www.autofile.co.nz

MARCH 2022

autofile

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

Call to fix ‘huge gaps’ in clean car database

Dealers left confused by Rightcar website’s search results weeks out from feebates starting in April

Search results from the Rightcar website about rebates for some vehicles, such as the Honda Fit and Jazz, Mitsubishi Outlander and Mazda Axela are confusing traders

The Imported Motor Vehicle Industry Association (VIA) is warning that “huge gaps” in a vehicle database need to be addressed before the full clean car discount scheme swings into operation.

It is working with Waka Kotahi NZ Transport Agency to help the latter improve the information available online for dealers, importers and public looking to find out what penalties or rebates specific models will attract under the new laws.

At present there are only indicative figures available through the dealer resources section of the Rightcar website, which is administered by the agency.

A number of dealers have raised concerns with VIA after being left baffled when searching the database using details such as chassis identities or model names because searches have produced a range of different results.

David Vinsen, VIA’s chief executive, adds that time is fast running out for officials to get accurate details on the website before the April 1 start date for the clean car discount, which is also known as a feebate scheme.

His warning follows the Land Transport (Clean Vehicles) Amendment Bill passing into legislation after its successful progress through parliament before gaining royal assent on February 22.

The bill provides new laws for the government to enact the full clean car discount scheme, which will offer penalties and rebates based on emissions when a light vehicle is first registered in New Zealand, and a clean car standard to encourage importers to lower the carbon dioxide (CO_2) emissions of models they bring in.

“There have been no substantive changes to the legislation,” Vinsen told Autofile. “The challenge now is to get a comprehensive and accurate database of information so the NZTA can do what it has

[continued on page 4]

LOAD IT »
SHIP IT »
TRACK IT »
CLEAR IT »
DELIVER IT !

VEHICLE SHIPPING

We are specialists in transporting and exporting all types of Vehicles, Commercial trucks, vehicles of Special Interest and other RORO Heavy Cargo & Machinery.

GENERAL FREIGHT

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

VEHICLE TRACKING

Finding out where your vehicle is at any one time of the process, gives you the ability to manage the collection and processing of documents and payment on time.

SHIPPING SCHEDULE

TRS and shipping services from Japan to New Zealand.

SmartTrade
more rewarding all round

JACANNA

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

Terms and conditions apply.

GUEST EDITORIAL

The consequences of failing to listen

Why we have two ears and one mouth


TODD HUNTER
Chief executive
Turners Automotive Group

The frequency of references to "unintended consequences" in the media over the past two to three months seem to have reached unprecedented levels, and particularly in relation to decisions made by our government or its departments.

We constantly hear and read about critical decisions and the "surprise" factor of unintended consequences from these decisions.

The closing-off of immigration and the "unintended consequences" on the reduction in availability of workers in critical industries, such as healthcare, teaching and food production. Has anyone tried to hire digital resource lately?

The locking-down of the border, particularly the allocation of MIQ spots, and the "unintended consequences" on ordinary Kiwis who haven't been able to return home or leave the country even in the most desperate of situations.

Closer to the automotive industry are recent amendments to the Credit Contracts and Consumer Finance Act, and the tightening of affordability and suitability rules in the responsible lending code. The "unintended consequences" of these changes are making it even more difficult for first-home buyers to get mortgages and forcing fringe borrowers to the very lenders these laws were designed to protect them from.

Lastly, there are the clean car standard and clean car discount, and the predicted "unintended consequences" of these changes being higher used-car prices and a faster ageing fleet. Lower to middle-income earners will continue to repair and drive older vehicles for longer because the cost of replacement will go up as the supply of available cars is effectively reduced.

The sole focus of these regulations on cars entering the fleet, and not on older higher carbon-emitting cars exiting it, will result in the fleet's age increasing faster over the next five years than in the previous five. No doubt another "unintended consequence".

All these examples have been widely predicted, discussed and explicitly outlined to government ministers and departments through the consultation process of official submissions, forums and working groups.

Organisations such as the Financial Services Federation, NZ Bankers' Association, the MIA, MTA and VIA and others have worked tirelessly trying to get the government to listen – largely to no effect.

The hallmark of strong and successful organisations, and people, is an ability to listen and distil the views and opinions of others to make better quality decisions. This stands for business as much as it does for policy and law-making. It's a good reminder that listening is a highly underrated skill, and that maybe there's a reason we all have two ears and one mouth.

The constant references to "unintended consequences" seem to be a convenient way of describing what would more accurately be the "consequences of not listening".

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

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

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

[continued from page 1]

undertaken to do, which is to be the fount of information about emissions standards.

"They're nowhere near that yet, by their own admission, and there are huge gaps and huge variations in the information that's available for different variants of vehicles. You look at one model and it could be anything from a $200 penalty to a $2,000 incentive and there's no way of determining what it should actually be from the database they've got at present.

"I'm not confident the information will be ready for people to buy vehicles by April 1. It's too rushed and it's unfair on the officials to expect them to put something together as complicated as this in such a short space of time."

Vinsen says VIA is working "collaboratively and co-operatively" with officials, particularly Waka Kotahi's implementation team, to help them prepare for the introduction of the clean car laws.

He adds details currently available through the dealer resources section of the Rightcar website need improving. A working group from VIA will explain to officials where there are gaps with what's currently available, where procedures can be improved and provide the information to help solve those problems where possible.

> "There are huge gaps and variations in the information that's available for different variants of vehicles"
> – David Vinsen

Vinsen notes another issue about whether penalties or rebates apply under the clean car discount comes about from being able to correctly identify the model variant of an import when looking at its details on Rightcar.

"You can buy a vehicle and think it is a certain variant, but when it gets here it's something entirely different. That will affect whether you face a fee or an incentive.

"We're frustrated at the situation as it is, but we're doing the very best we can by throwing resources at the problem and giving the best, dispassionate advice we can to officials.

"In the overall scheme of things, another six months before introducing the feebate would make little difference because we will be moving towards lower-emissions vehicles anyway. This package is just virtue signalling by the government to say it has done something even if it's going to cause dramas for the industry."

DATA ON CARS 'A MESS'

Dealers and importers have run into difficulties with Rightcar's online vehicle safety and emissions search tool, which also details possible clean car rebates or fees, as they try to figure out how the feebate scheme will impact vehicles they're considering bringing into the country.

Some of the models that have produced confusing search results include the Toyota Aqua, Honda Fit and Jazz, Mazda's Axela and the Mitsubishi Outlander – vehicles that have all recently been regulars in the top 10 for used imports.

For example, a simple search for the Aqua produces four hatchback options listed as petrol hybrids with continuously variable transmission and a 1,496cc engine. Under the vehicle description, the years built vary slightly but all cover at least the period from 2012-17.

However, the emissions levels range from 92g of CO_2 per kilometre to 101gCO_2/km, and clean car rebates for those vehicles go from $1,376.31 to $1,552.90 for used imports. If the car is New Zealand-new, the rebates range from $3,418.28 to $3,882.24.

So, unless someone already knows the emissions of the vehicle under the 3P-WLTP test cycle, it's

Used-car fees cut

VIA is welcoming a late decision by the government to reduce penalties for used imports under the clean car discount.

It raised concerns with the Ministry of Transport (MoT) in December when it discovered the fees for thousands of new and used imports were set to be the same under the feebate scheme starting on April 1.

VIA says following "vigorous representations" to Michael Wood, Minister of Transport, the government agreed this month to make the penalties for used cars 25 per cent lower than those for new imports.

Indicative figures on the MoT's website as of March 3 show the full fee per gram of carbon dioxide (CO_2) will be $57.50, which means it will be reduced to $43.13 for used vehicles.

Kit Wilkerson, VIA's senior policy adviser, says the decision more closely aligns with the original proposals agreed on by industry to hit used imports with a rate 50 per cent lower than that of new cars.

"Sometime last year, the government changed its approach," he explains. "It meant used vehicles would get half the credit per gram of CO_2 as the new industry for low-emitters, but the government was telling us we should get the full penalty per gram on the other end of the scale.

"Our main objection was that we felt it contributed to a less fair market and there was a huge failure in consultation. The minister was good at hearing our concerns and he really went to battle for us to get this changed because it had already been approved by cabinet."

The maximum cap on fees remains $2,875 for used imports and $5,175 for new vehicles, while the top rebates are $3,450 and $8,625 respectively.

difficult to discern which rebate will apply to the car they are interested in.

Kit Wilkerson, VIA's senior policy adviser, says many of the issues with using the Rightcar database to find out emissions levels, or the rebate or fee for a particular vehicle, is because of the information officials have built the search tool on.

"The foundation of their data, which is based off the motor-vehicle register [MVR], is the problem," he explains. "For the past few decades, we have been cramming car details onto the register and there was little enforcement of what people could put in various fields and often no one checked them.

"A lot of the model identifications have different formats or people have put in the wrong model identity. It wasn't an issue before because people were not trying to do anything with that data. Now they are, it's a mess."

Wilkerson says VIA has received reports of people entering chassis details to identify a single vehicle and they may get four variants pop up in the search, with some attracting credits and others copping penalties.

"The results are showing a range of possibilities. It means dealers and importers are left wondering whether a car is going to be profitable or not – that's where a lot of the data concerns are coming from. The MVR is a mess. I don't think it was a suitable base for any search function or definitive database."

VIA has been working with the government to improve the database as much as possible. When members alert it to unusable results, those details are forwarded to Rightcar.

The association is also using data it has on vehicles in Japan to build its own in-house search tool, which it hopes will provide more clarity and be more useful for the automotive industry.

"We have the official information from Japan and are able to do necessary conversions around emissions," adds Wilkerson. "We're confident we will have a search functionality with this tool that has the capability for people to look up vehicles by their characteristics so they can see what size engine and model it is to identify a variant.

"We are going to do our best to provide a good source of information for the industry to complement what the government is providing. It's also a good opportunity to showcase to the industry what we can do."

When introduced, the clean car rebates will only apply to new and used vehicles registered in New Zealand for the first time. They must have a safety rating of three stars or more and a purchase price of less than $80,000, including on-road costs.

As of March 1, the Rightcar search tool carried a disclaimer noting the fees and rebates shown are "indicative only and are subject to change dependent on the legislation passing". It adds: "Because final legislation could change, this information should not be relied on when making buying decisions and should not be shared with consumers."

EMISSIONS SUMS

While Rightcar's online tool is causing headaches for members of the industry because of its search results, another concern has surfaced about how emissions values for vehicles are calculated by the government.

"There have been questions raised about the accuracy of algorithms used to translate the European emissions standards into the emissions values that can be used by Rightcar for the clean car programme," says Vinsen.

"The Japan figures are okay as long as you have a complete suite of information for variants. However, the European data has to be converted and therein lies part of the problem as those calculations are creating inconsistencies."

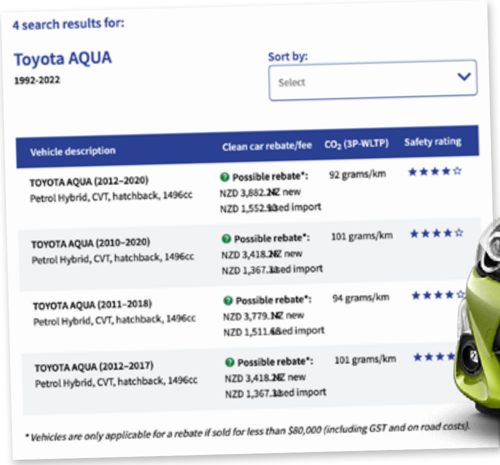
The figures being used for the government's clean car package will be based on 3P-WLTP values, whereas many vehicles come from jurisdictions using either the 4P-WLTP or NEDC test-cycle figures.

The Ministry of Transport (MoT) has a converter on its website, but there have been reports of some vehicles gaining different 3P-WLTP scores depending on whether 4P-WLTP or NEDC figures have been used.

This means identical cars risk attracting different levels of rebates or fees depending on where they have been imported from and the test cycle that applies in the source country.

Like the Rightcar website, time is running out for the MoT's own clean car discount calculator to provide the official fees or rebates relative to emissions levels before next month.

The online tool, as of March 1, was still only offering indicative figures based on 3P-WLTP test-cycle CO2 emissions.


4 search results for:

Toyota AQUA
1992-2022

Sort by: Select

Vehicle description	Clean car rebate/fee	CO_2 (3P-WLTP)	Safety rating
TOYOTA AQUA (2012–2020) Petrol Hybrid, CVT, hatchback, 1496cc	Possible rebate*: NZD 3,882.2NZ new NZD 1,552.93sed import	92 grams/km	★★★★☆
TOYOTA AQUA (2010–2020) Petrol Hybrid, CVT, hatchback, 1496cc	Possible rebate*: NZD 3,418.2NZ new NZD 1,367.31sed import	101 grams/km	★★★★☆
TOYOTA AQUA (2011–2018) Petrol Hybrid, CVT, hatchback, 1496cc	Possible rebate*: NZD 3,779.1NZ new NZD 1,511.68sed import	94 grams/km	★★★★☆
TOYOTA AQUA (2012–2017) Petrol Hybrid, CVT, hatchback, 1496cc	Possible rebate*: NZD 3,418.2NZ new NZD 1,367.31sed import	101 grams/km	★★★★

* Vehicles are only applicable for a rebate if sold for less than $80,000 (including GST and on road costs).

Search results for Toyota's Aqua in the dealer resources section of Rightcar

Fees database 'urgently' needed

The new-vehicle sector says distributors and franchised dealers urgently need the system to work out rebates and fees on light vehicles to be confirmed.

Members of the Motor Industry Association (MIA) are still waiting for the government to finalise the calculator for the clean car discount that has been available online via the Ministry of Transport (MoT) since last year. The data is now also accessible via a searchable database on the Rightcar website.

The association says the tools enable distributors and dealers to check what level of carbon dioxide (CO_2) emissions are applicable to what they are selling ahead of full feebate scheme being rolled out next month.

An issue is that the Land Transport (Clean Vehicles) Amendment Bill doesn't specify dollar figures for models that will attract rebates or charges, or are fee neutral, so the MIA understands the MoT is currently not in a position to confirm these until the regulation process is completed.

The ministry says it will update its online database as soon as it's finalised and has advised the MIA to continue using indicative figures for the clean car discount that were published back in June 2021.

The bill, which enables both the discount and clean car standard, passed its final reading on February 17. Although it appears no substantial changes were made to it during the legislative process, members of the MIA and staff at franchised dealerships urgently need the database of fees and charges to be confirmed so work they must do can be completed with some degree of certainty.

"Our members are working through the calculator on the MoT website now to revise their printed and electronic marketing and sales information in time

Fuel-economy labels will be amended ahead of April 1 to include the clean car discount's rebates and fees

for April 1," says Mark Stockdale, principal technical adviser at the MIA. "Given the scale and size of the fees, we need to ensure the on-road costs are clear.

"Similarly for the discount – as many more models will be eligible – we need to ensure they are advertised correctly. If the calculator is not final, that will require a lot of re-working. The sooner this is confirmed as final, the sooner distributors can lock in pricing and marketing materials."

Stockdale describes this as the "main issue" going ahead. He told Autofile: "Our members and their dealers need to get their pricing and finance teams to review the information they have to ensure it includes the clean car information."

While rebates for battery electric vehicles will not change from what's in place at the moment, they will for plug-in hybrids (PHEVs). This is because current flat-rate discounts on PHEVs will change to graduated rebates based on their CO_2 emissions.

Some traditional petrol hybrids are being brought into the rebates part of the full scheme from next month in addition to fees being charged on high-emitting models. This means distributors and dealers need to review their pricing across the whole of their ranges by looking at the CO_2 outputs of all models.

Stockdale adds: "As well as prices, it will affect their financing collateral so there's a lot of work to get done by the end of this month."

Fuel-economy labels, which must be displayed by car dealers at point of sale, is another matter that needs addressing. These will be amended ahead of April 1 to also include information about the clean car discount's rebates and fees.

"The label is due to go live in March, so distributors and dealers could get ahead with what needs to be done, such as updating their databases and back-office systems," explains Stockdale.

"We do need to view the supporting regulations, which we haven't been consulted on, as soon as possible because they will contain the rebate and fee schedule. We asked to see them last year, but that request was declined."

CHARGES CHANGE CRITICISED

The MIA has voiced concerns over changes the full feebate scheme. Andy Sinclair, president, says: "The government's decision on March 2 to lessen fees on used-imported vehicles under the clean car discount is disappointing and a slap in the face for sensible environmental outcomes.

"We have a fleet with an average age of over 14 years. Older vehicles are less clean than brand-new models and comparably less safe, invariably arriving with worn tyres and batteries creating immediate recycling issues."

New Zealand doesn't need more "older high polluting" vehicles he adds. "However, this is what will happen with the change in fees as it will make it easier for used importers to continue importing dirty old clunkers. It's hard to fathom the rationale for this decision. It continues a pattern of puzzling and illogical decisions by the government rather than a range of sensible policies that would facilitate cleaning up our dirty old fleet."

Expert dispels claims on social media

An industry organisation has issued further guidance about how the clean car discount and standard will affect classic and collectible vehicle enthusiasts.

The move by the Low Volume Vehicle Technical Association (LVVTA) follows what chief executive officer Tony Johnson describes as social-media "misinformation". False statements have included "an import not certified by a certain date may not be able to be registered", and "the charge to register a classic may be between $8,000 and $12,000".

However, Johnson says: "The Ministry of Transport [MoT] has consulted with the LVVTA extensively about the sector and has no intention of adversely impacting it. There's nothing to prevent someone from importing and registering an enthusiast vehicle."

He adds that from April high-emitters being registered in New Zealand for the first time will be subject to fees. "The charge is applicable only once and doesn't apply to those already registered here. The maximum fee for the highest-emitting vehicles is $5,175 for new and $2,875 for used, inclusive of GST."

Johnson adds some "excluded" vehicle groups will be exempt. Exact details are being finalised by the MoT but are likely to include those at least 40 years old, although the LVVTA has suggested it consider reducing this to 30 years for "modern classics".

Also excluded will be scratch-built and low-volume vehicles, some modified to enable people with disabilities to use, and legitimate motorsport vehicles that meet criteria for an LVV authority card.

Scheme's roll-out on course

The government remains confident the full clean car discount scheme will be ready to go from April 1 despite only having a few weeks left to pull together the final details and communicate them to dealers.

Officials have yet to set official charges and rebates following the passing of the Land Transport (Clean Vehicles) Amendment Bill, which allows the government to enact the clean car standard and discount.

However, the Ministry of Transport (MoT) says dealers will be able to access all the information they need about the feebate scheme by the middle of March.

The commitment was made in response to questions sent to the department and Michael Wood, Minister of Transport, following concerns raised by industry organisations about a lack of clarity over the exact rebates and penalties so close to the clean car discount coming into force.

Also known as a feebate scheme, it was originally due to be launched in January this year.

But the impact of Covid-19 and subsequent lockdowns forced the government to push the start date back three months.

Ewan Delany, the MoT's manager of environment, emissions and adaptation, told Autofile the ministry expects the automotive industry will be ready to embrace the feebate programme as soon as it kicks in.

