staff, which is an "ongoing challenge".

As a result, the MTA is supporting and leading programmes to attract more young people into trade training. This includes its partnership with Apprentice Training NZ, which allows members to host apprentices without being the employer.

"Collision repairers are boosting throughput to make up for staff shortages and restrictive insurance company job-pricing," says Harris.

"The entry of insurance-owned repairers is causing some concern. However, those who have moved to larger premises, and or have introduced streamlined systems and processes, are reporting healthy bottom lines."

MTA members are being encouraged to review business models to ensure technical staff are paid at a level high enough to make jobs attractive, while changes to immigration rules to allow more overseas recruitment are being called for.

While the government's review of vocational education proposes widespread reforms to the national system for trades training, the MTA's submission and discussions with agencies are based on improving support to students and employer businesses providing workplace training.

"For our independent service station members, the year has been mixed – higher bulk prices, the falling dollar and the Auckland fuel tax have had an impact," says Harris.

"The government's fuel-market study attempted to shed light on the pricing structure and competition, but there's more work to be done. The MTA continues to speak on behalf of independent operators, and lobbying for the bulk-fuel market to be opened and more freedom with supply contract arrangements."

As for helping members, the association has introduced a central support centre in Wellington. Its human resources and mediation teams have been boosted to meet demand for advice on health and safety, employment issues and consumer complaints.

Financially, the MTA is "in good shape". Revenue and investment returns climbed by $1 million in 2018/19, managed funds are doing better than in 2017/18 and other investments are performing well.

The net result is a jump in member funds of $800,000, while dividends from its share in Dekra NZ amounted to about $3m – the same as the previous year.

"We are also making savings after our internal transformation project," states the MTA's annual report. "The combined effect has allowed the board to reduce member base subscriptions by $100 for 2019/20."

Number crunching

For the year ending June 2019, the MTA advised on 1,705 disputes with two-thirds relating to complaints about members – up from 1,450. Of these, 76 per cent were resolved in the same month.

Staff helped 36 members prepare for 28 tribunal cases with 78 per cent of rulings in favour of them.

The MTA gained 202 members in the past year to take its total to 3,640.

Happy customers make great adverts

As a customer drives out of your delivery bay in his or her new car, it's easy to turn around, pat yourself on the back for another completed sale and focus on the next prospect.

However, it's important to consider the flow-on business that can be generated from one, single satisfied client. With the right nurturing processes in place at your dealership, a happy customer can be your most effective – and cheapest – form of advertising.

A survey published by consulting firm BrightLocal found that 85 per cent of consumers said they trust online reviews as much as personal recommendations and 73 per cent of consumers trust businesses more if they have positive reviews online.

These findings highlight the importance of capturing and capitalising on your happy customers' experiences through digital mediums, such as delivery photos, social-media posts, star ratings and testimonials.

TIME TO 'SAY CHEESE'

You don't find people much happier than customers on delivery day. They are all abuzz over their purchase and thrilled to be driving home in a new set of wheels. You might even make them feel extra special by adorning their windscreen with a giant bow and giving them a gift.

Why not capture that moment of bliss for your customer by taking a photo. Delivery photos can be used for a variety of purposes, all of which can act as free dealership advertising.

You can send the photo to the customer once they've left as a positive, post-sale touchpoint. With permission, you can also post the image on your own website and social-media pages – congratulating the customer on their purchase, and subsequently reminding all your visitors and followers of the thrill of purchasing their own vehicle.

TODD FULLER
General manager
AdTorque Edge NZ

And social-media posts can easily be tagged and shared, which helps build brand exposure.

You don't find customers much happier than when they collect their new cars

'WHAT CUSTOMERS SAY'

Many dealers have a dedicated section on their websites for delivery photos and testimonials. As well as contributing to the unique aesthetic and voice of your website, testimonials are an opportunity for someone else to sell your dealership to prospective clients, "look what our customers say about us".

Encourage your customers to write you a testimonial while in the dealership waiting to collect their car. That way you can capture it at a convenient time and you know it will be done. If you leave a testimonial for them to do when they get home, it's more likely they will forget or push it down their priority list.

REVIEWS ONLINE

Facebook and Google are the most common places for car buyers to research your dealership's reputation, with 97 per cent of people saying online reviews influence their buying decisions, according to Fan & Fuel.

BrightLocal's study also found that more than 50 per cent of customers will not engage a business if it has an online rating of less than four stars.

So, how do you get people to give you a good review and rating? One way our clients have found works well is by sending an SMS to their customers with links to their Google My Business and Facebook pages, asking them to write a review and provide a star rating.

If this is done just after vehicle delivery, it is most effective because you are capturing the customer while still on a high from the purchase so he or she is more likely to give you a glowing report.

Some agencies even offer dealerships an app for salespeople to quickly and easily upload a delivery photo and send it with an SMS, congratulating the client on the purchase and requesting a review. If salespeople are encouraged to use them, such apps are highly effective in increasing online reviews and star ratings for dealerships.

THANKS FOR THE FEEDBACK

The fact is, you are going to get some negative reviews – how you handle them is what is important. A recent survey of online reviewers found that 78 per cent said that seeing a business respond to reviews made them trust that business more.

When a positive review comes through, you should always make the time to thank the person for feedback.

Similarly, when a complaint pops up online, ensure you respond with an apology and attempt to work through the issue with the reviewer. By doing this, you show that you're engaged with your customers, that you listen and that your business delivers good service.

So next time you hand over a set of keys to a customer, view it as just the start of a long and potentially fruitful relationship. If managed and nurtured in the right way, that person could prove to be very profitable for your dealership.

The month that was... February

February 17, 1997

CKD numbers drop drastically

New Zealand's assembly industry was looking decidedly grim with completely knocked-down (CKD) numbers declining by 52 per cent over the past eight years.

Some 29,727 new passenger vehicles and 9,217 new commercials were manufactured locally during 1996 – a 4.5 per cent drop for cars and a nine per cent decrease for commercial models over the previous 12 months.

In 1991, 53 per cent of new car sales were CKD units, but by the end of 1996 it was down to 46 per cent.

Over the previous three years, new CKD commercials dropped from 70 per cent of all such new vehicles sold to 63 per cent.

Since 1989, the number of passenger cars assembled in New Zealand declined by 52 per cent from 61,814 to 29,727, and there would be another major drop when Ford pulled out of local assembly in March.

While Mitsubishi had recently laid off 80 workers at its Porirua factory, Autofile understood Mitsubishi Japan was to visit this country to ascertain the plant's continued viability.

February 23, 2007

Lawsuit outlines finance flaws

Legal action against a family of used-car dealers, Baycorp and two credit brokers shed light on issues in the finance and automotive industries.

The Osmans, a family of South African car traders, and an ex-employee of Baycorp were missing following allegations of a $21 million fraud that had pushed the South Island's Provincial Finance into receivership.

The multi-million-dollar lawsuit also involved three brokers, of which there were no allegation of fraud against. They all alleged Provincial Finance acted negligently when carrying out audits or checks of finance applications by the Osmans' dealerships, which included Ray's Wholesale Cars in South Auckland.

Court papers alleged the Osmans and four companies they controlled provided fake documents in support of loans worth $1m. The receivers alleged the fraud allowed them to pocket the profits from 1,554 second-hand car sales, but left Provincial with mounting bad debts.

The matter raised concerns over the ease with which someone could become a registered motor-vehicle trader.

David Vinsen, chief executive of the Imported Motor Vehicle Dealers' Association (IMVDA), said these traders required no experience.

February 16, 2007

Biofuel target set at 3.4 per cent

Prime Minister Helen Clark confirmed biofuel targets for 2012 in a move aimed at driving New Zealand to tackle climate change head-on.

This would include a biofuel target of 3.4 per cent of annual petrol and diesel sales by 2012 to encourage the uptake of biodiesel and the development of an infrastructure for ethanol distribution.

"I believe that in the years to come, the pride we take in our quest for sustainability and carbon neutrality will define our nation," Clark said.

She added the government intended to lead by example and six departments were committed to reach carbon neutrality by 2012 by reducing omissions and increasing tree planting.

"Traditional patterns of development and fast-growing populations have put an intolerable strain on the planet," she commented.

Perry Kerry, chief executive officer of the Motor Industry Association (MIA), raised concerns over a number of issues.

"We have already expressed concern in terms of logistics and the ability to meet market demands," he said. "It's going to challenge companies to meet targets, especially as there's no local biofuel industry."

February 8, 2008

Fuel economy discussion begins

The Ministry of Transport released a discussion document on a vehicle fuel-economy standard for all light vehicles entering the fleet, but the industry said the approach might be misguided.

The proposals aimed at setting an appropriate standard to improve the economy of vehicles entering New Zealand to reduce harmful emissions and fuel use.

It included a fuel-economy labelling scheme to influence importers and consumers with their purchases.

Importers would have to ensure cars met the new standards or quota penalties would be enforced, or charges would be payable for each unit depending on the scheme adopted.

Perry Kerr, of the MIA, said New Zealand was a technology taker and couldn't influence vehicle design. He added if a fuel-economy standard was implemented, it had the potential to seriously impact on segments of the market, such as farmers and people who required large vehicles.

"This is a conceptual issue with the government thinking it can effect change by influencing supply," said the IMVDA's David Vinsen. "But we feel it has to put mechanisms in place that effect demand and supply."

Uncovering New Zealand's top models

The year is dead, long live the year. As we roll into a new decade, it can be a bit of fun to look back at what happened statistically in 2019.

The new-vehicle market was slightly bigger than the used-import game – 154,751 new registrations versus 151,871 used – only the second year that has occurred in a while.

We're all used to reading what models topped the new market, what segments saw growth and so on. But it's interesting to combine used imports with new to get the big picture overall – after all, that's what we end up seeing on our roads.

So what really was 2019's best-seller? Before you continue reading this, it can be enjoyable to run this poser past people in your team to see how many get it right.

First up, "no", the overall top model was not a ute. It was, in fact, a good old-fashioned small car – Toyota's Corolla to be exact, albeit in its various guises.

The statistics I've put together for the main graph, below left, certainly lifts the lid on leaders on the combined new and used-import ladder, and there are some surprises when viewed from this perspective.

Four out of last year's top five models were passenger cars – the Corolla, Swift, Mazda3 and Fit/Jazz. The Ranger ute was in the mix, but at number two.

TONY EVERETT
Sector manager – dealers, Motor Trade Association

A bigger sample across the top 20 shows half were cars in addition to five SUVs, four utes and one van.

The Prius came in at number 17 and the Aqua/Prius C was 19th. I bet it surprises many that two exclusively hybrid models were so far up the rankings.

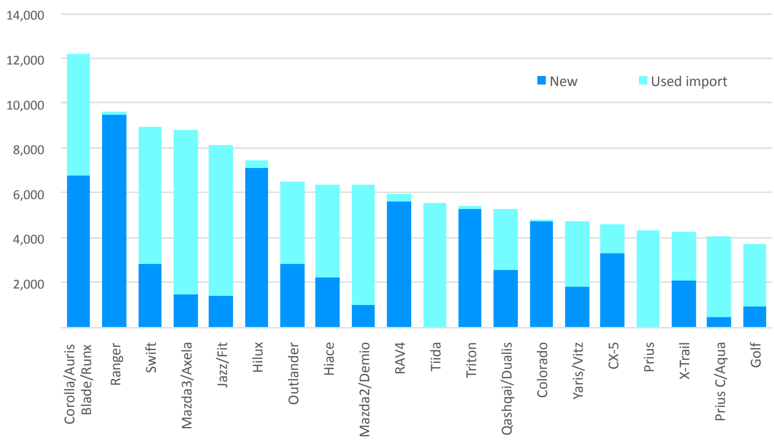
Across the total combined market, about 50 per cent were cars. Thirty per cent were SUVs and 20 per cent were commercials – a mix of vans, utes and trucks.

The analysis also highlights that our two market source pathways bring different strengths and model mixes.

Most traditional cars and almost all people movers are imported used. Conversely, most SUVs and virtually all utes are new, with vans about 50-50.

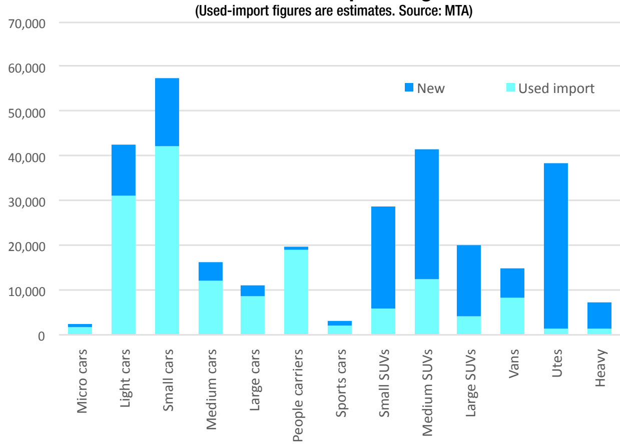
It will be intriguing what the rest of 2020 will bring, but one thing's pretty certain. And that's with the electronic stability control rule coming in on March 1, the used-import market will change – not least with the Tiida's disappearance and a significant drop in used-imported Hiace vans.

Top 20 models in 2019 - New and used-imports combined



New vehicle versus used-import segmentation - 2019

(Used-import figures are estimates. Source: MTA)



Getting designed to be driverless

It has been stated that the move to highly autonomous vehicles (AVs) will change the way our transport system works in a way akin to the move from horse to car.

