www.autofile.co.nz

JULY 2024

autofile

THE TRUSTED VOICE OF THE NZ AUTO INDUSTRY FOR 40 YEARS

Call to improve car finance availability

Lenders support reforms put forward by government but warn officials not to rush through all the changes

A raft of proposed changes to lending rules are being backed by the finance industry after some regulations introduced by the previous government led to an increase in loan applications, including those for vehicles, being rejected.

The Financial Services Federation (FSF) has voiced its support for amendments to the responsible lending code and other reforms that have been put forward by the coalition.

It says its members, which include vehicle finance providers, have incurred extra compliance costs under the existing "inflexible" and "onerous" rules.

The government is overhauling the laws affecting financial services and revoking what it calls prescriptive loan-affordability regulations, which were introduced as part of the Credit Contracts and Consumer Finance Act (CCCFA) in December 2021.

This means lenders will be able to decide whether they need to see an applicant's recent transactions and check all income sources, but they will no longer have to scrutinise what applicants spend on items that may be discretionary such as eating out.

Changes to lending laws in recent years have brought extra compliance costs for finance providers

Public consultation on the matter was run by the Ministry of Business, Innovation and Employment (MBIE). It closed last month, with Lyn McMorran, the FSF's executive director, among those providing feedback.

In her response to revising the lending code, she says the overhaul of lending laws will make credit more accessible for all New Zealanders.

"The FSF supports the change in policy regarding affordability assessments and agrees that the affordability regulations being revoked were inflexible and more onerous than justified by the risks to borrowers," she explains in the federation's submission.

"It has been the experience of FSF members that their compliance costs increased significantly in

[continued on page 4]

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.

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

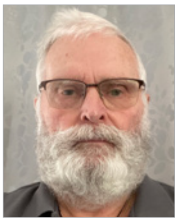
JACANNA

GUEST EDITORIAL

Shifting left to widen our market options

Malcolm Yorston explores how we can get more green vehicles into our fleet

Isn't it about time that NZ Inc had a rethink about allowing left-hand drive (LHD) vehicles on our roads?



MALCOLM YORSTON

But why do I ask this question? Well, on many trips I've made to Japan and the UK, I have noticed there are lots of LHD models on public roads and they aren't all small cars.

In the UK, especially, there are many heavy vehicles – trucks carrying large loads and big buses taking tourists on European trips – operating daily with minimal involvement in accidents.

Only 0.281 per cent – or 1,166 out of all 151,059 crashes in the UK in 2022, excluding London's metropolitan policing area – involved LHD vehicles, according to government statistics.

With modern advanced driver-assist safety (ADAS) features now available on newer cars, such as blind-spot monitoring, lane-keep assist, autonomous emergency braking, adaptive cruise control and so on, why do we still not allow LHD vehicles to enter our fleet unless they are more than 20 years of age or qualify for a Category A, or similar, permit?

Given that New Zealand is looking to increase its fleet of electric vehicles to meet our commitments under the Paris Agreement and, more recently, the Glasgow Climate Pact, it seems logical to me to look to jurisdictions other than our traditional Japanese and UK supply chains.

These could include LHD markets, opening the US and Europe, and possibly China and South Korea, as additional source markets for used as well as new vehicles given standards regimes in both the States and EU are acceptable under the NZTA's land transport rules.

This would give NZ Inc the ability to decarbonise the fleet in a timelier fashion than by relying solely on our traditional RHD markets, thereby improving access to zero-emissions models and providing more options for consumers here. As previously stated, those UK statistics show a minuscule risk to road safety of less than half of one per cent of crashes involving LHD vehicles.

Even larger commercials would be unlikely, in my view, to compromise road safety as their drivers are seated far higher than those in surrounding vehicles and have uninterrupted views of road conditions ahead.

Many new-model trucks also have camera technology rather than recreational vehicle-type mirrors for better rearward views with fewer blind spots, which further increases safety.

Surely NZ Inc could allow ADAS-equipped LHD vehicles to enter our fleet. Not only would that expand consumer choice, it would also help us meet our decarbonisation targets and international climate-change commitments.

The views expressed by Malcolm Yorston in this article are his personal opinions. They are not those of the Imported Motor Vehicle Industry Association where he works in the role of technical support.

autofile

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

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

DESIGNER
Adrian Payne
arpayne@gmail.com

EDITOR
Darren Risby
ris@autofile.co.nz

JOURNALISTS
Matthew Lowe
matthew@autofile.co.nz

Sue Brebner-Fox
sue@autofile.co.nz

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

Visit www.autofile.co.nz to subscribe to Autofile magazine and have it delivered monthly in print. The subscription rate is $78 plus GST for 12 issues per year.

Autofile magazine is also available online as a readable file or downloadable as a PDF.

Back copies dating to 2017 can be found on the website where you can subscribe to our Insight email alerts.

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

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

[continued from page 1]

order for them to meet their obligations under the regulations while increasing the number of loan applications declined for consumers who could afford the credit being applied for.

"The FSF also understands and supports the objectives for revising the responsible lending code, which are to continue to protect consumers from unaffordable credit by being clear about some basic expectations and standards."

She notes the changes will promote and facilitate fair, efficient and transparent markets for credit "by giving lenders the confidence to make inquiries that are more or less extensive depending on the risk profile of the lending".

They will also offer flexibility and discretion for non-bank lenders to approve credit they are satisfied is likely to be affordable.

The FSF also lobbied for a paragraph in the code to be amended to say the lender "may choose" to make more extensive inquiries where certain circumstances are evident, rather than the lender "should choose" to make these inquiries.

RANGE OF REFORMS

The government released three discussion documents focusing on fit-for-purpose consumer credit laws, fit-for-purpose financial services conduct regulation and effective financial dispute resolution. Consultation on those also closed last month.

McMorran says the FSF is generally supportive of the proposed reforms to achieve the government's goals of simplifying regulation by reducing duplication, removing undue compliance costs for companies and improving outcomes for consumers.

"New Zealand's regulatory landscape for financial services has in recent years become overly complex and unwieldy as different pieces of legislation and regulation are added on top of each other without anyone ever taking the time to step back and consider how it could be simplified for financial institutions – and still achieve the same necessary protections for consumers," she explains.

"The FSF has submitted strongly against this layering of complexity on many occasions in recent years so we are particularly pleased the issues are now being addressed.

"With respect to consumer credit legislation, where we have landed with the 2021 reforms of the CCCFA is particularly complex and prescriptive, and the FSF is very pleased the government is taking steps to address this."

However, McMorran sounds a note of caution with respect to transferring regulatory responsibility for the CCCFA from the Commerce Commission to the Financial Markets Authority (FMA) and changing licensing requirements.

A key issue is the lack of clarity as to how financial institutions that are not currently subject to the conduct regime under the Financial Markets (Conduct of Institutions) Act – also known as the CoFI Act – or which do not currently require a market services licence will be treated in the transfer of authority.

She explains most FSF members are non-deposit-taking lending institutions (NDLIs) and, as such, are not covered by the CoFI regime and not required to have a market services licence.

"The question of how these entities would be treated under a transfer of regulatory responsibility from the Commerce Commission to the FMA needs to be explored in more detail – and with more consultation and consideration of possible unintended consequences – before final decisions are made."

McMorran tells officials it is difficult to comment on a possible licensing regime as it is being raised in consultation without any information provided on what the obligations of a new system are likely to be.

"There are many unanswered questions with respect to this that require more thought and time for affected entities to consider their implications.

"These include whether or not NDLIs, as holders of a market services licence, would then be required to meet obligations under the CoFI Act, what are the conditions to obtain a licence, what conditions will be imposed on consumer credit providers as a market services licence holder and so on.

"The FSF, therefore, urges

Streamlining financial services

The government is proposing a series of reforms to streamline the financial services regulatory landscape and remove unnecessary compliance costs faced by companies.

Andrew Bayly

Andrew Bayly, Minister of Commerce and Consumer Affairs, announced a package of changes in January he says are designed to provide regulatory clarity, protect vulnerable consumers and grow the economy.

Public consultation closed last month on possible amendments to the CCCFA, the Financial Markets (Conduct of Institutions) Act and financial markets conduct licensing, and financial dispute resolution.

MBIE also sought feedback on altering chapter five of the responsible lending code, which will provide guidance for lenders after the revocation of the "prescriptive" CCCFA affordability regulations.

The government says the requirements of the affordability rules were largely inflexible and, in certain cases, more onerous than justified by the risks to borrowers.

Phase one of the reforms has already included entities whose primary business is non-financial goods and services, such as some car dealers, becoming exempt from duplicate CCCFA reporting requirements.

Phase two involves the more substantive review of pieces of financial services legislation, such as transferring responsibility for the CCCFA from the Commerce Commission to the FMA.

the government to consider extending the timeframe for consideration of this particular option and to undertake robust consultation with NDLIs before any final decisions are taken."

However, the FSF supports a proposal in the discussion documents that all the licences financial institutions are required to hold be rolled into one market services licence issued by the FMA.

It recommends one overall licence for all the activities of each institution with various endorsements and allowances added to the one licence to allow for prudential requirements and conduct obligations.

That's "so long as this does not lead to additional burden and cost for those financial services providers who don't need to be prudentially regulated".

The need for more than one licence to be held for what's essentially the same activity is, according to McMorran, a prime example of regulatory overkill, and less than ideal in terms of efficiency and effectiveness.

"On that basis, the FSF welcomes the concept of reform in this area. But we urge government and officials not to rush the process.

"The FSF would far rather that time was taken to do this once and do it right than to move quickly and create further unintended consequences and complexity for financial institutions.

"We suggest this time should be used to undertake meaningful consultation with all affected stakeholders, including financial services providers and their industry bodies as well as consumer advocacy groups.

"The new regime needs to improve outcomes for providers and consumers rather than create further duplication."

For lenders not currently required to hold a licence to operate – essentially the NDLIs – the 2021 CCCFA changes made it a requirement their directors and senior managers are certified by the Commerce Commission as fit and proper persons to hold such positions. They are also required to be registered on the Financial Services Providers Register (FSPR) and belong to an approved disputes resolution scheme.

McMorran says moving to a new licensing regime for these companies will inevitably involve further compliance costs, which come not long after they have already incurred extra expenses to meet the challenges created by 2021's CCCFA changes.

"In the spirit of trying to reduce compliance costs and allowing lenders to get on with providing consumers with access to credit, the FSF strongly urges government to slow down and seriously consider the implications and possible unintended consequences of requiring all consumer credit providers to hold a market services licence."

ADD-ON PRODUCTS

MBIE states in one of its discussion documents that a 2022 report by Christians Against Poverty found motor-vehicle finance can be a source of problem debt, partly because of the excessive cost of credit, add-on fees and dealer commissions. The figures used by

[continued on page 6]

[continued from page 5]

the report's authors came from a Commerce Commission review completed a year earlier.

As a result, the government asked submitters whether they believed the CCCFA could be strengthened to protect consumers sold lending products or add-ons that exceed the value of the product.

McMorran responds the FSF doesn't believe the CCCFA requires any further strengthening and to do so would go against the government's objectives to improve access to credit for consumers.

"This report was based on data gathered from lenders and insurers over a period 12 to 18 months prior to the report's release, so the data it contains is now at least four years old," she says.

"Much has changed since this report was released particularly for credit-related insurance providers. This includes the 2021 changes to the CCCFA and the accompanying guidance in the responsible lending code with respect to the provision of credit-related insurance."


The government is concerned motor-vehicle finance can be a source of problem debt

Credit-related insurers are also subject to the CoFI regime, which requires those companies to have a conduct licence issued by the FMA acknowledging programmes are in place that lead to fair customer outcomes. She adds if the commission updated its report these changes would reflect that consumers are now better served as a result of these initiatives.

PERSONAL LIABILITIES

One issue raised by government is the personal liability rule for directors and senior managers, which the FSF wants removed.

McMorran points out that since the personal liability legislation came into force as part of the CCCFA's overhaul in 2021, directors and senior managers of lenders have taken a more conservative approach and restricted consumer access to credit.

She says the legislation is also disproportionately adverse for smaller lenders that have the same liability as larger companies and a strong disincentive for anyone to take on a role as a director or senior manager of a finance company.

"Members report that the personal liability has slowed down their credit process, significantly increasing their costs and reducing access to credit, particularly for consumers in more vulnerable circumstances.

"Further, the personal liability in particular has discouraged lenders from innovating and considering development of new products or processes because of the personal risk involved for their directors and senior managers.

"While the discussion document raises some options for potential change to the personal liability for directors and senior managers, the FSF would far rather that it was removed altogether."

McMorran explains a key reason for its stance is that removing the personal liability rule is the best way to achieve the government's stated aim of improving access to credit for all consumers.

FOCUS ON CONDUCT

McMorran says when it comes to considering how to improve access to and the effectiveness of the financial dispute resolution system, the FSF urges the government to take more time to consider possible unintended consequences of the proposals and options being suggested.

"The FSF believes this particular part of the proposed reforms has less obvious benefits for consumers and affected financial services providers than the other two aspects of the reform that are simultaneously being consulted on, and more potential adverse outcomes," she explains.

"It seems to the FSF that the proposals are likely to make it more difficult for providers to operate without a clear improvement for consumers, which seems to be the opposite of what the reforms are setting out to achieve."

The FSF notes it agrees with the government's view that financial services regulation in New Zealand is "overly complex and duplicative in many respects".

FINANCIAL DISPUTES

As for the government's discussion on effective financial dispute resolution, McMorran says FSF members who have retail clients are required under the Financial Services (Registration and Disputes Resolution) Act to be on the financial services providers register and to belong to an approved disputes resolution scheme.

The members belong either to the Insurance and Financial Services Ombudsman or the Financial Services Complaints Limited schemes.

The FSF notes those two dispute resolution processes are currently in merger discussions, which is something that its members would support.

MBIE officials have been reviewing feedback on the consultation documents before making recommendations to Andrew Bayly, Minister of Commerce and Consumer Affairs.

He approved an amended version of the responsible lending code this month and it will come into force from July 31. Changes to legislation are expected to be introduced before the end of 2024, but not be passed any earlier than the third quarter of 2025

Importers facing $21.1m bill

Industry associations are concerned over plans to introduce "outrageous" charges on importers from the middle of next year after a government bill to amend clean car standard (CCS) legislation was passed under urgency in parliament.

The new laws mean the Minister of Transport can change emissions targets for the CCS through regulation rather than primary legislation and the scheme will shift to a user-pays model from July 1, 2025.

Introducing a new charge for importers aims to raise $11.8 million for the government over each of the four financial years up to 2027/28.

The Motor Industry Association (MIA) understands the coalition's desire for a user-pays approach but warns importers will have to pay about an extra $47 per unit, assuming an average of 250,000 new and used light vehicles come into New Zealand each year.

"If the cost was fair and reasonable, we'd have no issue," says Aimee Wiley, chief executive officer. "But the reality is the costs that will be recovered firstly from importers, but ultimately consumers, come July 1, 2025, are quite frankly outrageous."

Emissions targets for the CCS can now be changed directly by the Minister of Transport

She explains that before October last year, importers paid less than $2 per vehicle in regulatory fees. This generated about $500,000 per year for the NZTA.

A review of the agency's funding and fees in 2023 increased that cost by 1,823 per cent to $37.29 per vehicle from October, which equates to importers forking out about $9.3m a year.

That sum on top of the additional CCS charges being proposed will add up to a total of $21.1m in annual regulatory fees.

"The key question we need to ask is: why are these costs so high?" adds Wiley. "The regulatory cost increase for importers and consumers is staggering.

"After the funding and fee changes in October 2023, costs rose to around $9.3m per year.

"Now, the industry is facing another potential increase that could more than double the costs to $21.1m per year if the $11.8m cost recovery action in the government's 2024 budget is implemented from July 2025 onwards.

"New Zealand imports between 250,000 and 300,000 vehicles per year. That's a huge regulatory cost for so few vehicles."

She adds the MIA recognises the government's efforts to balance its books and manage its fiscal responsibilities, but "the continuous shift towards pushing costs onto a 'user-pays' model doesn't address the core issues underlying regulatory system inefficiency".

The CCS came into effect in January 2023 and sets increasingly tougher targets each year for carbon dioxide (CO_2) emissions from all imported light vehicles.

Under it, importers incur charges on units with a high emissions-to-weight ratio and credits for those with a low emissions-to-weight ratio.

The government introduced its Land Transport (Clean Vehicle Standard) Amendment Bill on May 30. It came back to parliament under urgency last month and was passed into law on June 27.

It means the CCS targets from January 2025 can be changed via regulation and not primary legislation, a move the MIA cautiously welcomes.

"While the use of regulations for legal changes to the CCS may offer the government benefits in terms of greater efficiency, flexibility, speed of change and reduced parliamentary burden, it also poses the potential for risks related to reduced democratic oversight, less public consultation and potential for overreach," says Wiley.

"If there is a sudden change or a future minister is appointed who is unwilling to listen and work with industry, this could create significant problems for the industry if changes are made without undertaking adequate industry consultation and engagement upfront."

INCREASING COSTS

The Imported Motor Vehicle Industry Association (VIA) also has concerns about the CCS moving to a user-pays model and is calling for the extra costs to be applied to vehicles at the time of registration.

Greig Epps, chief executive, says VIA supports the new approach in principle but believes, as with any fee involved in a government programme, the charges must be applied transparently.

"We need to have the conversation with the government as to how the mechanism for these fees will roll out because they will ultimately land on consumers and vehicle prices," he notes.

"Consumers need to know this fee is there and perhaps the best way for them to know about that is for it to be charged at registration."

He also says the industry should not have to pay all the costs for the government's system – just those related to the industry's use of it.

"We don't want to find these fees are paying for other parts of the NZTA's operations.

"I think the government needs to be taking the lion's share of the costs and our contribution should only be assisting the administration side of the CCS.

These fees will land on consumers and vehicle prices

– Greig Epps, VIA

"The cost-recovery mechanism won't come into effect until next year. Between now and then we will be having conversations about how much of the system we should be paying for and how that's allocated out."

The extra charges will be in addition to potential CCS penalties and April's changes to the vehicle exhaust emissions rule that has reduced the range of vehicles importers can choose from.

"The overall impact is that dealers are being forced to deliver a product to New Zealanders that's increasing in price at the same time costs are going up everywhere else," Epps stresses. "We will have a more expensive product to try to shift in what's a challenging market."

VIA is supportive of the minister being able to change CCS targets through regulation as it allows better flexibility to respond to technological advances and market conditions.

However, Epps cautions this approach could lead to reduced ambitions in decarbonisation efforts without sufficient public dialogue or industry consultation. Any rapid changes to targets could also impact market stability and industry preparation.

VIA's main issue with the CO2 emissions goals is the weight-adjustment factor used in calculating the CCS settings.

"The targets drop off quite substantially over the next couple of years and we would like to see a pulling back from those a little bit," adds Epps.

"But we think our sector has the products that can help achieve those targets if we get rid of the weight adjustment in the CCS calculation, which penalises vehicles that produce fewer emissions than some other imports."

With the amendment bill passing, VIA and the MIA are now awaiting an imminent announcement from Simeon Brown, Minister of Transport, regarding outcomes for the CCS from a government review of the scheme this year.

