www.autofile.co.nz

MARCH 2020

autofile

THE TRUSTED VOICE OF THE AUTO INDUSTRY FOR MORE THAN 30 YEARS

End of the road

General Motors starts working with its dealer network on 'transition arrangements' after calling time on iconic marque as strategies to improve the business fail

Holden dealers and the automotive industry are slowly getting to grips with General Motors' decision to "retire" the marque.

For many, February 17's announcement to scrap the iconic brand in New Zealand and Australia came out of the blue.

Dealers on both sides of the Tasman are now planning their futures with Holden new-vehicle sales, local design and engineering operations slated to end by 2021.

Julian Blissett, senior vice-president of international operations, says GM took its decision after implementing and considering numerous options to turn the company around.

"Holden hasn't only made cars, it has been a powerful driver of the industrialisation and advancement of Australia and New Zealand," he says.

"Over recent years – as the industry underwent significant change – we implemented alternative strategies to try to sustain and improve the business with the local team."

Kristian Aquilina, interim chairman and managing director of GM Holden, says given the significance of the marque through its history, it's critical to work with all stakeholders to deliver a dignified wind-down.

Aquilina, ex-managing director of Holden NZ, says the end of the brand, "which has been with us for 160 years and is almost ubiquitous in our lives", will be felt deeply.

> **"We understand the impact of this decision on our people, customers and dealers"**

"We understand the impact of this decision on our people, customers, dealers and partners."

Moving forward, employees will be provided exit packages and support, and the company is working with its dealer network on transition arrangements.

GM says that factors impacting the case for further investment in Holden included "highly fragmented" right-hand-drive markets, the economics to support growing the brand and delivering appropriate returns on investment.

In this issue of Autofile, we talk to experts on what lies ahead, speak to dealers, examine what's going on in Australia where franchise holders appear to be at loggerheads with GM and how motorsport will be affected.

We also examine the marque's new-vehicle sales statistics on both sides of the Tasman. Holden NZ's new car sales came in at 276 last month – down by 49.4 per cent compared to 545 in February 2019 – although the Trax jumped by 89.4 per cent to 89 registrations. It also sold 175 Colorados – down 41.5 per cent.

EDITORIAL

Exit stage left – where to now?

Dumping Holden may not be the answer to GM's woes unless the US giant has a cunning plan

DARREN RISBY
Editor, Autofile

February 17, 2020, will be etched into the annals of automotive history as the beginning of the end of the debate "are you Holden or Ford".

For many, General Motors' canning of the iconic lion and stone is a seismic shift in the industry down under.

Perhaps it's as big as the news in 1998 when Toyota, Nissan and Honda pulled the plug on its assembly plants in New Zealand, following in the footsteps of Ford and Mazda, which had already gone down the same path. Later in 1998, all remaining tariffs on imported cars were removed and the industry on our shores changed forever.

Once again, hundreds of people face uncertain futures as the marque marches inexorably to the exit stage left.

Sales of new Holdens will carry on until none are left while franchise holders figure out if their businesses can survive, let alone them being parts and service agents for the next decade.

Showrooms may not remain empty for too long though as other brands eye up opportunities to expand their networks or to stand alone on former Holden single-franchise sites instead of sharing with others. One example of this has already happened in Masterton.

While some dealers will be sharpening their sales strategies to capture ex-Holden clients, perhaps they should cast a wary eye over their shoulders when it comes to "shuffling brands" in their markets and communities. Who will be next?

Perhaps the beating of GM's drums has been heard for a while now. While its decision was a surprise, was it totally unanticipated? After all, the multi-national has been reviewing its global operations for a while, but many may not have predicted it completely withdrawing from right-hand-drive markets.

As for new-vehicle sales, Holden has been on a downwards spiral in Australia for a decade and even the Colorado wasn't surviving there. After the Commodore got booted into touch, some opined there was a failure to react and transition to SUVs when production of the marque's famous nameplate was winding down.

It was a similar story when Ford discontinued its Falcon. But when Holden closed local vehicle manufacturing in 2017, it kept the Commodore going.

As for GM, well, its position may be precarious. Obviously, it primarily serves the North American market and must deliver dividends to its shareholders.

Its latest cost-cutting measure might win this year's battle, but it may not claim victory in the war unless there's a successful long-term strategy.

What may work for GM in the future is specialised vehicles in lower volumes and with better margins, in a similar way to super and sports-car brands.

That said, it's hard to imagine many of the brand's fans will be too concerned about GM's fate any time soon.

autofile

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

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

DESIGNER
Adrian Payne
arpayne@gmail.com

EDITOR
Darren Risby
ris@autofile.co.nz

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

Matthew Lowe
matthew@autofile.co.nz

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

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

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

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

FSC www.fsc.org MIX Paper from responsible sources FSC® C102598

Compensation yet to be finalised

The Motor Trade Association (MTA) understands exit packages being offered to holders of Holden franchises in New Zealand in the wake of General Motors' decision to ditch the brand to be "fair".

Tony Everett, dealer sector manager, has spoken to various dealers and the feedback he has been getting is most will be okay.

"Hopefully, that reflects reality and isn't simply putting on a 'brave face' in the face of adversity.

"Holden dealers will have to individually discuss compensation packages, but I understand the level of these at face value is fair," he told Autofile. "We understand the formula is based on the package offered when Opel quit the Australian market a few years ago."

However, he notes that developments in Australia, where some dealers have rejected GM's exit deal and the federal government has ordered a senate inquiry into what's happening, "indicate a level of dissatisfaction, and the situation there might become complex and protracted".


Holden NZ's Auckland head office

While it's expected that no new Holdens will be sold in New Zealand come 2021, Everett says: "Many dealerships are multi-franchise so they will still be in the new-car business, notwithstanding new stock continuing to arrive through to at least April or May. After that, we don't know.

"What's also unknown is how well Australian dealers will clear their stock, especially as the marque's dealers in this country have performed better in recent years than those across the ditch."

Some Holden dealers have, reportedly, already started discussions about replacement franchises and – with vacant showrooms looming on the horizon – other brands are likely to be eyeing up opportunities.

"An event of this significance hasn't occurred before, so it may be a big opportunity for new or established brands to get stronger footholds in the market," says Everett.

"Australian coverage of the situation has been that newer brands, such as Haval and MG, and to a lesser extent SsangYong, that might not have a physical presence probably cannot believe their luck at possibly being able to benefit from this situation."

It is likely Kiwi dealers will look to replace or add franchises if and when they can, which could be costly. Thirteen dealer MTA members only have Holden, so their needs are going to be urgent to seek a replacement partner.

"We hope any talks other marques have with dealers will be conducted in a fair and equitable manner," advises Everett.

"Holden franchise holders are looking at how to keep their ▶

Tell him he's dreaming

Steve, can you move the Camira? I need to get the Torana out to get to the Commodore.

It's a great line from that 1997 comedy flick The Castle, but if you're in the market for a new car 23 years on, well, you might get "a bargain" with Holden.

Autofile has pored over websites of 43 dealers in the country and 26 of them were promoting specials as of noon on March 2.

Ebbett, with outlets across the North Island, has been advertising a "last chance" stock clearance and "exclusive bulk purchase" to "save thousands on Commodore, Calais and Equinox" models.

Brendan Foot Supersite, of Lower Hutt, and GWD Holden in Queenstown, Gore and Invercargill, have been touting, "Good buy Holden. Final stock clearance on now. Save up to $20,000."

Twenty-eight dealers also have a home-page panel with a statement about GM retiring the brand.

The message states: "Please be advised our dealership continues to operate and will support customers. Do not hesitate to get in touch or come in, share a coffee and your fondest Holden memories."

Out of the 43 dealer websites looked at by Autofile, there were 11 that had a general statement only and weren't advertising clearance offers when checked.

These included three in Auckland – Giltrap North Shore, Schofield Holden in Newmarket, Davie Motors Holden in Manukau. Others were Karamu Holden in Napier and Hastings, and three Blackwells outlets in Canterbury.

West City Holden of West Auckland, Nicholson Autos in Whakatane, Morrinsville and Matamata, and Max Pennington's AutoCity in Hawera and New Plymouth, had neither the statement on Holden's demise nor any sale. Visit www.autofile.co.nz for the full story.

Schofield Holden in Auckland

businesses alive and retain staff."

Some Holden dealerships have been MTA members for more than 100 years, so there's a lot of longevity with the marque on our shores, as there is in Australia. Dealers are shocked and surprised by GM's decision, but "after a period of time, we expect there to be reconciliation and the realisation life will go on".

"Many are trying to get their heads around various scenarios and opportunities. Some have expressed real concerns about approaching brands already represented in their local towns and cities.

"They're mindful of being part of a community. They recognise they need to carry on working and living in those places, which is particularly the case in smaller centres."

As for how consumers have reacted, some went into dealerships to cancel orders immediately after GM's announcement, while others have brought forward decisions to buy a new Holden.

"Substantial discounts on Holdens are being offered by many dealers," adds Everett. "For consumers with no allegiances, there are deals that make these new vehicles quite a few thousand dollars cheaper with the guarantee of ongoing support for the next decade. Conversely, some buyers will not want to buy an orphan brand."

GM's decision to "retire" Holden comes on the back of the US company withdrawing from right-hand-drive markets globally, among other reasons. While its new-vehicle franchises will go, it will retain a presence to support servicing, parts, warranty claims and recalls for at least 10 years.

"We have no idea whether all Holden dealers will opt to retain parts and servicing, although it would be surprising if any didn't because that's such a good income stream," says Everett.

"There will also be used vehicles, so in the short term perhaps only new-car sales will be impacted by GM's decision."

Holden has indicated about 75 per cent of its 800 direct employees in Australasia are expected to lose their jobs. However, it's unclear what impact GM's decision will have on staffing levels at New Zealand dealerships.

The MTA estimates the number of Holden dealer sites in this country comes in at the lower 40s. Smaller dealers may have 15 to 20 employees, "but larger ones will have more than that", says Everett.

"I don't expect there to be any job losses in the short term. Parts, servicing, used sales all stay, and so do new sales for a while – until at least mid-year, if not longer."

As for the bigger picture, "GM is going through major retrenchment having already sold Vauxhall in the UK, Opel in Europe and its operations in South Africa and India, in addition to now exiting Australia, New Zealand and Thailand".

So is Holden's demise a one-off? "Perhaps not," replies Everett. "The next decade is likely to bring a range of new challenges, whether that be via new brands, changed technologies or even changes in how people access and own vehicles."

What's happening on the dealership front in Australia, coverage of which starts on page 42 in this issue, may impact on franchise holders here.

Decision leaves dealers in shock

"When Holden brought in the Acadia, larger SUVs and heavy petrol cars, they didn't suit our customers' needs" – Daniel Gordon, of HMC Kapiti

Holden dealers in New Zealand are understandably keeping their cards close to their chest as negotiations over exit packages take place.

Most franchises have opted against going on the record about their futures following General Motors' decision of February 17 to "retire" the brand.

The official line is that dealerships should refer media inquiries to Holden NZ, which in turn says given talks are taking place with franchise holders on both sides of the Tasman that it "was approached for comment but declined the opportunity to do so".

Many of the marque's operators says it's too early to comment, but the lure of a decade of parts and servicing will play a big part in their decisions moving forward, although those with public shareholdings in Australia are in a different situation.

However, the Giltrap Group, which has been involved with the brand for more than half a century, describes last month's announcement as "significant".

"Our priority is our staff at the Schofield Holden and Giltrap Holden dealerships, along with our Penrose service centre," says Shaun Summerfield, head of public relations and communications.

"The Giltrap Group will work alongside Holden NZ to ensure our customers continue to receive the same level of Holden ownership they always have. Holden has committed to 10 years of warranty, parts and service support for their vehicles."

Jimmy Tailor, dealer principal at West City Holden in Henderson, West Auckland, says: "We're still talking to Holden about what happens next, but we've got plenty of stock to clear. My team's focus is on trying to move that as soon as possible. We're aiming for it to all be gone in three to four months.

"The news about Holden was shocking and a lot of dealers are quite shaken up by it."

Meanwhile, the former holders of a Holden franchise believe the marque's product range failed to meet the demand of consumers in their market.

Daniel Gordon, who owns HMC Kapiti in Paraparaumu with his wife Kelly, now only have Suzuki and Kia after their contract with Holden NZ ended late last year.

"Its products didn't suit the market on our coast – the ute market isn't big for us," Gordon told Autofile.

"We sell a lot of passenger cars and small SUVs. When Holden brought in the Acadia, larger SUVs and heavy petrol cars with big fuel consumption, they didn't suit our customers' needs.

"And with the workshop side of things, it wasn't viable for us to keep going with the brand. We gave Holden 90 days' notice and finished with them on December 27."

Gordon says it's hard for him to watch what's now happening with the marque "because I've always been a Holden man".

"For them to just up and go in a heartbeat is heartbreaking. I thought Holden was going through a low patch. All brands go through highs and lows, but I didn't think it would come to this."

There were no rumours of Holden's departure plans prior to GM's announcement, adds Gordon, and "it's a massive loss to the industry, but I understand its reasons".

"There's a cost to bring the brand to New Zealand. If it's not selling, it has to make that tough decision. It will have a massive roll-on effect for the industry this year and with law changes coming in on used imports.

"As a new-car seller, we rely heavily on good quality, used NZ-new stock. We're tiny compared to bigger dealerships, such as Ebbett's and Schofield's.

"Some bigger dealers have spent millions updating buildings, so the impact on them could be massive, and there will be a few dealers looking for new franchises and brands to replace Holden."

One current dealership to express its opinions is Waggs Holden in Masterton. Its team posted on Facebook on February 19 that GM's decision "may come as a shock to you all as it does to us".

The post by the business, which has since acquired the Hyundai franchise for the Wairarapa from Eastwood Motors also based in the town, states: "We have been trying to deal with the repercussions of this.

"Our staff are happy to know their jobs are safe, and there's still a future for them here. We may be losing the ability to sell new Holden vehicles, but will still be here to service and supply parts."

Directed at customers, the post continues: "We appreciate your loyalty to the brand and to us. We will keep you informed of any changes as they occur."

Turn to page 39 to find out more about what has happened in Masterton.

HOLDEN NEW-VEHICLE REGISTRATIONS – in New Zealand, 2015 to 2019

Year	New Holden passenger vehicles	Total new passenger vehicle market	Holden percentage of passenger market	New Holden commercial vehicles	Total new commercial vehicle market	Holden percentage of commercial market	Total Holdens	Total market	Holden percentage of total market
2015	10,247	95,097	10.8%	3,781	39,145	9.7%	14,028	134,242	10.4%
2016	10,388	102,644	10.1%	3,974	44,292	9.0%	14,362	146,936	9.8%
2017	9,709	108,608	8.9%	4,737	51,507	9.2%	14,446	160,115	9.0%
2018	8,394	108,210	7.8%	4,677	53,555	8.7%	13,071	161,765	8.1%
2019	7,219	104,270	6.9%	4,825	50,481	9.6%	12,044	154,751	7.8%

Regional markets under threat

The international automotive industry is arguably facing greater production costs than ever with investment needed to meet tougher safety and environmental standards.

Returns and profits are the bottom lines for any business and, on top of that, Holden has been operating in what's a small regional market.

In the next decade, more mergers and rationalisation of brands at a global level can be expected to keep business models profitable, says David Crawford, chief executive of the Motor Industry Association (MIA).

"When it comes to Holden, it seems the cost of retaining it in such a small market as Australasia didn't stack up," he told Autofile. "General Motors' decision illustrates issues manufacturers face when specialising with one brand in a regional economy."

Moving forward, marques will face challenges to keep platforms only in regional markets based on design, build and compliance costs – and may end up only making models they get good returns on investment for.

"New Zealand and Australia aren't the world's biggest markets to achieve this in," says Crawford.


Holden closed its assembly line in South Australia in 2017

"My view is we're starting to see major changes in how marques think about commercial relationships when building cars."

For example, there are joint ventures between manufacturers for sharing platforms. Further down the road, this may also be the case for electric vehicles and other low-emissions technology.

That said, GM's decision to can the lion-and-stone brand has shocked many New Zealanders, "especially consumers in general and Holden's customers in specific because it has been around for such a long time".

When the final car rolled off Holden's assembly line in South Australia on October 20, 2017, it followed the actions of Ford in Geelong, Victoria, on October 7, 2016, and Toyota in Melbourne on October 3, 2017.

Toyota and Ford haven't pulled out of the Australasian sales market, and it was generally expected Holden as a brand would keep going as well.

But what has made a difference with Holden is GM pulling out of right-hand-drive markets globally. In 2007, Vauxhall in the UK and Opel in Europe were bought by the PSA Group, signalling serious rationalisation of GM's operations.

On top of this, the Kiwi market is "infinitesimal" in that it accounts for 0.01 per cent of global new-vehicle sales, "or the percentage of the margin of error on the margin of error when it comes to statistics".

Crawford adds: "No one makes vehicles just for our market. They're only what can be described as 'tweaked' for Australia, such as for systems to cope with the heat there and how suspensions operate on our roads.

"As global platforms for many different models increase, there's an inability for a brand to serve regional markets and we'll see more coming here from around the world.

"The difference with Holden's products – when compared with Toyota's and Ford's – is that when manufacturing in Australia ended, Ford and Toyota had products based on a global brand and continue to sell enough of them."

Another issue is the international market, especially Europe, turning to lower-emissions transport. Marques are making strong headwinds in this direction except – perhaps – GM, which may come down to costs.

"In the next decade, low-emissions vehicles will be of critical importance in big markets with manufacturers penalised for not hitting targets," says Crawford.

"As the market advances, that will shift more. Some consumers will not like it and may continue to buy models with internal-combustion engines until governments tell them they no longer can.

"But the bottom line is high-emitters aren't good for our climate. This decade will see this hit home and marques are looking to increase their range of models.

"Manufacturers will need to be agile and adapt more than ever. If you can't be nimble enough, the market can be quite severe on you."

Decade of decline across the ditch

Sales of Holdens in Australia dropped by 28.9 per cent in 2019 when compared to the previous year, while the marque has been in freefall there for the past decade.

The 43,176 new vehicles it registered last year was its lowest total since 39,600 in 1954 before they climbed to 44,500 in 1955, according to Australian Bureau of Statistics data.

Holden sales there have tumbled by a staggering 67.5 per cent from 132,923 in 2010 to 2019's total.

And there was a huge dip across the Tasman after the company ended local-vehicle manufacturing in 2017 – from 90,306 units to 60,751 in 2018 for a drop of 32.7 per cent.

Last year, Holden finished 10th on Australia's marques' ladder despite having never been outside the top two from its inception in 1948 to the end of 2014.

Just one model – the top-selling Toyota Hilux on 47,649 units – outmuscled its entire line-up last year.

The last increase in annual sales across the ditch for Holden came when numbers rose by 11 per cent from 119,568 units in 2009 to 132,923 in 2010.

In the mid-1950s, the brand accounted for one-in-three new vehicles sold there. By 1958 every second car sold was a Holden. Today, it accounts for just four new vehicles out of every 100 sold across the Tasman.

