www.autofile.co.nz

APRIL 2020

autofile

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

Fighting to keep the doors open

Protecta INSURANCE

Partnerships for over 30 years

Industry associations, service providers and the government are all working 'flat out' to get us through the Covid-19 pandemic


Biosecurity NZ verification of vehicle shipments from Japan are now being carried out in New Zealand

The chief executive of VIA (the Imported Motor Vehicle Industry Association) says everything that can be done will be done to secure the future of the supply chain into New Zealand during the coronavirus crisis.

David Vinsen says the association and its stakeholders are working frantically during the national lockdown to ensure the long-term health of the industry.

VIA, other industry organisations and supply-chain representatives – from source countries to consumers – are in emergency talks and collaborating with numerous government departments to overcome issues created by the global pandemic.

"We've been working flat out on this since it started to rear its head," Vinsen told Autofile. "I want to reassure people that we are working on solutions."

The agenda is vast – from logistics, storage and cash flow, to biosecurity, customs and tax.

"I've never seen government departments working so co-operatively, and competitors and different sectors of the supply chain are working together. The whole-of-government approach has streamlined the response, and decisions are being taken and put into effect very quickly."

Among VIA's most pressing tasks has been working with Biosecurity NZ to set up verification procedures in this country after the Ministry for Primary Industries (MPI) withdrew its staff from Japan in March.

While border-inspection companies continue to do their essential work in Japan, verification of vehicle shipments will take place at New Zealand ports. The first vessel with unverified stock is due on April 8 or 9.

"There are no purchases happening in Japan and not many

[continued on page 4]

INDUSTRY STATISTICS FOR MARCH

IMPORTS

USED CARS	13,392	▲ 1.2%
NEW CARS	8,724	▲ 4.5%

REGISTRATIONS

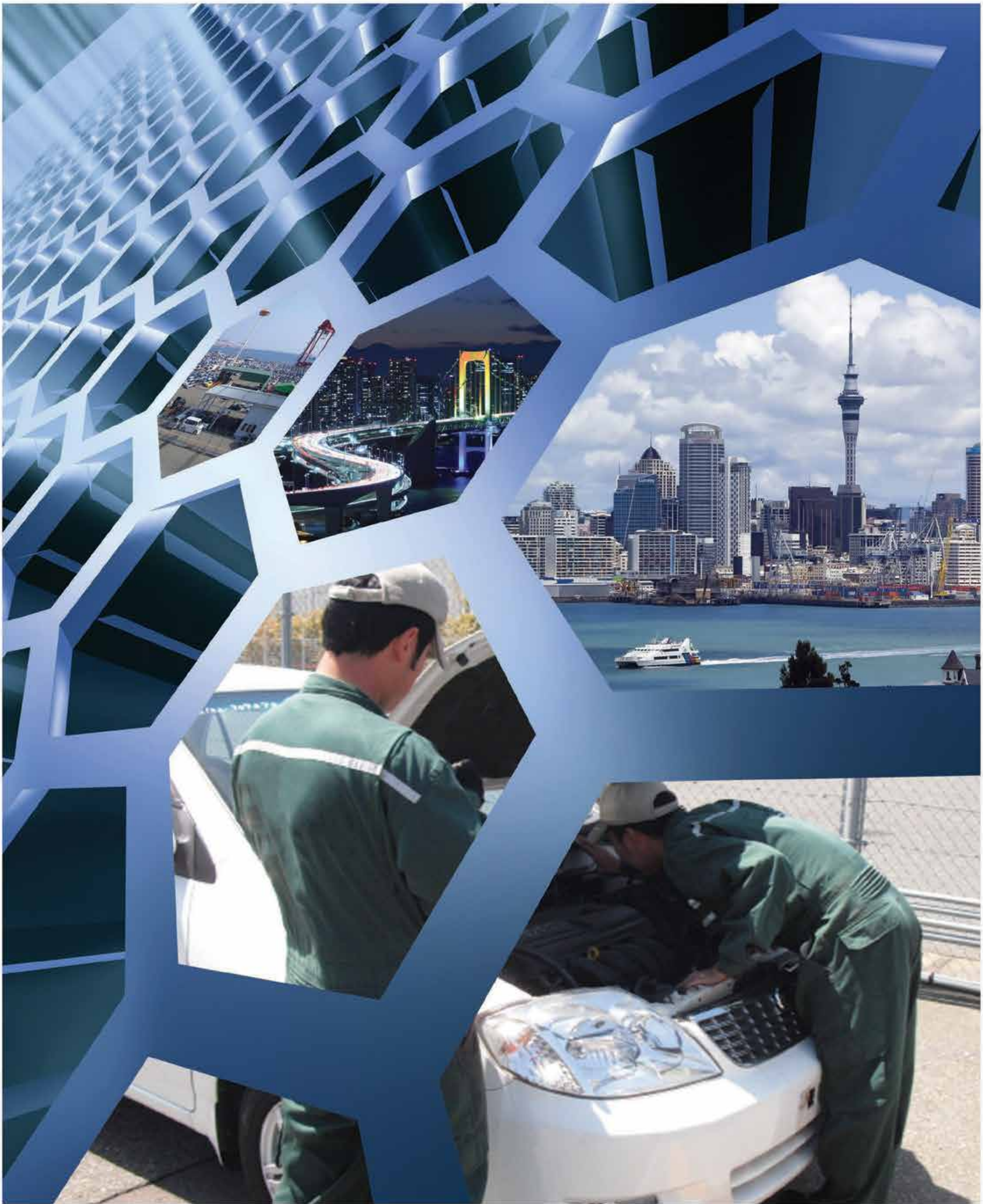
USED IMPORTED CARS	8,565	▼ 27.7%
NEW CARS	5,415	▼ 35.7%
USED IMPORTED COMMERCIALS	691	▼ 31.5%
NEW COMMERCIALS	2,901	▼ 40.1%

*percentages compared to March 2019

AUTOHUB™ FORWARD TOGETHER

GLOBAL VEHICLE LOGISTICS

NZ - JAPAN - AUSTRALIA - UK - EUROPE



LOAD.it SHIP.it CLEAR.it DELIVER.it

From shore to shore and door to door

We have developed a worldwide network
of Agents who understand the commitment
required to service our demanding market.

Tel: +64 9 825 0888
www.jacanna.co.nz

JACANNA

Message to our readers

The owners of Autofile praise the work of industry associations, the supply chain and government as we battle Covid-19

Well, it's all been said over the past few weeks: "unprecedented", "challenging times", "never before", "unique circumstances"… and finally, "we're all in this together".

As far as clichés go, we have had them all, but nobody is challenging the seriousness or questioning the intent of the messages because, for all of us, it's a matter of surviving to fight again another day.

One of the most positive things we have seen is our industry associations and supply chain working with government departments.

All these efforts appear to be focusing on ensuring as few as possible bureaucratic barriers stand in the way of achieving what we can to ensure a functioning industry when we reach the other side. It would be great to see these mutually beneficial collaborative relationships endure post-virus.

As a country that doesn't manufacture vehicles, we depend on the supply chain and our supply chain is only efficient when we are importing in volume.

Throw in the lag time from purchase to yard, and the many service providers in between, and we have an industry that's essentially blocked from car yards here right back to our source markets.

The whole supply chain is blocked, from agents in Japan that don't have demand for their product, inspection companies that have nothing to inspect, to the shipping companies without cargo, and the logistics and customs clearance companies with nothing to organise and clear. From the stevedores and port companies with nothing to unload, to compliance companies and entry certifiers with nothing to comply,

BRIAN McCUTCHEON and DARREN WILTSHIRE

and right down to dealers with no customers.

None of this takes into account businesses that depend on a vehicle's preparation for sale or after-sales. And these are many and varied, such as repairers, insurance and finance to name just a few.

The old adage is true, "nothing happens until someone sells something". No vehicle sales mean no cash and if cash isn't flowing, our economy is static or receding. So we really are all in this together.

Here, at Autofile, we are committed to maintaining our role as the trusted voice of New Zealand's motor-vehicle industry and will continue to provide up-to-date news on our industry daily online and through our monthly magazine, which will be available online only until restrictions are lifted for print companies.

We very much appreciate the support of our advertisers, without whom we couldn't provide the service we do to our industry, so thank you. If you are in a position to support the businesses you see in our magazine and on our website – either now or in the future – please do so.

And if you're reading this, we also couldn't survive without your support, so keep it up and spread the word. We love new subscribers and it's free to you because of our advertisers.

Take care – Brian, Dazzz and the team at Autofile.

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.

All statements made, although based on information believed to be accurate and reliable, cannot be guaranteed, and no liability can be accepted for any errors or omissions. Reproduction of Autofile in print or digital format in whole or part without written permission, whether by copying or any other means, is strictly forbidden.

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

All rights reserved. ISSN 0112-3475 (print) ISSN 2350-3181 (online)

COVID-19: CONTACT INFORMATION

New Zealand government website			www.covid19.govt.nz
Ministry of Health	www.health.govt.nz		ph. 0800 358 5453
Ministry of Transport	www.transport.govt.nz		ph. 04 439 9000
NZTA	info@nzta.govt.nz	State highway line	ph. 0800 444 449
MBIE	www.mbie.govt.nz	info@mbie.govt.nz	ph. 04 901 1499

Vinz
Vehicle Inspection NZ

Entry Certification Specialists

0800 GO VINZ VINZ.CO.NZ

[continued from page 1]

more cars will be shipped for some time," says Vinsen. "But ships are on the way now with vehicles on them."

Various industry sector groups met by video conference last week, and the joint government-industry workforce on biosecurity then got together over the internet on April 2. That meeting involved VIA, the Motor Industry Association, MPI, shipping lines, logistics companies, border-inspection organisations and other industry groups.

"We have been identifying vessel schedules, which have been changing, what vehicles are on-board, the split between new and used, how many are inspected and verified, and those that haven't been verified.

"We're trying to get an accurate picture of what's coming so we prepare how to deal with them. For non-verified vehicles, Biosecurity NZ will decide on those to be randomly sampled. Plans are being made to do that in the most efficient way so we can clear the port as soon as possible without compromising biosecurity.

"Ordinary vehicles are on-board those vessels and so are essential vehicles – such as ambulances, fire engines and agricultural vehicles. The ships must be discharged and ports cleared as quickly as possible to maintain access for essential goods."

Senior government officials have liaised with the ports and automotive industry to determine procedures to be followed in discharging vessels and clearing the ports.

The current situation is creating pressure further down the line because non-essential vehicles cannot be processed further, so options are being explored to expedite that and keep the system flowing.

While dealers are often thought of as being at the end of line, they will be the first link in the chain as New Zealand comes out of lockdown because nothing will happen until cars are sold, which is why the focus is across the supply chain from source countries to consumers.

"Under emergency regulations, everything is being escalated and decisions are being taken quickly – and without cutting corners," explains Vinsen. "We're doing everything we can on the biosecurity front. We cannot afford to make compromises because the last thing we want is another biosecurity risk, such as an incursion of stink bugs or something similar."

VIA was part of a 48-strong ▶

Keeping port clear

Ports of Auckland is gearing itself up for a busy month with high numbers of ships berthing.

Matt Ball, head of communications, says dockside operations continue to run smoothly, while the number of arrivals is expected to start decreasing toward the end of April.

"Vessels already on the water are on their way here," he told Autofile. "We don't anticipate any issues around handling them as long as cars keep moving off the port. Once those ships have come through, we expect their numbers to drop. It's the same with container vessels.

"In terms of operations, things are working pretty well. We've had a good response from the trucking and logistics industries in terms of getting freight moving off the port. If it doesn't move, we would get clogged up and need to close.

"We've had good compliance and low levels of congestion around that, so we still have capacity to keep operating as normal. Our focus is on moving everything that comes in and let the supply chain deal with it once it's out of the port. That seems to be working well."

Matters for the automotive industry may be complicated with Biosecurity NZ staff being withdrawn from Japan on March 21. It means verification samples of vehicle shipments will be carried out dockside in this country until further notice.

Steve Gilbert, central and south regional commissioner for border-clearance services, says: "It has been many years since Japanese used vehicles were inspected in New Zealand. However, Biosecurity NZ is committed to working with industry on a solution that will allow trade to continue while maintaining biosecurity.

"I recognise on-arrival verification will be challenging."

teleconference meeting with the NZTA and other stakeholders on April 3 to review regulatory changes.

"We got together to see what's happening, what's likely to happen and what regulatory changes are needed. Matters we're dealing with include the extension of timebound issues, such as warrants of fitness [WOFs], drivers' licences, industry certification and certificates of fitness for heavy vehicles."

With the number of vehicles already in the fleet with WOFs about to expire, it means that when the lockdown ends tens of thousands will need to be inspected and tested, and there will be trucks that require certificates of fitness.

Vinsen says: "Proposals have gone to the Department of the Prime Minister and Cabinet about such extensions, and to identify which vehicles are deemed to be essential services and need to be processed, and which time-limited periods can be extended under the emergency legislation. We expect a decision on working papers by the middle of this week."

The industry is also looking at what's going to happen once it starts to ease out of any lockdown provisions and minds are now turning toward those issues.

"Everybody is doing the best they can in very difficult circumstances. There's a fantastic reservoir of goodwill from everyone even with the incredible pressures we all face.

"We all want to get through this crisis emotionally, physically, financially and socially. None of us have ever seen something like this before."

Overflow storage may be needed

The chief executive of Autohub NZ says the crisis caused by the coronavirus virus is like nothing the industry has experienced before.

"The new normal won't resemble what was normal prior to Covid-19, but I'm optimistic we will get through this," says Frank Willett.

"I'm concerned about who will be left standing at the end, whenever that is. We could be going in and out various alert levels for some time. It's likely some dealers and compliance centres will be unable to reopen once we get through this.

"Other markets Japan exports cars to are experiencing their own level of Covid-19 shock, and there has been a dramatic reduction in cars – new and used – going to other markets.

"As a result, auction prices started coming down by as much as 30 per cent. It's tough for someone here to take advantage of that, but well-funded importers could look to secure some relatively cheap stock."

Willet told Autofile that invoicing and incoming payments have been "fairly steady" so far. "Even though cars can't be delivered at this stage, we are grateful for clients continuing to pay on time. Vehicles are all going into secure storage provided by Autohub contractors, which have adequate space.

"Once the lockdown is lifted and cars can be delivered, there will be a backlog that will take some time to work through. We're here to help support our clients through this wherever we can."

Views from the industry

Autofile's industry statistics section, which starts on page 20 of this issue, features what people across various sectors of the trade have to say about the Covid-19 crisis.

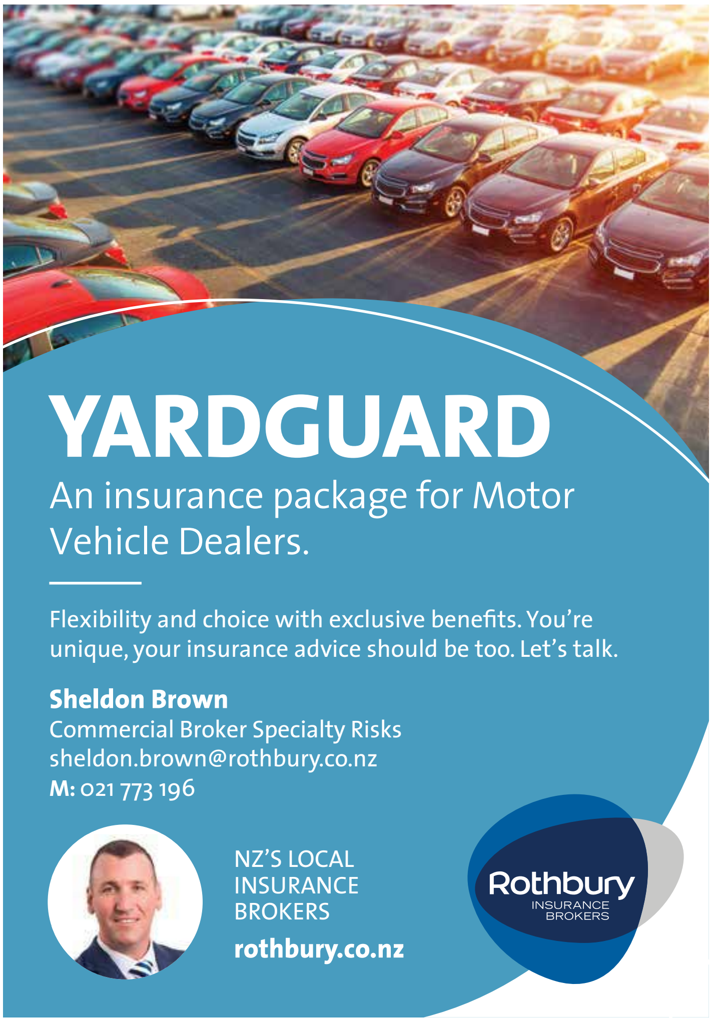
Blain Paterson, of Toyofuji Shipping NZ: "The Ministry of Transport is allowing us to work, which is a good thing. Ships can still come through New Zealand and, therefore, go back to Japan and complete their assignments to Australia."

Mike Tyler, of Autoterminal: "The industry has proved itself to be resilient over a long period of time and has got through crises before. You fall back on that resilience. At this point, it's a case of isolating and hoping the current government strategy works."

Geoff Sinclair, of Autobridge and Blackbird Finance: "We do not believe in a one-size-fits-all approach. We are reaching out and talking to our dealers so we can assist them in a way that's most relevant to them."

Anders Skoe, of Trade Me: "The government is putting the safety of our family, friends and communities at the forefront, which we support."

Mike Sexton, of the Marque Group: "Being connected and supportive as a community has never been more important. We're committed to playing our part as people and as a business."



Recovery time is the question

New Zealand's new-vehicle industry is getting to grips with the fall-out from the Covid-19 crisis, from the supply of stock to the impact of currency movements, but – most importantly – demand.

Many manufacturing plants around the world, with exceptions being Thailand and many in Japan, have either closed or are reopening following shutdowns because of the pandemic.

That said, the global situation is ever-changing with Toyota suspending seven production lines at five domestic plants on April 3 to adjust to weak global demand due to the global coronavirus pandemic.

The decision marks the first time that Japan's biggest carmaker has halted operations at domestic factories since the coronavirus outbreak started. The five plants all produce cars for export and the halt will lead to production cuts of about 36,000 units.

The supply of components to assembly lines globally is now in catch-up mode, with many companies that make them for marques being based in China's Wuhan province, where coronavirus was first detected and where business is slowing getting back to normal.

In New Zealand, however, it will be the demand side more than supply that will determine what the "new normal" will be.

David Crawford, chief executive of the Motor Industry Association, says our new-vehicle sector "has gone from business as usual, to slowing down before quickly moving into the shutdown of non-essential services", which means on-call capability for parts and repairs to essential vehicles.

"Business, by and large, came to a stop in March," he says. "Supply isn't the most pressing current issue but selling vehicles is and that's not possible for a while.

"Impacts of stocks to New Zealand will be variable as different global areas closed production for periods. Shipments here bring about three to four months' stock at a time, so to some extent distributors can smooth out supply disruptions. However, the more extended production stoppages become, the less is our ability to smooth out supply.

"No one knows how this is going to ultimately play out, which means distributors have to juggle disrupted supply channels as new information comes to hand. The bigger question is demand. Our market is disrupted because no-one is permitted to buy vehicles at the current time, unless needed for essential-service functions."

Overall new-vehicle sales dropped by 37 per cent last month when compared to March 2019 and Crawford expects April to be down by as much as 80 per cent on April last year.

"Questions remain on what sales will look like from May onwards," he told Autofile. "This will depend on how quickly we can break the chain of infection and begin our recovery to a new normal.

"There is uncertainty on whether once out of alert level four, we then stay out or as a nation we need to return to level four again at some point. Even if New Zealand can break the chain of infection, we will need to keep our borders closed until the rest of the world can do the same or a vaccine is found. Whichever way you look at it, recovery will be slow, fragmented and painful. Distributors are working with supply and demand disruptions."

Crawford praises the way that marques and franchised dealers quickly responded to the government's call to shut down non-essential businesses with staff set up to work from home and contingency plans rapidly implemented.

"But it has also meant businesses have had to already downsize. I suspect tougher decisions will need to be made in coming months.

"The longer it takes to control this pandemic, the more severe the impact will be on our overall economy. The tourism and hospitality sectors have been decimated, and how many will survive is unknown. It's thought it may be a fraction of what was operating before the pandemic. Other sectors are starting to hurt as well."