Partnering with Australian suppliers for advanced GPS trackers

OEM Audio, a leader in innovative audio and vehicle technology solutions in New Zealand, has announced a joint venture with Teltonika and Anstel Australia.

The collaboration brings to market a cutting-edge GPS tracker for a wide range of user needs with three levels – Lite, Standard and Premium.

The new product leverages Teltonika's renowned European FMC130 trackers, ensuring top-tier performance and reliability with unparalleled precision. Robust features enhance vehicle management and security for individuals and businesses. Its tracking levels are:

- **Lite:** This entry-level option has essential features including location tracking and history. It's ideal for users who need basic capabilities – you always know where your car is.
- **Standard:** This adds comprehensive reporting and geofencing. It's perfect for users requiring more detailed insights into vehicle movements.
- **Premium:** This package offers full data reporting and is the best choice for fleets. It provides extensive analytics, invaluable for businesses.

Teltonika's FMC130 tracker

All three are supported by the Autonautics app, a user-friendly interface that simplifies tracking and management. Users can load important dates, such as WOF and registration, for timely reminders and compliance.

Revenue & advanced analytics: OEM Audio's GPS trackers enable businesses to create new data-driven revenue streams. By leveraging real-time data, users benefit from predictive, preventive and prescriptive analytics. This advanced approach allows for timely maintenance, reduces downtime and prevents costly repairs.

Connected vehicles: Autonautics Connected Fleet transforms traditional management by providing a comprehensive view of vehicle health. With features such as real-time data feedback, optimised routine and behaviour monitoring, fleet managers can minimise service, maintenance and repair expenses while boosting productivity.

In-depth & affordable: The Lite version costs $120 per year. The Standard version is $180 a year, offering a significant upgrade in functionality. With Premium, prices are tailored for larger fleets to ensure a cost-effective solution for extensive vehicle management.

Whether for personal use or fleet management, these new GPS trackers are set to revolutionise how vehicles are monitored and maintained, all while ensuring data security and peace of mind. Interested dealers are invited to talk to OEM Audio for trade pricing and incentives.

Registration costs set to rise

The annual cost of registering motor vehicles is set to increase by $50 over the next two years as the coalition seeks to generate more money to fund its transport plans.

Details of the increase have been revealed in the government policy statement (GPS) on land transport 2024-34, which outlines investment priorities and spending ambitions.

It proposes spending about $7 billion each year for the next three years to build and maintain New Zealand's transport system and increasing revenue for the national land transport fund (NLTF) by more than 30 per cent over the same timeframe.

One way of boosting its coffers will be lifting the annual licensing fee component of motor-vehicle registration (MVR), which the GPS notes hasn't increased since 1994.

"Inflation since that time has reduced the real value of this NLTF contribution by a half," says the document, which was published late last month.

"The government is now proposing to increase MVR by $25 in January 2025 and a further $25 in January 2026 to return MVR to the 1994 level, in real terms."

This will increase the annual registration cost by 2026 by $50 for most vehicles, $28 for motorcycles, trailers and ATVs, and $16.50 for mopeds.

Officials estimate these changes will add about $590 million to the NLTF over the next three years.

Fuel excise duty (FED) and road-user charges (RUC) are also highlighted as key contributors to the fund. It is predicted vehicle registrations, fuel taxes and RUC will deliver a combined $13.8b to the NLTF's total spend of $22b for 2024/25 to 2026/27.

The government has confirmed a range of key policies in its final GPS on land transport

Rapidly advancing reforms to the NLTF's revenue system is one of the priorities listed in the GPS and the first stage is already under way, with light electric vehicles now required to pay RUC.

"The next steps include requiring all road vehicles to move from FED to RUC, which is a fairer way of charging for road use based on weight and distance," it continues.

"As part of these reforms, we will reform tolling legislation and allow for time-of-use charging on the most congested parts of New Zealand's road network, helping to reduce congestion and maximise use of existing assets.

"Technology will be a critical enabler of these reforms. We expect to advance these reforms over the course of this GPS."

Simeon Brown, Minister of Transport, is expected to announce the next moves for the future of the revenue system by the end of this year.

Money from tolls, income from the sale and lease of state-highway property, and direct funding from the Crown in the form of grants and loans will also support transport spending plans.

Brown says the GPS is designed to boost economic growth and productivity, resilience, reliability and safety, with a balance between investing in new projects and maintaining and repairing existing infrastructure.

"We also recognise the increase in pressures on the NLTF and the need to increase revenue, with the GPS 2024 proposing to increase revenue by more than 30 per cent over the coming three years," he adds in the document.

"To help Kiwis through the cost-of-living crisis, we have also committed to not increasing FED or RUC rates during this term of government, instead supplementing the NLTF with significant Crown funding."

The government plans to return to the previous practice of regular FED and RUC increases from January 2027.

During consultation this year on the draft GPS, the automotive industry's three lead organisations backed the government's plans for all light vehicles to move to RUC.

The Motor Industry Association, Imported Motor Vehicle Industry Association and Motor Trade Association all mentioned in submissions that such a policy would be more equitable.

Other major focuses of the GPS include extra resources to fix and prevent potholes on state highways and local roads, supporting projects to build 17 roads of national significance and 11 roads of regional significance, and improving public transport services and operations funding.

The GPS also outlines the ministerial expectations of the NZTA in executing the coalition's plans and says the agency will need a tight focus on its core statutory roles.

"The government is looking to the NZTA to deliver on its priorities at pace," it continues.

"The elimination of our infrastructure deficit will require new ways of thinking, maximising the use of new funding and financing tools, implementing new delivery models, and focusing on cost and value over the lifetime of any project."

Dealers can help with safety

Displaying or promoting the correct ratings encourages people to buy safer vehicles and reduces the potential for complaints due to false advertising, says the NZTA.

And improving our fleet by getting more New Zealanders into safer vehicles is a key action to help save lives and reduce injuries because people are twice as safe in a five-star car than a one-star model.

Cars play a major role in protecting people on the road and understanding the ratings can also be a useful sales tool for dealers, according to the NZTA.

The three rating systems applied in this country are ANCAP, the Used Car Safety Ratings (UCSR) and Vehicle Safety Risk Ratings (VSRR).

ANCAP ratings only apply to New Zealand-new imports through official distributors. They are calculated after crash-lab testing and assessing crash-avoidance features.

The system isn't for used or parallel imports because no data is collected to ensure they have the same specifications as ANCAP-tested models.

The UCSR are worked out from real-world crash data collected across Australasia for specific models. They are applied to used imports and when ANCAP ratings expire after six years.

The VSRR are approximate ratings. This system is used when there's no ANCAP rating and insufficient model-specific data to calculate a UCSR.

They are based on the average UCSR rating for the car's market group and the midpoint or average year of manufacture.

THE ANCAP SYSTEM

The NZTA recommends new vehicles entering the fleet have ANCAP ratings because these test protocols improve over time, and in line with new technology and consumer expectations.

The Australian or Australasian distributor often initiates the process, but it can also be arranged directly for New Zealand.

An ANCAP child-occupant protection test being carried out six years ago

When a distributor is planning to import a new model here, they need to contact ANCAP or email safevehicles@nzta.govt.nz to arrange testing.

There are three ways with different processes to get ANCAP ratings for new models entering New Zealand.

The first is when the vehicle is tested and rated in Australia. These programmes are generally planned six months in advance but can be done faster subject to laboratory availability.

Models are tested by ANCAP in four key areas – adult occupant, child occupant and vulnerable road-user protection, and safety assist.

Physical testing over four weeks is generally done across the Tasman. This is followed by at least two weeks for assessment and rating completion. Supporting information is required from the distributor, usually including some data from in-house testing, such as multi-collision braking.

A minimum of four vehicles are required for destructive testing and access to one for on-road assessment.

Secondly, there are models tested and rated in Europe to be sold in Australia and New Zealand.

ANCAP gets advance notice of Euro NCAP's testing, which may be for the same variant supplied in Australasia or a different one.

If Australian and New Zealand variants are different from the one Euro NCAP tested, extra data is needed from the brand to extend the rating to these. If it is unavailable, the rating may be limited to specific variants or may not be able to be published.

When ANCAP conducts extra assessments, a sample vehicle is required for around half a day and must be able to be driven on public roads.

The starting point for an ANCAP rating based on Euro NCAP testing is known as the "equipment matrix".

Provided by brand representatives, this gives ANCAP broad specification details of local vehicles to compare to similar information from Euro NCAP. When there are differences, ANCAP will seek "additional evidence".

In some cases, the Australian distributor is also responsible for New Zealand and can provide the details. In other instances, ANCAP will seek New Zealand-specific information from the Kiwi distributor or agent.

ANCAP generally aligns rating publication with the local launch or arrival date. These can be published in subsequent years after Euro NCAP has done so, including after an update in ANCAP's protocols.

If this happens, it will retain the rating year, or "date stamp", of the original Euro NCAP rating and it will expire at the same time, although there are some constraints.

The process for assessing and preparing the rating under this method typically takes four weeks.

The third scenario is when a vehicle is rated by Euro NCAP and only being sold in New Zealand. When this happens, it's generally not possible to conduct two extra tests at ANCAP's laboratories.

Instead, Euro NCAP's results may be used. If any differences are likely to significantly affect the rating, publication may be deferred until ANCAP assesses the local-specification vehicle.

ANCAP, which is now in its 30th year, was the world's second new-car assessment programme after the US when it was launched.

It started off as a two-year campaign to shine a light on comparable levels of safety offered by Australia's most-popular models.

Since then, it has now grown to determine the safety of new vehicles sold in New Zealand and across the Tasman.

The first cars tested in 1993 underwent just one crash test – the full-width frontal conducted at 56kph – and were fitted with minimal safety features.

In contrast, models now rated by ANCAP are subject to seven destructive crash tests.


The pedestrian-impact test estimates injuries to pedestrians struck by a vehicle travelling at 40kph

THE USED MARKET

The UCSR system applies to used imports and NZ-new vehicles when their ANCAP ratings expire.

Ratings are calculated from real-world crash data, such as police reports, on how well specific models perform in collisions. The analysis considers factors such as speed, driver age and location.

The UCSR database holds details of more than nine million crashes that have occurred in Australasia over the past 30-plus years.

The primary rating is "overall user safety", which indicates how likely the vehicle is to protect everyone in a crash. That includes the driver and passengers, people in other cars or on motorcycles, walking and so on.

There's also a driver-safety rating. It considers the likelihood of people being seriously or fatally injured driving a particular model compared to other vehicles on the road.

It is uncommon for UCSR ratings to apply to current models sold by new-vehicle distributors as it takes years to collect enough model-specific crash data.

The exception is those that have a model life of more than six years and are high-volume sellers. However, an agreement is in place that UCSR ratings for a model will not be published while a current ANCAP rating is available.

Understanding how UCSR are calculated and differ from ANCAP ratings is a valuable sales tool, says the NZTA.

Unlike ANCAP ratings, which can only be compared with ratings based on the same test protocols and only apply in the specific market group of the model tested, UCSR can be compared regardless of vehicle age or category.

There may be significant differences between the safety rating of a used import and ANCAP's for a similar model.

Safety-rating labels for vehicles can be printed via Rightcar's website

Used imports are not eligible for ANCAP ratings irrespective of how new they are.

Manufacturers aren't usually involved with their importation, so cannot provide ANCAP with specifications to confirm they match the models tested.

Similarly, marques don't advise the NZTA of the safety features of used imports.

Used imports from Japan may be assembled to different standards, which are tested by JNCAP using different tests, speeds and criteria for structural integrity. Similar issues exist with other testing regimes.

THE THIRD WAY

The VSRR system assesses models without ANCAP and UCSR ratings. It's used for vehicles when there are too few of them to provide enough model-specific crash and injury data.

A VSRR rating is also assigned for new models not ANCAP rated or entering the market before being assessed. If an ANCAP rating is subsequently published for that model it will replace the VSSR, and Rightcar and associated data feeds will be updated accordingly.

The VSRR is based on the midpoint or average year of manufacture for the model generation and the vehicle's market group, such as the average rating of 2022 large SUVs. Ratings go live in Rightcar to promote them pre-registration.

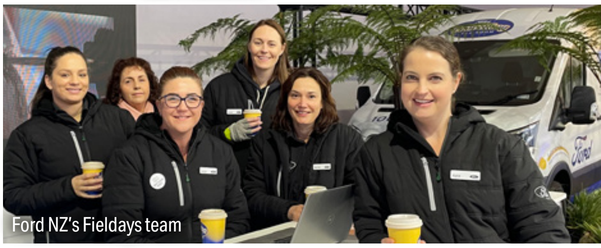
More information about safety ratings can be found online at https://rightcar.govt.nz.

Busy trucking it at Fieldays

Drift racer Mike Whiddett with the Chevrolet Silverado HD

KGM's Torres EVX

The BYD Shark


Ford NZ's Fieldays team

GMSV's display at Fieldays had the theme of "live big, truck it" with the marque showing off its full portfolio of the model-year 2024 Chevrolet Silverado.

It was the first time all three new variants were on display at the same time in New Zealand.

Appearing alongside the full-size pick-ups was Mad Mike Whiddett, GMSV's new brand ambassador, who was on-hand to meet fans.

"The latest model to launch in the GMSV portfolio, the Silverado Heavy Duty LTZ, is a step up," says Jess Bala, managing director of GM Australia and NZ. "It features a swathe of enhancements, and is instantly recognisable thanks to its redesigned front fascia and grille."

The HD features a 6.6-litre Duramax turbodiesel V8 mated to a 10-speed automatic transmission. It has been uprated to deliver 350kW of power and 1,322Nm of torque.

Adaptive cruise control, available even when using a trailer, is a safety-orientated first for the new model. Extra standard features include automatic rear-locking differential, advanced trailering technology and diesel exhaust brake.

The Silverado range is priced from $146,500 to $175,000 including GST, and excluding dealer delivery and on-road costs.

BYD's Shark had its global reveal ahead of its appearance at Mystery Creek last month.

The plug-in hybrid ute has a 1.5-litre turbocharged engine, which creates up to 170kW of power and 310Nm of torque. It's paired with an electric motor for each axle. When combined, output exceeds 316kW.

There's up to 100km of electric range available thanks to the Shark's 30kWh Blade battery pack, which can be recharged via DC. It can make the 0-100kph dash in 5.7 seconds in hybrid mode.

A rear electric motor provides all-wheel drive, while the petrol engine is only connected to the front axle.

The Shark's ground clearance is stated at 282mm, it has a towing capacity of 2,500kg, payload is given as 835kg and the tray's volume is 1,450l. A battery electric variant is expected in 2025.

Staff from Ford NZ's head office and dealerships were around to chat about anything blue oval.

"Fieldays is the event of the year for the company," says Annaliese Atina, managing director.

There was a tented area for the all-new Transit range and how it can be kitted out. Special guest Alistair Hunt was there to answer questions about the range.

He's the global Transit and Tourneo Custom vehicle engineering manager, and has been on our shores for a dealer-training event.

Among the event specials, model-year 2023 Mustang Mach-Es were offered with a free five-year or 100,000km service plan.

KGM made its Fieldays debut. Formerly SsangYong, it showcased the brand following the Torres' media launch in March.

On display was its all-electric Torres EVX, which has a new design language as the first model made under KG Mobility ownership. It's billed as spacious medium-sized SUV with "class leading" rear cargo space and high-spec technology.

The pure-electric EVX has a 73.4kWh battery and uses a single electric motor to produce 152kW of power and 339Nm of torque to drive the front wheels. Its single-charge range is 462km.

There was also a 2024 SsangYong stock clearance featuring the Tivoli Limited, Korando Sport and Limited, Rhino SPR and Rexton SPR Blackout with Fieldays specials priced from $26,990 plus on-roads.

Visit www.autofile.co.nz for more coverage from Mystery Creek.

Like to sell more vehicles?

On to it finance solutions for New Zealand Dealerships

- Dealer finance specialists
- Available 7 days a week
- Fast commission pay-outs
- Swift application turnaround
- Always responsive & big on communication
- Tech that puts the dealer in the driver's seat

Your better finance™ team

AMOS BANBURY
Head of Lending
027 511 6622

STEVE MILLS
Upper North Island
021 511 975

BLAIR KING
North Island
021 401 379

SEAN JOYCE
Central North Island
021 076 1122

CHRIS RYAN
Upper North Island
021 753 702

GARY YOUNG
Lower North Island
021 511 253

JACK PELTER
South Island
027 511 6626

JOHN LESLIE
Southern New Zealand
021 243 9848

OVER $900 MILLION FINANCED | **SUPPORTING HUNDREDS OF DEALERSHIPS** | **OVER 50,000 CUSTOMERS**

Find out more at
better.co.nz/dealers

0800 666 067
enquiries@better.co.nz

better™ finance

Industry movers


Trevor Walmsley

TREVOR WALMSLEY has stepped down as dealer principal of Mercedes-Benz Auckland after 11 years.

"My career has spanned four decades and multiple brands," he says. "I feel fortunate to have been involved in such a dynamic and customer-focused field.

"It was a privilege to be appointed in 2013 to lead an iconic dealership, then known as Coutts Newmarket. I'm proud of everything the team has achieved since then."


Michael Collins

Michael Collins, who has worked for Mercedes-Benz Auckland for more than 20 years, has taken over from Walmsley.

Collins, who initially joined as a sales cadet, was his predecessor's second in command for a decade.

JAMES McDOWALL is the Motor Trade Association's new head of advocacy.

Before joining the organisation, he was a list MP for the Act party from October 2020-23, and served on the transport and infrastructure select committee.

McDowall was also the party's spokesman for economic development, research, science and innovation, immigration, defence, tourism, civil defence and internal affairs.

AARON FRAZER has been promoted to chief executive officer of Lexus of Christchurch.

He has spent the past three-and-a-half years as the dealership's general manager during which time the marque's sales in the region have grown by more than 120 per cent.

The business is part of the Miles Group, which Frazer joined about 14 years ago as a new-vehicle specialist for Volkswagen. He then worked at management level representing Skoda, Toyota and Mazda before joining the Lexus operation.

ALEXANDER BROCKHOFF has replaced Matt Schmidt as general manager for Mini in New Zealand and Australia.

Brockhoff, pictured, started his career with the company in 2006 when he focused on sales-volume planning in Germany. He relocated to Australia in 2007 to work for BMW Financial Services before holding marketing roles, including manager of product and pricing.

Other positions during Brockhoff's 18 years with the group have included selling the BMW M and BMW i, national sales manager, and head of network strategy and development. Schmidt has become general manager for BMW sales in Australia.

MIKA GROENWALD has been appointed by DPL Insurance as commercial manager to oversee product offering, and lead the underwriting and customer support teams.

After relocating from South Africa to New Zealand in 2008, she joined ING (OnePath) as a locum broker before moving into its product development team. She joined Partners Life in 2014 as head of product development.

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

Company's first female director on rise to top

Changes have been made at the top of Honda's operations in this country and across the Tasman.

Carolyn McMahon has become the first-ever vice-president of Honda Australia and director of Honda New Zealand.


Carolyn McMahon

Her promotion comes after spending the past seven years as a director of the company across the ditch.

"I'm honoured to take on the exciting position of vice-president of Honda Australia," says McMahon, who became Honda Australia's first female director in 2017.

"We have been working closely with our colleagues in New Zealand for some time.

"My appointment as director of Honda NZ will strengthen those connections and efficiencies across our agency structure and business operations."