Holden sales in Australia

2010	132,923	-
2011	126,095	-5.1%
2012	114,665	-9.1%
2013	112,059	-2.3%
2014	106,092	-5.3%
2015	102,951	-3.0%
2016	94,308	-8.4%
2017	90,306	-4.2%
2018	60,751	-32.7%
2019	43,176	-28.9%
Total		**-67.5%**

Looking to the future

Holden New Zealand says it will stand by its products and customers when sales of its new vehicles end by 2021.

Ed Finn, general manager of corporate affairs, says: "Holden owners will continue to be supported by a national after-sales network for at least 10 years.

"Customers can be assured that Holden will honour all warranties and servicing agreements, as well as providing spare parts, repair, service and any required recall or field actions.

"Holden will work with its dealer network on appropriate transition arrangements, including offering dealers the opportunity to continue as service outlets."

The company has about 830 employees in Australia and New Zealand, and 1,500 at plants in Thailand, which it has now sold to China's Great Wall Motors.

Moving ahead, General Motors intends to focus its growth in New Zealand and Australia on speciality vehicles, such as the Camaro and upcoming Corvette.

This may open the possibility of importing and re-engineering other US-only products not previously offered down under. It is understood GM will also make the same move in Japan, Russia and Europe where it doesn't have significant scale.

Visit www.autofile.co.nz for full analysis of why GM is retiring Holden. Online coverage includes video, photos, in-depth industry commentary and much more.

Call for dealers to see stars

The NZTA is urging car dealers to get up to speed with a vehicle safety-ratings system it has just launched.

The Safe Vehicles Programme aims to get more people into new and used cars with four or five stars, and make safety a top factor when considering their next purchase.

A national campaign, which started on February 16, says consumers' choices could amount to "life-and-death decisions" and dealers have an important role to play.

Fabian Marsh, the agency's senior road-safety manager, says research shows occupants are twice as likely to die or be seriously injured in a crash in a one or two-star rated car than those with five stars.

The NZTA's campaign aims for buyers to check out the Rightcar website, which now has safety ratings for about 95 per cent of the fleet, before making purchasing decisions.

This graphic shows how the NZTA's new vehicle-safety ratings work

Marsh emphasises about 41 per cent of light vehicles have one or two stars under the new system. With about 800,000 vehicles changing hands annually, there's potential to save lives and prevent serious injuries.

"Checking a rating before buying isn't often high on the list of priorities for many New Zealanders," he says. "We would like to see that change."

The campaign includes industry education in addition to information for buyers, and the Motor Trade Association is helping the NZTA by getting information to its members.

Tony Everett, sector manager – dealers, expects the number of consumers putting safety as a primary factor near the top of their shopping lists is only likely to increase on the back of the rating system.

"This multi-channel launch is expected to reach more than half of New Zealand's population," he says. "As consumers become more aware of safety ratings, dealers need to be fully prepared to answer their questions.

"The ratings can throw up some surprises. For example, a car might rate well under ANCAP, but then not so well under UCSR.

"The key for dealers is to understand the safety ratings' hierarchy, know what applies and when, and be able to talk intelligently about the issues. They must also remember what they say is important and must be factual – getting things wrong could mislead consumers."

By logging onto https://dealer.rightcar.govt.nz/, traders can access a section called "safe vehicles dealer resources".

"We're sharing these messages with your customers, who are becoming more aware of safety ratings," is part of the official line to traders. "This means you need to be informed. It could be the difference between making a sale or a customer walking away."

RightCar's tools include a simulation on an accident between a one and five-star vehicle, and two videos from NZTA television campaigns that can be downloaded and played at dealerships "to help share the message".

There's also a training module for traders with the tagline "lucky they don't make 'em like they used to".

"We're encouraging people not to buy one or two-star vehicles. This means buying a vehicle that has the highest safety rating in their price range and one with at least three stars."

The Safe Vehicles Programme has been established from various sources. ANCAP assesses new vehicles' safety levels by conducting crash tests or drawing on results from other jurisdictions.

"ANCAP ratings factor in features that assist in the prevention of a crash and the impact of crashing into other road users, such as pedestrians and cyclists," says Rightcar. "Since 2018, it also measures how well the vehicle performs assisting the driver in the prevention of a crash."

Then there are the UCSR safety ratings for used cars, which are calculated by the Monash University's accident research centre and are based on real-world data about how well specific models protect occupants.

Vehicles assessed using this system may also be categorised as a "safer pick" if they cause less harm to third parties and have features that help prevent accidents.

Finally, the VSSR (vehicle safety

[continued on page 12]

ATNZ

(09) 257 0050

Welcome to ATNZ !

New Zealand's best source of Japanese used cars

Are you a registered motor vehicle dealer looking for the best quality cars from Japan? Then look no further than ATNZ.

ATNZ is a Kiwi-owned and operated company, with full sales and support services here in New Zealand. Highly experienced auction teams operating in Japan chase the highest quality cars at the best prices.

Backed by our exceptional administration and operational staff in the Philippines, ATNZ will deliver the right cars for your dealership.

[continued from page 10]

risk rating) assesses cars with no ANCAP or UCSR ratings. This is used when there are too few models on the road to provide enough data, so ratings are based on average crash ratings of similar ones from the same year of manufacture.

This system was originally used by ACC to set vehicle-licensing levies when it was known as "vehicle risk rating".

ANCAP ratings are valid for up to six years because requirements for five stars become more stringent as technology advances, so vehicles with top ratings from 2013 don't have the same level of safety as those being tested now.

When ANCAP ratings expire, under the Safer Vehicles Programme they are automatically assessed under UCSR or VSRR instead.

RightCar has a search tool for ratings based on plate numbers, with dealers and consumers also being supplied with the most-applicable ratings through marketplaces, such as Trade Me.

The NZTA's message to dealers is clear. "You've got an important part to play. It's not just your customers on the road. It's you, your friends, your family.

"You can help us and Aotearoa by buying, importing and selling cars with higher safety ratings, and by providing this information to customers.

"Use rightcar.govt.nz to check ratings of vehicles you're selling. Take time to think of how you would describe safety ratings to customers. This is another great selling point for vehicles.

"If you're buying or importing vehicles, concentrate on those with the highest ratings along with other benefits, such as fuel economy. You can drive the improvement in quality and safety of the fleet."

The Safe Vehicles Programme aims to deliver on the government's Road To Zero strategy released in December, which outlines how road safety could be improved over the next decade.

IN BRIEF

Government signs up to air-taxi trial

A self-flying, all-electric air taxi may soon be seen in Cantabrian skies as part of a world-first trial if the Civil Aviation Authority grants it certification.

The government and Wisk, an urban air-mobility company, have signed a memorandum of understanding involving the Cora, which is designed for two passengers, has a 40km range and can reach 160kph.

Megan Woods, the Minister for Research, Science and Innovation, says: "We share Wisk's vision of an emission-free way for Kiwis and visitors to get around. Enabling the emergence of an electric air taxi fits with New Zealand's zero-carbon goal by 2050."

Gary Gysin, chief executive officer of Wisk CEO, adds: "This agreement is a sign of confidence in our abilities to develop and deliver a safe and reliable service, starting in New Zealand."

Kiwi market makes an electric gain

Mazda NZ has confirmed the MX-30 is coming to our shores despite its counterpart across the Tasman raising concerns about bringing the model down under.

New Zealand is expected to be one of the first markets where the right-hand-drive variant of the electric vehicle (EV) will be offered from early next year.

Vinesh Bhindi, managing director of Mazda Australia, recently said slow EV sales across the ditch were behind its reluctance to introduce the SUV there.

But the Kiwi market will get the MX-30. Its 35.3kWh lithium-ion pack provides enough juice for about 200km.

The SUV's battery is smaller in size than some competitors to keep vehicle weight down, says the marque, because it will be aimed at urban motorists.

Artwork to celebrate marque's party

110 1910-2020 Alfa Romeo

Alfa Romeo has created a fresh image to celebrate its 110th birthday with a new logo retaining the "biscione", or heraldic, serpent from its traditional badge.

The artwork will feature in the marque's communications, web applications and customer initiatives, culminating in an anniversary party on June 24 at the Alfa Romeo museum in Arese, Italy.

Campaign to boost genuine parts in market

Suzuki NZ has teamed up with Smart Loyalty, part of the Marque Group, to offer double points to trade clients as part of a campaign to boost sales of genuine parts.

Launched in January, standard GetGenuine points for eligible customers have jumped from 1.5 points per $1 spent to three.

"Genuine parts fit first time and are supported by the manufacturer, which gives peace of mind to repairer and customer," says Stacey Kearins, group account manager at GetGenuine.

Race to solve feebate impasse

The government is working to find a "compromise" to ensure the feebate scheme goes ahead.

The proposal is part of a two-pronged approach announced by Julie Anne Genter, Associate Minister for Transport, last July.

The feebate scheme, officially known as the clean-car discount, has been supported – in principal – by the automotive industry. But the clean-car standard, also dubbed the fuel-economy standard, has been condemned as unworkable in the form it has been outlined in a discussion document.

"They have now separated the two pieces of work – the feebates and fuel-economy standard," says David Vinsen, chief executive of VIA (Imported Motor Vehicle Industry Association).

"With feebates, it looks as though they are trying to negotiate

a compromise with New Zealand First to make it happen."

The next stage of the process is likely to involve the Ministry of Transport working on the proposals, which will then go to Genter and onto the cabinet.

Vinsen says that work on the clean-car standard continues and will be a "slow burn".

"There's no need to have a fuel-economy standard if there's an effective feebate system in place," he says. "It's an unnecessary layer of bureaucracy that isn't going to achieve anything and is only designed to look like something is being done.

"It would be prudent to see how the final stages of electronic stability control rule washes up, as well as the impact of the feebate scheme, before any further steps and further layers of bureaucracy are put in place.

"If the feebate scheme is working properly, the automotive industry will provide the new and used vehicles required, and you won't need another layer of cost that will ultimately go onto the consumer."

The feebate scheme became a political football last month with the general election looming. NZ First was blamed by the Greens for stalling the proposals, which are also opposed by National.

It is understood the issue was weighed up by NZ First's caucus, which decided such a policy needed to go to the electorate, while there have been suggestions feebates may be kept alive if the Greens agree to drop the "fee" element on high-emitters while retaining "rebates" for vehicle with low emissions.

Jacinda Ardern says: "My job is to continue to ensure we all collectively work together to get best outcome possible. That's not new to me. These are the issues I work to manage as prime minister on an hourly basis."

David Crawford, chief executive of the Motor Industry Association, describes the current situation as an "unfortunate look for the government".

He believes the feebate scheme could deliver a "significant shift" towards low-emissions vehicles, hybrids, plug-in hybrids and electric vehicles.

Backing for hydrogen fuel network

The proposed development of New Zealand's first nationwide hydrogen refuelling network has been backed by the new-vehicle industry as an important step in the country's journey towards a low-emissions transport sector.

Taranaki-based Hiringa Energy and the Waitomo Group are teaming up to produce detailed engineering requirements and consents for a network of sites.

The two companies say initial locations, some of which will be at existing Waitomo's fuel stops, have been chosen, while there are plans for 20 more to be developed across the North and South Island.

Development and consenting for the first hydrogen sites will start this year, with identification and scoping to develop the network to follow.

The announcement has been welcomed by the Motor Industry Association (MIA) as an exciting prospect because New Zealand has a lot of scope to produce clean hydrogen.

"We need to reduce emissions from our fleet and hydrogen can play an important role," says David Crawford, the MIA's chief executive.

Producing hydrogen from renewable electricity backed up by the Taranaki's abundant gas resources could have a big impact on transport emissions and help to lower New Zealand's carbon footprint.

"We need to be prepared to use all forms of low-emission fuels and not just focus on electricity," says Crawford, adding new-car distributors are supportive of the prospect of a clean, green transport future.

"It's clear there are good business opportunities for hydrogen development and distribution. A comprehensive production and refuelling network would provide an important new source of fuel – not only for heavy vehicles, but increasingly for cars.

"Hydrogen vehicles are already in use in the UK, US, Japan, Korea and Europe, and last year Hyundai unveiled its hydrogen-powered SUV at Mystery Creek Fieldays."

Hiringa Energy produces "green hydrogen" created from renewable electricity and received a $950,000 government grant two years ago to develop plans for production and a refuelling network.

It teamed up with Balance Agri-Nutrients in 2019 to make green hydrogen at the latter's ammonia urea plant in Kapuni, South Taranaki.

Andrew Clennett, co-founder and chief executive officer of Hiringa Energy, says the focus so far has been on heavy transport, which makes up four per cent of our national fleet but is responsible for more than 25 per cent of total vehicle emissions.

He emphasises hydrogen is the key technology that will allow these fleets to stay on the road, and that it's "a mass market and clean-energy solution that can have a real impact on reducing emissions".

Waitomo says while the network would initially be targeted at heavy and public-transport operators such as buses, extending the option to private vehicles is a key aim, which "needs to be aligned with a commitment to import suitable cars".

There are already some hydrogen-powered cars in this country with Hyundai having two Nexos in its fleet and a third on its way, while Toyota NZ is rumoured to have a couple of Mirais for evaluation.

"We have an existing working relationship with Hiringa Energy, so we welcome the news it has partnered with Waitomo to develop New Zealand's first network of hydrogen refuelling stations," says a spokesman for Hyundai NZ.

Facts about gas

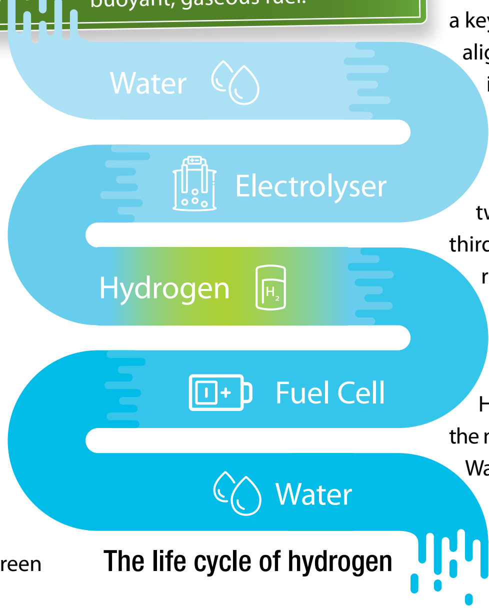
Fuels other than hydrogen have odour, such as petrol and diesel, or are odorised like natural gas, with leakage detected by smell.

Hydrogen doesn't smell due in part to its small molecular weight and buoyancy, and because an odorant would contaminate its purity and affect vehicle performance. Leaks are detected by sensors.

It's no more dangerous than other flammable fuels or EV batteries. Hydrogen's diffusivity is 3.8 times faster than natural gas, so it dilutes quickly into a non-flammable concentration when released.

Petrol and diesel, which have heavier-than-air vapours, are more likely to cause fires or explosions in confined spaces and create secondary fires.

There are no drips or spills when filling a tank with lighter-than-air hydrogen. Safety systems at stations and in vehicles are designed for a buoyant, gaseous fuel.



The life cycle of hydrogen

Live EV listings on Trade Me:		New EV listings on Trade Me:		EV watchlists on Trade Me:	
-1.6% Compared to last month	-10.7% Compared to prior year	+11.7% Compared to last month	-27.5% Compared to prior year	+10.5% Compared to last month	+26.3% Compared to prior year

The schematics for Hyundai's Nexo and a close-up of its engine. According to MIA statistics, two were registered new in New Zealand during 2019

"We congratulate them on taking the lead and progressing the infrastructure for this alternative fuel source. While the initial focus is on heavy transport, in time it will progress to enable the public to fuel other hydrogen-powered vehicles."

Clennett adds: "Two Kiwi and family-owned businesses showing leadership in this space is exciting. The potential is huge, but we can't do it on our own.

"Delivering commercially viable and high-impact solutions to reduce emissions will require partnership between government, cities, regions and private businesses. Establishing partnerships with leading companies, such as Waitomo, is a key strategy to enable this transition."

Jimmy Ormsby, Waitomo's managing director, says his company has been evolving its business model over the past 70 years to meet New Zealand's energy requirements. "Adding low-emission alternative fuel solutions to our network is a no-brainer."

WHAT'S IT ALL ABOUT?

The sun is powered by hydrogen, which is in our water, has no colour or odour and is the universe's most abundant element. When used to power vehicles and factories, its only emission is water vapour.

One kilogram of hydrogen holds three times the energy as the same amount of crude oil. Being 14 times lighter than air, it dissipates quickly when outside its container.

Storing excess electricity from sustainable sources is challenging, but hydrogen's energy can be captured and used when needed.

Fuel cells generate electricity by combining hydrogen with oxygen from the air, thereby allowing hydrogen to power anything from electric vehicles (EVs) to laptops and even a city.

Given the sustainable abundance of hydrogen, in the long run it will be a cheaper source of fuel than finite fossil fuels.

Hydrogen vehicles are refuelled in a similar time to petrol and diesel ones, and travel similar distances on a single refuel.

Audi, Toyota, General Motors, Mercedes-Benz, Hyundai and Honda are among marques producing hydrogen-powered EVs, which are known as FCEVs – fuel-cell electric vehicles.

London already runs some double-decker buses on hydrogen and South Korea is replacing 26,000 natural-gas buses with hydrogen. California has dozens of retail hydrogen fuelling stations.

FCEVs have the advantages of EVs, and with ranges and refuelling times comparable to cars with internal-combustion engines.

As for the bigger picture, New Zealand's electricity network lacks the ability to store excess energy when supply surpasses demand. For example, a wind turbine might be creating electricity at 4am, but most people are in bed and don't use it. Likewise, a solar panel can create excess energy on bright days.

Instead of switching off clean-energy generators, that electricity can be used to produce hydrogen. Also, it can store energy in greater capacity for longer than conventional lithium batteries to potentially deal with seasonal challenges of hydro-dominated power generation.

Hydrogen can enable deeper penetration of renewables and decarbonisation by connecting renewables with 60 per cent of national-energy needs met by using fossil fuels.

It can be produced by using renewable electricity to split water into oxygen and hydrogen. This process is the cleanest and is called electrolysis. It produces "green" hydrogen. With it, excess renewable electricity supply can be captured with that energy stored as hydrogen for future use.

Hydrogen myths

A common concern raised when discussing the use of hydrogen is that this flammable gas can be easily ignited and is too hazardous to be stored in refuelling stations.

But hydrogen is no more dangerous than other fuels or EV batteries. In fact, vehicles with pressure gas-storage tanks are nothing new. Millions of on-the-road kilometres have been driven over the past few years, and the global industry of making and transporting hydrogen has existed for decades.

To reinforce the safety aspect, Toyota reported it had even fired bullets at its carbon-fibre hydrogen fuel tanks, which failed to do any more than bounce off or leave small dents.

While hydrogen is highly flammable, petrol is more likely to cause a fire or explosion when confined in a tight space. That's because hydrogen is 14 times lighter than air.

When it's burning, it tends to vent straight up, like a butane lighter's flame. Burning petrol, on the other hand, is heavier than air, remains liquid and will spread over various surfaces leading to widespread fire damage.

Unlike hydrogen, petrol won't vent quickly from an enclosed tank, so the pressure build-up from expanding heated fumes can more easily cause an explosion. During fuelling, a controlled and monitored seal is created and fuelling is shut off if it's broken.