As for the road ahead for the new-vehicle industry to recover, "we need the rest of New Zealand to recover".

Crawford adds: "That, in turn, means we need to get on top of controlling coronavirus, stop further importation of virus vectors entering our country and then get businesses open again. Currently, and for the foreseeable future, the supply of new vehicles is the lesser of the two worries. It's the lack of demand that's the major concern.

"New Zealand needs an economic recovery plan, but that's a whole other discussion. In 2008/09, new-vehicle sales in our country halved due to the global financial crisis. It took about five years to recover that. The impact of the Covid-19 is sharper, bigger and deeper. How long it will take for us to recover is the question."

A Mazda factory in Ujina, Japan. The two-plant complex manufacturers the marque's MX-5, CX-3, CX-5, CX-8, CX-9 and CX-30, as well as Fiat's and Abarth's 124 Spider

New-vehicle imports to NZ – 2019

Source: NZ Customs

PASSENGER VEHICLES

COUNTRY	TOTAL
JAPAN	41,411
SOUTH KOREA	13,263
THAILAND	12,939
GERMANY	6,743
BELGIUM	5,175
UK	4,169
US	3,884
CZECH REP	3,580
OTHERS	11,963
OVERALL TOTAL	**103,127**

COMMERCIALS

COUNTRY	TOTAL
THAILAND	26,740
JAPAN	4,950
CHINA	1,434
GERMANY	1,332
BELGIUM	1,193
OTHERS	2,080
OVERALL TOTAL	**37,729**

Production lines in Japan and Thailand are mostly open, China and South Korea are coming back online, but most factories across the UK and US are closed.

Your Motor Insurance PARTNER

www.protecta.co.nz | contact@protecta.co.nz | 0800 776 832

Industry sticks to essentials

The Motor Trade Association (MTA) says the industry is backing the government's fight against the coronavirus, but warns if the lockdown continues into May it will be "devastating to the sector".

While some MTA members are open to cater for essential services and people working in those fields, most businesses are closed to help stop the spread of Covid-19.

Greig Epps, advocacy and strategy manager, says after less than two weeks into alert level four there have already been redundancies in the industry and other companies are reportedly planning to cut back on staff.

"Industry players support the government's public-health objectives," he told Autofile. "Some dealers with workshops, and many standalone repairers, have arranged to respond on-call to essential services, but for the most part these businesses are shuttered. It will not be long before the ongoing costs of maintaining staff and infrastructure really begin to bite.

"Government support – such as wage subsidies and loan schemes – are welcome assistance. But the majority of feedback the MTA has heard indicates that a lockdown of more than four to six weeks will be devastating to the sector. We're already hearing of redundancies and preparations being made for reducing operations."


Automotive businesses supporting essential services can operate through the lockdown

Automotive businesses supporting essential services can operate through the lockdown, which began at midnight on March 25, and respond to non-essential customers who need vehicle repairs so they can still grocery shop and access healthcare.

Vehicle Inspection NZ, VTNZ and the AA have worked together to set up a network of sites across the country to ensure essential service vehicles and essential workers can keep moving.

However, unless regulations change, the three companies will be unable to do any inspections or provide any of their other services for non-essential service vehicles during the shutdown.

Epps says grey areas remain, such as whether the public can buy a vehicle to enable them to shop or attend medical appointments. However, talks with the government over such matters are ongoing.

Car dealers can sell to essential services – such as supermarkets needing commercial vehicles or district health boards needing pool cars – but private transactions are banned while the nation is at the highest alert level.

Ownership transfers of currently registered vehicles can be performed online, but only if the transaction is for essential services.

The Ministry of Transport (MoT) advises any expired warrant of fitness (WOF) will generally be deemed current for the period of the lockdown.

A WOF for a private vehicle is not deemed an essential activity, and motorists have been told not to travel to look for an inspection service and businesses should not offer vehicle inspections for private cars.

The police will also use discretion over vehicles with an expired WOFs at this time – generally, these will be deemed to be valid unless a car is clearly unsafe. The MoT and NZTA are working on regulations to accommodate this approach.

Epps says owners of vehicles with an expired or soon-to-expire warrant are advised to renew the WOF after the lockdown. In the meantime, they should ensure that the basic safe operation of their car is still possible.

He adds that the MTA is working with other organisations and government officials to prepare for when the Covid-19 alert level is lowered, but that may bring different problems for the industry.

While he expects higher-than-usual demand for maintenance and inspection work post-lockdown, Epps fears people may also be spending less on their vehicles.

"If fewer businesses reopen in one or two months' time, the strain will fall on those who remain. Or will it? With projected unemployment into double digits, will consumers have the discretionary funds to spend on repairs, maintenance or a new car? A drop in spending would further hinder any recovery of the sector."

Read Greig Epps' views on the lockdown online at www.autofile.co.nz.

FROM JAPAN TO NEW ZEALAND

ON TIME, EVERY TIME

TOYOFUJI SHIPPING SCHEDULE

Toyofuji vessels	Voyage	JAPAN				NEW ZEALAND			
		Moji	Osaka	Nagoya	Yokohama	Auckland	Lyttelton	Wellington	Nelson
Dream Angel	19	21 Mar	23 Mar	24 Mar	25 Mar	8 Apr	T/S	T/S	TF6
Trans Future 5	123	—	16 Mar	17 Mar	21 Mar	9 Apr	14 Apr	15 Apr	—
Trans Future 6	120	—	30 Mar	31 Mar	4 Apr	23 Apr	25 Apr	27 Apr	28 Apr
Trans Future 7	120	—	13 Apr	14 Apr	18 Apr	7 May	9 May	11 May	12 May

T/S = Tranship to next available TFS vessel

TFSNZ TOYOFUJI SHIPPING NEW ZEALAND LIMITED

Contact: Blain Paterson ph 09 358 5515

www.toyofujinz.co.nz

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.

Car-handling facility delayed

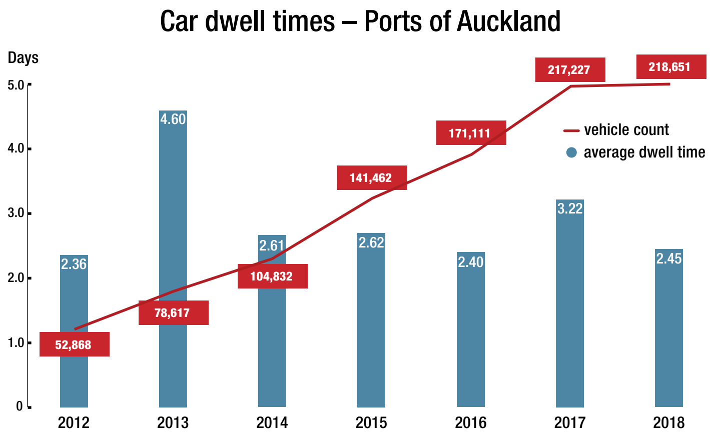
The vehicle-handling facility at Ports of Auckland was expected to be finished on time and on budget before the project had to be halted due to the coronavirus shutdown.

That said, all five levels have been completed with access ramps being installed. It was originally slated to open around the middle of this year.

It is anticipated the building, which will hold about 1,700 cars, will deliver extra capacity in time for Auckland's fishing fleet to be relocated to Marsden Wharf ahead of the America's Cup, if it still goes ahead in March 2021.

Marsden is currently utilised for car imports and the fishing fleet is staying put until there is replacement capacity via the vehicle-handling building.

While disappointed work on the building is on-hold for the time being,



Source: POAL analysis. Excludes exports, transhipments and on-site Toyota-leased transition facility

Ports of Auckland Ltd (POAL) says this project, automation of the container terminal and other improvements can be quickly finished when the Covid-19 crisis ends.

Looking to the longer-term future, chief executive officer Tony Gibson says the car-handling facility will create additional capacity for the automotive industry and will enable the port to handle an expected upturn in vehicle imports, including New Zealand switching to an electric fleet.

The company had started consultation for a park on the building's roof with the aim of opening it by 2023, while a decision has yet to be made whether space next to it on Quay Street may be developed for a hotel or another type of such building for public use.

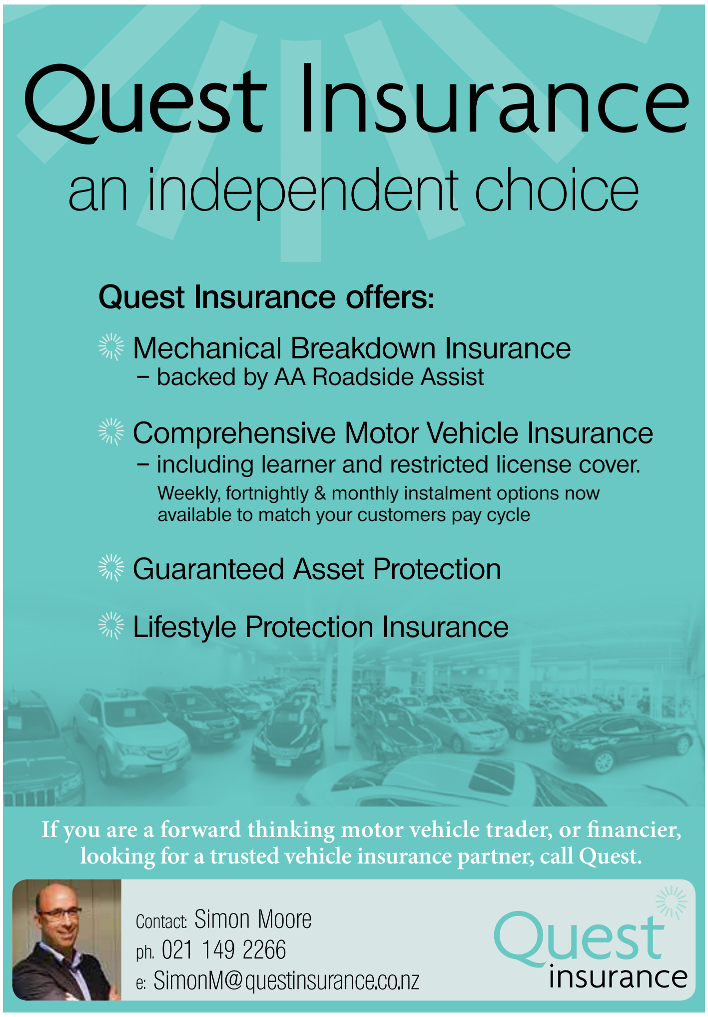
Over the years, POAL and its commercial partners, such as transport operators, have developed an efficient supply chain for incoming vehicles, although measuring its handling performance is problematic because no international standard for doing so exists.

It should be noted dwell times may now be affected by the national lockdown and if there are any teething problems with Biosecurity NZ staff relocating from Japan to ports in New Zealand to carry out their duties in regard to used-vehicle imports.

However, as part of the Port Future Study in 2016, it was compared to Southampton, which is one of the world's most productive car-import ports.

The UK facility utilises a five-level car storage and achieves yard productivity of 27,108 car equivalent units (CEUs) per hectare per annum. Auckland hit a productivity record of 29,042 CEUs in its 2018 financial year due to record high numbers, although this fell to 24,903 CEUs in 2019 on the back of vehicle imports declining.

POAL says the main reason for its high performance is its low dwell time. Southampton's average for this is estimated to be about twice ▶



Capacity will expand

Infrastructure work for container terminal automation at Ports of Auckland has been largely completed. The go-live date for phase one was put back a month to the end of March with forecasted container volumes being higher than expected.

The northern part of the terminal was set to go live first with manual operation in the southern area continuing. Automation was to have started slowly and gradually built up to reduce the risk of disruption.

Around May or June, the whole terminal was expected be on automated operations, but that schedule has been disrupted due to the Covid-19 lockdown.

"We were so close to automation before the shutdown," Matt Ball, head of communications, told Autofile. "We are reviewing its roll-out because automation will be very useful, especially if our port staff become sick."

Once automation is fully live, terminal capacity will almost double from about 900,000 TEUs – or 20-foot equivalents – per annum year to around 1.7m.

Last year's import peak didn't see the same level of congestion or delays as in 2018. Even so, effects of work on the project were felt as container volumes dropped by two per cent on the year prior due to the loss of two service calls, a service change and a high number of vessels arriving out of schedule.

as long as Auckland's, which came in just below 2.5 days in 2018/19.

From 2012-18, Auckland managed to maintain a dwell time of about 2.5 days while almost quadrupling volumes. In 2017, dwell times rose due to a sudden surge in imports of new utes. Fewer of them fit onto car transporters so it takes longer to move them on, but the port recovered and cut dwell times to below the long-term trend.

While opportunities to reduce these times are limited, POAL says vehicle imports will continue to grow in the future and delivery peaks – over which it has no influence – will get bigger, which is what makes the car-handling facility essential moving forward.

It has ramps to every floor to take up vehicles as they come off ships, which will then be held out of sight for a couple of days for processing before being transported off-site, and building upwards creates more space for cars while freeing up other port land to be used more intensively.


The car-handling building being constructed at Ports of Auckland


An artist's impression of what it will look like when finished

The facility is among developments at POAL that impacted on its financial performance for the half-year to December 2019.

Revenue came in at $123.2 million compared to $123.6m for the previous corresponding period. Costs rose as expected due to the port's investment programme, and higher interest and labour costs. As a result, net profit after tax was $17.2m for a 29 per cent decline from $24.4m, while the financial situation is expected to continue for the full year.

Breakbulk volume during the half-year came in at 3.297m tonnes, which was down by one per cent, while car volumes were almost the same with 124,295 units in the period compared to 124,190 in the year prior.

"We're expecting an impact from the coronavirus outbreak although it's not yet possible to accurately quantify the scale," Gibson's half-year report states. "There's normally a slowdown in trade after Christmas and Chinese new year, but this is being exacerbated by measures to slow the virus' spread. We will closely monitor the situation. Looking to the 2020/21 financial year, there's uncertainty in the global-trade environment."

POAL is in the midst of delivering its 30-year masterplan, which will increase capacity, efficiency and returns, as well as lay its foundation to meet its 2040 zero-emissions goal.

"Delivering such a large investment programme while keeping the port working well hasn't been without challenges," says Gibson. "However, the past six months saw significant progress and we've also made significant progress on channel deepening. We largely completed infrastructure work for automation this period, enabling some capacity to be returned to terminal operations."

Uptake strategy needs to change gear

Electric vehicle (EV) uptake is no longer gaining momentum. It's easy to be comforted by new EV registrations, but the percentage of EV fleet growth from month to month has actually been dropping steadily for four years.

Back in April 2016, the government set a target to double the number of EVs for the coming five years. This required a 5.9 per cent per month growth in the EV fleet.

Uptake exceeded this target in the first two years, but electric registrations are now about half that. The expected global recession prompted by the Covid-19 pandemic may well make bad prospects even worse. Without some bold interventions, we won't make it.

A team of citizen scientists co-ordinating Flip The Fleet's database on EV performance in New Zealand recently published a report about what's needed for turning the trend around.

You can download the full report from http://flipthefleet.org/uptake-report/ but what follows are some of its main conclusions.

Mistrust of EVs has been reduced. Range anxiety arising from the relatively restricted range of the early electric models is fading because public rapid-chargers have been installed along most of our country's main highways and new EV models with bigger ranges are becoming available.

Analysis of more than 20,000 monthly data records and 24 surveys of EV owners demonstrates that electric cars slip seamlessly into most family and business requirements.

They are fit for most people's purposes, especially if a conventional combustion engine vehicle (ICV) is retained by the household or a business maintains a mixed fleet.

Repeated public surveys completed for the Energy Efficiency and Conservation Authority demonstrate an increasing appetite for buying EVs and that it's not just "greenies" who want them.

Indeed, the smooth quiet ride and low running costs are now drawing a different type of buyer. Observed depreciation rates have been less than half that expected for equivalent ICVs.

This all shows that slow EV uptake is no longer about lack of demand. The main problem remaining is lack of supply. This keeps the price of both new and second-hand electric cars too high compared to ICVs for a lot of would-be buyers be able to afford them. Purchase point is the critical bottleneck for sustained and rapid EV uptake in New Zealand.

Henrik Moller, co-founder, Flip The Fleet

Short supply is a worldwide problem. A critical shortage of battery manufacturing capacity is expected to last until 2023 or longer. Nor are there enough high-quality second-hand EVs coming onto the market to make them affordable, mainly because people who bought new models are reluctant to part with them.

Offsetting high purchase prices enough for more people to afford them won't be cheap for New Zealand, so we need to start by completing a comprehensive cost-benefit analysis of our options.

This must include contributions to the environment, human health and social well-being because all this isn't just about changing the vehicles we drive – it's about changing mobility, driving fewer cars overall whatever their powertrains, and thinking about the wider economy, environment and people.

A whole-of-life benefit calculation would predict costs of alternative strategies for meeting wider social goals and the cost of doing nothing. Only then can we concentrate our collective minds on how much public funds should be spent on accelerating EV uptake to provide a positive return on investment.

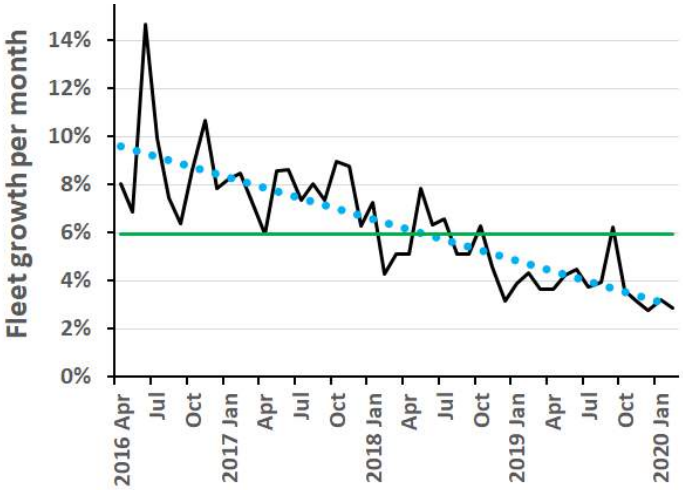
Much more active and co-ordinated interventions by the government will be required if the transition of New Zealand's light-vehicle fleet to low-emissions vehicles is to accelerate and be sustained.

This could include increased regulation, sharper and more co-ordinated policy focus, increased research, active market intervention, and investment in evidence-based advocacy and education.

It's time for a major rethink. Next month's Autofile article from Flip The Fleet will spell out its recommendations for changing gear if this country really wants a fast EV revolution.

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

Monthly growth of EV sales since April 2017



The number of battery EVs and plug-in hybrids combined has been falling – see the blue dotted line – from about the time the government set a five-year growth target of 5.9 per cent per month, represented by the horizontal green line

Live EV listings on Trade Me:

-1.6% Compared to last month

-10.7% Compared to prior year

New EV listings on Trade Me:

+12% Compared to last month

-27.3% Compared to prior year

EV watchlists on Trade Me:

+10.9% Compared to last month

+26.5% Compared to prior year

Grants to tackle range anxiety

The charging network for electric vehicle (EVs) is being boosted via a contestable fund for low-emissions vehicles.

Some 110 new chargers will appear across New Zealand thanks to about $12 million being awarded in grants.

A total of 21 projects will share $3.8m in co-funding, with successful applicants contributing more than $8m.

They include Ebbett Waikato, which has landed $148,602 to install a 175kW ultra-fast DC charger at its new Volkswagen Te Rapa Gateway dealership in Hamilton.

However, a big winner in the latest funding round is ChargeNet, which oversees a network of rapid DC chargers and has been awarded $527,000.

Its biggest windfall of $257,000 will see two dual-port stations able to charge up to four EVs simultaneously open in Taupo's central business district.

In addition, Foodstuffs has won a total of $600,400 to partner with ChargeNet to install fast-chargers at supermarkets in Auckland and Christchurch, and in various provincial centres, such as Timaru, New Plymouth, Whanganui and Carterton.

"The government is committed to acting on climate change and transitioning to a low-carbon economy," says Megan Woods, Minister for Energy and Resources.

"These initiatives move us in the right direction. We're pleased to see there will be more EV chargers in the regions. It's good for owners, assuring them of options to fuel up."

Meanwhile, Hamilton-based Anglesea Car Rentals has scooped $351,564 to transition its Loop car-share fleet of 20 units with internal-combustion engines (ICEs) to battery electrics and install 7.2kW chargers at the same number of vehicle home spaces.

Zilch, formerly known as Yoogo Share, gets $300,000 in co-funding to support its deployment of a zero-emission vehicle-sharing service and related EV charging infrastructure in central Auckland, while Cityhop will add 50 EVs to take its similar service national.