McMahon's 28-year career with Honda Australia includes senior leadership roles, and she continues to pioneer women's advocacy and leadership programmes.

She has replaced Yoshitaka Okamoto, Honda Australia's chief executive officer, who was on the board for two years, and now sits on it with Nobuya Sonoda, managing director of Honda NZ, and Gaku Nakanishi, director of Asian Honda Motor Co Ltd.

"We are very pleased to work with our Honda Australia colleagues to continue to create new synergies for our Honda brand for the future," says Sonoda.

Supporting McMahon is Robert Thorp, who has returned to Honda Australia as general manager of automotive after a short time away as chief executive officer of Melbourne-based iMotor, a leader in automotive digital retailing.

He was previously with Honda Australia for 12 years where he held senior leadership roles in the business services, customer experience and customer network divisions.

In addition, Nicholas Beattie, general manager of business services, has become company secretary to support the board of directors and senior leadership team.

In New Zealand, the marque has promoted two members of staff with combined service of 35 years.

Matthew Fong has been made deputy general manager of sales and Frances Fan is now deputy general manager of retail.


Robert Thorp

Fong first joined Honda NZ in 2007. He spent nine years as a sales consultant and new-vehicle account manager before having a brief stint as corporate account manager at John Andrew's in Grey Lynn, Auckland.

He teamed up with the Honda brand again in 2016 when he became sales manager at Honda Cars North Shore then branch manager.

Next up was three-and-a-half years as Honda store general manager for Auckland's metropolitan area before moving into his latest role in April.

Fan has had 18 uninterrupted years with Honda NZ after becoming national sales development manager in 2006. She also held national sales and branch operation manager roles until her promotion.

Franchise teams add sparkle

Mitsubishi Motors NZ (MMNZ) has celebrated the company's best performers at its Diamond Dealer awards on the back of the marque posting its third best financial year.

It secured a market share of 10.6 per cent in 2023 and 51.6 per cent of plug-in hybrid (PHEV) registrations.

Then there was its third-highest sales total of 14,545 with three models in New Zealand's overall top 10 – the Outlander came fourth, the Triton was fifth and the Eclipse Cross finished seventh.

In the passenger segment, MMNZ was second with a 10.3 per cent market share led by the Outlander in second on 4,363 units and Eclipse Cross in fourth with 3,243.

This year's Diamond Dealers included Bay City Mitsubishi in Tauranga, Simon Lucas Mitsubishi on Auckland's North Shore, WR Phillips Mitsubishi in New Plymouth and Mexted Mitsubishi in Wellington.

Others were Ingham Mitsubishi Te Awamutu, Piako Mitsubishi Morrinsville, Delaney Mitsubishi of Paraparaumu, Baigent Motors in Matamata and Peter Keown Mitsubishi, Oamaru.

From those, Bay City Mitsubishi took out Supreme Diamond Dealer during the awards ceremony at Millbrook Resort in Queenstown.


Mitsubishi's Diamond Dealers of 2024

Parts and service diamond awards went to Baigent Motors and Peter Keown Mitsubishi in Oamaru.

Tony Johnston, chief operating officer of MMNZ, says: "Our network can be proud of its performance over the past 12 months.

"To have the most-popular PHEV and three other models in the top 10 doesn't happen without the dedication of every one of our dealers and especially our Diamond Dealers.

"Mitsubishi remains a popular choice for Kiwis across the country. That has as much to do with the style, affordability and functionality of our range as it does with the high standard of customer care and support at the heart of everything we do.

"We're always striving to better our best by identifying areas in which we can raise our service levels and ensuring a continual improvement of our range.

"The reaction to the next-generation Triton, which is already posting impressive order numbers, shows we remain on the right track and our high-performing network is at the centre of our success.

"Our annual Diamond Dealer awards night provides the chance to recognise the achievement of our standout performers."

REST OF THE WINNERS

Managing director's award:
- Morrison Mitsubishi Ashburton

Finance dealer of the year:
- Morrison Mitsubishi Sockburn, Christchurch

Customer excellence:
- Simon Lucas Mitsubishi (group one)
- Mexted Motors (group two)
- Delaney Mitsubishi (group three)

Top new-vehicle sales:
- Andrew Simms Mitsubishi, Newmarket
- Brendan Foot Mitsubishi, Wellington
- Piako Mitsubishi

Top market share:
- Morrison Mitsubishi
- WR Phillips Mitsubishi
- Archibald Cars, Kaitaia

Overall service excellence:
- Magnus Lennie Mitsubishi, Opotiki

Parts:
- Baigent Motors

Clarity over bug rules

The Ministry for Primary Industries (MPI) has confirmed the heat-treatment season for brown marmorated stink bugs (BMSBs) will continue to run from September to April.

The Imported Motor Vehicle Industry Association had heard unconfirmed concerns from members that the government was considering extending the period when used cars from Japan needed to be treated.

However, after assessing the data and current situation regarding stink bugs, the MPI will keep the high-risk season as it is.

It says: "As part of our assessment we have looked at establishment risk, treatment settings and BMSB biology. We will continue to monitor the situation as we receive more information and may increase surveillance if appropriate."

The MPI stresses that, as per standard practice, if importers or dealers identify any live insects on used cars they must be treated.

"All vehicles arriving in New Zealand at any time of the year are required to be free of regulated pests."

Driving carbon credits trade

The price of trading carbon credits has increased as electric vehicle sales have dropped

The founder of a company trading carbon credits for the clean car standard (CCS) predicts prices will remain stable in the short term before increasing in the final few months of the year.

Andrew Cassin set up CO2X last year and its website went live in January. He says the business offers importers a way to offset any CCS charges they incur that is cheaper than paying fees directly to the NZTA.

Since the standard was introduced in January 2023, light vehicles earn credits or attract charges at the time of import depending on whether they are above or below the government's carbon dioxide (CO_2) emissions targets.

Dealers and importers have CO_2 accounts with the agency. They operate on a pay-as-you-go basis or by fleet average.

Credits can be used to offset charges or transferred to other account holders of the same type, so new-to-new and used-to-used. When utilised for offsetting, one credit equals the charge per gram of excess CO_2.

CO2X, as a trader in the CCS market, buys credits from dealers bringing in "clean" cars and sells them to importers of petrol and diesel vehicles to help them offset any fees on them.

"I go out talking to multiple dealers, and negotiate and buy credits from them on the spot," says Cassin.

"They transfer their credits to CO2X and it's up to me to find buyers. I own the credits on the platform rather than selling them on behalf. This means they can be transferred to buyers immediately.

"The advantage of CO2X is that if you want to sell credits using the website, our buy price comes up straight away and we pay upfront so you're not having to wait for a buyer. If a dealer wants to register a vehicle and needs to offset some charges, the transfer of credits can be done on the spot."

Cassin says importers can pay fees directly to the NZTA, but offsetting those charges with credits is more cost effective.

"If you're having to pay the NZTA directly at $18/g of excess CO_2 for a vehicle that would otherwise require more than 100 credits to offset a charge, that's $1,800 for one car and GST exempt.

"It is significantly more expensive than getting credits from a trading platform and, to me, it doesn't make financial sense to pay direct to the NZTA.

"Buying credits to offset fees is cheaper as well as being subject to GST, and provides a saving for importers so vehicle prices can be kept down for consumers."

The price of individual used credits on offer from CO2X were about $10.95 to $13.10 as of July 1 excluding GST, depending on how many were purchased. New-vehicle credit rates are not displayed online.

This compares with charges per gram of CO_2 above the CCS targets being $36 for new vehicles and $18 for used under the pay-as-you-go method, or $45 for new and $22.50 for used using fleet average.

Buying credits to offset fees is cheaper … and provides a saving for importers
– Andrew Cassin

As for the price CO2X pays for credits, it averages about $10.12, including GST. The company notes supply and demand dictates prices, which can fluctuate hourly.

Cassin explains his platform allows buyers to choose exactly how many credits they want to acquire rather than having to buy in bulk when dealing directly with other importers.

"If you only need 72 credits from CO2X to offset charges for one imported car, you simply enter that amount on the website – there's flexibility to buy credits to register one car or grab a lot for your whole fleet."

Cassin says the price of credits in the trading market has considerably increased recently, nearly doubling since the end of 2023. This has coincided with a drop in the electric vehicle (EV) market and fewer new credits becoming available each month.

"The demand for EVs has dropped significantly and dealers are looking at alternatives to import. With the clean car discount gone as well, some petrol and diesel cars are now financially viable for importers whereas they weren't in 2023.

"I expect the price of credits will significantly increase in 2025. From January next year, the NZTA charges will increase – rising from $18/g for used pay-as-you-go to $27 GST exempt – and credits needed to offset these will increase as the CO_2 targets change.

"I think credit prices will stabilise for a while now as the recent price increase has reached a fair balance level, and will increase from October onwards based on changes the government will bring in on January 1."

Cassin adds the CCS has added major costs to some cars' purchase prices, and dealing with credits and charges has become an important part of business for importers. As emissions targets become tougher each year, he predicts the supply of credits will become tighter.

"The difference at the moment between the buy and sell rate ranges from $1.25 to $2.50, but I see my margin getting smaller and smaller as the gap between those reduces. The rates will eventually be close to level pegging where the monthly demand for credits will outstrip the monthly supply."

Bioethanol fuels up green future

The power-generation system developed by Nissan

Nissan has developed a stationary system fuelled by bioethanol that's capable of high-efficiency power generation.

Trials have begun at its Tochigi plant in Japan aimed at improving generation capacity towards full-scale operation in six years' time.

In 2016, Nissan became the world's first car company to create a vehicular propulsion system powered by a solid-oxide fuel cell (SOFC) run on bioethanol.

SOFCs can be paired with reformers that operate at high temperatures to generate electricity using hydrogen obtained by reforming fuels that react with oxygen, such as ethanol, natural gas and LP gas.

Operations at high temperatures promote high catalytic activity, enabling the SOFC to achieve power generation efficiency of 70 per cent compared to 60 per cent for polymer electrolyte fuel cells.

Looking ahead, the development of a metal-supported cell, which is a component of the SOFC stack, will enhance cell strength.

That means start-up and shutdown times can be shortened, and load-following operations performed in response to sudden fluctuations in output demand.

This will enable effective SOFC operation in the future when it's anticipated the system will be used alongside renewable energy.

The stationary generation system will be fuelled by bioethanol made from sorghum with this component starting next year.

Although sorghum bioethanol emits carbon dioxide (CO_2) during SOFC power generation, these emissions are absorbed from the atmosphere during sorghum's growth process.

This contributes to realising a carbon-neutral cycle whereby CO_2 increases are effectively cut to zero.

"There are major changes occurring in the transition from the internal combustion engine to electric vehicles," says Kazuhiko Murata, Nissan's corporate vice-president of powertrains. "We are taking up technological challenges in new areas and SOFC power generation is one of our strengths."

The company has committed to achieving carbon neutrality across its operations and product life cycle by 2050, and aims to fully electrify plant equipment by then as well.

ISSUES WITH AUTONOMY

While self-driving cars are starting to revolutionise how people move from one place to another, they are also raising major safety and responsibility issues.

In an article published in the Journal of Information Technology, Professor Michael Myers, of the University of Auckland, and co-authors discuss trustworthiness and how responsibility for driverless cars is allocated.

"Our research indicates there are contradictions in how responsibility is assigned for supposedly safe autonomous systems," says Myers, of the university's business school.

"These reveal there is ongoing confusion and lack of clarity about how responsibility is shared among different parties."

In an early case that demonstrates uncertainty around what happens in the event of an accident, the National Transportation Safety Board (NTSB) in the US found human error was to blame in a 2016 Tesla crash.

The board later revised its decision and criticised the car company for allowing its autopilot feature to be activated on roads it hadn't been designed for.

There are contradictions in how responsibility is assigned for supposedly safe autonomous systems
– Prof Michael Myers

Autonomous driving systems mix a high level of socio-technical complexity with significant risks, says Myers, highlighting the recall of more than two million Teslas in December 2023.

"It's ironic that one of the problems that automation intends to solve, such as allowing individuals to relax instead of driving, still requires the driver to actively monitor the system if it's not fully autonomous.

"It's clear drivers aren't always doing that and this creates significant safety concerns."

The monitoring of autonomous systems requires a human to understand system operations, adds Myers.

However, the NTSB says humans are "notoriously inefficient" at doing so, while this kind of technology often leads to deskilling and, if an issue arises, someone may not have the skills needed to react when required.

The researchers say although manufacturers continue to promote automation, consumers often have no choice about the level of automation installed in vehicles and little knowledge of how it operates. Then, if there's an accident, people tend to be blamed. But motorists might not know if they're totally in control in emergencies and, as self-driving technology develops, the question of who's liable needs greater attention.

Myers says: "We are rushing headlong into automation without understanding all the consequences.

"Our project demonstrates the need for research that critically examines the social, political and technical aspects of autonomous driving systems especially in relation to safety, responsibility and trust."

BOOST FOR BATTERIES

Volvo Cars has teamed up with London-based Breathe Battery Technologies to secure access to its latest version of its algorithm-enabled software to use on its next generation of fully electric vehicles.

The marque will integrate the software into its battery management platform to reduce the time it takes to charge a fully electric model from 10 to 80 per cent charging state by as much as 30 per cent.

The same energy density and range will be maintained, while charging time improvements will last across the battery's full life cycle without impacting its health status.

Beating adversity after floods

↑ Archibald & Shorter North Shore took out four prizes, including supreme retailer
← Ebbett Prestige Tauranga won the Jaguar retailer of the year and parts team awards
→ Armstrong's Wellington scooped the marketing award
↙ Archibald & Shorter Greenlane employees after winning the customer experience award
↘ Staff from Archibalds Christchurch picking up the new-car sales prize

Staff at Archibald & Shorter North Shore have been praised for their resilience and determination after winning four categories at Jaguar Land Rover (JLR) New Zealand's annual awards.

The Auckland business was named supreme retailer of the year 2024. It also won the Land Rover retailer, and JLR service team and business manager categories.

Archibald & Shorter delivered "exceptional service experiences across all aspects of its operations" despite facing adversity when flooding in January last year caused it to close temporarily because of damage to its premises.

"Our retail partners have shown remarkable resilience and determination, navigating through a challenging year in 2023," says Steve Kenchington, chief executive officer of JLR NZ.

"Despite facing some strong headwinds, the team at Archibald & Shorter North Shore has demonstrated exceptional success. Its remarkable achievements are inspiring."

Vernon Brown, dealer principal at the winning business, says collecting four awards is a testament to the dedication of staff. "It's a fantastic way to acknowledge our team's efforts and provides us with added motivation for the year ahead."

Other winners included Ebbett Prestige Tauranga being named best Jaguar retailer and parts team, while Archibalds Christchurch took out the new-car sales team honour.

Archibald & Shorter Greenlane won the customer experience gong, Armstrong's Wellington the marketing category and Prestige Collision Repair the bodyshop award.

JLR NZ hosted its retailer of the year awards at Toitoi, Hawke's Bay Arts & Events Centre, to support the local community.

The company provided vehicles to the region in partnership with the Red Cross to help isolated residents needing essential supplies after Cyclone Gabrielle struck in February 2022.

Thumbs-up for trust

Turners Cars has been voted the most trusted used-vehicle dealership for the fifth consecutive year in a survey of consumers commissioned by Reader's Digest.

Chief executive Greg Hedgepeth says: "The blue team is stoked to again be voted the country's most trusted. We are proud of our hard-won reputation."

Enterprise Motor Group and 2 Cheap Cars were highly commended in the same class of the 2024 Most Trusted Brands awards.

Toyota topped the new-cars section – with Mazda and Nissan highly commended – while its Signature Class was crowned most trusted in the category for manufacturer-certified used-vehicle sales. Mercedes-Benz Certified Pre-owned Vehicles and Honda Certified Used Car were highly commended.

MTF Finance took out the prize for car-loan providers, with AA Money and Finance Now highly commended.

"This acknowledgment from New Zealanders in a trusted publication underscores MTF Finance's outstanding reputation, and recognises the efforts of its franchise and dealer originators to prioritise customer outcomes," says Chris Lamers, chief executive officer.

AA Insurance topped the poll for general insurance, which includes home, contents and car.

Avis won the car-rental section, with highly commended awards going to Hertz and Budget. Bridgestone came first for tyres for the eighth time in a row.

Whittaker's topped the overall ladder for most trusted brand. Toyota came fourth, Bridgestone was ninth and Toyota Signature Class was 15th.

Stand out in the digital crowd

With the ever-increasing popularity of digital advertising, competition in the online space is fiercer than ever.

More and more businesses are vying for the attention of customers with many paying big dollars to knock their competitors out of the race.

In the car industry, dealers are finding it particularly difficult to generate leads – both quantity and quality – in an already overcrowded online space. As a result, they are seeing their return on ad spend diminish while already enduring a volatile economic climate.

Some of the more innovative dealerships, however, are thinking outside the box and adapting their advertising strategies.

Struggling to compete and engage customers on the more popular channels, such as Google and social-media platforms, they have pivoted by diversifying their strategies and marketing budgets to take on a multi-channel approach to advertising.

They have redirected some of their spending toward less popular, but highly effective, mediums that focus on delivering the right message, at the right time, to prospects in the earlier stages of their buying journeys.

In order to reach a new and different audience, many of these dealers have introduced programmatic display advertising to their strategies. These ads come in a variety of forms including static and animated banners, and short videos. They appear as mini billboards across the country's most popular websites reaching 80 per cent of Kiwis as they browse sites such as Stuff and Trade Me.

Programmatic display and video advertising is highly engaging and clickable, making it perfect for boosting visibility on, for example, a sale event or special offer.

It also provides the ability to refine target audiences, so you can reach prospects in your prime marketing area rather than wasting precious advertising budgets attracting customers to your competitors' dealerships.

These combined factors make this advertising format extremely effective at driving quality leads into your business while reducing cost wastage.

In their quest to diversify marketing spend and reach new

JAMES HENDRY
Director, sales and operations
AdTorque Edge NZ

audiences, many forward-thinking dealers have also gravitated toward YouTube advertising.

These campaigns appear before, during or after a viewer's chosen content has played, and come in the form of short, engaging video ads that offer clickable links and buttons to drive conversion.

With 48 per cent of New Zealanders saying they visit YouTube daily for entertainment, instructions and reviews, the platform delivers marketers with an opportunity to significantly expand their audiences.

The platform's targeting capabilities are among the best in the digital world, allowing you to drill right down and target precise audience sets. For example, you can present a campaign to users who have been identified as in-market shoppers researching vehicles.

Furthermore, once a customer sees an advert, the rate of conversion is excellent. Statistics show that 80 per cent of in-market buyers are more likely to purchase if they have seen a YouTube ad after visiting a business' website.

This combination of strong targeting and conversion rate increases the likelihood of greater return on adverting spend.

Another advantage dealers have found with programmatic display and YouTube advertising is measurability.

Tracking capabilities delivered with both formats are of a high quality, meaning you can monitor exactly how your campaign is performing and – if need be – make any adjustments midway through to optimise it.

You can also use the data to make educated decisions on how to allocate your budget for future campaigns to ensure, particularly in these more challenging times, that every dollar spent is working hard to deliver results.