By highly autonomous, I'm referring to levels four and five as defined by the Society of Automotive Engineering.

Level-four autonomy is fully autonomous except in very limited conditions, such as during inclement weather or outside geofenced areas. The latter might, for instance, have supporting infrastructure or rules, such as AVs only. Outside of these areas, the vehicles will not be able to be fully autonomous without that support.

Level-five autonomy is fully autonomous, so anywhere a person could drive.

Assuming we're discussing vehicles designed to be operated in areas where they can be fully autonomous, such as level four in geofenced areas or level five anywhere, how would a completely driverless car be different in design?

It would still be designed for the primary purpose of moving goods, people or freight from A to B, but will some components we expect be made redundant? What purpose do the controls play when occupants have no control? Why bother with a steering wheel?

Without a steering wheel, a car being right or left-hand drive becomes a moot point, potentially allowing imports from any jurisdiction.

Highly autonomous vehicles will be optimally designed to perform their roles. Passenger vehicles will be designed as comfortable cabins, which might be easily segmented to facilitate privacy while car-sharing.

KIT WILKERSON
Policy adviser and analyst
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Without a need to face forward or even see the road, seats will likely be arranged to maximise comfort and safety. In fact, once these vehicles are proven to have fewer accidents, focus over time will tend to favour comfort and convenience.

These cars will already be connected to a co-ordinated transport network, but will also be linked up to an entertainment network. The latter will either be tied to the user, who pays a periodic fee for membership before it's streamed into whatever device is being used, and or it will be tied to a vehicle and be part of the provider's offering – at an additional fee, of course.

And this brings up a really important point, and that's these vehicles are large mobile devices that just happen to get people from place to place. Personally owned cars will come with added costs related to data usage and connectivity.

We see preferences today between Android and Apple users, so we will see similar consumer behaviour in segments of the AV market. We will soon see people choosing to get their media from Netflix, Apple TV, Disney+ or any number of other streaming services coming on the market. Each service will have its own offering and consumers will have to subscribe to one, or more, just as we do today.

Think of the captive audiences these media providers will have in the form of AV passengers. What else is there to do other than consumer media? AV and media providers will be looking at every opportunity to corner their pieces of that pie.

AVs will have extensive ways to consume media – perhaps they will have television screens or virtual-reality helmets, or become personal media-consumption capsules.

> **"Highly autonomous vehicles will be optimally designed to perform their roles"**

This will have its own design consequences because no one wants to listen to road noise while watching a movie.

Of course, just like the media we consume today, being embedded in an entertainment capsule will come with risks. Most of us allow our mobile device provider to access personal information. We do this for the convenience we get back.

AVs will be similar. Providers will have access to complete information about where we have been and with whom. It will have access to information about media we consume on trips.

The idea of these companies building psychological profiles on each of us, not for nefarious purposes, but so they can better target entertainment offerings isn't even in doubt. Many of the major tech companies do this now – the rise of AVs would increase their data capabilities.

Even if we trust our AV or media provider, our data will be sold to third parties, and "weaponised" to manipulate our choices and behaviours. Passengers will be a captive audience when they travel.

I do think it will be convenient and enjoyable though. I enjoy driving, but enjoy relaxing more. Even if my one-hour commute to the office doesn't change and get quicker, it would become a time when I can work, have teleconferences or otherwise be productive.

It's also likely these vehicles will come in different sizes for different groups – hiring a boardroom may take on a whole new meaning when the room itself can also get you to your next physical meeting.

My hope is that before we have to address the challenge of adapting to the availability of highly autonomous transport, we realise the importance of our personal data and pass laws recognising the importance of owning oneself, and all that entails.

The default should require companies to seek ongoing approval for monetising our property and we should be able to set conditions and limitations. With that risk gone, I'm all for trading in my pony.

Vehicle market 'to change'

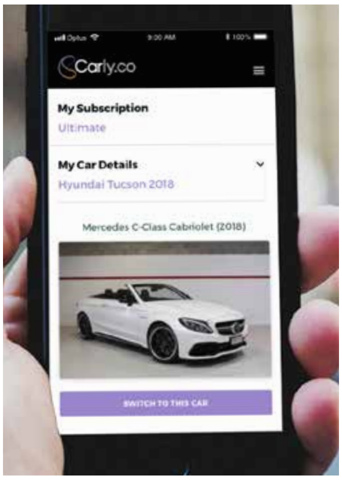
Motorists will be able to access a monthly vehicle-subscription service – with no finance or leases and the ability to start, stop or change models – when it starts up in March.

Turners Automotive Group is launching www.Carly.co.nz on these shores after its successful debut across the Tasman last year.

About 200 vehicles will be supplied by Turners to the service's fleet by around September this year, and they will range from economy hatchbacks to seven-seater SUVs.

Carly, which was launched in Australia in March 2019, is described as that country's "first truly flexible car-subscription offering".

It involves no long-term contracts and its monthly subscription, which can be



cancelled at any time, covers the usual ownership costs – from registration and insurance to servicing and maintenance.

"New concepts, such as vehicle subscription and car-sharing, are a part of the future, and provide a new revenue opportunity for dealers and other industry players," says Todd Hunter, Turners' chief executive officer.

"We're excited about the partnership with Carly as we position for long-term projected changes in the traditional retail car market."

Turners agreed terms with ASX-listed Collaborate Corporation Ltd, which operates peer-to-peer marketplaces, for Carly's launch here after investing about $1 million in the Australian company in July last year. In doing so, it acquired a 12.1 per cent stake and took up a seat on Collaborate's board at the time.

Alternative vehicle-ownership models are on the rise internationally, with subscription programmes being tipped to account for nearly 10 per cent of all new-vehicle sales in the US and Europe by 2025.

Transport solutions

ITS NZ is gearing up for T-Tech 2020 – the country's leading forum to discuss challenges and innovations to help make transport safer, greener and more efficient.

This year's conference is being held from May 4-5 at Te Papa Tongarewa, the National Museum of New Zealand, in Wellington.

Simon McManus, executive officer of ITS NZ, says: "T-Tech helps decision-makers identify and investigate the best of emerging solutions being developed and discussed globally in a New Zealand context."

Themes this year include integrating safety technologies to deliver Vision Zero, and safeguarding and future-proofing systems and infrastructure.

Others will look into access, digitalisation, sustainability, emission reductions and modal shift.

Industry movers

GREG MACDONALD has been promoted to general manager of sales and marketing at Kia Motors NZ having spent the past 12 months driving the marque's promotions and brand awareness.

"I've probably had more years in sales than marketing, so I'll be able to draw on that experience in this new role," he says.

MacDonald joined Kia after spending almost four years with the Ateco Group NZ where he started as dealer operations manager before becoming marketing manager. Before that he was general manager of sales and marketing at Fiat Chrysler NZ, and was general manager of Isuzu Utes NZ between 2010 and 2013.

DAVID DAWES has become fleet operations executive of Automotive Holdings Group (AHG) NZ after joining the company in late-2019 to oversee its growth of fleet.

Dawes has more than 20 years' experience in fleet management and leasing. He started his career as a mechanic in the UK before moving here as a technical consultant with LeasePlan NZ in 1999.

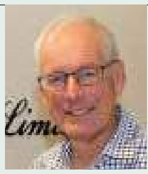
He has also worked for FleetPartners NZ, Northpower, GE Capital and Custom Fleet, and has grown his career through roles as service manager, national operations manager, head of operations and national fleet manager.

CHRISTO BANNINK has been appointed as dealer principal of John Andrew Mazda in Grey Lynn, Auckland.

He previously held the same position at Manukau Hyundai where he led the team since August 2018.

Bannink first joined AHG NZ in January 2018 as fleet manager at John Andrew Ford, and is experienced across a range of positions and different businesses.

These have included being operations manager at Cable Price, Auckland regional sales manager at Penske Commercial, used-car manager at Eastland Toyota and dealer principal at Hyundai Automotive Holdings (SA).



Jim Gibbons

Matthew Newman

JIM GIBBONS and **MATTHEW NEWMAN** have been re-elected to Colonial Motor Company's board of directors.

Newman is chief executive of South Auckland Motors, which has branches at Auckland Airport, Manukau, Botany, Pukekohe and Takanini.

John Journee has been elected as a director and Denis Wood has retired from the board.

SARA LUNAM, corporate services manager at Port of Tauranga, retires on March 13 after almost 10 years with the company.

She has worked with regulators and legislators on new workplace safety and employment legislation, and has been as a board member of the Employers and Manufacturers' Association.

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

NZ labour market report

Policies, procedures and codes can help employees understand what rules cover their workplace, and setting clear and consistent guidelines helps prevent misunderstandings.

This is especially important for specific roles, with job descriptions and employment agreements playing their part in setting expectations.

Employment NZ says policies can cover a wide range of areas. These include conduct, health and safety, workplace change, lateness and absence, IT usage, conflicts of interest and accepting gifts, privacy, training and development, flexible working, managing performance issues and overtime.

It's recommended that any unwritten rules be in writing if there have been misunderstandings or issues with staff not following them, and they should never be inconsistent with or contradict contracts. If they are, employment agreements are likely to apply as long as relevant clauses are reasonable and legal.

Many work contracts contain clauses requiring employees to keep themselves up to date with and follow policies, procedures and rules.

Even if this is included in employment agreements, they should be brought to the attention of new staff, with existing workers alerted to any changes or new policies.

If a policy or procedure is difficult for employees to find, and it hasn't been specifically brought to their attention, it may be unreasonable for an employer to try to rely on it if a misconduct issue for not following a requirement arises.

Whether employee and or union consultation is required for policies varies between workplaces. This can arise from being stated in employment agreements or come from a policy itself. That said, staff should be consulted about policies even if this isn't a formal requirement.

When employers put their policies, procedures, codes, rules and guidelines in writing, it's essential to consider the business' requirements and previous issues to avoid them happening again.

It's important to consider policies other employers in your industry have that might be useful, and ask your employees if they think there are gaps or areas that could be clarified by procedures.

Also, think about any legislation or common law that may apply and check with legal advisers if unsure.

Consider what's fair and reasonable, the workplace culture you want to maintain or create and how you will ensure your people will follow documents you've created.

You can use relevant documents others have compiled as starting points if you're stuck, but ensure what you come up with suits your own business.

Never assume that just because you know what you want employees to do in a particular area that they will think the same way.

Avoid producing paperwork and rules for the sake of it because all policies should be needed. For example, if you don't issue company credit cards, you don't need a usage policy even if you had one in a previous organisation.

When the policy, procedure, code, rule or guideline is drafted you should generally ask staff and unions for feedback – unless it's minor or has no room for flexibility or changes – and consider their views before releasing a final version.

It's important to bring documents to the attention of those who have to follow them by, for example, displaying them on noticeboards and your intranet, discussing them in team meetings and putting them in manuals all employees have access to, or giving them hard copies or emailing them out.

Moving forward, make a diary date for a suitable review to ensure they are still fit for purpose.

Finally, businesses need to put in place processes to mitigate labour rights issues. Visit www.employment.govt.nz/workplace-policies/ to find out more.

Looks to match technology

Will it be a case of back to the future for some manufacturers' visions in the years ahead? Or will concepts drawn up by their designers and engineers slide into oblivion, never to grace production lines?

With the new decade upon us, Autofile looks at some of the projects marques revealed during the tail-end of 2019.

One is the Futuron Concept, an illuminating all-wheel-drive coupe that proposes a new design direction for electric vehicles (EVs).

It "represents the modern and confident image of a progressive SUV" with the name being a "portmanteau of 'future' and 'on', hinting at the switched-on and electric nature" of future Kia models.

The Futuron's body is lightweight with a flexible, high-tech interior and "360-degree core". At 4,850mm in length and 1,550mm tall, along with a wheelbase 3,000mm long, it boasts elevated ground clearance.

Kia's Futuron is "in the best traditions of UFO and flying-saucer design", and features a futuristic cockpit

Its fully electric powertrain makes the concept's shape possible. A high-capacity battery is mounted low in the body and beneath the cabin to provide energy to its four in-wheel electric motors.

Essentially a sports car on an SUV platform, the roof is a diamond-shaped panoramic glasshouse "in the best traditions of UFO and flying-saucer design". While flooding the cabin with light, it also extends down the bonnet to give drivers unparalleled views ahead.

The glasshouse also incorporates light detection and ranging (LiDAR) sensors capable of providing level-four autonomous features, enabling hands-off and eyes-off motoring in most conditions. With the activation of the driverless system, the two front seats recline as the steering wheel retracts. This "zero gravity" position helps reduce fatigue on long journeys.

One of the cabin's most prominent features is the cockpit area. Its graphical user interface (GUI) flows out of the driver-side door and wraps around the steering wheel in an arc.

This merges the instrument cluster with the audio-visual display in the centre of the dashboard and is linked to the display integrated with the steering wheel's surface. The GUI is operated by artificial intelligence (AI) technologies to provide information about autonomous systems, the powertrain and navigation features.

As for the Futuron's front end, it features a reinterpretation of Kia's "tiger nose" grille, a signature for its designs for more than a decade.

ELECTRIC MUSCLES IN

Some petrolheads may think it's heresy, but Ford has unveiled an all-electric concept with 671kW of power, 1,356Nm of torque and a six-speed manual gearbox.