And Go Rentals will use its successful bid for $180,000 to offer six rental EVs at the same price as ICEs, and the ability to book them online with no fees for recharging, while St John will use its $127,179 to buy two electric vans to test as mobility vehicles for its health shuttle fleet in Winton, Invercargill, Bluff and Otautau.

On the technology front, Northpower has secured $13,200 to purchase a second-generation Nissan Leaf to run a trial of vehicle-to-grid technology at a residential address.

When it comes to heavy vehicles, Eastland Port in Gisborne will put its $298,500 towards the purchase of an electric truck for on-site watering and dust suppression, and to install a 60kW charging station.

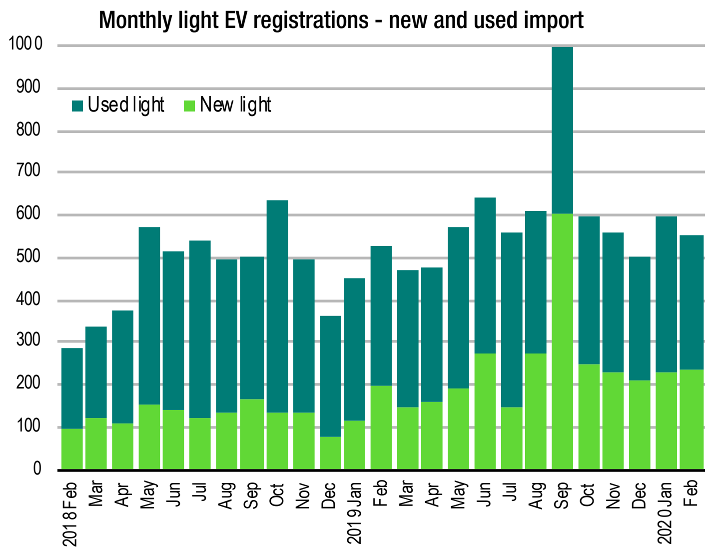
Finally, the Mahu City Express gets $352,500 to add an EV to its inter-urban commuter and day coach and shuttle between the Mahurangi region and Auckland.

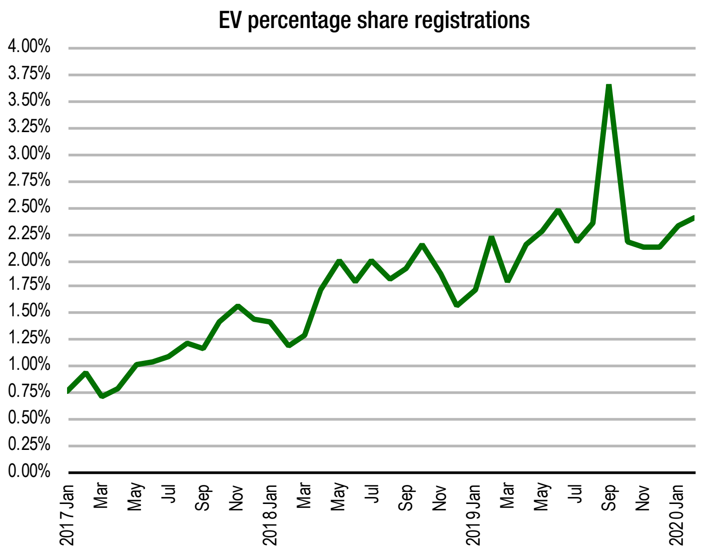
The contestable fund has so far committed $23.8m government cash to 139 projects, which has been matched by $50m in applicant funding.

Total EVs by region

Northland	610
Auckland	8,348
Waikato	1,053
Bay of Plenty	683
Hawkes Bay	327
Gisborne	59
Taranaki	261
Manawatu/Wanganui	605
Wellington	2,818
Nelson/Marlborough	699
Canterbury	3,005
West Coast	29
Otago	1,197
Southland	143

Source: MoT, March 4, 2020





Source: MoT, March 4, 2020

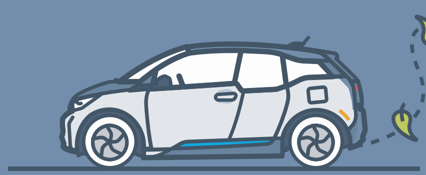
Top 5 EV models
listed on Trade Me last month:

- **Nissan Leaf**
- **Nissan e-NV200**
- **BMW i3**
- **Volkswagen e-Golf**
- **Audi e-tron**

Average listing price
for the month:

$30.4k

Eye on EVs



trademe motors

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

From tradesman to the top

The chief executive officer of Vehicle Inspection NZ (VINZ) is proud to have progressed to the pinnacle of the business after starting his working life as a tradie.

“There are people in this world who are doers and there are others who are thinkers,” explains Sean Stevens.

“I wasn’t a great thinker at school, so I was always destined for a trade when I left. I enjoyed electrical and was drawn to the automotive electrical trade. I enjoyed it and still do.

“I don’t do anywhere near as much work on my own cars and my friends’ as I used to do, but it’s nice to know that I could do that work if I wanted to.

“Having a trade is a great career. The motor-vehicle industry is great to be in because it’s constantly changing and evolving. There are challenges in any business, yet I still can’t wait to get in my car and drive to work every morning.”

Stevens left James Cook High School in Manurewa, South Auckland, at the end of the fifth form – or year 11, as it’s now known – to start a four-year apprenticeship.

However, as a 20-year-old he was restless and shifted to Australia and spent the next four years doing all sorts of odd jobs “just to try new things”. These ranged from bar work, being a waiter and bit-part acting jobs in television, to working in a bookshop and doing casual auto-electrical jobs.

“It was a good lifestyle for a single person living in Sydney,” recalls Stevens, who returned to New Zealand in 1994 and started his own mobile business installing security systems in cars.

“After a few years, I decided it was much easier to work for someone else and became a sales rep for Transport Wholesale Ltd and PartzCo.”

By mid-1999, Stevens was off overseas again, this time to the UK where he drove trucks for the film industry for about a year before going into customer service at a Volkswagen dealership.

He met his wife in the UK and he became an Audi technician with Continental Cars in Auckland after they returned home in late 2001.

“I worked up to service manager with Peugeot and left in 2007 to take up the Citroen national service manager role for the Ateco Group.

“My experience was on the retail side of the business, but I wanted to try the wholesale side with Ateco. I started with Citroen and eventually oversaw that brand, Fiat, Alfa Romeo, Great Wall and Chery.

“A highlight of my career from back then was Great Wall arriving in New Zealand. It was the first Chinese-made brand to be imported here and retailed through our network. It’s rare to get the opportunity to set up a service brand from scratch, so it was great to be able to do that.”

Stevens moved on in 2015 to get more exposure to higher management.

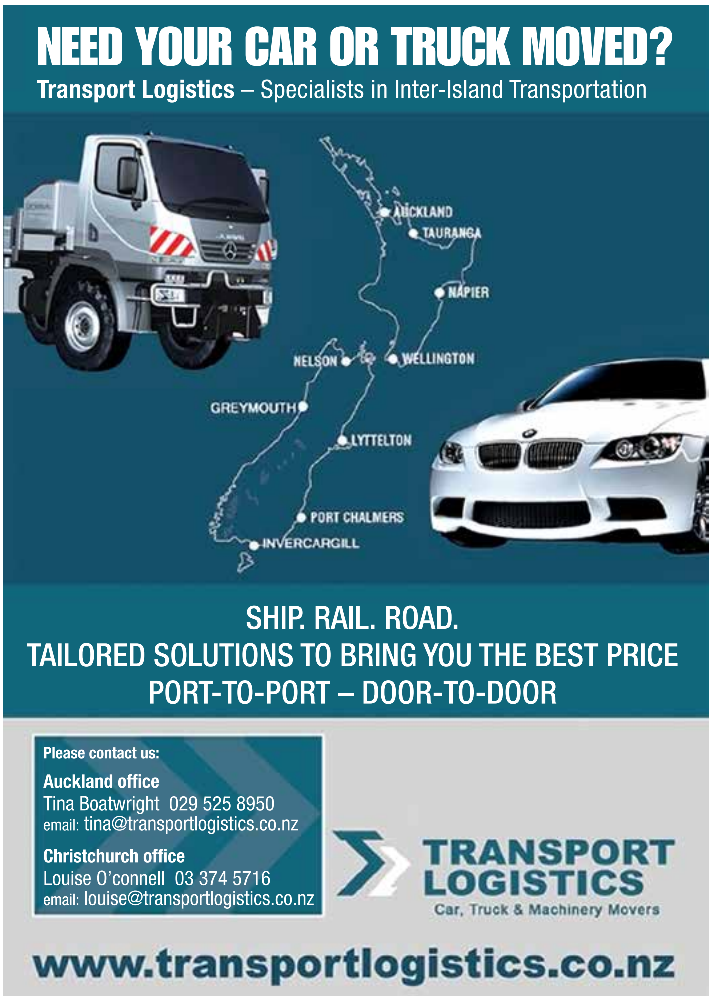
“When I left, I was Ateco’s after-sales manager but without a sales background I felt this was the limit. I wanted to refocus and was also interested in regulatory. The national manager of delivery position came up at VINZ. It was a role that included regulatory and more opportunity.”

Stevens has been with VINZ ever since, moving up to general manager of operations then acting chief executive officer in September 2019 before his appointment at the top was made permanent in February.

“VINZ is fantastic to work for. We have a great team of people across our network, which makes my job easier. The bottom line is that we do our best to put safe vehicles on our roads.

“One of the key things for me is to instill great customer service. It’s important all customers feel they’re getting value for their money and are happy to use our products and services.

“A part of my new role is to continue to develop VINZ’s vision and how we move forward with that. I would like to continue the great work Gordon Shaw has done over the years, and to carry on improving health-and-safety measures and staff well-being while keeping business profitability front of mind. I’m still involved daily with the operational side. But once we have filled the operational role, I will be spending more time on the strategic side.”



WORKING TOGETHER

Part of Stevens' role is to work with government departments and agencies in the inspection space, and to ensure vehicles entering and already in the fleet are safe for our roads.

VINZ has its own "rules of engagement" for its inspectors, who all work under an inspector code of conduct with the NZTA.

The agency's past history in enforcement has been well-documented, and it's now pro-actively taking action when it comes to inspection and certification.

It has extended notice of appointments in these two sectors for service providers, including its key service delivery partners – VINZ, VTNZ and the AA, until June 30 when successful applicants will be awarded fixed terms of between three and five years.

The decision to go ahead with this process has given the inspection industry some degree of certainty moving forward.

It's understood the NZTA is looking to clarify some "grey areas, which will certainly help – not just us, but all inspectors with consistency of decisions so everyone is inspecting at the same level".

"At the moment, I don't think there are many inspectors who don't understand the rules, but they may apply them slightly differently," says Stevens.

"The NZTA is doing some good work in this space. It has always engaged with us. We've had a lot of discussions about what needs to happen and where standards should be at, and I think it's on the right track to helping the industry ensure vehicles are safe.

"The agency is looking to have more information collected from inspectors, but the bulk of requirements are already collected albeit in differing systems. This hasn't been provided to the NZTA yet because it hasn't been a requirement, but it will require it later this year.

"There are professional businesses out there that do things well and with good systems in place. Then there are others that don't do such a good job.

"A few of them got caught last year with not having good practices. Some people might have intentionally failed to follow the rules during inspections, while others would have carried them out without a good understanding of the rules.

"We know July 1 is when the new contracts will start from, but we don't have any timeline on application processing as of yet."

Stevens is keen to acknowledge there are always systems that can be improved in any organisation, and one of the main steps the agency has taken is recognising areas that weren't so good and doing something about them.

"We're starting to see a lot of progress coming through. If the NZTA continues in this way, we will end up with a robust process and a great network providing safer outcomes."

INDUSTRY FACES CHANGE

As for the bigger picture, Stevens notes technology in vehicles continues to move forward rapidly and is the major change facing the industry.

"One of the challenges is keeping pace. When franchise dealers sell a new car, often they will have just received the equipment needed to test it, and NZTA rules and regulations need to ensure they reflect the new technology so vehicles can be tested effectively for the market.

"Technology for testing vehicles has also evolved and there are ongoing improvements. For example, we've moved from hydraulic to cordless electric pit-jacks, and to raising bed weight simulation over older hydraulic pull-down systems.

"The accessibility of vehicle information is a disrupter to the automotive market. This probably makes it harder for established traders to continue when anyone can go online and research and purchase vehicles."

As for VINZ, it has a workforce of about 200, and the cost to employ staff is rising in-line with minimum hourly rates and living costs. On top of that, there's the cost of land required to inspect vehicles, particularly heavy vehicles that need plenty of space.

"There will need to be changes in the way some vehicles are inspected in the future to accommodate volumes," says Stevens.

"There's new technology coming through that will aid the industry as a whole and should help customers because inspections have to be done. If we can make that as easy as possible, then that's a big win." ⊕

Passion for cars down the years

Sean Stevens with his 1965 Beetle Baja

His 1974 Mark II Capri GT

Stevens' 1976 Mitsubishi Galant 1850 Coupe

His 1963 VW Kombi camper ▶

Stevens' 1989 Mitsubishi Lancer GSR 4WD 1.6-litre turbo

Sean Stevens was 15 when he bought his first vehicle in 1984 – a white 1965 Ford Anglia van with bronze stripes that set him back $600.

"I had been working on an egg farm during the holidays doing the dirty work," he recalls. "It wasn't the nicest job in the world, but it allowed me to save up for my first wheels. I also worked on a milk run when it was delivered in glass bottles into letterboxes.

"I always wanted an Anglia van – it was my first dream vehicle. It needed quite a bit of work. I tidied it up and drove it for about six months before selling it."

Another of Stevens' past favourites was a blue 1963 VW Kombi, which he bought from his grandfather.

"It was in mint condition and had only done 49,000 miles. I loved it and had it for about seven years, the longest I've ever owned a vehicle."

He had fun in a 1974 purple Mark II Ford Capri bought for $12,000 when he was 19, "one of my boy-racer cars".

"I would buy a vehicle, work on it, flick it on and use the profit to buy something better. That was how I worked my way up to more expensive cars. I haven't owned one since the mid-1990s because I've been fortunate to drive company cars.

"But if I did decide to buy another for a project, it would be an old VW Beetle having owned three in the past. Volkswagen is in my blood. My uncle was a dealer and family members always owned them. Original Beetles are a little bit quirky with their rear air-cooled motors, but I really like them".

"If I had to buy a new car, it would probably be a Model X. I like the styling of Teslas and they're good for the environment."

Association to be overhauled

VIA (the Imported Motor Vehicle Industry Association) is to be overhauled after 100 per cent of members voted in favour of revamping the way it works.

The decision to go ahead with the restructuring, which followed months of talks, was made at a special general meeting (SGM) in Auckland on March 17 attended by about 20 people.

There were two resolutions – the first was for the operational changes to be accepted, while the second was for work on winding up VIA to start immediately if option one was voted down.

The outcome of the SGM means the two-branch system of representation in the North and South Islands will be scrapped and replaced with tiers of governance with ultimate authority vested in a board of directors.

The board, which will be appointed by a council, will be responsible for the association's financial affairs, management oversight and policy directives.

The council will be the core of the VIA's membership representation, and will provide strategic direction to the board and chief executive officer. It will also provide industry participation and consultation on matters such as government interaction, submissions, policy positions and working groups.

Three chief executive officers of member organisations have now been co-opted onto the national executive until VIA's next annual general meeting. They are Sean Stevens of VINZ, Frank Willett of Autohub NZ and Chris Stephenson of the Enterprise Motor Group.

VIA's core issue going forward will be "political advocacy for the used-imports industry", says David Vinsen

"It was a successful meeting with good attendance and by proxy votes," David Vinsen, VIA's chief executive, told Autofile. "The motion to change our rules passed unanimously. I'm pleased with the outcome. This is a vote of confidence in the association and the process to restructure it to make VIA fit for purpose going into the future."

Graeme Macdonald and Lloyd Wilson, chairmen of the North and South Island branches respectively, say VIA's council will work with the board to ensure effective governance. Tiers of membership will be created with each tier having representation on the council proportional to the level of membership subscriptions received from that tier.

"This means members who choose to belong to a higher tier will pay a higher subscription and will either have a seat at the council as of right or have a higher chance of being elected to a position on the council," explain Wilson and Macdonald.

"There is the possibility of lower representation for ordinary members to the council. However, the national executive believes this restructure is the only option for members to retain any representation on a relevant industry body working to 'keep the doors open'."

Last month's behind-closed-doors SGM, with voting carried out by secret ballot, was held after the national executive and council members had reviewed its future following budget deficits in the 2017/18 and 2018/19 financial years. As a result of the review, VIA has already closed its offices in Mount Wellington, Auckland.

The association has been operating "at a significant financial loss for some time", say Wilson and Macdonald. This resulted in the national executive and management exploring various possibilities and strategies to boost revenue and cut expenses while still providing the required level of service and support to its members and the industry.

Despite best efforts, a reduction in the association's deficit to an acceptable level wasn't possible, they add. This resulted in the national executive working with VIA's major financial supporters, which had committed to backing a restructured organisation and increasing funding levels "as necessary" for it to continue "in an ongoing positive financial position".

Because the association is an incorporated society, the changes could have only gone ahead if the proposed rules were adopted at the meeting by at least 75 per cent of its membership.

Vinsen says VIA will now be focusing on its "absolute core issue, which is political advocacy for the used-imports industry".

Franchise sets record

Armstrong Prestige Christchurch has become New Zealand's most-awarded Mercedes-Benz franchise after landing the marque's retailer of the year gong for a record eighth time.

Rick Armstrong, managing director of Armstrong Motor Group, accepted the award on behalf of his team at finals nights in Melbourne.

The dealership last scooped the honour in 2015, capping a four-year consecutive streak that began in 2012. It previously won in 2002, 2003 and 2010.

At the same event, Mercedes-Benz North Shore retained its title as the company's vans retailer of the year.

Lance Bennett, general manager of Mercedes-Benz NZ, says: "Armstrong Prestige Christchurch taking the title away from Mercedes-Benz North Shore was no small feat."

From left, Lance Bennett, general manager of Mercedes-Benz Cars NZ, Brendon Mearns, dealer principal of Armstrong Prestige Christchurch (APC), Rick Armstrong, managing director of the Armstrong Group, Jarrod Buchanan, sales manager of APC, Veronica Armstrong, senior business manager of APC, and Horst von Sanden, chief executive of Mercedes-Benz Australia-Pacific

The best choice for Mechanical Breakdown Insurance

Protecta has been partnering with the NZ motor industry since 1987. Our Mechanical Breakdown Insurance delivers the following benefits to your dealerships:

- A dedicated Account Manager for your business
- Faster claims handling for your customers
- 100% New Zealand owned
- A-rated for financial security

Call 0800 776 832 to see how we can help you increase margins and give your customers added peace of mind.

Protecta INSURANCE

protectainsurance.co.nz

Open for essential services

Colonial Motor Company has closed most parts of its business during the national lockdown to beat Covid-19 except for those necessary to keep trucks, tractors and other essential-service vehicles moving.

Chairman Jim Gibbons warns the closure of all non-essential businesses will have a "material impact on the company" and the board has reconsidered its financial forecasts issued in its half-year report, which was published in February.

It has cancelled its interim dividend of 15 cents per share and pledged to support its employees as it went into the government-enforced four-week shutdown.

Gibbons outlined the company's plans following a board meeting held by video conference on March 24, adding Colonial has a strong balance sheet and "will continue to prudently manage its assets. A key strength of the company is our employees, who we are supporting through this shutdown".

Nelson Kia's new premises

Financial guidance issued in the company's half-year report for the full 2019/20 financial year for has now been withdrawn due to the changed circumstances.

That report, issued last month, stated: "The results for the next six months are anticipated to be similar to the past six months. However, the market is sensitive to unexpected events and will continue to be uncertain. The coronavirus outbreak has the potential to impact on revenue and profit."

For the six months to December 31, Colonial reported a 25.2 per cent decline in trading profit to $8.03 million compared to the corresponding previous half-year.

Total group revenue fell by 10.7 per cent in the December quarter, which "flowed directly" through to those lower profits, while Colonial's interim dividend remained unchanged at 15 cents per share to total $4.9m.

Gibbons said a decrease in registrations had been most noticeable in the new-vehicle market. Industry-wide sales had dropped by 4.3 per cent year on year, "with both of our two major brands, Ford and Mazda, having a reduced share in the smaller market".