"Following the passing of legislation, rules and regulations need to be agreed by cabinet. This is expected to happen in the next couple of weeks."

Manufacturers and opposition MPs say electrified utes hitting the market in substantial numbers remains years off

He says the MoT and Waka Kotahi are working hard to finalise the details needed to support the scheme's implementation.

"We are confident there's enough time to progress this work for April 1 without any impact on the quality of the roll-out plan.

"Final information will be available to dealers by mid-March, with the public-facing Rightcar website as well as a public information campaign led out of Waka Kotahi commencing later in the month.

"The industry has worked constructively with us throughout the creation and development of this important set of reforms, which have been discussed and refined since 2019. We are confident they will be prepared and ready to implement this by April 1."

Delany adds the passing of the legislation will make it easier and more affordable for families to access clean, green ways of getting around, "adding to measures we have already taken and the uptake we've already seen".

Waka Kotahi NZ Transport Agency was approached for comment, but had not replied by the time of going to print.

POLITICIANS CLASH

The National Party lost a last-ditch bid to have utes dropped from the clean car laws and to delay the introduction of the whole package by six months.

Simeon Brown, National's transport spokesman, called for the changes as MPs were in the final stages of debating the legislation. He also lamented the laws "give absolute power to the Minister of Transport to dictate to the car industry what cars, what subsidies, what taxes, what fees, what charges".

Brown tabled amendments to exclude utes from the definition of a light vehicle and for the implementation of the policies to be pushed back when the bill reached the committee of the whole house last month. He said the delay was needed to give officials and industry time to prepare for the new regulations.

During the debate, he suggested the legislation was also titled incorrectly and should be called the "Land Transport (Ute Tax) Amendment Act 2021".

"This legislation is going to punish our farmers and tradies," he added. "It's going to increase the costs they have to pay for their vehicles when they don't have an alternative.

"The clear evidence, which came ▶

There were 10,310 electric cars registered in New Zealand between the start of July and end of January

through from the select committee and submitters, and from the manufacturers who actually make utes and make vehicles, is they will not be able to provide electric utes to the market for a number of years in New Zealand.

"In the meantime, the only alternative is people who have to purchase a ute for their work, for their farm, have to pay the tax. That will mean paying 15 to 20 per cent more per vehicle instead of what they are currently paying."

Among the marques that made submissions on the bill was Isuzu Utes NZ, which said while there are plans for an electrified variant of its D-Max, "it definitely won't be in the market in the next three years".

Brown also predicted the clean car rules would lead to people retaining vehicles they have for longer, "meaning our fleet doesn't improve over time as it should".

A party vote rejected both his amendments by 75 votes to 43, with National and Act supporting Brown's calls but Labour and the Greens opposing them. Te Pati Maori did not vote.

Minor amendments proposed by a select committee did pass party votes and the bill successfully went through its third reading on February 17 before gaining royal assent five days later.

Michael Wood, Minister of Transport, hailed the passing of the legislation as a "very significant day for transport policy in New Zealand".

"We will finally be taking meaningful action to reduce emissions coming from the fleet, which has been the largest increasing source of emissions across the entire economy," he said during the final reading.

"It actually was extraordinary to me when I read through submissions… that virtually every part of the vehicle sector in New Zealand supports action in this area."

DISCOUNT SUCCESS

Wood had previously told MPs the clean car discount, which was partially launched in July last year with rebates on battery electric vehicles and plug-in hybrids, had been "extraordinarily successful".

"The clean car discount has already led to an enormous increase in the number of clean vehicles entering the New Zealand fleet," he said.

He told parliament the number of EVs coming into New Zealand and being registered had roughly tripled since the introduction of the discount.

Wood said the success of the incentives exceeded government projections with more than 10,000 electric car registrations since the start of July last year and the end of January, which was "more than the total number ever registered under the entirety of the last government". He claimed the average emissions of new vehicles being imported had decreased by 15 per cent across the fleet over the same period. "It took eight years, before July 1, 2021, for us to achieve that reduction in emissions previously."

After the legislation passed, he issued a statement praising the motor industry for its feedback in shaping the laws and creating targets to "stop us becoming a dumping ground for the world's dirtiest cars".

"I want to thank the industry for their constructive engagement, which has led to a number of tweaks to improve the legislation, and we welcome the support from Tesla, Toyota, Suzuki, among others."

Banned trader avoids prison

A car dealer who ripped off customers while he was banned from trading has fended off a stint behind bars.

Instead, Antony Solen Basturkmen has been given 12 months' home detention and has to complete 200 hours of community service, while his company has been ordered to pay $175,000.

Basturkmen, also known as Brent Smith, appeared at Auckland District Court on February 18 having previously admitted eight charges of obtaining by deception and one of using a document for pecuniary advantage.

His crimes related to selling seven vehicles between 2018 and 2019, and conning would-be buyers out of $42,798.

Basturkmen operated under multiple identities and dubbed himself the Wolf of Church Street after the road where his operation was based. His company was No Reserve Cars Ltd, which traded as Motor Me from the Auckland suburb of Onehunga.

He sold would-be vehicles to unsuspecting members of the public via online platforms until he was removed from them. They were never delivered.

The court heard Basturkmen took deposits and sometimes full payments, but then failed to deliver. Those he conned tried to get their money back before he eventually cut off communication with them.

On one occasion, a man who traded in his car with Basturkmen received infringement notices post-sale. The man asked him to pay the fines. Instead of issuing a refund, Basturkmen illegally used his victim's identity.

At last month's court hearing,

Antony Basturkmen

his lawyer, Claire Farquhar, said her client had paid back half of the money he stole and he would repay the rest by instalments, although he was on the benefit.

"He has been focused on himself, on rehabilitation and remaining clean," said Farquhar, adding him getting a job "is the next step."

She told Judge David Sharp that Basturkmen's methamphetamine addiction was the underlying reason for his offending.

Crown prosecutor Harrison Smith said what put him "on the right side of the fence" was his ability to offer his victims compensation.

Judge Sharp, who had victim-impact statements from those ripped off, stepped back from the maximum fine of $200,000, but ordered his company to pay $175,000, saying he "did a lot of damage to people". The judge warned Basturkmen that if he failed to continue on his path of drug rehabilitation and returned to court, he would likely be imprisoned.

REGULATOR'S WARNING

Antony Basturkmen is no stranger to the automotive industry. Some of his illegal activities came to light in January 2018 when the Commerce Commission announced it had been investigating him, aka Brent Smith, as the owner and operator of Motor Me. The probe related to conduct when selling cars on Trade Me, on the company's website and from its yard in Onehunga.

Basturkmen was warned he had likely breached the Fair Trading Act ▶

Blast from past

Antony Basturkmen has featured in Autofile over the years, but a report of a MVDT case involving him from the September 2019 issue of the magazine stands out.

The buyer purchased a Mazda MPV for $4,998 in 2018 from 282 Cars. The consumer information notice (CIN) stated no security interest was registered, but it was repossessed when a previous owner defaulted on a loan.

The consumer said the vehicle was sold by Angad Bhatia and or No Reserve Cars. The case was initially heard in February 2019, but No Reserve Cars and Bhatia were no-shows. Bhatia contested he hadn't received the notice and claimed No Reserve Cars and or Brent Smith – aka Basturkmen – sold the car.

The case was heard in March 2019. The vehicle offer and sale agreement (VOSA) and CIN stated the Mazda was sold by 282 Cars, but no such company existed.

The VOSA included Bhatia's trader registration number.

However, Bhatia said the car was sold by his employer No Reserve Cars, which traded as Motor Me and was controlled by Basturkmen.

Although vehicles were sold using the company name of Motor Me, Bhatia said the entity ultimately responsible was No Reserve Cars and all proceeds from sales went to it.

Bhatia's evidence showed No Reserve Cars was also involved in selling the MPV, so both were deemed to be acting jointly as traders when the Mazda was sold. The adjudicator added they conspired to sell vehicles from the Onehunga site using Bhatia's trader number and the name 282 Cars.

The tribunal decided the two respondents breached the FTA by engaging in misleading conduct. They were ordered to refund the purchase price because the buyer suffered loss due to being misled because the car was repossessed.

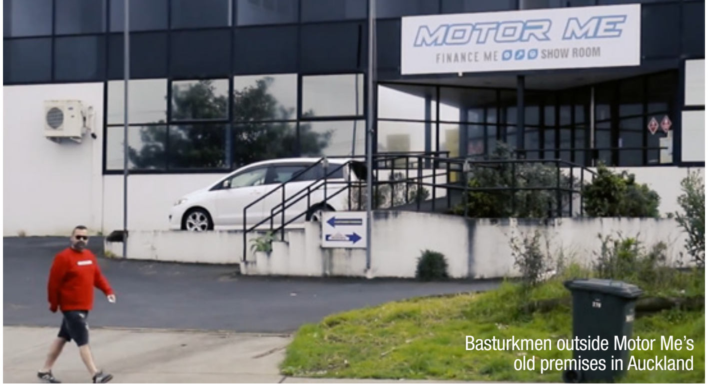
(FTA) for misinforming consumers about the quality, history and AA endorsement of vehicles he offered for sale.

Three complainants provided evidence that the condition and mechanical performance was of lower quality than represented on Trade Me listings or in emails.

One vehicle was described as "in good condition inside and out". However, it had rust, bodywork damage, the engine failed to start, there was sludge in the radiator, broken handles and bonnet release, loose lights and arm rests missing. It had 283,554km on the odometer when supplied compared to 230,000km on its listing.

"Highly recommended" was used to describe another car. But repairs were required within a month of purchase relating to a blown head gasket and airbag issues, and an AA Auto service and repair estimate was provided that showed a replacement engine was needed.

Another complainant alleged a Trade Me listing stated the vehicle had an AA tick and safety certification. It did not.



Basturkmen outside Motor Me's old premises in Auckland

As for the Consumer Guarantees Act (CGA), a customer said Motor Me wouldn't pay for shipping costs for the return of a faulty vehicle from Christchurch to the trader's yard in Auckland.

The trader also refused to repair a car under the CGA and asked the buyer to instead submit a claim with the warranty provider. The claim was declined as it was a pre-existing fault that Motor Me was responsible for. "This may be misleading as a consumer may require the supplier to remedy the failure within a reasonable time," stated the Commerce Commission.

It was in February 2019 that Basturkmen was banned from selling cars until 2021, according to the motor-vehicle traders' register. By then, he had been taken to the Motor Vehicle Disputes Tribunal (MVDT) at least 18 times and consistently failed to comply with its orders.

Former customers were furious he appeared to be selling cheap vehicles on Facebook's Marketplace using his personal account.

While banned, he claimed he had been trying to sell four cars he had left to "raise funds" to pay back customers who took him to the tribunal. While he had contacted none of his victims – his reason was he didn't know how many there were – "all the people will be paid back within six months".

Basturkmen said all the money from selling 550 cars after Motor Me closed was paid to a finance company, but he declined to say what the company's debt was.

At the time, he and his wife lived in a house worth about $2.15 million, according to homes.co.nz, in St Heliers, an affluent coastal suburb of Auckland.

A search of the banned dealers' list prior to Autofile going to press lists Brent Smith, aka Basturkmen, with the trading name Motor Me, as having a five-year ban, which expires on July 7, 2026.

This ban was issued under two parts of the Motor Vehicle Sales Act. One section covers making false statutory declarations, giving false certificates, or providing false or misleading information. The maximum fines for this are $50,000 for an individual and $200,000 for a company. Basturkmen's other reason for being banned is given as "being convicted of a crime involving dishonesty".

Car sale gripes stay high

The way motor vehicles are sold remains one of biggest areas of concern for Kiwis when based on issues formally raised with a government regulator.

In its latest snapshot, the Commerce Commission received 564 complaints from consumers about the way cars were sold to them.

This was second only to appliance and electronics retail with 579 grievances. Supermarkets and grocery stores came third with 517. They were followed by telecommunications retail service providers on 490, and professional and personal services with 446.

As in previous years, most complaints made to the regulator between July 1, 2020, and June 20, 2021, were related to the Fair Trading Act (FTA). These came in at 8,792, of which 526 were Covid-19 related, to make up 89 per cent of the overall total of 9,870.

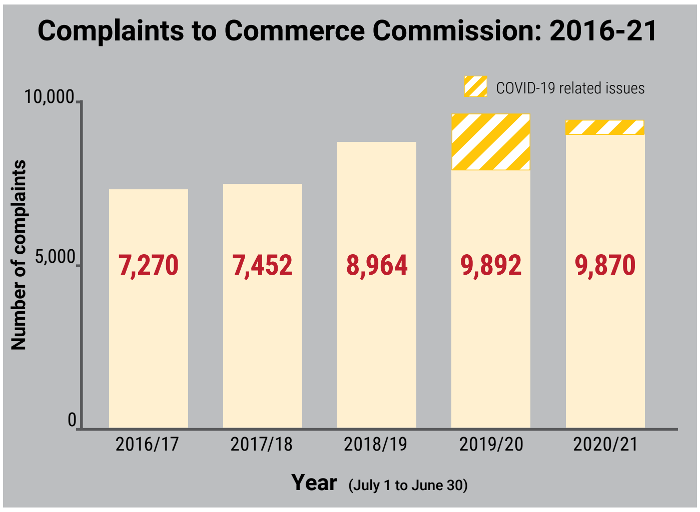
In addition, there were 331 grievances lodged about the Commerce Act, while the Credit Contracts and Consumer Finance Act (CCCFA) attracted 273.

Overall, there has been little variation in year-on-year complaints – they were down by 22 in 2020/21 compared to the previous 12-month period.

When it came to the FTA and the automotive industry, examples of complaints typically include registered traders failing to disclose a fault with a car at the time of purchase and then refusing to fix it, and vehicles being in much worse condition than advertised.

The CCCFA is currently in the headlines because of the credit crunch caused by changes to the legislation, which came in on December 1. The snapshot doesn't include any complaints in regard to this, but does when it comes to consumer credit.

The main area of concern in 2020/21 was debt collection, which amassed 121 complaints. An example given is lenders being harassed several times a day by debt collectors.



Next up were 86 grievances about responsible lending. Issues in this area can include finance providers asking people to pay more each week than they can afford and clients not understanding documents they have signed.

As for fees, there were 29 complaints, such as charges for establishing loans being high and unreasonable. There were 19 complaints about repossessions, an example being a lender taking back a car without warning and without putting anything in writing.

Complaints about hardship came in at 18, with a hypothetical case being, "due to circumstances beyond my control I can't afford my loan. I asked my lender for reasonable changes to my payments, but they ignored me".

The commission is also responsible for enforcing the Commerce Act to ensure markets remain competitive.

There were 80 complaints about restrictive contracts, 79 about market power, such as predatory pricing to drive others out of business, 17 about cartel conduct and 11 about pricing. An example of the latter would be a supplier insisting recommended retail prices of their products cannot be discounted.

"While we aren't able to investigate every complaint, the information we receive through them is valuable," says commission chairwoman Anna Rawlings.

"We focus on issues likely to have the most impact on consumers and markets, and complaints help us to better understand where to focus our efforts.

"They also show us where consumers need better information about their rights and where businesses need more information to help them comply with the law."

Complaints inform the guidance and resources the regulator develops to help consumers and businesses, and the advice it gives to policy-makers about legislation it enforces.

"We want consumers to know that we want to hear from them and we value what they tell us," adds Rawlings. "We also hope our complaints snapshot is useful to businesses looking to assess their own compliance."

A complaint does not necessarily mean the law has been broken and larger industries are likely to generate more complaints because they have more customers than others.

TRADING FAIRLY

Parliament passed the Fair Trading Amendment Bill last year. This introduced important changes to the FTA, such as new protections to address unfair practices.

Changes coming into effect on August 16 include it being illegal for traders to engage in "unconscionable conduct".

While the term itself is not defined in the FTA, there is a non-exhaustive list of factors to consider when assessing if conduct is "unconscionable". This includes whether unfair pressure or tactics or undue influence are used, and if parties have acted in good faith.

The framework for unfair contract terms now covers standard-form small trade contracts, which previously only applied to standard-form consumer contracts. Also, consumers can tell uninvited direct sellers to leave or not enter their property.

Other provisions already in force include the broadening of management banning orders to capture a wider scope of conduct, and businesses selling extended warranties over the phone having five working days after the date of the agreement to give consumers written copies.

LOANS & ADD-ONS

The government has introduced a range of changes to CCCFA and its associated regulations, with the latest coming in on December 1 last year.

Finance providers must now make specific inquiries about the borrower's needs and objectives to help ensure the product is suitable, and assess income and expenses to be satisfied repayments are unlikely to cause substantial hardship.

The Commerce Commission warns that it's important to note inquiries set out in the regulations do not cover every scenario and aren't exclusive.

Lenders need to consider whether it is appropriate to make further or different inquiries depending on the individual situation or when the borrower may be vulnerable. The need to exercise judgement here is one reason why the regulator recommends providers seek specialist legal advice.

For certain add-on products, the lender must make specified, additional inquiries under the regulations to ensure such products are also suitable.

This is applicable when a borrower is considering financing a repayment waiver or extended warranty through the loan and when credit-related insurance is arranged by the lender, which includes when such insurance is financed under the loan agreement.

Generally, finance providers must conduct a full income and expense assessment when a borrower intends to rely on income to make repayments.

If the consumer relies on means other than income, the lender must make reasonable inquiries into those means and be satisfied on reasonable grounds that it's likely the borrower can make repayments without suffering substantial hardship.

When it comes to high-cost consumer credit contracts, full income and expense assessments are required regardless of whether borrowers intend to repay loans using their incomes or other means.

When full assessments are required, the lender must make reasonable inquiries to establish the consumer's likely income and relevant expenses. The lender needs to be satisfied the likely income will exceed likely relevant expenses and there is a reasonable surplus or buffers have been incorporated into the assessment.


Anna Rawlings, who chairs the Commerce Commission

Lenders may have to verify expenses using bank statements, contracts, invoices or other reliable evidence. In all cases, the finance provider must consider whether relevant expenses are a reasonable reflection of the borrower's circumstances.

An updated responsible lending code is now in force. It is not binding. But if lenders can show they have complied with it, this can be taken as evidence of compliance with responsible lending obligations.

There are a couple of exceptions when making a full assessment may not be necessary. These are:

- When preliminary inquiries indicate that it is obvious the borrower will be able to make the payments without suffering hardship. However, this exception is circumstance-specific and doesn't remove the requirement to assess for affordability.
- When the lender is varying or replacing an existing consumer credit contract with the same provider and there will be no additional advance of credit.

Regardless of the exceptions, lenders are still obliged to make sufficient inquiries to be satisfied the loan is not likely to cause the borrower to suffer hardship.

Finance providers must keep records to show how they have met their responsible lending obligations. These need to show inquiries made, and how the lender is satisfied a loan is likely to be suitable and affordable.

Breaches of the lender responsibility principles are subject to civil pecuniary penalties of up to $600,000 for a company and $200,000 for an individual, plus statutory damages equal to the cost of borrowing – that's to say, interest and fees charged to the borrower.

Failure to comply with the regulations will also result in a breach of the relevant lender responsibility principle, resulting in potential liability for those penalties.