The ultra-high-performance Mustang Lithium has dropped the marque's green flag on its multi-billion-dollar electric future, which includes a Mustang-inspired electric SUV.

Developed with parts supplier Webasto, the prototype isn't slated for production, although it's a testbed for battery and thermal technologies.

Ford claims the Lithium has "stunning quarter-mile acceleration", but has yet to provide performance figures, although this electrified version has almost 150kW more power and 500Nm extra torque over the flagship supercharged Mustang R-Spec.

It's an attempt by the blue oval to regain some traction lost to Tesla, which has pulled a lead over "old Detroit brands" in the EV market. While Tesla has its "ludicrous" mode, the Lithium has "beast", which sits at the top of four driving modes – the others being valet, sport and track.

Unlike many high-performance EVs, this Mustang has just one electric motor driving the rear wheels. Its single PhiPower dual-core saves weight and generates less heat than other systems. Power is supplied by an 800-volt Webasto battery that can discharge a mega-

Ford's Mustang Lithium

watts of energy – about twice as much grunt as most other EVs.

While most electric cars do away with a multi-speed transmission, the Ford version sports a six-speed manual, probably as a nod to the Mustang's heritage.

To handle the power and torque, the gearbox is a drag-strip-proven Getrag unit with billet-steel innards. A Torsen differential and Ford Performance half shafts drive the rear wheels.

'LEARNING' FROM DRIVERS

Toyota says its LQ will be available for consumers to try out later this year, and it will follow in the AI tyre marks revealed in the self-driving Concept-i during 2019.

The LQ's systems combine to create a "unique mobility experience that builds the relationship between vehicle and driver by learning from and responding to individual preferences and needs".

Key to this is Yui, an AI assistant shared with the Concept-i, which provides a personalised mobility experience for the driver based on his or her emotional state and alertness, as well as passengers.

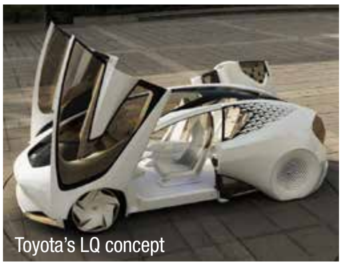
Yui engages with occupants via various methods, such as voice communication, in-vehicle illumination, air-conditioning and fragrances, and there are plans to improve it and expand functionality through integration with other products, such as smartphones.

Due to it having a steering wheel, the LQ is classified as a level-four autonomous vehicle. Its capabilities extend to dropping off passengers at destinations and finding off-street parking spaces.

The LQ features an augmented reality heads-up display to provide the driver with key information in a three-dimensional area seen through the windshield. Its display is equivalent in size to 230 inches and has an ahead depth of seven to 41 metres.

In what's claimed as a world first, the LQ's advanced seating system uses multiple inflatable air bladders and in-seat air-conditioning to help keep the driver awake or relaxed depending on conditions.

When it recognises the motorist is tired, it will inflate an air bladder in the seat backrest to support an upright sitting posture while directing cool air to the area. Alternatively, the bladder can help the driver relax by gradually inflating and contracting when in the LQ's automated drive mode.


Toyota's LQ concept


Hyundai's Veloster Grappler

Toyota has yet to reveal drivetrain specifications, but the EV's range is around 300km. It's about the same size as the Corolla sedan, although it seats four instead of five.

Public test drives are scheduled to run from June to September at Odaiba, a hi-tech entertainment hub located on an artificial island in Tokyo Bay.

The four-month event will allow about 2,000 users to access a Yui smartphone app that organises each drive, and learns about each individual occupant before and during the experience.

GETTING IN SOME GRUNT

The Veloster Grappler boasts more ground clearance than the current production model, better approach and departure angles for off-roading, and custom front and rear brush guards to ensure it is protected when the terrain is unpredictable.

Hyundai's designers have clipped on oversized all-terrains and rally-themed racing wheels, while exhaust components add a "visceral audible resonance". For extra cargo, there's a roof-mounted utility basket that includes a high-output lighting system.

The basket also serves as a base mount for the removable solar panel powering an all-electric portable power station inside the cabin for remote journeys. A custom vinyl exterior wrap features a ghosted Hyundai-themed livery, while a carbon-fibre hood vents excess engine-bay heat.

Inside, an integrated roll bar provides occupant protection and facilitates mounting for a full-size spare wheel and tyre.

GLIMPSE OF SOLID STATE

Lexus has provided an insight into its future in the shape of the LF-30 Electrified concept. It reveals a small "solid state" badge on the door sill when its gull-wings are opened, indicating the marque sees a future for such batteries in replacing the current lithium-ion technology.

Parent company Toyota is expected to reveal more at the 2020 Olympic Games when a prototype powered by new-age batteries is expected to be put through its paces. However, the first Lexus battery-electric models – with a mooted plug-in hybrid to follow – will be lithium-ion equipped because solid-state technology has a way to go.

That said, the overall design – crafted at Lexus' ED2 design centre in southern France – may be a precursor to a large two-by-two model to take on the likes of Mercedes-Benz's EQ range.

The concept has a sporty wedge shape and a new take on Lexus' familiar spindle grille. The side windows' opacity can be adjusted electronically and the front fascia changes colour to tell other road users what driving mode it is in.

Weighing 2,400kg, the LF-30 is likely to be powered by four electric motors delivering 400kW of power and 700Nm of torque for a claimed 0-100kph time of 3.8 seconds and onto a top speed of 200kph. The 110kWh battery pack is said to provide a range of about 500km.

It also has driverless technology in addition to steer by wire, artificial muscle technology is used in the rear seats to "mould" to occupants, and the panoramic glass roof – dubbed SkyGate – displays a range of information, even including a realistic representation of the night sky.

The LF-30 Electrified also carries a drone called the Lexus Airporter aimed at helping out with tasks, such as moving baggage from your doorstep to the car's boot.


The LF-30 Electrified concept. It comes with a drone called the Lexus Airporter

'King Kenny' set for big race

New Zealand motor-racing identity Kenny Smith has confirmed he will race the New Zealand Grand Prix this month at Manfeild.

It's being run as the final race at the final round of the 2020 Castrol Toyota Racing Series (TRS).

It will be Smith's 49th grand prix in a career that spans six decades. A member of MotorSport NZ's wall of fame, Smith's remarkable career is the subject of a full-length documentary movie, 60 Years At The Wheel.


Kenny Smith


In action at the Wigram circuit in 1974


Smith claimed his second NZGP title at Pukekohe Raceway in 1990

The flick follows his 60th year of racing. It starts at the 2017 Pukekohe Supercars in his Formula 5000 and goes through to his 47th NZ Grand Prix in February 2018. Palmerston North's Event Cinemas has a viewing on February 13 with tickets available via Eventbrite.

Smith has taken out the Kiwi title three times – in 1976, 1990 and 2004. He aims to complete 50 grands prix before "even considering" retiring, and at Manfeild last year showed he was well able to match speeds with the main pack.

Old enough to be the grandfather of any driver in the field, Smith is confident he can be competitive in the longest race of the season consisting of 35 long laps around the 3km Manfeild circuit.

The leading Kiwi hope in this year's TRS, Liam Lawson, has been mentored by Smith throughout his racing career. The former was just a one-year-old when Smith, who was awarded an MBE for services to motorsport in 1987, last won the event.

Smith's traditional racing number is 11. But when he grids up for this year's event, he will be run by the respected Giles team and will carry the race number 49 in recognition of his 49th grand-prix start.

Supercars switch venues

A clash with Auckland's unitary plan has forced organisers of the Virgin Australia Supercars Championship to unexpectedly switch races from Pukekohe to Hampton Downs Motorsport Park.

Last month's unexpected announcement raised the prospect of the two circuits sharing the event, a possibility welcomed by many of the teams involved.

The New Zealand round of the V8s calendar was moved to Anzac weekend when the dates were announced last year.

But this directly conflicts with the unitary plan that prevents using Pukekohe for anything except maintenance at any time from Good Friday to Easter Sunday and every April 25, Anzac Day.

A clause had apparently escaped the attention of all involved until the calendar dates were released in late 2019. Instead, the ITM Auckland Super400 will be at the Waikato venue from April 24-26.

Auckland Tourism, Events and Economic Development – the council-controlled organisation that manages the region's events and has put millions of dollars into developing Pukekohe – could have made an urgent request for dispensation, but the 130-day deadline for such applications had passed.

There are no such restrictions on Hampton Downs. In 2012, when Auckland secured the rights to host the Kiwi round of the V8s, Waikato Regional Council offered a joint-venture approach to the event. Its offer was never granted a response by the new Auckland unitary authority or V8 management.

Meanwhile, the much-awaited return of the World Rally Championship takes place in September and will be based at Mount Smart, home of the Warriors.

The 2020 Rally of NZ will feature a new "super special" competitive stage at the stadium in a move that restores Auckland's profile as a host to major motorsport events.

'The Voice' on passion and politics

An obsession with safety, "not in my backyard", and the amateur nature of administrators and governing bodies are the biggest threats facing motorsport in New Zealand.

That's according to Auckland-born Phil Dark. Sometimes motocross racer and "The Voice" of so many motorsport categories, it's almost a surprise to be at speedway, jet-sprints, two-wheeler street races and not hear him.

Among multiple threats facing motorsport is the political storm around speedway, and the protracted and bitter war over Western Springs where Dark has worked for many years.

He says restrictions placed on "the Springs" – due to opposition from residential neighbours – have choked the summer season from 18 meetings to nine with no rain dates and, in doing so, reduced spectator numbers.

"The speedway has been in operation for 80-odd years. People complaining now knew that it was there and what they were buying into. But complaints are loud and they get action."

Auckland Council's "musical chairs" reshuffling of codes and venues over the past eight years has created uncertainty about the facility's future, making it hard for promoters to plan or attract international names. Short-term extensions of rights to operate are also unhelpful.

"My pick is speedway will eventually leave the Springs, which is a shame after the work Bill Buckley and others have done. Where it will go, though, is uncertain."

Phil Dark doing his morning gig at Auckland's East FM, which pays the bills so he can do race commentary at weekends. Photo: Mark Baker

Auckland Council's early proposal was to move it to Mount Smart, home of the Warriors, until scoping studies showed speedway wouldn't fit.

The latest idea – to move to Colin Dale Park near the airport – seems unlikely. Even if predominantly West Auckland-based spectators could be persuaded to adopt such a facility, there would be the issue of safe access to a track.

"They are saying they can get 20,000 people in and out of the park onto Puhinui Road, a major arterial to the airport, but not without major infrastructure work. The airport hasn't yet said how it would view bright lights and dust clouds on the main approach to its runways on Saturday nights."

Dark is passionate about motorsport, and has worked in the broadest range of categories and codes of perhaps any commentator, as well as in television as producer, director and narrator.

"I've been lucky to be in the right place at the right time, but you can't just survive on luck. It's talent that keeps you there."

It could have been so different though. His parents were heavily involved in athletics up to British Empire and Commonwealth Games level, and there was some expectation he would follow their passion.

Motocross became the early passion, though, and it was a DNF in Wellsford that launched young Dark into TV production and more. "There was a PA system to call riders to the grid. I had a feeling I could commentate and had a lash."

That first step led to commentary – unpaid – at an Auckland meeting and work evolved to being "an earn". At the time, Dark, who was working as a mechanic, was asked to help out at Ivan Mauger's first farewell meet. It was unsanctioned and suddenly motorbike work dried up.

"Luckily, speedway stepped into the gap. These were the days when Graham Standring and Phil Horrobin were huge, and Barry Butterworth was establishing 'outlaw' racing in Kumeu."

The late Reece Facoory was key to Dark's break into speedway commentary. When he secured Western Springs' promotional rights from 1989-93, it became Dark's new base.

A stint in radio sales helped and, in turn, boosted his sales performance. "The more work I did, the more I got, so another case of being in the right place at the right time."

Commentary work expanded into television. He even became a "voice of bowls" with Gordon Legge. Thanks to an ability to be in the moment, he had the distinction of being shushed by legendary Millie Khan at a national event.

Dark says he's been asked how he researches different types of motorsport he works in.

"I don't. My knowledge is from experience. I've been privileged to be involved in some of the most momentous events in New Zealand motorsport, and meet most of the big names in motorcycle speedway, motocross, four-wheeled speedway codes, motor racing, jet-sprinting and motorcycle road-racing."

There has been no circuit-based racing for Dark this summer. Instead, his weekends until March are full of speedway, super saloons at Waikaraka Park and jetboat sprints.

Dark reiterates his view the biggest threats faced by motorsport are nimby-ism and "OSH syndrome" – an obsession with making everything super-safe. "We all accept there's risk in what we do. That's why we do it."

Mechanic suggests fluids in vehicle's transmission had never been changed

The case: Five months after purchase, the buyer rejected her 2005 Audi TT when its gearbox failed and repair estimates exceeded its purchase price. The trader said the buyer had driven the vehicle satisfactorily for more than 6,500km post-supply, so it complied with the guarantee of acceptable quality as outlined in the Consumer Guarantees Act (CGA).

The decision: The rejection of the Audi was upheld. The trader was ordered to pay the buyer $7,000 and collect the vehicle.

At: The Motor Vehicle Disputes Tribunal, Auckland.

Background

Jaimeson Yorke purchased a 2005 Audi TT with an odometer reading of 108,461km for $7,000 on January 5, 2019 from Top Motors.