On top of this, Southpac sales also declined, "reflecting lower orders in the middle months of 2019 and the pending introduction of a new-model DAF with Euro 6 emission-standard engines in February".

Despite the drop in trade last year, Colonial continued to invest in major developments.

Nelson Kia has opened its standalone leased facility, while Capital City Motors' new service centre in Taranaki Street is fully operational with state-of-the-art service bays, a new vehicle-delivery area, and separate Ford and Mazda customer lounges.

The Ford Link & Mazda Connect showroom on central Wellington's waterfront now offers private and fleet customers the ability to interact in a technology-rich environment.

Property in Queenstown, previously occupied by Macaulay Motors, has been renovated making way for the latest dealership to join the group – Southern Lakes Motors, which represents Mitsubishi and Nissan.

Macaulay Motors' service workshop in Queenstown reopened in February after being rebuilt following a devastating fire in May 2019, while MS Ford's workshop in Nelson is operating from a nearby location after a recent blaze with plans put in place for a more permanent solution.

There's the Team Hutchinson Ford greenway project in Christchurch and a new central hub for the Wellington region in Lower Hutt.

In Manukau, there's the building upgrade for South Auckland Motors and, in Botany, Southern Autos – Manukau, which holds Suzuki, Peugeot and Citroen franchises, has a new facility.

STANDALONE SITE

Strong demand for Kia's vehicles at the top of the South Island has seen the franchise move into its own facility in Nelson.

"The development has given us a separate dealership for the first time," says Alan Kirby, dealer principal. "We're delighted to be in our own premises with space and modern facilities.

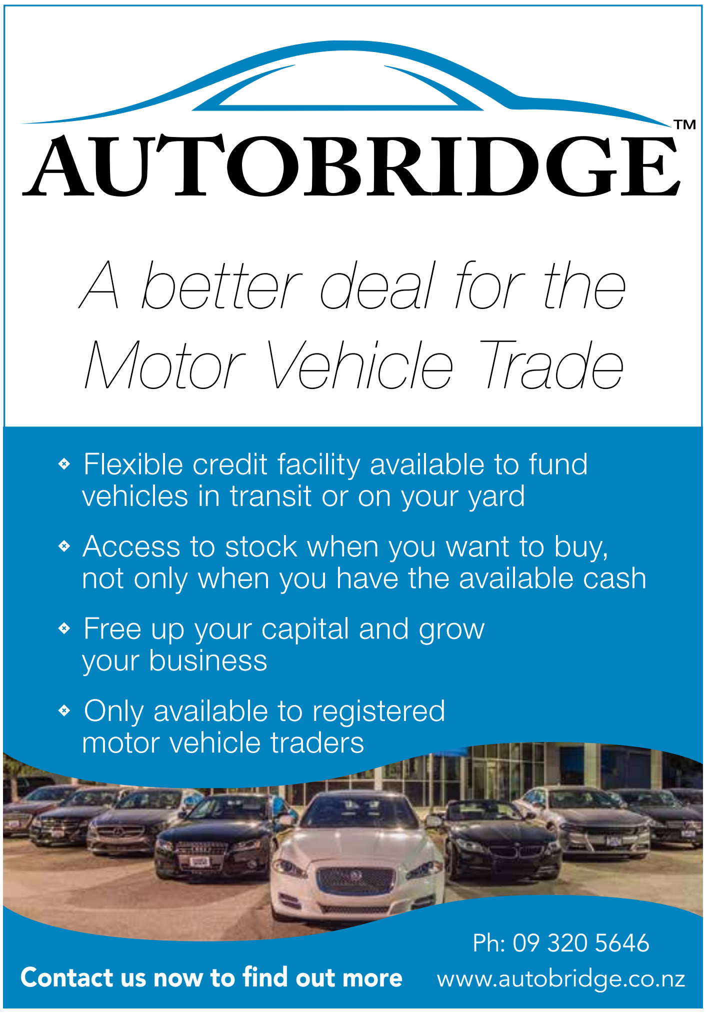
"We're fortunate to be aligned with New Zealand's fastest-growing brand and who knows where it will be in another five years."

The opening coincides with the launch of the Seltos compact SUV, which "has created a lot of attention".

The redeveloped site boasts a six-vehicle showroom, a lounge for customers and a designated central area for specialist displays of hero models.

Technicians can attend to five vehicles at the same time in the service centre, which replaces the satellite facility in Richmond.

Provision has been made for electric vehicles (EVs) in the future following Kia Motors' announcement of a global plan to ramp up its EV range over coming years.



Benefits of closing our borders

The current atmosphere feels almost biblical with global plagues, locust swarms, climate change and so on.

In this environment, being on an island can seem like a blessing and a curse. On one hand, we are isolated from the rest of the world. On the other, well, we're isolated from the rest of the world.

Globalism has made being isolated a risky proposition. Most of the goods we rely on are manufactured or produced overseas, and one recent study predicted that GDP would drop by half as a result of a one-year closure that suspended most imports and exports.

Fortunately, so far at least, the Covid-19 pandemic hasn't necessitated the suspension of imports and exports. Even with more stringent restrictions now in place, arrangements can be found to maximise biosecurity. These include preventing crew on vessels from leaving their ships. Goods could then be offloaded by New Zealanders with minimal risk of contamination.

History has shown that border closures can be effective in preventing the spread of a pandemic. The 1918 influenza pandemic did not spread to some Pacific islands that had shut their borders.

Border closures can be especially effective if they can be initiated before internal contamination reaches uncontrollable levels and if they can be maintained for the time required.

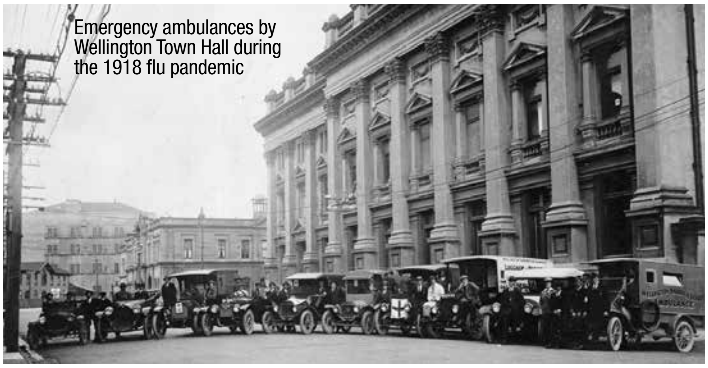
New Zealand is ideally suited to benefit from them because it's a geographically remote island nation. Additionally, our country has well-developed border controls, even if tailored for agricultural biosecurity and controls designed to prevent pests or invasive species.

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

On the other hand, our economy is heavily reliant on tourism and imports.

Knowing all of this, it's still hard to know the proper actions to take to protect ourselves. We can use models as a tool to help predict the potential impact of a pandemic.

For example, one model was developed in 2017 to specifically explore the potential impacts for New Zealand of closing its border during a generic pandemic.



Emergency ambulances by Wellington Town Hall during the 1918 flu pandemic

The model was based on a research paper entitled "Protecting an island nation from extreme pandemic threats: proof-of-concept around border closure as an intervention".

It was built using data from previous pandemics, such as the 1918 influenza pandemic, but with updated variables to better reflect modern healthcare.

After modifying the model to reflect the specific mortality rates so far displayed by Covid-19, the model provides some interesting estimates of the potential social cost of the pandemic.

Assuming a 12-week border closure followed by a 26-week period when there is a linear return to normal, the social cost of the pandemic if no action is taken is estimated to be 7,119 deaths or around $5 billion. I say "or" because it is two metrics as the social cost includes World Health Organization methodologies for calculating the value lost from deaths.

It might seem crass to put a dollar amount on people's lives, but it does greatly simplify the problem of trying to figure out the best action when all variables can be reduced to a single value that can be compared across scenarios. It's easier to estimate the value a person provides to society than to equate goods and services in terms of lives.

Returning to the results of the model, the $5b cost of doing nothing dwarfs the cost of successfully closing the border and having zero deaths, which would only be $1.8b. Seeing the results of the two scenarios side by side makes the proper recourse obvious.

If, however, we see an impact on imports and exports, then the costs drastically change. Assuming the same time periods, a border closure that created a 50 per cent reduction in imports and exports would result in a social cost of $16b.

While tweaking the model, I left all the variables on those relevant for the 1918 influenza pandemic, except the mortality rate. If a pandemic ended up being 10 times worse, the predicted social cost of taking no action jumps to $27b.

Unfortunately, we have no way to know how bad a specific event will be beforehand. Just like business forecasting and business intelligence, we can use models to look at a variety of likely scenarios, choose the one we would prefer and act appropriately to make it happen.

Of course, models such as this are only simple statistical tools with many assumptions and possible flaws, but they do illustrate ways in which governments and society can try to make educated decisions during crises.

In all cases I found using this model, it clearly shows early and decisive actions – including closing the border – result in the greatest minimisation of social harm, especially when compared to no action at all.

VIA
Imported Motor Vehicle Industry Association
Advocate ▪ Advise ▪ Connect

The month that was... April

April 23, 2004

Ready for seven-year rule deal

The Motor Industry Association (MIA) said it was willing to compromise on getting a rolling seven-year rule on used imports into play.

But the Imported Motor Vehicle Dealers' Association (IMVDA) was unlikely to budge with the issue being so critical for its members.

The matter had come to the fore again with Perry Kerr, chief executive officer of the MIA, contacting IMVDA head David Vinsen earlier in 2004 to see what the latter's position was on the subject, which resulted in Vinsen then taking the matter back to committee members of his association.

Kerr said the issue was nothing new, but the latest concern was triggered by the increasing age of used imports arriving in this country.

He added a seven-year rule was logical, fitting with the Ministry of Transport (MoT) Land Transport Safety Authority's shift towards safer and more environmentally friendly vehicles, and that he was looking for support for the potential rule from the IMVDA.

"If they could be neutral on the policy issue, then we could talk implementation," said Kerr.

However, Vinsen was still ascertaining his members' views, but at that time their position was "no". He added he would put the issue to the IMVDA's national executive, saying the market decided the age of used imports.

April 15, 2005

Private float being approved

Members of the Motor Trade Association (MTA) would soon be able to invest more than their reputations in the organisation, with the board approving the concept of a float of its investment company Motor Trade Association Investments Ltd (MTAL).

All qualifying members would be entitled to purchase shares in MTAL, which was the owner of Vehicle Testing New Zealand (VTNZ) and On Road. *[Editor's note: All branches of On Road were rebranded to VTNZ in 2010]*.

Neil Wolfgram, owner of Wolfgram Motors in Auckland and an MTA member, said the float would add to the association's professional image. "It's asking people to invest in their own industry and I will be investing in it myself."

John Knowles, president of the MTA, said details were yet to be finalised, but the float would be made in the second half of 2006. He added: "This is a positive response to calls from our members for a private-share float."

April 13, 2006

Ban proposed on 'old smokeys'

A proposal to ban the entry of imported vehicles that didn't meet baseline emission standards had been "watered down", in a report accepted by the cabinet.

Instead of an absolute restriction on non-complying vehicles built before emissions standards were tightened in Japan – 2000-02 for petrol vehicles and 1997-99 for diesels – the MoT's report opted for further consultation and investigation, followed by another cabinet paper later in the year.

An emissions-based entry requirement for used imports could see many pre-2002 petrol vehicles being banned and diesels made before 1999 – as well as diesels built before 2004 if the September report recommended adopting a 2002-04 standard for diesels.

The MoT was to investigate options to test vehicles before certification in New Zealand to ensure they "continue to meet the emission standards they were built too", and to investigate and discuss with stakeholders the implication of vehicle-emissions standards being raised over time.

Before its proposed September report, the MoT anticipated further research and discussion with stakeholders on the "economic, social and environmental impact of the [proposed] policies".

April 28, 2006

Debate over biofuel levels

The question of how much ethanol could be mixed with petrol for use in all vehicles in New Zealand was a subject of heated debate at a specialist biofuels conference in Wellington.

The government was considering mandatory sales targets for biofuels to start in 2008, with a minimum of five per cent ethanol blended with gasoline and biodiesel blended with diesel.

However, debate reached such a degree of intensity that it rekindled the divergence of opinion between the representation of new cars, which had had few problems with this blend, and used Japanese vehicles.

The Japan Automobile Manufacturers' Association recommended the New Zealand government adopt a three per cent ethanol blend because testing showed higher blends of ethanol might cause fuel leakage in Japanese domestic vehicles and corrosion of fuel tanks.

The MoT wanted a five per cent blend, but only if 99 per cent of vehicles could use it without modifications.

Martin Mittelbach, a biofuels expert from Australia, said he had driven his Japanese cars on biofuels without any problems.

Don't go searching for news. Let the news come to you.

Subscribe now to INSIGHT for twice-weekly updates www.autofile.co.nz/subscribe

Be productive during downtime

Well, the first quarter of 2020 has drawn to a close and what a quarter it has been.

Holden led the headlines and General Motors' decision to "retire" the brand will shake up the new-vehicle franchise sector for some months yet.

Then the final phase of the electronic stability control rule, which was well-forecast, landed and that will require some adjustment across the used-imports industry.

And now we are dealing with the doozie of them all – the Covid-19 lockdown from which no one has been spared. The combined shock waves may seem insurmountable at this stage, but the automotive industry will survive.

As in any crisis, it's always best to focus on what can be done now rather than on all the variants of "how and why".

A comment in the political world recently threw out the line that "this crisis should never be wasted". The call to action probably signalled different intent in that arena, but perhaps there's something in it that applies to ours.

And here it is. We can all use this "downtime" to focus on the stuff you might have never got around to because you've always been too busy. Look for the positives because the negatives can get pretty ugly. Here are some ideas to kick things off.

TONY EVERETT
Sector manager – dealers, Motor Trade Association

KNOW YOUR CONTRACTS

Read and understand the content of any supply contracts you have in place, such as property rental and lease agreements, franchise agreements and insurance policies.

Identify any actions required by you. Understand the likes of renewal options and cancellation procedures. Put in your diary any important dates, so you know when they're coming up. That serves as a good reminder to "shop the market" so you know you're getting the best deal you can at that time.

Now is a good time to go through supply contracts and identify any actions required

Look over the terms and conditions to ensure things are as you thought they should be. There might be some surprises in there.

PLANNING FOR THE FUTURE

When the world returns to some form of normality, and it will, you will be better placed if you can hit the road running and with a strategic plan in place.

For example, you can have a look at your marketing. Are you making use of all options? Have you ever analysed success rates? Do you know what has worked before?

And be willing to try new ideas. We've all heard about doing the same old things and getting the same old results. How active is your prospecting?

ENGAGE CLIENT FEEDBACK

If you are genuinely committed to customer satisfaction, it's a good idea to actively chase and encourage plenty of feedback through open market forums.

Yes, those sorts of forums are outside of your control and you might draw the odd complainer, but the best way to overcome the negatives is to swamp them with many more positives. Irrespective of what you do, this happens anyway through word of mouth and the complainers often shout the loudest. The challenge is to capitalise on the positives.

COMMIT TO SOME TRAINING

When did you or people on your team last attend any training? It stimulates thinking and forces people to challenge their positions – a luxury not often available in the normal day-to-day activity.

Yes, it can be an additional cost, but any new ideas put into practice can pay big dividends. Training can also develop a renewed sense of commitment and confidence. Salespeople thrive on energy and enthusiasm, so why not look at it as your duty as a business owner to provide the lead in any way possible.

Above all else, it's important for all of us to do our best to stay positive and follow the government's rules for the lockdown. Our country and our industry will come out of this crisis.

The show goes on, virtually


Volkswagen's first fully electric SUV – the ID.4

Every year, European marques head to Geneva International Motor Show to roll out their latest creations and, although not the largest event of its kind, it's certainly one of the most opulent.

This year, however, exhibitors felt the effects of coronavirus as the Swiss government canned all large-scale events, so it was a case of "the show can't go on".

But that decision failed to stop manufacturers unveiling their wares, with the wraps coming off some via the likes of press conferences and live streaming.

ELECTRIC OFFENSIVE

Volkswagen's first fully electric SUV – dubbed the ID.4 – is a landmark for the German marque.

It's likely to spearhead the brand's all-electric offensive down under in 2022 after being launched elsewhere this year.

The small SUV is built on the same platform as the ID.3 hatchback and will share the latter's primarily rear-wheel-drive (RWD) layout before being made available with all-wheel drive (AWD) in the future.

The ID.4 will likely come with the same 45kWh battery pack in base form for a 330km driving range, but Volkswagen will also offer 58kWh and 77kWh versions of the ID.3 to boost driving range to 420km and 550km respectively, which may then appear in the SUV.

The body's underfloor houses the ID.4's battery for optimum weight distribution and to maximise interior space.

Inside, drivers will have a digital instrument cluster with multi-media and climate controls housed in a touchscreen unit, which will respond to voice commands.

Based on the ID.Crozzz revealed in Frankfurt in 2017, the production-ready ID.4 carries over much of the same design language.

Black-plastic wheel-arch cladding denotes its SUV form, while this material also appears along doors and bumpers. The ID.4 has slim head and tail-lights connected by a light strip, as well as a subtle roof spoiler and racks.

In addition to the ID.4, Volkswagen has revealed its eighth-generation hot hatch to complement the already-revealed regular range of one of its most popular models.

The new GTI will sport a similar drivetrain to the current model with a two-litre turbo producing 180kW of power and 370Nm of torque, and matching front limited-slip differential.

POWERING INTO FUTURE

Audi has revealed its new-generation A3 Sportback, which marks the debut of electrification options and updates.

While only the Sportback variant of the line-up has been revealed, the marque says it will follow up with a new sedan, an S3 successor, and a "super sporty" flagship variant.

The A3 Sportback comes with two engine options – a 110kW and 1.5-litre turbocharged four-cylinder petrol, or an 85kW two-litre turbo-diesel.

Initially, it will be released with front-wheel drive and the option of a six-speed manual or seven-speed dual-clutch transmission.

Audi says it will gradually expand its powertrain offerings with electrified systems and variants with quattro AWD. While exact specifications have yet to be revealed, it will offer a mild hybrid as well as a plug-in with three power levels.

VEHICLES WANTED
DEALERS BUYING NOW

VEHICLES WANTED
All Audi, Porsche, Jaguar, Land Rover and Volvo Models
Armstrong PRESTIGE Expect The Best
Jeff Dacombe . 021 532 355 . jeff.dacombe@armstrongs.co.nz

LATE MODEL FORDS & MAZDAS WANTED

South Auckland Motors
New Zealand's Biggest Ford & Mazda Specialists
Call Jason Robb
Ph 0274 133 222

To advertise here, contact:
advertising@autofile.co.nz
or ph 021 455 775


Fiat's all-electric variant of its next-generation 500


Audi's A3 Sportback

For reference, current Sportbacks are powered by 110kW and 250Nm 1.4-litre or 140kW and 320Nm two-litre turbo-petrol four-cylinder engines.

Distinguishing the next generation is a refreshed exterior design with large front-end air inlets, broader shoulders and Matrix LED headlights.

Inside, there are aluminium or carbon trim pieces and a new shifter, while the upholstery is made of recycled materials to bolster Audi's claimed commitment to sustainability.

The cockpit features elements from the marque's full-size models, such as a 10.1-inch touchscreen multi-media system and optional 12.3-inch instrument cluster with head-up display.

Audi says the multi-media system is 10 times more powerful than its predecessor, and offers an extensive suite of utilities and connectivity options.

It has also refined the suspension with adaptive dampers optional, and includes extra safety features, such as lane-departure warning and swerve assist.

GETTING CONNECTED

Fiat has unveiled its next-generation 500, headlined by a new all-electric variant.

Few details are available for the model, but the emissions-free version is fitted with a 42kWh lithium-ion battery for a range of 320km.

An 85kW fast-charging system is also available, which can top up 50km of range in five minutes and 80 per cent in 35 minutes with the right socket, according to the marque.

The electric motor outputs 87kW to the front wheels to make the 0-100kph dash in nine seconds, but a 0-50kph burst can be achieved in 3.1 seconds thanks to maximum off-the-line torque. Three driving modes are offered in the new 500 – normal, range and sherpa.


The updated E-Class sedan

It will also be fitted with level-two autonomous capabilities or advanced driver-assistance systems, such as adaptive cruise control, lane-keep assist, traffic-sign recognition, blind-spot monitoring, surround-view monitor and driver-attention alert.