Visit www.comcom.govt.nz/business for more information.

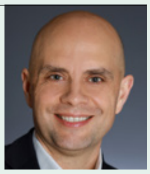
Industry movers

IAN PIKE has been appointed as the interim chief executive officer of the Motor Trade Association (MTA) following the departure of Craig Pomare.

Pike, pictured, is moving to the MTA from Wellington City Council where he was manager of Build Wellington for seven years.

"I'm looking forward to working with the MTA's executive," he says. "I will have a particular focus on completing projects currently under way so that benefits to members will carry on without interruption."

Bob Boniface, president of the association, describes Pike as "the steady hand on the wheel" the board was seeking. He adds the board wants to ensure things run smoothly, and assures members' support and services will carry on without interruption. The MTA will make an announcement on a permanent chief executive in due course.



Adam Shaver

ADAM SHAVER has become managing director of BMW Group NZ. He has replaced Karol Abrasowicz-Madej, who started in September 2018 and is embarking on a new venture outside the group.

Shaver began his career with the company in Toronto in 2002. His experience includes product management, price and volume planning, and four years as director of Mini Canada. Most recently, he was responsible for global marketing planning and steering for Mini in Munich.

Karol Abrasowicz-Madej

Hendrik von Kuenheim, senior regional vice-president, says: "Adam's diverse experience across our portfolio puts him in a strong position to lead BMW Group NZ. Karol deserves special tribute for helping the group achieve continued growth in the global pandemic."

LEE ROBSON joined Avanti Finance last month as national sales manager – dealer.

His background spans 25 years in New Zealand's motor industry covering the leasing, oil and financial-service sectors.

Robson joins Avanti from Vertex Oil where he headed up the sales division for 18 months. He spent the previous seven years at Heartland Bank / Marac where he held roles such as brands and leasing manager, and was more recently national sales manager – motor.

He was also national sales manager at Valvoline Ashland for five years and worked at Custom Fleet for seven-and-a-half years running the remarketing operation for Central NZ.

RUSSELL BOWATER has been appointed business development manager at Quest Insurance.

His career began at used-vehicle outlets, starting with frontline selling before progressing to sales manager and then mostly working as a yard manager for dealerships in Auckland.

After 14 years, he contracted to Protecta Insurance as a sales consultant within the automotive industry and did that for more than two decades.

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

Silence from Beehive over finance laws

The Financial Services Federation (FSF) has yet to hear back from the government about what it plans to do – if anything – with problems being experienced in the market because of changes to the Credit Contracts and Consumer Finance Act (CCCFA).

The organisation sent an open letter to David Clark, Minister of Commerce and Consumer Affairs, on January 19 outlining the issues mounting in the non-banking finance sector since December 1 when the amendments came in.

Lyn McMorran

Lyn McMorran, the FSF's executive director, told Autofile that letter has yet to be acknowledged by Clark.

That said, the minister has done something since issues with the legal changes have come to light. He has asked the Council of Financial Regulators (CFR) to bring forward a scheduled investigation into whether lenders are implementing the CCCFA as intended.

This comes amid the finance and car industries calling for strict criteria on assessing loan affordability to be scrapped after seeing approval rates nosedive over the past three months. There have also been reports of some dealerships rejecting up to 90 per cent of applications.

The FSF was expecting to hear from officials about the CFR review in mid-February, but by March 2 it was all quiet on that front. McMorran describes the lack of feedback from the government as "frustrating", especially with finance providers facing ongoing problems.

"We are hearing that loan-assessment times have moved from three to four hours up to three to four days when it comes to assessing customers' information, going back to them to discuss it, seeking further information and so on," she says.

"We're also hearing decline rates have increased by as much as 25-30 per cent. One member we recently spoke to said customers, many of whom are existing, are asking them, 'if you can't help me, who can', which is a really good question."

There are also widespread issues in the banking sector with mortgages and lending in general. For example, Heartland reports growth in motor-vehicles finance slowed in January and February, and warns this may continue for the rest of 2022.

"The interrogation of activity in bank statements needed to satisfy the new CCCFA standards has been well-publicised and, among other things, this has slowed down loan processing," it says in a statement to the NZX.

Heartland posted an overall 7.8 per cent increase in net profit to $47.5 million for the six months to December 31. Its motor-finance division's net operating income was $36.4m, up by 10.4 per cent.

Meanwhile, lending applications approved by ASB have dropped since the CCCFA changes came in. Chief executive officer Vittoria Shortt says this has come about because of the tighter responsible lending requirements.

"We've seen a material impact on business and we quantify that at around seven per cent," she adds. "Those are customers we would like to lend to and think they definitely have creditworthiness. We would love to help them out, but the way we need to step through the new regulations means we haven't been able to."

Crew intercepts stink-bug threat

A vessel destined for New Zealand offloaded contaminated vehicles after 170 live brown marmorated stink bugs (BMSBs) were found on-board.

It was on its way to Auckland when crew members found the insects, although the ship's details and exact number of vehicles haven't been released because of commercial reasons.

Steve Gilbert, Biosecurity NZ's central-south commissioner, says: "We can, however, confirm the crew detected BMSBs in a vehicle carrier from the US during routine checks.

"The operator decided to discharge the contaminated vehicles in Jamaica for return to the US to undergo treatment for potential reshipment. The operator notified Biosecurity NZ about the event in December."

Gilbert told Autofile the incident highlights the important role the shipping industry plays in preventing insects finding their way to our shores.

"We encourage lines to take proactive measures to protect New Zealand from this unwanted pest, including alerting us to any detections in transit. We particularly applaud the actions in this event. The operator ensured the biosecurity risk was managed before the vessel arrived in New Zealand. The actions also prevented delays in discharging cargo in New Zealand."

The US is one of 38 countries with invasive BMSB populations that require special management measures to reduce the chance of the insects hitch-hiking in imported vehicles, machinery or parts.


There have been more than 50 interceptions of live BMSBs this current high-risk season

Gilbert notes live interceptions here have dropped substantially over the past three years since the introduction of measures, such as cargo treatment before arrival.

In the current high-risk season, from September 1 to April 30, there had been 59 live interceptions of BMSBs by biosecurity officials as of February 6. There continues to be no evidence of any established population in New Zealand.

The latest figures compare with 57 live interceptions during the entire 2019/20 season and 48 in 2020/21, which were well down from more than 200 in 2018/19.

Biosecurity NZ recently mapped out border controls it has in place to manage the threat from the insects with the aim of providing assurance it has appropriate controls in place as cargo travels through supply chains.

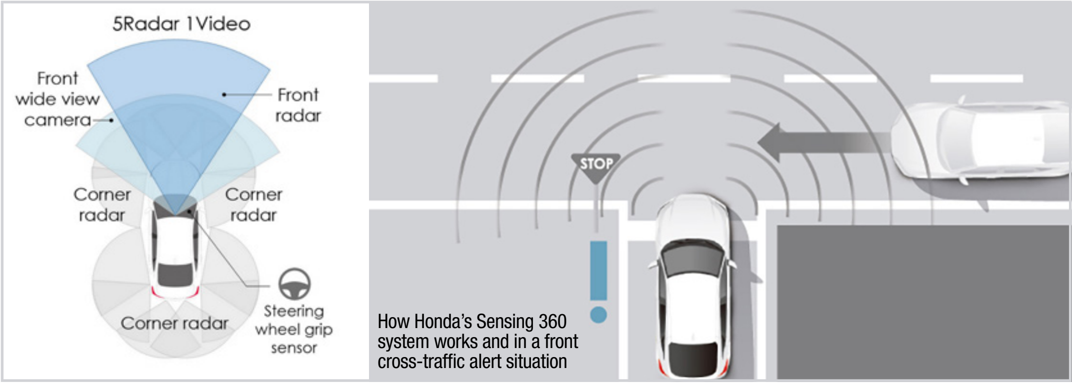
It says the exercise highlights how important it is for the shipping industry to provide additional confidence that cargo is free of pests and to alert it to potential issues.

"Many shipping lines are helping mitigate risk by fumigating cargo during transit, carrying out their own inspections, checking goods have undergone offshore treatment and providing alerts to our officers," Biosecurity NZ states in an update to the Customs Brokers & Freight Forwarders' Federation of NZ.

Driving change into the future

Honda has expanded its Sensing 360 omni-directional safety and driver-assistive system to remove blind spots around cars, with it being rolled out in China this year and major global markets to follow by 2030.

Since its introduction in 2014, the system has seen its functions improved and its application advanced to mass-production models.



How Honda's Sensing 360 system works and in a front cross-traffic alert situation

The latest iteration realises 360-degree sensing by adding five units of millimetre-wave radar in front and at each corner of a vehicle in addition to the monocular camera used in the marque's current system.

It is this expanded range that covers blind spots around the vehicle, which are problematic for motorists to visually check.

Another of the features of Honda Sensing 360 is the advancement of its collision-mitigation braking system.

It now has a broader range of detection that's expanded in front of the car to include all directions around it. This enables it to assist the driver to detect other vehicles or pedestrians entering intersections at the same time from different directions.

Then there's cornering speed assist. With adaptive cruise control engaged, this system adjusts the car's speed. Using a front camera, it detects the curvature of the lane before reaching a bend and assists the driver to complete smooth cornering.

Other warning systems in Sensing 360 are front cross traffic and lane-change collision mitigation, as well as active lane-change assist.

Honda says it has leveraged its know-how from developing level-three automated driving technologies, and is striving for zero traffic-collision fatalities involving its motorbikes and cars globally by the middle of this century.

'HOLISTIC' APPROACH

Mazda has launched what it dubs a "multi-solution approach" on reaching carbon neutrality across its operations by 2050.

While it's tempting to look at battery electric vehicles (BEVs) as a "cure-all technology to achieve sustainability, the company says "only a holistic perspective will produce an accurate picture".

For example, while BEVs are locally emissions-free – meaning they create no tailpipe pollution – a look at the carbon footprint of their batteries is needed as well as the type of electricity powering them.

A "well to wheel" view of sustainability is driving Mazda's decisions when it comes to powertrain development, market strategies and its future line-up.

It says it is committed to improving and providing three engine types – petrol, diesel and fully electric.

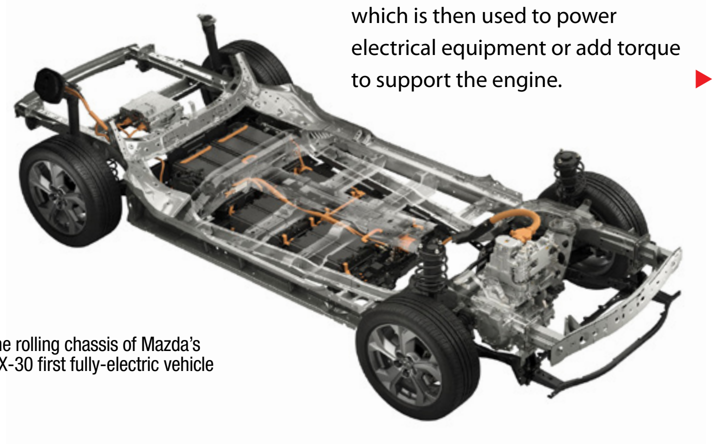
For its internal combustion engines (ICEs), Mazda is working to make them more efficient with its Skyactiv technology, which was first introduced in 2012.

By 2030, every new model in its line-up will feature different kinds and degrees of electrification, with 75 per cent sporting electrified ICEs and BEVs making up the rest.

Additionally, Mazda is pursing the development of alternative fuels, such as e-fuels, which will allow for ICEs to become carbon-neutral.

Its M-Hybrid system combines the Skyactiv engine with a mild-hybrid solution to enhance fuel economy without adding much weight or need for external charging.

The 24-volt battery recuperates energy generated during braking, which is then used to power electrical equipment or add torque to support the engine.


The rolling chassis of Mazda's MX-30 first fully-electric vehicle

This system has made its debut on the MX-30, which also features sustainable materials that reduce environmental impact.

David Hodge, managing director of Mazda NZ, says the MX-30 Limited is a welcome addition and offers a choice of a fully electric model with the right-sized battery for most Kiwis, while the M-Hybrid with its Skyactiv-G petrol engine is available for those wanting a longer range.

ON THE BUSES

Volvo Buses is expanding its electromobility services globally by launching its BZL Electric chassis.

The 200kW electric motor in the bus, which has been developed to be more than 90 per cent recyclable, is coupled to a two-stage automated gearbox.

This increases torque at low speed and evens out current peaks to reduce energy consumption, and to sustain motor and battery health.

The driveline can be configured as a single or dual-motor unit with output of no less than 397kW to make the BZL Electric "an untiring hill-climber".

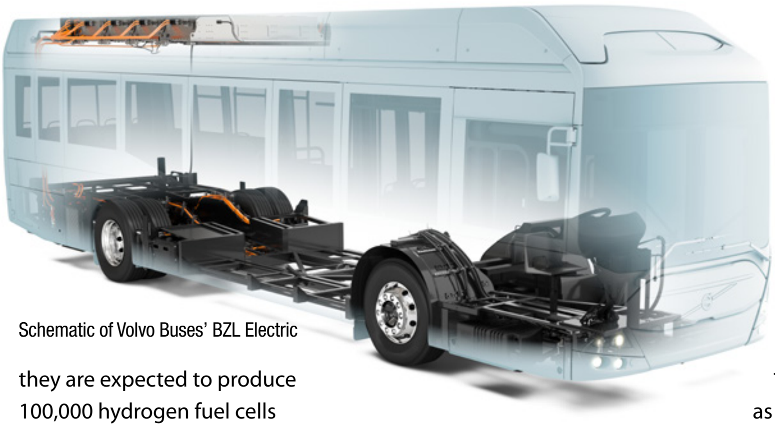
It has been designed for charging flexibility using hardware interfaces for OppCharge high-power charging en-route and CCS charging at the depot.

The electric bus is 11,815mm long as a single decker and 10,585mm long with two decks.

GETTING FUELLED UP

Hyundai Mobis has started work on facilities to produce hydrogen fuel-cell stacks at Cheongna International City, Incheon.

It has announced investment of about NZ$1.53 billion into two plants, which will start mass production in the second half of 2023. When fully operational,



Schematic of Volvo Buses' BZL Electric

they are expected to produce 100,000 hydrogen fuel cells annually.

Hyundai Mobis, which has the world's largest fuel-cell production capacity, is expecting to gain greater momentum in the global race for hydrogen mobility.

In 2018, it became the first company to set up a full production system from fuel-cell stacks.

Most systems produced by Hyundai Mobis are used in fuel-cell EVs, but it is expected to scale its business to other sectors, such as construction and logistics.

Last year, it made power packs for forklifts and is now developing them for hydrogen-fuelled excavators. The company also has expertise in sensors, sensor fusion in electronic control units and software development for safety control. Its products include components for electrification, brakes, chassis and suspension, steering, airbags and automotive electronics.

FROM ROAD TO RAIL

East Japan Railway Company, one of the country's leading rail providers, is trialling repurposed batteries from electric cars to power devices at railroad crossings.

Currently, emergency units at crossings use lead-acid batteries. However, efforts to replace these with repurposed batteries from Nissan Leafs started last year on the Joban line in the Fukushima prefecture.

A Leaf's lithium-ion battery retains 60 to 80 per cent of its electricity storage capacity at the end of its life in a car. This energy can be redirected elsewhere.

When it comes to emergency power supply, switching from lead-acid to repurposed EV lithium-ion batteries not only promotes sustainability, but also leads to improved performance from the battery itself.

Compared to lead-acid units, the reused lithium-ion variety requires only one-third of the charging time and lasts on average for 10 years, compared to three to seven years for a standard battery.

BATTERY GIGAFACTORY

The Chinese owner of the UK's only large-scale battery factory has revealed plans for a major expansion to put it among Europe's biggest EV facilities.

Envision says annual on-site capacity will eventually rise to 38 gigawatt hours (GWh), an increase on the previous plan of 11GWh announced in July 2021 as part of a supply deal for Nissan's factory in Sunderland.

Lei Zhang, chief executive of Envision, says the company is in talks with marques about using the plant, and another in France, to supply their car factories.

The Sunderland "gigafactory", currently capable of annual output of 1.7GWh, was opened in 2012 to build batteries for Nissan's Leaf and will make its successor, a crossover SUV.

A 38GWh plant will be a major step towards filling a gap in UK production. Experts have calculated the country will require annual battery output of about 140GWh a year by 2040 to sustain a car industry of similar size after the transition away from ICEs.

Batteries from Nissan Leafs are being reused at railway crossings in Japan

Japanese face electric rivals

Volkswagen, Hyundai and Peugeot are among the marques gearing up to gain a share of Japan's domestic electric-car market.

The number of Japanese looking to buy new electric vehicles (EVs) from manufacturers based overseas instead of those at home is increasing.

While the trend is unlikely to make a huge dent in overall registrations in Japan, it highlights a perception that many domestic brands have been slower to embrace battery EVs, focusing instead on petrol hybrids, hydrogen fuel cells and alternative fuels for internal combustion engines (ICEs).

Toyota has recently committed about $102 billion on electrification up to 2030 and expects to sell about 3.5 million battery EVs (BEVs) worldwide by then – around one-third of its current annual sales. But the Volkswagen Group predicts half of its cars will be BEVs by then.

Roughly 90 per cent of the five million cars registered annually in Japan are home-made. While overall sales there, excluding small light vehicles, tumbled by 3.2 per cent last year, sales of foreign models rose 1.7 per cent. BEV imports jumped almost three times to a record 8,610 units with analysts estimating around half of those were Teslas.

Now Volkswagen is planning to sell more more than a dozen fully electric models in Japan by 2024, including Audi and VW sports utilities this year to target a wide range of buyers.

Country manager Matthias Schepers expects BEVs to account for one-third of Audi's sales, or around 10,000 units, in Japan by 2025, while the VW Group will expand the installation of fast-chargers to 250 of its showrooms by the end of 2022.


Hyundai's Nexo hydrogen fuel-cell SUV

Stellantis, which owns Peugeot, is also expanding its line-up in Japan with two new models going on sale this year.

It will being joined by Hyundai, which is returning to the country 12 years after it left because of poor sales. Consumers there will be able to order its Nexo hydrogen fuel-cell SUV and Ioniq 5 crossover BEV from May.

To bolster its chance of success this time round, the South Korean company has tied up with a car-sharing service and insurance provider to allow Hyundai owners rent out their zero-emissions vehicles (ZEVs).

REBIRTH ACROSS TASMAN?

The automotive industry across the ditch could be resurrected by drawing on its rich mineral resources to make EVs, according to a report by the Australia Institute's Carmichael Centre.

It says with about 34,000 people still working in making components and sections of abandoned car factories still intact, the lucky country has a strong base from which to restart the industry.

Even if Australia is unable to revive an industry to make EVs from scratch, there would still be much to gain from expanding into part of it, such as batteries.

The country is already expanding its production and other minerals needed to build batteries and other electronic infrastructure. In 2017, extraction of spodumene – crushed raw lithium – was worth AU$1.1 billion, or about NZ$1.18b, but processing it into precursor materials and then making batteries could create an industry worth AU$22.1b.