In the world of digital advertising, there's no place for resting on one's laurels. This space is always evolving and attracting new players so, as marketers, we need to constantly pivot and adjust strategies. Any successful dealer will agree that a multi-channelled approach to advertising is key to standing out from the digital crowd, as well as driving more leads and greater returns.

Collaboration needed with repairs

The Greens' recently proposed right-to-repair legislation aims to enhance the ability of consumers to get their products repaired, contributing to a more circular economy and reducing waste.

It puts responsibility on "manufacturers", but our unique context of embracing parallel importing presents benefits and challenges for this designation.

The Greens Party's approach would expand repair access by requiring manufacturers to remedy goods and supply the relevant documents needed to do this. It also promises several economic and environmental benefits.

It aims to make repairs more affordable than replacements, encouraging manufacturers to enhance quality to reduce remedial obligations. Fixing products decreases waste, resource extraction and landfill.

However, the Consumer Guarantees Act treats all importers, even parallel importers, as "manufacturers", which introduces complexities to the Greens' ideas.

Parallel importers often compete directly with manufacturer-sanctioned local importers and or representatives. Here we are using "manufacturer" for the original maker of the goods, sometimes referred to as the OEM.

The parallel importer can provide the same quality products to the market, but can struggle to access repair documentation that's usually only supplied by the original manufacturer.

This dynamic, which requires a supplier to be beholden to its competitor, is a recipe for market failure because it would allow OEMs to withhold necessary information, preventing or undermining competition and the effectiveness of the legislation.

Sometimes, the intrinsic nature of goods can make applying the Greens' proposal difficult to implement.

The benefits that I've already mentioned are less applicable to higher-priced items such as vehicles, which are already used extensively.

Unlike smaller appliances, which are often discarded and replaced, cars are typically already used until end of life to maximise their values.

The industry benefits from standardised repair knowledge and ready access to parts. However, we are concerned about the apparent growing trend of business practices by OEMs that increasingly limit a car owner's choice of repairer.

One example often given by independent repairers is they are restricted from the initialisation of replaced parts.

Even mundane non-computerised parts can require a manufacturer-provided password before the vehicle will recognise it, thereby preventing independent repairers from doing this and – most likely – gaining access to after-market parts.

Meanwhile, the NZ Choice of Repairer group is advocating for legislation ensuring car owners

KIT WILKERSON
Head of policy and strategy
kit@via.org.nz

have the right to choose their repairer. Its argument is manufacturers' dominant practices hinder consumers' options and could be anti-competitive.

The Green Party could collaborate with the Choice of Repairer campaign to understand how the latter's policies will benefit the public by assuring competition while promoting the commercial supply of repair documentation and parts needed to maximise the lifespan of cars.

A significant concern with the Greens' proposed right to repair law is the potential economic impact if it diminishes parallel imports. Reduced competition could lead to more or larger monopolies, harming consumers.

In the automotive market, losing parallel imports would be catastrophic for our economy. Most Kiwis rely on affordable, quality parallel-imported cars because direct manufacturer-supplied vehicles are often priced out of reach for everyday folk.

To advance the right to repair, it's crucial to address the challenges posed by parallel importing.

The Greens' policy should focus on lower-value goods. This approach would mitigate the potential negative impact on competition and the market for higher-value products, such as cars, that don't face the same issues of being unrepairable that more "disposable" goods do.

Also, the approaches when it comes to right to repair and choice of repairer are complementary and can strengthen each other.

While right-to-repair legislation should be limited to lower-value items, choice of repairer should apply to all goods including cars because no supplier should ever be able to use its market position to prevent competition in the supply or repair of products.

Unlike right to repair, a choice-of-repairer policy will not restrict parallel imports because such importers don't hold a privileged market position.

Instead, it would create an environment that incentivises the commercial supply of documents and parts, which can complement and facilitate a universal right to repair.

The Greens should work with NZ Choice of Repairer to adopt its policies for the public good. The latter would ensure competition by requiring suppliers to make their data and parts commercially available to all repairers at a reasonable price.

While right to repair is a vital step towards sustainability and economic fairness, its implementation must consider our market's unique dynamics.

By balancing the needs of consumers, importers and manufacturers, we can lead the way in embracing a more circular economy, and safeguard competition and affordability.

Note: The term "parallel import" in this article is as defined in the Commerce Act, not transport laws, which reserve the right to parallel import to OEMs and their agents.

Partnership at 'pivotal time'

Bayswater Vehicles Motor Group has teamed up with MG New Zealand to open two dealerships for the marque in Hawke's Bay.

The sites – known as Hastings MG and Napier MG – will offer a full suite of sales, service and after-sales facilities.

"Bayswater Vehicles and MG are a natural fit," says Arek Zywot, country manager of MG NZ.

"Both are household names built on a rich motoring heritage with strong ties to the local community.

"They have built loyal customer followings by offering quality cars at attainable prices, which will be sure to grow with the introduction of low and no-emissions models."

The partnership comes at a "pivotal time" for the marque with a number of new models waiting in the wings to launch, including the all-new MG3 Hybrid.

From left, Stuart Keys, manager of Napier MG, Bayswater's managing director Rob Townshend, Paul Kerr, manager of Hastings MG, and Paul Brown, chief executive officer of Bayswater

Paul Brown, chief executive officer of Bayswater, says: "MG is onto a winner with its new vehicles, especially with the recent success of the MG4.

"We're already receiving inquiries for MG models and look forward to the hybrid MG3 along with other vehicles arriving in our showroom.

"At just under 600 square metres, our Napier showroom in Carlyle Street will be one of the largest in Hawke's Bay, allowing customers to view the full range of models under cover in a relaxed, inviting environment.

"In Hastings, MG is located at our high-profile Stortford Lodge dealership, offering sales and service options to Hastings, and central and southern Hawke's Bay customers."

The MG3 Hybrid's flexible system includes a separate generator, and supports multiple modes for different driving needs and preferences.

With a combined output of 143kW, the Hybrid+ delivers 4.4l/100km and emissions of 100gCO2/km. This is achieved with the help of a 1.83kWh battery, which supports a substantial electric-only driving range.

Model 'fully compliant'

Toyota NZ resumed deliveries of Japan-built Yaris Cross cars last month.

It announced on June 4 that Toyota Motor Corporation (TMC) had suspended shipments due to issues with certification testing.

It then confirmed three days later, and after last month's issue of Autofile magazine had gone to press, that the cars made for this country fully comply with certification requirements.

In a statement, Toyota NZ says the temporary pause in deliveries was the "responsible and appropriate action" to take while the model's status was investigated.

It adds: "We take matters of this nature seriously and will continue to be transparent with customers.

"Investigations have confirmed the correct process was adopted in tests conducted for the New Zealand-specification Yaris Cross.

"As previously stated, there are no safety or performance issues with the Yaris Cross. We apologise for any concern or inconvenience that may be experienced by our customers who have placed their trust in Toyota, and thank them for their patience and understanding.

"We want to reassure our customers their vehicles are unaffected and they can continue to drive with confidence."

The move to temporarily stop deliveries of the Yaris Cross was taken amid a safety-test scandal embroiling carmakers in Japan.

TMC's decision to pause shipments of the Japanese-built hybrid related to certification testing, specifically protocols and data gathered on the impact of luggage on the rear seat during a crash test.

After internal checks confirmed no performance issues contravening laws, it said there was no need to stop using the vehicles.

Visit www.autofile.co.nz for developments in Japan.

The month that was... July

Quarterly report, 2005

Where to from here?

It had been a long, tense quarter for the car industry as economic uncertainty mounted and hopes for a new, more business-friendly government were dashed at the last minute.

With an untested administration taking office, several high-profile dealerships closing and a review of the controversial Motor Vehicle Sales Act (MVSA) due to take place, the question dealers were asking was, "where to from here".

The good news was the economy was holding up strong. The Reserve Bank had raised the official cash rate to push up interest rates and control consumer spending.

The New Zealand dollar was holding its high value, dampening the effect of rising competition on the international vehicle market. Unfortunately, most commentators predicted both these areas were about to go downhill, certainly in 2006.

Alan Bollard, governor of the Reserve Bank, had already warned the boom in consumer spending had dramatically widened the country's current account deficit and householders would be unable to fund purchases out of house-price gains forever.

Some respite could come from the MVSA review, which had the potential to greatly reduce competition from so-called "backyard traders".

July 2006

UDC powers up

A revitalised UDC Finance was determined to expand its business with car traders. A low profile in the past five years had seen the company lose ground in the highly competitive dealer market.

At the same time, UDC's competitors, including some of the new finance companies now in serious trouble, had gained business and market share.

However, chairman David Hisco said that UDC was well-placed to grow its dealer business while some smaller finance companies struggled with poor credit quality.

Hisco, who was previously UDC's general manager from 1998 to mid-2000, achieved strong growth in the company's dealer business during that period and was determined to see his new management team achieve similar results.

Since taking over as chairman in late 2005, Hisco had set about significantly increasing the finance experience in his team.

That started with its new general manager, Malcolm Tilbrook. He had many years of experience in money lending and since joining UDC had worked with Hisco to bring in the people required to accelerate growth.

Matthew Richards rejoined the company to become regional manager – central, and Terry Tuohy came in from Toyota Finance.

July 6, 2007

Rethink the microdot, says Hyundai

Hyundai NZ came out strongly opposed to the government's proposal to microdot all cars being imported, prompting further debate from the Ministry of Transport and other involved parties.

Hyundai said the whole-of-vehicle-marking scheme brought with it a raft of problems, and the imposition of "yet another tax… a further high cost onto the motor industry plus a further impact on the environment".

"New Zealand lands some 18,000 cars and SUVs each month," said Philip Eustace, executive director of Hyundai NZ. "Every one will have to be microdot-prepared before anything else can be done with them.

"Every single car will have to be transported from the wharf to the premises of the marking applicator and back again.

"Here is an entire new step in the system at a time when the industry is trying to bring down the cost of vehicles for new owners."

Eustace added the figure was likely to be more than $200 per unit when the microdot process, extra handling, transport and storage were taken into account.

July 18, 2008

Vehicle retailing down $102m

Statistics NZ figures revealed a 14.8 per cent drop in motor retailing, which dragged May's seasonally adjusted total sales down by 1.2 per cent.

Sales of new and used vehicles, motorcycles and trailers, which had a strong influence on total sales movement, rose by 1.2 per cent in April. But there had been a 11.6 per cent fall since September 2007.

Core retail sales, which excluded vehicle-related industries, rose by 0.7 per cent due largely to a three per cent increase in supermarket and grocery store retailing, and a 3.2 per cent rise in automotive fuel. Total retail sales had flattened since December 2007.

David Vinsen, of the Independent Motor Vehicle Dealers Association, said the industry wasn't in panic mode yet.

He added: "Dealers are certainly taking action to deal with the current situation while preparing for the continuance of it.

"As a result, we're seeing downsizing, staff reduction, dealership closures when leases expire, and traders reducing stock levels and making careful purchasing decisions."

Time to get behind dealer survey

The Motor Trade Association's dealer attitude survey embarked on a new digital journey in 2023.

In its 17th year, the research project underwent a major transformation. For the first time, the survey was digitised in an attempt to streamline engagement with the automotive industry's dealer sector.

Although the digital format saw a dip in response rates, we extend our gratitude to all who contributed their valuable insights.

The survey's evolution into a digital channel was a significant leap. The objective of this was to streamline the process and encourage more contributions.

However, the transition didn't quite spark the anticipated surge in participation even with its deadline extended into the first quarter of the year.

The survey was sent to all franchised dealerships via email, which was a stark shift from the customary paper format.

And we welcomed contributions from all new light-vehicle dealers regardless of their MTA membership status.

Adapting to change is a gradual process and the digital survey, unlike its paper predecessor, might have slipped through the cracks of busy inboxes, thus leading to missed opportunities for businesses to have their say.

Maintaining consistency, the 2023 survey followed the established question set from 2014 with minor tweaks to two questions. This was to ensure the comparability of data collected over the years.

LARRY FALLOWFIELD
Sector manager – dealers, Motor Trade Association

Looking ahead to the 2024 survey, we've refined the digital platform by introducing an auto-save feature to streamline the process across different parts of dealerships so various heads of departments can participate.

We are currently evaluating the inclusion of new questions and considering renaming the survey to better capture its comprehensive insights.

The MTA's 2024 dealer attitude survey is part of a collective effort to shape relationships with distributors

As we prepare for the launch of this year's survey on October 1, you can anticipate updates on our efforts to improve engagement and produce a report that accurately reflects current dealer-distributor dynamics.

A special acknowledgment goes to the distributors which played a pivotal role in rallying their networks for the 2023 survey, and congratulations to the South Island dealer who claimed the $500 Prezzy Card for completing the annual dealer attitude survey last time around.

Remember, a dealer participating in this research project is the only way of accessing the final report after taking the time to complete the survey.

As we reflect on the past year and anticipate the next, it's clear that the MTA's dealer attitude survey is more than just a feedback mechanism.

It's also a barometer for the industry's pulse, and it has been great to receive feedback from both dealerships and distributors since sending out copies of the 2023 report.

The digital shift, while challenging, has opened doors to innovation and efficiency.

We are committed to leveraging technology to enhance the survey experience, ensuring that every voice is heard and every opinion counts.

In the spirit of continuous improvement, we're actively seeking feedback from you by the end of August to refine the survey further.

Your suggestions are the catalyst for our digital evolution and together in 2024 we can shape a survey that not only measures attitudes but also inspires positive change within the dealer-distributor relationship. Please send in your feedback.

The journey towards a fully embraced digital survey is ongoing and we are committed to supporting dealers through this transition. Introducing educational tutorials, dedicated support material and refined communications are in the pipeline for this year.

As we approach 2024's survey, we're not just asking for your participation. We're inviting you to be part of a collective effort that shapes your future relationship with your distributors.

Your input is invaluable. We're here to ensure its captured accurately and effectively, and expresses the combined market view in the final report.

So, 2024 is your year to supply insightful data and constructive feedback. Together we can make the road ahead promising.

With your continued support, the MTA's dealer attitude survey will remain a cornerstone of industry excellence, and assist in strengthening partnerships between dealers and distributors.

Italian icon officially back

Maserati's GranTurismo Trofeo, left, and all-electric Folgore

The 365kW Modena being put through its paces in the Italian countryside

The GranTurismo has returned to mark a new chapter in a story that started 75 years ago with Maserati's A6 1500.

The coupé combines the high performance typical of a sports car with comfort for long distances.

Aesthetically, its design represents "an ideal balance between beauty and functionality without ostentation", according to the marque, with "undeniably unique and immediately recognisable lines".

The classic proportions of Maseratis have been maintained with a long bonnet and the central body intersected by four fenders. Conversely, the roof line drops to emphasise the pillar's curve.

The new model is equipped with the V6 Nettuno engine, which is available in two versions – the Modena with its 365kW three-litre twin turbo and the upgraded Trofeo with 410kW.

The coupé is the result of an innovative project that makes extensive use of lightweight materials, such as aluminium and magnesium, along with high-performance steel.

The approach is paired with new Atlantis High electrical and electronic architecture based on CAN FD messages sent at speeds of up to two metres per second.

The system also comes with advanced level five cyber-security and flash-over-the-air features.

The master controller for the domain control module is a 100 per cent Maserati project. It consists of software that provides 360-degree control of all the most important car systems to create the best driving experience in all conditions.

Inside, the cabin is equipped with innovations. These include the marque's intelligent assistant multimedia system, the latest infotainment, a comfort display that brings together main functions in an integrated touchscreen interface, a digital clock and an optional heads-up display.

The GranTurismo also offers an all-round sound experience guaranteed by the signature sound of the Maserati engine – even in the fully electric variant, which should be launched next year.

The aural experience is completed by the immersive Sonus faber sound system in two configurations.

The standard premium system features 14 speakers and 2D surround with an output of 860 watts, while the optional high-premium package features 19 speakers and 2D and 3D surround sound with a powerful amplification up to 1,195W.

Maserati's GranTurismo Modena and Trofeo are priced from $340,000 and $390,000 respectively.

The Folgore, a 100 per cent electric version, is slated to arrive down under in early 2025.

When it does arrive, it will have three 300kW electric motors – two at the back, one at the front – providing a continuous output of 567kW.

It will be able to make the 0-100kph dash in 2.7 seconds. Power comes from a 92.5kWh battery, providing a single-charge range of up to 455km.

SPYDER JOINS LINE-UP

Maserati's all-new GranCabrio is now available as an "equally elegant" open-top version of its coupé twin, the GranTurismo.

At launch, the convertible is available in Trofeo trim while the six-cylinder internal combustion engine packs 404kW of power.

The GranCabrio's roof is made of fabric to take up as little space as possible when automatically stored in the trunk where it can be put away in 14 seconds at speeds of up to 50kph.

There's ample space for four passengers. The marque says the GranCabrio, which is priced from $415,000, is "ideal for travelling with company or alone with the wind in your hair, savouring all the emotions of an outstanding drive". Apparently.

The car's "open-air experience" is enhanced by thermal and acoustic comfort, with the soft top available in five colours. It can be operated from the central display by touching a button for complete control and autonomy.

An optional extra is the wind-stopper, which can be used with two passengers and folded manually. When the top is open, it reduces turbulence inside the passenger compartment.

The open-top GranCabrio has ample space for passengers

Audi's Q6 e-tron

Electric Vorsprung durch Technik

The Q6 e-tron is the first production model manufactured on Audi's premium platform electric (PPE).

It boasts impressive driving and charging performance, increased efficiency and a long range.

The SUV, along with the SQ6 e-tron, are due to arrive here from mid-2025 with pricing and specifications to be released closer to local launch.

Greg Leet, general manager of Audi NZ, says: "The Q6 e-tron is the next technological leap in premium electric mobility.

"Setting new standards in performance, design and technology, this electric SUV is the essence of Vorsprung durch Technik – progress through technology.

"The PPE developed jointly with Porsche and the E3 1.2 electronic architecture are important milestones in the expansion of Audi's global range of electrically powered models. They mark the start of a strengthening and rejuvenation of the model portfolio. The Q6 e-tron underpins Audi's promise to offer electric vehicles in all core segments by 2027."

The flexibility of the PPE helps in giving future models "independent character and typical Audi DNA", despite shared technical underpinnings.

Powerful, compact and highly efficient electric motors, as well as a newly developed lithium-ion battery consisting of 12 modules and 180 prismatic cells with a total gross capacity of 100kWh, ensure a range of up to 625km.

The Q6 e-tron ensures sporty performance with an output of 285kW and the SQ6 e-tron has 380kW when the "extra" function is engaged. The quattro accelerates from 0-100kph in 5.9 seconds.

Two models with rear-wheel drive will follow depending on the jurisdiction. While one will be designed for efficiency and range, the other will mark the entry into the Q6 e-tron series.

Thanks to 800-volt technology and a maximum charging capacity of 270kW as standard, short charging stops are possible with the Q6 e-tron.

Up to 255km can be recharged in 10 minutes at a high-power station, while state of charge increases from 10 to 80 per cent in around 21 minutes. Intelligent, high performance and predictive thermal management is a key component of this charging performance.

Physical presence

The new Silverado 2500 HD has arrived down under and it's more powerful than ever.

The Chevrolet is being touted as the strongest and most capable Silverado available in New Zealand thanks to its "uncompromising" towing capability.