Now 600mm wider, 60mm longer and with a 20mm extended wheelbase, Fiat says there's more space for occupants.

Inside, the new 500 sports a Uconnect 5 multi-media system with 10.25-inch touchscreen, with wireless Apple CarPlay connectivity and Android Auto via a cable.

The system allows owners to remotely monitor vehicle settings and charge times via their smartphones, send navigation destinations and connect to wi-fi networks.

Fiat's new city car is also expected to be made available with petrol engines, possibly a carryover 51kW and 102Nm 1.2-litre unit. More details are expected to be revealed soon.

KEEPING EYES WIDE OPEN

Mercedes-Benz has visually updated its E-Class sedan as well as adding extra technology and safety features.

Exterior changes include a revised front end and shaped bumper, grille and LED headlights, while the rear boasts fresh tail-lights, boot lid and bumper.

The multi-spoke steering wheel is the focal point of changes inside. It now has different prongs for different jobs – upper spokes control the driver information and media screens, while the lower ones are for cruise control and phone controls.

Virus disruption

More than 160 marques were due to exhibit in Geneva, but the organisers say its cancellation was classed as a "force majeure" – a disruption out of people's control that can free businesses from contract liability.

About 660,000 people visited last year's event, which generated about NZ$322 million to make it one of the world's biggest motor shows of 2019.

This year's edition would have been smaller with big names, such as Ford, Jaguar, Tesla, Nissan and Lamborghini, having already elected to skip it.

Visit www.autofile.co.nz for the latest news on the coronavirus and its impact on the car industry.

The wheel "buttons" are touch-capacitive and have haptic feedback, while the steering wheel has a hands-off capacitive sensor rather than a torque sensor. If the sensors don't detect the driver's hands on the wheel, a "cascade" of warnings starts eventually activating emergency-brake assist in case of a medical emergency.

The car's cameras can now also allow it to park in marked bays autonomously – not just in parallel and perpendicular spaces as before.

When parked, an optional system can keep an eye on the vehicle using its camera system to ensure it isn't damaged or vandalised. It's a similar system to Tesla's sentry mode and will advise the driver via a smartphone app if something is amiss.

Other safety changes include "active distance-assist distronic adaptive cruise control" with route-based speed adjustment, which means it can use map data and traffic-sign recognition to adjust speed.

A program called PowerNap comes with plug-in hybrid models, which is designed to relax the drivers while they recharge.

The marque will have seven plug-in powertrains globally, including petrol, diesel, AWD and rear-wheel drive.

The company will also have a two-litre four-cylinder petrol with a 48-volt electrical system and an inline six-cylinder petrol with 48-volt technology.

Full engine details and specifications have yet to be confirmed, while the sedan is due to arrive down under in 2020's fourth quarter. The facelifted Mercedes E-Class range will be completed by coupe and cabriolet variants in coming months.

'Rays of sunshine are visible'

The unrelenting spread of Covid-19 makes for depressing reading on all fronts, not least in motorsport.

These are the headlines. Rally New Zealand – unlikely. NZ Rally Championship – not happening right now, please check back. Final summer series motor-racing rounds – unlikely. MotorSport New Zealand (MSNZ) events at all levels – permits for two months cancelled. Speedway NZ – no permits for the near future.

Offroad Racing Association – immediate championship rounds cancelled, check back for the Woodhill 100 and later events. Motorcycle NZ – office closed, all permits cancelled. Aussie V8s at Hampton Downs on Anzac weekend – sorry, nothing happening. BNT NZ V8s championship – the final two rounds aren't happening, but they could be run when things ease up.

It would be easy to think we have arrived at the end of days, *writes Mark Baker*. However, it's not all doom and gloom – some rays of sunshine are visible. Foremost is the news that motor racing is not dead in this country.

In one pivotal announcement, the organisers of the BNT NZ V8s have cut through enforced coronavirus isolation. They have set out their plans and have trumped MSNZ and the TCR category run by the Australian Racing Group (ARG) by introducing the TA2 V8 category to New Zealand.

They have ticked off process, product, parts support and much more, answering pretty much every question intending racers would ask. Only the shape of the season is still greyed out because it needs to fit with Speedworks' plans for the coming summer, which as of now aren't finalised and must respond to the coronavirus issue. Importantly, there's even a good indicator on pricing, which will undercut TCR by a considerable margin.


Cars for the TA2 V8 category being introduced to New Zealand

Put simply, the focus is on affordable, spectacular racing. Eligible for the start of the 2020/21 season, the new cars will be available as turn-key packages, fully race-prepared and ready to drive with a base set-up including extra wheels, slick and wet tyres, a Racetech seat and harness, and window net.

The new vehicles follow recent practice in cladding a generic spaceframe with brand-specific bodywork and boast McLaren-tuned 6.2-litre LS3 engines capable of 428kW – or 525bhp in old money – at 6,500rpm. Coupe body styles currently available are Dodge, Ford and Chev.

The TA2s will tip the scales to a minimum 1,250kg. This compares well with the existing and outgoing NZ V8s, which are heavier but make more power. The NZ SuperTourer LS7-spec engine can generate 575bhp at 6,200rpm and comes in at 1,300kg, while TLXs weigh 1,370kg and have multiple engine types, 560bhp and varying maximum revs.

Being lighter and not as hard on drivetrain components, these cars produce slightly less power than what they supersede, meaning they are under-stressed and reliable. Importantly for sponsors and spectators alike, they do have current body styles.

In Australia, the popular TA2 muscle-car class has extricated itself from the grip of ARG, which owns the rights to TCR and the original S5000 V8 single-seater category across the Tasman.

The TCR category over there runs on the Virgin Australia Supercars Championship race calendar. The New Zealand series was announced at last year's CRC Speedshow but was later "postponed" after non-domestic cars turned out to be non-starters. This left competitors with only the Winter Enduro Series.

The almost immediate effect was a rash of "for sale" signs in the windows of existing TCRs here as owners realised they would be one update out of synch with any imported for the proposed new date in September.

In a nutshell, TA2 as a category arrives lock, stock and barrel ready to run in the BNT NZ V8s. Pricing hints indicate that around $185,000 plus GST will buy a turn-key racer with basic set-up, spare wheels and other semi-consumables. All cars are sold out of Paul Manuell Racing in East Tamaki, Auckland, which will take on an advisory technical role for the series.

The company will also hold spare-parts inventory, which is always a bugbear for any series. Engine rebuilds will be handled in-house, eliminating the temptation to "improve" the spec and bump up power.

Adding in an affordable pack of springs and sway bars adds just a few thousand dollars, offering up a vehicle in potential podium specification for almost $200,000. It will be impossible to buy a new TCR car for the same money.

The first two TA2s now in New Zealand are in the process of being sold and there are another eight "on the water" heading to Auckland. The commitment process involves a contract similar to that used in the Australian class. This ensures full grids during the series and paves the way for Australian drivers to race in New Zealand.

Doing Leggework to expand sport

Motorsport – or motor racing at least – seems to have two faces in New Zealand.

It has never been healthier at the grassroots. But in the mid-range and upper tiers, things begin to look less "together" with top classes giving little sense of operating as part of a coherent structure.

Legend Bob Jane was a major driving force behind the formation of the Australian Auto-Sport Alliance (AASA) 15 years ago. Its aim is to give events across the Tasman a choice of sanctioning bodies.

Now, for the first time, the same choice is available to Kiwi organisers and promoters. It's not just a matter of being the permitting body and holding insurance, the alliance takes a hands-on role with promoters and event managers.

It recently picked up the permitting role for Targa's events portfolio and that was quickly followed by Gordon Legge being appointed to its international advisory board.

As a television producer and director, race and Targa competitor, and former MotorSport NZ official, Legge has a unique perspective driving him as he takes up his role with the AASA.

"There was an issue with the Targa Tour [a non-competitive adjunct to big Targa events] because MSNZ wasn't happy with its inclusion in the main Targa," he says.

"But the tour needs as much management and oversight as the main event because it runs before the big cars hit the stages. If anything goes wrong with the tour, it has a direct effect on Targa itself. Neither can it run without good insurance and exemplary management."

In Australia, the AASA co-exists with the Confederation of Australian Motorsport and Legge sees the same happening in New Zealand.

"The difference with AASA is we stay much closer to the event, more involved with how it's run and how any incidents are managed."

Legge has held influential positions with MotorSport NZ. For

Gordon Legge, inset, and in action at the Dunlop Targa in 2010

more than a decade, he has been deeply involved in developing a vision for the future.

Through that time, in addition to his television and video production "day job", there has been a constant stream of racing, rallying and Targa competition in BMWs of all types.

It's no coincidence Legge tags the Castrol BMW E30s as a classic example of a club-based "second tier" series that has grown its own success story. Add to that the 2K Cup, the half-fun LeMons series, Formula First and many club categories, and the sport's foundation is well-established.

The situation further up the "tree" isn't as encouraging. With a North-South disparity between F1600 (Formula Ford) class numbers, the misfiring announcement, and non-appearance of TCR and the still-healthy but increasingly "clubbie" BNT NZV8 grids, the upper tier has less positive prospects.

Classes at the top stand or fall on their merits. The Toyota Racing Series is a stand-out success due to the foresight of previous category manager Barrie Thomlinson, who responded to feedback from international competitors and shaped the championship to suit their needs.

By contrast, the NZV8s' decision not to race at the southern rounds of this year's summer series indicates the different composition of fields in the tin-top category. The V8 Utes series is likewise vocal about its dislike of travelling south and a compressed five-week "heart" of summer racing.

Rallying in New Zealand has different challenges – the sheer cost of using roads and restitution costs after events mean it's the club end of the sport that has shrunk dramatically. The national championship goes from success to success, but has priced many participants out of lower-level competition.

Legge says: "Rallying actually could win back a pretty big competitor base if route and restitution issues could be sorted."

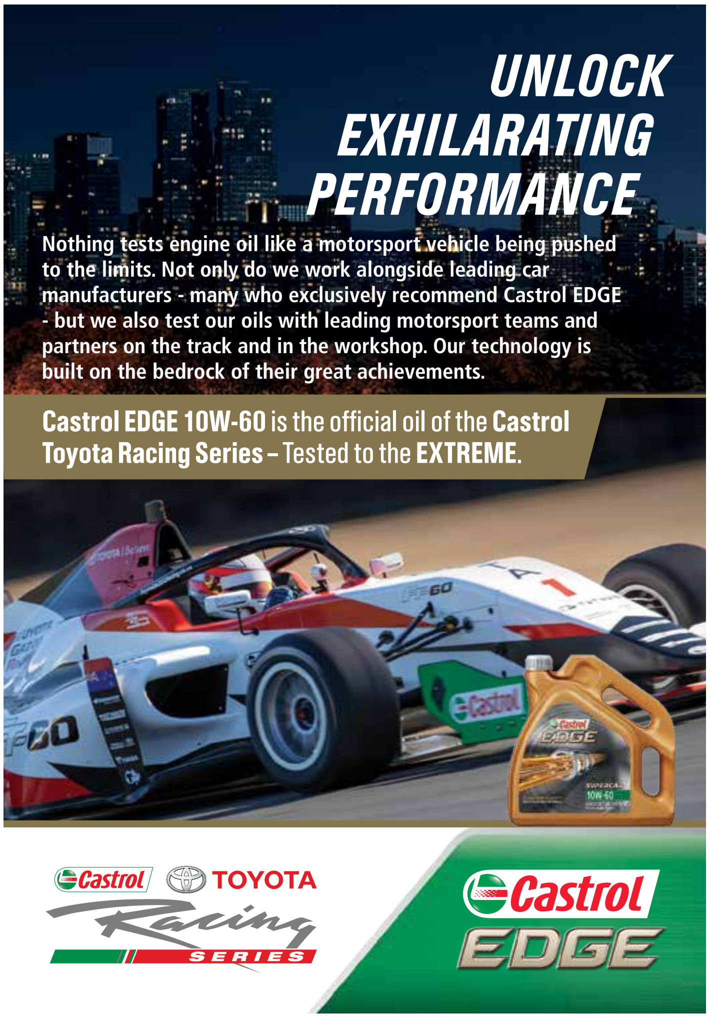
He adds there's potential for Kiwi motorsport to grow if sanctioning bodies are open-minded about opportunities.

For example, a multi-round premier hill-climb series run at the level of the old Race To The Sky and Hayden Paddon's Nevis-based event could attract top competitors, blue-chip sponsors and major overseas interest.

Paying more attention to emerging forms would also help showcase New Zealand motor racing – drifting and the like may have been around for some time, but inclusion in main summer series has been belated and grudging.

"We need better TV coverage, better strategies for putting the sport in front of wider audiences and a coherent upper-level structure," opines Legge.

And having half of the top classes only appear in the North Island is no way to send a message about the sport's sustainability and growth.



Buyer fails to prove trader overstated range of electric vehicle when supplied

The case: The buyer wanted to reject his electric vehicle (EV) because he claimed the trader misled him about its range when the battery was fully charged. The dealer said the purchaser wasn't entitled to reject the car because it had provided accurate information on its range and battery health.

The decision: It was ruled the customer failed to prove the transaction had breached the guarantee of acceptable quality in the Consumer Guarantees Act (CGA) and he had not been misled by the trader.

At: The Motor Vehicle Disputes Tribunal, Auckland.

Background

Jonathan Gribble purchased a 2012 Nissan Leaf for $10,080 from Z Motors Ltd on June 10, 2019.

Gribble wanted to obtain a refund of the purchase price because he believed the dealer had engaged in misleading conduct in breach of the Fair Trading Act (FTA) by overstating its range when the car was supplied.

He also believed the Leaf wasn't of acceptable quality for the purposes of the CGA because its range was inadequate.

Gribble claimed the EV was defective because its battery state of health (SoH) had dropped from 72.15 per cent shortly before purchase to 68.28 per cent by September 2019.

Z Motors said Gribble wasn't entitled to reject the car because it had provided him with accurate information on range and battery health before it was supplied.

The case

Gribble saw the Leaf advertised on Trade Me and contacted Z Motors on May 1, 2019, asking how far it would go "on a full charge in eco drive".

The trader emailed him back the next day stating it had just been charged to 100 per cent and the dashboard showed the range as 115km.

Gribble was advised the exact range on a full charge "depends on driving style, road conditions, average speed, temperature, the air conditioner's working situation and many other factors".

On May 9, Z Motors sent the buyer a LeafSpy report on the battery's SoH, which showed it was at 72.15 per cent.

After receiving it, Gribble raised concerns with Z Motors he might obtain less range than he had anticipated.

He emailed the trader on May 18 stating he was unprepared to make further payments until finding out why the battery was deteriorating.

Z Motors replied on the same day stating the battery would degrade over time and offered to refund Gribble's deposit if he chose not to buy the EV.

Gribble replied he would feel more confident purchasing a 2013 Leaf "that would go the extra miles".

The trader emailed back asking if he wanted his deposit refunded that same day. Despite his concerns, Gribble purchased the EV on June 10.

After the battery's SoH dropped to 68.28 per cent, Gribble had the Leaf assessed by Whanganui's David Jones Nissan, which suggested the battery was in good condition. However, Gribble told the tribunal that dealership didn't have the technical expertise to determine the extent that the car's range was inconsistent with representations made by Z Motors.

Gribble also presented an email from HVS Motors, of Christchurch, supporting his allegation the EV's range was sub-standard.

But the tribunal said it couldn't rely on that because it wasn't a diagnosis of the car in question, but HVS Motors' response to an enquiry made by Gribble on a 2011 Nissan Leaf that dealership had on Trade Me.

Gribble's application stated, "the best I can get from this car is around 75km around town". However, he told the hearing that on the occasion he drove 75km, the capacity indicator showed the battery still had 20 per cent charge remaining, meaning the car's range on that day was potentially 90km.

Gribble said he frequently fast-charged the battery. The tribunal's assessor said fast-charging to that extent would inevitably reduce the Leaf's capacity as would his habit of frequent fast-charging when the battery wasn't fully depleted.

The buyer also gave evidence he frequently switched between the eco and normal driving modes, which the assessor said would also impact on battery capacity.

The finding

The tribunal was satisfied Z Motors hadn't engaged in misleading conduct because the Leaf's dashboard showed its range was 115km.

Any potentially misleading impression that could be taken from that display was immediately qualified with information from the trader that the car's range could vary depending on external factors, such as hilly terrain and how the battery was charged.

Z Motors provided the buyer with further information about the battery's SoH before purchase.

Gribble failed to prove the Leaf's range was less than a reasonable person would expect given the information supplied by the trader.

The tribunal found Z Motors ensured that a reasonable consumer wouldn't be misled into believing its range would always be 115km and Gribble was well-informed about its battery SoH, so his evidence that he didn't know about that before buying the car was rejected.

He also failed to prove the Leaf's range was less than a reasonable person would have expected given representations made by Z Motors.

The tribunal was satisfied the EV was of acceptable quality. Gribble's evidence didn't show its range was unacceptable or less than a reasonable consumer would expect given Z Motors' pre-purchase representations.

The adjudicator wasn't satisfied the SoH drop was indicative of any defect with the car – it was within normal parameters that EV batteries would deteriorate.

Order

The application was dismissed.

Purchasers' delay in telling dealer of ongoing engine issue 'not fatal' to claim

The case: The purchasers believed new timing chains in their Holden had stretched and wanted the trader to fix them. They had the car examined by two workshops and both found fault codes. The dealer said these assessments didn't prove the part needed replacing.

The decision: The tribunal agreed with the trader and said the evidence didn't determine the true cause of the Holden's rough idling. However, the dealer was ordered to fix the car's catalyst system.

At: The Motor Vehicle Disputes Tribunal, Auckland.

Background

Valencia and Shane Whitehead bought a 2009 Holden Commodore SV6 with an odometer reading of 222,100km for $9,800 from Market Cars Ltd on April 29, 2018.

The couple alleged it wasn't of acceptable quality under the Consumer Guarantees Act (CGA) and claimed the dealer had engaged in misleading conduct in breach of the Fair Trading Act (FTA).

Despite being told the Holden's timing chain had been replaced shortly before supply, the Whiteheads said it was faulty and a new one was required. They added the Commodore also had issues with its catalyst system.

The couple sought the tribunal's orders requiring Market Cars to rectify the faults.

The trader said the timing chain was replaced shortly before sale and evidence submitted didn't prove it needed to be changed again.

Market Cars added it had replaced one of the catalytic converters and any faults that had since developed with the system didn't breach the CGA because they occurred too long after purchase.

The case

The Holden's check-engine warning light first came on the day after purchase, so the car was assessed by Whangarei's Autopro, which found fault codes relating to its bank-one catalyst system.

Market Cars provided a replacement converter and oxygen sensor installed by Autopro at the trader's expense.

Despite this, the engine-warning light immediately came on again, so the Holden was returned by the buyers to Autopro in July 2018.

It found codes relating to a potential fault on the bank-two catalyst system and recommended they replace the battery, which they did but this didn't fix the fault.

The Whiteheads didn't contact Market Cars about the catalyst system's ongoing fault until July 2019 when the vehicle's problems worsened.

The trader's manager, Andy Cassin, said his company wasn't responsible for this ongoing issue because of the buyers' long delay in notifying it of any further problem.

As for the alleged timing-chain issue pre-purchase, Cassin told the Whiteheads this part had been replaced.

The couple said that information was important in their decision to buy the Holden and there was a high likelihood they wouldn't have done so if the timing chains hadn't been replaced.

About 13 months after purchase, the couple had the vehicle assessed by Snow Bros Auto Electrical because it misfired when idling and its engine-warning light frequently came on.

Snow Bros scanned the car and found a P0008 fault code relating to "engine position performance", which it considered to be caused by stretched timing chains.

The vehicle was assessed two months later by Whangarei's Mark Cromie Motor Group, which also found P0008 codes and reported it needed new chains.

Relying on the two diagnoses, the couple alleged the Holden's chains were either not replaced before sale or any replacements had stretched due to poor installation.

Cassin provided an invoice from Otahuhu's Pitstop dated April 4, 2018, showing the timing-chain kit had been replaced at a cost of $3,550.

He told the hearing that if the kit had been poorly installed any problem would have quickly surfaced and the tribunal's assessor backed up that statement.

However, the assessor added both workshops performed no further diagnosis to determine the true cause of the vehicle's symptoms.

He said the car's "rough idle" symptoms weren't conclusive proof of a timing-chain problem and the fault codes could have had other explanations, such as an issue caused by someone changing the vehicle's timing by modifying software or a problem with the camshaft actuator.

The finding

The Whiteheads had to prove it was more likely than not that the car's timing chain had been stretched because it had been poorly installed.