Dr Mark Dean, the report's lead author, says a new EV industry may not be a "panacea" to Australia's lack of ambition on climate change, but building EVs would make the transition easier by spreading the benefits.

The report recommends a commission be set up with representatives from government, business and unions to map out how this can be created. It also recommends any new industry be powered by renewable energy, incentives to boost take-up and efforts made to attract major marques.

Behyad Jafari, of the Electric Vehicle Council, says: "Building EVs here means we could ensure we'll have a supply available for us to buy, which would be a big boost to decarbonising our entire market."

SWEDISH MARQUE'S BOOST

All variants of the Polestar 2, a fresh entry to the New Zealand market, have gained five-star safety ratings from Ancap. The BEV boasts comprehensive active-crash avoidance technologies and scored strongly across all assessment areas.

The Swedish model is the fifth BEV to be tested against Ancap's 2020-22 criteria, adding to 43 BEVs, plug-ins, petrol hybrids and hydrogen models it has so far tested.

The Polestar 2 also scored well for vulnerable road-user protection, achieving a score of 80 per cent. With an active bonnet, it provides increased protection to struck pedestrians, and its autonomous emergency braking (AEB) system is also effective in reacting to pedestrians and cyclists. However, the AEB doesn't react to pedestrians in reverse and back-over tests were not conducted.

ZERO-EMISSIONS TARGETS

Toyota has pledged to sell only ZEVs in Europe by 2035. It has also set itself a goal for at least half of its sales in western Europe to be such models by the end of the decade. If successful, it will mark a major jump from the roughly 10 per cent sales mix expected in 2025.

Other marques pursuing zero-emissions goals include Volkswagen, which plans to stop selling ICEs in Europe between 2033 and 2035. Ford has announced its passenger range will be all-electric by 2030 and Mercedes-Benz aims to only sell EVs by the end of the decade where market conditions allow.

The Polestar 2 being Ancap crash-tested

Safety ratings 'mislead' consumers

Our vehicle safety-rating system is not fit for purpose. The ratings are incomplete, inconsistent, misleading, inflationary and anti-competitive.

Worst of all, they lead to a less-safe system while promoting the purchase of vehicles that exacerbate other negative externalities that should arguably be placed at a higher precedence.

When it comes to calculating them, if an ANCAP rating is available it's used for the first six years of the vehicle's life, otherwise that model is assigned a generic based on the average rating of those with similar characteristics. After six years, they get a used-car safety rating (UCSR) from Monash University's accident research centre in Australia.

The governments on both sides of the Tasman provide accident data to Monash, which attempts to apply its methodologies to remove the effect of non-vehicle related influences – such as driver behaviour or road conditions – from crash data.

This, Monash argues, leaves only vehicle-related influences so crashworthiness can be assigned based on the accident data. If there's insufficient data to create a UCSR rating, Monash assigns a generic vehicle safety risk rating (VSRR) based on the model's characteristics.

As mentioned, NCAP is used for the first six years. This system, however, ignores two huge factors about the regime. Please go and read the fine print on its website. NCAP is meaningless if used to compare any two vehicles with a mass difference of more than 100kg or if used for year-to-year comparisons, yet our safety-rating system does both. It's also worth noting NCAP is largely funded by OEMs.

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

Our rating system also prioritises passenger safety over everything else. At face value, this might seem to be a good, intuitive approach. If, after all, each year OEMs release "safer" vehicles, then it should lead to a safer fleet, right? Wrong, I would say.

Unfortunately, the easiest way to make a new model safer than the previous one is to add mass. This is what we've seen over time. While this might keep occupants safer, it increases the likelihood of harm for other road users due to the difference in mass between vehicles.

It's a simple dynamic, especially considering we tend to have an older fleet. As we increase the fleet's average mass, we depreciate the safety of all vehicles already in it. This might seem inevitable. But consider the opposite should also be true. What would happen if we started decreasing the average mass of the fleet?

Focusing almost exclusively on passenger safety, the system also denies real harm caused by noxious and greenhouse gas (GHG) emissions. More massive vehicles require more power than less massive models, realised as increased fuel consumption and more emissions, which cause real harm whether vehicles crash or not. Why is possible harm being prioritised over definitive harm?

The government has provided a huge concession to the segment of the industry that intends to continue to sell bigger cars. The clean car programme adjusts emissions expectations based on mass, with heavier vehicles having more lenient goals. This, and there's no other way to look at it, is nothing more than subsidising high-emitters by penalising light-emitters.

Sorry, what was the goal of clean cars? Not to mention the least-emitting non-electric models will always be light vehicles and, as the fleet's average mass increases, these will continue to get lower safety ratings. And once they drop below three stars, they're ineligible for credits. The used-import industry has already seen this occur with the Honda Fit and can expect Toyota's Aqua to fall off in the next few years as well.

Toyota's Aqua

Our current ratings are also inconsistent. When a vehicle turns six years of age, its rating system converts from NCAP to UCSR. Remember the limitations on use for NCAP? UCSR doesn't have those limitations.

All light vehicles should expect to see a dramatic drop in their ratings at year seven because NCAP doesn't take the mass of other vehicles into account and UCSR does. As the mass of the fleet continues to increase, lighter and more efficient models will drop in rating.

Finally, the current system misleads the public, especially buyers of new vehicles. The NCAP system doesn't consider vehicle mass compared to other road users. Buyers of smaller cars see five-star ratings and draw a mental equivalency to five stars on bigger vehicles. In reality, smaller models will get crushed by even low-star heavier vehicles. How is that not a violation of the Fair Trading Act?

We need to seriously ask ourselves what the purpose of our safety-rating system is. The official position is something to the effect of, "it is to inform the public to buy 'safer vehicles' and reduce the road toll".

However, we can see with even a cursory exploration that doing so with our current approach risks increasing the real and potential harms from the system. This is probably not the way we want to go, especially as we look to increase the number of really light "vehicles" in the system, pedestrians and cyclists.

The month that was... March

March 9, 1998

Park-and-sell operations legitimised

Car yards with park and sells had effectively been made legal after a landmark court ruling in Hawke's Bay. It appeared to pave the way for similar operations to spring up around the country without the fear of being shut down after court action.

The case was brought by the Motor Vehicle Dealers' Institute (MVDI). It alleged the man, trading under the name Sold Buy U, was carrying on business of a registered trader in circumstances when he wasn't exempt from holding a licence.

The organisation said he was operating the business seven days a week in the vicinity of 10 other licensed dealers. It also claimed he had a large number of vehicles displayed at any one time that carried window cards similar to those used by licensed traders.

Sold Buy U was advertised in newspapers, and through the White and Yellow Pages under the heading of car and truck dealers.

The MVDI contested he was blatantly trying to avoid the licensing requirements of the Motor Vehicle Dealers' Act (MVSA) and the responsibilities that went with it. It submitted the operation was the same or very similar to licensed dealers who sold vehicles "on behalf".

However, the judge ruled Sold Buy U wasn't a seller either as a principal or as an agent of any vehicle owners within a 12-month period.

March 26, 2004

No grace for missing registration

Time was up. If motor-vehicle traders hadn't completed a transitional or full registration, they were selling cars illegally. The deadline has passed, with those on transitional registrations only having one week left to get their full registrations.

"The MVSA's transitional period ended on March 15, 2004," said Margaret Vos, spokeswoman for the Ministry of Economic Development. "Everyone who wants to trade must be registered by now. Only former licensed motor-vehicle dealers who took transitional registrations have until the end of the month to re-register as their transitional registrations expire at that time."

Fines for not completing registration were stiff. "The penalties for trading without being registered are up to $50,000 for an individual trader and $200,000 for a company," she added. "Given the ease and low cost of registering, it's just not worth the risk of trading illegally."

From March 15, if traders were in business but not registered, they could be liable for prosecution, according to Vos. "We are still expecting about 3,100 registered traders in total."

March 13, 2000

Diesel makes noises in the market

Sales of diesel vehicles – particularly passenger – had surged, leaving distributors unable to cope with demand because of pressures raised in tandem with soaring petrol prices.

A total of 38,689 new and ex-overseas diesel vehicles were sold in 1999 for 17.7 per cent of the market compared to 35,797 units in 1998. Until that point, there had been no difference in sales fluctuations between new and used petrol and diesel models.

But that might have been set to improve with the advent of new technology, such as high-pressure direct-injection engines from European carmakers.

The Mercedes-Benz E 320 CDi Classic was a prize example of diesel technology that had caught up with petrol models. Its economical six-cylinder in-line engine produced 145kW at 4,200rpm and 470Nm between 1,800 and 2,600rpm – and without the smoke and clatter.

Mercedes-Benz was unable to keep up with demand for its E-Class, S-Class and A-Class diesels. In fact, the local distributor couldn't get additional cars from the factory because diesel engines' newfound popularity was worldwide.

March 2, 2007

Turners Auctions profit down

Turners Auctions had announced its full-year net profit after tax and minority interests of $3.2 million, which was down by 37 per cent on the same period in 2006.

Specific issues within the business made the previous year challenging for the company with its full-year results summary suggesting a number of factors contributed to a decline in profit.

These issues included the loss of a major supplier to auctions, finalising the exit of North American investments, margins with Turners Fleet being squeezed and the company's adoption of a more cautious credit policy in response to finance company failures.

Vehicle and finance market conditions were cited as the major contributor to the decline, and New Zealand was experiencing the lowest levels of used-imported vehicles being bought and sold for more than five years.

"It's been a pretty tough year for the industry as a whole," said Graham Roberts, Turners Auctions' chief executive. "We've seen up to four dealers disappearing a week."

Feebates continue to flag issues

The legislation for the clean car discount (CCD) has passed through parliament, which was expected given the substantial majority enjoyed by Labour and the Greens. However, many practical aspects are still to be defined and that doesn't make planning easy.

Recapping on what we know, the feebate schedule based on carbon dioxide (CO_2) emissions is clear. We know the break points where rebates shift to neutrality and when charges apply.

Dealers are still getting their heads around WLTP 3-phase conversion processes and it has been difficult for importers ordering stock ex-Japan. An online look-up tool is now available on Rightcar's dealer resources.

We are expecting changes to the consumer information notice (CIN). We don't yet know the final content, whether that's a single drive-away price or price plus a separate definition of any rebate or fee. Hopefully, we will soon know. That said, the CIN is required on unregistered used imports, but not new so different declarations will be needed for new vehicles.

Rebates are claimed directly from Waka Kotahi by customers post-purchase in their names. Conversely, fees must be paid pre-registration. Dealers will have to determine how to handle that.

The most obvious mechanism will be to include the fee in the vehicle offer and sales agreement as part of the overall price. If that's how you intend managing things, we recommend declaring the charge as a distinct line item so it's clear for future reference.

We understand dealers will seek to register most, if not all, fee-attracting models in stock prior to April 1. That will be a one-off gain and such vehicles will likely be on-sold quite quickly given the financial advantage.

When the rebate scheme came in for battery electric vehicles (BEVs) and plug-in hybrids (PHEVs) in July 2021, there was a hike in Japan auction prices.

However, it's not expected the opposite will happen when CCD fees take effect on April 1. Perhaps that might be because New Zealand is a significant player in EVs and PHEVs, whereas we carry much less market influence in respect of higher fuel-use models with internal combustion engines (ICEs). If it does go that way, the net impact for Kiwis will be they have

TONY EVERETT
Sector manager – dealers, Motor Trade Association

to pay more here for higher-CO_2 models.

In summary, EVs went up in price, which served to negate rebates, but ICEs aren't expected to drop in price to offset fees, so a lose-lose for consumers.

After April 1, it won't be easy for buyers to swap into more fuel-efficient alternatives, assuming they need the size and space offered by a largish ICE vehicle. Bigger SUVs, people movers, utes and vans will be the most affected by charges.

> "Dealers are still getting their heads around conversion processes"

Add in the impacts of higher fuel prices and the tougher lending environment under updated finance laws, it's going to be hard on those customers.

Given the clean car discount is a feebate scheme designed for dirty vehicles to incur charges that go into the pot to pay for rebates on clean vehicles, it looks like a slam dunk on those who have little choice – albeit at this time. The options will hopefully be better in a few years.

Meanwhile, people with bigger pockets get substantial discounts right now on much more expensive EVs. Given the limited supply of zero or low-CO_2 alternatives, this programme seems premature.

Last, but by no means least, we still have no clarification from the government around what will happen with rejection cases despite asking the government back in July 2021 and several times since. At this stage, it hasn't expressed an intention to claw back the rebate from a buyer who successfully rejects a rebated car.

Time since purchase adds another factor to consider when assessing whether this is reasonable or not. It leaves dealers in a worse position covering any depreciation as they do now, but also having to resell without the incentive of a rebate.

In the case of fee-attracting vehicles, it seems unlikely the government will refund clean car fees paid by buyers. It remains to be seen if traders will face that obligation under the Consumer Guarantees Act, otherwise the customer will wear the loss. If so, that might hit the news.

If things do turn out that way, dealers will be on the wrong side in both circumstances. Another lose-lose, this time for traders. It seems we'll have to wait for relevant rejection cases to go through the disputes tribunal before we get a steer on how these aspects will be addressed.

Feeling need to be green

Subaru Corporation and its motorsport subsidiary, Subaru Tecnica International (STI), have taken the wraps off two electric concepts – the STI E-RA and Solterra STI.

The STI E-RA is based around the electric race car of the same name being developed under STI's near-future and motorsport-focused "challenge project", which has been launched to gain experience with technologies for the carbon-neutral era.

The name E-RA stands for "electric record attempt" and there are plans for this bespoke, high-downforce vehicle to achieve that ambition.

After testing this year, the first goal for the model will be to challenge the target of 400 seconds – that's six minutes and 40 seconds – in the time-attack category at Germany's infamous Nürburgring.

It will deliver up to 800kW from its four electric motors developed and supplied by Yamaha, and by utilising Subaru's all-wheel-drive (AWD) technology. To keep weight down, the concept is powered by a 60kWh lithium-ion battery pack.

The marque says its torque-vectoring system is designed to deliver maximum grip and control. This is achieved by "monitoring and adjusting to a complex calculation of inputs", such as wheel and vehicle speed, steering angle, g-force, yaw rate, brake pressure and wheel load.

The Subaru STI E-RA and Solterra STI

The Solterra STI, which was also launched at this year's Tokyo Auto Salon, is based on the marque's all-electric SUV that made its world debut in November. It features a roof spoiler, cherry-red under-spoilers and other special parts on its exterior.

This concept is powered by the same 71.4kWh lithium-ion battery pack as regular Solterra variants, and is available in AWD and 2WD with the former configuration featuring the brand's X-Mode control system and grip-control function. AWD versions of the Solterra are powered by two electric motors, one situated on each axle.

If the STI does make it to production lines, it's understood it will share its powertrain and underpinnings with Toyota's bZ4X.

Wallis Dumper, managing director of Subaru of New Zealand, says: "As we await the arrival of the fully electric and AWD Solterra, the reveal of these two electric concepts is exciting. They show Subaru Corporation's and STI's future focus is firmly on electrified technologies."

The Solterra's launch will start by mid-2022 in some international markets, including Japan, the US, Europe and China. Subaru of NZ is working to confirm a timeline for its arrival on our shores. The parent company plans to derive 40 per cent of its global vehicle sales from EVs by the end of the decade.

BLAST FROM PAST

Mitsubishi Motors Corporation has provided the best look yet at its upcoming Vision Ralliart, which is a sporty version of its Outlander medium-sized SUV.

The company says it embodies its vision for the relaunched Ralliart brand, while "bringing together its passion for engineering and craftsmanship".

The concept "expresses the possibilities of the new Ralliart" thanks to its increased acceleration, handling and all-weather braking performance.

The plug-in hybrid boasts "sportier four-wheel control tuning and enhanced battery capacity". It rides on a widened track and is fitted with 22-inch alloys, larger-diameter brake rotors and six-piston brake calipers.

The Vision Ralliart is styled to present a premium and muscular look with bolder front and rear bumpers and wider wheel-arch extensions. The front grille has a radiator shutter to improve

The Vision Ralliart concept

Toyota's GRMN Yaris and GR GT3 racer

aerodynamic flow at higher speeds, while the rear diffuser emphasises its sportiness.

The marque stresses the Vision concept is just that – a concept. That said, customer feedback "will be used in the future development" of Mitsubishis.

Ralliart was founded in April 1984 as a high-performance and motorsports division. Its business activities were scaled down in April 2010, although the brand has continued to be used by Mitsubishi since then.

As for Tokyo Auto Salon, the event returned for 2022 after a one-year, coronavirus-induced hiatus. Along with the likes of tuning firms and parts distributors, some marques like to show off their more enthusiast-focused projects at the event.

SEEKING THRILLS

Toyota previewed three models in Tokyo – the GR GT3 racer, bZ4X GR Sport concept and GRMN Yaris.

The GR GT3 is slated to have a running prototype later this year and the plan is for it to compete in the global GT3 series. The concept resembles nothing in the marque's current line-up. Instead, it draws its styling cues from a blend of the fourth-generation A80-series Supra, 2000GT and Lexus LFA.

With Batmobile-like proportions, the front fascia has slender lighting fitted in a small gap along the upper portion of the front bumper. The pronounced splitter stretches the car out a little further.

Toyota Gazoo Racing will be implementing feedback and technologies refined in motorsports competition to develop its GT3 programme as well as mass-produced vehicles.

The GRMN Yaris hot hatch can develop 200kW from its 1.6-litre, three-cylinder engine. It will only be available in Japan and will set back buyers there the equivalent of about NZ$95,500. Its Circuit Package variant comes with a sticker price of some NZ$110,00.

Lexus' hydrogen-powered ROV

While the fully electric bZ4X SUV is expected to arrive in New Zealand later this year, Toyota exhibited its pumped-up variant – the bZ4X GR sport concept.

The company has yet to lift the lid on performance-enhancing modifications, but visual changes include large-diameter wheels and wider tyres for extra grip and matte-black body panels. Other than the interior featuring sports seats, that's about all the marque is willing to reveal for now.

FIRST FOR HYDROGEN

Lexus has unveiled its ROV, which stands for "recreational off-highway vehicle" and offers a "luxury lifestyle experience to drivers wishing to discover the wilderness in style".

The concept is powered by the marque's first hydrogen engine to offer "near zero-emissions driving combined with extreme off-road capability".

It bears the hallmarks of an off-roader with its exposed suspension, protective cage and chunky tyres. It comes in at 3,120mm long, 1,725mm wide and 1,800mm high.

Its designers have developed a body that protects passengers, incorporates Lexus' signature grille and preserves enough travel for the front suspension.

The suspension cover, which is connected to the rear hydrogen fuel tank, protects functional parts as well as conveying a sense of durability inherited from Lexus' range of SUVs.

Luxury details include a leather steering wheel and a sculpted shift knob, while the seats feature suspension elements to smooth bumps out of the ride.

The ROV concept's one-litre hydrogen engine works just like a petrol engine, but with a high-pressure tank for compressed hydrogen that's delivered precisely by a direct injector. It produces close to zero emissions with a "negligible" amount of engine oil burned during driving.

Its lightweight body is composed of a strong pipe frame and suspension that boasts a large amount of travel.