The vehicle offer and sale agreement included two extra conditions. The first stipulated the trader wouldn't fix its faulty fuel gauge. The second specified a 30-day engine and gearbox warranty. Yorke signed her agreement to both.

Almost five months later and after she had driven about 6,500km, the car's gearbox failed. She obtained three repair estimates close to or exceeding its purchase price, so rejected it on June 12 and asked for a refund.

Top Motors refused to accept this. It stated the Audi had been driven satisfactorily for five months after supply, so it complied with the CGA's guarantee of acceptable quality.

The case

The Audi's check-engine light came on at the beginning of June 2019 and its transmission started to slip into neutral without any manual input. However, Yorke was able to take it home in the drive setting.

She had Taupo Automotive scan the vehicle for fault codes on June 5. It recorded code P0411 – secondary air-injection system, incorrect flow detected sporadic, and P0571 – brake switch (A) circuit malfunction, sporadic.

Taupo Automotive cleared the fault codes and told Yorke that the Audi needed further diagnosis.

Three days later, the check-engine light again came on and the transmission slipped into neutral. Yorke, who described the vehicle as "very hoppy to drive", took it to specialist repairer Ebbett Taupo.

Workshop foreman Steven Boshoff said he was experienced with repairing Audis. He reported the gearbox clutches were slipping, but no faults were found in the transmission control module. Burnt metal filings were discovered in the transmission oil, indicating damaged internal components.

Boshoff said the manufacturer recommended that transmission oil should be changed every 60,000km, or every three years, whichever came sooner. But the indications were this Audi's transmission oil hadn't been changed in a long time or never at all.

Ebbett Taupo estimated it would cost $15,743 to replace the gearbox. Yorke also obtained quotes from two other workshops. AA Auto Centre quoted up to $3,500, plus $1,300 for labour, and $200 for oil for a second-hand gearbox. Marshall Transmissions quoted $7,000 to rebuild the transmission.

She said when she discussed the fault with the dealer around June 12 when she rejected the car by letter, she was told she had owned the Audi for too long and it didn't have a warranty so it was her problem to fix.

At the hearing, Top Motors' director Amin Kassouri said the trader wasn't given the chance to diagnose the fault, so it was difficult to assess the car. It believed the worst-case scenario for repairs would be $3,000 although it didn't produce any workshop estimates to justify that figure.

In any event, Top Motors submitted the Audi had been driven satisfactorily for five months, so it complied with the guarantee of acceptable quality.

The tribunal's assessor told the hearing that when transmission clutches slipped, the transmission oil would burn, losing its colour and viscosity. When that occurred, the clutch plates needed to be replaced to avoid further damage.

The metal filings in the transmission oil were likely to have been particles from clutch plates running together. He added the gearbox would continue to slip into neutral, so the transmission needed to be replaced.

The finding

Although the Audi was a relatively old vehicle, which had travelled more than 100,000km and was sold for $7,000, the tribunal found that a reasonable purchaser would expect its transmission to last more than five months and 6,500km.

Therefore, it was ruled that it lacked sufficient durability and was unfit for purpose because a car could not be driven without a viable transmission.

The tribunal concluded the Audi didn't comply with the guarantee of acceptable quality and a reasonable consumer wouldn't buy a vehicle knowing its gearbox was failing.

For both reasons, it was ruled the fault amounted to a failure of a substantial character, so Yorke was entitled to reject the car and obtain a full refund even though the trader told the hearing it was prepared to fix the fault.

The adjudicator added it was wrong of Top Motors to try to limit the buyer's rights under the CGA to a 30-day warranty.

Yorke also wanted to recover the $250 from the trader incurred to have the faults diagnosed.

However, the tribunal said she didn't give Top Motors a chance to investigate the problems. If she had first taken it to the trader, then it was possible it would have assessed it and recommended or offered repairs at that point.

The fact that Yorke pre-empted the matter by getting it diagnosed shouldn't be rewarded by allowing her to recover the costs incurred.

Orders

The rejection of the Audi was upheld. The trader was ordered to pay the buyer $7,000 and uplift the car.

No remedy for purchaser because car's problems were not disclosed to trader

The case: A company wanted to reject a 2015 Jaguar XE because it was faulty since purchase. It alleged the trader breached the Fair Trading Act by failing to advise it of pre-existing issues and claimed it didn't comply with the Contract and Commercial Law Act's implied terms of reasonable fitness for purpose. The dealer said the car's previous owner didn't advise it of the problems.

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

At: The Motor Vehicle Disputes Tribunal, Auckland.

Background

Re-Imagine Ltd purchased a 2015 Jaguar XE 3.0S for $79,990 from Beacham Ltd on July 19, 2017.

The buyer said the car had experienced faults since it was supplied. It consumed excessive coolant, had head-gasket damage and a problem with its stop-start function.

After giving the trader several opportunities to rectify those issues, Re-Imagine wanted to reject the vehicle and receive a refund of the purchase price.

Although the buyer believed the Jaguar's defects breached the Consumer Guarantees Act's acceptable quality guarantee, it didn't bring a claim under this act because an earlier claim had been dismissed at an arbitration hearing.

Instead, the buyer brought this claim under the Fair Trading Act (FTA) and Contract and Commercial Law Act (CCLA).

It alleged the trader breached the FTA by misleading the buyer by not advising it of pre-existing faults with the cooling system, by stating the Jaguar would be covered by the manufacturer's warranty until November 22, 2018, after which the trader would provide a two-year warranty, and behaving in a manner inconsistent with warranty obligations.

The buyer also said the faults meant the vehicle failed to comply with the CCLA's implied terms of reasonable fitness for purpose and merchantable quality.

Beacham said the previous owner didn't advise it of the problems, which wouldn't reasonably be detected during its service and pre-purchase inspections.

The case

Re-Imagine's director, Anthony Flannery, provided evidence from Archibald and Shorter North Shore showing that – between July 2016 and March 2017 – the Jaguar was taken in on four separate occasions due to cooling-system problems.

Flannery submitted its service history would have shown it had pre-existing faults with this system, including the head gasket, since purchase, and that its previous owner had an obligation to disclose the service history to the trader. The buyer also alleged the supplier engaged in misleading conduct by failing to tell it about the faults.

Alex Beacham, the trader's general manager, said the previous owner didn't advise it of the issues, and they wouldn't reasonably have been detected during service and pre-purchase testing.

The tribunal's assessor agreed that a cooling-system fault was unlikely to have been detected unless there was obvious evidence of a coolant leak.

The Jaguar's diagnosis and repairs were performed under the manufacturer's warranty, which expired in November 2018.

The buyer said Beacham agreed to supply a two-year warranty to run from when this warranty expired and claimed the trader engaged in misleading conduct in breach of the FTA for failing to do so.

Beacham said it hadn't bought the extended warranty because the buyer had rejected the car before the manufacturer's warranty ended.

Although the purchaser was unhappy with the quality of the vehicle and service provided by Beacham, the evidence showed the trader tried to honour its warranty obligations.

The finding

In some circumstances, a failure to disclose information material to a consumer's purchasing decision can amount to misleading conduct under the FTA.

The tribunal accepted the Jaguar's faults would have been material to this purchasing decision, but it wasn't proved the trader had access to service records and the previous owner didn't disclose its history to Beacham.

Accordingly, the adjudicator wasn't satisfied Beacham knew, or ought reasonably to have known, of the pre-existing faults or that the dealer had breached the FTA.

The tribunal was also satisfied the trader made no misleading representations regarding the coverage of the manufacturer's warranty and intended to acquire an extended one, but didn't do so because the buyer had rejected the Jaguar.

Re-Imagine also alleged the car didn't comply with the implied conditions of reasonable fitness for purpose and merchantable quality under sections 138 and 139 of the CCLA, but the tribunal had no jurisdiction to make such orders sought by the buyer.

Under section 89 of the Motor Vehicle Sales Act, it can only make orders under section 194 of that act in respect of any claim brought under part three of the CCLA, while remedies under section 194 of the CCLA didn't apply to this case.

Under section 194, the tribunal may grant an application for specific performance when there has been a breach of contract for a failure to deliver specific goods, but that wasn't the case with this application.

Even if the tribunal had jurisdiction to make CCLA orders sought by Re-Imagine, it would have declined to do so because the parties had agreed the implied conditions of reasonable fitness for purpose and merchantable quality didn't apply.

Under section 197 of the CCLA, any right, duty, or liability that might arise under a contract of sale may be negated by express agreement.

The tribunal can only make orders under section 194 when it can grant an application for specific performance when there is a breach of contract for a failure to deliver. In this case, there was no such breach.

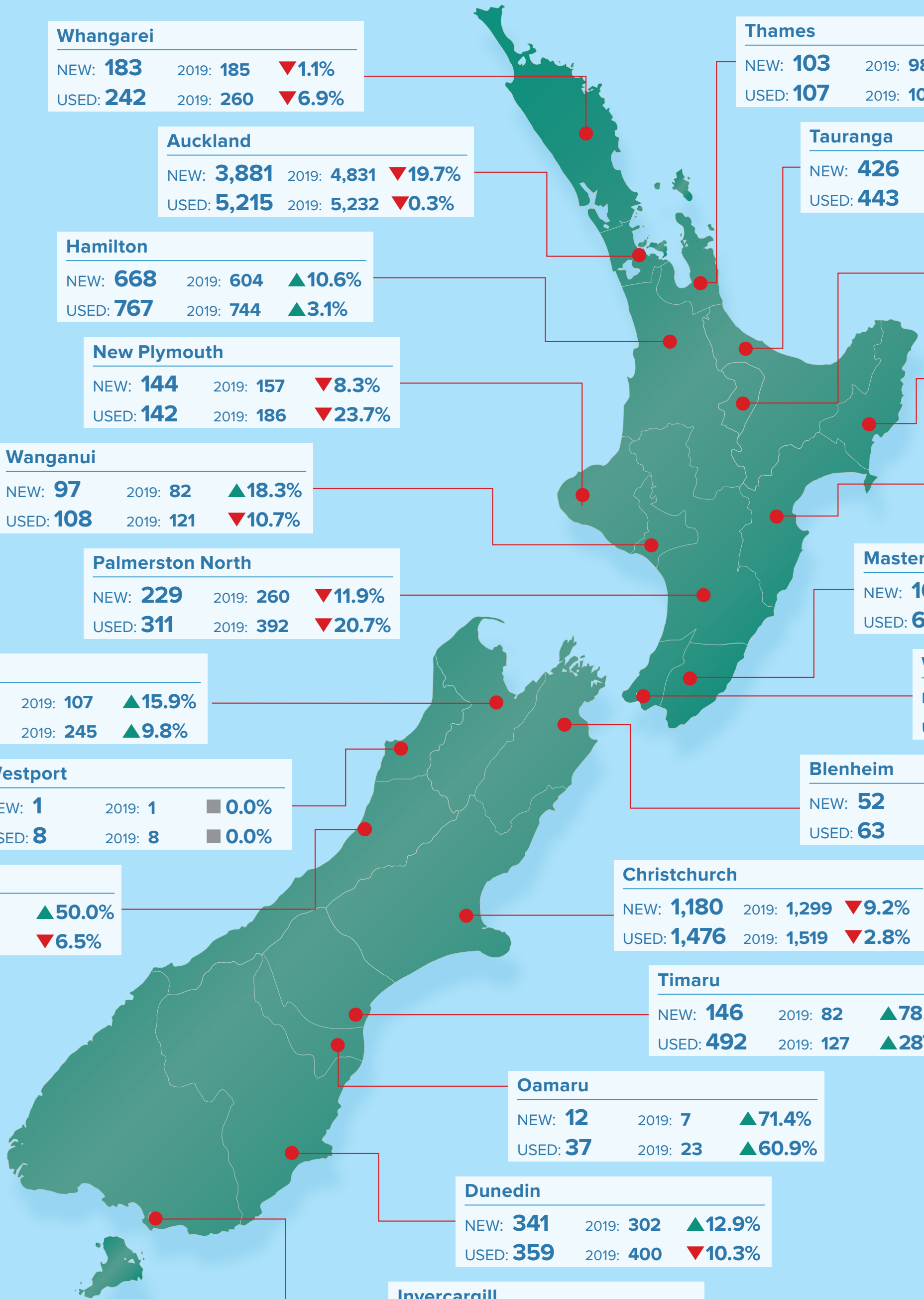
Order

The applications were dismissed.