The tribunal found that the evidence regarding a possible fault with the chains was inconclusive, nor did it show there was a breach of the CGA.

However, the tribunal found the Holden had an ongoing fault that caused the check-engine light to illuminate and the engine-control unit generated fault codes relating to the catalyst system, which breached the CGA's guarantee of acceptable quality.

The tribunal agreed the Whiteheads should have notified Market Cars of this ongoing problem, but their failure to do so wasn't fatal to their claim.

That was because the evidence showed the date the fault occurred. This was the day after purchase and not the date on which the issue was reported to Market Cars.

The tribunal was satisfied a reasonable consumer wouldn't expect the Holden to develop a problem with its catalyst system so soon after purchase.

Finally, the Whiteheads also alleged Market Cars made a misleading representation by claiming the timing chains had been replaced before sale.

The tribunal said the evidence showed the dealer had this work done before the transaction took place, so the FTA application was dismissed.

Order

The dealer was ordered to fix the fault relating to the car's catalyst system.

Disputes cost you time & money

MTA dealer members have access to a free support service.
Visit www.mta.org.nz/mediation or call 0508 682 633

mta ASSURED

Armacup (NZ)

YOUR FIRST CHOICE IN SHIPPING

Our services include:

- NZ Customs clearance
- MPI inspections
- Insurance
- NZTA inspections
- Odometer verification
- Delivery nationwide

LATEST SCHEDULE

	Port Calls	Carrera v2006	Tokyo Car v2007	Morning Midas v2008	Carrera v2009
JAPAN	Moji	16 Mar	–	14 Apr	–
	Osaka	17 Mar	3 Apr	15 Apr	2 May
	Nagoya	18 Mar	–	16 Apr	3 May
	Yokohama	19 Mar	4 Apr	17 Apr	5 May
NEW ZEALAND	Auckland	4 Apr	21 Apr	6 May	21 May
	Wellington	14 Apr	27 Apr	10 May	25 May
	Lyttelton	8 Apr	25 Apr	9 May	23 May
	Nelson	15 May	30 Apr	14 May	30 May

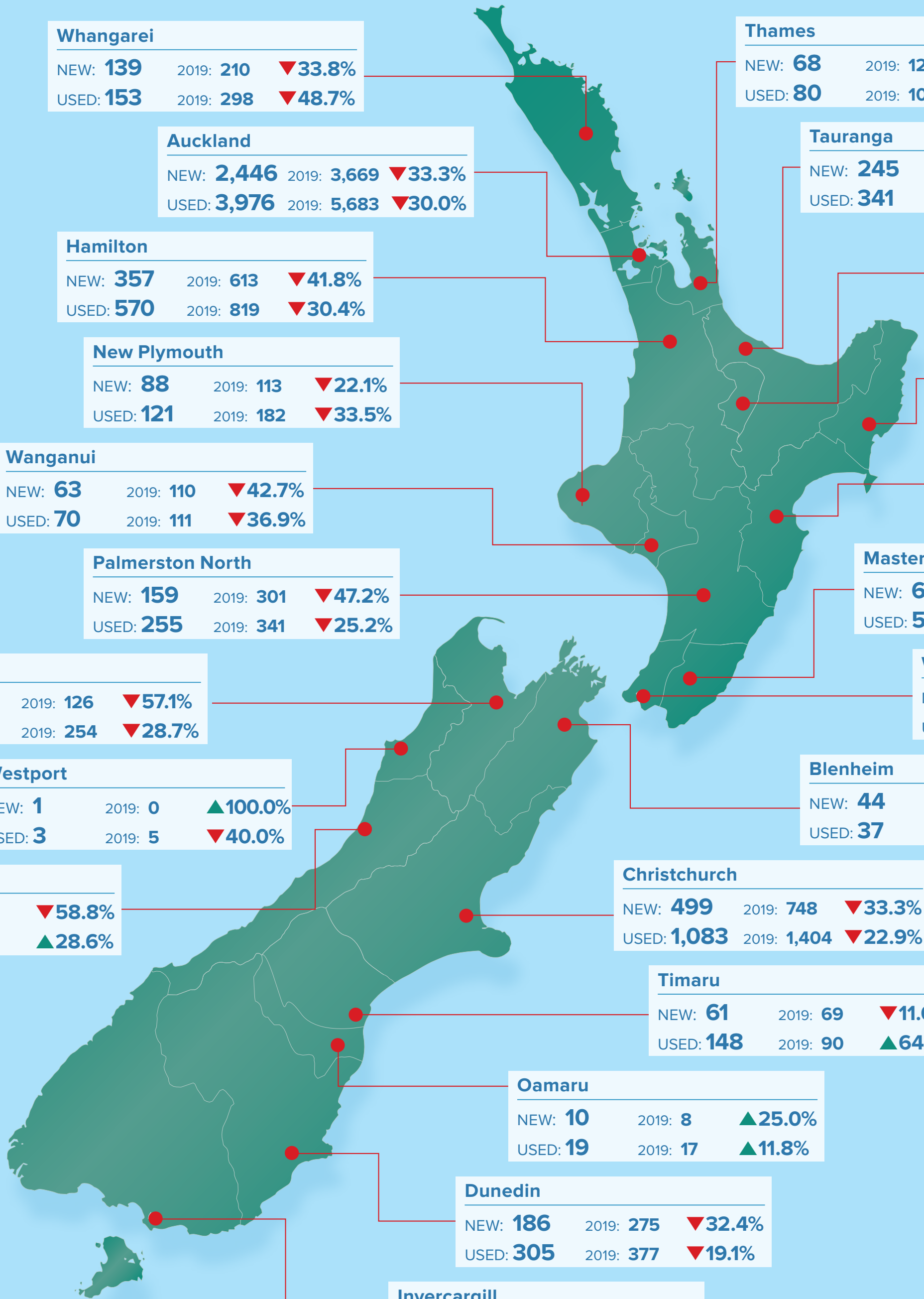
Phone **0800 ARMACUP (0800 276 2287)**
email **enquiries@armacup.co.nz**
www.armacup.com

Shipping to cure kids

Around the Country March 2020

Total new cars	
5,415	
2019: 8,425	▼35.7%

Total imported used cars	
8,565	
2019: 11,852	▼27.7%



Whangarei	NEW:	139	2019: 210	▼33.8%
	USED:	153	2019: 298	▼48.7%
Thames	NEW:	68	2019: 121	▼43.8%
	USED:	80	2019: 100	▼20.0%
Auckland	NEW:	2,446	2019: 3,669	▼33.3%
	USED:	3,976	2019: 5,683	▼30.0%
Tauranga	NEW:	245	2019: 408	▼40.0%
	USED:	341	2019: 478	▼28.7%
Hamilton	NEW:	357	2019: 613	▼41.8%
	USED:	570	2019: 819	▼30.4%
Rotorua	NEW:	109	2019: 155	▼29.7%
	USED:	132	2019: 180	▼26.7%
New Plymouth	NEW:	88	2019: 113	▼22.1%
	USED:	121	2019: 182	▼33.5%
Gisborne	NEW:	34	2019: 42	▼19.0%
	USED:	63	2019: 61	▲3.3%
Wanganui	NEW:	63	2019: 110	▼42.7%
	USED:	70	2019: 111	▼36.9%
Napier	NEW:	159	2019: 270	▼41.1%
	USED:	179	2019: 305	▼41.3%
Palmerston North	NEW:	159	2019: 301	▼47.2%
	USED:	255	2019: 341	▼25.2%
Masterton	NEW:	63	2019: 110	▼42.7%
	USED:	53	2019: 57	▼7.0%
Nelson	NEW:	54	2019: 126	▼57.1%
	USED:	181	2019: 254	▼28.7%
Wellington	NEW:	530	2019: 835	▼36.5%
	USED:	625	2019: 845	▼26.0%
Westport	NEW:	1	2019: 0	▲100.0%
	USED:	3	2019: 5	▼40.0%
Blenheim	NEW:	44	2019: 82	▼46.3%
	USED:	37	2019: 59	▼37.3%
Greymouth	NEW:	7	2019: 17	▼58.8%
	USED:	27	2019: 21	▲28.6%
Christchurch	NEW:	499	2019: 748	▼33.3%
	USED:	1,083	2019: 1,404	▼22.9%
Timaru	NEW:	61	2019: 69	▼11.6%
	USED:	148	2019: 90	▲64.4%
Oamaru	NEW:	10	2019: 8	▲25.0%
	USED:	19	2019: 17	▲11.8%
Dunedin	NEW:	186	2019: 275	▼32.4%
	USED:	305	2019: 377	▼19.1%
Invercargill	NEW:	93	2019: 143	▼35.0%
	USED:	144	2019: 165	▼12.7%

FINANCE TO SHIFT YOUR BUSINESS INTO TOP GEAR

Your Vehicle Import Finance Specialist

To find out more visit us at www.blackbirdfinance.co.nz or call us on 0800 000 999

BLACKBIRD FINANCE

HEIWA AUTO
www.heiwa-auto.co.nz

Imported Passenger Vehicle Sales by Make - March 2020

MAKE	MAR '20	MAR '19	+/- %	FEB '20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Toyota	2,165	2,483	-12.8	25.3%	7,769	25.1%
Nissan	1,613	2,260	-28.6	18.8%	5,883	19.0%
Mazda	1,276	1,979	-35.5	14.9%	4,916	15.9%
Honda	863	1,373	-37.1	10.1%	3,152	10.2%
Subaru	587	665	-11.7	6.9%	2,042	6.6%
Suzuki	366	691	-47.0	4.3%	1,417	4.6%
Mitsubishi	335	526	-36.3	3.9%	1,263	4.1%
BMW	316	456	-30.7	3.7%	1,033	3.3%
Volkswagen	269	356	-24.4	3.1%	941	3.0%
Audi	152	248	-38.7	1.8%	534	1.7%
Lexus	108	122	-11.5	1.3%	354	1.1%
Mercedes-Benz	100	152	-34.2	1.2%	341	1.1%
Ford	59	84	-29.8	0.7%	232	0.7%
Volvo	51	57	-10.5	0.6%	171	0.6%
Chevrolet	32	39	-17.9	0.4%	105	0.3%
Holden	27	32	-15.6	0.3%	82	0.3%
Land Rover	25	28	-10.7	0.3%	95	0.3%
Hyundai	24	25	-4.0	0.3%	68	0.2%
Mini	24	30	-20.0	0.3%	68	0.2%
Dodge	23	24	-4.2	0.3%	64	0.2%
Chrysler	19	21	-9.5	0.2%	46	0.1%
Jeep	19	28	-32.1	0.2%	52	0.2%
Jaguar	17	45	-62.2	0.2%	71	0.2%
Kia	13	7	85.7	0.2%	31	0.1%
Porsche	11	15	-26.7	0.1%	43	0.1%
Renault	8	3	166.7	0.1%	24	0.1%
Cadillac	7	8	-12.5	0.1%	23	0.1%
Citroen	7	22	-68.2	0.1%	17	0.1%
Peugeot	5	5	0.0	0.1%	25	0.1%
Fiat	4	3	33.3	0.0%	15	0.0%
Pontiac	4	5	-20.0	0.0%	8	0.0%
Daihatsu	3	5	-40.0	0.0%	7	0.0%
McLaren	3	0	300.0	0.0%	4	0.0%
Plymouth	3	3	0.0	0.0%	7	0.0%
Tesla	3	1	200.0	0.0%	5	0.0%
Others	24	51	-52.9	0.3%	97	0.3%
Total	**8,565**	**11,852**	**-27.7**	**100.0%**	**31,005**	**100.0%**

Imported Passenger Vehicle Sales by Model - March 2020

MAKE	MODEL	MAR '20	MAR '19	+/- %	MAR '20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Mazda	Axela	469	627	-25.2	5.5%	1,673	5.4%
Toyota	Aqua	376	212	77.4	4.4%	1,261	4.1%
Honda	Fit	353	575	-38.6	4.1%	1,395	4.5%
Suzuki	Swift	308	593	-48.1	3.6%	1,196	3.9%
Toyota	Prius	306	304	0.7	3.6%	1,108	3.6%
Mazda	Demio	267	489	-45.4	3.1%	1,140	3.7%
Nissan	Tiida	257	503	-48.9	3.0%	1,089	3.5%
Subaru	Impreza	226	231	-2.2	2.6%	784	2.5%
Nissan	Leaf	196	262	-25.2	2.3%	696	2.2%
Subaru	Legacy	188	265	-29.1	2.2%	674	2.2%
Mitsubishi	Outlander	180	298	-39.6	2.1%	686	2.2%
Toyota	Corolla	175	167	4.8	2.0%	572	1.8%
Volkswagen	Golf	166	223	-25.6	1.9%	602	1.9%
Toyota	Vitz	156	243	-35.8	1.8%	584	1.9%
Mazda	Atenza	155	257	-39.7	1.8%	595	1.9%
Nissan	Note	147	190	-22.6	1.7%	565	1.8%
Toyota	Wish	145	262	-44.7	1.7%	592	1.9%
Nissan	Dualis	140	217	-35.5	1.6%	527	1.7%
Nissan	X-Trail	135	155	-12.9	1.6%	471	1.5%
Mazda	Premacy	131	234	-44.0	1.5%	524	1.7%
Toyota	Auris	117	160	-26.9	1.4%	448	1.4%
Toyota	Vanguard	109	61	78.7	1.3%	363	1.2%
Nissan	Skyline	102	151	-32.5	1.2%	311	1.0%
Nissan	Serena	101	89	13.5	1.2%	371	1.2%
Nissan	Juke	97	93	4.3	1.1%	345	1.1%
Honda	CRV	89	103	-13.6	1.0%	277	0.9%
Toyota	Blade	87	117	-25.6	1.0%	313	1.0%
Mazda	CX-5	86	95	-9.5	1.0%	302	1.0%
Honda	Stream	82	159	-48.4	1.0%	345	1.1%
Toyota	Ractis	79	98	-19.4	0.9%	303	1.0%
Subaru	Forester	76	85	-10.6	0.9%	253	0.8%
Honda	Insight	75	81	-7.4	0.9%	234	0.8%
Nissan	March	75	87	-13.8	0.9%	287	0.9%
Honda	Odyssey	72	95	-24.2	0.8%	215	0.7%
Toyota	Mark X	69	109	-36.7	0.8%	241	0.8%
Others		2,773	3,962	-30.0	32.4%	9,663	31.2%
Total		**8,565**	**11,852**	**-27.7**	**100.0%**	**31,005**	**100.0%**

HEIWA AUTO

WHAT DO YOU WANT
FROM YOUR
VEHICLE SUPPLIER?

HEIWA AUTO
www.heiwa-auto.co.nz

Service providers offer help

Finance companies are getting in touch with car traders to help them steer their way through the national lockdown.

Geoff Sinclair, director of Autobridge and Blackbird Finance, says dealerships have responded positively to the support offered during these uncertain economic times.

"We do not believe in a one-size-fits-all approach," he told Autofile. "We are reaching out and talking to our dealers so we can assist them in ways most relevant to them.

"This lockdown is seeing us working with them and providing relief around existing loans and extending them for further periods. We're also capitalising a lot of interest and fees, so we aren't impacting on dealers' cashflows. We know for some the well is a little dry.

"The response has been quite positive. Dealers are appreciative of having someone contact them and discuss issues with them in a wider sense."

Sinclair says the lockdown means business is "grinding to a bit of a halt" for most sectors of the automotive industry, but it's vital for dealers to prepare for the future.

"Dealers are generally a pretty hardy bunch and everyone accepts the situation, but we're working with them to try to ensure they're in as good a position as they can be so when we move out of lockdown they hit the ground running.

"I think one of the biggest challenges is not going to be the lockdown period as such, but getting back to business, restarting sales and getting the money flowing again, which could take a few weeks."

For any new deals, Sinclair is advising potential customers to wait until the economy is moving again and they have been able to get vehicles out of storage, through compliance and onto their yards.

"We're saying let's hold fire on funding," he adds. "Rather than have them incur a liability to us, we would prefer to hold fire and wait for things to settle down. Once they can get cars onto yards, that's the point to raise any finance they require."

Trade Me says its dealer members will not have to pay any monthly fees as part of a support package. As the nation moved into lockdown, chief executive Anders Skoe emailed customers acknowledging the "big impact" the crisis will have on businesses.

"You'll pay nothing for your Trade Me Motors package – basic, torque or turbo – in April 2020," he says. "This includes all add-on products purchased for the month of April, such as sitelink and showroom. Features and super features are still available through this time. If you wish to delay purchases already made for April, please talk to your account manager.

"We hope that this – along with the temporary extension of payment terms by 30 days – helps you through these tough times, and helps you quickly resume business when the restrictions are lifted."

Skoe adds "the government is putting the safety of our family, friends and communities at the forefront, which we support", while the company's support and account staff are working remotely "so there may be some delays in answering while they also focus on their families' health and wellbeing".

Meanwhile, the Marque Group has unveiled a plan outlining its support and approach to ensure business continuity, starting with removing fees and costs for existing customers while trading has ceased.

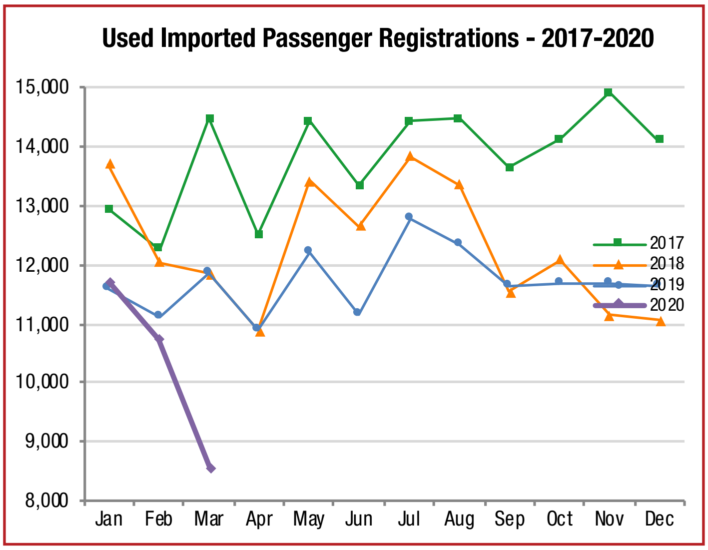
Further to its phase one of the framework called "acknowledge and connect", the group's two New Zealand-based businesses have announced fee holidays for clients of lead management and digital-sales tool platform AutoPlay, which has informed its customers of a two-month hiatus on charges – effectively making it free for users in April and May.

And specialist loyalty programme provider Smart Loyalty will not be charging monthly management fees over the same two months, which will apply to customer spend during February and March 2020. More information can be found online at www.autofile.co.nz about this.

"These are unprecedented times," says Mike Sexton, managing director of the Marque Group NZ. "As a result, we have quickly taken unprecedented steps to help our customers. Being connected and supportive as a community has never been more important, and we're committed to playing our part as people and as a business."

Sales decline

There were 8,565 used-imported passenger vehicles registered in New Zealand last month. This was down by 27.7 per cent when compared to 11,852 sales in March 2019 and was a decline of 25.5 per cent compared to February 2020 when there were 10,747 registrations.



HEIWA AUTO
✓ SOLID COMPANY
✓ QUALITY VEHICLES
✓ CHOICE & VARIETY OF STOCK
✓ EXPERIENCED AGENTS
✓ DEALER ONLY SUPPLIER
✓ GREAT VALUE FOR MONEY
contact: Taka Arimoto
email: arimoto@heiwa-auto.co.jp
www.heiwa-auctions.com

McCULLOUGH LIMITED
www.mmnz.biz

Supply-chain resilience tested

Concerns have been expressed about the "domino effect" on the used-imports supply chain brought about by the national lockdown.

Mike Tyler, director of Autoterminal, says: "The business is shut, our customers' businesses are shut and that puts everyone in a difficult position."

When New Zealand was at previous alert levels, companies could operate and there was some degree of activity. "Even in the global financial crisis, we were still able to trade despite some dramatic impacts, but under this lockdown there's zero activity," he told Autofile.

"Our industry is no different – there are so many unknowns. If we end up being locked down for longer, the position will become more difficult. But if we can get business back and open, there's the opportunity to get some activity going. A business like ours supports many companies in the supply chain. If we cannot reopen, the domino effect is widespread."

That said, he emphasises the industry has resilience to get through this crisis. "Together, all of us can knock the virus out. Things will have to restart at some point. We just need it to be sooner rather than later."