Both petrol and hydrogen can be dangerous if not properly handled. But, as a transportation fuel, hydrogen is less dangerous than existing fuels.

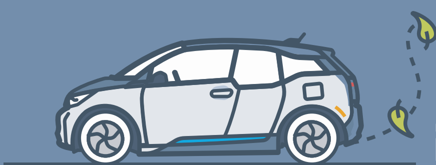
Eye on EVs

Top 5 EV models
listed on Trade Me last month:

- **Nissan Leaf**
- **Volkswagen e-Golf**
- **BMW i3**
- **Hyundai IONIQ**
- **Nissan e-NV200**

Average listing price
for the month:

$30.5k



* Figures as per the end of **February 2020**

trademe motors

Fate leads to career choice

Karol Abrasowicz-Madej, managing director of BMW Group NZ

Growing up in Poland the idea of owning a car seemed a distant dream, but today Karol Abrasowicz-Madej can barely keep up with the range of vehicles at his disposal.

The managing director of BMW Group New Zealand didn't get his first set of wheels until he started working for the German marque aged 26 and he has been with the company since.

"I always wanted to have a car and an interest in vehicles was in me from the very beginning," he says. "I was born in 1976. Around that time, maybe one in 10 or 20 people had a car.

"I dreamed about cars growing up, but never had it in my mind that I would work for BMW because it was a dream so far away."

Abrasowicz-Madej's homeland was still under communism control back then and Poland's borders with the European Union were effectively closed until 2004.

His first car was eventually a 5 Series 530i, "blue with a beautiful interior – I can't put it into words how I felt about the first car in my life".

Today, he frequently changes what he drives to keep abreast of the marque's full range.

"I'm still trying to catch up with driving all the models we brought to market in 2019. We launched 20 variants last year and have 15 lined up for 2020. I always try to stay on top of what we have and take every opportunity to drive different models."

WILLING TO LEARN

Fate rather than any burning ambition led Abrasowicz-Madej into a career in the automotive industry. While he was keen to work for a large German company, it was more the attitude of his interviewer that made him decide to join BMW.

"I think the industry chose me – I'm a strong believer in fate and energy," he told Autofile. "My focus from the very beginning was a willingness to learn and progress through different schools. I made sure I could communicate fluently in German and wanted to work in a structured, organised German company.

"I applied as a student to different companies and BMW came back to me. I was impressed at how it recruited and how committed it was to selecting the best from the market.

"I chose the business, not the industry. During an interview, I had a really good chat with who would become my first boss.

"I decided I wanted to work with him and he just happened to be in the automotive trade."

Abrasowicz-Madej joined BMW's operations in Poland in 2002 and has remained with the company since.

"I've never felt bored and it has always felt like we're on a mission. BMW has a vision and whenever I thought about doing something else, it always offered me something different. This company has something amazing in driving forward and creating the future."

The demise of communism in Poland and its subsequent political ramifications created an era of opportunity for Abrasowicz-Madej. Four decades of one-party rule came to an end in 1989 and, within a few years, the nation entered the EU.

"The car industry in Poland has changed massively and a big shift in it came through accession to the EU in 2004," he says.

"In 2002 when I joined BMW, we were selling 2,000 vehicles in Poland. After 2004, the grey import of used cars accounted for almost one million. Out of those, more or less 40,000 were BMWs.

"That created massive opportunities to capitalise on. We wanted to ensure we built loyalty to the brand. Now sales in Poland are still growing and at one of the fastest paces in Europe."

DRIVING TO THE TOP

Abrasowicz-Madej spent 10 years working for the BMW Group in Poland before becoming a regional manager in Germany for two years, then managing dealer network development in Japan for three years and finally coming here in 2018 as managing director of BMW New Zealand.

"I started by overseeing the quality of vehicles leaving the plant in Warsaw, not from tangible tests but observing trends on the PC. I learnt all about BMW and its different vehicles.

"I next moved into services and logistics, and spent time leading marketing in Poland. I also had sales roles and spent many years dealing with retail partners from a strategic and operational point of view. I pretty much did everything in the same company.

"I was always interested in finance and did an MBA in finance. It made me more of an asset for the company and the next step for me was Munich.

"I couldn't do anything more in Poland. With the Polish

The BMW Z8 tops Abrasowicz-Madej's wish list

Abrasowicz-Madej with Tetsuro Yamasaka, chairman of the BMW Dealer Council in Japan

Seeking out a fishing spot in the Hauraki Gulf off Auckland

environment, it's like a ceiling made of glass – you'd like to grow further, but can't – so the only way to progress is to move sideways or move on. My choice was to move on after seven years.

"Now I'm here in New Zealand and have the privilege to be responsible for total operations. That was always my goal. That was driving me and it's a great feeling to have achieved it. Every day I'm not taking it for granted and doing the best I can."

Abrasowicz-Madej has taken something from the business culture of each country he has worked in to help him in his present role.

"The key wherever you are is teams. The automotive business is more or less the same in all countries – some are more conservative – but at the end of the day what counts is the attitude of people.

"From Japan, I brought back strong team performance. When it came to Germany, where I spent a lot of time, focus, drive and attention to detail in approach are valued. Out of my background as Polish, we're quite passionate people, like Kiwis, with a do-it-yourself approach."

Japan is one of the six biggest markets for BMW and Abrasowicz-Madej says ex-pats working there are "carefully selected" by companies. Besides learning the importance of teamwork there, he also improved his ability to communicate with different personalities.

"The place and people are great, but you sometimes feel you come from a different planet – everything is so different, communication, body language. What we learn in the New Zealand and European market may not work in Japan and, as a result, that was the hardest place to work."

HIGH-LEVEL GOALS

Wherever in the world Abrasowicz-Madej works, he focuses on making the business the best it can be and "the more we understand people, the more successful we are as managers".

"I believe in frank and frequent feedback. I'm always trying to create high-performance management and in such a culture there's less tolerance for mediocrity.

"I'm trying to find differences and commonalities. The high-performing team is one when everyone is performing at the highest possible level. But it may come to a time when individuals, because of age or motives, come to the point where they need to find a different place in the organisation. We need to have that understanding.

"I'm passionate about building a high-performing team, pulling together, having fun and creating an environment where people come in each day smiling and feel this is where they want to spend two-thirds of their lives."

Abrasowicz-Madej, who lives on Auckland's North Shore, is happy to have made the move to New Zealand. He describes his role as challenging, but with scope to enjoy life away from the office.

"The job here is engaging. I didn't expect such complexity given the size of the country, but it also offers the possibility of balancing work and private life, whereas in places such as Japan the focus is much more on work.

"After a year here, I truly understand the phrase 'head down and getting things done'. It's good to work with driven employees who are skilled and working hard to win customers' hearts every day."

Abrasowicz-Madej's heart is also clearly with BMW after such a long affiliation. While he has driven many of the marque's models over the years, his dream vehicle is also from the same stable. "It's still a BMW – you have found a true BMW fan."

He says "the one I really want to have" is a Z8 made famous as James Bond's car in The World Is Not Enough. It's a dream unlikely to be realised any time soon though as the vehicle is no longer in production, so for now he's looking forward to the arrival of the M8 this year.

HOOKED ON KIWI LIFESTYLE

Away from the world of motoring, Karol Abrasowicz-Madej keeps himself fit, and enjoys getting out and about with his young family.

He has two sons, aged nine and five, who were born in Poland and Germany respectively, and a daughter. She was born in New Zealand and turns one this year.

"I would like to say I have enough time to spend with my family, but during the week I don't. However, at the weekend I make sure I do.

"I'm also a sporty person, and run half-marathons and marathons. I wasn't a runner before in Japan, but have progressed further here. I also stay in shape doing martial arts and skiing. Although Queenstown didn't offer much snow last season, I'm hoping this year will be better.

"Surfing is the next thing for me. My boys are doing it and I hope to get out and join them. While I never thought it would happen, we have a six-metre fishing boat. We enjoy it in the Hauraki Gulf and around the islands."

Abrasowicz-Madej describes himself as having become quickly "Kiwi-ised", and has "more and more mates around with lots of stories to tell about fishing".

"I'm fishing, preparing it immediately and cooking it on a very good Weber in the evening," he laughs. "I got to eat a lot of fish in Japan. Now I have catch them myself."

Abrasowicz-Madej at Tara Iti Golf Club in Mangawhai

Gazing into future mobility

The Consumer Electronics Show (CES) has morphed into a car show almost by default over the years, but it's still known as a showcase for cutting-edge technology.

Car manufacturers are always in the thick of the action, especially when it comes to artificial intelligence (AI) and intelligent transportation systems (ITS).

This year in Las Vegas, the BMW Group presented "visionary approaches" based "on a conviction that a change in perspective is essential" to understand and address mobility requirements.

One of CES 2020's highlights was the BMW i Interaction Ease, which offered a glimpse into a future where autonomous driving is commonplace. It offers an "intelligent combination" of operating modes, which elevates forms of interaction seen in the marque's current models, such as touch and gesture control.

The Ease treads new ground in AI thanks to its gaze-detection system. When a passenger fixes on an object outside the car, it offers information on it or other ways to interact with it.

Instead of users needing to learn specific commands, AI processes acoustic and visual data from sensors and interprets it according to the situation, time, location and vehicle signals.

The panoramic head-up display spanning the entire width of the front-end windscreen plays a key role.

By imposing a second digital layer of data over the real-world view, it acts as an augmented-reality user interface. It can show extra information tailored to the situation and vehicle's surroundings.

Thanks to 5G connectivity, the Ease knows where it is and can offer the user details on nearby buildings, businesses and other objects as and when required.

As for 5G technology, it's set to catapult networks into a new dimension courtesy of bandwidth 10 to 100 times greater than current standards and minimal latency.

The gaze-detection system in BMW's i Interaction Ease

It paves the way to unprecedented connectivity and high-speed data exchange, which will be a key driver for industry.

Its primary benefit in automotive will be to greatly speed up the development and roll-out of autonomous driving – or even make it possible, says BMW.

In addition, the rising number of complex features in cars, including driving assistance and semi-automated functions, fuels growth in data to be processed in the vehicle in real-time and shared with the back-end.

When the first BMW iNexts make their debuts in mid-2021, they will feature 5G with it being introduced into other ranges soon after, although integration will vary according to the model and configuration.

For the iNext's built-in SIM card to work, at least three boxes must be ticked off – low latency, guaranteed network coverage and allotted minimum data for specific applications.

Geolocation that is more accurate and reliable, and global navigation satellite systems are essential when incorporating semi-automated driving.

The iNext's telematics components will be modular to provide extra flexibility in terms of hardware and software to make it a viable proposition for years to come, even as innovation cycles get shorter.

Then there's the ability to share traffic data and implement cellular-vehicle-to-everything (C-V2X) connectivity to improve road-user safety because co-operative ITS need two types of high-speed connectivity.

Meanwhile, the new Defender's dual-eSIM connectivity was showcased at CES 2020.

It's the first vehicle with two embedded long-term evolution (LTE) modems for enhanced connectivity, while Jaguar Land Rover's new Pivi Pro touchscreen infotainment system shares electronic hardware with the latest smartphones.

The intuitive Pivi Pro system allows customers to make full use of software-over-the-air (SOTA) technology without affecting music streaming and connecting to apps while on the move.

SOTA operates in the background without affecting daily connectivity provided by the separate modem and infotainment module eSIM.

The Pivi Pro has its own battery, so the system always responds on start-up. As a result, the navigation is ready to accept destinations without delay. Updates can be downloaded using the latest software – including navigation mapping data – without visiting retailers for updates.

In addition, cloud-based architecture makes it easy to access and use content and services on the move, and support in-car parking payments.

Land Rover engineers estimate in-dealer software updates will be a thing of the past for Defender customers before the end of 2021 as more SOTA modules come online, rising from the current 16 to more than 45.

Finally, Harman unveiled Vehicle-to-Pedestrian (V2P), which forewarns drivers and pedestrians to potential conflicts via vehicle-to-everything (V2X) technology.

Part of the company's safety-system technologies, V2P can be enhanced through 5G-fuelled C-V2X networks.

It can work on low-latency 5G peer-to-peer signals to identify objects in the car's path through proximity scanning.

Similarly, pedestrians or cyclists with C-V2X-enabled mobile devices will receive an alert that a vehicle is entering their path.

As a result, cars, pedestrians and cyclists can be alerted to potential conflicts even when advanced cameras can't see obstructions, such as around corners or through parked vehicles.

V2P is only one of many safety enhancements enabled by V2X technology, which has defined peer-to-peer protocols to enable situational awareness between vehicles.

With 5G technologies and networks maturing, C-V2X creates opportunities for cars to communicate more with their surroundings – including other vehicles, road infrastructure and control systems, as well as low-visibility road users.

Managing your online community

Most of our clients appreciate that having a Facebook page for their dealership is an essential part of a modern marketing strategy. Many, however, are unsure how to manage it to get the most out of it.

A number of years ago, one of our business' main services was social-media management. Our team would post content on our clients' Facebook pages that was generic and salesy, such as manufacturer creative and sales messages that appeared on all dealership pages of the same franchise.

These posts said very little about who our clients were and the stories they wanted to present to their customers.

Since that time, social media has completely changed and now companies, such as Facebook, have become significant players in the world of paid advertising.

Dealerships are spending tens and hundreds of thousands of dollars annually, running sophisticated Facebook campaigns that target exactly the right customers at a specific time in their purchasing journeys.

Within our business, the demand for Facebook advertising services has far surpassed that of page management. However, this doesn't mean that Facebook pages no longer hold significance. In fact, they are more important now than ever, particularly when it comes to building your brand and reputation.

The term "community management" is now commonly used to describe the running of a business' social-media pages and is reflective of where the focus truly lies for this medium.

TODD FULLER
General manager
AdTorque Edge NZ

And that's in the development of a community around your business that is loyal, engaged and likely to recommend your services to others. For dealers, that means your past, present and prospective customers.

Your Facebook page needs to humanise your company and communicate directly with your customers. It is easy to re-post manufacturer images and generic sales messages.

> **"Your Facebook page needs to humanise your company and communicate directly with your customers"**

But these types of posts are not going to engage or talk to your audience, nor give your page any personality. Followers will quickly lose interest if all you're doing is selling to them on their feeds.

Instead, save the selling for your paid advertising and use your page to build your brand. To do this, you need to generate your own unique content within your dealership by posting customer delivery photos, staff profiles, dealership updates, and videos to give your Facebook page its own identity.

Customers will see themselves and other locals on your page, and will like and share this content for others to see. They will also enjoy the behind-the-scenes information on your dealership and seeing photos of the staff they've dealt with.

Posting regularly and at your community's peak viewing times – found in your Facebook page's Insights – means that there's a higher likelihood of you appearing regularly in their timelines.

And if they are on Facebook as often as most users, that's a daily opportunity for you to connect with them – keeping your dealership front of mind.

As we know, people love to engage with businesses via social media, both positively and negatively. Whether someone writes a question, review or complaint, it's important to respond to them via the platform within 12 hours so your community can see that you care.

Sometimes you won't be able to resolve an issue immediately, but if you provide a prompt and empathetic response, your reputation with your community will be upheld. In fact, it has been found that almost 80 per cent of people develop more trust in a business when they see that they respond to their online reviews.

If, like some businesses, you choose to outsource your dealership's community management, it is vital that you work closely with your provider to ensure your unique brand is conveyed.

Regularly supply dealership-specific content for your agency to post, otherwise they will be left to use generic manufacturer content, which your community will grow tired of and quickly disregard.

Also, ensure that you establish a set of pre-approved responses to customer queries and complaints. Your provider can then use these when a customer makes contact via your Facebook page. Don't leave your brand's reputation to chance – ensure you make it clear how you want your provider to speak on your behalf.

The Facebook feed is a busy, content-rich place where there's a lot of competition for views and clicks. Stand out from the crowd and halt the scrolling by posting interesting and relevant content that will appeal to your community and encourage engagement.

The flow-on effect is sure to be more leads, more referrals and more repeat business.

The month that was... March

March 3, 2006

Crackdown on vehicle theft

The government was pushing ahead with two major anti-car theft measures in spite of industry concerns over cost and lack of consultation.

Whole-of-vehicle marking (WoVM) was to become mandatory by the end of 2006 on all passenger vehicles less than 15 years old that come into New Zealand.

The compulsory fitting of immobilisers in the same category would come into effect in 2007.

While the Motor Industry Association (MIA) acknowledged WoVM was effective in reducing theft, it questioned the need to mark all vehicles, particularly models unlikely to appeal to thieves.

The cost of the system was the major concern. Technology provider DataDot had advised government that its system, which retailed at $350 plus GST, would cost less than $100 before the cost of application to the vehicle.

"We are opposed to WoVM as a mandatory requirement and at the lack of consultation," said Perry Kerr, chief executive officer of the MIA.

March 14, 2008

Deal struck with biggest creditor

Geneva Finance had made a deal with its largest creditor, the Bank of Scotland.

It would give the lender time to recapitalise the finance company using new cash from existing shareholders and by converting some of what was owed to retail investors into new shares.

Geneva announced a proposal to reconstruct its capital position by writing to all investors asking them to vote on the reconstruction proposal.

Under its terms, Geneva would list on the NZX's alternative exchange with 15 per cent of debenture stockholders' and 55 per cent of subordinated note-holders' investments converted to equity. Remaining investments would be repaid in a scheduled plan.

In November 2007, Geneva secured a six-month freeze on repayments to its 3,000 investors owed more than $138 million.

At the time, it was feared the Bank of Scotland, which was owed $43m, would demand full repayment when the moratorium expired on April 30, knee-capping the company and leaving little – if anything – in the pot for retail debenture investors.

Incoming managing director, David O'Connell, said the proposal was a viable alternative to receivership.

March 31, 2006

Seven-year rolling age ban?

A campaign was under way to have a seven-year rolling age ban imposed on all used imports.

The call for government action was being spearheaded by the MIA, representing new-vehicle distributors.

The MIA claimed the weakening New Zealand dollar meant that "even older and shoddier used imports are going to be pouring across the wharves".

It added this was "further bad news for the age, safety and environmental effects of the fleet".

However, the MIA's views were described as "the same old garbage we've heard for years" by, the Imported Motor Vehicle Dealers' Association (IMVDA). Its chief executive, David Vinsen, agreed the falling dollar would reduce consumer purchasing power in this country, and limit the stock dealers could buy and import.

"Fortunately, there's a good supply of well-priced stock already in New Zealand, so consumers are well-served at the moment," he said.

The MIA said that during 2005, even under a high dollar, used imports landed here reached a record average of more than eight years old.

"The only emissions equipment required on these vehicles is that which applied at the sale of manufacturer," said Perry Kerr, of the MIA.

March 28, 2008

Consumer confidence crumbles

New Zealand consumer confidence tumbled to 10-year lows in the March quarter, a survey showed.

It underscored a government warning that the economy must brace itself for the coming financial year.

The Westpac McDermott Miller consumer-confidence index fell to 96.5 in the three months to March from 110 in the December quarter.

Some of the leading factors into the drop included turmoil on the global financial market, high interest rates, and rises in food and petrol prices.