"With several updates, the HD comes with developments that build on its established versatility," says Shawn Norwood, lead development engineer for the model.

"These include powertrain upgrades, a commanding physical presence paired with an overhauled interior, enhancements to trailering technology and its infotainment system, and active-safety technology upgrades."

The new HD joins other Silverado models available at GMSV dealers, including the 1500 LTZ Premium and 1500 ZR2.

"These models can more than hold their own when it comes to touring and towing, but the 2500 HD is the truck you want to get a big job done," says Jess Bala, managing director of GM Australia and New Zealand.

The recommended retail price for this year's 2500 HD is $175,000, including GST and excluding on-road costs.

The Silverado 2500 HD

Jaguar's Kiwi line-up delivers

This year's ABB FIA Formula E World Championship has been dominated by Jaguar TCS with Kiwis Nick Cassidy and Mitch Evans excelling behind the wheels.

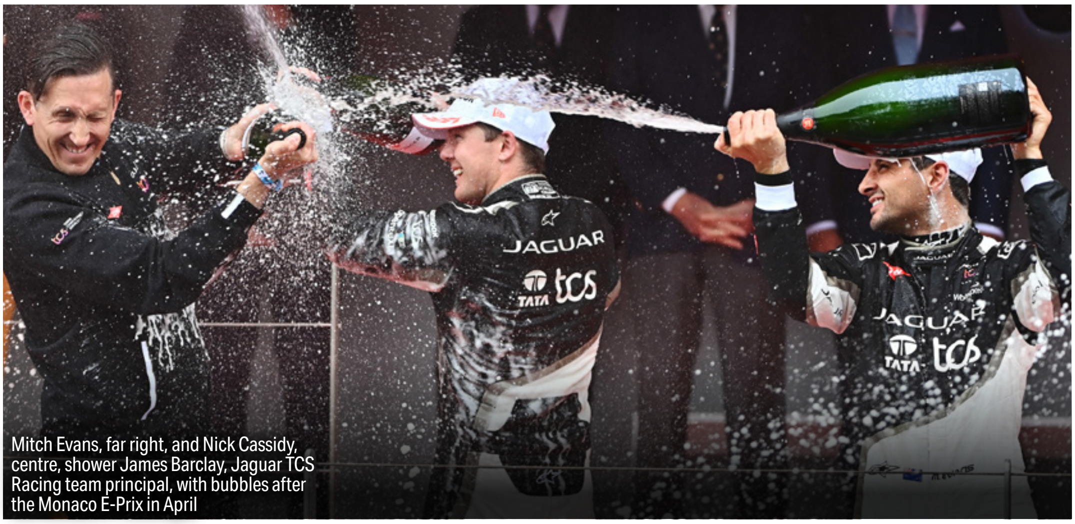
The scene is now set for the final-round showdown in London from July 20-21, which will feature two races.

The championship leader going into that double-header is Cassidy on 167 points with Evans second on the ladder with 155. Next up are Germany's Pascal Wehrlein, also on 155 points, and Spaniard Antonio Felix da Costa with 134.

It follows the penultimate weekend of racing in Portland at the end of June, which saw Evans claim a third and eighth, and Cassidy a 13th and 19th.

The recipe to Jaguar TCS' success in the series has undoubtedly been teamwork as was seen in May's Berlin round.

Cassidy won the first race, finished second in the second and set the fastest race lap. His performance stretched his championship lead to 16 points.



Mitch Evans, far right, and Nick Cassidy, centre, shower James Barclay, Jaguar TCS Racing team principal, with bubbles after the Monaco E-Prix in April

Cassidy stormed from ninth on the grid to victory in Berlin

The New Zealanders have built up a substantial fan base

The path to success in Germany's capital city wasn't as simple as it might have seemed. The New Zealander started well down the order in ninth and dropped to 23rd before fighting his way back to win with a superb display of pace and strategy.

Evans was fourth and Porsche's Wehrlein, who was Cassidy's closest championship rival at the time, could only manage fifth place.

In the second race, Cassidy was second behind Portuguese Antonio Felix da Costa. Wehrlein was fourth and Evans sixth.

"That wasn't my favourite way to win a race," reflects Cassidy. "But back-to-back podiums and two fastest laps in Berlin, we'll take that."

As the championship grows in significance and relevance, Evans and Cassidy have gone from rivals to team-mates to form a Kiwi "dream team" at Jaguar.

Evans finished third in the 2023 Formula E Drivers' World Championship with 197 points, his biggest points haul in the category to date. He has been with the marque's team since it was formed in 2016.

His New Zealand career began in kart sport and peaked when he won the Toyota Racing Series (TRS) in 2011 at the age of 16. It was his first year in the premier category, a win on debut.

Moving overseas, Evans won GP3, which has now been replaced by FIA's Formula 3, in 2012 with the Arden team. He had former F1 driver Mark Webber as his manager.

He then stepped up to GP2, which later became the current F2, again with Arden, but the results didn't come with a series of midfield finishes obscuring the New Zealander's obvious talent and sheer speed.

Arden wasn't coping with the transition to the faster category, and there were constant engineering and development issues.

Evans' final year in GP2, which was 2016, netted him a win, a podium and two fastest laps.

Cassidy, meanwhile, has been competing in Formula E since 2021. He's a formidable racer who has taken multiple wins in the TRS and the New Zealand Grand Prix.

He has been a championship winner in F3, as well as the Japanese GT500 and Super Formula categories.

The two Kiwis, who are both aged 29, form one of the strongest driver line-ups on the grid. Going into 2024, they had 15 Formula E wins, 37 podiums, 11 pole positions and 1,076 championship points between them.

CHAMPIONSHIP CHALLENGE

Cassidy started this year in Formula E as he meant to continue by posting third in Mexico with Wehrlein winning after the German-Mauritian grabbed an early lead. Evans came in fifth.

Round two at Diriyah in Saudi Arabia saw race one's finish mirrored with Cassidy again third and Evans fifth. Dennis took the chequered flag. In the second race, Cassidy surged to his first win of the season. Evans had a tough run and came 10th.

Cassidy failed to finish the Brazil round as Evans bounced back to come second behind McLaren's Sam Bird.

The following round in Tokyo was a low point for the two Jaguar drivers with Cassidy finishing eighth and Evans 15th.

At Misano in Italy, Evans was fifth while Cassidy had mechanical problems and

The current GEN3 cars produce around 350kW


Mitch Evans on his way to victory in Shanghai

Nick Cassidy and team celebrate his first victory for Jaguar TCS Racing in his 50th race in Formula E


Both team-mates on the podium in Shanghai


Evans, left, and Cassidy sharing a joke

failed to finish in the first race.

"Well, that was wild," recalls Cassidy. "Started off in FP [free practice] being pushed off track with traffic, team did a mega job getting the car out for qualifying, then the race was full bananas, which ultimately wrapped with a tech failure. One to forget."

Recovering, Cassidy displayed his racecraft and daring in the second race with a last lap, last-corner overtake to score a podium finish. "Felt great to bring home strong points for the team after a tough week. We'll enjoy this one."

At Monaco, the Jaguar team got its first one-two of the season with Evans taking his first win of 2024 and Cassidy following close behind. Wehrlein was fifth. It was at this point that Cassidy's title challenge began to take shape.

With the Berlin two-race event, Cassidy's championship lead stretched out. Shanghai followed with Evans claiming one first and a fifth place, while Cassidy secured third and fourth. Now it all comes down to what happens in London towards the end of this month.

THE TEAM & CARS

As an official manufacturer team in Formula E, Jaguar TCS Racing designs its own powertrains, including the motor, transmission, inverter and rear suspension.

The cars used have advanced considerably from the first-generation vehicles, which lacked the ability to finish a race due to battery-capacity issues and required drivers to switch out to one with a fresh battery.

The current GEN3 version has been used since the ninth Formula E season of 2022/23 onward.

Power levels are 350kW during qualifying and 300kW in the race, and power regeneration under braking is allowed on both front and rear axles – 250kW and 600kW respectively – for a maximum of 600kW recovery in this way.

The cars' estimated top speed comes in at 322kph. The battery is also designed to be able to handle ultra-fast charging at rates of up to 600kW, allowing pit-stop recharging for the first time.

LOOKING TO FUTURE

Jaguar TCS Racing has confirmed a long-term commitment to Formula E by signing up to participate in the GEN4 era, which is set to start in 2026 and run through seasons 13 to 16.

"From its beginnings as a start-up 10 years ago, Formula E has grown into a true world championship," says James Barclay, managing director of JLR Motorsport and team principal of Jaguar TCS Racing.

"It's not only producing exciting sport of the highest calibre, but is pioneering zero-emissions technologies. We will continue to drive the rapid development of EV technology on the track for the benefit of our future customers on the road."

Two examples of future-EV technology proven by Jaguar TCS Racing on the track in the all-electric I-TYPE 6 are the use of silicon carbide and a circulatory-first transmission fluid.

Silicon carbide, a semi-conductor material, was first used by the team in 2017 through Wolfspeed, which later became a technical partner.

Similarly, Jaguar has pioneered a more circular process with Castrol by taking used transmission fluid and re-refining it for competition use in the I-TYPE 6.

Both Wolfspeed's silicon carbide and Castrol ON transmission fluid will be used in the next generation of Jaguar roadgoing EVs.

The rapid pace of advancement from GEN1 to GEN3 means fans can expect another seismic shift in technology with the move to GEN4.

While the complete technical details for the GEN4 era Formula E are still under development, the cars will feature 600kW power and 700kW regenerative braking. That's a major increase on the GEN3 era figures of 350kW and 600kW respectively.

Adjudicator rules in consumer's favour in second of two claims for same vehicle

A 2013 Volkswagen Golf GT

The case: The purchaser lodged a second application because his engine's parts hadn't been as durable as they should have been for a car of its age, mileage and considering his limited use of it.

The decision: The adjudicator ruled the faults with the Volkswagen Golf were substantial and upheld the buyer's request to reject it. The dealer had to refund its purchase price, what was paid for a mechanical breakdown insurance (MBI) policy and on-road costs.

At: The Motor Vehicles Disputes Tribunal, Christchurch.

Background

The application ruled on by the tribunal was the second made by Michael Kaltenstadler for the same vehicle.

He bought the 2013 Volkswagen Golf GT in November 2022 from Good Cars Ltd for $23,830 including a MBI policy and on-road costs.

In a decision made in April 2023, an application to reject it was dismissed because he agreed to a blown head gasket being repaired by the trader.

Kaltenstadler was ordered to uplift the vehicle, which he did. When he collected it, there was a problem with the coolant light and the temperature gauge reading was low – both issues experienced by him and canvassed during the first hearing.

The buyer liaised with Good Cars, which installed a new water pump and thermostat.

There were also problems with condensation building up in the headlights, but this second application was anchored on what happened in August 2023.

The case

Kaltenstadler was driving the car on August 21 last year when it started to sound different and shake at 90-100kph, so he had it towed. He said it now sounded like a diesel when the accelerator was depressed.

The vehicle was inspected by Miles Continental, which diagnosed suspected "piston slap", which would require replacing the pistons and engine block at a cost of more than $12,000.

Kaltenstadler engaged local lawyers to write to Good Cars and reject it on September 5. Good Cars said it required a more detailed or definitive diagnosis. The buyer's lawyer didn't entertain this request.

The purchaser made enquiries regardless and learned it might cost as much as $2,760 to diagnose the problem.

His lawyer wrote to Good Cars to explain that and the fact the vehicle would be inoperable if the diagnosis amounted to a substantial failure. The trader didn't respond.

Kaltenstadler wanted a refund and losses. The dealer told the tribunal it was happy to repair any defects properly diagnosed, but didn't accept the rejection of the Golf.

The finding

Whether a vehicle is of acceptable quality under the Consumer Guarantees Act (CGA) is considered from the point of view of a reasonable person fully acquainted with its state and condition, including any hidden defects.

When Kaltenstadler's application was heard, the adjudicator pointed out there was no definitive diagnosis of the problem available.

Good Cars' branch manager adopted a practical and realistic approach to the issue, and invited Kaltenstadler to agree to the vehicle being inspected by one of its approved mechanics. It was made clear any problems with it would be repaired.

The buyer agreed but on the basis that he didn't waive any rights as to the validity of his rejection. The hearing was adjourned for the Golf to be inspected.

On January 30, 2024, Good Cars supplied a report from a third party. The repairer's notes recorded a comprehensive inspection of the vehicle.

It found evidence of number-three piston interfering with the cylinder head, metal in the sump and baffle plate, excessive movement of the number-three conrod's big end and a failed bearing cap of number-three conrod.

The third crankshaft journal was damaged and cylinder number two's bearing shell showed signs of overheating from bearing particle contamination in the oil-delivery system.

The repairer stated: "In my opinion, the crankshaft and conrod and any potential damage caused by potential lubrication issues would make it uneconomical to repair. My recommendation would be to locate a second-hand engine."

The tribunal's assessor reviewed the evidence submitted and especially the latest diagnosis. He agreed the failure of the number-three piston and the conrod's big end had damaged the block.

In a vehicle with 91,645km on the odometer, this was significant and were it to be driven a catastrophic engine failure would have occurred.

The adjudicator had no hesitation in ruling the defects to be a failure of the CGA's guarantee of acceptable quality.

The engine's parts hadn't been as durable as they should have been for a car of this age and mileage considering the buyer's limited usage of it, and the failure was of substantial character.

When a failure can be fixed, the consumer may require the supplier to rectify it under section 18 of the CGA.

When the supplier refuses or neglects to do so – or doesn't succeed in doing that within a reasonable time – the buyer may have the failure remedied elsewhere and obtain from the supplier all reasonable costs incurred in getting that done.

If the failure cannot be remedied or is substantial, the consumer may reject the goods and obtain compensation for any reduction in value of them below the price paid.

In addition, the buyer may seek damages for any loss or damage resulting from the failure if reasonably foreseeable.

In this case, the purchaser wanted a refund of $23,830, which was the purchase price, on-road costs and what was he paid for the MBI policy.

He also sought $202 for Miles Continental's diagnosis of the problem, which ultimately proved to be close to the mark.

Orders

The adjudicator upheld the car's rejection because its failure was substantial. The dealer had to pay the buyer $24,032 within 10 working days.

Upon receipt of payment, the purchaser had to make the vehicle available for the trader to collect at its own expense.

Purchaser's wife scrapped car because of damage before tribunal hears case

The case: Apart from initial defects remedied by the trader, it appeared the buyer's car had a water leak about four months post-purchase. However, it was driven after overheating, which resulted in engine failure.

The decision: The tribunal decided driving the vehicle in those circumstances was inconsistent with what a reasonable consumer would have done. The adjudicator ruled the dealer had no obligation to remedy the cooling system leak because it was given no opportunity to fix it.

At: The Motor Vehicle Disputes Tribunal, Auckland.

Background

Christopher Lyons bought a 2013 Holden Cruze with 137,806km on its odometer from Motive Trading Ltd on April 20, 2023, for $7,000.

His ex-wife Jessica Crane decided six months later that she had to scrap it after the engine failed. Their application for a refund under the Consumer Guarantees Act (CGA) was dismissed.

The case

The car had some faults at or shortly after purchase. These included a seat not adequately moving and the window-washer fluid's reservoir bottle leaking.

The bonnet's clear-coat paint was defective. The vehicle offer and sale agreement recorded this and Motive Trading's agreement to repair it. All these matters were remedied by the dealer at its own expense.

It was also reported the battery had been going flat and the engine kept running after being turned off.

Lyons produced a report from Barry Auto Electrical dated July 17, 2023, identifying issues with the body control module. However, there was no follow-up report from a workshop with a diagnosis of faults or recommendations.

The tribunal's assessor was unable to conclude from the report what defects there might have been.

Around late July, Crane contacted Motive Trading to say the car had problems and to ask if she could get it repaired or a refund. She then visited the dealer and spoke with salesperson Danneil Keit.

Keit offered to have the trader's mechanic look at the vehicle, but Crane had already arranged repairs. Despite this, Keit made an appointment for her to take it back for assessment on August 17.

On or around August 15, Crane was driving back from Auckland's North Shore to Stanmore Bay. While at traffic lights, steam was coming from the bonnet.

She then drove the remaining 10km to Lyons' house and switched off the engine. Lyons started the car up again, noticed the steam and performed some "temporary repairs".

Crane then took the vehicle to Cranefield Automotive & Tyres in Stanmore Bay. It replaced the heater hose for $273. Its invoice stated it would be necessary to monitor the coolant level because there were stains around the thermostat housing.

On August 17, Crane texted Keit to say she didn't want to take the car in because everything was running fine after seeing her own mechanic.

Around October, she was driving when the steering wheel locked up, the brakes stopped working and the vehicle "ran out of steam".

The tribunal's assessor asked Crane if it had overheated again. She replied that the bonnet felt hot. She had been adding water to the cooling system, including about 1.5 litres the day before it broke down.

She hadn't seen any water leaks and called the AA. Its technician said the car had overheated and its head gasket had possibly failed. Motive Trading's technician assessed the vehicle and concluded it wasn't worth repairing.

The dealer offered to tow it away, but Crane and Lyons sold it for $700 to National Car Removal on October 31 to be scrapped.

The finding

Apart from initial defects, which were remedied, it appeared the car had a water leak about four months and 10,000km post-purchase.

The adjudicator found a reasonable consumer wouldn't have considered the leak to be acceptable.

However, Crane driving the vehicle after realising it was overheating was inconsistent with what a reasonable person would have done, which would have been to stop driving and have it towed to a workshop to try to avoid more serious damage.

What might have been understandable actions in a predicament still had to be measured against the objective standards of what's reasonable to do when a vehicle overheats.

The tribunal's assessor said Crane continuing to drive the car for up to 10km after observing steam coming from its bonnet was likely to have damaged the head gasket, which was why it continued to use water after the heater hoses were repaired.

When the vehicle subsequently broke down in October 2023, Crane called the AA. She should also have done this when it overheated in August.

Further, it was unclear if work carried out by Cranefield Automotive & Tyres was adequate to assess the leak.

Perhaps it was already too late to avoid serious damage, but Motive Trading wasn't given an opportunity to assess the vehicle when the heater-hose leak was first identified to see if further overheating problems could be avoided.

Given the car had since been scrapped, it was no longer possible to carry out such an assessment.

The tribunal ruled the vehicle wasn't of acceptable quality when sold in respect of the defective seat, window-washer reservoir bottle and clear-coat, but these issues were fixed by the trader soon after purchase.

It wasn't of acceptable quality because of the heater-hose leak. But because Crane drove the car after it overheated, the adjudicator didn't uphold Lyons' claim the serious engine damage that followed amounted to a further breach of the CGA.

There was no evidence anything was wrong with it beforehand, only the leaking hose. If that had been properly managed in the first place, it was likely engine damage would have been averted.

The dealer had no obligation to remedy the cooling system leak because it was given no opportunity to fix it.