Premier category eyes return

Toyota Gazoo Racing NZ (TGRNZ) has set itself the ambitious goal of returning to its five-round and NZ Grand Prix (NZGP) series format next year.

TGRNZ hopes for a return to 2018's intense racing when the world's best young drivers came to New Zealand to race against top Kiwis

Responding to the progressive reduction in border controls by the government, the team has announced it aims to recreate the championship, which last ran as a full international series in 2020.

With New Zealand slated to open to international travellers by October, TGRNZ is deep into planning its 2023 season and must now re-establish its global profile to attract drivers from around the world.

Nico Caillol, TGRNZ motorsport and TRS category and operations manager, says the intention is to return to a full 20-car grid and five rounds of intense competition over five weekends.

"The championship has been badly hit by the international Covid-19 travel restrictions, but we can now see light at the end of the tunnel for 2023 now," he adds.

"We are already talking to a large number of drivers, driver managers and teams. They are delighted to hear that the Castrol Toyota Racing Series is back on the international racing calendar and beyond."

In previous years, series officials have undertaken a mid-year tour to Europe to talk to competitors, managers and talent spotters, and market the competition as an ideal off-season series for rising stars.

The series will once more use the FT-60 single-seaters last wheeled out competitively for the 2021 NZGP, which was taken out by Shane van Gisbergen, and then for a shortened championship won by Matthew Payne.

Border restrictions forced the cancellation of the 2022 grand prix and series.

Caillol says: "Our entire team has worked hard not only to maintain the vehicles through this dormant period, but to also continue to run our testing and development programme, and to give a number of young Kiwis testing mileage in the car as they endeavour to further their single-seater racing careers abroad in very challenging times."

F2 stars in kart action

Liam Lawson and Marcus Armstrong brought some extra "sizzle" to the 2022 City of Sails event at KartSport Auckland's Giltrap Group Raceway.

Run under Covid-19 red-light restrictions with no spectators, the two Formula 2 stars joined about 180 other drivers for a day of hard racing. The event was the first round of new KartStars Series.

The two Kiwis rose through the single-seater categories after strong karting performances.

Armstrong, pictured in action, says many F2 drivers in Europe stay sharp by racing karts. "It's as close to F2's intensity as you can get. With limited testing and racing time in the F2 Championship, it's great to also be able to get out in karts."

Mechanical problems aside, Lawson also enjoyed last month's action. "Marcus and I came through karting, which was a big part of our development. Mostly this was fun for me, but any time you can get in a kart it's racing."

Graeme Moore, president of KartSport NZ, is pleased the event went off so well. "This was in planning for several months. Each possible scenario was thought through, and we held this event safely and successfully."

Super GTs deliver awesome action

Big grids, close racing, exotic machinery. With three out of four rounds complete, Rodin Cars Super GT category manager Grant Smith says it has produced intensely exciting competition in its debut season.

"The racing has been exciting at every round and massive grids have been a highlight of the summer series," he told Autofile.

With the demise of the NZV8s and temporary hiatus forced on the Castrol Toyota Racing Series, the Rodin Cars Super GT category has taken up the mantle of New Zealand's premier motor-racing category with huge fields of Porsche Cup cars and GT4 exotica at all three rounds.

In its debut season, 30 vehicles have fronted. The category includes the Porsche 911 GT3 Cup NZ, GT4 NZ and Ferrari Challenge NZ. The average value of the grid at any given round comfortably exceeds $15 million.

Smith says: "We started out during lockdown with 100 people logging into a Zoom launch meeting. Within 24 hours, we had 30 firm applications for racing entitlement licences and it's just gone gangbusters from there."

Although supply-chain issues caused problems for some entrants, he adds the pandemic has been a motivating force for competitors. "In motor racing and so many other areas, people are revising their priorities and deciding to do important things right now."

The season-opening round, which started at Highland Park in Cromwell on January 15, came with some vehicle damage as racers got back into the "groove". This kept some cars off the grid at round two at Ruapuna near Christchurch. Cyclone Dovi threw further aspects into the third-round mix at Hampton Downs – heavy rain and wind.

"Bearing in mind we created the series to encourage people into racing it has gone very well. We have used Zoom debriefs with competitors after every round to fine-tune how the series operates and to keep people engaged."

Smith has a long association with premier motor racing in this country having been a manager at BMW Group NZ in the 1990s when the Castrol BMW team dominated the NZ Touring Cars Championship, then going on to establish and run the Giltrap-backed Porsche GT3 series.

He says the 2022 Super GTs are delivering racing that's every bit as closely fought as the touring cars or Porsche championship.

"This series is a combination of three world-class categories brought together into one-race series to offer exciting racing involving a number of global super-brands. Where else can you see seven McLarens going wheel to wheel with GT3 Porsches, Ferraris, Ginettas and Mercedes-AMG."

The fourth and final round of the Rodin Cars Super GT series is scheduled for March 26-27 at Bruce McLaren Motorsport Park in Taupo. Following that round, a debrief will be held to plan for a second season that builds on the success of 2022.

Rob Steele in his Porsche 911 GT3

Grant Smith, category manager of the Rodin Cars Super GT series

Rodin Cars standings

Top 10 after three rounds (points)

1.	Nigel Cromie	GT4	397
2.	Stephen Harrison	GT4	385
3.	Martin Dippie	911	364
4.	Rob Steele	911	353
5.	Shane Helms	GT4	333
6.	Grant Aitken	GT4	317
7.	Dave Cremer	GT4	316
8.	Paul Kelly	911	288
9.	Connor Adam	911	256
10.	Paul Southam	911	253

Connor Adam at the Super GTs

Fuel injectors fail after water gets into diesel tank after purchase of vehicle

The case: The buyer's 2012 Mazda CX-5 broke down 10 days after it was supplied to her. The trader assessed the car and discovered water in its diesel fuel tank. The owner had put fuel into it on four occasions. Although service stations denied they had water in their diesel, the tribunal ruled the dealer wasn't held responsible for repairs.

The decision: The vehicle's fuel injectors were damaged after purchase so the consumer's application was dismissed.

At: The Motor Vehicle Disputes Tribunal, Auckland.

Background

Bailey Metcalfe-Cherrington wanted to reject the 2012 Mazda CX-5 she purchased for $17,249 from Nova Motors Penrose Ltd on June 8, 2021.

The vehicle broke down on June 18 and she was advised its fuel injectors needed to be replaced at a cost of $2,374.

Nova Motors denied liability and said the fuel injectors were damaged because the diesel engine was contaminated with water during the buyer's ownership.

The trader also sought to recover costs it incurred in transporting and assessing the CX-5 after it broke down.

The case

After Metcalfe-Cherrington purchased the CX-5, she drove it from Auckland to her home in Kawakawa.

Over the next nine days, she bought diesel for the SUV on four occasions – from a Gull service station in Whangarei on June 9, BP Kerikeri on June 13, Kawakawa's Caltex on June 17 and BP Kerikeri on June 18.

Shortly after getting fuel at BP Kerikeri on the 18th, the car began to perform poorly. Wilson Hona, the buyer's partner, was driving at the time. He said it started to miss going uphill and an engine-warning light illuminated when the vehicle accelerated. He added engine performance quickly worsened, so he pulled over.

Metcalfe-Cherrington contacted Nova Motors about the issue on June 19. The dealer tried to get a local mechanic to assess the CX-5. None were available, so it transported the car to Auckland on June 22.

The trader's in-house mechanic assessed the vehicle and thought the buyer had put petrol in it rather than diesel. The trader had John Andrew Ford & Mazda assess the car. Its invoice stated the SUV wouldn't start because its fuel injectors were contaminated by water.

Nova Motors told the buyer about the cause of the fault and that it was her responsibility to fix the injectors. The trader also told her she needed to pay for the cost of transporting and assessing the vehicle.

Metcalfe-Cherrington contacted service stations she purchased diesel from and was told they regularly tested their fuel for water contamination and none was found around the time she was a customer. She also provided a letter to that effect from BP Kerikeri where she purchased diesel on June 13.

The finding

The only issue the tribunal had to consider in this case was whether the CX-5 had been of acceptable quality for the purposes of section six of the Consumer Guarantees Act (CGA).

The adjudicator accepted John Andrew's diagnosis that the fuel injectors failed due to water contaminating the engine. This wasn't challenged by Metcalfe-Cherrington.

The tribunal's assessor advised it was likely the water was introduced into the fuel tank when diesel was put into the vehicle on June 17 or 18.

He said when the fuel injector failed due to water contamination, it usually happened quickly. In this case, there was no sign of any fault with the vehicle consistent with this until after Hona put $30 worth of diesel into the vehicle at BP Kerikeri.

The symptoms experienced by him shortly after purchasing that fuel were consistent with the CX-5 having water in its tank.

The engine misfiring would have been caused by the fuel injectors starting to fail because water was being pumped through them. The engine-warning light then came on while the car was being driven uphill as water was being drawn into the fuel-supply intake at the bottom of the tank, thus affecting the operation of the injectors.

The tribunal acknowledged Metcalfe-Cherrington had obtained a letter from BP Kerikeri saying it tested its diesel on June 7 and 15 and found no sign of water contamination, and she had been told by other service stations she bought diesel from that their fuel wasn't contaminated in this way either.

However, the tribunal was satisfied the evidence showed it was likely the contamination occurred during Metcalfe-Cherrington's ownership of the car.

In that regard, the adjudicator noted she drove it for about 400km before the problem became apparent and the tribunal's assessor was advised it was unlikely the CX-5 could have been driven for that long if the diesel was contaminated with water at the time of purchase.

Therefore, it was ruled that the SUV had been of acceptable quality and the trader wasn't liable under the CGA for that damage because the issue with the fuel injectors wasn't caused by any inherent defect with the Mazda. It was caused by water introduced into the tank after Metcalfe-Cherrington purchased it.

Consequently, although the buyer had done nothing wrong and now faced the cost of replacing the CX-5's fuel injectors, her claim against Nova Motors had to be dismissed.

The dealer also sought to recover costs incurred in transporting and assessing the vehicle. The tribunal denied that application because it didn't have the jurisdiction to consider counterclaims from the trader.

Order

The application was dismissed.

Trader fails to contract out of legislation by claiming transaction was 'wholesale'

The case: The buyer wanted to reject his 2010 Audi A5 due to excessive oil consumption. He believed this indicated a serious engine fault. The trader refused, claiming that the car was sold on a "wholesale" basis without a warranty.

The decision: The rejection was upheld. The finance agreement was signed over to the dealer, who was also ordered to pay $3,213.67 to the buyer for the likes of mechanical breakdown insurance (MBI), loan payments and oil-test costs.

At: The Motor Vehicle Disputes Tribunal, Auckland.

Background

Christopher Bryant wanted to reject the 2010 Audi A5 he bought for $20,000 on May 7, 2021, from Yi Kwun Wilson Chong, trading as Fusion Auto.

He said it had a pre-existing engine fault, which caused it to use too much oil. He wanted a refund of all amounts paid in respect of the vehicle and be relieved of his loan with MTF Finance.

Chong said the A5 was sold on a "wholesale" basis and had no warranty. He claimed it showed no signs of excess oil use pre-purchase and suggested any fault could have been caused by aggressive driving.

The case

The parties entered into a "vehicle wholesale agreement" when Bryant traded in his 2013 Mazda 6. They effectively agreed to swap the latter for the Audi.

Bryant and his wife owed $21,000 under a loan they had to buy the Mazda, so the parties agreed Chong would discharge that debt and the couple would borrow $20,000 from MTF Finance to pay for the A5.

The agreement stated: "This is a wholesale special deal between the trader and purchaser. Both parties agree the vehicle will be delivered without update WOF, update registration, no extra works done and no warranty included." Chong said it was a wholesale special because he made no profit from selling the Audi to Bryant.

Prior to the transaction, Bryant specifically asked Chong if the A5 had oil leaks because he was aware excessive oil use was a common fault. He was reassured this wasn't the case.

Before returning to New Plymouth from Auckland, Bryant checked the oil level was full. But when he arrived home, its warning light came on. Chong advised him to put one litre of oil in. Bryant then paid $600 to Chong on May 14 for a MBI policy.

By this stage, Bryant was concerned the Audi had a significant fault, so he asked Chong to replace the engine or cancel the purchase. Chong declined saying the car didn't have a warranty.

Bryant had hardly used the vehicle since purchase, but said it was consuming about one litre of oil for every 250km driven. He had it serviced by Rotech Holdings on June 10 when its odometer read 89,835km. Rotech also fixed a fault with the reversing camera and charged Bryant $1,292.77.

The Audi needed another litre of oil on June 24 when its odometer was on 90,089km and on July 26 at 90,386km. As a result, Bryant filed his claim in August.

After a hearing in September, the tribunal asked Bryant to have an oil-consumption test performed. Rotech drained the A5's oil and refilled it with 4.4l on October 1 when the odometer was on 90,874km.

On October 6, when the odometer read 91,158km, the test showed the car had consumed 1.2l of oil over 284km. The test cost $276.44. Chong didn't respond to the results of this test.

The finding

Although Bryant asserted rights under the Fair Trading Act (FTA) in correspondence with Chong, in his application he alleged the vehicle hadn't been of acceptable quality for the purposes of section six of the Consumer Guarantees Act (CGA). Accordingly, the tribunal didn't consider if Chong had engaged in any conduct that breached the FTA and focused on issues relevant to the CGA.

Chong claimed the CGA didn't apply because Bryant had agreed to a wholesale transaction. However, section 43 of the act requires all parties to the transaction be "in-trade" before the CGA can be validly excluded. Bryant wasn't in-trade.

The CGA also imposes on suppliers of consumer goods a guarantee of acceptable quality.

The oil-consumption test showed the Audi was using too much oil. This was indicative of an expensive fault, such worn piston rings.

Therefore, the tribunal was satisfied the car wasn't of acceptable quality because it wasn't as durable as a reasonable consumer would consider acceptable.

Chong submitted the excessive oil use could have been caused by Bryant's aggressive driving style damaging the engine, but his allegation was speculative and unsupported by evidence.

The tribunal was also satisfied the fault was a failure of a substantial character. Therefore, Bryant was entitled to reject the Audi and recover all amounts paid in respect of it.

This included $600 for the MBI, $791.86 being the capital component of finance payments made by Bryant until July 27 when he rejected the car and $1,345.37, which was all payments paid since July 28 excluding default interest charges.

Then there was $276.44 for the oil-consumption test, and $200 out of the $1,292.77 paid for having the vehicle serviced and the reversing camera repaired.

Under the Motor Vehicle Sales Act, Bryant was entitled to have his obligations under the collateral credit agreement assigned to Chong.

Orders

The rejection of the car was upheld. The dealer was ordered to pay the buyer $3,213.67.

Armacup (NZ)

LATEST SCHEDULE

	Port Calls	Passama v2204	Don Juan v2205	Turandot v2206	Passama v2207	Don Juan v2208
JAPAN	Moji	—	—	—	—	TBC
	Osaka	21 Feb	2 Mar	17 Mar	1 Apr	16 Apr
	Nagoya	22 Feb	3 Mar	18 Mar	2 Apr	17 Apr
	Yokohama	23 Feb	4 Mar	19 Mar	3 Apr	18 Apr
	Hitachinaka	—	—			
NEW ZEALAND	Auckland	8 Mar	19 Mar	4 Apr	18 Apr	1 May
	Lyttelton	12 Mar	26 Mar	7 Apr	TBC	4 May
	Wellington	14 Mar	28 Mar	8 Apr	TBC	6 May
	Nelson	15 Mar	29 Mar	12 Apr	TBC	TBC

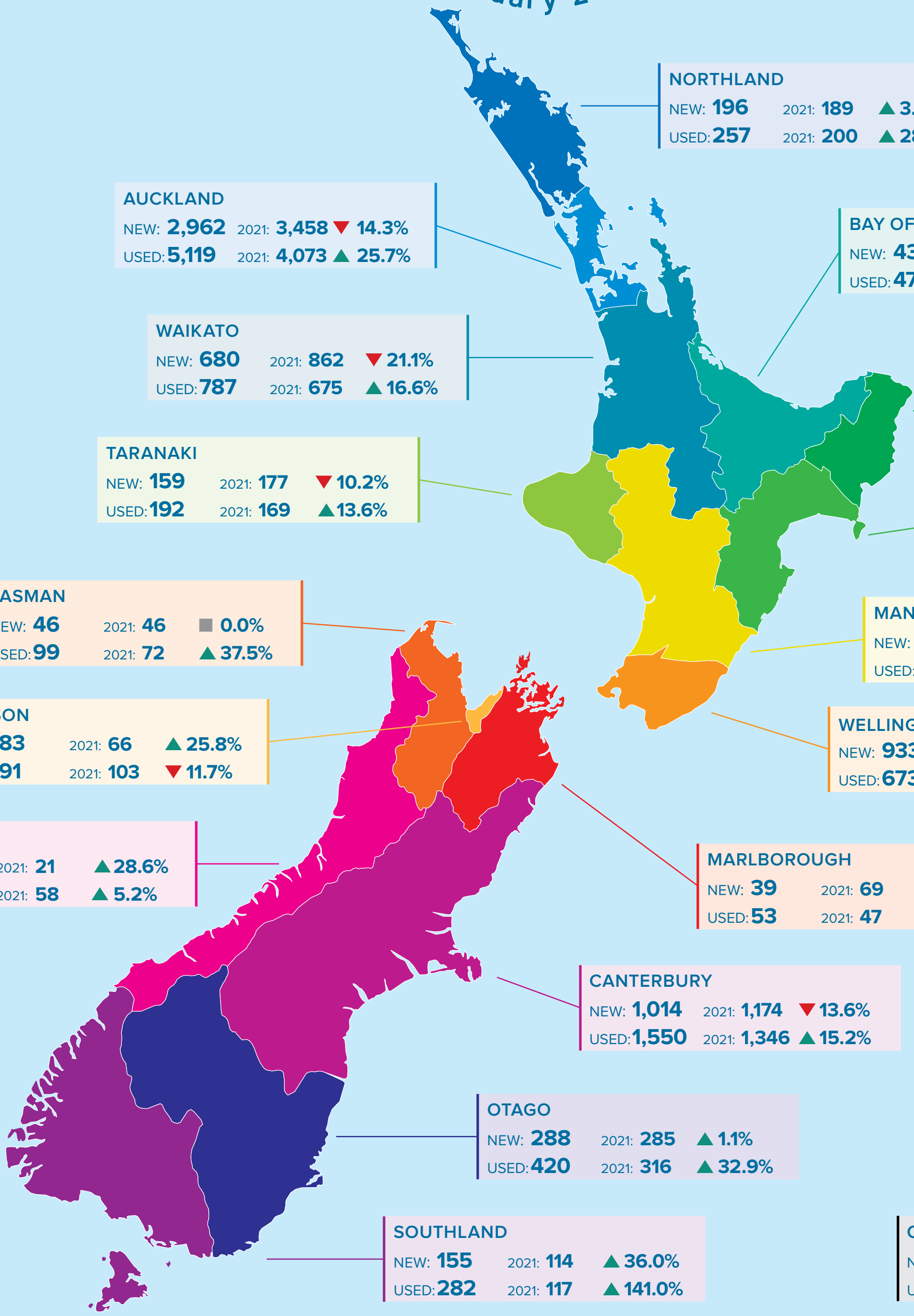
Phone **0800 ARMACUP (0800 276 2287)**
email **enquiries@armacup.co.nz**
www.armacup.com