It was the first time in eight years the index had dropped below 100, which indicated there were more pessimists than optimists.

The survey showed the deterioration in confidence was driven by a sharp decline in the short-term outlook – a net 37.2 per cent expected the economy to worsen over the next year compared with 4.4 per cent in the previous quarter.

Michael Cullen, Finance Minister, said New Zealand's economy was fundamentally strong, but was vulnerable to the credit crisis.

Safety ratings on dealers' radars

A renewed emphasis by the government is now being made on the promotion of vehicle-safety ratings.

Waka Kotahi NZ Transport Agency has started a national campaign encouraging consumers to understand what safety ratings mean and to promote the purchase of the safest vehicles they can afford.

This has been a multi-channel launch and is expected to reach more than half of New Zealand's population.

As customers of car dealerships become more aware of safety ratings, registered motor-vehicle traders need to be fully prepared so they're ready and able to answer people's questions.

The NZTA has been preparing resources for dealers and their sales staff, so make sure you use them to inform yourself about the system.

So what are the new safety ratings? Just picture a combination of these three things:

- ANCAP's star-rating system for new light vehicles.
- The Monash University constructed Used Car Safety Ratings (UCSR) provided on the RightCar website, which has been refreshed.
- The previous vehicle risk-rating scheme, which was also developed by Monash and used by ACC when it came to setting annual vehicle-licence fees.

TONY EVERETT
Sector manager – dealers, Motor Trade Association

A data hierarchy is being applied with newer vehicles being recognised by their ANCAP scores when available, the UCSR when enough crash data exists and, finally, the assignment of an average segment rating for unrated vehicles when considered appropriate.

This means most vehicles – about 95 per cent – have a rating, but there are some exceptions where data is unavailable and when average segment ratings aren't considered appropriate.

The NZTA's new campaign on ratings serves to push the vehicle-safety message directly to consumers.

It also further builds on the existing series of television commercials showing a mix of concerned parents and their aspiring, first-time, vehicle-owning offspring on car yards looking at used vehicles.

Sales staff at dealerships, therefore, need to understand the new scheme and what it means so they're best-placed to discuss and promote vehicle-safety ratings to would-be buyers who come onto their yards.

The government's new safety-rating system utilises results from crash tests on new vehicles

In short, they need to know their ANCAPs from their UCSRs – and more.

This is a welcome relevant addition to the vehicle promotion mix. Up until now, most of the emphasis from the government has been on fuel consumption – just think of the fuel-use economy label overseen by the Energy Efficiency and Conservation Authority – while the "safety story" has been largely left on the back seat, particularly in the used-vehicle world.

Much of the information has been available to "trainspotters" if they know where to look, but this new emphasis and campaign by the NZTA will give vehicle safety the prominence it deserves.

In the initial stages, messaging will be via consumer-targeted promotions, but perhaps one day a box might be added to the consumer information notice – the CIN card that must be displayed by traders on vehicles they sell – to ensure more consistent exposure.

You might be interested to hear that in a survey of motorists' views carried out by the Motor Trade Association, 40 per cent of respondents rated safety as the primary factor when choosing a car while 68 per cent rated it in their top four when it came to their criteria. So it's already a "hot topic".

Sustainability key to the future

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

I'm taking a break from my ongoing survey on the latest with autonomous vehicles. While they will likely be an important consideration in a decade, it appears the fervour surrounding them is starting to die down.

The reason for this is one anyone interested in artificial intelligence (AI) should be familiar with. The field of AI has been around since the middle of last century and, since then, interest in it seems to come in waves.

Upswings correspond with the introduction of a new use or theory that sparks interest. This, in turn, drives investment in research and development.

The promises often turn out to be bigger than the potential of the idea. When that's realised, investors run and the field falls into what's colloquially known as an AI winter.

Many experts think the dream of AI-based driverless motoring has reached the limit of current technological capability. Either way, there's a growing "trough of disillusionment".

There's currently a shift away from investing in autonomous vehicle technology, and an increase in both electrification and more practical business models.

It's not only investment in autonomous vehicles that's suffering. Mobility as a service (MaaS) offerings that also tend to be AI-based, such as ride-sharing, are also part of that decline in investment. Ford, General Motors, Daimler and BMW have recently closed their US-based car-sharing services.

Venture capital raised for the mobility sector has decreased almost 40 per cent from two years ago – dropping from $58 billion in 886 deals in 2018 to $33b for 756 deals in 2019.

The one area that continues to see stable investment is electrification of transport with the need for more sustainable transport forcing change in ways that speculation cannot. And many countries are urgently looking for ways to limit their greenhouse gas emissions (GHGs).

Norway is banning the sale of new petrol and diesel vehicles by 2025. Denmark, Iceland, Israel, Sweden and the Netherlands are looking at similar plans – banning vehicles with internal-combustion engines after 2030.

France and the UK initially announced a ban on petrol vehicles by 2040, but the latter has since been discussing moving that deadline up to the early 2030s, while several proposals are being explored to implement these bans at an EU-level.

Perhaps most interesting, however, is that China, the world's largest car market, has announced its intent to ban petrol and diesel-powered vehicles. China is still trying to decide on a deadline, but it's pushing for 20 per cent of its new-vehicle market to be composed of EVs by 2025.

These trends will continue. Sustainability will become a greater topic of interest – not only to policy makers, but to the general public – as the impacts of climate change become more evident. We should expect more countries to implement bans of this type, including New Zealand.

Remember the sentient computer Hal from the 1968 epic science-fiction classic, 2001: A Space Odyssey? The field of artificial intelligence has been around since the middle of the last century

Transport currently accounts for more than one-quarter of GHGs and is the fastest-growing source globally. While MaaS and autonomous vehicles are seen as part of the solution, ride-sharing will lead to fewer vehicles and driverless cars will produce optimal efficiency.

The biggest challenge is the fact that without AI capabilities that don't currently exist, neither do business models that will continue to entice investors.

However, and this is the most important point, it doesn't mean there's no reason to develop these technologies to reduce emissions. Just because there's no financial justification for commercial investors to pursue it for profit, it remains one potential solution to reducing our GHGs.

Instead of MaaS, we could be pursuing a "mobility of the commons". These services could be developed as a public good with users regarding them as they would sidewalks or streets.

The other option is a cultural shift aimed at reducing the need for mobility. Action would need to be taken to transform entire systems and value chains. The new normal would be the delivery of goods and services as opposed to what we see today.

Either way, the radical changes necessary will not happen by accident. They need to be orchestrated and driven through social and technological innovation, and by human agency in every part of our society.

We need new solutions, new ways of thinking about old problems. What we can no longer afford to do is fear change. The search for progress needs to be balanced with consideration of what we leave in our wake.

‘Certainty’ for supply chain

The NZTA says a firm and fair approach is being taken in its appointment process for border-inspection organisations and entry-certification inspectors.

Conflicts of interest (COIs) and how companies deal with them will feature strongly as the agency assesses applications, which closed on December 20.

Current notices of appointment have been extended out to June 30 with new appointments – for a term of between three and five years “depending on confidence in the applicant” – set to start the next day.

The process follows the NZTA receiving plenty of feedback and meeting with the industry during 2019, which included visits to certifiers and inspectors to “further understand the way they operate, and ensure our documentation reflects best practice”.

As a result, the agency says it has improved guidance around ways to manage COIs, and will provide more support to inspectors and certifiers.

“We are considering the applications in confidence,” says Neil Adams, senior manager of safer vehicles. “This process is about consistency, robustness and maintaining a firm and fair oversight of the entry certification and border-inspection industry.

“The next phase of the NZTA’s engagement with the entry certification and border-inspection industry is well under way as we process applications for new appointments and reappointments.”

In the near future, the agency will be in contact with applicants in regards to the next steps in the assessment and evaluation process, and a review of the border-inspection system is under way into its level of technical content.

Adams told Autofile the agency is pleased with the response to its call for applications.

“We’re now assessing them based on criteria outlined on the application forms, such as high standards of performance and integrity of inspection decisions, a commitment to intelligent and continued improvement, trusted partnerships, and greater assurance and verification of standards.

“Part of our engagement with the industry prior to the application period included visits to certifiers and inspectors.

“During these meetings, we provided organisations with an

“We are considering the applications in confidence”
– Neil Adams, NZTA

indication of timeframes relating to the application process and had already provided certainty to organisations by extending current appointment notices out to mid-2020.”

Adams adds the agency will soon be in touch with applicants with an outline of the next steps in the assessment and evaluation process, and “individuals with appropriate delegation will be making decisions on reappointments and new appointments”.

“We’re also currently looking at the border-inspection system to improve the level of technical content being put into this system, and to make it easier for organisations to enter results and content. This will be updated to industry later in the year with progress on the system.

“This appointment process aligns with our role as a firm and fair regulator. Successful applicants will be invited to accept a notice of appointment in time for the July 1 renewal.”

Rule change kicks in

March 1 was the cut-off for all imported cars to have electronic stability control (ESC) fitted and operational.

That was the date when the rule was extended to cover used light passenger and goods vehicles with engines of less than two litres in capacity to be border-checked for ESC compliance.

Importers of used vehicles can use an online ESC tool at www.via.org.nz to see if models “do not”, “may” or “are likely” to comply.

All light vehicles are now on a level playing field with the rule having been progressively applied to the market over the past six years.

The last of stock border-checked before the regulatory change is likely to arrive on our shores in April and possibly May.

Dealers can refer to the December and January issues of Autofile for unrivalled analysis of the new rule and more information.

These issues have exclusive guides to the compliance status of 2019’s top three used imports – the Mazda Axela from 2009-14, Honda’s Fit from 2007-18 and the Suzuki Swift from 2007-14 onwards.

Visit www.autofile.co.nz/magazine to access past issues online. More ESC commentary appears in the statistics section of this issue, which starts on page 33.

Industry movers

SEAN STEVENS has been appointed chief executive officer of Vehicle Inspection NZ (VINZ) on a permanent basis after acting in the position for six months following Gordon Shaw's promotion to executive director.

Stevens, pictured, has been with the company for about four-and-a-half years. He started as national manager of delivery in 2015 before becoming general manager of operations and delivery after a few years.

Before moving to VINZ, he was group service manager of wholesale for all brands at Ateco Automotive – Fiat, Alfa Romeo, Chrysler, Jeep, Dodge, Great Wall, Chery and Foton – for around two years after joining as national service manager for Citroen in 2007.

Stevens' career in the automotive industry started as a diagnostic technician for Audi with Continental Car Services in 2001 before becoming assistant service manager for the marque and then service manager for Peugeot.

MIKE DOWN has been appointed general sales manager for fleet with John Andrew Ford and John Andrew Mazda in Grey Lynn, Auckland.

He joined John Andrew in December 2019 to grow its fleet business. He has held senior positions across leasing, and fleet and asset management for more than 20 years in this country and overseas.

Down recently worked at FleetPartners and was head of relationship management for five years. As a member of its executive team, he was in charge of customer retention and growth. Prior to this, he held senior roles with large corporates, such as JP Morgan and HSBC, where he led successful teams across multiple disciplines.

RACHEL KIRKLAND has been appointed as marketing co-ordinator for Scandinavian Vehicle Distributors (SVD) based in Greenlane, Auckland.

Kirkland will oversee Volvo NZ's marketing initiatives and provide dealer marketing assistance.

She was previously executive assistant to Michael Giltrap, Tony Coutinho and Blair Olliff at Grey Lynn-based Giltrap Group, and worked at Giltrap's head office for five-and-a-half years.

Her previous industry experience includes almost three years in Sydney where she was national retail advertising manager for Peugeot Australia, before joining SsangYong Motors Australia as national marketing manager.

STEVE GRAY will retire as chief financial officer of Port of Tauranga in June for health reasons. He has held the position for 12 years and has been with the company for about three decades.

Chief executive Mark Cairns says: "Steve has overseen outstanding returns for shareholders. He led the team that negotiated the long-term freight agreement with Kotahi that enabled us to become big-ship capable and New Zealand's largest port."

Gray, pictured, was named CFO of the year in the 2017 Deloitte Top 200 Business Awards. He will continue in governance roles with Tauranga's associate companies, such as PrimePort Timaru and Coda Group.

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

NZ labour market report

The exploitation of workers, visa delays and increasing application numbers may be on the political agenda for this general election year.

Also in the mix is targeting immigrants to regions where they're most needed and prioritising some residence applicants over others.

An announcement is expected during 2020 on a two-year residence programme with the government already lowering the target band of new residents to between 50,000 and 60,000.

That may change again with a cabinet paper suggesting that it's investigating the prioritisation of certain categories – possibly such as skilled migrants – and capping others, such as partnership visas, reports RNZ.

The government is also rolling out new employer-assisted work visas and regional workforce planning in an attempt to find ways of getting industry to attract Kiwis into jobs being done by immigrants in return for a streamlined visa process.

Another change this year is the country's refugee quota increasing to 1,500 in July. Tackling worker and student exploitation, and possible changes to Pacific immigration policies, may also come under the microscope.

There are likely to be operational challenges as well. Last year, there was the debacle of partnership visas and visa-processing delays caused by oversees branch closures.

New Zealand has historically not had highly polarised debates about immigration, but the subject did surface during the 2017 election with concerns focused on housing supply and infrastructure problems.

NZ First, and Labour to a lesser extent, campaigned then on lowering immigration. Whether this worked and if voters liked how they did it may be crucial.

Looking at the numbers, the amount of new residents is the lowest since the turn of the century, work-visa numbers are higher than ever and net migration is still at historically high levels.

Labour may hope it can point to its work in tackling immigrant exploitation and reforming work visas.

National has criticised the coalition on its record, including problems that visa-processing delays have caused for the economy and businesses.

If last year is anything to go by, NZ First will press on with immigration as a vote-winner. It has already claimed credit for high-income restrictions on immigrants' parents and a tougher line on partnership applications.

As for the latest batch of official figures, New Zealand's annual net migration for the year ending May 2019 was 46,100.

According to Stats NZ, this was down by 9,400 from the estimate released in December 2019.

"The latest net-migration estimates indicate we're about 20,000 below the peak of 63,900 reached in the year ending July 2016," says Tehseen Islam, population indicators manager.

"Annual net migration has been above 40,000 since late 2014 and remains historically high."

The latest estimates include an improvement to the linking of 15,000 arrivals and departures. These links were missed previously and make up 0.1 per cent of the total 15.3 million border crossings from October 2018 to October 2019.

This linking is fundamental to identifying whether travellers crossing the border are migrants or visitors when arriving or leaving New Zealand.

"An additional one in every 1,000 border crossings has now been linked to a subsequent arrival or departure," explains Islam. "This helps us classify those 15,000 border crossings as visitors rather than migrants."

Provisional estimates for the year ending November 2019 are arrivals of 137,000 and 95,500 departures for a net-migration gain of 41,500.

Flights of fancy taking off

Mercedes-Benz has provided glimpse of what its plan for future sustainability could look like by debuting its striking Vision AVTR at the Consumer Electronics Show (CES).

The concept is a collaboration between the marque and the Avatar film franchise, with Mercedes-Benz Cars and Daimler AG chairman Ola Kaelennius being joined on-stage by director James Cameron for the big reveal in Las Vegas.

While showing clear signs of Mercedes' design language, the Vision AVTR features eye-catching styling elements for a futuristic look.

From the front, it echoes the design language of other concepts, such as the Vision EQS, with a fascia flowing to the large central grille framed at the top by a long LED-lighting strip.

Numerous elements have been inspired by Avatar, such as wheels with unique tread patterns and illuminated rims stretching out into bulky and oversized tyres that force the wheel-arches to bulge.

The Vision AVTR concept is inspired by the film Avatar

The design of the wheels provides the Vision AVTR with different movements, as well as a smaller turning circle when combined with rear-wheel steering that can allow it to shift 30 degrees diagonally.

Both occupant doors are made from glass and framed with serigraphy to give the cabin the impression of lightness with their opening and closing, apparently, inspired by flying animals in the films.

At the concept's rear, there are 33 multi-directional movable surface elements that allow it to interact with its surroundings. They can also reflect the emotions and activities of its occupants.

Inside, the Vision AVTR uses a new design approach that has been inspired by nature and by Avatar.

The centre console is replaced by a flowing dashboard screen that glides to the car's rear, while the seats are upholstered in vegan leather made from recycled clothing, flags and plastic bottles.

A new control unit in the centre console can recognise the driver through heart rate and breathing, and can be used in place of a traditional steering wheel when autonomous driving isn't wanted.

One of the main themes of the Vision AVTR is its sustainability, with its all-electric battery system composed of graphene-based organic cell chemistry that uses no rare earths and metals so they are compostable and recyclable.

Its battery will likely have a capacity of about 110kWh and driving range of more than 700km, with its extremely high-energy density allowing a full recharge in 15 minutes. Power outputs have yet to be disclosed other than the concept will have in excess of 350kW sent to all four wheels.

UP, UP AND AWAY

Hyundai has become the first marque to buy into Uber's vision of flying taxis by launching its first such vision of the future at CES.

The companies have teamed up to develop Uber Air Taxis for a future aerial ride-share network and full-scale aircraft concept called the S-A1.

Unsurprising, Hyundai will make and deploy the vehicles, while Uber will provide airspace support services, connections to ground transportation and customer interfaces.

They are now collaborating on infrastructure concepts to support take-off and landing for this new class of vehicle.

The S-A1 is designed for a cruising speed of up to 290kph, a cruising altitude of 300-600 metres and 100km trips. It will be 100 per cent electric, with Hyundai saying that during peak hours it will require about five to seven minutes to recharge.

It uses "distributed electric propulsion" to power multiple rotors ▶

Taxi of the future – Hyundai's S-A1

Henry Fisker describes the Ocean as "the world's most sustainable vehicle"

and propellers around the airframe to increase safety by decreasing any single point of failure.

Having several, smaller rotors also reduces noise relative to large rotor helicopters with combustion engines.

The S-A1 is designed to take off vertically, transition to wing-borne lift while cruising and transition back to vertical flight for landing.

The cabin has four passenger seats and Hyundai says it will be piloted initially, but over time it will become autonomous.

KITTED OUT TO MAX

RoboSense's Smart Lidar car was in action outside Las Vegas Convention Centre during CES – it's the latest technological progress in autonomous driving.

Lidar is an anagram made up from "light detection and ranging", and is similar to radar. Basically, a laser pulse is sent out of a transmitter and the light particles, or photons, are scattered back to the receiver.

The company says its Smart Lidar incorporates world-first sensor hardware, artificial-intelligence perception algorithms and integrated-circuit chipsets.

All of this kit transforms conventional Lidar sensors from being information collectors into a complete data analysis and comprehension system to provide essential information for driverless vehicle decision-making that is faster than ever.

RoboSense's algorithm performance and software stability and reliability have proven to have many key advantages.

Since 2017, the company's algorithms have gained more than 100 global partners for various types of autonomous driving scenario certifications.

SOLAR ROOF POWER

Electric vehicle (EV) manufacturer Fisker has revealed more concrete details of its all-electric Ocean, which is set for release in North America by 2022.

The first SUV released by the burgeoning electric-only brand, it says the Ocean boasts practicality, sustainability and performance.

It joins the eMotion sedan as the only models for the company started by former BMW and Aston Martin designer Henrik Fisker.