CROSSING THE BORDER

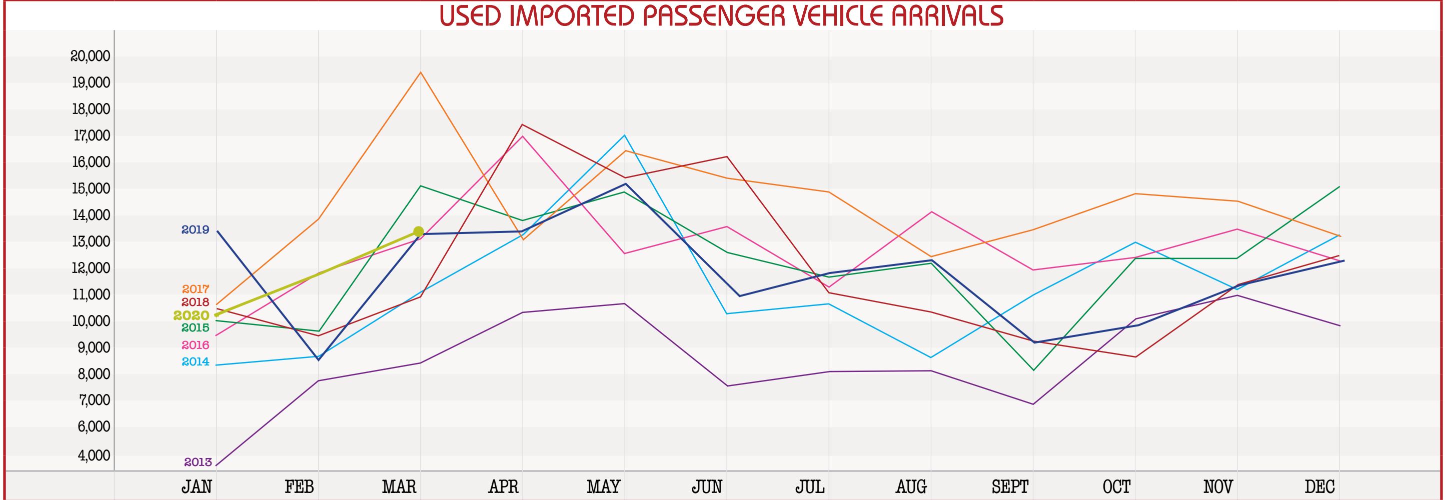
There were 13,392 used cars imported into New Zealand last month, which was up by one per cent, or by 156 units, on March 2019's total. Last month was also up by 11.5 per cent compared to February's total of 11,851 imports. The increase in activity came despite the coronavirus pandemic, with numbers expected to fall in coming months.

So far in 2020, 35,416 used passenger vehicles have crossed our border – up by 0.6 per cent on the first quarter of 2019's total of 35,206. Those from Japan came in at 12,791 during March, up by 4.3 per cent from the same month in 2019.

Imports from Australia were down 48.8 per cent from March last year, falling from 644 cars to 330. The latest monthly total was also 123 fewer units than came from across the Tasman in February.

Meanwhile, used light-commercials produced their third highest monthly total over the past year with 862 units imported. This was 86.2 per cent higher than the 463 units in the same month of last year, with much of the jump probably due to the March 1 deadline for all vehicles to be border-inspected in-line with the electronic stability control rule.

USED IMPORTED PASSENGER VEHICLE ARRIVALS



Used Imported Passenger Vehicles By Country Of Export

COUNTRY OF EXPORT	2020 JAN '20	FEB '20	MAR '20	MAR MARKET SHARE %	2020 TOTAL	2019 Q1	Q2	Q3	Q4	2019 TOTAL	MRKT SHARE	2018 2018 TOTAL	MRKT SHARE
Australia	291	453	330	2.5%	1,074	1,320	1,549	1,291	988	5,148	3.6%	4,183	2.9%
Great Britain	76	56	56	0.4%	188	234	167	217	276	894	0.6%	1,026	0.7%
Japan	9,599	11,145	12,791	95.5%	33,535	32,921	36,955	31,187	31,431	132,494	93.8%	134,510	94.2%
Singapore	105	132	147	1.1%	384	459	406	385	428	1,678	1.2%	1,531	1.1%
USA	72	55	52	0.4%	179	173	156	159	176	664	0.5%	1,108	0.8%
Other countries	30	10	16	0.1%	56	99	89	54	98	340	0.2%	415	0.3%
Total	**10,173**	**11,851**	**13,392**	**100.0%**	**35,416**	**35,206**	**39,322**	**33,293**	**33,397**	**141,218**	**100.0%**	**142,773**	**100.0%**

McCULLOUGH LIMITED
Ph +64 9 303 0075 www.mmnz.biz
DOOR-TO-DOOR VEHICLE SHIPPING EXPERTS
TO AND FROM JAPAN, USA, UK, AUSTRALIA, SINGAPORE, AND THE PACIFIC
CONTACT US TODAY!

MotorWeb™
by trademe

Interruption to 'bumper year'

A specialist dealer in electric vehicles is still available for his customers to get in touch via the internet.

Dave Boot, of EV City in Christchurch, says the national shutdown is a blow to what had been a "bumper" year until late last month.

"We've closed our physical presence and we can still be contacted online, but we don't expect to hear from too many buyers," he told Autofile. "We're resilient enough to last until the end of the year if we have to.

"After people get out of this lockdown, I think they will be conscious of what they value in life and spend money on. Emerging technologies, such as EVs, have a good shot of coming out of this well in that respect."

Boot realises the national economy will take time to normalise. "We've got seven staff and I can't afford to lose any of them. All our resources will be put into keeping those guys in our workforce. I don't want them to be fearful about not having enough money to survive or not having a job to go to when this is over.

"Slightly ahead of time, we're also releasing our own roadside assistance for EV City customers.

"Over the lockdown period, however, it will only be available for any essential-services people who have an electric car, get stuck and need help to get going again."

TRADING PLACES

Dealers sold 14,084 second-hand cars to members of the public last month – down by 20 per cent compared to March 2019 when there were 17,616 changes of ownership.

Last month's total also represented a drop of 13.4 per cent on 16,259 registrations in February 2020.

However, declines were not recorded in all centres across New Zealand. The biggest proportional increase was seen in Oamaru where trader-to-public sales rose to 40 last month from 32 in March 2019 for a jump of 25 per cent, while Timaru recorded an 18.2 per cent rise.

As for trade-ins, March's total came in at 10,913. This was down by 20.5 per cent and 13 per cent when compared to the same month of last year and this February respectively. There were 13,734 trade-ins in March 2019 and 12,544 in February 2020.

Greymouth notched up the biggest increase in trades when comparing last month to March 2019 – by 150 per cent from 14 to 35 units.

Private transactions dropped from 44,047 to 36,645, or by 16.8 per cent, over the same timescale.

SECONDHAND CAR SALES - March 2020

	DEALER TO PUBLIC				PUBLIC TO PUBLIC			PUBLIC TO DEALER		
	MAR '20	MAR '19	+/- %	MARKET SHARE	MAR '20	MAR '19	+/- %	MAR '20	MAR '19	+/- %
Whangarei	445	553	-19.5	3.16	1,645	2,045	-19.6	176	251	-29.9
Auckland	4,901	6,000	-18.3	34.80	11,955	14,818	-19.3	4,237	5,278	-19.7
Hamilton	1,115	1,468	-24.0	7.92	2,908	3,368	-13.7	878	1,127	-22.1
Thames	224	314	-28.7	1.59	545	663	-17.8	177	226	-21.7
Tauranga	661	865	-23.6	4.69	1,841	2,209	-16.7	491	627	-21.7
Rotorua	249	392	-36.5	1.77	772	976	-20.9	131	132	-0.8
Gisborne	131	167	-21.6	0.93	331	424	-21.9	40	57	-29.8
Napier	531	660	-19.5	3.77	1,328	1,511	-12.1	364	482	-24.5
New Plymouth	242	378	-36.0	1.72	832	1,002	-17.0	151	199	-24.1
Wanganui	171	260	-34.2	1.21	477	578	-17.5	101	118	-14.4
Palmerston North	587	763	-23.1	4.17	1,376	1,679	-18.0	591	944	-37.4
Masterton	154	206	-25.2	1.09	420	534	-21.3	82	99	-17.2
Wellington	1,404	1,534	-8.5	9.97	2,762	3,191	-13.4	935	1,048	-10.8
Nelson	224	276	-18.8	1.59	891	1,113	-19.9	154	206	-25.2
Blenheim	148	190	-22.1	1.05	370	488	-24.2	90	112	-19.6
Greymouth	56	62	-9.7	0.40	166	164	1.2	35	14	150.0
Westport	4	9	-55.6	0.03	41	28	46.4	3	0	300.0
Christchurch	1,589	2,143	-25.9	11.28	4,524	5,282	-14.4	1,564	1,940	-19.4
Timaru	221	187	18.2	1.57	522	564	-7.4	94	83	13.3
Oamaru	40	32	25.0	0.28	123	137	-10.2	5	0	500.0
Dunedin	591	725	-18.5	4.20	1,824	2,120	-14.0	333	521	-36.1
Invercargill	396	432	-8.3	2.81	992	1,153	-14.0	281	270	4.1
NZ total	**14,084**	**17,616**	**-20.0**	**100.00**	**36,645**	**44,047**	**-16.8**	**10,913**	**13,734**	**-20.5**

Is your stock being recalled?
MotorWeb can check.
www.motorweb.co.nz
MotorWeb
by trademe

autoPLAY
Smart Digital Tools

New Passenger Vehicle Sales by Make - March 2020

MAKE	MAR'20	MAR'19	+/- %	FEB'20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Toyota	918	960	-4.4	17.0%	3,231	14.4%
Holden	460	543	-15.3	8.5%	1,270	5.7%
Suzuki	397	564	-29.6	7.3%	1,487	6.6%
Mazda	394	805	-51.1	7.3%	1,648	7.3%
Kia	354	626	-43.5	6.5%	2,069	9.2%
Mitsubishi	347	631	-45.0	6.4%	1,699	7.6%
Nissan	322	489	-34.2	5.9%	1,198	5.3%
Hyundai	305	561	-45.6	5.6%	1,454	6.5%
Honda	263	699	-62.4	4.9%	1,091	4.9%
Volkswagen	197	307	-35.8	3.6%	778	3.5%
Subaru	173	338	-48.8	3.2%	759	3.4%
Ford	153	346	-55.8	2.8%	1,071	4.8%
Mercedes-Benz	152	214	-29.0	2.8%	613	2.7%
Jeep	87	77	13.0	1.6%	261	1.2%
Tesla	85	20	325.0	1.6%	179	0.8%
Audi	80	157	-49.0	1.5%	367	1.6%
Land Rover	77	135	-43.0	1.4%	299	1.3%
Skoda	72	124	-41.9	1.3%	358	1.6%
MG	71	3	2,266.7	1.3%	239	1.1%
Haval	58	42	38.1	1.1%	189	0.8%
Peugeot	55	84	-34.5	1.0%	255	1.1%
Lexus	54	70	-22.9	1.0%	211	0.9%
SsangYong	50	67	-25.4	0.9%	191	0.9%
BMW	47	178	-73.6	0.9%	428	1.9%
Volvo	41	61	-32.8	0.8%	152	0.7%
Jaguar	38	36	5.6	0.7%	129	0.6%
Mini	28	72	-61.1	0.5%	197	0.9%
Porsche	23	22	4.5	0.4%	128	0.6%
Isuzu	17	29	-41.4	0.3%	58	0.3%
Mahindra	13	21	-38.1	0.2%	41	0.2%
Alfa Romeo	11	19	-42.1	0.2%	51	0.2%
Can-Am	10	3	233.3	0.2%	22	0.1%
Seat	10	13	-23.1	0.2%	43	0.2%
Citroen	9	20	-55.0	0.2%	67	0.3%
Renault	8	16	-50.0	0.1%	55	0.2%
Others	36	73	-50.7	0.7%	137	0.6%
Total	**5,415**	**8,425**	**-35.7**	**100.0%**	**22,425**	**100.0%**

New Passenger Vehicle Sales by Model - March 2020

MAKE	MODEL	MAR'20	MAR'19	+/- %	MAR'20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Toyota	RAV4	318	155	105.2	5.9%	1,306	5.8%
Toyota	Corolla	240	301	-20.3	4.4%	683	3.0%
Nissan	Qashqai	173	202	-14.4	3.2%	687	3.1%
Kia	Sportage	162	379	-57.3	3.0%	670	3.0%
Suzuki	Swift	159	263	-39.5	2.9%	665	3.0%
Mazda	CX-5	144	310	-53.5	2.7%	631	2.8%
Mitsubishi	Outlander	144	261	-44.8	2.7%	680	3.0%
Toyota	C-HR	105	81	29.6	1.9%	257	1.1%
Holden	Trax	102	85	20.0	1.9%	330	1.5%
Nissan	X-Trail	101	152	-33.6	1.9%	361	1.6%
Mitsubishi	ASX	99	197	-49.7	1.8%	589	2.6%
Volkswagen	Tiguan	97	129	-24.8	1.8%	370	1.6%
Honda	HR-V	95	207	-54.1	1.8%	356	1.6%
Suzuki	Vitara	84	159	-47.2	1.6%	325	1.4%
Tesla	Model 3	79	0	7,900.0	1.5%	153	0.7%
Holden	Equinox	75	98	-23.5	1.4%	181	0.8%
Honda	Jazz	75	213	-64.8	1.4%	303	1.4%
Hyundai	Kona	75	130	-42.3	1.4%	427	1.9%
Holden	Spark	73	80	-8.8	1.3%	127	0.6%
Holden	Acadia	72	47	53.2	1.3%	250	1.1%
Hyundai	Tucson	71	207	-65.7	1.3%	364	1.6%
Holden	Commodore	68	143	-52.4	1.3%	181	0.8%
Subaru	XV	66	123	-46.3	1.2%	258	1.2%
Kia	Rio	60	70	-14.3	1.1%	271	1.2%
Hyundai	Accent	56	32	75.0	1.0%	156	0.7%
Jeep	Compass	56	33	69.7	1.0%	118	0.5%
Mazda	Mazda3	55	101	-45.5	1.0%	199	0.9%
Suzuki	SX4 S-Cross	53	37	43.2	1.0%	127	0.6%
Suzuki	Baleno	52	27	92.6	1.0%	148	0.7%
Honda	CRV	51	198	-74.2	0.9%	266	1.2%
Mitsubishi	Eclipse Cross	50	99	-49.5	0.9%	239	1.1%
Mazda	CX-9	49	94	-47.9	0.9%	177	0.8%
Subaru	Forester	48	84	-42.9	0.9%	228	1.0%
Subaru	Outback	47	99	-52.5	0.9%	220	1.0%
Hyundai	Santa Fe	46	130	-64.6	0.8%	289	1.3%
Others		2,115	3,499	-39.6	39.1%	9,833	43.8%
Total		**5,415**	**8,425**	**-35.7**	**100.0%**	**22,425**	**100.0%**

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

LEADS

Web - Classified	30.5%
Web - Dealer	42.5%
Brand	46.7%

TEST DRIVES

Direct	46.6%
Web - Dealer	61.5%
Web - Classified	55.1%

autoPLAY
Smart Digital Tools

Industry systems up and running

New Zealand's biggest-selling marque has made what it describes as a "seamless transition" to limited operations to comply with the government's lockdown requirements.

Toyota NZ is keeping on-call resources running live to assist essential services during the Covid-19 crisis while protecting its staff and store network – as are many other marques.

Neeraj Lala, chief operating officer of Toyota NZ, says: "Our call centre is operating remotely following a staged transition to working from home a week before the lockdown. All our systems are up and running, and it has been a seamless transition."

While the company's dealerships are closed to the general public, service centres are permitted to open to maintain and repair essential-services vehicles with skeleton crews. If parts are needed, a team member can go into warehousing facilities to obtain them before having them despatched.

"There are some grey areas around the qualifying process on what an essential service is," explains Lala. "For example, someone came in saying a car needed to be repaired to go to the supermarket, which is an essential service. Obviously, that didn't meet the criteria, but everyone is trying the best they can. It does need to be flexible and for people to not abuse it."

As for new-vehicles sales last month, Toyota "achieved a good market share in March and only lost out on a few days of registrations".

Under the Drive Happy system, vehicles are registered on delivery with "the lion's share" done by the 20th of each month or perhaps by the 23rd. Also, the marque no longer does pre-registrations, so it was "protected in some respect" from the lockdown affecting last month's figures too much.

Lala told Autofile: "Our market share of all new vehicles sold in New Zealand was 19.1 per cent in March, down by 12 per cent on last year. Year to date, our market share is 16.8 per cent – down by six per cent.

"We have a big amount of back orders and are anticipating that customers will still want to take delivery of their cars. We've had more orders than those being cancelled. But I don't want to sound overly optimistic because we don't know what the rebound from the lockdown will be like.

"Uncertainty remains around when it will end and if the country will be reopened by region, by company. No one knows how or when. That said, we're working to the current lockdown period and aiming for a big start-up when that ends. In the meantime, we will take stock and reassess."

Drop in sales

Demand for new passenger vehicles in March was down by 35.7 per cent compared to the same month of last year – from 8,425 registrations to 5,415.
Last month's total declined by 31.6 per cent when compared to February when 7,911 new cars were sold.

There's no denying the fact that last month's national sales figures make for grim reading, with new passenger-vehicle registrations coming in about 35 per cent lower than in March 2019.

"March was already slowing due to supply constraints from the shutdown of manufacturing plants around the world," says David Crawford, chief executive of the Motor Industry Association. "They then ground to a halt when Covid-19 alert level four was implemented."

He describes the prospect for registrations during April as "remaining bleak" with level-four alert planned to be in place for most of the trading month.

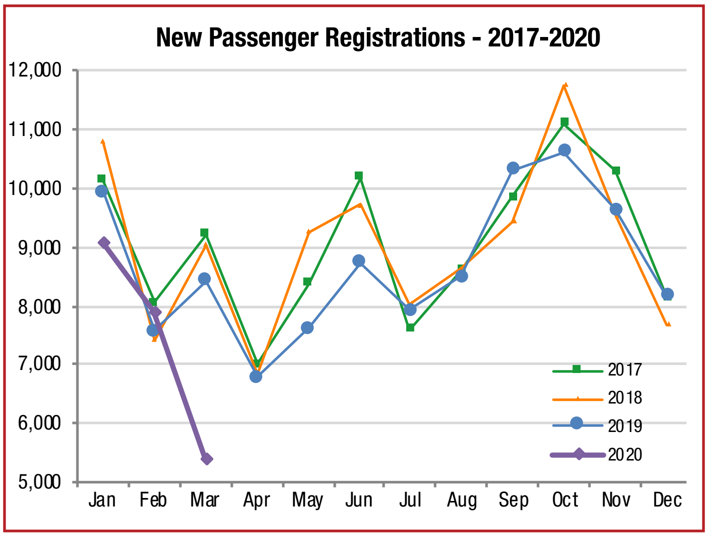
Brian Read, dealer principal of Gisborne Motors, which holds franchises for Ford and Mazda, says: "After shutting up shop for the lockdown, we have been trying to preserve our 38 staff. You've got to look after your staff because for years you struggle to get good people.

"We were having a pretty good year and March was shaping up to be good for sales and service. The lockdown will put pressure on finances, but hopefully it doesn't drag on too long.

"Things are changing every day. We're very much planning for the future. We are looking forward to the bounce-back in business and hopefully the country can get on its feet pretty quickly."

Meanwhile, plans for Holden NZ's new-vehicle retail presence to disappear at the end of the year – while maintaining an after-sales and parts network for at least a decade – remain unchanged.

"Talks with dealers are progressing and remain ongoing," says Ed Finn, general manager of corporate affairs. "Covid-19 alert level four means a volatile and changing situation. We are continuing to monitor developments, but there are no changes to report at this point in time." ⊕



MOANAblue
independent vehicle shipping & logistics

Consistent approach needed

A Ford franchise, which has a high turnover of utes, is calling for consistency in the government's approach to beat coronavirus.

Lindsay West, dealer principal of Dargaville Ford, believes the nationwide lockdown to contain the spread of Covid-19 is one of the biggest blows to ever hit the motor-vehicle industry.