Order

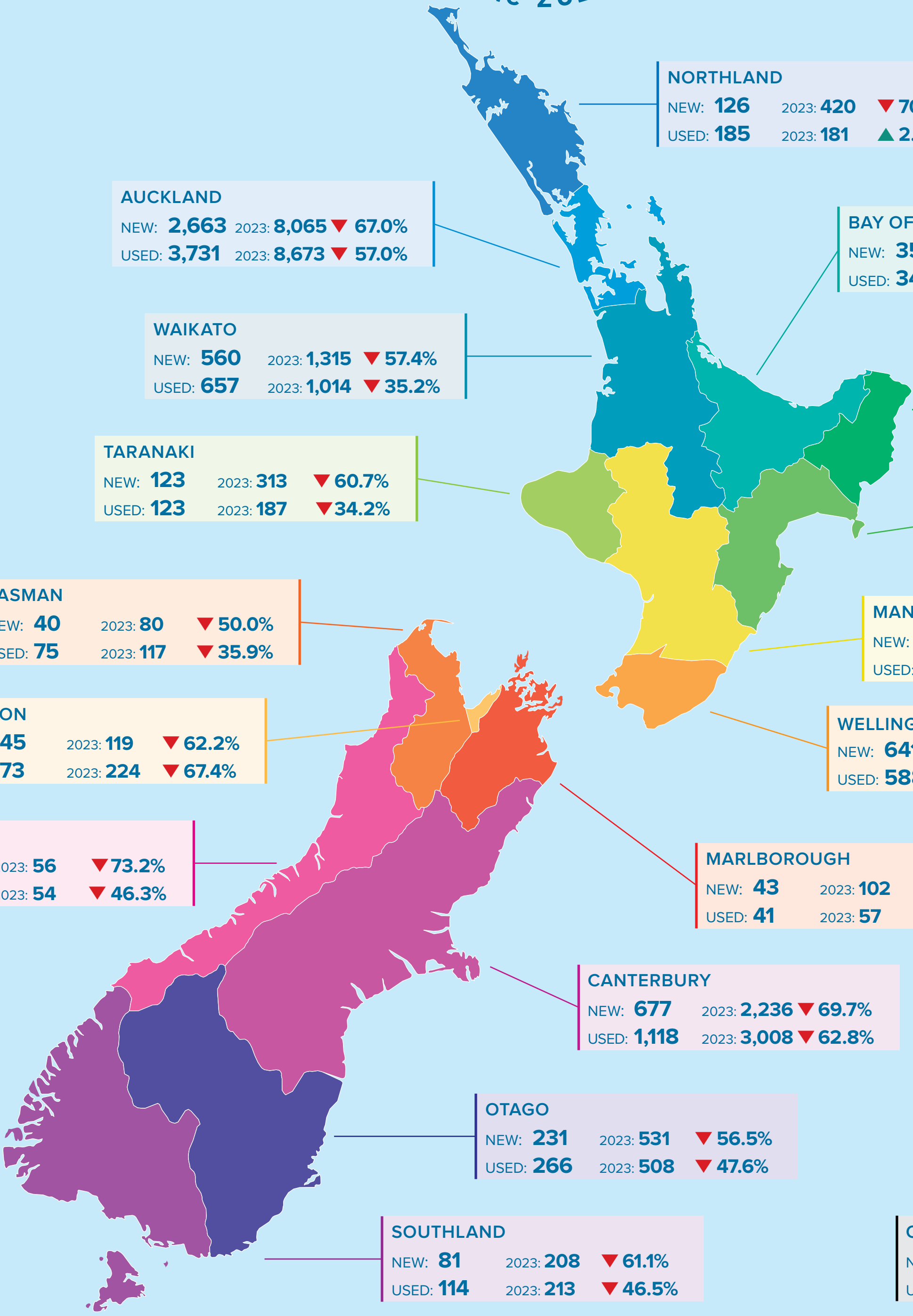
The application was dismissed.

A 2013 Holden Cruze

AROUND THE COUNTRY
June 2024

Total new cars
6,065
2023: 17,235 ▼ 64.8%

Total imported used cars
7,828
2023: 16,659 ▼ 53.0%



			2023	
NORTHLAND	NEW:	126	420	▼ 70.0%
	USED:	185	181	▲ 2.2%
AUCKLAND	NEW:	2,663	8,065	▼ 67.0%
	USED:	3,731	8,673	▼ 57.0%
BAY OF PLENTY	NEW:	355	825	▼ 57.0%
	USED:	341	596	▼ 42.8%
WAIKATO	NEW:	560	1,315	▼ 57.4%
	USED:	657	1,014	▼ 35.2%
GISBORNE	NEW:	29	85	▼ 65.9%
	USED:	88	79	▲ 11.4%
TARANAKI	NEW:	123	313	▼ 60.7%
	USED:	123	187	▼ 34.2%
HAWKE'S BAY	NEW:	183	454	▼ 59.7%
	USED:	165	256	▼ 35.5%
TASMAN	NEW:	40	80	▼ 50.0%
	USED:	75	117	▼ 35.9%
MANAWATU-WHANGANUI	NEW:	249	629	▼ 60.4%
	USED:	220	338	▼ 34.9%
NELSON	NEW:	45	119	▼ 62.2%
	USED:	73	224	▼ 67.4%
WELLINGTON	NEW:	641	1,764	▼ 63.7%
	USED:	588	1,102	▼ 46.6%
WEST COAST	NEW:	15	56	▼ 73.2%
	USED:	29	54	▼ 46.3%
MARLBOROUGH	NEW:	43	102	▼ 57.8%
	USED:	41	57	▼ 28.1%
CANTERBURY	NEW:	677	2,236	▼ 69.7%
	USED:	1,118	3,008	▼ 62.8%
OTAGO	NEW:	231	531	▼ 56.5%
	USED:	266	508	▼ 47.6%
SOUTHLAND	NEW:	81	208	▼ 61.1%
	USED:	114	213	▼ 46.5%
OTHERS (Chatham Islands, overseas, unknown)	NEW:	4	33	▼ 87.9%
	USED:	14	52	▼ 73.1%

Imported Passenger Vehicle Sales by Make - June 2024

MAKE	JUN'24	JUN'23	+/-%	JUN'24 MKT SHARE	2024 YEAR TO DATE	2024 MKT SHARE
Toyota	2,806	5,832	-51.9	35.8%	19,667	37.7%
Nissan	1,115	2,529	-55.9	14.2%	7,140	13.7%
Mazda	1,043	2,233	-53.3	13.3%	7,152	13.7%
Subaru	714	1,457	-51.0	9.1%	4,105	7.9%
Honda	701	1,129	-37.9	9.0%	4,346	8.3%
BMW	265	614	-56.8	3.4%	1,441	2.8%
Suzuki	203	441	-54.0	2.6%	1,441	2.8%
Lexus	177	232	-23.7	2.3%	1,090	2.1%
Mitsubishi	164	439	-62.6	2.1%	1,288	2.5%
Mercedes-Benz	147	349	-57.9	1.9%	947	1.8%
Volkswagen	147	601	-75.5	1.9%	1,091	2.1%
Audi	137	372	-63.2	1.8%	943	1.8%
Land Rover	43	32	34.4	0.5%	229	0.4%
Ford	18	81	-77.8	0.2%	181	0.3%
Jaguar	15	19	-21.1	0.2%	108	0.2%
Porsche	14	26	-46.2	0.2%	88	0.2%
Jeep	13	25	-48.0	0.2%	110	0.2%
Volvo	12	40	-70.0	0.2%	83	0.2%
Chevrolet	11	16	-31.3	0.1%	75	0.1%
Mini	11	34	-67.6	0.1%	60	0.1%
Peugeot	8	12	-33.3	0.1%	33	0.1%
Chrysler	7	13	-46.2	0.1%	44	0.1%
Hyundai	6	10	-40.0	0.1%	34	0.1%
Daihatsu	5	12	-58.3	0.1%	26	0.0%
Dodge	5	14	-64.3	0.1%	54	0.1%
Holden	5	9	-44.4	0.1%	32	0.1%
Tesla	5	6	-16.7	0.1%	43	0.1%
Cadillac	4	3	33.3	0.1%	14	0.0%
Alfa Romeo	3	1	200.0	0.0%	17	0.0%
Kia	3	6	-50.0	0.0%	21	0.0%
MG	3	2	50.0	0.0%	11	0.0%
Smart	3	11	-72.7	0.0%	10	0.0%
Fiat	2	4	-50.0	0.0%	16	0.0%
Isuzu	2	3	-33.3	0.0%	6	0.0%
Maserati	2	3	-33.3	0.0%	5	0.0%
Others	9	49	-81.6	0.1%	151	0.3%
Total	**7,828**	**16,659**	**-53.0**	**100.0%**	**52,102**	**100.0%**

Imported Passenger Vehicle Sales by Model - June 2024

MAKE	MODEL	JUN'24	JUN'23	+/-%	JUN'24 MKT SHARE	2024 YEAR TO DATE	2024 MKT SHARE
Toyota	Aqua	673	1,740	-61.3	8.6%	5,196	10.0%
Toyota	Prius	584	1,288	-54.7	7.5%	4,275	8.2%
Mazda	Axela	293	824	-64.4	3.7%	2,217	4.3%
Toyota	Corolla	269	524	-48.7	3.4%	1,943	3.7%
Toyota	C-HR	268	311	-13.8	3.4%	1,546	3.0%
Nissan	X-Trail	266	413	-35.6	3.4%	1,630	3.1%
Nissan	Note	261	526	-50.4	3.3%	1,996	3.8%
Honda	Fit	255	446	-42.8	3.3%	1,719	3.3%
Subaru	Impreza	240	671	-64.2	3.1%	1,608	3.1%
Mazda	Demio	230	354	-35.0	2.9%	1,641	3.1%
Nissan	Serena	224	710	-68.5	2.9%	1,434	2.8%
Mazda	CX-5	208	378	-45.0	2.7%	1,273	2.4%
Subaru	XV	176	315	-44.1	2.2%	1,137	2.2%
Suzuki	Swift	152	263	-42.2	1.9%	1,021	2.0%
Honda	Vezel	129	142	-9.2	1.6%	845	1.6%
Toyota	Vellfire	115	97	18.6	1.5%	553	1.1%
Mazda	Atenza	114	206	-44.7	1.5%	624	1.2%
Mitsubishi	Outlander	105	285	-63.2	1.3%	815	1.6%
Volkswagen	Golf	104	419	-75.2	1.3%	718	1.4%
Toyota	Camry	102	176	-42.0	1.3%	615	1.2%
Toyota	Vitz	99	224	-55.8	1.3%	798	1.5%
Mazda	Premacy	91	271	-66.4	1.2%	592	1.1%
Subaru	Legacy	87	126	-31.0	1.1%	381	0.7%
Subaru	Forester	86	126	-31.7	1.1%	388	0.7%
Nissan	Leaf	82	271	-69.7	1.0%	425	0.8%
Toyota	Spade	66	83	-20.5	0.8%	493	0.9%
BMW	320i	58	70	-17.1	0.7%	270	0.5%
Toyota	Sai	55	117	-53.0	0.7%	425	0.8%
Honda	Odyssey	54	52	3.8	0.7%	250	0.5%
Toyota	Alphard	49	78	-37.2	0.6%	319	0.6%
Nissan	Skyline	46	62	-25.8	0.6%	244	0.5%
Toyota	RAV4	46	39	17.9	0.6%	260	0.5%
Lexus	CT 200h	45	68	-33.8	0.6%	328	0.6%
Nissan	Lafesta	45	132	-65.9	0.6%	202	0.4%
Toyota	Estima	42	60	-30.0	0.5%	231	0.4%
Others		2,109	4,792	-56.0	26.9%	13,690	26.3%
Total		**7,828**	**16,659**	**-53.0**	**100.0%**	**52,102**	**100.0%**

Stock sourcing expands growth

Turners Cars notched up strong gains in its 2024 financial year with improved local sourcing of vehicles among the factors for this.

Revenue for the division increased by seven per cent to $298.6 million to lift its profit contribution to the group to $31.8m, up by 27 per cent on 2022/23. This was founded on continuing to develop a "very strong brand" and improving the efficiency of systems as well as sourcing stock "smarter".

One-off impacts, such as the floods over Auckland's anniversary weekend and Cyclone Gabrielle, affected the early part of 2023/24 with higher sales than normal seen as damaged and end-of-life vehicles were replaced.

Central to automotive retail's profit growth has been a continued migration from auctioned cars into expanding the retail business.

The latter, says the company, generates higher revenues and add-on sales opportunities compared to vehicles sold through auction.

Turners Cars is also sourcing more owned stock and increasing its retail capacity through branch expansion.

Total "owned" sales grew by five per cent in 2023/24 to about 25,300 units. The number of vehicles sold at auction also went up, by seven per cent to 19,800.

The business is now entering a "build phase" for its next growth push. A branch was opened in Timaru during the 2024 financial year while the site in Napier was expanded.

The development pipeline for 2024/25 includes Tauranga-Tauriko, Hornby in Christchurch and Burnside at the Christchurch Airport precinct. However, the timing of these mean their impact will only be fully felt in the 2026 financial year.

Branches in Christchurch's city centre and Greerton, Tauranga, are planned for financial years 2026 and 2027 respectively.

Overall, Turners Automotive Group delivered record earnings for the financial year to March 31.

Group revenue for 2023/24 came in at $417m, up by seven per cent. Net profit before tax (NPBT) was $49.1m and net profit after tax was $33m – up by eight and 1.5 per cent respectively.

It's also "well placed" to exceed its 2024/25 target of $50m in NPBT and has announced its new medium-term target of $65m in its 2028 financial year.

"This is an outstanding result for the business in light of the economic backdrop," says group chairman Grant Baker. "The strength of our brand and distribution networks means we are ever-more accessible and trusted by customers, offering strong adjacent opportunities.

"The resilience of our diversified model leaves us well-placed for what comes next in the economic cycle. Our leadership position and strong balance sheet mean we can continue to invest for our next phase of growth even in tough times, so we stay ahead of the market as conditions begin to improve into the next year.

"The economic conditions New Zealand is faced with are challenging, but I have confidence in the team to keep delivering."

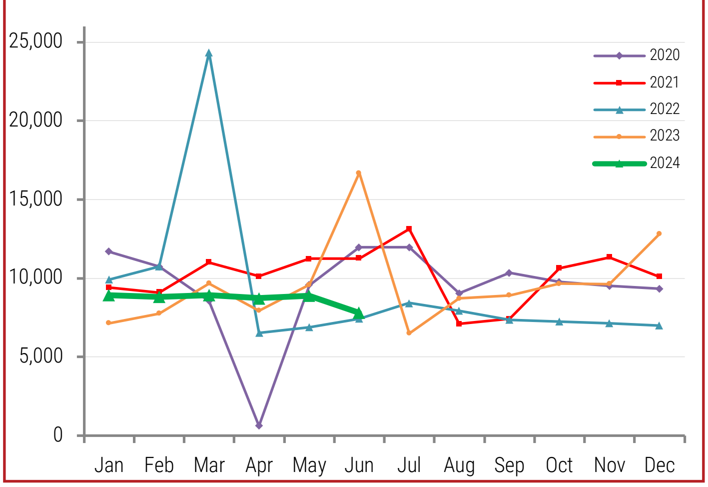
Sales plunge

Registrations of used-imported cars dropped by 53 per cent in June to 7,828 versus 16,659 in the same month of 2023.

The Toyota Aqua topped the models' ladder with 673 followed by the marque's Prius with 584. Third spot was claimed by Mazda's Axela on 293.

The best-selling marque in June was Toyota with 2,806 units, down by 51.9 per cent compared to the same month of last year.

Used Imported Passenger Registrations - 2020–2024



Used Imported Passenger Vehicle Sales by Motive Power - June 2024

MAKE	JUN'24	JUN'23	+/-%	JUN'24 MKT SHARE	2024 YEAR TO DATE	2024 MKT SHARE
Full battery electric	99	300	-67.0%	1.3%	535	1.0%
Plug-in hybrid electric	92	238	-61.3%	1.2%	643	1.2%
Non plug-in petrol hybrid	3,405	6,832	-50.2%	43.5%	23,743	45.6%
Petrol	4,123	8,979	-54.1%	52.7%	26,517	50.9%
Diesel	109	309	-64.7%	1.4%	663	1.3%
Others (includes non plug-in diesel hybrid, fuel cell)	0	1	-100.0%	0.0%	1	0.0%
Total	**7,828**	**16,659**	**-53.0%**		**52,102**	

DOLPHIN SHIPPING

Boost from increasing margins

A major player in the used-imports sector says its overall results for the past financial year reflect it successfully implementing a margin-expansion strategy.

2 Cheap Cars says it achieved that by leveraging its "reliable source of cars from Japan and increasing prices where necessary to offset cost pressures".

The company also used additional shipping providers to ensure consistent supply, and carried out and insourced more compliance and operations activity.

It has posted a record $6.2 million in net profit after tax (NPAT) for its 2024 financial year – up by $4.9m when compared to 2022/23.

Revenue and income came in at $86.8m for an increase of five per cent. This was driven by higher prices while improved finance and insurance penetration rates offset "slightly lower volumes".

Underlying earnings before interest, taxes, depreciation and amortisation – including income from finance – rose by 105 per cent to $11.4m and underlying NPAT was $6.2m, up by 213 per cent, excluding non-recurring costs.

Operating costs rose by one per cent to $8.9m, "significantly below the rate of inflation".

2 Cheap's gross margin-expansion strategy has been "extremely effective", strengthening by six per cent to 23 per cent. Full-year gross margin rose by 39 per cent to $20.3m on the back of vehicle sales dropping two per cent to 8,169 units.

"Management continues to be strongly focused on minimising cost increases and reducing reliance on third parties throughout the value chain," the company states in an announcement to the NZX.

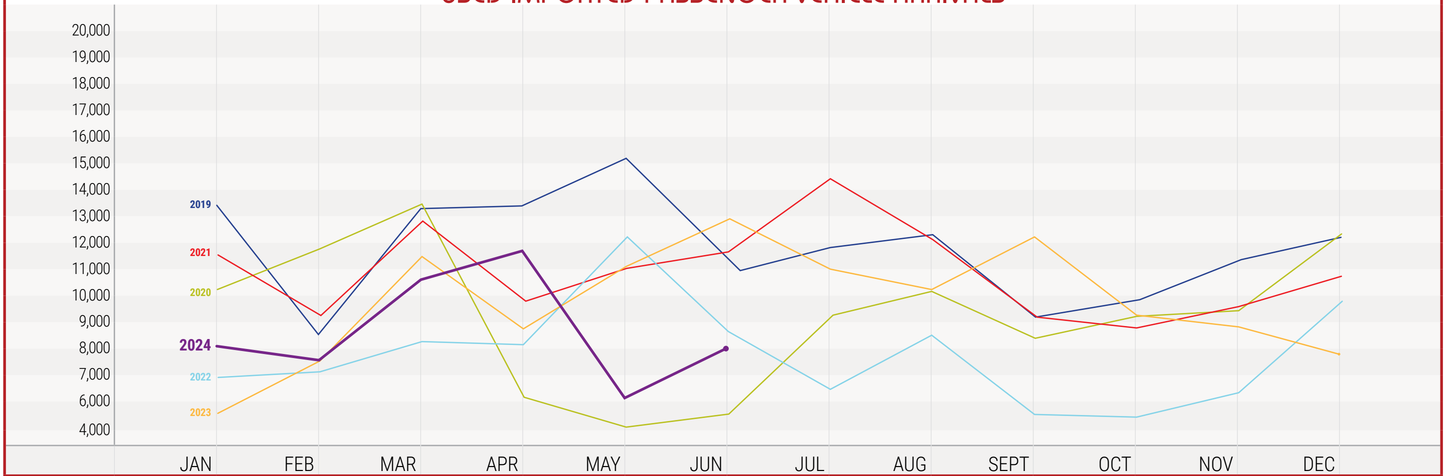
Interest costs, excluding those associated with leases, dropped by 52 per cent versus 2022/23 "reflecting changes in finance facilities and prudent capital management".