Measuring 4,640mm long, 1,930mm wide and 1,615mm tall, the Ocean is comparable in size to the Mercedes-Benz EQC and Audi's e-tron, and can offer 566 litres of luggage space, up to 708l with the parcel shelf removed and 1,274l with the rear seats folded.

Fisker describes the Ocean as "the world's most sustainable vehicle" thanks to the addition of a number of features that promote sustainability and a low-carbon footprint.

It marks the debut of the company's full-length solar roof, which can help recharge the battery systems and provide up to 1,609km of charge-free driving range per year.

The brand says that it will be able to yield greater driving ranges from its roof panels as the technology evolves.

A number of sustainable materials have also been used through the interior, with recycled carpet made from abandoned fishing net waste, a vegan interior, and suede trim made from recycled polyester fibres and plastics.

Fisker has only revealed partial details of the Ocean's powertrain. Four-wheel drive will be offered on all trims except the base model, with power output of more than 225kW.

An "ultra-high performance" version is also on the way to be announced next year, with Fisker targeting a 0-97kph time of less than three seconds.

Equipped with an 80kWh battery pack, the Ocean will sport a driving range of up to 483km with the battery able to be charged from 15 to 80 per cent capacity in 30 minutes via a 150kW charger.

Visually, the Ocean sports a sleek design with a front-end design not unlike that of the Land Rover Discovery with slim headlights, a downward-sloping bonnet and a shapely front bumper.

The highlight of the interior is what the brand dubs "California mode", with nine glass panels comprising the roof and windows able to be folded away through the touch of a button to create a convertible-like driving experience while still retaining a "roll cage" safety structure around passengers.

Inside, the Ocean will boast a 16-inch touchscreen and 9.8-inch digital instrument cluster, and an integrated head-up display.

Fisker has also announced plans to expand its operations into Europe and China, ramping up production to more than one million vehicles from 2022-27.

Motor-racing world in shock

Two weeks after General Motors announced Holden's demise, fans of the iconic marque are reeling from the news.

While franchised dealers will be directly hit with livelihoods under threat, another group is affected – passionate motor-racing supporters have been left dangling, even as the V8 Supercars Championship got under way at Adelaide over the weekend of February 22-23.

Teams have been blind-sided by GM's out-of-the-blue decision last month to pull out of right-hand-drive production for the Australasian automotive market.

Producing its first car in 1948, Holden has been an integral part of motorsport for much of the brand's life. Its successes have included 21 Australian Touring Car/Supercars titles, 33 Bathurst 500/1000 victories, several Around Australia races, and a handful of rallies in the 1960s and '70s.

A casualty of GM's decision is motorsport in Australasia. The effect on the sport has gone largely unremarked on in mainstream media, but there's no denying the impact it will have, nor that it was a blindside punch to most teams in premium categories either side of the Tasman.

For as long as there has been an Australian Touring Car Championship and a Bathurst endurance race, a Holden has contested the prize.

These days, the Aussie V8 championship is more than half GM Holden, so at least that many teams, perhaps more, will have to make difficult choices in coming weeks. Not to mention those behind the scenes who make the series what it is – administrators, mechanics, engineers, tyre-changers, hospitality and event managers, and media staff.

Holden has been associated with motor racing and rallying since its earliest days. It has proudly spoken of the "win on Sunday, sell on Monday" benefits of marketing the brand through the sport. Most current or recent V8 stars have driven Holdens in competition except, perhaps, "true blue" Dick Johnson.

These days, the win-sell maxim is no longer true and racing has less relevance to everyday motorists. Triple Eight Red Bull Racing boss Roland Dane says the sport must move with the times.

"Unfortunately, one issue is a lot of people who've been barracking for Holden over the past 10 years or so haven't actually been buying its product for whatever reason," he adds.

The numbers tell the story. In Australia, the main V8 category – the Virgin Atlantic SuperCars – has 14 teams and 25 drivers registered for the 2020 season with 17 Holdens and seven Ford Mustangs. In 2019, six Mustangs were in the championship and Holdens accounted for 16 entries, almost three times as many places on the grid.

There's also the Dunlop Super 2 series, which introduces drivers to V8 touring-car racing in which Holdens make up eight of the 13-strong grid. Over the years, Holden has won 529 races in the current format with Ford well-behind on 350.

It's a different environment in New Zealand where there's little manufacturer support for both brands in local racing.

All teams are privateers and the V8 scene has only just recovered from the schism that saw the breakaway Supertourers absorb about half of the NZV8 field before folding. Holdens make up less than half of the BNT V8s in New Zealand – five of the 13 cars or teams registered for 2019/20.

There is a significant cost to the Holden's withdrawal. Each Aussie race team has two Gen II cars each costing between AU$250,000 and $300,000 to build less the engines, which cost upward of AU$50,000.

These official figures apply after cost-cutting measures, including component commonality being introduced. A team changing brands faces a basic gear cost of more than AU$1m before accounting for rebranding and other marketing-driven costs.

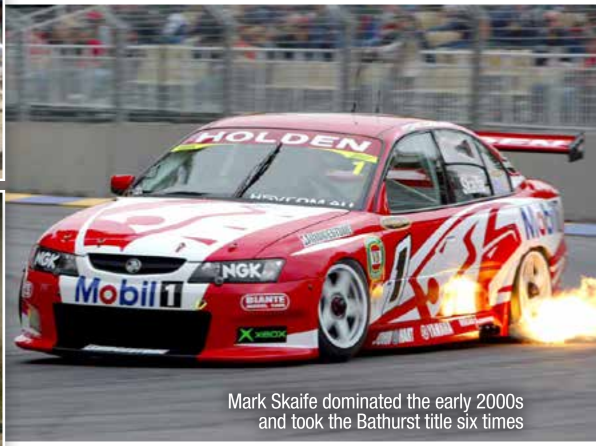
Beyond the hardware, there's people too. In the retail network, about 75 per cent of Holden's 800 direct employees across Australasia are expected to lose their jobs, although those remaining will handle ongoing servicing, parts, recall and warranty-claim commitments.

No such certainty exists for employees of Holden teams, many of whom are on year-by- ▶


Nine-time Bathurst winner, Peter Brock, on his way to victory in 1978


Holden's Gemini was a popular rally car in the '70s and '80s


Kiwi Greg Murphy competed in a Holden Barina in the NZ Rally Championship


Mark Skaife dominated the early 2000s and took the Bathurst title six times

year contracts. Over coming months, engineers, technical staff, mechanics and operational staff will start to move away from teams still running Holdens. Where they end up remains to be seen.

There could be few more loyal ambassadors for a marque than Kiwi racer and commentator Greg Murphy. He says the Holden announcement has caught many by surprise, is "gutting" for all those who have played a part in its racing success and leaves a difficult gap to fill.

He adds: "Does it mean it's the last year for the Commodore at Bathurst? Maybe it does. If that's the case, it's going to be pretty sad come October."

Teams that run Holdens across the ditch will now have to make their own decisions about ways forward. "Motorsport has to try to create something that can fill the gap and have relevance."

Meanwhile, tributes have been flowing. Mark Skaife, who was multiple V8SC champion at the wheel of a Holden Racing Team (HRT) Commodore and has won Bathurst six times for Holden, says "it's like losing a family member", while Jamie Whincup remembers how good Commodore race cars were at popping enormous smoke-choked victory wheelies.

Ford NZ has been gentlemanly and statesmanlike on Twitter, Walkinshaw Andretti – formerly HRT, says, "our team has shared a long and successful relationship with Holden in Australia for three decades. It's sad to see them leave. We're thankful for their support and proud of what we achieved together, including seven Bathurst 1000 victories and six drivers' championships".

The DJR/Penske operation – champions in Mustangs no matter what Triple-8 boss Roland Dane threw at them – describes Holden as "always a fierce rival", adding "a great Aussie brand coming to an end is sad for our country no matter your allegiance".

Holden has also featured off the tarmac. Australians' love affair with the outback saw "reliability trials" set up – ultra-endurance circuits for modified road cars. Neither a true race nor rally, these events started in the early 1950s.

Holden's first win came in 1958 when Don Garard and Jim Roberts triumphed in an FE. Famous track names pop up too – Peter Brock won in a VB Commodore in 1979 when the distance was 19,000km. Rally driver Ed Ordynski won in 1995 in a VR Commodore and off-roader Bruce Garland won in 1998 in a Holden Rodeo (Isuzu Trooper) after Brock rolled.

In rallying, two Holdens took legendary status long before the Commodore was thought of – the Torana XU1 and Monaro. The XU1 spent half of the 1970s winning on gravel and tarmac. The Monaro wasn't far behind when conditions enabled drivers to stretch its big Chev 327 or 350-cubic-inch V8.

Australian Grady Thompson showed the way in a Monaro Coupe, flinging it around dirt and gravel roads across Australasia. He won the 1969 Rally New Zealand outright.

Colin Bond won the 1971 and 1972 Australian national championships in six-cylinder LC and LJ Torano XU-1s. Peter Lang took the title the following year, also in an LJ, before Bond secured the brand's last national rally title in 1974, and ended a long career for the XU1 Torana in the process.

Around the same time, the Monaro was similarly effective in New Zealand in the hands of Mark Parsons, whose sideways driving style suited the vehicle.

"They are great cars, I learnt a lot," says Parsons, who also rallied the ex-Jim Richards LC Torana V8, which previously finished third at Bathurst.

As recently as two years ago, Holden was active in rallying in New Zealand with Greg Murphy joining a roster of drivers to run an AP4+ Barina in the national championship.

UNDER THE HAMMER

Holden's race versions of the Monaro, Torana and Commodore are commanding high price premiums as demand from fans goes through the roof.

The brand's first factory-built 1969 HT Monaro GTS 350, which prepared for the then-new Holden Dealer Team, fetched a record NZ$541,905 at auction in 2017.

Frequent heavy acceleration can cause adaptive transmission 'to shift harshly'

The case: The buyer wanted to reject his 2014 Jeep Cherokee Sport because he alleged it had an undiagnosed fault that caused jerking and shuddering. The trader said it had inspected it for problems and had replaced its transmission. It said the car had no mechanical issues and any shuddering was caused by the purchaser's "spirited" driving style.

The decision: The tribunal ruled the buyer had failed to prove the Jeep had an ongoing fault.

At: The Motor Vehicle Disputes Tribunal, Auckland.

Background

Vinesh Guppta bought a new Jeep Cherokee Sport for $46,990 from Andrew Simms Botany on December 23, 2014.

Five years later, he wanted to reject it. He alleged it had a longstanding, undiagnosed fault that caused it to jerk, and claimed the dealer had failed to rectify it despite replacing the transmission.

Andrew Simms Botany said there was no mechanical problem with the Jeep. It added any symptoms experienced by Guppta were caused by its transmission adapting to his driving style.

The case

In this case, the only issue that required consideration was whether the Jeep had a fault that breached the acceptable quality guarantee in the Consumer Guarantees Act (CGA).

Section six of the legislation imposes on suppliers and manufacturers of consumer goods "a guarantee that goods are of acceptable quality". This test is objective in that it isn't a view of factors from the buyer's subjective perspective.

Guppta told the hearing the Jeep had an ongoing fault that caused it to intermittently shudder. He said those symptoms, which had first become apparent in March 2015, occurred at different speeds and in different gears.

He returned the Jeep to Andrew Simms Botany, which checked the transmission and updated its transmission control module (TCM) software.

The trader's general manager, Kevin Schreuder, told the hearing no fault could be found with the Jeep. But Guppta said the symptoms returned, so the car was again examined by the trader in May 2017.

A technician found "a slight knock on downshift from the gearbox when changing down gears at low speeds". The trader updated the TCM software, which it considered improved the transmission's performance.

Guppta continued to complain to the dealer about the Jeep shuddering and jerking. In October 2018, the trader replaced its transmission – even though it said it wasn't faulty – to appease him.

However, the tribunal noted that the evidence suggested otherwise because the trader's service invoice dated November 26, 2018, showed the car had a transmission fault.

The vehicle had been road-tested by a technician identified only as "Nick", who appeared to have found that it was jerking and had a "miss" from its transmission.

The technician noted the Jeep had a transmission fault consistent with service bulletins "18-014-17 and 21-001-18 Rev B", which he considered were "related to the customer's concern". The transmission was then replaced.

Both Schreuder and Jeep NZ's national service manager, Bryan Keating, had test-driven the vehicle. They said it drove smoothly.

Keating, who was also a passenger with Guppta behind the wheel, said he "liked to use the accelerator", which the tribunal interpreted as meaning Guppta frequently accelerated heavily, leading to quick gear changes.

The tribunal's assessor advised the hearing that the transmission was designed to adapt to a driver's style.

He added frequent heavy acceleration could cause an adaptive transmission to shift harshly in response to that style, potentially creating symptoms that Guppta complained about.

The finding

The tribunal considered the trader's invoice of November 2018 was "reliable, contemporaneous documentary" evidence and was satisfied the Jeep had a transmission fault in October 2018.

Therefore, it rejected the dealer's submission its replacement was a goodwill gesture to appease Guppta. Instead, the adjudicator considered this work was performed because the TCM software updates didn't appear to have rectified the identified symptoms.

As the dispute applicant, Guppta had an obligation to prove the Jeep had an ongoing fault on the balance of probabilities.

That meant he had to prove it was more likely than not that the car had an ongoing problem causing it to jerk and shudder.

The tribunal wasn't satisfied he had done so. Information in the application suggested a potential ongoing fault with the vehicle's transmission or related components.

Before the hearing took place, the tribunal issued a direction asking Guppta to have the Jeep assessed by a specialist to obtain evidence of an ongoing issue with its transmission or related components.

But he chose not to do this. Instead, he relied on his oral testimony and service invoices from Andrew Simms Botany to prove an ongoing fault existed.

The tribunal wasn't satisfied Guppta's evidence proved – on the balance of probabilities – that the Jeep had any ongoing problem in breach of the CGA's guarantee of acceptable quality.

In that regard, Andrew Simms Botany's submission was accepted. That was, if the car continued to jerk or shudder while being driven by Guppta, it could be caused by the way in which the Jeep's transmission had adapted to his driving style.

The tribunal also noted that its assessor had also been in the vehicle while it was being driven by Guppta, and that the car didn't shudder or jerk.

Order

The application was dismissed.

Tribunal orders refund to buyer's estate after van caught fire soon after supply

The case: A Ford Transit caught fire shortly after it was purchased by Marek Powierza from Robert Allen Wholesale Ltd. It was claimed an electrical fault caused the blaze that destroyed the van. The dealer contested liability.

The decision: The adjudicator ruled the vehicle failed the test for acceptable quality as defined in the Consumer Guarantees Act (CGA), the fault was substantial and the purchase price should be refunded. However, a claim for costs was dismissed.

At: The Motor Vehicle Disputes Tribunal, Auckland.

Background

Marek Powierza purchased a Ford Transit from Robert Allen Wholesale, trading as RAW Motors, for $7,450 on June 25, 2019.

A little more than three weeks later, it was destroyed by fire. Powierza rejected the van, alleging the blaze was caused by an electrical fault meaning the van hadn't been of acceptable quality for the purposes of the CGA.

Robert Allen Wholesale claimed the cause of the fire hadn't been proven, so it could not be attributed to an issue with the vehicle.

Powierza attended the first hearing by phone on November 14. He died a few days later before the matter could be completed on December 19.

With his estate's consent – and represented by his son-in-law Stuart Mitchell – Powierza's claim continued.

The case

The tribunal heard the vehicle caught fire on July 17, 2019, while parked at Powierza's home. His son Stefan was nearby and extinguished the flames, but not before significant damage was done.

The vehicle was assessed by Robert Watson, a senior fire risk-management officer with the New Zealand Fire Service.

Watson's report contained photos showing the front of van, particularly its dashboard, had been damaged. He believed the fire was accidental and resulted from an undetermined fault in electrical wiring behind the dash.

Mitchell and Stefan alleged the fire was caused by an inherent defect with the van, possibly caused by repairs to its A-pillar before it was supplied.

Stefan suggested that, while welding the pillar, the trader might have inadvertently tampered with the wiring loom, causing an electrical fault that triggered the fire.

Robert Allen Wholesale denied performing any repairs that could have interfered with the wiring. It said it didn't perform any welding on, or touch, wires. It added it performed only work required to obtain a warrant of fitness, none of which required any interference with the wiring or electrical system.

The adjudicator, Brett Carter, accepted the trader's evidence on this point and was satisfied the evidence didn't show the fire was caused by any work performed pre-purchase.

In its defence, the trader suggested the blaze might have been caused by Stefan or someone else working on the van – including by tampering with or removing its radio.

It claimed Stefan had expressed an intention to replace the radio and it believed the fire might have been caused by an attempt to do so.

Robert Allen Wholesale also suggested Watson's photos showed the radio had been removed before the fire because its LED display was undamaged.

The adjudicator said: "Stefan denied performing any work on the radio and I accept his evidence. Further, I'm not satisfied the undamaged LED display proves the radio had been removed.

"The photos show most damage was caused to the area above the back of the radio with little damage to the front of the dashboard where the radio's face would have been located.

"I note, in particular, there are air-conditioning controls directly beneath the radio, which have been largely unaffected by the fire, suggesting it wasn't particularly intense in the part of the dash where the radio's face was located.

"Additionally, there are scorch marks on the top rear of the radio in precisely the location where the fire appears to have been most intense, suggesting the radio was in-situ.

"I'm satisfied the radio was intact when the fire occurred and it hadn't been removed or tampered with.

"There was also some suggestion Stefan may have deliberately lit the fire. I'm satisfied he didn't. Watson's report made no mention of any sign of the fire being intentionally lit.

"I consider it most likely that, as set out in Watson's report, the fire was caused by an unidentified fault in the wiring or electrical system that caused the vehicle to spontaneously ignite."

The finding

The adjudicator ruled the vehicle wasn't of acceptable quality for the purposes of section six of the CGA.

He also found the fault was of substantial character because a reasonable consumer wouldn't have bought the van knowing it had a problem that would cause it to be set on fire.

Having rejected the vehicle, Powierza's estate was entitled to recover all amounts paid in respect of it.

On the hearing's first day, Powierza said he bought the van to enable his son to move from Auckland. His estate sought to recover $1,800 for hiring a rental to transport Stefan's belongings to Whanganui.

However, the adjudicator ruled those costs couldn't be recovered because he wasn't satisfied this was a reasonably foreseeable consequence of the Transit catching fire.

He said: "If Robert Allen Wholesale had been told the vehicle was being purchased with the specific intention of transporting belongings to Whanganui, then this cost may have been a reasonably foreseeable consequence of the vehicle becoming unusable."