Around the Country
January 2020

Total new cars	
9,099	
2018: 9,942	▼8.5%

Total imported used cars	
11,693	
2018: 11,598	▲0.8%



			2019	
Whangarei	NEW:	183	185	▼1.1%
	USED:	242	260	▼6.9%
Auckland	NEW:	3,881	4,831	▼19.7%
	USED:	5,215	5,232	▼0.3%
Hamilton	NEW:	668	604	▲10.6%
	USED:	767	744	▲3.1%
New Plymouth	NEW:	144	157	▼8.3%
	USED:	142	186	▼23.7%
Wanganui	NEW:	97	82	▲18.3%
	USED:	108	121	▼10.7%
Palmerston North	NEW:	229	260	▼11.9%
	USED:	311	392	▼20.7%
Nelson	NEW:	124	107	▲15.9%
	USED:	269	245	▲9.8%
Westport	NEW:	1	1	■0.0%
	USED:	8	8	■0.0%
Greymouth	NEW:	18	12	▲50.0%
	USED:	29	31	▼6.5%
Thames	NEW:	103	98	▲5.1%
	USED:	107	103	▲3.9%
Tauranga	NEW:	426	422	▲0.9%
	USED:	443	458	▼3.3%
Rotorua	NEW:	166	169	▼1.8%
	USED:	186	152	▲22.4%
Gisborne	NEW:	46	47	▼2.1%
	USED:	79	71	▲11.3%
Napier	NEW:	259	231	▲12.1%
	USED:	252	306	▼17.6%
Masterton	NEW:	102	106	▼3.8%
	USED:	61	85	▼28.2%
Wellington	NEW:	796	729	▲9.2%
	USED:	856	849	▲0.8%
Blenheim	NEW:	52	67	▼22.4%
	USED:	63	71	▼11.3%
Christchurch	NEW:	1,180	1,299	▼9.2%
	USED:	1,476	1,519	▼2.8%
Timaru	NEW:	146	82	▲78.0%
	USED:	492	127	▲287.4%
Oamaru	NEW:	12	7	▲71.4%
	USED:	37	23	▲60.9%
Dunedin	NEW:	341	302	▲12.9%
	USED:	359	400	▼10.3%
Invercargill	NEW:	125	144	▼13.2%
	USED:	191	215	▼11.2%

Imported Passenger Vehicle Sales by Make - January 2020

MAKE	JAN'20	JAN'19	+/- %	JAN'20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Toyota	2,936	2,450	19.8	25.1%	2,936	25.1%
Nissan	2,246	2,328	-3.5	19.2%	2,246	19.2%
Mazda	1,925	1,873	2.8	16.5%	1,925	16.5%
Honda	1,174	1,270	-7.6	10.0%	1,174	10.0%
Subaru	795	653	21.7	6.8%	795	6.8%
Suzuki	536	653	-17.9	4.6%	536	4.6%
Mitsubishi	480	552	-13.0	4.1%	480	4.1%
BMW	353	417	-15.3	3.0%	353	3.0%
Volkswagen	335	391	-14.3	2.9%	335	2.9%
Audi	185	177	4.5	1.6%	185	1.6%
Mercedes-Benz	120	149	-19.5	1.0%	120	1.0%
Lexus	116	104	11.5	1.0%	116	1.0%
Ford	86	90	-4.4	0.7%	86	0.7%
Volvo	67	64	4.7	0.6%	67	0.6%
Chevrolet	40	44	-9.1	0.3%	40	0.3%
Holden	29	31	-6.5	0.2%	29	0.2%
Jaguar	29	41	-29.3	0.2%	29	0.2%
Land Rover	29	50	-42.0	0.2%	29	0.2%
Mini	24	24	0.0	0.2%	24	0.2%
Dodge	21	37	-43.2	0.2%	21	0.2%
Jeep	20	22	-9.1	0.2%	20	0.2%
Porsche	20	28	-28.6	0.2%	20	0.2%
Hyundai	18	23	-21.7	0.2%	18	0.2%
Chrysler	12	22	-45.5	0.1%	12	0.1%
Peugeot	12	2	500.0	0.1%	12	0.1%
Renault	11	6	83.3	0.1%	11	0.1%
Kia	8	10	-20.0	0.1%	8	0.1%
Cadillac	7	3	133.3	0.1%	7	0.1%
Fiat	7	1	600.0	0.1%	7	0.1%
Citroen	6	2	200.0	0.1%	6	0.1%
Mercury	3	2	50.0	0.0%	3	0.0%
Plymouth	3	2	50.0	0.0%	3	0.0%
Pontiac	3	2	50.0	0.0%	3	0.0%
Smart	3	6	-50.0	0.0%	3	0.0%
Alfa Romeo	2	3	-33.3	0.0%	2	0.0%
Others	32	66	-51.5	0.3%	32	0.3%
Total	**11,693**	**11,598**	**0.8**	**100.0%**	**11,693**	**100.0%**

Imported Passenger Vehicle Sales by Model - January 2020

MAKE	MODEL	JAN'20	DEC'18	+/- %	JAN'20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Mazda	Axela	628	633	-0.8	5.4%	628	5.4%
Honda	Fit	532	551	-3.4	4.5%	532	4.5%
Mazda	Demio	462	446	3.6	4.0%	462	4.0%
Suzuki	Swift	456	563	-19.0	3.9%	456	3.9%
Toyota	Aqua	440	169	160.4	3.8%	440	3.8%
Nissan	Tiida	427	553	-22.8	3.7%	427	3.7%
Toyota	Prius	418	336	24.4	3.6%	418	3.6%
Subaru	Impreza	298	226	31.9	2.5%	298	2.5%
Subaru	Legacy	269	267	0.7	2.3%	269	2.3%
Mitsubishi	Outlander	269	328	-18.0	2.3%	269	2.3%
Nissan	Leaf	265	281	-5.7	2.3%	265	2.3%
Mazda	Atenza	241	217	11.1	2.1%	241	2.1%
Nissan	Note	238	212	12.3	2.0%	238	2.0%
Toyota	Wish	236	286	-17.5	2.0%	236	2.0%
Mazda	Premacy	221	252	-12.3	1.9%	221	1.9%
Volkswagen	Golf	218	258	-15.5	1.9%	218	1.9%
Toyota	Vitz	218	244	-10.7	1.9%	218	1.9%
Nissan	Dualis	214	210	1.9	1.8%	214	1.8%
Toyota	Corolla	204	142	43.7	1.7%	204	1.7%
Toyota	Auris	193	141	36.9	1.7%	193	1.7%
Nissan	X-Trail	188	170	10.6	1.6%	188	1.6%
Nissan	Serena	148	101	46.5	1.3%	148	1.3%
Honda	Stream	142	148	-4.1	1.2%	142	1.2%
Nissan	Juke	138	86	60.5	1.2%	138	1.2%
Toyota	Vanguard	135	68	98.5	1.2%	135	1.2%
Toyota	Blade	121	139	-12.9	1.0%	121	1.0%
Toyota	Ractis	120	78	53.8	1.0%	120	1.0%
Mazda	CX-5	115	77	49.4	1.0%	115	1.0%
Nissan	March	107	92	16.3	0.9%	107	0.9%
Nissan	Skyline	106	106	0.0	0.9%	106	0.9%
Subaru	Forester	104	73	42.5	0.9%	104	0.9%
Mazda	Verisa	104	101	3.0	0.9%	104	0.9%
Honda	CR-V	101	84	20.2	0.9%	101	0.9%
Toyota	MarkX	96	112	-14.3	0.8%	96	0.8%
Honda	Insight	80	56	42.9	0.7%	80	0.7%
Others		3,441	3,792	-9.3	29.4%	3,441	29.4%
Total		**11,693**	**11,598**	**0.8**	**100.0%**	**11,693**	**100.0%**

Kiwis love power and classics

A McLaren with a price-tag of $1.8m and a James Bond-style Aston Martin have been named as the hottest vehicles of last year, according to Trade Me Motors' listings that were viewed the most during 2019.

High-performance cars and classics dominated the top 10 with a 2019 McLaren Senna coming first. The victory-grey coupe clocked up just shy of 146,000 views last year.

In second place was a 1963 Aston Martin DB5 at $1.2m. It was the model made famous by Sean Connery in the James Bond film Goldfinger. By January 14, 2020, it had attracted 146,500 views.

"Kiwis love to dream, and last year it was rare and expensive vehicles that took out the top two spots," says Alan Clark, Trade Me's head of motors.

"That said, while not technically high performance or a classic, a campervan also made the list.

Trade Me's top 10 of 2019

Vehicle listed	Views
McLaren Senna	145,960
Aston Martin DB5	141,000
Nissan Skyline	67,958
Land Rover collection	77,500
Ford Mustang	59,878
Triumph Spitfire	59,475
Bond Bug	56,577
Ferrari F12	55,655
Logan Dodd camper	53,906
Mazda RX-3	53,534

A 2019 McLaren Senna had 145,960 views on Trade Me last year

"Social-media influencer Logan Dodds became something of a star a few years back after his travel video went viral bringing him an Instagram following of nearly 50,000.

"His Mitsubishi Delica squeezed past that figure by pulling in nearly 54,000 views in an effort to find his 'old girl' a new home – someone keen to crank out some more adventures with her.

"The quirkiest vehicle to make the top 10 was a 1971 Bond Bug – one of just two in the country. Unsurprisingly, it generated plenty of attention from collectors locally and internationally, and didn't take too long to get snapped up."

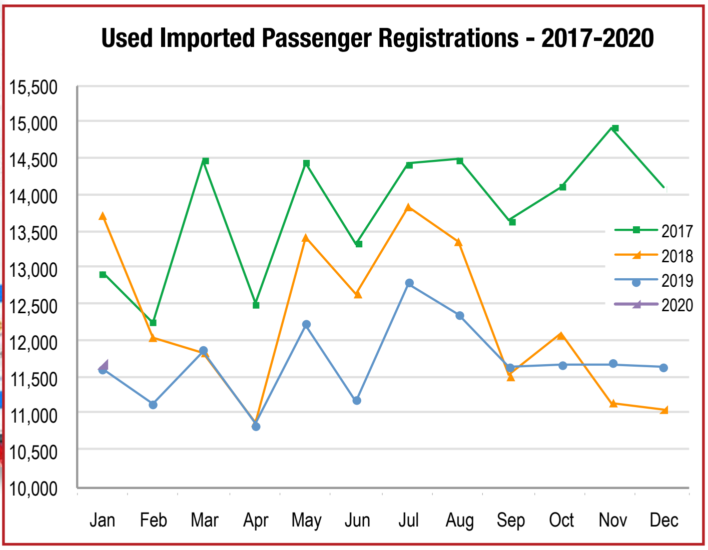
Other classics that piqued Kiwis' interest last year included a 1966 Ford Mustang Fastback, a 1972 Nissan Skyline Hakosuka GT-R and a 1974 Mazda RX-3.

A selection of Land Rovers also proved popular as a seller in Alexandra looked to downsize his collection. The models ranged from a 1955 Series 1 LWB 107 to a 1971 Series 2A LWB Flat Deck.

"Then there was a 1965 Triumph Spitfire that came with a honest description that while it looked great, it would never pass a warrant of fitness in its current state and would be 'really, really dangerous in a crash'," says Clark. "It was ready to be picked up from Uncle Maurice, who is a good talker, in Martinborough.

"Once again, our members have proven humour is a sure-fire way to get some interest on a listing, so take note if you're looking to sell your vehicle this year."

This 1963 Aston Martin DB5 attracted 141,000 views



JANUARY'S SALES STATS

There were 11,693 used-imported cars registered in New Zealand for the first time last month – an increase of 0.8 per cent, or 95 more units, than January 2019's total of 11,598.

There were 628 Mazda Axelas sold as it topped the ladder with a 5.4 per cent share of last month's market despite sales dipping by 0.8 per cent on the same month of last year. Honda's Fit had 532 registrations and the Demio 462.

Suzuki's Swift suffered a 19 per cent fall in sales last month compared to January 2019, while Nissan's Tiida tumbled by 22.8 per cent.

On-shore stock to be in focus

Dealers are looking at various options to stock their yards as costs associated with used imports climb.

With landing "run-of-the-mill stock" getting more expensive, Frank Willett, chief executive of Autohub NZ, notes some importers end up retailing them with little in the way of margins.

"With the likes of trade-ins, it's a case of finding a source, but having a faster turnaround with less compliance and repair costs," he says. "A lot of dealers appear to put more effort into concentrating on stock on-shore than importing.

"That can be difficult for the importing supply chain. If you see where this is going, and that's import volumes being reduced, it could ultimately result in fewer sailings from Japan. In turn, this creates a 'boom-then-bust' flow pattern for the trade.

"For example, larger compliance shops may end up working flat out for three or four days processing a shipment, then have nothing coming in for a period of time before going flat out again."

Effects on vehicle-compliance operators are often staffing levels and a pressure on managing cash flow.

"When there are high car volumes, compliance centres commonly buy in lots of parts," explains Willett. "Supplier accounts still need to be paid on time, but if cash isn't coming in at the right time, these parts accounts can be frozen.

"Then – when they need parts for the next rush – they cannot access them, which creates logistical issues right through the supply chain."