Net operating cash inflow was $6.9m, down $6.3m year on year, largely due to a decision to maintain stronger inventory levels.

Imports fall

There were 7,989 used cars imported last month to bring the year-to-date total to 51,665. That's down 8.6 per cent compared to 56,518 by the same time in 2023.

USED IMPORTED PASSENGER VEHICLE ARRIVALS



Used Imported Passenger Vehicles By Country Of Export

COUNTRY OF EXPORT	2024 JAN '24	FEB '24	MAR '24	APR '24	MAY '24	JUN '24	JUN MKT SHARE	2024 TOTAL
Australia	72	106	101	164	125	84	1.1%	**652**
Great Britain	19	23	14	14	21	15	0.2%	**106**
Japan	7,984	7,255	10,190	11,411	5,864	7,858	98.4%	**50,562**
Singapore	18	43	28	20	31	12	0.2%	**152**
USA	12	21	11	17	26	15	0.2%	**102**
Other countries	12	9	9	12	44	5	0.1%	**91**
Total	**8,117**	**7,457**	**10,353**	**11,638**	**6,111**	**7,989**	**100.0%**	**51,665**

COUNTRY OF EXPORT	2023 Q1	Q2	Q3	Q4	2023 TOTAL	MRKT SHARE	2022 TOTAL	MRKT SHARE
Australia	338	306	267	352	1,263	1.1%	2,353	2.6%
Great Britain	75	60	58	79	272	0.2%	512	0.6%
Japan	23,317	32,064	32,800	25,281	113,462	98.0%	87,740	95.6%
Singapore	50	75	48	77	250	0.2%	423	0.5%
USA	68	56	83	58	265	0.2%	487	0.5%
Other countries	48	61	61	71	241	0.2%	250	0.3%
Total	**23,896**	**32,622**	**33,317**	**25,918**	**115,753**	**100.0%**	**91,765**	**100.0%**

"The company is well-positioned with inventory valued at $13.9m, up $5.5m over the 2023 financial year, which was impacted by shipping constraints.

"As of March 31, the company is in compliance with all banking covenants and has cash of $4.7m, no net debt and total equity of $20.4m."

The company's full-year results emphasise the success of its transformation strategy, says Paul Millward in his annual report. He has since been replaced as chief executive officer by David Sena, co-founder and major shareholder.

"Despite wider pressure on consumer retail spending, 2 Cheap Cars is in great shape," adds Millward. "Its strong brand position is now well-supported thanks to work undertaken to ensure robust supply, attract capable people, and a disciplined approach to revenue and cost management.

"The decision to focus on gross margin means the business is now on a stable footing with a clear growth strategy."

Despite giving priority to increasing gross margins, the business held its market share at 4.5 per cent as a proportion of dealer-to-public used cars sold between April 1, 2023, and March 31, 2024.

"The company continues to be well-positioned to meet the ongoing demand for electric and hybrid vehicles [EVs and HEVs]," says Millward.

Trade decreases

Dealers sold 13,904 second-hand passenger vehicles to members of the public in June.

That was down by 8.9 per cent from 15,261 when compared to the same month of 2023.

Trade-ins came in at 11,266, which represented a 17.4 per cent fall from 13,644.

There were also 38,126 private transactions in June, which was down by 6.5 per cent from 40,792 over the same period last year.

"Despite regulatory changes and the removal of the clean car discount, the number of EVs and HEVs as a proportion of total sales increased to 56 per cent, up by 14 per cent on the year prior.

"Demand – particularly for cost-effective HEVs – remains stable, accounting for 54 per cent of sales in the last quarter of financial year 2024."

While the impact of changes to the Credit Contracts and Consumer Finance Act saw an increase in loan applications declined, a penetration rate of 27.5 per cent was achieved and income increased by 11 per cent to $4.9m.

Insurance penetration rates grew to 37.1 per cent with such income up by nine per cent to $2.6m.

2 Cheap Cars' final gross dividend for the past financial year was 11.56 cents per share, which represented a yield of around 14.5 per cent based on the share price of 80c as of May 23. That compared to zero in 2022/23.

SECONDHAND CAR SALES - June 2024

	DEALER TO PUBLIC				PUBLIC TO PUBLIC			PUBLIC TO DEALER		
REGION	JUN '24	JUN '23	+/- %	MARKET SHARE	JUN '24	JUN '23	+/- %	JUN '24	JUN '23	+/- %
Northland	470	477	-1.5%	3.4%	1,777	1,890	-6.0%	157	220	-28.6%
Auckland	4,561	5,127	-11.0%	32.8%	12,441	13,771	-9.7%	4,980	5,858	-15.0%
Waikato	1,468	1,567	-6.3%	10.6%	3,908	4,016	-2.7%	897	1,141	-21.4%
Bay of Plenty	931	1,016	-8.4%	6.7%	2,688	2,990	-10.1%	611	716	-14.7%
Gisborne	139	123	13.0%	1.0%	355	340	4.4%	32	47	-31.9%
Hawke's Bay	551	554	-0.5%	4.0%	1,401	1,425	-1.7%	385	366	5.2%
Taranaki	324	323	0.3%	2.3%	942	1,091	-13.7%	172	202	-14.9%
Manawatu-Whanganui	801	778	3.0%	5.8%	1,986	2,116	-6.1%	662	761	-13.0%
Wellington	1,301	1,339	-2.8%	9.4%	2,998	3,091	-3.0%	915	1,224	-25.2%
Tasman	129	141	-8.5%	0.9%	420	472	-11.0%	17	23	-26.1%
Nelson	124	147	-15.6%	0.9%	386	391	-1.3%	159	243	-34.6%
Marlborough	109	149	-26.8%	0.8%	352	398	-11.6%	37	66	-43.9%
West Coast	96	115	-16.5%	0.7%	264	296	-10.8%	40	52	-23.1%
Canterbury	1,934	2,303	-16.0%	13.9%	5,274	5,321	-0.9%	1,686	2,109	-20.1%
Otago	645	714	-9.7%	4.6%	1,873	2,075	-9.7%	417	459	-9.2%
Southland	286	327	-12.5%	2.1%	950	950	0.0%	99	157	-36.9%
Other	35	61	-42.6%	0.3%	111	159	-30.2%	0	0	0.0%
NZ Total	**13,904**	**15,261**	**-8.9%**	**100.0%**	**38,126**	**40,792**	**-6.5%**	**11,266**	**13,644**	**-17.4%**

New Passenger Vehicle Sales by Make - June 2024

MAKE	JUN'24	JUN'23	+/-%	JUN'24 MKT SHARE	2024 YEAR TO DATE	2024 MKT SHARE
Toyota	1,203	3,182	-62.2	19.8%	8,568	21.4%
Mitsubishi	680	1,884	-63.9	11.2%	4,410	11.0%
Kia	582	1,924	-69.8	9.6%	4,071	10.2%
Hyundai	488	1,069	-54.3	8.0%	1,858	4.6%
Suzuki	399	1,148	-65.2	6.6%	2,760	6.9%
Ford	274	598	-54.2	4.5%	1,906	4.8%
Mazda	258	521	-50.5	4.3%	1,666	4.2%
Subaru	197	335	-41.2	3.2%	981	2.4%
GWM	175	44	297.7	2.9%	1,420	3.5%
MG	162	806	-79.9	2.7%	1,351	3.4%
Honda	147	502	-70.7	2.4%	1,474	3.7%
Volkswagen	126	478	-73.6	2.1%	971	2.4%
BMW	122	170	-28.2	2.0%	762	1.9%
Mercedes-Benz	116	161	-28.0	1.9%	682	1.7%
Tesla	107	963	-88.9	1.8%	628	1.6%
Lexus	102	147	-30.6	1.7%	661	1.6%
BYD	100	440	-77.3	1.6%	306	0.8%
Nissan	100	462	-78.4	1.6%	1,312	3.3%
Land Rover	99	103	-3.9	1.6%	621	1.5%
Mini	73	191	-61.8	1.2%	363	0.9%
Audi	72	167	-56.9	1.2%	585	1.5%
Skoda	61	367	-83.4	1.0%	526	1.3%
Omoda	58	0	5,800.0	1.0%	177	0.4%
Volvo	39	84	-53.6	0.6%	214	0.5%
Porsche	38	95	-60.0	0.6%	275	0.7%
Jaguar	35	9	288.9	0.6%	121	0.3%
Isuzu	28	35	-20.0	0.5%	110	0.3%
Peugeot	28	102	-72.5	0.5%	206	0.5%
SsangYong	28	85	-67.1	0.5%	107	0.3%
Cupra	27	47	-42.6	0.4%	154	0.4%
Jeep	27	58	-53.4	0.4%	94	0.2%
Mahindra	17	96	-82.3	0.3%	169	0.4%
Jaecoo	11	0	1,100.0	0.2%	13	0.0%
KGM	11	0	1,100.0	0.2%	50	0.1%
Polestar	11	36	-69.4	0.2%	47	0.1%
Ferrari	8	5	60.0	0.1%	25	0.1%
Fiat	8	40	-80.0	0.1%	27	0.1%
Haval	7	665	-98.9	0.1%	53	0.1%
Lamborghini	7	6	16.7	0.1%	17	0.0%
Bentley	6	4	50.0	0.1%	21	0.1%
Ineos	6	24	-75.0	0.1%	37	0.1%
Yamaha	4	1	300.0	0.1%	17	0.0%
Alfa Romeo	3	11	-72.7	0.0%	50	0.1%
Lotus	3	1	200.0	0.0%	12	0.0%
Others	12	169	-92.9	0.2%	208	0.5%
Total	**6,065**	**17,235**	**-64.8**	**100.0%**	**40,086**	**100.0%**

New Passenger Vehicle Sales by Model - June 2024

MAKE	MODEL	JUN'24	JUN'23	+/-%	JUN'24 MKT SHARE	2024 YEAR TO DATE	2024 MKT SHARE
Toyota	RAV4	556	1,495	-62.8	9.2%	4,200	10.5%
Mitsubishi	Outlander	255	563	-54.7	4.2%	1,686	4.2%
Mitsubishi	ASX	252	260	-3.1	4.2%	1,680	4.2%
Suzuki	Swift	208	603	-65.5	3.4%	1,389	3.5%
Kia	Seltos	189	405	-53.3	3.1%	1,356	3.4%
Hyundai	Kona	181	361	-49.9	3.0%	686	1.7%
Hyundai	Tucson	174	233	-25.3	2.9%	559	1.4%
Toyota	Highlander	153	162	-5.6	2.5%	763	1.9%
Kia	Sportage	136	272	-50.0	2.2%	806	2.0%
Mitsubishi	Eclipse Cross	136	527	-74.2	2.2%	813	2.0%
Mazda	CX-5	122	228	-46.5	2.0%	765	1.9%
Kia	Stonic	114	347	-67.1	1.9%	980	2.4%
Toyota	Corolla	114	235	-51.5	1.9%	641	1.6%
Ford	Everest	111	121	-8.3	1.8%	1,079	2.7%
Ford	Puma	90	79	13.9	1.5%	306	0.8%
Suzuki	Jimny	86	195	-55.9	1.4%	561	1.4%
Toyota	C-HR	84	259	-67.6	1.4%	289	0.7%
Subaru	Outback	82	103	-20.4	1.4%	341	0.9%
MG	3	76	117	-35.0	1.3%	303	0.8%
MG	ZS	73	619	-88.2	1.2%	829	2.1%
Honda	ZR-V	71	146	-51.4	1.2%	551	1.4%
Toyota	Land Cruiser Prado	71	140	-49.3	1.2%	199	0.5%
GWM	Haval H6	69	0	6,900.0	1.1%	555	1.4%
GWM	Haval Jolion	68	0	6,800.0	1.1%	530	1.3%
Tesla	Model 3	67	199	-66.3	1.1%	252	0.6%
Subaru	Crosstrek	58	93	-37.6	1.0%	306	0.8%
Omoda	C5	54	0	5,400.0	0.9%	155	0.4%
Toyota	Yaris	54	152	-64.5	0.9%	406	1.0%
Toyota	Yaris Cross	54	194	-72.2	0.9%	612	1.5%
Honda	Jazz	52	254	-79.5	0.9%	417	1.0%
Volkswagen	Tiguan	52	210	-75.2	0.9%	377	0.9%
Nissan	X-Trail	50	174	-71.3	0.8%	624	1.6%
Ford	Escape	49	249	-80.3	0.8%	294	0.7%
Toyota	Corolla Cross	49	180	-72.8	0.8%	808	2.0%
BYD	Atto 3	47	440	-89.3	0.8%	116	0.3%
Nissan	Qashqai	43	246	-82.5	0.7%	538	1.3%
Subaru	Forester	42	72	-41.7	0.7%	225	0.6%
Hyundai	Ioniq 5	41	91	-54.9	0.7%	92	0.2%
Kia	Carnival	40	114	-64.9	0.7%	213	0.5%
Kia	Niro	40	413	-90.3	0.7%	336	0.8%
Tesla	Model Y	40	764	-94.8	0.7%	376	0.9%
GWM	Tank	38	0	3,800.0	0.6%	295	0.7%
Suzuki	Vitara	38	174	-78.2	0.6%	226	0.6%
Mazda	CX-3	37	47	-21.3	0.6%	203	0.5%
Suzuki	S-Cross	34	44	-22.7	0.6%	288	0.7%
Others		1,615	5,655	-71.4	26.6%	11,060	27.6%
Total		**6,065**	**17,235**	**-64.8**	**100.0%**	**40,086**	**100.0%**

'Huge talents' secure honours

The Ingham Group notched up a notable double in Hyundai New Zealand's business manager of the year competition.

Liezel Jooste, of Ingham Hamilton, won the group-one section for 2023, while Catriona McPhee, from Ingham Great Lake – Hyundai Taupo, claimed the crown for group two.

The awards, which are organised by the marque, recognise individuals who have demonstrated dedication, strategic vision and a commitment to excellence when helping clients with their financing requirements.

McPhee has now won Hyundai NZ's business manager gong for three consecutive years and is thrilled to have completed her hat-trick.

"It reflects the collaborative efforts of our team," she says.

"It validates the hard work that goes into securing every finance deal, ensuring our customers receive the best possible solutions tailored to their needs."

Jooste adds it's exciting to be recognised for her contributions to the Hamilton dealership.

"For me, it's about building trust and ensuring our customers feel confident in their financial decisions," she says. "We create solutions that empower them to drive away in their dream vehicles."

Trent Ingham, managing director of Ingham Group, describes Jooste and McPhee as "huge talents" in the industry. "We're delighted to see they have been rewarded for their continued success and dedication."


Liezel Jooste


Catriona McPhee

Market softens

Registrations of new cars dropped by 64.8 per cent in June when compared to the same month last year – from 17,235 to 6,065.

Toyota's RAV4 topped the ladder with 556 units. Next up were Mitsubishi's Outlander on 255 and its ASX with 252. The top five was completed by the Suzuki Swift with 208 and Kia's Seltos on 189.

June's most popular marques were Toyota with 1,203 units, Mitsubishi with 680 and Kia on 582.

GETTING SATISFACTION

Suzuki NZ has won Canstar Blue's customer satisfaction award for new cars.

It received five stars across all judging categories and secured more top ratings than other automotive brands in this year's survey combined.

In order of rating, other marques included Mazda, Toyota, Ford, Kia, Audi, Honda, Nissan, Hyundai, Mitsubishi and BMW.

"We are delighted to have won the Canstar Blue Award once again," says Gary Collins, Suzuki NZ's chief executive officer.

"The fact we received the maximum of five stars in all categories is a testament to our loyal customers, reliable range, and dedicated dealerships and service centres nationwide.

"We are also pleased to see Suzuki was the only brand to score a maximum five stars in value for money. We've mastered making a little go a long way with our innovative and quality range, providing affordable new cars for New Zealanders."

Canstar is an independent consumer advice organisation that covers more than 30,000 products and services. It's funded by lead referrals, advertising, subscriptions and award licensing.

For the new-car award, buyers rated their new vehicles across six categories comprising overall satisfaction with the car, after-sales service, driving experience, point-of-sale service, reliability and value.

Bruce Pitchers, editor of Canstar Blue, says Suzuki NZ achieved a "remarkable set of perfect five-star ratings" across the categories.

"No other car brand earned five stars for overall satisfaction," he adds. "In total, only three other car brands earned the five-star rating at all and then only one apiece."

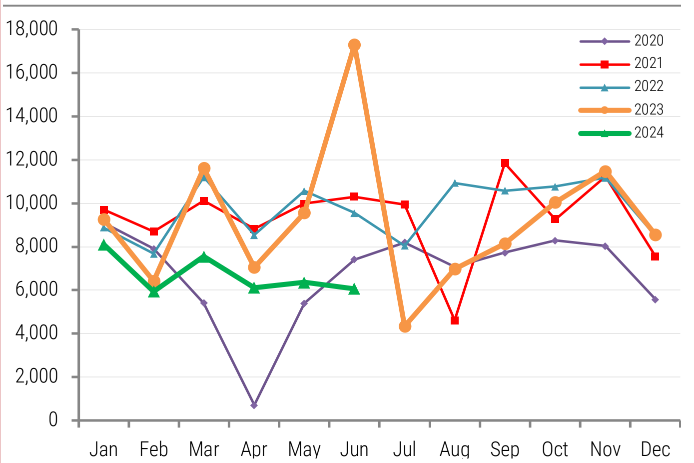
For those surveyed, the most important considerations when purchasing a new vehicle were price at 21 per cent, safety features and safety rating on 18 per cent, functionality – also on 18 per cent, and fuel economy with 12 per cent.

Mazda took out second place on Canstar Blue's ladder with its customers rating it highly across all measures of satisfaction. It achieved four-star ratings across all categories.

Toyota came third and is described as "one of the nation's top-selling car brands, comprising around 15 per cent of the market".

It earned four stars for overall satisfaction, a rating it achieved in all but one category, after-sale service, for which it earned a five-star rating.

New Passenger Registrations - 2020–2024



New Passenger Vehicle Sales by Motive Power - June 2024

MAKE	JUN'24	JUN'23	+/-%	JUN'24 MKT SHARE	2024 YEAR TO DATE	2024 MKT SHARE
Full battery electric	511	2,595	-80.3%	8.4%	2,212	5.5%
Plug-in hybrid electric	227	1,309	-82.7%	3.7%	1,177	2.9%
Non plug-in petrol hybrid	2,143	4,188	-48.8%	35.3%	13,679	34.1%
Petrol	2,653	7,771	-65.9%	43.7%	19,350	48.3%
Diesel	531	1,372	-61.3%	8.8%	3,667	9.1%
Others (includes non plug-in diesel hybrid, fuel cell)	0	0	0.0%	0.0%	1	0.0%
Total	**6,065**	**17,235**	**-64.8%**		**40,086**	

Powering up with green fuel

Toyota New Zealand says its display at this year's Fieldays reflected its approach to providing Kiwis with a range of mobility and low-emissions powertrains.