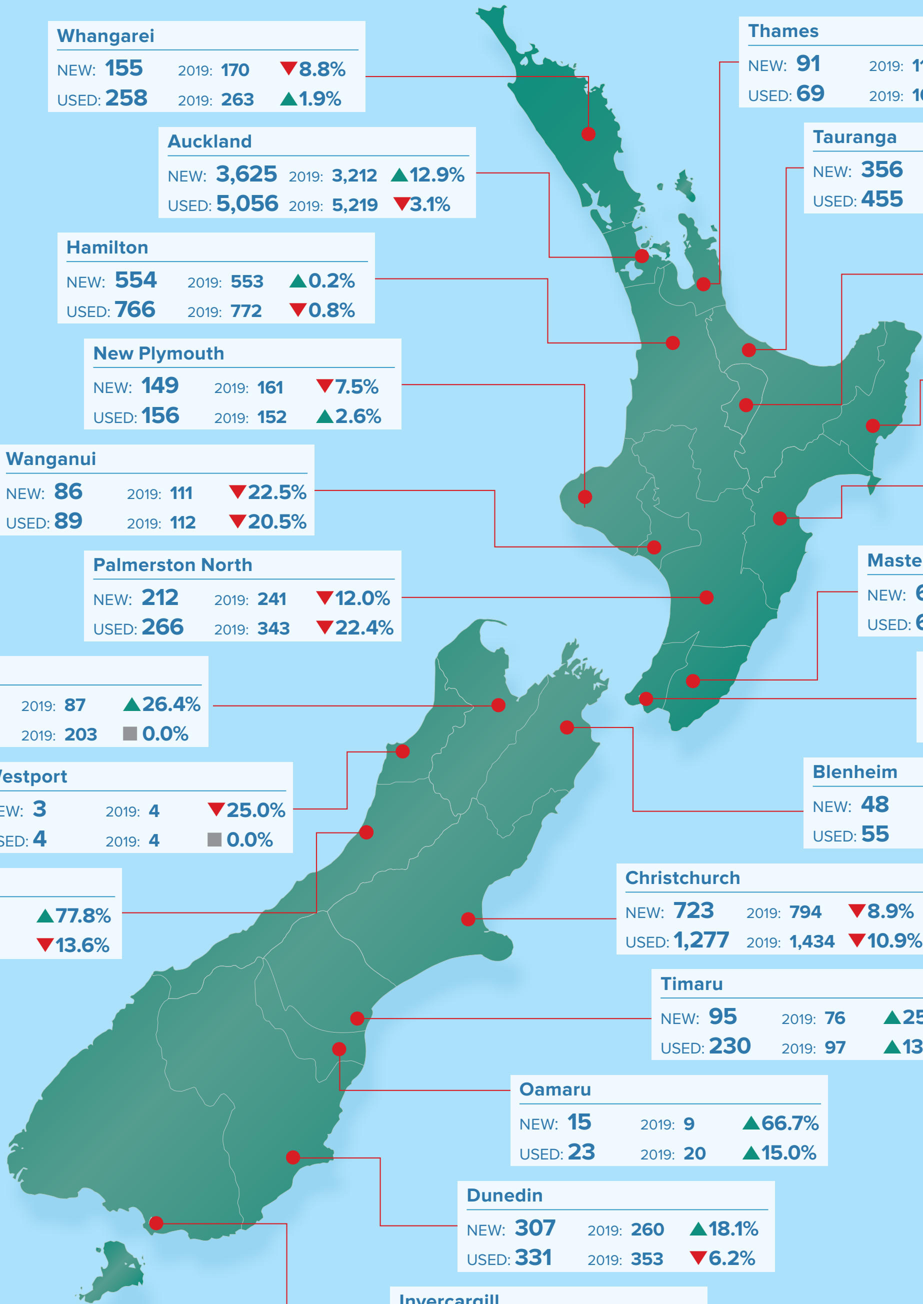
Order

The dealer had to pay $7,450 to Powierza's estate.

Around the Country February 2020

Total new cars	
7,911	
2018: 7,578	▲ 4.4%

Total imported used cars	
10,747	
2018: 11,129	▼ 3.4%



Whangarei	NEW:	155	2019: 170	▼8.8%
	USED:	258	2019: 263	▲1.9%
Auckland	NEW:	3,625	2019: 3,212	▲12.9%
	USED:	5,056	2019: 5,219	▼3.1%
Hamilton	NEW:	554	2019: 553	▲0.2%
	USED:	766	2019: 772	▼0.8%
New Plymouth	NEW:	149	2019: 161	▼7.5%
	USED:	156	2019: 152	▲2.6%
Wanganui	NEW:	86	2019: 111	▼22.5%
	USED:	89	2019: 112	▼20.5%
Palmerston North	NEW:	212	2019: 241	▼12.0%
	USED:	266	2019: 343	▼22.4%
Nelson	NEW:	110	2019: 87	▲26.4%
	USED:	203	2019: 203	■0.0%
Westport	NEW:	3	2019: 4	▼25.0%
	USED:	4	2019: 4	■0.0%
Greymouth	NEW:	16	2019: 9	▲77.8%
	USED:	19	2019: 22	▼13.6%
Thames	NEW:	91	2019: 110	▼17.3%
	USED:	69	2019: 106	▼34.9%
Tauranga	NEW:	356	2019: 328	▲8.5%
	USED:	455	2019: 447	▲1.8%
Rotorua	NEW:	136	2019: 154	▼11.7%
	USED:	162	2019: 135	▲20.0%
Gisborne	NEW:	31	2019: 38	▼18.4%
	USED:	82	2019: 59	▲39.0%
Napier	NEW:	242	2019: 216	▲12.0%
	USED:	191	2019: 242	▼21.1%
Masterton	NEW:	62	2019: 88	▼29.5%
	USED:	60	2019: 69	▼13.0%
Wellington	NEW:	716	2019: 756	▼5.3%
	USED:	799	2019: 844	▼5.3%
Blenheim	NEW:	48	2019: 71	▼32.4%
	USED:	55	2019: 60	▼8.3%
Christchurch	NEW:	723	2019: 794	▼8.9%
	USED:	1,277	2019: 1,434	▼10.9%
Timaru	NEW:	95	2019: 76	▲25.0%
	USED:	230	2019: 97	▲137.1%
Oamaru	NEW:	15	2019: 9	▲66.7%
	USED:	23	2019: 20	▲15.0%
Dunedin	NEW:	307	2019: 260	▲18.1%
	USED:	331	2019: 353	▼6.2%
Invercargill	NEW:	179	2019: 130	▲37.7%
	USED:	196	2019: 173	▲13.3%

Imported Passenger Vehicle Sales by Make - February 2020

MAKE	FEB '20	FEB '19	+/- %	FEB '20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Toyota	2,668	2,406	10.9	24.8%	5,604	25.0%
Nissan	2,024	2,207	-8.3	18.8%	4,270	19.0%
Mazda	1,715	1,780	-3.7	16.0%	3,640	16.2%
Honda	1,115	1,224	-8.9	10.4%	2,289	10.2%
Subaru	660	621	6.3	6.1%	1,455	6.5%
Suzuki	515	601	-14.3	4.8%	1,051	4.7%
Mitsubishi	448	531	-15.6	4.2%	928	4.1%
BMW	364	395	-7.8	3.4%	717	3.2%
Volkswagen	337	344	-2.0	3.1%	672	3.0%
Audi	197	210	-6.2	1.8%	382	1.7%
Lexus	130	113	15.0	1.2%	246	1.1%
Mercedes-Benz	121	171	-29.2	1.1%	241	1.1%
Ford	87	79	10.1	0.8%	173	0.8%
Volvo	53	51	3.9	0.5%	120	0.5%
Land Rover	41	41	0.0	0.4%	70	0.3%
Chevrolet	33	39	-15.4	0.3%	73	0.3%
Holden	26	24	8.3	0.2%	55	0.2%
Hyundai	26	20	30.0	0.2%	44	0.2%
Jaguar	25	40	-37.5	0.2%	54	0.2%
Dodge	20	33	-39.4	0.2%	41	0.2%
Mini	20	38	-47.4	0.2%	44	0.2%
Chrysler	15	17	-11.8	0.1%	27	0.1%
Jeep	13	23	-43.5	0.1%	33	0.1%
Porsche	12	17	-29.4	0.1%	32	0.1%
Kia	10	10	0.0	0.1%	18	0.1%
Cadillac	9	4	125.0	0.1%	16	0.1%
Peugeot	8	9	-11.1	0.1%	20	0.1%
Bentley	5	4	25.0	0.0%	6	0.0%
Renault	5	5	0.0	0.0%	16	0.1%
Chrysler Jeep	4	2	100.0	0.0%	5	0.0%
Citroen	4	3	33.3	0.0%	10	0.0%
Fiat	4	1	300.0	0.0%	11	0.0%
Isuzu	4	2	100.0	0.0%	6	0.0%
Austin	2	0	200.0	0.0%	2	0.0%
Buick	2	2	0.0	0.0%	2	0.0%
Others	25	62	-59.7	0.2%	67	0.3%
Total	**10,747**	**11,129**	**-3.4**	**100.0%**	**22,440**	**100.0%**

Imported Passenger Vehicle Sales by Model - February 2020

MAKE	MODEL	FEB '20	FEB '19	+/- %	FEB '20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Mazda	Axela	576	590	-2.4	5.4%	1,204	5.4%
Honda	Fit	510	558	-8.6	4.7%	1,042	4.6%
Toyota	Aqua	445	184	141.8	4.1%	885	3.9%
Suzuki	Swift	432	530	-18.5	4.0%	888	4.0%
Mazda	Demio	411	440	-6.6	3.8%	873	3.9%
Nissan	Tiida	405	528	-23.3	3.8%	832	3.7%
Toyota	Prius	384	298	28.9	3.6%	802	3.6%
Subaru	Impreza	260	219	18.7	2.4%	558	2.5%
Mitsubishi	Outlander	237	330	-28.2	2.2%	506	2.3%
Nissan	Leaf	235	277	-15.2	2.2%	500	2.2%
Volkswagen	Golf	218	0	21,800.0	2.0%	436	1.9%
Subaru	Legacy	217	263	-17.5	2.0%	486	2.2%
Toyota	Wish	211	0	21,100.0	2.0%	447	2.0%
Toyota	Vitz	210	256	-18.0	2.0%	428	1.9%
Mazda	Atenza	199	223	-10.8	1.9%	440	2.0%
Toyota	Corolla	193	139	38.8	1.8%	397	1.8%
Nissan	Note	180	212	-15.1	1.7%	418	1.9%
Nissan	Dualis	173	218	-20.6	1.6%	387	1.7%
Mazda	Premacy	172	195	-11.8	1.6%	393	1.8%
Nissan	X-Trail	148	150	-1.3	1.4%	336	1.5%
Toyota	Auris	138	155	-11.0	1.3%	331	1.5%
Nissan	Serena	122	109	11.9	1.1%	270	1.2%
Honda	Stream	121	122	-0.8	1.1%	263	1.2%
Toyota	Vanguard	119	72	65.3	1.1%	254	1.1%
Nissan	Juke	110	71	54.9	1.0%	248	1.1%
Toyota	Blade	105	120	-12.5	1.0%	226	1.0%
Nissan	March	105	90	16.7	1.0%	212	0.9%
Mazda	Verisa	105	104	1.0	1.0%	209	0.9%
Toyota	Ractis	104	90	15.6	1.0%	224	1.0%
Nissan	Skyline	103	92	12.0	1.0%	209	0.9%
Mazda	CX-5	101	84	20.2	0.9%	216	1.0%
Honda	CRV	87	85	2.4	0.8%	188	0.8%
Honda	Insight	79	50	58.0	0.7%	159	0.7%
Toyota	MarkX	76	102	-25.5	0.7%	172	0.8%
Honda	Odyssey	76	93	-18.3	0.7%	143	0.6%
Others		3,380	4,080	-17.2	31.5%	6,858	30.6%
Total		**10,747**	**11,129**	**-3.4**	**100.0%**	**22,440**	**100.0%**

'Symptom' of industry change

General Motors' decision to call time on the Holden brand has been described an "inevitable" by the chief executive of VIA (the Imported Motor Vehicle Industry Association).

While the fallout from February 17's announcement "isn't going to affect VIA and our members much, it will change the retail landscape in New Zealand", says David Vinsen.

"It will affect businesses selling new Holdens and they will have to rejig their business models," he adds. "They are not generally our members, but they are very resourceful and entrepreneurial, and will make adjustments."

Vinsen describes the closure of Holden as inevitable with big corporates, such as GM, facing up to the reality that a separate brand based on small markets, such as Australia and New Zealand, is unsustainable, hence the pin being pulled.

"The news about Holden is symptomatic of structural changes that are happening and will continue to happen, not just around brands but for transport as a whole and the model of the ownership and use of private vehicles," he says.

"It's the harbinger of changes still to come, even if we don't yet know exactly what those changes will be."

Meanwhile, thousands of Kiwis rushed online to see what Holdens are for sale after GM announced the marque was being given the boot.

Alan Clark, Trade Me's head of motors, says the online auction site saw a "huge jump in interest as Kiwis reminisce or consider snapping up a brand that will be discontinued".

He adds searches for the marque have surged since with about 17,000 made the day after the announcement came out on February 17.

According to Trade Me, there are normally about 7,000 "Holden" searches daily, but figures were up by more than 30 per cent on the previous week.

Clark notes there are more than 3,500 Holden listings on the website and there were nearly 32,000 in 2019.

"We will be watching with interest to see what this announcement means for the prices of Holdens and which cars Kiwis will turn their attention to when Holden stops selling here."

As for last month's statistics, there were 10,747 used-imported cars registered for the first time in New Zealand. That was drop of 3.4 per cent, or 382 fewer, than February 2019's total of 11,129.

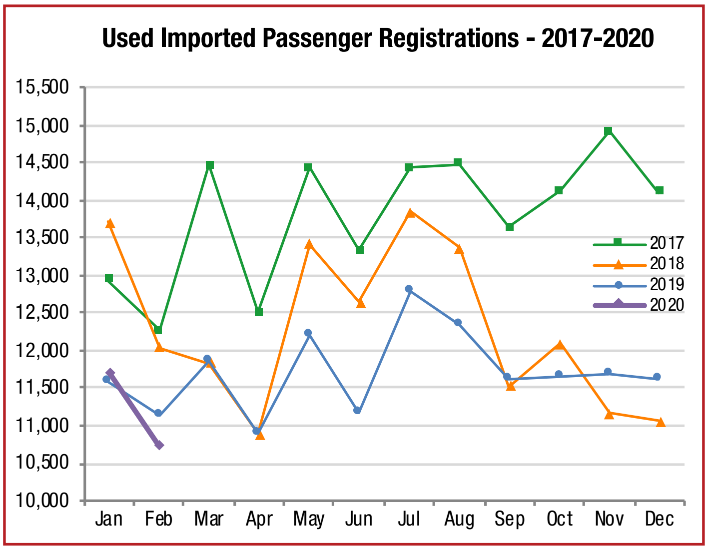
Toyota continues to be the dominant brand in the used-import market. It was the most popular marque in February with 2,668 sales for 24.8 per cent of the market. Its performance last month was a 10.9 per cent increase on 2,406 registrations in January 2019.

Nissan claimed second spot in February with 2,024 sales and a market share of 18.8 per cent, while Mazda was third on 1,715 registrations and 16 per cent.

So far in 2020, Toyota accounts for one-quarter of the market, or 5,604 registrations, while Nissan and Mazda have 19 per cent and 16.2 per cent respectively.

As for models, the Mazda Axela retained top spot in February. It was followed by the Honda Fit. Toyota's Aqua was third, with the Suzuki Swift and Mazda Demio coming fourth and fifth spot respectively.

The Axela sold 576 units for a 5.4 per cent share of the market in February, despite sales dipping 2.4 per cent on the same month of last year.



There were 510 Fits registered and 445 were Aquas sold for a jump of 141.8 per cent on its performance in February 2019. The Swift suffered an 18.5 per cent fall in sales last month compared to the same month of last year with 432 cars registered.

Nissan's Tiida compounded a big hit to its numbers in January with another drop last month – its 405 registrations in February represented a 23.3 per cent fall from the same period a year ago.

Another impressive performer for Toyota in February was the Prius with 384 registrations compared to 298 in February 2019 for a 28.9 per cent jump.

February brought another month of extremes around the regions, with Gisborne and Rotorua the big success stories.

Gisborne saw sales of used imported cars jump by 39 per cent from 59 registrations in February 2019 to 82 last month. In Rotorua, sales rose from 135 to 162 for a 20 per cent increase.

In the main centres, Auckland saw sales drop 3.1 per cent to 5,056, while in Wellington they fell 5.3 per cent to 799 registrations. Christchurch numbers dropped 10.9 per cent from 1,434 in February 2019 to 1,277 last month.

Other notable results for February included a 13.3 increase in registrations in Invercargill, climbing from 173 to 196.

Napier and Palmerston had year-on-year drops of more than 20 per cent – Napier's figures fell from 242 in February 2019 to 191 last month, while Palmerston tumbled from 343 units to 266.

Welcome rise in used imports

The number of used passenger vehicles coming into New Zealand amounted to 11,851 units last month.

February's total was a 38.9 per cent jump on the 8,537 units that crossed our border during the same month in 2019.

It's a sure sign of dealers getting stocked up before the cut-off date of March 1 for all vehicles to be border-checked for compliance with the final phase of the electronic stability control (ESC) rule.

Last month's total also represented an increase of 16.5 per cent – or 1,678 units – on used passenger vehicles imported during January.

So far in 2020, the number of used cars imported is 54 units ahead of the first two months of 2019, with the year-to-date total at 22,024.

Out of February's total, 11,145 units were imported from Japan, which was up by 42 per cent on the same month of last year. The latest tally was also 1,546 more than what came in from that country in January.

Imports from Australia were up 13.5 per cent from February last year, climbing to 453 cars.

"With the implementation of mandatory ESC for all mainstream imports into New Zealand – with a few minor exceptions – is this the death of the lower-priced used dealer importing cars from Japan, we ask," says Joe Barnett, of SOC NZ Ltd.

"We're pleased there may be a short-term solution until those newer, small Japanese vehicles become affordable again.

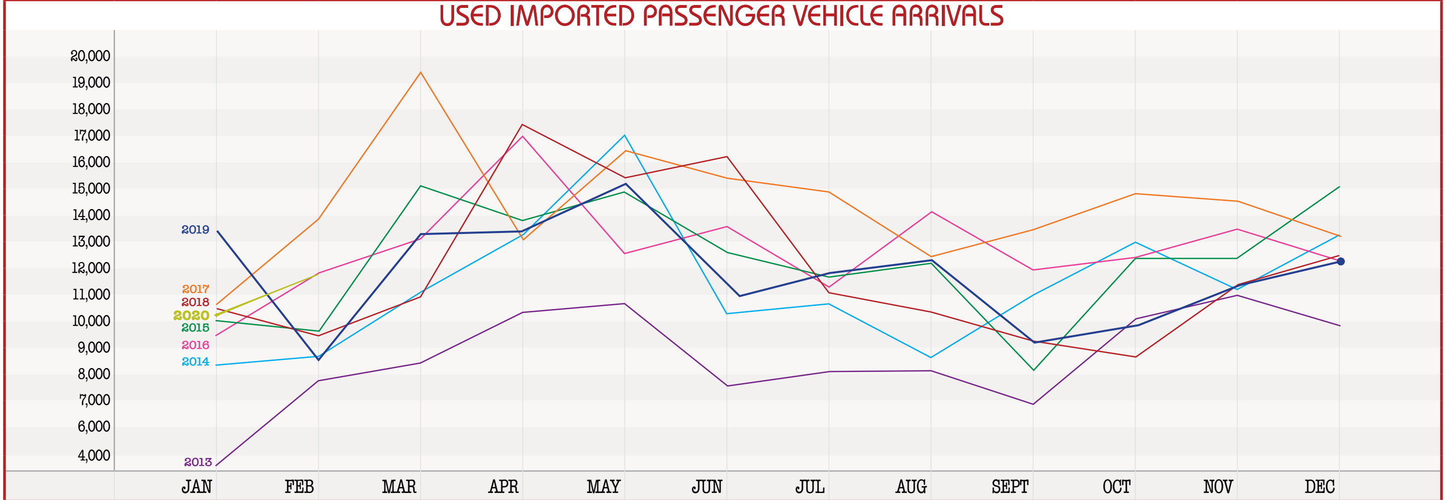
"The answer may lie in earlier-model European cars still being sold in Japan. Many European manufacturers started fitting ESC as standard in the early 2000s, some examples being the MK5 VW Golf, BMW 1 Series, VW Polo and so on.