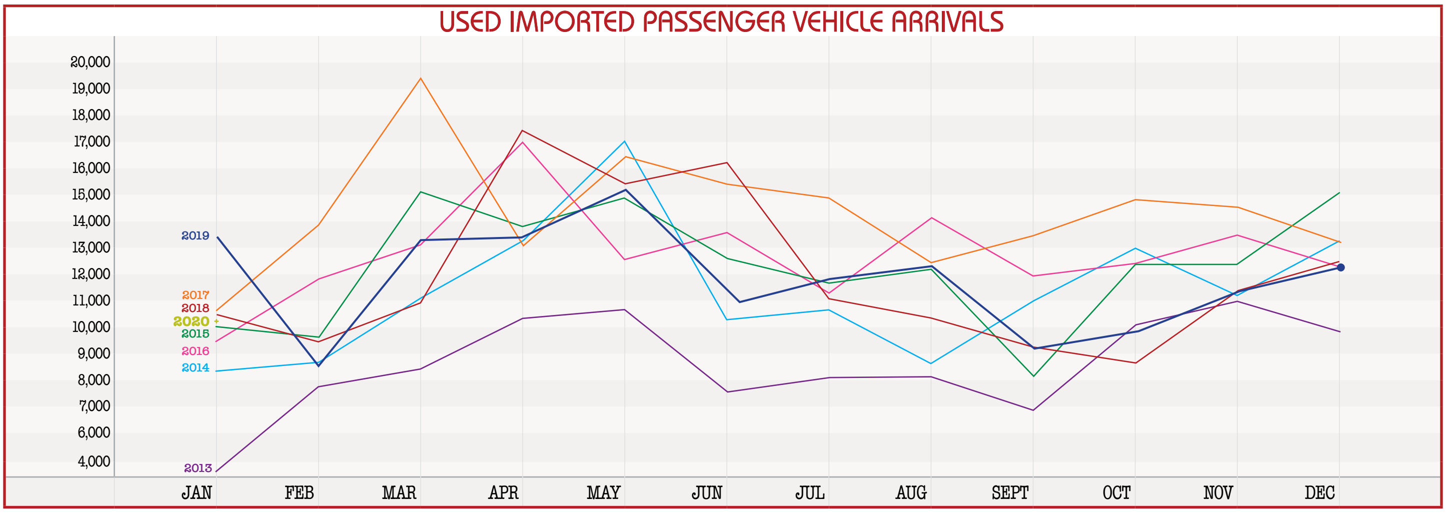
And if there is a sustained reduction in used imports coming in, "it will be interesting to see how that would go", while "there are always peaks and troughs, and they're hard to forecast".

Willett adds: "There is concern with some clients around electronic stability control [ESC] in that they still don't know or understand the consequences of this regulation. So far, there appears to be low interest in stockpiling non-ESC vehicles."

There are also some examples of importers being unaware all non-ESC equipped used light vehicles will have to be NZTA border-checked by February 29.

"I can see a number of vehicles turning up that will not comply and that will be an expensive wake-up call."

As for last month, 10,173 used cars were imported – down by 24.3 per cent compared to 13,433 in January 2019.



Used Imported Passenger Vehicles By Country Of Export

COUNTRY OF EXPORT	2020			2019						2018	
	JAN '20	JAN MARKET SHARE %	2020 TOTAL	Q1	Q2	Q3	Q4	2019 TOTAL	MRKT SHARE	2018 TOTAL	MRKT SHARE
Australia	291	2.9%	**291**	1,320	1,549	1,291	988	5,148	3.6%	4,183	2.9%
Great Britain	76	0.7%	**76**	234	167	217	276	894	0.6%	1,026	0.7%
Japan	9,599	94.4%	**9,599**	32,921	36,955	31,187	31,431	132,494	93.8%	134,510	94.2%
Singapore	105	1.0%	**105**	459	406	385	428	1,678	1.2%	1,531	1.1%
USA	72	0.7%	**72**	173	156	159	176	664	0.5%	1,108	0.8%
Other countries	30	0.3%	**30**	99	89	54	98	340	0.2%	415	0.3%
Total	**10,173**	**100.0%**	**10,173**	**35,206**	**39,322**	**33,293**	**33,397**	**141,218**	**100.0%**	**142,773**	**100.0%**

Trading yet to hit 'top gear'

There were 17,313 trader-to-public transactions during January, which was a 2.2 per cent decrease compared to 17,702 in the same month of 2019.

Timaru notched up a 201.2 per cent jump in dealer sales to 515 last month from 171 in January 2019 as the market there continues to come to terms with November's devastating hailstorm.

There was a 27.1 per cent increase in Oamaru from 48 to 61 units over the same timescale.

As for public-to-trader transactions, there was a national increase of 2.2 per cent from 12,808 last month when compared to 12,530 during the previous January.

Thames was a stand-out performer with 259 trade-ins last month compared to 189 in the same month of 2019 for an increase of 37 per cent. Rotorua recorded a 16.5 per cent jump to 120 from 103.

Public-to-public sales rose by 0.5 per cent from 43,614 in January 2019 to 43,816 last month.

Neil Cottle, owner of Auto Court in Dunedin, says trading conditions were average in 2019 and that was "the same as everywhere else".

"It wasn't an easy year and I've been in this business since 1959. A lot of other businesses, not just car dealerships, aren't in top gear at the moment. They have been quiet, except for construction, and that's impacting on the market."

Commenting on trends, he notes that five years ago there were plenty of customers wanting to buy sedans, but people now want SUVs or hatchbacks.

"There are isolated sales of sedans, but we don't rush into buying them from Japan," says Cottle. "I'm sure that's fairly standard throughout the industry.

"We import SUVs, hatchbacks and electric cars. It's competitive to buy good-quality vehicles across the board from Japan. We could have a large sheet of cars that we look at today, but we may not acquire any because our target prices end up being too low."

As for the government's proposed clean-car policies, Cottle notes the discussion document published by the Ministry of Transport (MoT) lists the top 10 imports for 2009-10.

"The document has confused people because it says with some electric cars that they will be able to get $8,000 of feebates, but this scheme may not even come into effect for two years.

"The interesting thing is the MoT didn't appear to consult with other government departments before publishing the discussion paper."

SECONDHAND CAR SALES - January 2020

	DEALER TO PUBLIC				PUBLIC TO PUBLIC			PUBLIC TO DEALER		
	JAN'20	JAN'19	+/- %	MARKET SHARE	JAN'20	JAN'19	+/- %	JAN'20	JAN'19	+/- %
Whangarei	522	555	-5.9	3.02	2,005	1,924	4.2	218	226	-3.5
Auckland	5,600	5,756	-2.7	32.35	13,558	14,141	-4.1	5,012	4,865	3.0
Hamilton	1,286	1,412	-8.9	7.43	3,479	3,363	3.4	1,006	995	1.1
Thames	254	265	-4.2	1.47	617	669	-7.8	259	189	37.0
Tauranga	801	819	-2.2	4.63	2,154	2,172	-0.8	506	531	-4.7
Rotorua	364	308	18.2	2.10	1,027	983	4.5	120	103	16.5
Gisborne	152	180	-15.6	0.88	433	417	3.8	55	64	-14.1
Napier	664	661	0.5	3.84	1,531	1,593	-3.9	398	418	-4.8
New Plymouth	355	409	-13.2	2.05	978	1,025	-4.6	209	226	-7.5
Wanganui	235	252	-6.7	1.36	678	672	0.9	132	161	-18.0
Palmerston North	753	803	-6.2	4.35	1,744	1,718	1.5	675	655	3.1
Masterton	183	247	-25.9	1.06	547	508	7.7	102	119	-14.3
Wellington	1,662	1,734	-4.2	9.60	3,275	3,255	0.6	1,159	1,019	13.7
Nelson	327	338	-3.3	1.89	1,141	1,088	4.9	205	203	1.0
Blenheim	154	180	-14.4	0.89	429	452	-5.1	85	100	-15.0
Greymouth	62	69	-10.1	0.36	192	180	6.7	40	42	-4.8
Westport	7	5	40.0	0.04	31	37	-16.2	1	0	100.0
Christchurch	2,169	2,223	-2.4	12.53	5,627	5,298	6.2	1,885	1,779	6.0
Timaru	515	171	201.2	2.97	834	544	53.3	84	117	-28.2
Oamaru	61	48	27.1	0.35	145	130	11.5	7	4	75.0
Dunedin	756	749	0.9	4.37	2,210	2,220	-0.5	418	418	0.0
Invercargill	431	518	-16.8	2.49	1,181	1,225	-3.6	232	296	-21.6
NZ total	**17,313**	**17,702**	**-2.2**	**100.00**	**43,816**	**43,614**	**0.5**	**12,808**	**12,530**	**2.2**

New Passenger Vehicle Sales by Make - January 2020

MAKE	JAN '20	JAN '19	+/- %	JAN '20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Toyota	1,220	1,718	-29.0	13.4%	1,220	13.4%
Kia	964	710	35.8	10.6%	964	10.6%
Mazda	674	1,052	-35.9	7.4%	674	7.4%
Suzuki	596	592	0.7	6.6%	596	6.6%
Hyundai	592	551	7.4	6.5%	592	6.5%
Mitsubishi	588	803	-26.8	6.5%	588	6.5%
Holden	534	689	-22.5	5.9%	534	5.9%
Ford	510	606	-15.8	5.6%	510	5.6%
Nissan	467	370	26.2	5.1%	467	5.1%
Honda	413	450	-8.2	4.5%	413	4.5%
Volkswagen	293	374	-21.7	3.2%	293	3.2%
Subaru	291	382	-23.8	3.2%	291	3.2%
Mercedes-Benz	272	247	10.1	3.0%	272	3.0%
BMW	237	130	82.3	2.6%	237	2.6%
Audi	145	111	30.6	1.6%	145	1.6%
Skoda	145	113	28.3	1.6%	145	1.6%
Land Rover	132	179	-26.3	1.5%	132	1.5%
Mini	107	65	64.6	1.2%	107	1.2%
Jeep	90	110	-18.2	1.0%	90	1.0%
Peugeot	88	107	-17.8	1.0%	88	1.0%
Haval	82	49	67.3	0.9%	82	0.9%
Lexus	76	76	0.0	0.8%	76	0.8%
SsangYong	70	72	-2.8	0.8%	70	0.8%
MG	65	0	6,500.0	0.7%	65	0.7%
Volvo	64	68	-5.9	0.7%	64	0.7%
Jaguar	61	43	41.9	0.7%	61	0.7%
Porsche	61	60	1.7	0.7%	61	0.7%
Tesla	59	13	353.8	0.6%	59	0.6%
Citroen	35	34	2.9	0.4%	35	0.4%
Alfa Romeo	23	17	35.3	0.3%	23	0.3%
Renault	23	34	-32.4	0.3%	23	0.3%
Seat	19	13	46.2	0.2%	19	0.2%
Mahindra	18	2	800.0	0.2%	18	0.2%
Isuzu	16	22	-27.3	0.2%	16	0.2%
Ferrari	10	1	900.0	0.1%	10	0.1%
Others	59	79	-25.3	0.6%	59	0.6%
Total	**9,099**	**9,942**	**-8.5**	**100.0%**	**9,099**	**100.0%**

New Passenger Vehicle Sales by Model - January 2020

MAKE	MODEL	JAN '20	DEC '18	+/- %	JAN '20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Toyota	RAV4	569	240	137.1	6.3%	569	6.3%
Kia	Seltos	430	0	43,000.0	4.7%	430	4.7%
Suzuki	Swift	289	351	-17.7	3.2%	289	3.2%
Kia	Sportage	280	339	-17.4	3.1%	280	3.1%
Nissan	Qashqai	270	167	61.7	3.0%	270	3.0%
Mazda	CX-5	254	364	-30.2	2.8%	254	2.8%
Toyota	Corolla	245	669	-63.4	2.7%	245	2.7%
Mitsubishi	Outlander	232	304	-23.7	2.5%	232	2.5%
Mitsubishi	ASX	199	347	-42.7	2.2%	199	2.2%
Hyundai	Kona	185	187	-1.1	2.0%	185	2.0%
Nissan	X-Trail	145	146	-0.7	1.6%	145	1.6%
Holden	Acadia	142	73	94.5	1.6%	142	1.6%
Holden	Trax	139	89	56.2	1.5%	139	1.5%
Volkswagen	Tiguan	137	191	-28.3	1.5%	137	1.5%
Hyundai	Tucson	137	88	55.7	1.5%	137	1.5%
Hyundai	Santa Fe	136	124	9.7	1.5%	136	1.5%
Suzuki	Vitara	131	35	274.3	1.4%	131	1.4%
Honda	HR-V	121	127	-4.7	1.3%	121	1.3%
Honda	Jazz	118	165	-28.5	1.3%	118	1.3%
Honda	CR-V	117	102	14.7	1.3%	117	1.3%
Mazda	CX-3	114	103	10.7	1.3%	114	1.3%
Ford	Escape	105	76	38.2	1.2%	105	1.2%
Subaru	XV	105	141	-25.5	1.2%	105	1.2%
Kia	Rio	102	123	-17.1	1.1%	102	1.1%
Subaru	Forester	98	94	4.3	1.1%	98	1.1%
Ford	Endura	94	58	62.1	1.0%	94	1.0%
Ford	Focus	89	198	-55.1	1.0%	89	1.0%
Mazda	Mazda2	86	98	-12.2	0.9%	86	0.9%
Ford	Everest	81	38	113.2	0.9%	81	0.9%
Toyota	C-HR	79	93	-15.1	0.9%	79	0.9%
Mitsubishi	Eclipse Cross	79	63	25.4	0.9%	79	0.9%
Toyota	Yaris	75	125	-40.0	0.8%	75	0.8%
Subaru	Outback	69	98	-29.6	0.8%	69	0.8%
Holden	Equinox	68	64	6.3	0.7%	68	0.7%
Mazda	CX-8	67	59	13.6	0.7%	67	0.7%
Others		3,512	4,403	-20.2	38.6%	3,512	38.6%
Total		**9,099**	**9,942**	**-8.5**	**100.0%**	**9,099**	**100.0%**

Prestige sales under pressure

The market for premium new vehicles is starting to cool down due to economic conditions following years of expansion.

Dean Sheed, general manager of Audi NZ, says when the business community is confident about the country's future direction, sales by prestige marques do well.

"But when the level of business confidence wanes, our market wanes as well," he told Autofile. "This is because many people who buy our products tend to own small to large businesses or run large ones.