Shipping to cure kids

AROUND THE COUNTRY
February 2022

Total new cars	
7,680	
2021: 8,703	▼ 11.8%

Total imported used cars	
10,734	
2021: 9,087	▲ 18.1%



NORTHLAND

		2021	
NEW:	196	189	▲ 3.7%
USED:	257	200	▲ 28.5%

AUCKLAND

		2021	
NEW:	2,962	3,458	▼ 14.3%
USED:	5,119	4,073	▲ 25.7%

BAY OF PLENTY

		2021	
NEW:	437	561	▼ 22.1%
USED:	472	482	▼ 2.1%

WAIKATO

		2021	
NEW:	680	862	▼ 21.1%
USED:	787	675	▲ 16.6%

GISBORNE

		2021	
NEW:	37	49	▼ 24.5%
USED:	108	51	▲ 111.8%

TARANAKI

		2021	
NEW:	159	177	▼ 10.2%
USED:	192	169	▲ 13.6%

HAWKE'S BAY

		2021	
NEW:	251	282	▼ 11.0%
USED:	236	206	▲ 14.6%

TASMAN

		2021	
NEW:	46	46	■ 0.0%
USED:	99	72	▲ 37.5%

MANAWATU-WHANGANUI

		2021	
NEW:	357	378	▼ 5.6%
USED:	309	336	▼ 8.0%

NELSON

		2021	
NEW:	83	66	▲ 25.8%
USED:	91	103	▼ 11.7%

WELLINGTON

		2021	
NEW:	933	947	▼ 1.5%
USED:	673	807	▼ 16.6%

WEST COAST

		2021	
NEW:	27	21	▲ 28.6%
USED:	61	58	▲ 5.2%

MARLBOROUGH

		2021	
NEW:	39	69	▼ 43.5%
USED:	53	47	▲ 12.8%

CANTERBURY

		2021	
NEW:	1,014	1,174	▼ 13.6%
USED:	1,550	1,346	▲ 15.2%

OTAGO

		2021	
NEW:	288	285	▲ 1.1%
USED:	420	316	▲ 32.9%

SOUTHLAND

		2021	
NEW:	155	114	▲ 36.0%
USED:	282	117	▲ 141.0%

OTHERS (Chatham Islands, overseas, unknown)

		2021	
NEW:	16	25	▼ 36.0%
USED:	25	29	▼ 13.8%

Imported Passenger Vehicle Sales by Make - February 2022

MAKE	FEB '22	FEB '21	+/- %	FEB '22 MKT SHARE	2022 YEAR TO DATE	2022 MKT SHARE
Toyota	2,983	2,592	15.1	27.8%	5,885	28.2%
Nissan	1,610	1,202	33.9	15.0%	2,981	14.3%
Mazda	1,337	1,309	2.1	12.5%	2,664	12.8%
Subaru	960	636	50.9	8.9%	1,827	8.8%
Honda	779	803	-3.0	7.3%	1,565	7.5%
BMW	587	463	26.8	5.5%	1,109	5.3%
Mitsubishi	450	390	15.4	4.2%	831	4.0%
Volkswagen	424	438	-3.2	3.9%	888	4.3%
Audi	333	235	41.7	3.1%	656	3.1%
Lexus	272	158	72.2	2.5%	540	2.6%
Mercedes-Benz	262	153	71.2	2.4%	526	2.5%
Suzuki	194	249	-22.1	1.8%	392	1.9%
Ford	80	53	50.9	0.7%	130	0.6%
Volvo	69	60	15.0	0.6%	138	0.7%
Land Rover	49	42	16.7	0.5%	97	0.5%
Chevrolet	40	23	73.9	0.4%	63	0.3%
Jaguar	39	35	11.4	0.4%	75	0.4%
Mini	37	35	5.7	0.3%	52	0.2%
Jeep	32	22	45.5	0.3%	48	0.2%
Porsche	30	33	-9.1	0.3%	51	0.2%
Holden	28	16	75.0	0.3%	39	0.2%
Dodge	23	21	9.5	0.2%	43	0.2%
Chrysler	22	7	214.3	0.2%	55	0.3%
Hyundai	11	22	-50.0	0.1%	27	0.1%
Peugeot	10	5	100.0	0.1%	16	0.1%
Citroen	6	6	0.0	0.1%	13	0.1%
Tesla	6	0	600.0	0.1%	12	0.1%
Bentley	5	5	0.0	0.0%	9	0.0%
Pontiac	4	4	0.0	0.0%	5	0.0%
Rover	4	2	100.0	0.0%	6	0.0%
Renault	3	3	0.0	0.0%	8	0.0%
Alfa Romeo	2	4	-50.0	0.0%	7	0.0%
Aston Martin	2	2	0.0	0.0%	2	0.0%
Cadillac	2	2	0.0	0.0%	7	0.0%
Daihatsu	2	4	-50.0	0.0%	3	0.0%
Others	39	53	-26.4	0.4%	71	0.3%
Total	**10,736**	**9,087**	**18.1**	**100.0%**	**20,841**	**100.0%**

Imported Passenger Vehicle Sales by Model - February 2022

MAKE	MODEL	FEB '22	FEB '21	+/- %	FEB '22 MKT SHARE	2022 YEAR TO DATE	2022 MKT SHARE
Toyota	Aqua	826	663	24.6	7.7%	1,750	8.4%
Mazda	Axela	428	455	-5.9	4.0%	847	4.1%
Toyota	Prius	378	377	0.3	3.5%	758	3.6%
Nissan	X-Trail	325	288	12.8	3.0%	649	3.1%
Nissan	Leaf	315	150	110.0	2.9%	524	2.5%
Mitsubishi	Outlander	286	253	13.0	2.7%	529	2.5%
Subaru	Legacy	281	172	63.4	2.6%	525	2.5%
Volkswagen	Golf	261	255	2.4	2.4%	561	2.7%
Subaru	Impreza	241	212	13.7	2.2%	475	2.3%
Honda	Fit	235	322	-27.0	2.2%	522	2.5%
Mazda	Atenza	219	135	62.2	2.0%	381	1.8%
Mazda	CX-5	216	164	31.7	2.0%	490	2.4%
Toyota	Corolla	185	196	-5.6	1.7%	367	1.8%
Toyota	Vanguard	182	185	-1.6	1.7%	350	1.7%
Honda	Odyssey	161	96	67.7	1.5%	278	1.3%
Mazda	Demio	157	279	-43.7	1.5%	344	1.7%
Nissan	Skyline	144	85	69.4	1.3%	250	1.2%
Toyota	Mark X	143	157	-8.9	1.3%	280	1.3%
Subaru	Forester	138	100	38.0	1.3%	252	1.2%
Suzuki	Swift	128	192	-33.3	1.2%	268	1.3%
Nissan	Note	117	108	8.3	1.1%	246	1.2%
Mazda	Premacy	116	121	-4.1	1.1%	234	1.1%
Toyota	Vellfire	116	45	157.8	1.1%	198	1.0%
Nissan	Serena	108	97	11.3	1.0%	224	1.1%
Subaru	Exiga	107	53	101.9	1.0%	185	0.9%
Honda	CR-V	100	96	4.2	0.9%	227	1.1%
Toyota	Blade	98	126	-22.2	0.9%	194	0.9%
Mazda	Biante	93	44	111.4	0.9%	160	0.8%
Ford	Crown	91	51	78.4	0.8%	175	0.8%
BMW	320i	90	91	-1.1	0.8%	178	0.9%
Toyota	Wish	87	173	-49.7	0.8%	198	1.0%
Nissan	Fuga	85	60	41.7	0.8%	153	0.7%
Nissan	Lafesta	82	40	105.0	0.8%	124	0.6%
Lexus	IS 250	81	38	113.2	0.8%	156	0.7%
Subaru	XV	80	41	95.1	0.7%	165	0.8%
Others		4,034	3,167	27.4	37.6%	7,624	36.6%
Total		**10,736**	**9,087**	**18.1**	**100.0%**	**20,841**	**100.0%**

Loan requirements 'shocking' timing

A used-car dealer says the government's changes to the Credit Contracts and Consumer Finance Act couldn't have come at a worse time for the automotive industry.

Tim Marshall, director of Vision Auto Sales based in Penrose, Auckland, says the type of vehicles his business sells "to some extent transcend the vagaries" of amendments to the legislation although it has still been impacted by them.

"The timing of these changes has been shocking and couldn't have been worse, especially for Auckland dealers having gone through the Covid-19 lockdowns," he told Autofile.

"Dealers here have been clamouring to get back to normal. Then they have been hit by changes to the act and then we will be hit by the clean car discount. Together, these two changes will have a negative impact on the industry.

"There is a lack of certainty over the clean car fees and how they apply. With Land Rover Evoque, for example, if you put in a chassis number into the [Rightcar] website, it comes out with a $2,000-odd fee. However, if you put the car in generically, it comes up with a fee of around $800. There is an absence of consistency with the information.

"I think people do accept we're in a situation where we need to undergo a transition as an industry, but it should be naturally occurring change as infrastructure is built for electric cars. When you try to rush these changes through, it will have a significant impact on the market for a lot of dealers.

"It's already very difficult to buy stock from Japan. At the moment, there are fewer vehicles available and those that are for sale are selling for big money. The used cars in Japan are trade-ins for new vehicles and the supply of new vehicles there has been hampered."

A trader on Auckland's North Shore is predicting it will take more energy and effort to get the same results in 2022 as those he achieved last year.

Lewis Rowe, owner of the Devonport Car Company, says: "I think that right now we have a false sense of security. With mortgage rates and inflation increasing, spending will slow down.

"Also, people will be able to travel again soon. That may remove some consumers we've picked up over the past couple of years if they go back to spending on big European holidays or cruises.

"Can increasing house prices last forever? I feel there's already a slowdown in the housing market from talking to people I know in that industry. Then, I think the next trickle down from that will be a slowdown in the car industry and other luxury goods, such as boats.

"I'm preparing myself for business to slow down. I've had two years of let's call it a 'bubble' with good business and good margins. However, I'm wondering if that can last forever.

"Finance isn't a huge portion of my trade. I do offer it and there are some clients who take it up. But most of my business is people who have money or access to very cheap money, for example, against their mortgage."

Meanwhile, spending on vehicles remained steady during January – dropping by only 0.4 per cent – when compared with December 2021, according to Stats NZ.

After adjusting for seasonal effects, the total splashed out on vehicles through credit and debit cards was $210 million in the month before last.

While the January figure was slightly down from December 2021, it was 4.5 per cent higher than the $201m spent across the sector in the same month a year ago.

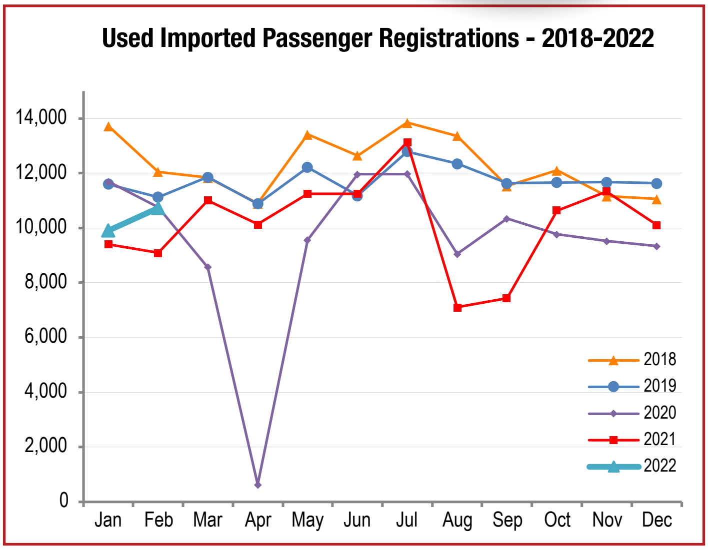
Retail card spending on fuel enjoyed a more buoyant start to the year as it increased by 2.7 per cent between December and January from $570m to $585m. Last month's total was also 13.6 per cent higher than in January 2021 and the highest since February 2020 when it reached $591m.

Ricky Ho, business performance manager at Stats NZ, says: "The increase in spending on fuel comes at a time when the price of fuel has also increased."

Credit and debit card spending across all industries last month increased by $175m, or 2.1 per cent, compared with December 2021 and reached $8.4 billion.

Used imports jump

The total for used-imported cars came in at 10,736 in February for an increase of 18.1 per cent when compared to 9,087 during the same month of last year. Toyota's Aqua was the top model with 826 sales. It was followed by the Mazda Axela, Toyota Prius and Nissan X-Trail with 428, 378 and 325 units respectively. The Nissan Leaf completed the top five with a 110 per cent jump from 150 in February 2021 to 315 sales last month.



Virus outbreak set to disrupt port

Covid-19 is likely to prove challenging for Ports of Auckland (POAL) over the coming months with supply-chain issues already affecting its operations.

Jan Dawson, chair of the board, and Wayne Thompson, interim chief executive, warn omicron's spread will not make the next six months easy, "especially with Auckland continuing to be the epicentre of New Zealand's outbreak".

"Congestion in the landside supply chain has already impacted on operations and it will get worse in the short term as more people get infected," they say.

"We've had robust controls in place for nearly two years and have put additional measures, such as pre-work rapid antigen tests, in place. While these controls slow operations, they have helped us to avoid significant port shutdowns, which have been seen overseas."

Auckland's lockdown has also slowed the port's automation project. Its goal of having full terminal roll-out by June 30 is under pressure from the surge in the omicron variant and there have been challenges operating under the government's traffic-light settings.

In its half-year report, POAL's multi-cargo business, which includes vehicles, was at full capacity. This helped push revenue to $131.6 million for the six months for a rise of $17.4m from $114.2m in the previous comparative period. At the same time, costs increased by $15.7m due to extra outlay for energy, depreciation and labour because of coronavirus.

Group net profit after tax jumped by 72.8 per cent to $23.5m, but this included a $8.6m revaluation gain on investment properties. Excluding this, profit increased by 9.1 per cent.

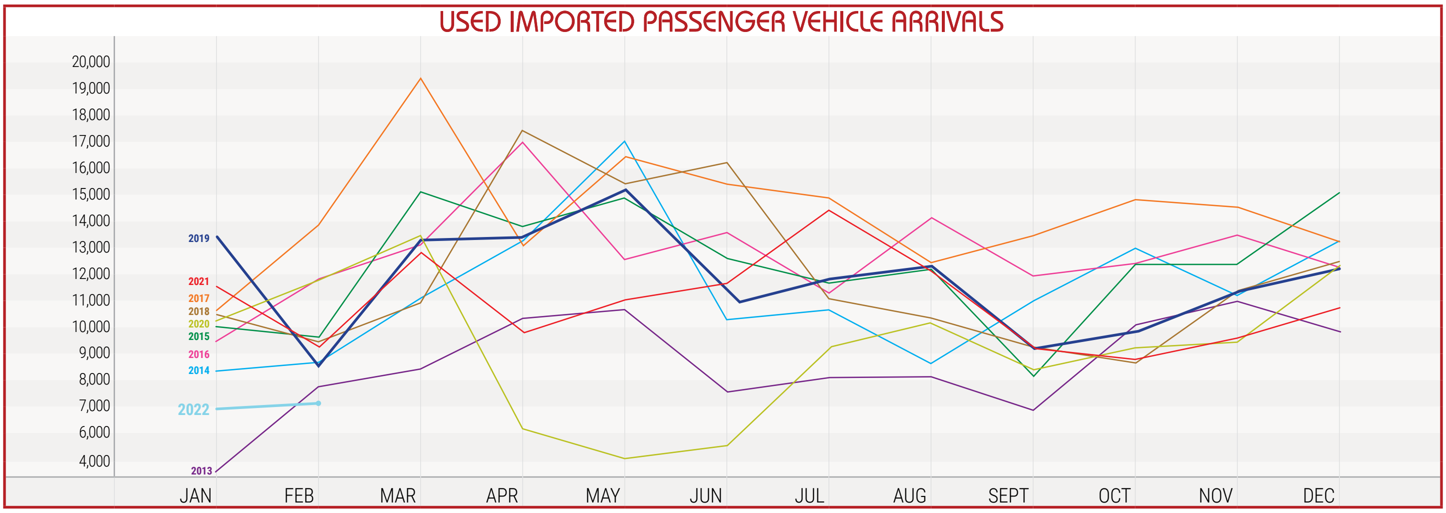
There was a 24.7 per cent jump in cars POAL handled in the half-year to the end of December.

The total was 129,924 – up from 104,224 in the same period of 2020. Volumes across all cargo types increased over the same timeframe. For example, breakbulk volume, which includes cars, increased from 3.15-3.9m tonnes.

LATEST STATISTICS

There were 7,159 used cars imported last month. That brought the year-to-date aggregate to 14,115 for a decrease of 32.2 per cent compared to 20,830 by this time in 2021.

February's total included 6,753 used passenger vehicles from Japan and 240 from Australia.



Used Imported Passenger Vehicles By Country Of Export

COUNTRY OF EXPORT	2022 JAN '22	2022 FEB '22	2022 FEB SHARE %	2022 2022 TOTAL	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2021 2021 TOTAL	2021 MRKT SHARE	2020 2020 TOTAL	2020 MRKT SHARE
Australia	273	240	3.4%	**513**	847	860	747	618	3,072	2.4%	4,185	3.9%
Great Britain	62	44	0.6%	**106**	367	424	271	197	1,259	1.0%	690	0.6%
Japan	6,493	6,753	94.3%	**13,246**	31,773	30,673	33,160	27,902	123,508	94.8%	100,994	92.9%
Singapore	46	69	1.0%	**115**	433	363	351	231	1,378	1.1%	1,846	1.7%
USA	50	20	0.3%	**70**	87	235	190	185	697	0.5%	480	0.4%
Other countries	32	33	0.5%	**65**	91	132	96	84	403	0.3%	468	0.4%
Total	**6,956**	**7,159**	**100.0%**	**14,115**	**33,598**	**32,687**	**34,815**	**29,217**	**130,317**	**100.0%**	**108,663**	**100.0%**

Advice to stay 'competitive'

The Imported Motor Vehicle Industry Association (VIA) has recommended its members register stock that will attract fees under the government's feebate scheme from next month.

The association notes all cars, SUVs, vans and four-wheel drives with a gross mass of less than 3,500kg that emit 190gCO2/km or more will face a charge payable by the purchaser at point of first registration.

VIA suggests traders check online at dealer.rightcar.govt.nz to identify "vehicles you have on the yard that will attract a fee and register them between now and March 31, otherwise you will not be competitive in the marketplace".

Despite issues with the website's search function, Rightcar is currently a source of information available to dealers.

Malcolm Yorston, technical manager, says zero-rated models don't need to be registered until sold. He adds those that attract rebates shouldn't be registered until sold and must be registered directly into the customer's name for discounts to be claimed.