"Many of these being advertised are also two-digit emission codes. But again, predominantly, they can be proven to meet Euro 4 emissions standards with an emissions certificate."

Barnett says a recent scan of a Japanese auction site showed a 2005 two-litre Golf selling for between ¥37,000 and ¥102,000, and a 2006 BMW 116 for between ¥39,000 and ¥105,000.

"It would be expected that both of these cars could be proven to meet the emissions and be fitted with ESC," he adds. "This is not a long-term solution, but until prices of later Japanese cars with ESC start to reduce as they get older, moving to selling some earlier Euros might be the answer."

USED IMPORTED PASSENGER VEHICLE ARRIVALS



Used Imported Passenger Vehicles By Country Of Export

COUNTRY OF EXPORT	2020 JAN '20	2020 FEB '20	2020 FEB MARKET SHARE %	2020 TOTAL	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2019 TOTAL	2019 MRKT SHARE	2018 TOTAL	2018 MRKT SHARE
Australia	291	453	2.9%	744	1,320	1,549	1,291	988	5,148	3.6%	4,183	2.9%
Great Britain	76	56	0.7%	132	234	167	217	276	894	0.6%	1,026	0.7%
Japan	9,599	11,145	94.4%	20,744	32,921	36,955	31,187	31,431	132,494	93.8%	134,510	94.2%
Singapore	105	132	1.0%	237	459	406	385	428	1,678	1.2%	1,531	1.1%
USA	72	55	0.7%	127	173	156	159	176	664	0.5%	1,108	0.8%
Other countries	30	10	0.3%	40	99	89	54	98	340	0.2%	415	0.3%
Total	**10,173**	**11,851**	**100.0%**	**22,024**	**35,206**	**39,322**	**33,293**	**33,397**	**141,218**	**100.0%**	**142,773**	**100.0%**

MotorWeb by trademe

Dealer coverage to expand

Turners Automotive Group is showing no signs of slowing down its spread across the country with plans to open nine new sites over two years.

The company is committed to an expansion plan that will increase its retail footprint from 147,000m2 to 220,000m2 by the end of 2021.

Under the strategy that kicked off in mid-2019, it has opened a flagship store on Auckland's North Shore and reopened a similar business in Dunedin.

Next is having a presence at Westgate and Mount Richmond in Auckland, with those projects due to be completed in June this year. It also has plans for sites at Christchurch West, Pukekohe, Nelson, Rotorua and Timaru.

Todd Hunter, chief executive, says having retail sites in strategic locations is a "significant advantage for our business" and it expects to benefit from the rationalisation of rival dealer networks.

"When looking at a new site, we consider a number of factors that determine whether we acquire the site, lease it or buy and then sell with a lease-back arrangement," he explains.

"Over the past five years, we have expanded our automotive network from 13 to 33 sites and we have a pipeline of five years of property opportunities ahead, including large projects in Auckland and Christchurch.

"Hundreds of thousands of vehicles need to be replaced over the next decade. We are well-positioned to take advantage of this, and will expand our real-world and digital footprint to continue to grow market share."

In the second-hand passenger-vehicle market, there were 16,259 trader-to-public transactions during February – a 6.5 per cent drop compared to 17,395 in the same month of 2019.

Timaru enjoyed an 86.1 per cent jump in dealer sales to 322 last month from 173 in February 2019. Greymouth was also on the up with a 37.3 increase, from 51 to 70 sales over the same period.

As for public-to-trader transactions, there was a national increase of 4.7 per cent from 11,979 in February last year when compared to 12,544 last month.

Auckland had 5,268 trade-ins last month compared to 4,591 in the same month of 2019 for an increase of 14.7 per cent.

New Plymouth recorded a 22.5 per cent jump to 218 from 178, while Nelson's trade-ins climbed 26 per cent, from 150 to 189.

SECONDHAND CAR SALES - February 2020

	DEALER TO PUBLIC				PUBLIC TO PUBLIC			PUBLIC TO DEALER		
	FEB '20	FEB '19	+/- %	MARKET SHARE	FEB '20	FEB '19	+/- %	FEB '20	FEB '19	+/- %
Whangarei	530	534	-0.7	3.26	1,901	1,888	0.7	213	195	9.2
Auckland	5,448	5,424	0.4	33.51	13,905	13,432	3.5	5,268	4,591	14.7
Hamilton	1,231	1,322	-6.9	7.57	3,422	3,223	6.2	967	953	1.5
Thames	254	289	-12.1	1.56	574	652	-12.0	180	180	0.0
Tauranga	746	811	-8.0	4.59	2,154	2,040	5.6	483	553	-12.7
Rotorua	338	343	-1.5	2.08	1,000	986	1.4	114	148	-23.0
Gisborne	151	180	-16.1	0.93	409	381	7.3	48	63	-23.8
Napier	597	636	-6.1	3.67	1,534	1,469	4.4	394	409	-3.7
New Plymouth	371	402	-7.7	2.28	987	913	8.1	218	178	22.5
Wanganui	219	246	-11.0	1.35	578	604	-4.3	130	161	-19.3
Palmerston North	665	731	-9.0	4.09	1,676	1,542	8.7	658	573	14.8
Masterton	171	199	-14.1	1.05	505	536	-5.8	92	96	-4.2
Wellington	1,471	1,459	0.8	9.05	3,152	3,029	4.1	1,034	949	9.0
Nelson	260	262	-0.8	1.60	1,071	980	9.3	189	150	26.0
Blenheim	160	149	7.4	0.98	506	462	9.5	78	93	-16.1
Greymouth	70	51	37.3	0.43	192	165	16.4	32	20	60.0
Westport	5	7	-28.6	0.03	35	35	0.0	2		0.0
Christchurch	2,106	3,004	-29.9	12.95	5,243	5,294	-1.0	1,740	1,802	-3.4
Timaru	322	173	86.1	1.98	693	508	36.4	84	118	-28.8
Oamaru	33	26	26.9	0.20	135	134	0.7	7	2	250.0
Dunedin	740	745	-0.7	4.55	2,056	2,030	1.3	395	475	-16.8
Invercargill	371	402	-7.7	2.28	1,163	1,170	-0.6	218	270	-19.3
NZ total	**16,259**	**17,395**	**-6.5**	**100.00**	**42,891**	**41,473**	**3.4**	**12,544**	**11,979**	**4.7**

New Passenger Vehicle Sales by Make - February 2020

MAKE	FEB '20	FEB '19	+/- %	FEB '20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Toyota	1,093	800	36.6	13.8%	2,313	13.6%
Mitsubishi	764	547	39.7	9.7%	1,352	7.9%
Kia	751	580	29.5	9.5%	1,715	10.1%
Mazda	580	758	-23.5	7.3%	1,254	7.4%
Hyundai	557	528	5.5	7.0%	1,149	6.8%
Suzuki	494	580	-14.8	6.2%	1,090	6.4%
Honda	415	512	-18.9	5.2%	828	4.9%
Nissan	409	355	15.2	5.2%	876	5.1%
Ford	408	416	-1.9	5.2%	918	5.4%
Subaru	295	299	-1.3	3.7%	586	3.4%
Volkswagen	288	309	-6.8	3.6%	581	3.4%
Holden	276	545	-49.4	3.5%	810	4.8%
Mercedes-Benz	189	152	24.3	2.4%	461	2.7%
BMW	144	163	-11.7	1.8%	381	2.2%
Audi	142	120	18.3	1.8%	287	1.7%
Skoda	141	108	30.6	1.8%	286	1.7%
Peugeot	112	72	55.6	1.4%	200	1.2%
MG	103	0	10,300.0	1.3%	168	1.0%
Land Rover	90	128	-29.7	1.1%	222	1.3%
Jeep	84	55	52.7	1.1%	174	1.0%
Lexus	81	76	6.6	1.0%	157	0.9%
SsangYong	71	55	29.1	0.9%	141	0.8%
Mini	62	41	51.2	0.8%	169	1.0%
Haval	49	64	-23.4	0.6%	131	0.8%
Volvo	47	64	-26.6	0.6%	111	0.7%
Porsche	44	49	-10.2	0.6%	105	0.6%
Tesla	35	13	169.2	0.4%	94	0.6%
Jaguar	30	39	-23.1	0.4%	91	0.5%
Isuzu	25	14	78.6	0.3%	41	0.2%
Renault	24	26	-7.7	0.3%	47	0.3%
Citroen	23	22	4.5	0.3%	58	0.3%
Alfa Romeo	17	9	88.9	0.2%	40	0.2%
Seat	14	11	27.3	0.2%	33	0.2%
Mahindra	10	11	-9.1	0.1%	28	0.2%
Bentley	6	4	50.0	0.1%	12	0.1%
Others	38	53	-28.3	0.5%	101	0.6%
Total	**7,911**	**7,578**	**4.4**	**100.0%**	**17,010**	**100.0%**

New Passenger Vehicle Sales by Model - February 2020

MAKE	MODEL	FEB '20	FEB '19	+/- %	FEB '20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Toyota	RAV4	419	61	586.9	5.3%	988	5.8%
Mitsubishi	Outlander	304	229	32.8	3.8%	536	3.2%
Mitsubishi	ASX	291	188	54.8	3.7%	490	2.9%
Kia	Seltos	281	0	28,100.0	3.6%	711	4.2%
Nissan	Qashqai	244	156	56.4	3.1%	514	3.0%
Mazda	CX-5	233	292	-20.2	2.9%	487	2.9%
Kia	Sportage	228	273	-16.5	2.9%	508	3.0%
Suzuki	Swift	217	245	-11.4	2.7%	506	3.0%
Toyota	Corolla	198	235	-15.7	2.5%	443	2.6%
Hyundai	Kona	167	160	4.4	2.1%	352	2.1%
Hyundai	Tucson	156	180	-13.3	2.0%	293	1.7%
Toyota	Yaris	146	111	31.5	1.8%	221	1.3%
Honda	HR-V	140	149	-6.0	1.8%	261	1.5%
Volkswagen	Tiguan	136	113	20.4	1.7%	273	1.6%
Ford	Escape	135	123	9.8	1.7%	240	1.4%
Nissan	X-Trail	115	141	-18.4	1.5%	260	1.5%
Mitsubishi	Eclipse Cross	110	76	44.7	1.4%	189	1.1%
Honda	Jazz	110	144	-23.6	1.4%	228	1.3%
Suzuki	Vitara	110	97	13.4	1.4%	241	1.4%
Kia	Rio	109	72	51.4	1.4%	211	1.2%
Hyundai	Santa Fe	107	123	-13.0	1.4%	243	1.4%
Subaru	Outback	104	78	33.3	1.3%	173	1.0%
Honda	CR-V	98	156	-37.2	1.2%	215	1.3%
Holden	Trax	89	47	89.4	1.1%	228	1.3%
Subaru	XV	87	105	-17.1	1.1%	192	1.1%
Mazda	CX-3	84	79	6.3	1.1%	198	1.2%
Subaru	Forester	82	86	-4.7	1.0%	180	1.1%
Volkswagen	Golf	82	83	-1.2	1.0%	134	0.8%
Mazda	Mazda3	79	112	-29.5	1.0%	144	0.8%
Mazda	CX-9	74	88	-15.9	0.9%	128	0.8%
Toyota	C-HR	73	79	-7.6	0.9%	152	0.9%
Mazda	Mazda2	72	114	-36.8	0.9%	158	0.9%
Honda	Civic	65	53	22.6	0.8%	114	0.7%
Toyota	Highlander	65	104	-37.5	0.8%	119	0.7%
Peugeot	3008	63	37	70.3	0.8%	112	0.7%
Others		2,838	3,189	-11.0	35.9%	6,568	38.6%
Total		**7,911**	**7,578**	**4.4**	**100.0%**	**17,010**	**100.0%**

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

LEADS

- Web - Classified 4.1%
- Web - Dealer 23.1%
- Brand 0.7%

TEST DRIVES

- Web - Dealer 8.7%
- Direct 3.4%
- Web - Classified 1.7%

Business loses out on franchise

A Holden dealership in Masterton has secured a franchise agreement with Hyundai NZ for the Wairarapa, which was previously held by a competitor down the road.

Waggs Holden was a single-franchise operation until signing on the dotted line with the South Korean marque.

The previous holder of the Hyundai franchise for the area was the Eastwood Motor Group, which still has three marques.

A statement on the situation was published on Eastwood's Facebook page on February 24.

In it, manager director Mike Eastwood and Gary Allan, dealer principal, say it's "with deep regret" they must inform customers that Hyundai NZ decided not to renew its franchise agreement from March 1. They add they received this news from Hyundai on February 20.

"Although challenging, we will be doing all we can to continue best customer support and our ongoing community involvement," they add.

"We continue with our representation of Kia, Suzuki and Isuzu and enjoy the integrity of those relationships characterised by a true, loyal partnership."

On February 26, they made a second post. "Just to clarify, we aren't going anywhere. The dealership is here to stay. Our team wants to finish on a high note and we're determined to make the most of our last few days as a Hyundai dealer.

"We're going to end this month with a result we can be proud of, which is why we're having an end-of-an-era clearance on new Hyundai cars on-site. We would rather sell these cars to our locals than return them to Hyundai NZ.

"As a business we have key relationships to consider and based on our own values we do not wish to burn any bridges."

Mike Eastwood told Autofile: "We have lost the franchise despite winning five best workplace awards and being Hyundai NZ's dealer of the year in 2014.

"We have 30 staff and were given nine days' notice. However, there are always opportunities and we have loyal customers. We cannot decide what will happen later on, but it will have an incredible impact on the business and what it's now worth to us."

The news about Eastwood Motors' Hyundai franchise came after GM announced on February 17 that it's retiring the Holden brand.

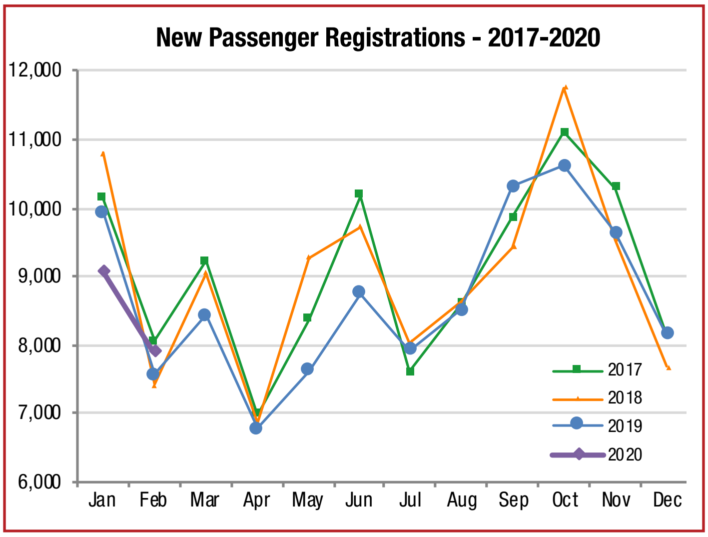
Pat Long, dealer principal of Waggs Holden, didn't wish to discuss the situation with Autofile.

However, the Waggs team posted on Facebook on February 19 that GM's decision about Holden "may come as a shock to you all as it does to us as a company". It adds: "We will continue to operate as a car dealership and we will inform our customers of any further developments."

An online article was published by the Wairarapa Times Age on February 21 saying that despite the brand's demise, losing the Holden franchise will have minimal impact on Waggs' business and its employees, and there are no plans to restructure or make staff redundant.

"We will make sure there's work for my 21 staff here," Long told the newspaper. "We are busy, the second-hand dealership is busy, as are parts and the workshop."

The article adds that Long and his wife Julie, who own Waggs Holden in Masterton and Pahiatua, "have been flat out working out what the [Holden] announcement means for them as they look to diversify".



Autofile contacted Hyundai NZ to ask the marque about its franchise situation in Masterton. Kimberley Waters, public-relations manager, says: "We don't comment on individual dealer contracts.

"However, what I can advise you is that there is a letter of correspondence arriving in Hyundai customers' letterboxes this week informing them Waggs will now be representing Hyundai in the Wairarapa."

There were 7,911 new cars sold in New Zealand last month, which was a 4.4 per cent increase on February 2019's total of 7,578.

Toyota topped the marques' ladder with a 36.6 per cent jump from 800 to 1,093 over the same timescale for a market share of 13.8 per cent. Mitsubishi came second with a 39.7 per cent jump from 547 to 764, and Kia was third with a 29.5 per cent rise from 580 to 751.

Holden's sales of new passenger vehicles and SUVs dropped by 49.4 per cent from 545 to 276 last month.

February's top-selling model was Toyota's RAV4 with 419 registrations – up by 586.9 per cent from 61 in the same month of 2019.

Next up were two Mitsubishis – the Outlander on 304 and the ASX with 291 on the back of 32.8 and 54.8 per cent jumps respectively. Last month's best-selling Holden was the Trax with an 89.4 per cent rise in sales from 47 to 89.

Sales of pure electric vehicles remained steady in February with 124 registrations. There were also 113 plug-in hybrids and 551 hybrid vehicles sold last month.

New commercial sales drop

February was a month that Holden dealers will want to forget in more ways than one as sales of a mainstay of the marque went into freefall.

The Colorado notched up 175 new-vehicle registrations last month – a decrease of 41.5 per cent when compared to 299 in February 2010.

Last month's total for the ute was also down compared to January's total of 373 for a decrease of 53.1 per cent.

The year-to-date total for the Colorado now stands at 548 units, which is down by 13.6 per cent when compared to 634 in the first two months of 2019.

February's top-selling new commercial was the Ford Ranger with 728 – a 4.1 per cent increase compared February last year.