"They basically put their cheque books away when the economy cools a bit and our sales slow as a result. The premium market is cooling at the moment after years of successive growth."

That said, new models stimulate market interest for marques across the board and this is no different for Audi, which has started a product cycle to launch an unprecedented number into New Zealand, such as the A1 and new Q3 SUV.

"Before Christmas, we launched even more models," says Sheed. "During 2020, we will again see an unprecedented number of high-performance sport vehicles."

The next year-and-half will be "dynamic with more models than I've ever seen in such a short period".

"The point is that even when the market slows, the onset of new product keeps businesses vibrant with consumers having something in front of them."

As for the all-electric e-tron, Audi NZ sold out most of its 2019 allocation as soon as it told customers what the model was all about, such as "its price point, what they could do with it and that it will be replicated across other brands, especially with electric vehicles. It's great when you have product like that".

As for the Audi Sport brand, a number of high-performance cars have waiting lists as well, "and it's up to us to negotiate supply with the factory".

"About 12 to 15 per cent of our sales every year are Sport models," he says. "When it comes to the RS 4 and RS 6, we sell more in the outright total volume in this country than in Australia, which is cool."

Sheed was fortunate to host a group of customers at the Formula E race final in New York last year.

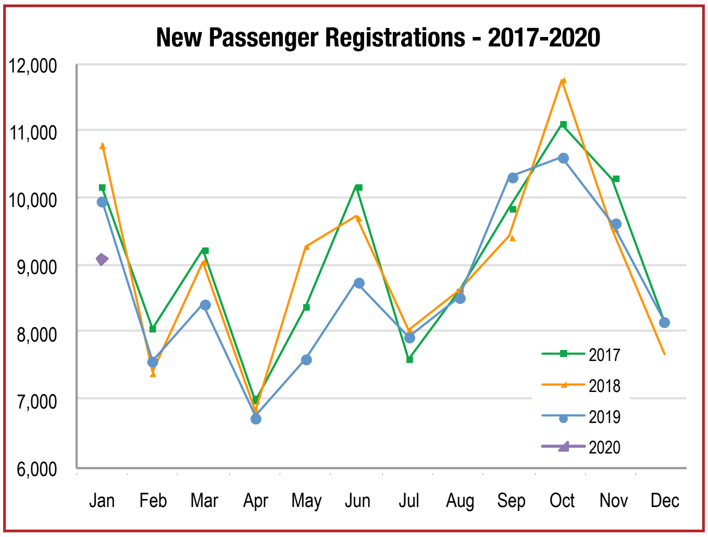
"Taking clients overseas and listening to them talk about how they live with their cars gives you a good understanding about what they like and don't like about products.

"You quickly understand what models work for buyers. That makes you better at forward planning, and hitting the sweet spot for product, pricing and experience. That, in turn, builds a strong dealer network and business.

"You have to take customers on the journey. When you understand more of what makes them tick, then you can match their expectations.

"Clients will look to us to bring in new product to solve things for them or excite them. We want to bring technology to the market ahead of time, but need to rule out any issues for them and ensure we have the infrastructure to handle it professionally.

"It doesn't matter if it's virtual mirrors they've never seen before with television screens inside the doors, or home-charging for the e-tron, we need to provide solutions so they understand the technology and find it easy to use."



As for the race to be New Zealand's top-selling prestige marque in 2019, Mercedes-Benz topped the ladder with 2,137 units for a market share of two per cent. This was down by 5.1 per cent compared to 2,251 registrations in 2018.

Second spot went to BMW with 1,711 sales last year compared to 1,651 in the previous 12 months for an increase of 3.6 per cent and a 1.6 per cent share of 2019's overall new-car market.

Audi was third on 1,636 registrations – down by 9.8 per cent from 1,813 – and also a market share of 1.6 per cent.

As for January 2020, there were 9,099 new passenger vehicles and SUVs registered in New Zealand. This was down by 8.5 per cent, or 843 units, when compared to 9,942 units in the same month of 2019.

Last month's top-selling model was Toyota's RAV4 on 569 units. It was followed by Kia's Seltos with 430 sales and the Suzuki Swift on 289.

Toyota was the leading marque with a 13.4 per cent market share on 1,220 units. Kia followed with 10.6 per cent or 964 registrations and Mazda had 7.4 per cent with 674 units.

"As expected, the new year has continued the downward trend set during 2019," says David Crawford, chief executive of the Motor Industry Association.

"Expectations for 2020 are for it to be about four to five per cent down on 2019 with January coming in a bit softer than anticipated."

Van market set for shake-up

Importers of used vans from Japan need to make decisions now about buying up stock based on their business models.

That's the view of Deon Cooper, director of Great Lake Motor Distributors, in advance of next month's final phase of the electronic stability control (ESC) rule roll-out.

The change in regulations means all light vehicles must be border-checked before March 1 to ensure they have the safety system installed to comply with the rule, meaning the days of cheap used vans arriving from Japan will grind to a halt later in 2020.

Cooper says it's difficult to know – at this stage – if the ESC rule will result in an increase in sales of new vans this year.

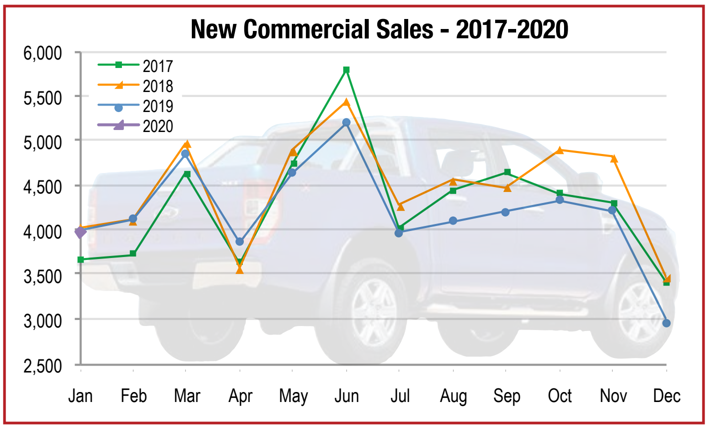
"It will depend on what used stock is available up to March, what stock used-import dealers can afford to carry and if they have done their equations to carry stock," he told Autofile.

"The question is, will it be beneficial to them. That's a decision they will have to make depending on their funding models and costs, such as storage. Now could be the time for used-imported van dealers to be making a lot of money, especially if buyers think there will be a stock shortage."

He believes in-fleet light commercials will gain in value because of the rule change.

"That could push more people who wouldn't normally buy a new van to buy one of ours, so I'm anticipating there could be a lift in sales," says Cooper, whose company distributes LDV and SsangYong.

"But I think it will be driven by values held in the used-imported commercials already in New Zealand because you will be unable to source those same vans again and there will always be



New Commercial Sales by Make - January 2020

MAKE	JAN'20	JAN'19	+/- %	JAN'20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Ford	1,024	888	15.3	25.7%	1,024	25.7%
Toyota	683	594	15.0	17.2%	683	17.2%
Holden	380	353	7.6	9.6%	380	9.6%
Mitsubishi	367	445	-17.5	9.2%	367	9.2%
Nissan	274	338	-18.9	6.9%	274	6.9%
Isuzu	197	283	-30.4	5.0%	197	5.0%
Mazda	180	163	10.4	4.5%	180	4.5%
Volkswagen	119	99	20.2	3.0%	119	3.0%
Mercedes-Benz	95	84	13.1	2.4%	95	2.4%
Hyundai	76	76	0.0	1.9%	76	1.9%
LDV	73	120	-39.2	1.8%	73	1.8%
Fuso	61	73	-16.4	1.5%	61	1.5%
Fiat	56	51	9.8	1.4%	56	1.4%
Hino	52	53	-1.9	1.3%	52	1.3%
Great Wall	47	33	42.4	1.2%	47	1.2%
SsangYong	46	33	39.4	1.2%	46	1.2%
Volvo	39	52	-25.0	1.0%	39	1.0%
Scania	28	12	133.3	0.7%	28	0.7%
Renault	27	19	42.1	0.7%	27	0.7%
Iveco	23	15	53.3	0.6%	23	0.6%
Others	132	212	-37.7	3.3%	132	3.3%
Total	**3,979**	**3,996**	**-0.4**	**100.0%**	**3,979**	**100.0%**

New Commercial Sales by Model - January 2020

MAKE	MODEL	JAN'20	DEC'18	+/- %	JAN'20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Ford	Ranger	885	837	5.7	22.2%	885	22.2%
Toyota	Hilux	473	434	9.0	11.9%	473	11.9%
Holden	Colorado	373	335	11.3	9.4%	373	9.4%
Mitsubishi	Triton	366	445	-17.8	9.2%	366	9.2%
Nissan	Navara	274	338	-18.9	6.9%	274	6.9%
Toyota	Hiace	184	128	43.8	4.6%	184	4.6%
Mazda	BT-50	180	163	10.4	4.5%	180	4.5%
Ford	Transit	139	51	172.5	3.5%	139	3.5%
Isuzu	D-Max	117	179	-34.6	2.9%	117	2.9%
Hyundai	iLoad	74	74	0.0	1.9%	74	1.9%
Volkswagen	Amarok	57	62	-8.1	1.4%	57	1.4%
Fiat	Ducato	56	51	9.8	1.4%	56	1.4%
Mercedes-Benz	Sprinter	47	25	88.0	1.2%	47	1.2%
Great Wall	Steed	47	33	42.4	1.2%	47	1.2%
SsangYong	Rhino	46	27	70.4	1.2%	46	1.2%
Isuzu	F Series	37	62	-40.3	0.9%	37	0.9%
Volkswagen	T6	34	12	183.3	0.9%	34	0.9%
LDV	V80	32	53	-39.6	0.8%	32	0.8%
Mercedes-Benz	X-Class	30	51	-41.2	0.8%	30	0.8%
Toyota	Landcruiser	26	32	-18.8	0.7%	26	0.7%
Others		502	604	-16.9	12.6%	502	12.6%
Total		**3,979**	**3,996**	**-0.4**	**100.0%**	**3,979**	**100.0%**

buyers for second-hand models.

"I think the ESC change will validate values of used-import vans irrespective of mileage, and there will probably be a change in wholesale values that our dealers will be offered for used vans they are trading for new ones – and that will push more and more people to buy new.

"Used dealers will then change the way they do business. They will still have their customers and will still want used vans, so that trade will exist but in a different guise."

Cooper suggests dealers in used vans will probably be more prepared to refurbish older, high-mileage models in the future, while "many have different perspectives on what the ESC rule will mean and there could be a lot of confusion after March 1".

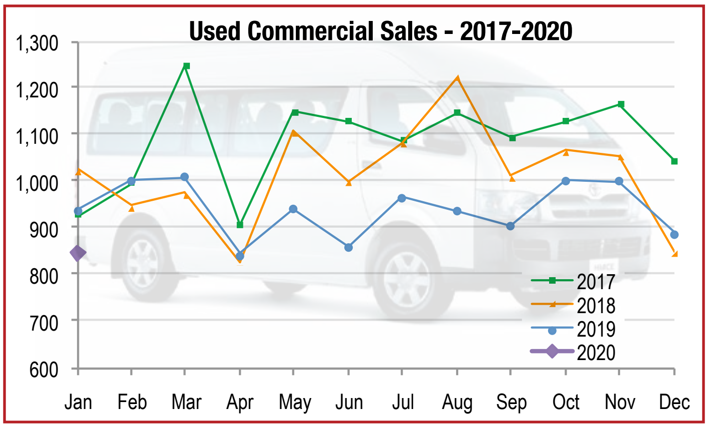
Cooper points out used vans are sold on a "needs basis", such as at end of life, or when a small business is expanding and another one is needed for staff.

"When such people realise a lot of commercial dealers can't provide them with suitable used vans, they'll look at other opportunities in the new market. We do get a lot of courier business because our new vans are priced the same as some used Hiaces."

JANUARY'S SALES STATS

There were 3,979 new commercial vehicles sold last month – down by 0.4 per cent on January 2019.

When it came to vans, the Hiace topped the ladder with 184 units, Ford's Transit was second with 139 and Hyundai's iLoad was third on 74.



New Zealand's top-selling overall new commercial last month was Ford's Ranger with 885 units for a 22.2 per cent share of the market. It also enjoyed a 5.7 per cent increase on the 837 units registered in January 2019.

In second place on the ladder was Toyota's Hilux with 473 units for an 11.9 per cent share of the market, and third was Holden's Colorado with 373 and 9.4 per cent.

As for first-time registrations of used commercials, these amounted to 847 last month. This was down by 9.6 per cent when compared to the 937 during the previous January.

The Toyota Hiace, Fiat Ducato and Nissan Caravan made up the top three with 266, 65 and 55 units respectively.