Consumers purchasing vehicles with a safety rating of three stars or more and emitting less than 140gCO2/km will be able to claim a rebate from April 1.

This will be done in a similar manner to how buyers of battery electric vehicles and plug-in hybrids have been claiming discounts that were introduced by the government in July 2021, "albeit with lesser rebates".

VIA is also urging members to "be kind" to staff at key service delivery partners who are handling vehicle registrations. "They are not the ones making the rules. They are trying to do their jobs in a time of uncertainty and with increasing demands caused by the Covid pandemic."

The association adds the 140gCO2/km threshold is set to reduce each year. For more details, email info@via.org.nz or phone 0800-842-842.

MARKET MOVEMENT

There were 13,995 second-hand cars sold by dealers to the public in February. That was down from 15,491, or by 9.7 per cent, in the same month of last year.

As for trade-ins, these totalled 12,103 for a decrease of 4.5 per cent from 12,671. Public-to-public transactions fell by 10.3 per cent from 40,614 to 36,445.

SECONDHAND CAR SALES - February 2022

	DEALER TO PUBLIC				PUBLIC TO PUBLIC			PUBLIC TO DEALER		
REGION	FEB '22	FEB '21	+/- %	MARKET SHARE	FEB '22	FEB '21	+/- %	FEB '22	FEB '21	+/- %
Northland	540	511	5.7	3.86	1,872	1,830	2.3	200	175	14.3
Auckland	4,676	4,846	-3.5	33.41	11,461	12,377	-7.4	4,937	5,001	-1.3
Waikato	1,420	1,526	-6.9	10.15	3,874	4,053	-4.4	1,162	1,164	-0.2
Bay of Plenty	1,004	1,072	-6.3	7.17	2,579	3,046	-15.3	614	662	-7.3
Gisborne	119	124	-4.0	0.85	315	454	-30.6	38	62	-38.7
Hawke's Bay	557	592	-5.9	3.98	1,359	1,583	-14.2	389	433	-10.2
Taranaki	355	428	-17.1	2.54	967	1,096	-11.8	208	204	2.0
Manawatu-Whanganui	822	947	-13.2	5.87	1,979	2,214	-10.6	748	766	-2.3
Wellington	1,320	1,584	-16.7	9.43	3,052	3,598	-15.2	1,040	1,096	-5.1
Tasman	124	155	-20.0	0.89	447	481	-7.1	29	24	20.8
Nelson	133	153	-13.1	0.95	428	551	-22.3	154	132	16.7
Marlborough	121	182	-33.5	0.86	360	437	-17.6	74	98	-24.5
West Coast	91	115	-20.9	0.65	251	338	-25.7	39	53	-26.4
Canterbury	1,726	2,093	-17.5	12.33	4,825	5,353	-9.9	1,775	1,943	-8.6
Otago	629	778	-19.2	4.49	1,694	2,034	-16.7	521	465	12.0
Southland	290	308	-5.8	2.07	838	1,005	-16.6	173	201	-13.9
Other	68	77	-11.7	0.49	144	164	-12.2	2	192	-99.0
NZ Total	**13,995**	**15,491**	**-9.7**	**100.00**	**36,445**	**40,614**	**-10.3**	**12,103**	**12,671**	**-4.5**

New Passenger Vehicle Sales by Make - February 2022

MAKE	FEB'22	FEB'21	+/- %	FEB'22 MKT SHARE	2022 YEAR TO DATE	2022 MKT SHARE
Mitsubishi	1,044	1,105	-5.5	13.6%	2,718	16.3%
Toyota	890	1,056	-15.7	11.6%	1,386	8.3%
Kia	750	1,055	-28.9	9.8%	1,833	11.0%
Hyundai	576	431	33.6	7.5%	1,310	7.9%
Suzuki	537	569	-5.6	7.0%	1,187	7.1%
Mazda	477	733	-34.9	6.2%	938	5.6%
MG	444	226	96.5	5.8%	918	5.5%
Tesla	351	86	308.1	4.6%	352	2.1%
Honda	339	369	-8.1	4.4%	839	5.0%
Haval	295	97	204.1	3.8%	532	3.2%
Ford	259	436	-40.6	3.4%	501	3.0%
Subaru	238	167	42.5	3.1%	505	3.0%
Nissan	191	396	-51.8	2.5%	459	2.8%
Volkswagen	187	325	-42.5	2.4%	420	2.5%
Skoda	131	98	33.7	1.7%	235	1.4%
Lexus	126	85	48.2	1.6%	231	1.4%
BMW	111	171	-35.1	1.4%	286	1.7%
Mercedes-Benz	107	167	-35.9	1.4%	385	2.3%
Audi	106	174	-39.1	1.4%	234	1.4%
Porsche	81	82	-1.2	1.1%	151	0.9%
Jeep	70	124	-43.5	0.9%	100	0.6%
SsangYong	56	114	-50.9	0.7%	149	0.9%
Mini	55	95	-42.1	0.7%	133	0.8%
Volvo	50	63	-20.6	0.7%	152	0.9%
Polestar	33	0	3,300.0	0.4%	51	0.3%
Isuzu	28	21	33.3	0.4%	47	0.3%
LDV	18	20	-10.0	0.2%	54	0.3%
Land Rover	16	113	-85.8	0.2%	109	0.7%
Peugeot	16	168	-90.5	0.2%	109	0.7%
Jaguar	15	9	66.7	0.2%	53	0.3%
Cupra	13	4	225.0	0.2%	50	0.3%
Renault	11	19	-42.1	0.1%	32	0.2%
Can-Am	7	7	0.0	0.1%	12	0.1%
Maserati	6	2	200.0	0.1%	18	0.1%
Alfa Romeo	5	4	25.0	0.1%	18	0.1%
Ferrari	5	3	66.7	0.1%	7	0.0%
Seat	5	9	-44.4	0.1%	7	0.0%
Yamaha	5	7	-28.6	0.1%	10	0.1%
Bentley	4	8	-50.0	0.1%	8	0.0%
Chevrolet	4	0	400.0	0.1%	8	0.0%
Fiat	4	4	0.0	0.1%	19	0.1%
Citroen	3	26	-88.5	0.0%	19	0.1%
Mahindra	3	13	-76.9	0.0%	12	0.1%
Lamborghini	2	0	200.0	0.0%	6	0.0%
Lotus	2	0	200.0	0.0%	2	0.0%
Others	4	41	-90.2	0.1%	19	0.1%
Total	**7,680**	**8,702**	**-11.7**	**100.0%**	**16,624**	**100.0%**

New Passenger Vehicle Sales by Model - February 2022

MAKE	MODEL	FEB'22	FEB'21	+/- %	FEB'22 MKT SHARE	2022 YEAR TO DATE	2022 MKT SHARE
Mitsubishi	Outlander	546	595	-8.2	7.1%	1,731	10.4%
Tesla	Model 3	351	86	308.1	4.6%	352	2.1%
Suzuki	Swift	290	310	-6.5	3.8%	544	3.3%
Mitsubishi	Eclipse Cross	281	133	111.3	3.7%	388	2.3%
Toyota	RAV4	270	283	-4.6	3.5%	364	2.2%
MG	ZS	258	70	268.6	3.4%	560	3.4%
Hyundai	Kona	253	34	644.1	3.3%	557	3.4%
Kia	Stonic	237	38	523.7	3.1%	402	2.4%
Honda	Jazz	186	45	313.3	2.4%	424	2.6%
Haval	H6	170	9	1,788.9	2.2%	289	1.7%
Nissan	X-Trail	156	201	-22.4	2.0%	329	2.0%
Toyota	Yaris	152	93	63.4	2.0%	239	1.4%
Ford	Everest	146	52	180.8	1.9%	246	1.5%
Kia	Sportage	138	370	-62.7	1.8%	425	2.6%
Toyota	Corolla	138	230	-40.0	1.8%	214	1.3%
Hyundai	Santa Fe	129	181	-28.7	1.7%	235	1.4%
Mazda	CX-5	128	360	-64.4	1.7%	295	1.8%
Haval	Jolion	125	0	12,500.0	1.6%	243	1.5%
Mitsubishi	ASX	109	319	-65.8	1.4%	407	2.4%
Suzuki	Jimny	108	54	100.0	1.4%	265	1.6%
Kia	Seltos	107	364	-70.6	1.4%	374	2.2%
MG	3	97	35	177.1	1.3%	188	1.1%
Subaru	Outback	97	44	120.5	1.3%	192	1.2%
Honda	CR-V	89	132	-32.6	1.2%	231	1.4%
MG	HS	88	42	109.5	1.1%	169	1.0%
Toyota	Yaris Cross	81	79	2.5	1.1%	135	0.8%
Mazda	CX-3	79	81	-2.5	1.0%	143	0.9%
Hyundai	Tucson	78	39	100.0	1.0%	186	1.1%
Mazda	Mazda3	74	59	25.4	1.0%	103	0.6%
Mitsubishi	Pajero Sport	74	0	7,400.0	1.0%	125	0.8%
Suzuki	Baleno	72	49	46.9	0.9%	149	0.9%
Subaru	Forester	71	73	-2.7	0.9%	146	0.9%
Kia	Niro	69	10	590.0	0.9%	172	1.0%
Subaru	XV	61	39	56.4	0.8%	151	0.9%
Kia	Sorento	60	77	-22.1	0.8%	134	0.8%
Toyota	Fortuner	58	23	152.2	0.8%	89	0.5%
Volkswagen	T-Roc	58	32	81.3	0.8%	97	0.6%
Jeep	Grand Cherokee	57	65	-12.3	0.7%	70	0.4%
Mazda	CX-30	57	71	-19.7	0.7%	116	0.7%
Porsche	Macan	57	30	90.0	0.7%	95	0.6%
Toyota	Highlander	57	65	-12.3	0.7%	88	0.5%
Skoda	Superb	53	8	562.5	0.7%	91	0.5%
Ford	Mustang	50	35	42.9	0.7%	80	0.5%
Honda	HR-V	50	159	-68.6	0.7%	134	0.8%
Mazda	Mazda2	49	30	63.3	0.6%	91	0.5%
Others		1,766	3,598	-50.9	23.0%	4,566	27.5%
Total		**7,680**	**8,702**	**-11.7**	**100.0%**	**16,624**	**100.0%**

Spreading wings across city

The Winger Group has opened its fifth Subaru dealership in Auckland to increase the convenience factor for customers in the city's eastern suburbs.

Located in East Tamaki, Winger Motors East Auckland boasts the brand's "refreshed and relaxed" corporate identity.

"We are thrilled with how the new Harris Road dealership has panned out," says Wayne Leach, who purchased Winger Motors in 1989 and relocated its Hamilton dealership next to the town's fire station.

The company started out in the Waikato more than 90 years ago and opened its first Auckland franchise in 1999 in Greenlane.

While Winger Motors' presence in the city has since expanded to the North Shore and Pukekohe, Leach has had his eye out for a location that's more accessible to east Aucklanders.

Lucas Martin has shifted from the Greenlane dealership to manage the east Auckland operations.

"With the recent reveal of the international concept, the new STI E-RA electric race car, and the all-wheel-drive electric vehicle Solterra, which is destined for New Zealand, Subaru's future is bright," says Martin. "As a new branch, we have great stock availability."

After living and working in east Auckland for much of his career, Wallis Dumper, Subaru of NZ's managing director, says it's gratifying to have a quality offering in a location that makes the marque more accessible to the area's locals.

"This new centre helps mitigate the hassles of eastern corridor traffic," he adds. "Owners will no longer need to plan around city traffic.

"Given the external challenges of the past couple of years and despite headwinds Kiwis have faced, it's refreshing that Winger Motors has been able to set up a dealership in among lockdowns."

Wayne Leach, left, with Lucas Martin at Wingers Motors East Auckland

GROUP EXPANDING

Purpose-built premises have been opened in Hawke's Bay by the Ebbett Group. Dave Howarth, managing director of Napier Kia and shareholder of Ebbett Hawke's Bay, is running the business with a team of 12.

The franchise, for which plans were first unveiled in December 2020, operates over two sites. The new-car showroom is in Tennyson Street, with the servicing and parts facility in Carlyle Street.

"Our aim is to provide a friendly and welcoming environment," says Howarth. "Both locations have a customer cafe and waiting area, with electric vehicle [EV] charging points at each site."

Ebbett's managing director, Ben van den Engel, adds: "We know what Kia is capable of achieving. It's a brand with a sound roadmap and strategy for growth."

Todd McDonald, managing director of Kia NZ, says the new business, which is its 33rd franchise in this country, illustrates a commitment between the marque and dealer partners "who share in our vision of an electric-focused future".

In addition, Ebbett's is planning to construct a multi-million-dollar dealership in Rotorua. It will have more than 30 full-time positions when up and running in late 2022.

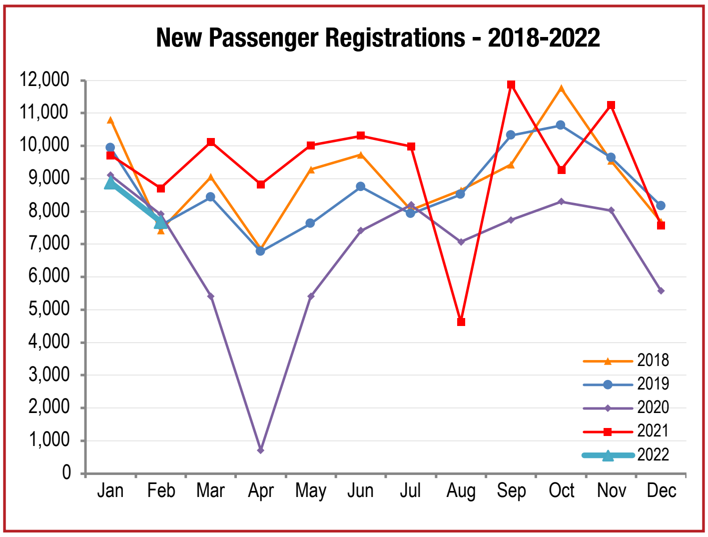
The 7,650sq m development in Te Ngae Road will see Volkswagen and Skoda represented in the city for the first time, and will also be home to Ebbett's current Kia franchise.

The project has been given the green light based on investment and economic growth expected for the city in coming years, plus Ebbett's experience of Rotorua with its Kia dealership in Lake Road.

Ricky Brackfield, Ebbett Rotorua's branch manager, says: "This is exactly what Rotorua needs – a great facility with great marques. Those looking for EVs over the next decade will be well-catered for."

Mitsubishi leads way

There were 7,680 new passenger vehicles registered last month, which was down by 11.7 per cent from 8,702 in February 2021.
Mitsubishi's Outlander topped the models' table with 546 units for a market share of 7.1 per cent. Tesla's Model 3 was second with 351 and Suzuki's Swift third on 290.
Mitsubishi was February's top marque with 1,044 registrations. Next up were Toyota on 890 and Kia with 750.



CARS CALLED BACK

Toyota NZ has recalled 3,615 vehicles. It has detected a potential issue affecting the millimetre wave sensor on certain Yaris, Yaris Cross, GR Yaris and C-HR models made between May 2020 and July 2021.

"This is a precautionary measure to confirm and, if necessary, reinitialise the sensor used to support the vehicles' collision-avoidance systems."

DEALER NUMBERS DIP

The number of dealers in New Zealand dropped by 15 last month and stood at 3,027 at the end of February. This was down from 3,042 registered traders at the end of January, when the tally tumbled by 14 for the third consecutive monthly decline.

February's total is also 42 fewer dealers than the 3,069 that were on the register at the same time a year ago.

Market for electric vans growing

The commercial market will become more competitive later this year when Mercedes-Benz Vans NZ's range will have electric-drive options.

Roll-outs of the mid-size eVito panel van, eVito Tourer and eSprinter are slated for second half of 2020. There will also be the EQV – a fully electric version of the V-Class, which is a van-based MPV.

The company intends to offer conventional and battery-electric vans side by side, and is preparing to switch to electric-only when determined by customer and market demand.

Globally, it is driving forward the electrification of its portfolio with emissions-free electric models.

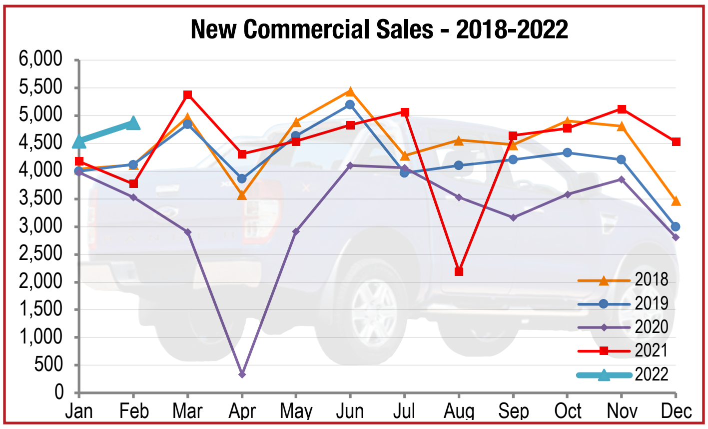
It says the goal is an "holistic electric solution" that not only reduces the strain on cities and the environment, but also offers its customers genuine benefits.

Diane Tarr, managing director Mercedes-Benz Vans for the Australia-Pacific region, says New Zealand's focus on electric vehicles (EVs) is increasing as government measures are put in place to reduce transport emissions.

"Furthermore, the electrification of vans is increasingly becoming attractive for light-commercial fleet operators looking to show commitment to sustainable practices and reduced total cost of ownership," she adds.

Last year, Mercedes-Benz Vans NZ secured $240,000 from the Low Emissions Vehicles Contestable Fund overseen by the Energy Efficiency and Conservation Authority on behalf of the government to help boost the uptake of greener transport.