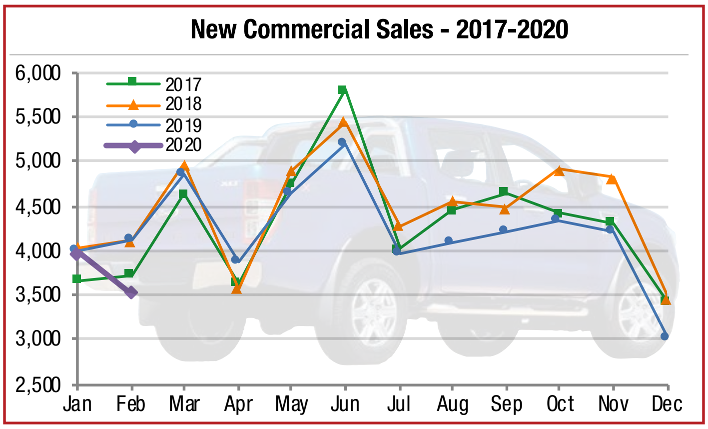
The Colorado wasn't the only ute to experience a sales decrease. The second-placed Toyota Hilux suffered a 15.5 per cent decrease from 686 to 580 registrations.

The top three was rounded off with Mitsubishi's Triton. Its sales also dropped – by 32.3 per cent to 342 from 686.

As for marques, Ford retained the lead with a market share of 23 per cent market and 814 registrations. Next up were Toyota with 799 sales and Mitsubishi on 342.

Overall, sales of new commercials came in at 3,527 for their fifth consecutive monthly decrease. That was down by what the Motor Industry Association describes as a "significant" drop of 14.4 per cent – or by 592 units – when compared to February 2019.

David Crawford, chief executive, says: "The month of February was up for passenger and SUVs. While it was pleasing to see the passenger and SUV market remain strong, it's worrying the commercial sector continues to be down – the fifth month in a row."



New Commercial Sales by Make - February 2020

MAKE	FEB '20	FEB '19	+/- %	FEB '20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Ford	814	818	-0.5	23.1%	1,838	24.5%
Toyota	799	817	-2.2	22.7%	1,482	19.7%
Mitsubishi	342	506	-32.4	9.7%	709	9.4%
Nissan	265	335	-20.9	7.5%	539	7.2%
Mazda	214	196	9.2	6.1%	394	5.2%
Isuzu	196	246	-20.3	5.6%	393	5.2%
Holden	181	302	-40.1	5.1%	561	7.5%
Volkswagen	107	119	-10.1	3.0%	226	3.0%
LDV	72	140	-48.6	2.0%	145	1.9%
Fuso	61	73	-16.4	1.7%	122	1.6%
Mercedes-Benz	61	76	-19.7	1.7%	156	2.1%
Hyundai	53	76	-30.3	1.5%	129	1.7%
Fiat	42	44	-4.5	1.2%	98	1.3%
SsangYong	41	43	-4.7	1.2%	87	1.2%
Great Wall	40	33	21.2	1.1%	87	1.2%
Hino	38	51	-25.5	1.1%	90	1.2%
Renault	33	14	135.7	0.9%	60	0.8%
Iveco	27	25	8.0	0.8%	50	0.7%
Scania	27	11	145.5	0.8%	55	0.7%
UD Trucks	17	18	-5.6	0.5%	32	0.4%
Others	97	176	-44.9	2.8%	253	3.4%
Total	**3,527**	**4,119**	**-14.4**	**100.0%**	**7,506**	**100.0%**

New Commercial Sales by Model - February 2020

MAKE	MODEL	FEB '20	FEB '19	+/- %	FEB '20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Ford	Ranger	728	699	4.1	20.6%	1,613	21.5%
Toyota	Hilux	580	686	-15.5	16.4%	1,053	14.0%
Mitsubishi	Triton	342	505	-32.3	9.7%	708	9.4%
Nissan	Navara	265	335	-20.9	7.5%	539	7.2%
Mazda	BT-50	214	196	9.2	6.1%	394	5.2%
Toyota	Hiace	195	108	80.6	5.5%	379	5.0%
Holden	Colorado	175	299	-41.5	5.0%	548	7.3%
Isuzu	D-Max	112	153	-26.8	3.2%	229	3.1%
Ford	Transit	86	119	-27.7	2.4%	225	3.0%
Volkswagen	Amarok	69	51	35.3	2.0%	126	1.7%
Hyundai	iLoad	52	72	-27.8	1.5%	126	1.7%
Fiat	Ducato	42	43	-2.3	1.2%	98	1.3%
SsangYong	Rhino	40	41	-2.4	1.1%	86	1.1%
Great Wall	Steed	40	33	21.2	1.1%	87	1.2%
Isuzu	N Series	37	29	27.6	1.0%	62	0.8%
Isuzu	F Series	31	46	-32.6	0.9%	68	0.9%
Mercedes-Benz	X-Class	28	23	21.7	0.8%	58	0.8%
LDV	G10	26	47	-44.7	0.7%	47	0.6%
Hino	500	24	31	-22.6	0.7%	49	0.7%
Toyota	Landcruiser	24	23	4.3	0.7%	50	0.7%
Others		417	580	-28.1	11.8%	961	12.8%
Total		**3,527**	**4,119**	**-14.4**	**100.0%**	**7,506**	**100.0%**

Imported van supply to be hit

There were 864 used-imported commercials registered for the first time in New Zealand last month for a 13.6 per cent decrease on February 2019's total of 1,000.

Toyota's Hiace retained its spot as top model thanks to 322 sales and was followed by two Nissans.

The NV200 notched up 58 sales – up by 45 per cent from 40 in February 2019 – and those of the NV350 rose by 72.7 per cent from 33 to 57.

With the final phase of the electronic stability control (ESC) rule being rolled out on March 1 – meaning the deadline for used imports to be border-checked to ensure the system is installed and operational has passed – older vans, such as many Hiaces in lower price brackets, will no longer comply.

This is because ESC uptake in these vehicles came much later in Japanese marques than in their cars – in many cases 2018 or 2019, and even then it has often been optional.

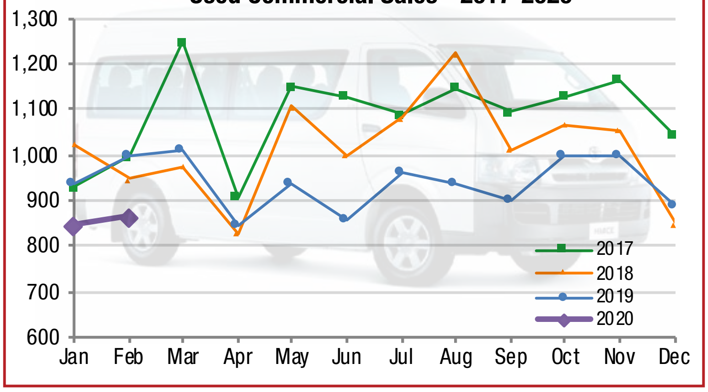
Most importers predict Hiaces will no longer be accessible at an affordable level with numbers expected to plummet later this year, even into 2021, and until they can compete with New Zealand-new used models.

"The imported van market has been very strong over the past couple of years, but the ESC change will basically wipe out every used Hiace up to 2017," says Haydn Mackenzie, of Albany Toyota on Auckland's North Shore.

"Importers have been bringing in 2005/06 Hiaces. That will end. I think there will be more competition for NZ-new products, which will help strengthen franchises.

"We have access to our own stock and from leases we've worked through with customers, so there will be ongoing stock. What you will find is some used dealers will struggle to get what they need."

Used Commercial Sales - 2017-2020



Used Commercial Sales by Make - February 2020

MAKE	FEB '20	FEB '19	+/- %	FEB '20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Toyota	430	437	-1.6	49.8%	775	45.3%
Nissan	211	213	-0.9	24.4%	411	24.0%
Isuzu	41	42	-2.4	4.7%	67	3.9%
Mazda	26	61	-57.4	3.0%	67	3.9%
Hino	22	45	-51.1	2.5%	48	2.8%
Ford	21	48	-56.3	2.4%	61	3.6%
Mitsubishi	18	29	-37.9	2.1%	43	2.5%
Chevrolet	13	22	-40.9	1.5%	24	1.4%
Fiat	12	24	-50.0	1.4%	78	4.6%
Holden	12	13	-7.7	1.4%	26	1.5%
Suzuki	9	8	12.5	1.0%	13	0.8%
Volkswagen	9	9	0.0	1.0%	17	1.0%
Renault	5	0	500.0	0.6%	8	0.5%
Dodge	4	9	-55.6	0.5%	9	0.5%
Mercedes-Benz	4	2	100.0	0.5%	9	0.5%
Daihatsu	3	3	0.0	0.3%	8	0.5%
Land Rover	3	1	200.0	0.3%	4	0.2%
Volvo	3	3	0.0	0.3%	4	0.2%
Honda	2	1	100.0	0.2%	2	0.1%
Hyundai	2	1	100.0	0.2%	4	0.2%
Others	14	29	-51.7	1.6%	33	1.9%
Total	**864**	**1,000**	**-13.6**	**100.0%**	**1,711**	**100.0%**

Used Commercial Sales by Model - February 2020

MAKE	MODEL	FEB '20	FEB '19	+/- %	FEB '20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Toyota	Hiace	322	339	-5.0	37.3%	588	34.4%
Nissan	NV200	58	40	45.0	6.7%	102	6.0%
Nissan	NV350	57	33	72.7	6.6%	105	6.1%
Nissan	Caravan	46	77	-40.3	5.3%	101	5.9%
Toyota	Dyna	38	36	5.6	4.4%	71	4.1%
Toyota	Regius	29	29	0.0	3.4%	49	2.9%
Isuzu	Elf	24	26	-7.7	2.8%	38	2.2%
Nissan	Vanette	21	23	-8.7	2.4%	44	2.6%
Toyota	Toyoace	18	13	38.5	2.1%	31	1.8%
Mazda	Bongo	16	46	-65.2	1.9%	46	2.7%
Mitsubishi	Canter	15	22	-31.8	1.7%	22	1.3%
Hino	Dutro	14	30	-53.3	1.6%	35	2.0%
Nissan	Atlas	12	18	-33.3	1.4%	21	1.2%
Fiat	Ducato	12	24	-50.0	1.4%	77	4.5%
Toyota	Hilux	11	12	-8.3	1.3%	18	1.1%
Isuzu	Forward	9	8	12.5	1.0%	15	0.9%
Suzuki	Carry	8	8	0.0	0.9%	12	0.7%
Holden	Colorado	8	8	0.0	0.9%	16	0.9%
Nissan	E-NV200	7	4	75.0	0.8%	11	0.6%
Nissan	Navara	7	11	-36.4	0.8%	16	0.9%
Others		132	193	-31.6	15.3%	293	17.1%
Total		**864**	**1,000**	**-13.6**	**100.0%**	**1,711**	**100.0%**

Ructions erupt across the Tasman

No official announcement has yet been made about the supply of Holden stock to New Zealand from now until the marque's disappearance from the automotive industry by 2021.

But one thing seems pretty certain and that's sales of its new vehicles will continue until dealerships are empty.

What happens across the ditch may impact on what unfolds here if dealers there fail to shift unsold stock.

On top of that, the federal government has announced a senate inquiry into Holden's departure after key Australian franchises rejected General Motors' initial compensation offer.

The inquiry, which has cross-party support, was announced after a delegation of dealers met with Prime Minister Scott Morrison in Canberra on February 26. They lobbied the government to use its powers to ensure GM pays due compensation to franchise holders and their staff.

In addition to the loss of 600 jobs at Holden's head office in Melbourne, 9,000 positions at 203 Australian showrooms are reported to be under threat.

News of the government inquiry comes with dealers mounting a campaign for more compensation than what GM has put on the table.

Some media outlets understand initial offers range from AU$100,000 to AU$2 million per dealer, but some sources claim payments will be "roundly rejected" by the franchise network as insufficient to cover closure costs.

The Australian Automotive Dealer Association (AADA), which represents 1,500 dealer groups across all brands, has renewed calls for an overhaul of current franchise laws so its members aren't left high and dry if a marque terminates contracts early.

"As an industry, we were shocked by GM's decision and the way it was communicated," says James Voortman, chief executive officer of the AADA. "We are even more shocked by reports from members of the inadequate compensation on offer."

The AADA says Holden dealers have invested "significant capital in facilities, stock and equipment", and many signed up to long-term showroom leases. It believes the senate inquiry into the shutdown is important because

Stock levels fall

Imports of new cars in February came in at 6,081. This was down by 21.9 per cent on the same month of last year and down 13.6 per cent on January's 7,035 units.

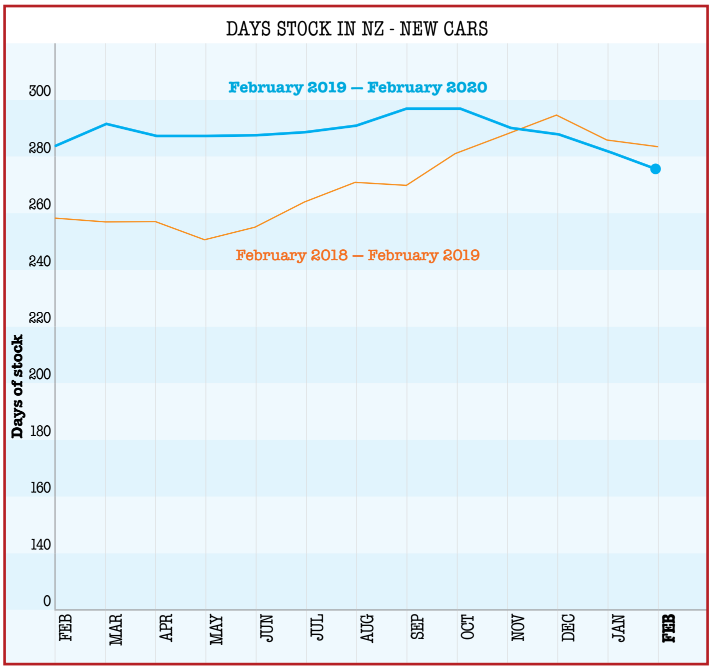
Registration of new cars came in at 7,911 last month, which was up 4.4 per cent on February 2019, but down by 13.1 per cent on January's sales.

The statistics illustrate a reduction in stock of 1,830 new passenger vehicles still to be registered with that figure now sitting at 77,871 units. This is 2.1 per cent less than the same time last year when 79,527 units were on-hand.

Daily sales, as averaged over the previous 12 months, now stand at 284 units per day. With 77,871 stock units available, that would last 274 days if sales continued at their current rate. This equates to nine months of on-hand stock.

Dealer stock of new cars in New Zealand

	CAR SALES		VARIANCE	STOCK	DAILY SALES - 12-MONTH AVERAGE	DAYS STOCK AT HAND
	IMPORTED	REGISTERED				
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
Feb '20	**6,081**	**7,911**	**-1,830**	**77,871**	**284**	**274**
Year to date	**13,116**	**17,010**	**(3,894)**			
Change on last month	**-13.6%**	**-13.1%**		**-2.3%**		
Change on Feb 2019	**-21.9%** LESS IMPORTED	**4.4%** MORE SOLD		**-2.1%** LESS STOCK		



it will "set the benchmark for other manufacturers considering an exit, a rationalisation of their network or a change in distribution model".

A statement issued by Holden on February 27 sheds some light on its calculations for dealers' compensation packages – offers the company insists go well-beyond minimum obligations.

"Holden is doing the right thing by its dealers during this difficult time," says the company in a statement to CarAdvice.

"We believe the offer is fair. In most cases, dealers will receive compensation at a factor of four times the average new-car profit per unit of all dealerships over the 2017-19 fiscal years. This number includes the sale of highly profitable domestically produced Commodores in 2017 and 2018."

The statement adds the formula Holden is using is being applied consistently for all dealers and covers reasonable earning expectations from new-vehicle sales departments over the remaining portion of franchise holders' agreements.

Dealers also have the chance to continue as authorised service outlets to maintain their current service and repair client base, which is a "very profitable part of their businesses".

Holden says the compensation package will also include provision to "reimburse dealers for a portion of their unamortised investments in new-car showrooms", as well as full reimbursement of unamortised investments in signage.

There is speculation that Holden dealers in Australia are halfway through five-year franchise agreements, but GM has terminated them ahead of the renewal date of December 31, 2022, as part of its strategy to exit right-hand-drive markets globally by the end of this year.

GM is expected to roll out remaining compensation offers in Australia imminently with about 13 per cent of dealers having been made formal offers to date.

However, the Holden dealer group claims its rejection will be unanimous because they now know how the US car giant is forming its calculations, reports CarAdvice.

"Our estimations are that the offer covers just 16 per cent of the dealer's liability," says the dealer council representative. "No one's going to accept that."

Holden NZ has declined to comment on whether its network has been made the same offer as what has been tabled to dealers across the Tasman.

Franchises on this side of the ditch have done comparatively better in recent years compared to those in Australia. It finished fifth on 2019's ladder for new-vehicle sales in this country with a market share of 7.8 per cent.

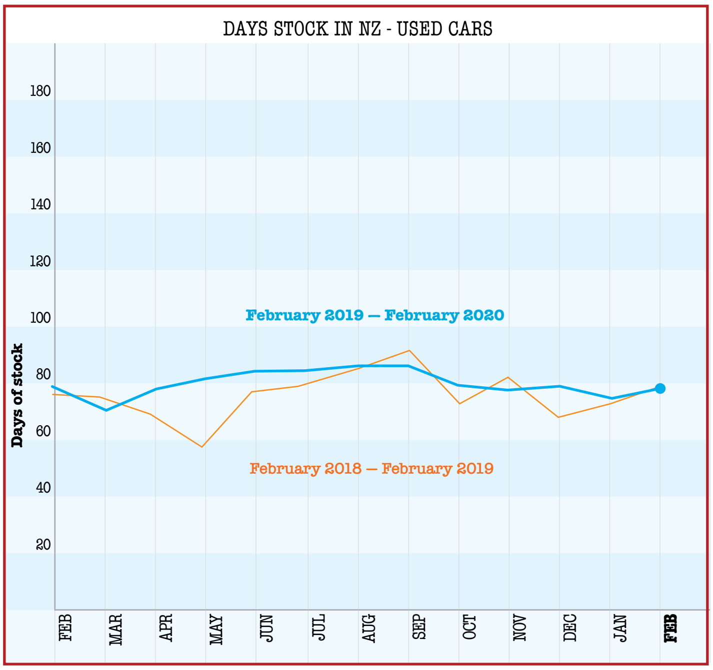
Surge in used car imports

There were 11,851 used cars imported in February – an increase of 3,314 units, or by 38.8 per cent, on the same month last year.

The stock figures were affected by a 3.4 per cent decrease in registrations – a total of 10,747 units were sold during February when compared with 11,129 in the same month of 2019. Registrations were also down 8.1 per cent on January's tally of 11,693.

With 1,104 more used cars imported than registered in February, this brought the stock sitting on dealer yards or in compliance shops to 29,950.

If average daily sales continued at 384 units per day, there would be 78 days' stock remaining if no further units were imported.



Dealer stock of used cars in New Zealand

	CAR SALES IMPORTED	CAR SALES REGISTERED	VARIANCE	STOCK	DAILY SALES - 12-MONTH AVERAGE	DAYS STOCK AT HAND
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
Feb '20	**11,851**	**10,747**	**1,104**	**29,950**	**384**	**78**
Year to date	**22,024**	**22,440**	**(416)**			
Change on last month	**16.5%**	**-8.1%**		**3.8%**		
Change on Feb 2019	**38.8%** MORE IMPORTED	**-3.4%** LESS SOLD		**3.3%** MORE STOCK		