Used Commercial Sales by Make - January 2020

MAKE	JAN'20	JAN'19	+/- %	JAN'20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Toyota	345	399	-13.5	40.7%	345	40.7%
Nissan	200	206	-2.9	23.6%	200	23.6%
Fiat	66	30	120.0	7.8%	66	7.8%
Mazda	41	40	2.5	4.8%	41	4.8%
Ford	40	58	-31.0	4.7%	40	4.7%
Hino	26	35	-25.7	3.1%	26	3.1%
Isuzu	26	39	-33.3	3.1%	26	3.1%
Mitsubishi	25	35	-28.6	3.0%	25	3.0%
Holden	14	19	-26.3	1.7%	14	1.7%
Chevrolet	11	19	-42.1	1.3%	11	1.3%
Volkswagen	8	6	33.3	0.9%	8	0.9%
Daihatsu	5	6	-16.7	0.6%	5	0.6%
Dodge	5	1	400.0	0.6%	5	0.6%
Mercedes-Benz	5	1	400.0	0.6%	5	0.6%
Suzuki	4	8	-50.0	0.5%	4	0.5%
Mitsubishi Fuso	3	7	-57.1	0.4%	3	0.4%
Renault	3	1	200.0	0.4%	3	0.4%
Hyundai	2	2	0.0	0.2%	2	0.2%
Kenworth	2	3	-33.3	0.2%	2	0.2%
Peugeot	2	2	0.0	0.2%	2	0.2%
Others	14	20	-30.0	1.7%	14	1.7%
Total	**847**	**937**	**-9.6**	**100.0%**	**847**	**100.0%**

Used Commercial Sales by Model - January 2020

MAKE	MODEL	JAN'20	DEC'18	+/- %	JAN'20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Toyota	Hiace	266	296	-10.1	31.4%	266	31.4%
Fiat	Ducato	65	30	116.7	7.7%	65	7.7%
Nissan	Caravan	55	66	-16.7	6.5%	55	6.5%
Nissan	NV350	48	32	50.0	5.7%	48	5.7%
Nissan	NV200	44	36	22.2	5.2%	44	5.2%
Toyota	Dyna	33	38	-13.2	3.9%	33	3.9%
Mazda	Bongo	30	29	3.4	3.5%	30	3.5%
Nissan	Vanette	23	29	-20.7	2.7%	23	2.7%
Hino	Dutro	21	24	-12.5	2.5%	21	2.5%
Toyota	Regius	20	26	-23.1	2.4%	20	2.4%
Ford	Transit	19	30	-36.7	2.2%	19	2.2%
Isuzu	Elf	14	30	-53.3	1.7%	14	1.7%
Toyota	Toyoace	13	22	-40.9	1.5%	13	1.5%
Ford	Ranger	11	11	0.0	1.3%	11	1.3%
Nissan	Atlas	9	27	-66.7	1.1%	9	1.1%
Nissan	Navara	9	8	12.5	1.1%	9	1.1%
Holden	Colorado	8	6	33.3	0.9%	8	0.9%
Mitsubishi	Canter	7	20	-65.0	0.8%	7	0.8%
Mitsubishi	Delica	7	1	600.0	0.8%	7	0.8%
Toyota	Hilux	7	12	-41.7	0.8%	7	0.8%
Others		138	164	-15.9	16.3%	138	16.3%
Total		**847**	**937**	**-9.6**	**100.0%**	**847**	**100.0%**

Sales boost despite typhoon

Subaru of New Zealand is reflecting on a successful 2019 – despite have some issues with stock delivery.

Its new SUV registrations last year rose by 2.8 per cent when compared to 2018 for an all-time record number of sales across this segment for the marque in this country during one year.

Managing director Wallis Dumper notes this was in contrast to industry-wide sales of new SUVs dropping slightly for the first time in many years by 0.08 per cent.

"Having enjoyed seven consecutive record sales performances, last year we were a little upset to have the Japanese typhoon – that also disrupted the rugby world cup, impact our shipping to cost us another overall record," he says.

"Having said that, 2019 was still the second-highest total sales result and we sold more SUVs than we ever have done before.

"New Zealand is now ranked among Subaru's top dozen distributors worldwide, which is incredible when you consider that we outsell much more densely-populated countries, such as England."

Subaru's stand-out performers in 2019 were its XV, Forester, of which sales almost doubled year on year, and the Outback.

The company has started this year with some new arrivals – the 2020 Impreza and Outback X models – with the eBoxer Hybrid XV and Forester to follow.

"We are already fielding many enquiries about our eBoxer Hybrids and we're excited about offering them as an additional option in our current line-up," says Dumper.

On the dealership front, Subaru has found a new base in Taranaki with New Plymouth's WR Phillips dedicating a showroom, workshop and valet service to the brand.

The fourth-generation business also holds franchises for Volkswagen and Mitsubishi, and is parts and service agents for Audi and Skoda.

Dealer principal Paul Phillips had already committed to incorporating a new building on-site before deciding on its occupant.

"We had already been thinking about drivers of growth in the industry and how we could move successfully into the years ahead," he says. "Subaru came up as a prime opportunity after that."

Dumper adds: "We cannot ignore how strong the Phillips have made their dealership by focusing on the most important people in the business – their customers.

"With our record growth over the past decade, it's vital we keep localised customer satisfaction as a top priority in our future business planning."

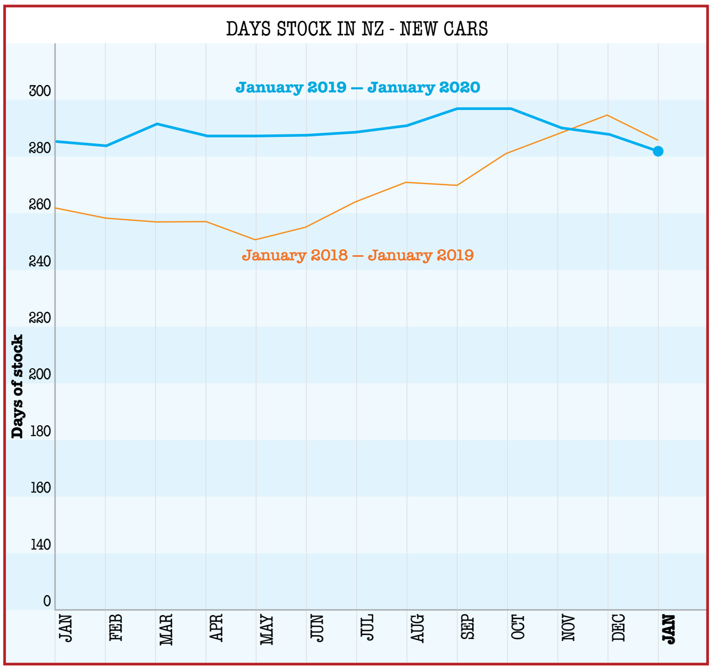
As for January's statistics, imports of new cars of 7,035 were down by 2.2 per cent on the same month of last year – and down by 14.1 per cent on December's 8,191 units.

Registration of new cars came in at 9,099 last month, which was down by 8.5 per cent on January 2019, but up by 11.5 per cent on December's sales.

The statistics illustrate a reduction in stock of 2,064 new passenger vehicles still to be registered with that figure now sitting at 79,701 units. This is 0.5 per cent more than the same time last year when 79,318 units were on-hand.

Dealer stock of new cars in New Zealand

	CAR SALES IMPORTED	CAR SALES REGISTERED	VARIANCE	STOCK	DAILY SALES - 12-MONTH AVERAGE	DAYS STOCK AT HAND
Jan '19	7,191	9,942	-2,751	79,318	294	270
Feb '19	7,787	7,578	209	79,527	295	270
Mar '19	8,346	8,425	-79	79,448	293	271
Apr '19	7,978	6,778	1,200	80,648	293	276
May '19	7,725	7,624	101	80,749	288	280
Jun '19	8,810	8,748	62	80,811	285	283
Jul '19	9,534	7,925	1,609	82,420	285	289
Aug '19	9,907	8,506	1,401	83,821	285	294
Sep '19	10,967	10,322	645	84,466	287	294
Oct '19	8,122	10,622	-2,500	81,966	284	289
Nov '19	9,408	9,641	-233	81,733	284	287
Dec '19	8,191	8,159	32	81,765	286	286
Jan '20	**7,035**	**9,099**	**-2,064**	**79,701**	**283**	**281**
Year to date	**7,035**	**9,099**	**(2,064)**			
Change on last month	**-14.1%**	**11.5%**		**-2.5%**		
Change on Jan 2019	**-2.2%** LESS IMPORTED	**-8.5%** LESS SOLD		**0.5%** MORE STOCK		



Feebates to incentivise switch

The chief executive of the Energy Efficiency and Conservation Authority (EECA) is supportive of the government's clean-car proposals as a mechanism to reduce harmful emissions from the light-vehicle fleet.

Andrew Caseley says his agency's perspective on the initiative, which is in its design stages overseen by the Ministry of Transport, is that it's a key tool to help the transition to a low-emission fleet.

He believes a proposed feebate scheme – with charges being levied on vehicles emitting high levels of carbon-dioxide emissions and rebates issued for low-emission cars at the point of first registration in New Zealand – will incentivise consumers to opt for low-emission models.

"A feebate scheme focused on low-emission vehicles will help attract buyers to electric vehicles [EVs], hybrids and highly efficient petrol vehicles," explains Caseley.

"Then the other side of that is buyers who would have to pay fees, which top out at $3,000, for higher-emission vehicles.

"I do get it when people say they don't have an alternative. Some may need utes for their farms, so why should they be forced to pay these fees, but ultimately everyone will be paying something as we go through this transition period to a zero-emissions economy.

"Whether it's the transport fleet or wherever there are [greenhouse gas] emissions from our energy use, there's going to be a transition journey and there will be additional costs associated with that. The challenge is to minimise them."

EECA views the idea of the feebate scheme as simply being reflective of that. Caseley notes if the $3,000 maximum cost for a higher-emitting vehicle is spread over its life, then it's a modest sum per year.

"If people start asking themselves, 'do I really need this type of vehicle' and don't want to pay $3,000 extra, some will see what alternatives there are – and there will increasingly be alternatives."

Caseley points out most OECD countries already have fuel-economy standards, which would take the shape of a clean-car standard in New Zealand if the proposal goes ahead.

"EECA thinks that is also an important lever to be able to utilise. The same principles apply whether it's for new or used vehicles because they will stay in our fleet for a considerable time.

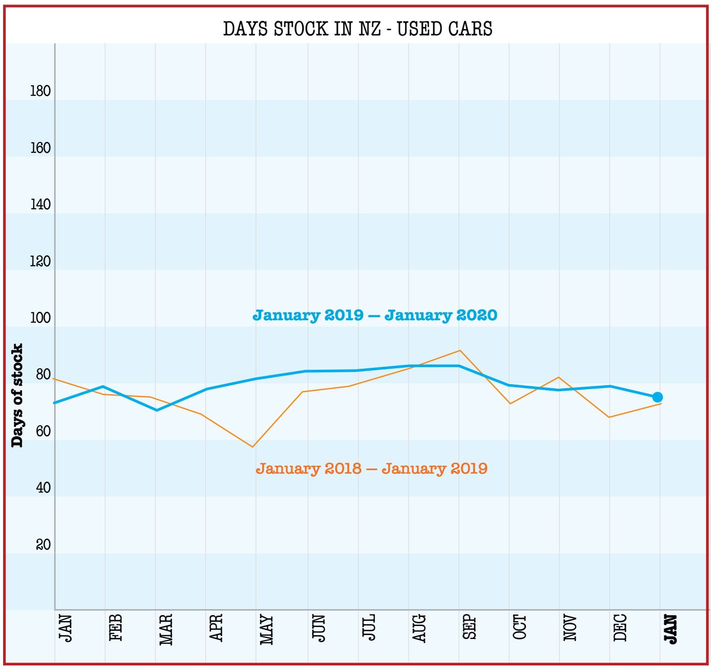
"If we don't improve the fuel economy of new and used vehicles coming into New Zealand, then that's going to be a legacy issue we'll have for many years to come.

"We have to get a move-on in this space if we are to begin reducing the emissions from our transport fleet."

During January, there were 10,173 used cars imported – a decrease of 3,260 units, or 24.3 per cent, on the same month a year before.

The stock figures were also affected by a 0.8 per cent increase in registrations – a total of 11,693 units were sold during January when compared with the 11,598 in the same month of 2019.

With 1,520 fewer used cars imported than registered in January, this brought the stock sitting on dealer yards or compliance shops to 28,846, the lowest since November 2018. If average daily sales continued at 385 units per day, there would be 75 days' stock remaining if no further units were imported. ⊕



Dealer stock of used cars in New Zealand

	CAR SALES		VARIANCE	STOCK	DAILY SALES - 12-MONTH AVERAGE	DAYS STOCK AT HAND
	IMPORTED	REGISTERED				
Jan '19	13,433	11,598	1,835	31,573	399	79
Feb '19	8,537	11,129	-2,592	28,981	396	73
Mar '19	13,236	11,852	1,384	30,365	396	77
Apr '19	13,316	10,883	2,433	32,798	396	83
May '19	15,093	12,212	2,881	35,679	393	91
Jun '19	10,913	11,177	-264	35,415	389	91
Jul '19	11,857	12,791	-934	34,481	386	89
Aug '19	12,253	12,353	-100	34,381	383	90
Sep '19	9,183	11,630	-2,447	31,934	383	83
Oct '19	9,875	11,663	-1,788	30,146	382	79
Nov '19	11,401	11,674	-273	29,873	384	78
Dec '19	12,121	11,628	493	30,366	385	79
Jan '20	**10,173**	**11,693**	**-1,520**	**28,846**	**385**	**75**
Year to date	**10,173**	**11,693**	**(1,520)**			
Change on last month	**-16.1%**	**0.6%**		**-5.0%**		
Change on Jan 2019	**-24.3%**	**0.8%**		**-8.6%**		
	LESS IMPORTED	MORE SOLD		LESS STOCK		