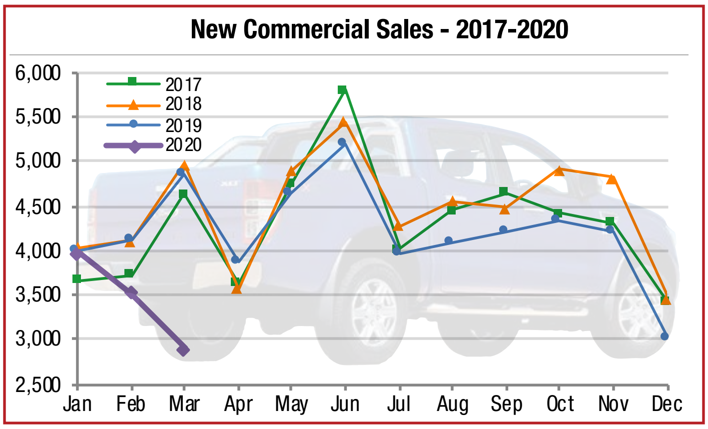
"When you've sent all your staff home and have shut your doors, you can't do much," he says. "But we're still on the phones and advertising on the internet. Hopefully, we will get a few leads as we work in that way."

West says the government part of his workers' wages "is better than nothing but, at this stage, and I don't know how long I will be able to do it for.

I've told my staff that I'm going to try to ensure they can carry on with their existing pay packets".

He told Autofile: "We carry a fair amount of stock. Our biggest supplier is the Ford Motor Company and its parts department will be open, but getting things freighted here is going to be interesting. Only time will tell.

"I believe in what the government is trying to do, but it has to be consistent. If this lockdown hurts one business, then it has to hurt all businesses."



REGISTRATIONS FALL

There were 2,901 new commercial vehicles sold in New Zealand in March. This was down from 4,846 registrations in March 2019, or by 40.1 per cent – and by 17.8 per cent when compared to February's total of 3,527.

Toyota was the best-selling marque on 597 units, which was down by 19 per cent on the same month of last year. Ford's Ranger was the top model.

New Commercial Sales by Make - March 2020

MAKE	MAR'20	MAR'19	+/- %	MAR'20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Toyota	597	737	-19.0	20.6%	2,079	20.0%
Ford	508	982	-48.3	17.5%	2,346	22.5%
Holden	374	493	-24.1	12.9%	935	9.0%
Mitsubishi	347	594	-41.6	12.0%	1,056	10.1%
Nissan	198	325	-39.1	6.8%	737	7.1%
Isuzu	156	308	-49.4	5.4%	549	5.3%
Mazda	105	284	-63.0	3.6%	499	4.8%
Mercedes-Benz	93	111	-16.2	3.2%	249	2.4%
Volkswagen	71	162	-56.2	2.4%	297	2.9%
Fuso	57	77	-26.0	2.0%	179	1.7%
Fiat	52	66	-21.2	1.8%	150	1.4%
Hino	34	68	-50.0	1.2%	124	1.2%
Great Wall	33	30	10.0	1.1%	120	1.2%
Iveco	32	34	-5.9	1.1%	82	0.8%
Scania	32	16	100.0	1.1%	87	0.8%
LDV	30	164	-81.7	1.0%	175	1.7%
Volvo	30	52	-42.3	1.0%	83	0.8%
SsangYong	29	36	-19.4	1.0%	116	1.1%
Hyundai	25	113	-77.9	0.9%	154	1.5%
Ram	14	10	40.0	0.5%	48	0.5%
Others	84	184	-54.3	2.9%	342	3.3%
Total	**2,901**	**4,846**	**-40.1**	**100.0%**	**10,407**	**100.0%**

New Commercial Sales by Model - March 2020

MAKE	MODEL	MAR'20	MAR'19	+/- %	MAR'20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Ford	Ranger	444	850	-47.8	15.3%	2,057	19.8%
Toyota	Hilux	435	581	-25.1	15.0%	1,488	14.3%
Holden	Colorado	370	488	-24.2	12.8%	918	8.8%
Mitsubishi	Triton	347	594	-41.6	12.0%	1,055	10.1%
Nissan	Navara	198	324	-38.9	6.8%	737	7.1%
Toyota	Hiace	134	128	4.7	4.6%	513	4.9%
Mazda	BT-50	105	284	-63.0	3.6%	499	4.8%
Isuzu	D-Max	66	202	-67.3	2.3%	295	2.8%
Ford	Transit	64	132	-51.5	2.2%	289	2.8%
Fiat	Ducato	52	66	-21.2	1.8%	150	1.4%
Mercedes-Benz	X-Class	41	42	-2.4	1.4%	99	1.0%
Isuzu	F Series	40	35	14.3	1.4%	108	1.0%
Isuzu	N Series	40	36	11.1	1.4%	102	1.0%
Mercedes-Benz	Sprinter	36	42	-14.3	1.2%	106	1.0%
Volkswagen	Amarok	35	83	-57.8	1.2%	161	1.5%
Great Wall	Steed	33	30	10.0	1.1%	120	1.2%
Toyota	Landcruiser	28	28	0.0	1.0%	78	0.7%
SsangYong	Rhino	28	35	-20.0	1.0%	114	1.1%
Hyundai	iLoad	25	109	-77.1	0.9%	151	1.5%
Volvo	FM	20	40	-50.0	0.7%	44	0.4%
Others		360	717	-49.8	12.4%	1,323	12.7%
Total		**2,901**	**4,846**	**-40.1**	**100.0%**	**10,407**	**100.0%**

MOANAblue
independent vehicle shipping & logistics
Setting the Benchmark
www.moana-blue.com

MOANAblue
independent vehicle shipping & logistics

Demand may grow for new vans

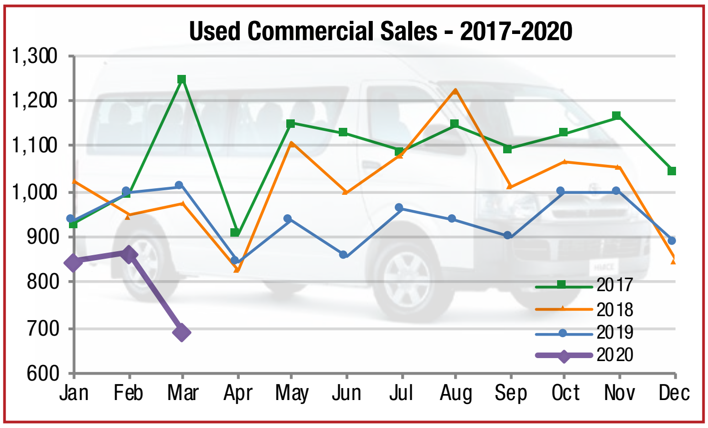
Tradies and courier services may look to buy new vans when the supply of used imports slows down.

With the final phase of the electronic stability control rule coming into force on March 1, what can be accessed second-hand in Japan will be limited moving ahead, especially at lower price-points.

"When buyers realise a lot of dealers can't provide them with suitable used vans, they will look at other opportunities," says Deon Cooper, general manager of LDV NZ. "We do get a lot of courier business because our new vans are priced the same as some used Hiaces.

He says more V80 vans were sold by the marque in 2019 than in any other year and there are now more than 7,000 of them in our light-vehicle fleet.

"Our dealers are always looking for used products, so sales will only grow especially in a dry market. This country doesn't really have medium-sized, long-haul freight, so there's a big demand for second-hand vans."



While LDV isn't looking at extending its network, he says post-lockdown may be a good time for the marque's dealers to expand the van side of their operations.

"In addition to this, there are very few suppliers of new vans here – only Toyota, Ford, LDV and Mercedes-Benz offer a full range."

TRADER SALES DOWN

There were 691 used-imported commercials registered for the first time last month, which was down by 31.5 per cent compared to 1,009 in March last year. March 2020's total was also down on February when there were 864 sales – or by 20 per cent.

Used Commercial Sales by Make - March 2020

MAKE	MAR'20	MAR'19	+/- %	MAR'20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Toyota	298	499	-40.3	43.1%	1,073	44.7%
Nissan	195	218	-10.6	28.2%	606	25.2%
Isuzu	37	45	-17.8	5.4%	104	4.3%
Mazda	27	0	2,700.0	3.9%	94	3.9%
Ford	24	36	-33.3	3.5%	85	3.5%
Mitsubishi	22	20	10.0	3.2%	65	2.7%
Hino	17	38	-55.3	2.5%	65	2.7%
Holden	12	14	-14.3	1.7%	38	1.6%
Fiat	10	15	-33.3	1.4%	88	3.7%
Chevrolet	8	12	-33.3	1.2%	32	1.3%
Mitsubishi Fuso	5	3	66.7	0.7%	10	0.4%
Mercedes-Benz	4	3	33.3	0.6%	13	0.5%
Dodge	3	6	-50.0	0.4%	12	0.5%
Fuso	3	0	300.0	0.4%	5	0.2%
GMC	3	3	0.0	0.4%	4	0.2%
Suzuki	3	6	-50.0	0.4%	16	0.7%
UD Trucks	3	1	200.0	0.4%	5	0.2%
Volvo	3	6	-50.0	0.4%	7	0.3%
Freightliner	2	0	200.0	0.3%	3	0.1%
Hyundai	2	1	100.0	0.3%	6	0.2%
Others	10	83	-88.0	1.4%	71	3.0%
Total	**691**	**1,009**	**-31.5**	**100.0%**	**2,402**	**100.0%**

Used Commercial Sales by Model - March 2020

MAKE	MODEL	MAR'20	MAR'19	+/- %	MAR'20 MKT SHARE	2020 YEAR TO DATE	2020 MKT SHARE
Toyota	Hiace	210	390	-46.2	30.4%	798	33.2%
Nissan	NV200	60	56	7.1	8.7%	162	6.7%
Nissan	NV350	45	39	15.4	6.5%	150	6.2%
Nissan	Caravan	39	64	-39.1	5.6%	140	5.8%
Toyota	Dyna	38	42	-9.5	5.5%	109	4.5%
Isuzu	Elf	26	37	-29.7	3.8%	64	2.7%
Toyota	Regius	22	32	-31.3	3.2%	71	3.0%
Nissan	Vanette	18	19	-5.3	2.6%	62	2.6%
Mazda	Bongo	17	33	-48.5	2.5%	63	2.6%
Toyota	Toyoace	15	18	-16.7	2.2%	46	1.9%
Nissan	Atlas	14	22	-36.4	2.0%	35	1.5%
Hino	Dutro	14	24	-41.7	2.0%	49	2.0%
Nissan	Navara	11	8	37.5	1.6%	27	1.1%
Ford	Ranger	10	12	-16.7	1.4%	28	1.2%
Holden	Colorado	9	7	28.6	1.3%	25	1.0%
Toyota	Hilux	9	5	80.0	1.3%	27	1.1%
Mitsubishi	Canter	8	14	-42.9	1.2%	30	1.2%
Fiat	Ducato	7	15	-53.3	1.0%	84	3.5%
Mazda	Titan	6	10	-40.0	0.9%	18	0.7%
Mitsubishi	Triton	6	2	200.0	0.9%	10	0.4%
Others		107	160	-33.1	15.5%	404	16.8%
Total		**691**	**1,009**	**-31.5**	**100.0%**	**2,402**	**100.0%**

Minimum 4 sailings per month
SPEED, SERVICE, VALUE & INDEPENDENCE
MOANAblue
independent vehicle shipping & logistics

AUTOSURE
NEW ZEALAND

Shipping lines remain open

Big jump in stock

Imports of new cars in March came in at 8,724. This was up by 4.5 per cent on the same month of last year and up 43.5 per cent on February's 6,081 units.

Registration of new cars came in at 5,415 last month – the lowest total in more than eight years – for a decrease of 35.7 per cent on March 2019, and a drop of 31.6 per cent from February's sales.

The numbers have resulted in an increase in stock of 3,309 new passenger vehicles still to be registered with that figure now rising to 81,180 units.

Daily sales, as averaged over the previous 12 months, stand at 276 units per day. The Covid-19 lockdown means the daily sales rate will reduce drastically over the next few months, so stock at-hand climb will from its current 9.7 months.

The Ministry of Transport is still allowing vessels to operate between Japan and New Zealand.

"Ships can still come through New Zealand and, therefore, go back to Japan and complete their assignments to Australia," says Blain Paterson, general manager of Toyofuji Shipping NZ.

"We've got two ships at sea that are on their way here for mid-April that still have the same volume we normally deal with. Our vessels leave Japan with about 4,500 cars with 3,000 of those for Australia, leaving the rest for New Zealand ports. These shipments are made up of new and used cars.

"At the moment, our storage [at Ports of Auckland] is still going to plan. If used cars aren't being delivered to compliance centres, which I believe they're not at this stage, the vehicles will go to road-transport storage yards.

"During the lockdown, I think every business around used-car buyers or shipping will be slowing down and, therefore, that will affect the ship volumes of cargo to be moved from Japan."

Paterson adds used-car buying will hopefully start again when New Zealand gets out of Covid-19 lockdown. "At this stage, we don't know if that will just be four, six, eight weeks or more. It's an unknown how long we will be in this situation and what's going to happen afterwards, but shipping goes on 24/7 – and thankfully, when ships arrive, we're allowed to go in.

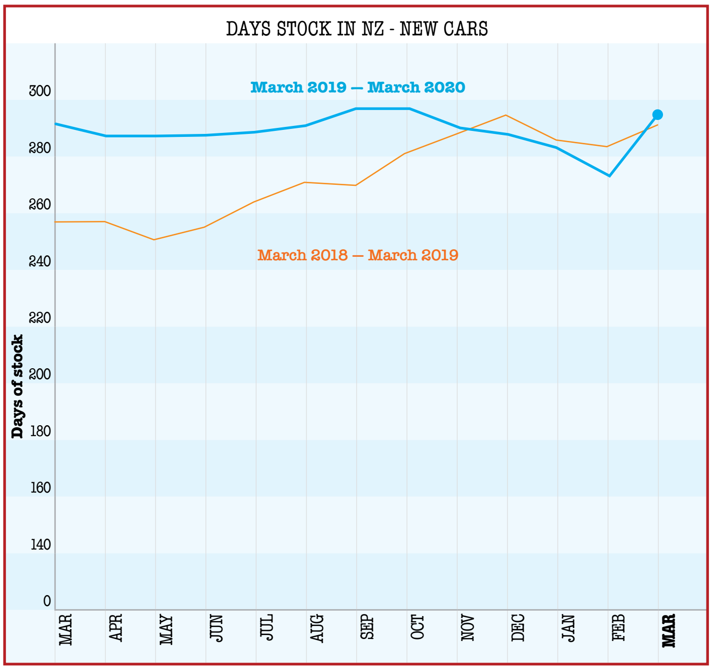
Meanwhile, Subaru plants in Japan and the US will be mothballed from April 11 to May 10 in response to the sudden decline in demand globally, while both countries also have their own challenges keeping coronavirus under control.

Wallis Dumper, managing director of Subaru of NZ, says: "The lead time to order our vehicles from Japan is close to five months and it's no secret that we've been struggling to get factory allocations due to the huge demand for our products around the world.

"The New Zealand lockdown had the potential to cause us issues with possible oversupply. The production suspension is, in fact, a blessing in disguise. It will even out our inventory while ensuring we will have vehicles on-demand for customers when our Subaru-authorised centres reopen.

Dealer stock of new cars in New Zealand

	CAR SALES IMPORTED	CAR SALES REGISTERED	VARIANCE	STOCK	DAILY SALES - 12-MONTH AVERAGE	DAYS STOCK AT HAND
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
Mar '20	**8,724**	**5,415**	**3,309**	**81,180**	**276**	**294**
Year to date	**21,840**	**22,425**	**(585)**			
Change on last month	**43.5%**	**-31.6%**		**4.2%**		
Change on Mar 2019	**4.5%** MORE IMPORTED	**-35.7%** LESS SOLD		**2.2%** MORE STOCK		



AUTOSURE
NEW ZEALAND
Leading provider of vehicle protection policies for over 30 years!

AUTOSURE
NEW ZEALAND

Shift in outlook across market

Opportunities to make the most of an expected surge in demand for used cars after the coronavirus lockdown is being planned for by Turners Automotive Group.

Todd Hunter, chief executive officer, says despite expectations trading will be significantly affected in the first half of the current financial year, the company's focus on second-hand vehicles means it is more resilient in a downturn.

He says its reliance on domestic customers and focus on used cars – "traditionally less discretionary than new cars" – means it has previously demonstrated relative resilience in a downturn.

The company anticipates consignment sales will grow post-lockdown as certain businesses seek to downsize and liquidate fleets, and consumers move into lower-cost vehicles. About 50 per cent of cars Turners currently sells are consignment vehicles "and this is a part of our business we can easily scale".

Hunter says: "Turners' diversification and geographical spread, coupled with its stronger funding position, should offer a comparative advantage versus the rest of the industry."

He adds it's too early to quantify what Covid-19's effects will be on the first half of the financial year, but notes the business has entered the situation financially solid, while board and management members have experience of guiding Turners through the global financial crisis and subsequently expanding it.

While the business of selling is on-hold during the lockdown, Turners is awaiting government approval to deal with businesses and people providing essential services to Kiwis.

Tony Woods, director of Greenwoods in Penrose, says: "I have a couple of imports, but most of my stock is New Zealand-new.

"At the moment, I only have about 25 cars. They are locked away inside my showroom and will just sit there until we're able to open the doors again. I don't carry a lot of stock because I am a one-man operation, so 25 vehicles are plenty for me.

He's unconcerned about when his cars from Japan will arrive here. "You can't worry about things like that, but the lockdown is costing all businesses a lot of money. We all have commitments to landlords, mechanics and such like. The shutdown is big change for most people and will have an impact on them mentally."

Used stock swells

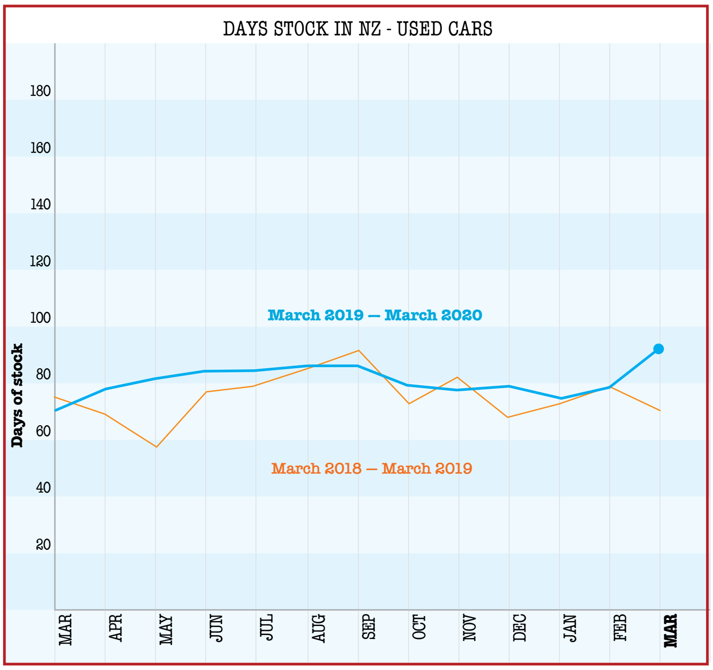
There were 13,392 used cars imported in March – an increase of 156 units, or by 1.2 per cent, on the same month of last year.

The total was up by 13 per cent from February's 11,851 vehicles and is the highest monthly figure since May 2019, when 15,093 came into the country.

March's stock figures were affected by a 27.7 per cent decrease in registrations – a total of 8,565 units were sold during March when compared with the 11,852 in the same month of 2019.

With 4,827 more used cars imported than registered in March, this brought the stock sitting on dealers' yards, or in compliance shops, to 34,777.

With current average daily sales now standing at 375 units per day, there would be 93 days' stock remaining under normal circumstances.



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
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
Mar '20	**13,392**	**8,565**	**4,827**	**34,777**	**375**	**93**
Year to date	**35,416**	**31,005**	**4,411**			
Change on last month	**13.0%**	**-20.3%**		**16.1%**		
Change on Mar 2019	**1.2%**	**-27.7%**		**14.5%**		
	MORE IMPORTED	LESS SOLD		MORE STOCK		

Helping dealers provide the best insurance protection for New Zealand motorists.
Find out about becoming an Autosure Approved Dealer.

www.autosure.co.nz | 0800 267 873

AUTOHUB™
FORWARD TOGETHER

GLOBAL VEHICLE LOGISTICS

NZ - JAPAN - AUSTRALIA - UK - EUROPE

"Our success depends on your success"

www.autohub.co | +64 9 411 7425 | info@autohub.co.nz