The company is partnering with NZ Post to pilot a combination of eSprinter and eVito vans for an extended in-service evaluation by delivery drivers. The trial is a ▶



New Commercial Sales by Make - February 2022

MAKE	FEB '22	FEB '21	+/- %	FEB '22 MKT SHARE	2022 YEAR TO DATE	2022 MKT SHARE
Ford	1,141	619	84.3	23.4%	2,116	22.4%
Toyota	1,082	990	9.3	22.2%	1,750	18.6%
Mitsubishi	883	513	72.1	18.1%	2,020	21.4%
Isuzu	302	191	58.1	6.2%	527	5.6%
Nissan	301	259	16.2	6.2%	685	7.3%
LDV	224	160	40.0	4.6%	478	5.1%
Mazda	99	245	-59.6	2.0%	200	2.1%
Fuso	98	66	48.5	2.0%	169	1.8%
Hino	90	50	80.0	1.8%	146	1.5%
Great Wall	77	103	-25.2	1.6%	174	1.8%
Fiat	70	72	-2.8	1.4%	134	1.4%
Mercedes-Benz	70	41	70.7	1.4%	130	1.4%
Hyundai	65	129	-49.6	1.3%	103	1.1%
Volkswagen	58	68	-14.7	1.2%	156	1.7%
SsangYong	41	44	-6.8	0.8%	99	1.0%
Iveco	35	19	84.2	0.7%	69	0.7%
Kenworth	30	15	100.0	0.6%	56	0.6%
Ram	27	14	92.9	0.6%	65	0.7%
Foton	26	10	160.0	0.5%	52	0.6%
Scania	20	22	-9.1	0.4%	47	0.5%
Others	132	131	0.8	2.7%	254	2.7%
Total	**4,871**	**3,761**	**29.5**	**100.0%**	**9,430**	**100.0%**

New Commercial Sales by Model - February 2022

MAKE	MODEL	FEB '22	FEB '21	+/- %	FEB '22 MKT SHARE	2022 YEAR TO DATE	2022 MKT SHARE
Ford	Ranger	1,111	545	103.9	22.8%	2,063	21.9%
Toyota	Hilux	890	802	11.0	18.3%	1,396	14.8%
Mitsubishi	Triton	855	472	81.1	17.6%	1,973	20.9%
Nissan	Navara	301	259	16.2	6.2%	685	7.3%
Isuzu	D-Max	237	128	85.2	4.9%	409	4.3%
Toyota	Hiace	169	162	4.3	3.5%	315	3.3%
Mazda	BT-50	99	245	-59.6	2.0%	200	2.1%
LDV	G10	79	41	92.7	1.6%	157	1.7%
Great Wall	GWM Cannon	77	82	-6.1	1.6%	174	1.8%
Fiat	Ducato	70	72	-2.8	1.4%	134	1.4%
Mercedes-Benz	Sprinter	63	34	85.3	1.3%	106	1.1%
Hyundai	Staria Load	59	0	5,900.0	1.2%	92	1.0%
LDV	T60	55	53	3.8	1.1%	142	1.5%
Hino	500	52	25	108.0	1.1%	85	0.9%
LDV	Deliver 9	43	25	72.0	0.9%	82	0.9%
SsangYong	Rhino	41	44	-6.8	0.8%	99	1.0%
Isuzu	N Series	32	28	14.3	0.7%	61	0.6%
Ford	Transit	30	74	-59.5	0.6%	53	0.6%
Mitsubishi	Express	28	41	-31.7	0.6%	46	0.5%
Hino	300	27	0	2,700.0	0.6%	40	0.4%
Others		553	629	-12.1	11.4%	1,118	11.9%
Total		**4,871**	**3,761**	**29.5**	**100.0%**	**9,430**	**100.0%**

forerunner to full-market launch.

Tarr describes this as an exciting step towards a more sustainable future for Mercedes-Benz Vans and Kiwi consumers.

"We are confident electric drive will gain more prevalence over coming years," she says.

"As it does, we will be ready with a strong customer-centric electric portfolio, which offers the potential to lower operating costs and reduce environmental impacts."

Looking at vans overall, Toyota's Hiace was 2021's best-seller with 2,427 units, followed by the Ford Transit with 1,160 and Hyundai's iLoad on 1,010. Fourth and fifth were the Fiat Ducato on 852 and LDV's G10 on 795, according to NZTA statistics.

The next four models were relatively bunched – the Mitsubishi Express with 589, Mercedes-Benz's Sprinter on 549 and two LDVs – the Deliver 9 with 450 and V80 on 431.

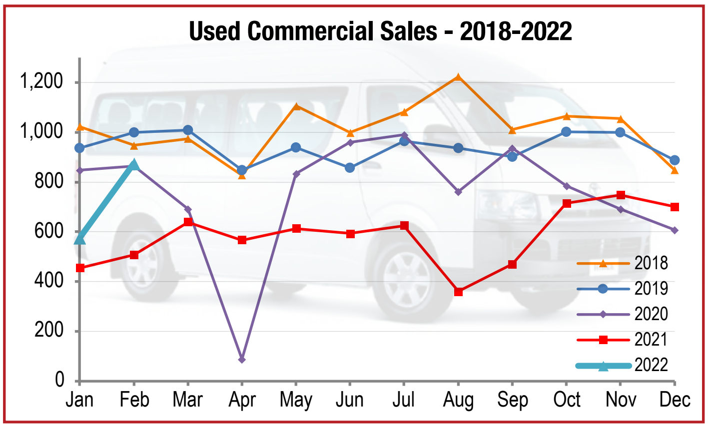
When it came to sales of fully electric vans, the Motor Industry Association reports there were 82 LDV eDeliver 3s, 65 Renault Kangoos and 10 LDV V80s registered last year.

With more models, and more fully electric and plug-in hybrids becoming available, the new-van market is getting more competitive at different price-points.

Meanwhile, vehicle manufacturing is booming once again in Australia with more than 750 Navara PRO-4X Warriors rolling off the production line.

Premcar's facility in Epping is aiming to produce its 1,000th unit by the end of March where the ute undergoes extensive remanufacturing across the Tasman.

The plant has the capacity to produce up to 10 cars a day, five days a week, with more than 600 examples of its PRO-4X Warrior already delivered to customers.



INCREASES IN SALES

Last month's best-selling new commercial vehicle was Ford's Ranger with 1,111 registrations, while top van was Toyota's Hiace.

Overall, there were 4,871 new commercials sold during February, which was up by 29.5 per cent when compared to 3,761 in the same month of 2021.

As for used-imported commercials, there were 874 registered last month compared to 509 in February last year for a rise of 71.7 per cent.

Used Commercial Sales by Make - February 2022

MAKE	FEB '22	FEB '21	+/- %	FEB '22 MKT SHARE	2022 YEAR TO DATE	2022 MKT SHARE
Toyota	330	183	80.3	37.8%	543	37.2%
Nissan	243	86	182.6	27.8%	382	26.2%
Hino	76	34	123.5	8.7%	126	8.6%
Isuzu	67	43	55.8	7.7%	110	7.5%
Mitsubishi	35	29	20.7	4.0%	65	4.5%
Ford	29	28	3.6	3.3%	47	3.2%
Holden	16	16	0.0	1.8%	29	2.0%
Daihatsu	15	8	87.5	1.7%	22	1.5%
Mazda	9	17	-47.1	1.0%	21	1.4%
Suzuki	7	2	250.0	0.8%	14	1.0%
UD Trucks	5	3	66.7	0.6%	9	0.6%
Volvo	5	1	400.0	0.6%	5	0.3%
Kenworth	4	2	100.0	0.5%	11	0.8%
Volkswagen	4	8	-50.0	0.5%	8	0.5%
Dodge	3	3	0.0	0.3%	6	0.4%
Fiat	3	13	-76.9	0.3%	5	0.3%
GMC	3	2	50.0	0.3%	5	0.3%
Iveco	3	1	200.0	0.3%	3	0.2%
Renault	3	1	200.0	0.3%	4	0.3%
Chevrolet	2	10	-80.0	0.2%	8	0.5%
Others	12	19	-36.8	1.4%	36	2.5%
Total	**874**	**509**	**71.7**	**100.0%**	**1,459**	**100.0%**

Used Commercial Sales by Model - February 2022

MAKE	MODEL	FEB '22	FEB '21	+/- %	FEB '22 MKT SHARE	2022 YEAR TO DATE	2022 MKT SHARE
Toyota	Hiace	246	106	132.1	28.1%	402	27.6%
Nissan	NV350	179	44	306.8	20.5%	266	18.2%
Hino	Dutro	52	23	126.1	5.9%	84	5.8%
Isuzu	Elf	45	30	50.0	5.1%	79	5.4%
Toyota	Dyna	36	28	28.6	4.1%	61	4.2%
Nissan	Caravan	35	17	105.9	4.0%	69	4.7%
Hino	Ranger	22	8	175.0	2.5%	33	2.3%
Fuso	Canter	20	22	-9.1	2.3%	39	2.7%
Toyota	Toyoace	19	23	-17.4	2.2%	32	2.2%
Isuzu	Forward	16	7	128.6	1.8%	21	1.4%
Nissan	Atlas	15	7	114.3	1.7%	21	1.4%
Toyota	Regius	15	6	150.0	1.7%	22	1.5%
Daihatsu	Hijet	14	8	75.0	1.6%	21	1.4%
Ford	Ranger	13	9	44.4	1.5%	25	1.7%
Mitsubishi	Fuso	9	3	200.0	1.0%	9	0.6%
Toyota	Hilux	8	9	-11.1	0.9%	14	1.0%
Chevrolet	Colorado	7	8	-12.5	0.8%	16	1.1%
Ford	F-150	6	5	20.0	0.7%	8	0.5%
Holden	Commodore	6	7	-14.3	0.7%	9	0.6%
Suzuki	Carry	6	2	200.0	0.7%	13	0.9%
Others		105	137	-23.4	12.0%	215	14.7%
Total		**874**	**509**	**71.7**	**100.0%**	**1,459**	**100.0%**

Focus on cutting pollution

Toyota NZ reduced its fleet carbon dioxide (CO2) emissions by three per cent last year compared to 2020.

The marque says it focused on electrifying its range in 2021 to provide buyers with a wider choice.

Toyota's emissions dropped by a further three per cent to 158g/km on the back of record hybrid sales, and it has achieved a 14 per cent CO2 reduction in its fleet over the past five years.

"We are seeing customers choose hybrid options 38 per cent of the time, which is encouraging," says Neeraj Lala, chief executive officer.

"As we wrapped up our 34th year as market leader, we're in a great position to continue our leadership in low-emissions technology.

"We will continue to explore technologies and mobility solutions as we move to carbon neutrality. There's a need to look at a just transition when it comes to transport emissions reductions."

Lala adds New Zealanders want choice when it comes to new vehicles. "Our top three best-sellers for 2021 were the Hilux, RAV4 and Corolla, which illustrate the variety of vehicles Kiwis are buying."

Toyota NZ also saw an increase in the sale of used hybrids last year with them accounting for 25 per cent of overall registrations.

"I'm excited with new low-emissions product arriving this year, including our first battery electric vehicle – the bZ4X," says Lala.

Meanwhile, the Colonial Motor Company is anticipating strong half-year profits despite challenges the automotive industry has faced.

Shareholders at November's annual meeting were advised to expect a strong first quarter for 2021/22. At the time, it was reported if there were no further major shocks, this run could be expected to continue for the short to medium term.

Since then, chief executive officer Alex Gibbons has confirmed in a guidance update to the NZX that trading has remained strong.

It was anticipated half-year trading profit after tax to December 31 would be materially ahead of the same period in 2020, which itself was a record first six months.

Company chairman Ashley Waugh says: "However, we believe supply disruptions and uncertainty around the impact of the incoming clean-car taxes – combined with the fluid nature of the pandemic – will present challenges in the second half of the financial year."

Stock levels grow

Imports of new cars in February came in at 8,923. This was 15.4 per cent less than in the same month of 2021 but 39.4 per cent more than January's 6,400 units.

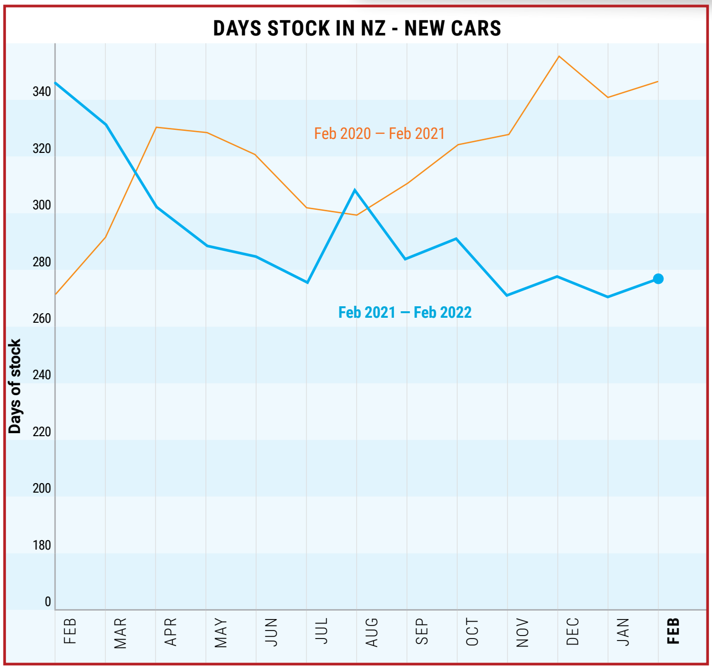
Registrations of new passenger vehicles totalled 7,680 last month, which was down by 11.8 per cent from February 2021's figures and also represented a fall of 14.1 per cent from 8,944 units in January.

The numbers have resulted in the stock of new cars still to be registered increasing by 1,243 to 83,642. Daily sales, as averaged over the previous 12 months, stand at 302 units per day – up from 225 a year earlier.

February's results mean stock at-hand has increased to 277 days, or 9.1 months, if sales continue at the current rate. In the same month of 2021, the figures were 347 days, or 11.4 months, respectively.

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
Feb '21	10,547	8,703	1,844	78,142	225	347
Mar '21	11,091	10,093	998	79,140	238	333
Apr '21	8,032	8,815	-783	78,357	260	301
May '21	9,988	9,984	4	78,361	273	287
Jun '21	11,871	10,276	1,595	79,956	281	285
Jul '21	9,264	9,954	-690	79,266	285	278
Aug '21	10,921	4,609	6,312	85,578	279	307
Sep '21	8,725	11,853	-3,128	82,450	290	284
Oct '21	12,086	9,248	2,838	85,288	293	291
Nov '21	8,119	11,227	-3,108	82,180	301	273
Dec '21	10,322	7,559	2,763	84,943	307	277
Jan '22	6,400	8,944	-2,544	82,399	305	270
Feb '22	**8,923**	**7,680**	**1,243**	**83,642**	**302**	**277**
Year to date	**15,323**	**16,624**	**(1,301)**			
Change on last month	**39.4%**	**-14.1%**		**1.5%**		
Change on Feb 2021	**-15.4%** LESS IMPORTED	**-11.8%** LESS SOLD		**7.0%** MORE STOCK		



'Big impacts' from finance law

A car dealer in east Auckland is turning his attention to buying New Zealand-new stock more than importing used vehicles from Japan.

However, some rental companies either don't want to release their stock or "aren't prepared to let it out unless it's for retail".

"I will also look at lease auctions," says Martie Browne. "If they work for me, then I will buy the stock.

"And I've been looking at stuff from franchises. If it's a repo that's 2020 or 2021, they will buy it because they don't want it going onto the market and knocking new-vehicle prices down.

"I have started fresh this year and hopefully things will start working our way, but I don't see product in the system at the moment. New-car dealers have got a lot of stock ordered and it will be interesting to see if that turns into sales."

Looking ahead to the rest of 2022, Browne, who owns Betta Value Vehicles in Pakuranga, told Autofile: "It will be tough, but there's more competition in the new-car space with different models.

"Until our borders are open to international tourists, rental companies are only supplying cars to the domestic market and some independent companies have closed.

"The new financing act, which came in during December, is having a big impact on the market because we now have to show everything on window cards, including the interest rate, what the warranty is worth and the overall cost.

"That's affecting a lot of dealers who sell vehicles for finance and warranties – they have to ensure who they're selling to has enough money and can afford to buy.

"Franchised dealers are making money because there are people out there who made a lot of money during last year's Covid-19 lockdowns through property sales and don't need finance."

Dealers who had, for example, 50 cars on their yards for more than three months during lockdowns have lost value on that stock because regos and warrants of fitness expired.

Those vehicles could now have maintenance issues, and the same rent has to be paid with less or no income.

Browne notes that Kiwis and Australians who bought vehicles last year and have since driven around 50,000km in them can now on-sell for more than what they paid for them.

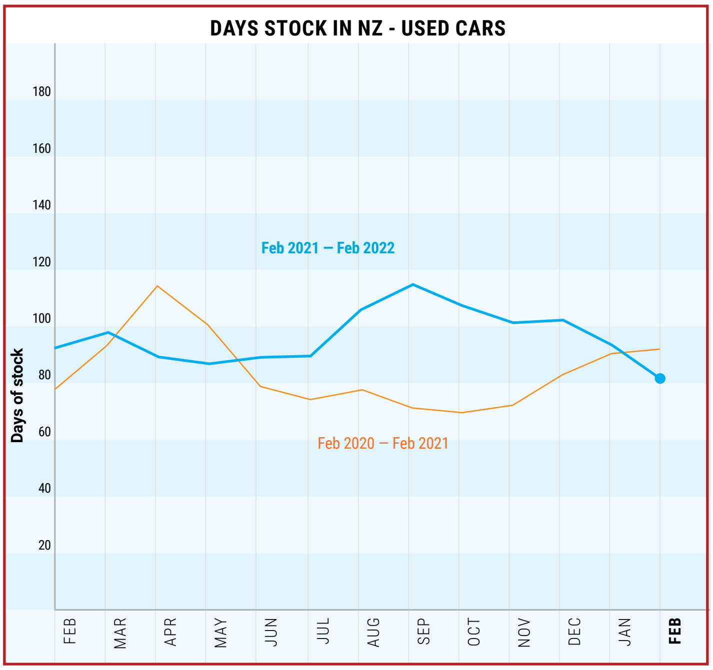
Daily sales rise

There were 7,159 used cars imported in February for a decrease of 23.5 per cent from 9,359 units in the same month of 2021. The monthly figure was an increase of 2.9 per cent from 6,956 vehicles in January.

A total of 10,734 units were sold last month. This was up 18.1 per cent from 9,087 registrations during the same month of last year and an increase of 6.2 per cent from January's 10,107 units.

With 3,575 fewer used cars imported than registered last month, it brought stock sitting on dealers' yards, or in compliance shops, to 27,613 units. This was 2.5 per cent, or 708 cars, below where the total sat at the end of February 2021.

With current average daily sales rising to 340 per day, there are 81 days' stock remaining – the lowest level of the past year.



Dealer stock of used cars in New Zealand

	Car sales: Imported	Car sales: Registered	Variance	Stock	Daily sales - 12-month average	Days stock at hand
Feb '21	9,359	9,087	272	28,321	299	95
Mar '21	12768	11001	1767	30088	306	98
Apr '21	9,922	10,128	-206	29,882	332	90
May '21	11,016	11,250	-234	29,648	336	88
Jun '21	11,749	11,252	497	30,145	334	90
Jul '21	13,728	13,121	607	30,752	338	91
Aug '21	11,932	7,096	4,836	35,588	332	107
Sep '21	9,155	7,430	1,725	37,313	324	115
Oct '21	8,680	10,631	-1,951	35,362	327	108
Nov '21	9,650	11,330	-1,680	33,682	332	102
Dec '21	10,766	10,109	657	34,339	334	103
Jan '22	6,956	10,107	-3,151	31,188	336	93
Feb '22	**7,159**	**10,734**	**-3,575**	**27,613**	**340**	**81**
Year to date	**14,115**	**20,841**	**(6,726)**			
Change on last month	**2.9%**	**6.2%**		**-11.5%**		
Change on Feb 2021	**-23.51%** LESS IMPORTED	**18.1%** MORE SOLD		**-2.5%** LESS STOCK		

Thinking of making the switch? Autohub can help import your new hybrid or electric vehicle.

Contact Us

Autohub New Zealand Limited

Phone: +64 9 411 7425

Email: customerservices@autohub.co.nz

AUTOHUB™
FORWARD TOGETHER