Its site was powered by a Toyota Hydrogen generator, which was inside its tent silently providing clean energy while emitting just drops of warm water.

The piece of kit is the result of a joint venture with a European technology company and uses a fuel cell similar to what's inside the hydrogen-powered Mirai.

Neeraj Lala, chief executive officer, says using the generator demonstrates Toyota NZ's focus on hydrogen as a green alternative for future innovation and technology beyond vehicles.

He adds the marque is focused on providing a range of electrified powertrains for its customers, including battery electric, plug-in hybrid and petrol hybrid models, with more than 80 per cent of its range now being electrified.

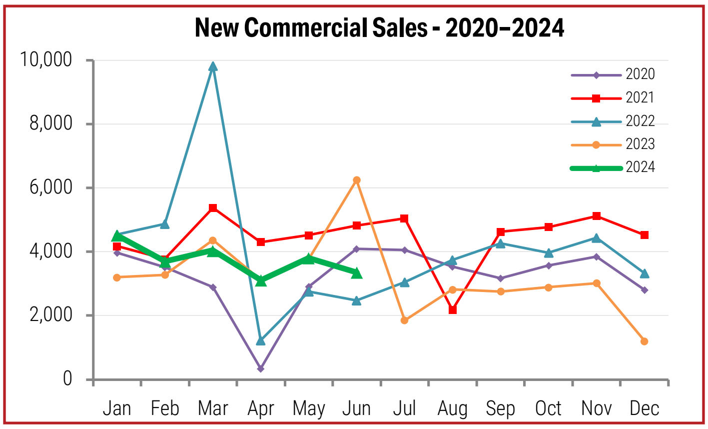
Among the models exhibited at Mystery Creek by Toyota were the new Hilux Hybrid and a pre-production version of the Land Cruiser Prado.

Both have lower emission powertrains, although Lala concedes the reality is they are still higher emitting than the average passenger car.

"We are able to offer vehicles like the Hilux Hybrid and Prado due to the lower emissions performance of our broader range of models," he explains.

"Toyota has capped sales for the Hilux at a maximum of 30 per cent of its annual total to that end. Limiting sales of higher-emitting vehicles will help support the transition to a lower carbon economy.

"While there has been some



New Commercial Sales by Make - June 2024

MAKE	JUN'24	JUN'23	+/-%	JUN'24 MKT SHARE	2024 YEAR TO DATE	2024 MKT SHARE
Ford	1,045	1,126	-7.2	31.1%	7,060	31.3%
Toyota	760	2,147	-64.6	22.7%	5,134	22.8%
Mitsubishi	436	1,010	-56.8	13.0%	2,730	12.1%
Isuzu	252	403	-37.5	7.5%	1,373	6.1%
Nissan	141	204	-30.9	4.2%	1,115	4.9%
Fuso	83	133	-37.6	2.5%	530	2.3%
Mercedes-Benz	77	67	14.9	2.3%	399	1.8%
Volkswagen	70	240	-70.8	2.1%	617	2.7%
Scania	51	65	-21.5	1.5%	326	1.4%
Hino	44	68	-35.3	1.3%	277	1.2%
GWM	42	0	4,200.0	1.3%	102	0.5%
Hyundai	37	65	-43.1	1.1%	273	1.2%
Factory Built	34	1	3,300.0	1.0%	64	0.3%
LDV	33	159	-79.2	1.0%	367	1.6%
Fiat	29	36	-19.4	0.9%	305	1.4%
Volvo	27	30	-10.0	0.8%	172	0.8%
SsangYong	24	39	-38.5	0.7%	54	0.2%
Mahindra	19	6	216.7	0.6%	84	0.4%
Renault	17	31	-45.2	0.5%	92	0.4%
Kenworth	16	14	14.3	0.5%	148	0.7%
Others	118	433	-72.7	3.5%	1,336	5.9%
Total	**3,355**	**6,277**	**-46.6**	**100.0%**	**22,558**	**100.0%**

New Commercial Sales by Model - June 2024

MAKE	MODEL	JUN'24	JUN'23	+/-%	JUN'24 MKT SHARE	2024 YEAR TO DATE	2024 MKT SHARE
Ford	Ranger	889	973	-8.6	26.5%	6,222	27.6%
Toyota	Hilux	591	1,698	-65.2	17.6%	3,770	16.7%
Mitsubishi	Triton	436	1,010	-56.8	13.0%	2,729	12.1%
Ford	Transit	156	152	2.6	4.6%	838	3.7%
Nissan	Navara	141	204	-30.9	4.2%	1,115	4.9%
Isuzu	D-Max	137	256	-46.5	4.1%	746	3.3%
Toyota	Hiace	131	293	-55.3	3.9%	1,047	4.6%
Mercedes-Benz	Sprinter	65	51	27.5	1.9%	291	1.3%
Isuzu	N Series	60	58	3.4	1.8%	278	1.2%
Volkswagen	Amarok	44	158	-72.2	1.3%	425	1.9%
GMW	Cannon	42	0	4,200.0	1.3%	102	0.5%
Isuzu	F Series	39	73	-46.6	1.2%	268	1.2%
Toyota	Land Cruiser	38	155	-75.5	1.1%	298	1.3%
Hyundai	Staria Load	30	56	-46.4	0.9%	233	1.0%
Fiat	Ducato	29	36	-19.4	0.9%	305	1.4%
Factory Built	Geely	27	0	2,700.0	0.8%	47	0.2%
SsangYong	Rhino	24	39	-38.5	0.7%	54	0.2%
Mahindra	Pik-Up	19	6	216.7	0.6%	84	0.4%
Hino	300	18	18	0.0	0.5%	107	0.5%
Hino	500	16	39	-59.0	0.5%	112	0.5%
Others		423	1,002	-57.8	12.6%	3,487	15.5%
Total		**3,355**	**6,277**	**-46.6**	**100.0%**	**22,558**	**100.0%**

noise of a downturn in the market, our experience so far this year is that demand remains strong for our products."

Andrew Davis, Toyota NZ's mobility group vice-president, says the Land Cruiser Prado has undergone its first major design upgrade in 15 years.

"There's been a lot of interest in it already as one of our legacy models," he adds. "It holds its own as a high-quality off-roader.

"It's the first Land Cruiser to transition to a hybrid powertrain featuring a 48-volt hybrid system matched to a 2.8-litre diesel engine.

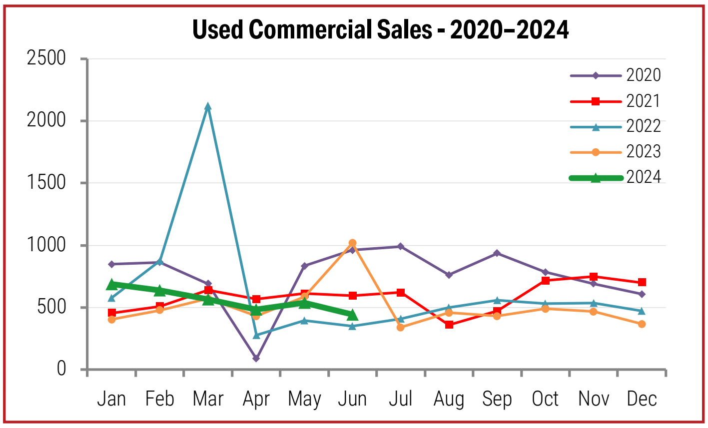
"Our SUV range is now largely available in hybrid electric powertrains as we continue to transition to electrified models when we can with a focus on capability, safety and affordability."

The 2024 Prado will be available in New Zealand in four grades. They include the Adventure. It will be focused on off-roading performance with a rear-differential lock and stabiliser disconnect mechanism.

The VX Limited is being positioned as the more premium grade model and boasts adaptive variable suspension. Prices start at $83,990 for the GXL and top out at $105,990 for the VL Limited.

The refreshed Land Cruiser 70, Land Cruiser 300, RAV4 Adventure and Corolla Cross were also on show at Mystery Creek while there were plenty of familiar faces in the marque's big tent as "brand guardians".

They included legendary fisherman Matt Watson, Olympian Dame Valerie Adams, swimmer Cameron Leslie and Marc Ellis, former All Black and Auckland Warriors player.



BLUE OVAL ON TOP

Registrations of new commercials in June came in at 3,355. That was down by 46.6 per cent from 6,277 in the same month of 2023.

The Ford Ranger was the best-selling model on 889, down by 8.6 per cent. Toyota's Hilux came second with 591 and Mitsubishi's Triton was third on 436.

The blue oval was last month's most popular marque with 1,045 units. That total was down by 7.2 per cent from 1,126 in June last year.

The total for used-imported commercials was 443 for a year-on-year drop of 56.4 per cent from 1,015. The most popular model was Toyota's Hiace on 152 units.

Used Commercial Sales by Make - June 2024

MAKE	JUN'24	JUN'23	+/-%	JUN'24 MKT SHARE	2024 YEAR TO DATE	2024 MKT SHARE
Toyota	199	540	-63.1	44.9%	1,692	50.2%
Nissan	120	233	-48.5	27.1%	749	22.2%
Isuzu	23	31	-25.8	5.2%	167	5.0%
Hino	21	37	-43.2	4.7%	177	5.3%
Mitsubishi	15	31	-51.6	3.4%	130	3.9%
Ford	12	33	-63.6	2.7%	141	4.2%
Daihatsu	10	20	-50.0	2.3%	32	1.0%
Suzuki	10	12	-16.7	2.3%	39	1.2%
Mazda	6	10	-40.0	1.4%	45	1.3%
Fuso	4	1	300.0	0.9%	12	0.4%
Volkswagen	4	4	0.0	0.9%	25	0.7%
Mercedes-Benz	3	5	-40.0	0.7%	11	0.3%
Chevrolet	2	7	-71.4	0.5%	25	0.7%
Holden	2	16	-87.5	0.5%	17	0.5%
Iveco	2	1	100.0	0.5%	4	0.1%
UD Trucks	2	3	-33.3	0.5%	13	0.4%
Austin	1	0	100.0	0.2%	1	0.0%
Daimler	1	0	100.0	0.2%	1	0.0%
Dodge	1	1	0.0	0.2%	13	0.4%
Hyundai	1	1	0.0	0.2%	5	0.1%
Others	4	29	-86.2	0.9%	69	2.0%
Total	**443**	**1,015**	**-56.4**	**100.0%**	**3,368**	**100.0%**

Used Commercial Sales by Model - June 2024

MAKE	MODEL	JUN'24	JUN'23	+/-%	JUN'24 MKT SHARE	2024 YEAR TO DATE	2024 MKT SHARE
Toyota	Hiace	152	404	-62.4	34.3%	1,301	38.6%
Nissan	NV350	82	156	-47.4	18.5%	488	14.5%
Nissan	Caravan	18	50	-64.0	4.1%	115	3.4%
Toyota	Regius	16	86	-81.4	3.6%	182	5.4%
Isuzu	Elf	15	18	-16.7	3.4%	117	3.5%
Hino	Dutro	14	27	-48.1	3.2%	132	3.9%
Fuso	Canter	12	19	-36.8	2.7%	96	2.9%
Daihatsu	Hijet	10	20	-50.0	2.3%	32	1.0%
Suzuki	Carry	10	12	-16.7	2.3%	37	1.1%
Toyota	Dyna	9	18	-50.0	2.0%	104	3.1%
Ford	Ford	7	17	-58.8	1.6%	40	1.2%
Toyota	Land Cruiser	7	3	133.3	1.6%	12	0.4%
Toyota	Toyoace	7	18	-61.1	1.6%	41	1.2%
Nissan	Atlas	6	6	0.0	1.4%	33	1.0%
Nissan	NV200	5	5	0.0	1.1%	59	1.8%
Toyota	Hilux	5	5	0.0	1.1%	19	0.6%
Hino	Hino	4	10	-60.0	0.9%	31	0.9%
Mazda	BT-50	4	5	-20.0	0.9%	20	0.6%
Fuso	Shogun	3	0	300.0	0.7%	4	0.1%
Isuzu	Forward	3	9	-66.7	0.7%	33	1.0%
Others		54	127	-57.5	12.2%	472	14.0%
Total		**443**	**1,015**	**-56.4**	**100.0%**	**3,368**	**100.0%**

Ban on fossil fuels extended

Stock levels up

New car imports in June came in at 8,079. This was up by 3.5 per cent compared to 7,808 units in May, but down 24.7 per cent from the 10,725 in the same month a year earlier.

There were 6,065 new passenger car registrations last month. This was down 4.5 per cent from May and 64.8 per cent from 17,235 in June 2023 when activity spiked ahead of new settings for clean car rebates.

The numbers have resulted in the stock of new cars still to be registered climbing by 2,014 to 74,142. Daily sales, as averaged over the previous 12 months, stand at 245 units per day – down from 331 a year earlier.

June's results mean stock at-hand has risen to 302 days if sales continue at the current rate. In the same month of 2023, it stood at 203 days.

The Biden administration and its Department of Energy (DoE) have revised clean-air rules designed to mandate that 50 per cent of new-vehicle sales by 2030 be battery-electric cars and trucks.

The relaxation of emissions and clean-air targets set by the DoE and Environmental Protection Agency (EPA) mean marques in the US have extra time to sell internal combustion engine (ICE) models while consumers get more used to the switch to electric.

The concession with the DoE and White House was brokered by the Alliance For Automotive Innovation and Congressional Automotive Caucus.

It will help carmakers avoid heavy financial penalties potentially reaching US$10.5 billion, or around NZ$14.1b, through to 2032.

The decision means they can now use a wider range of technology to meet emissions targets and sell more ICE models until 2030, especially full-size pick-ups.

The final rule for the petroleum-equivalent fuel-economy calculation (PEF) softens the previous Biden administration's framework by adding three years to the phase-in of the new rule.

It weakens the PEF over that time by 65 per cent versus the previously proposed 72 per cent by 2027, thus allowing original equipment manufacturers to build more ICE vehicles over the next six years while still meeting corporate average fuel-economy requirements. This was seen as crucial to maximise profits of ICEs until selling battery electric vehicles (BEVs) is profitable.

Under the previous proposals, General Motors, for example, would have potentially faced the heaviest penalties at US$6.5b with Stellantis facing US$3b and Ford possibly being hit for US$1b.

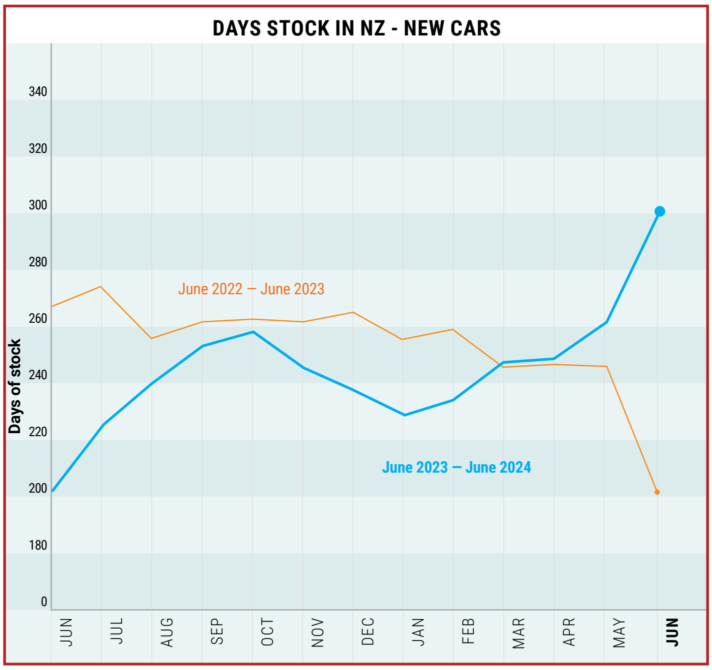
The practical side of the decision to roll back the likelihood of penalties is that carmakers have done their bit to put BEVs on the road. That said, their adoption by Americans has softened because of prices, persistent inflation and underdeveloped public-charging infrastructure.

Biden's officials also considered carmakers' efforts to help build out charging stations and agreements with Tesla Motors to utilise the latter's fast-charging network.

Marques also are responding to the slowdown in the switch to BEVs by fast-tracking more plug-in hybrids (PHEVs) and petrol hybrids to the market because

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
Jun '23	10,725	17,235	-6,510	67,317	331	203
Jul '23	8,183	4,332	3,851	71,168	321	222
Aug '23	9,399	6,971	2,428	73,596	310	237
Sep '23	10,030	8,122	1,908	75,504	303	249
Oct '23	10,751	10,030	721	76,225	301	253
Nov '23	7,825	11,472	-3,647	72,578	302	240
Dec '23	7,435	8,549	-1,114	71,464	302	236
Jan '24	4,154	8,098	-3,944	67,520	299	226
Feb '24	7,608	5,922	1,686	69,206	298	232
Mar '24	8,882	7,539	1,343	70,549	287	246
Apr '24	6,233	6,110	123	70,672	285	248
May '24	7,808	6,352	1,456	72,128	276	261
Jun '24	**8,079**	**6,065**	**2,014**	**74,142**	**245**	**302**
Year to date	**42,764**	**40,086**				
Change on last month	**3.5%**	**-4.5%**		**2.8%**		
Change on Jun 2023	**-24.7%**	**-64.8%**		**10.1%**		
	LESS IMPORTED	LESS SOLD		MORE STOCK		



they achieve better fuel economy than ICEs but don't rely on public-charging infrastructure.

Meanwhile, the EPA has announced new emissions standards. Under its final rule, the industry could meet pollution limits if 56 per cent of new-vehicle sales are electric by 2032, along with at least 13 per cent PHEVs or other partially electric cars as well as more efficient petrol-powered models.

The final rule reflects the Biden administration's resolve to push BEVs as fast as the market can absorb them. The target of 56 per cent by 2032 compares with a market share for fully electric models of 7.6 per cent in 2023.

The EPA rule applies to model years 2027-32.

GREEN CREDENTIALS

Lexus of Christchurch, which is part of the Miles Group, is now operating from its new two-level premises.


Lexus of Christchurch's new premises

Aaron Frazer, chief executive officer, describes the facility in Tuam Street as setting a "benchmark for dealerships in New Zealand".

Designed by award-winning architectural firm Warren & Mahoney, it boasts 572sq m of showroom space, up from 400sq m site at the business' previous Montreal Street site, as well as customer lounges, offices and parking. The showroom can display up to seven vehicles and has four 22kW chargers for electric-vehicle customers.

The site has several sustainability features to optimise and minimise its energy inputs, while the building's construction saw more than 70 per cent of construction waste diverted landfill.

Bruce Miles, founder and governing director of the Miles Group, is proud to have premises that reflect the "focus on design, technology, sustainability and, of course, the fun of the brand".

Andrew Davis, Lexus New Zealand's vice-president, says the dealership symbolises two of the core brand values of Lexus – brave design and craftsmanship.

"We and our dealer partners are very much in a growth mode with Lexus," he adds.

"We had a record year in 2023, achieving more than 1,300 new sales, more than 90 per cent of which were hybrid, plug-in hybrid, or battery electric vehicles.

"The investment in new or refurbished dealerships from our partners highlights the strength of our brand, and our excitement for the sustainable future of Lexus here in New Zealand."

Daily sales rise

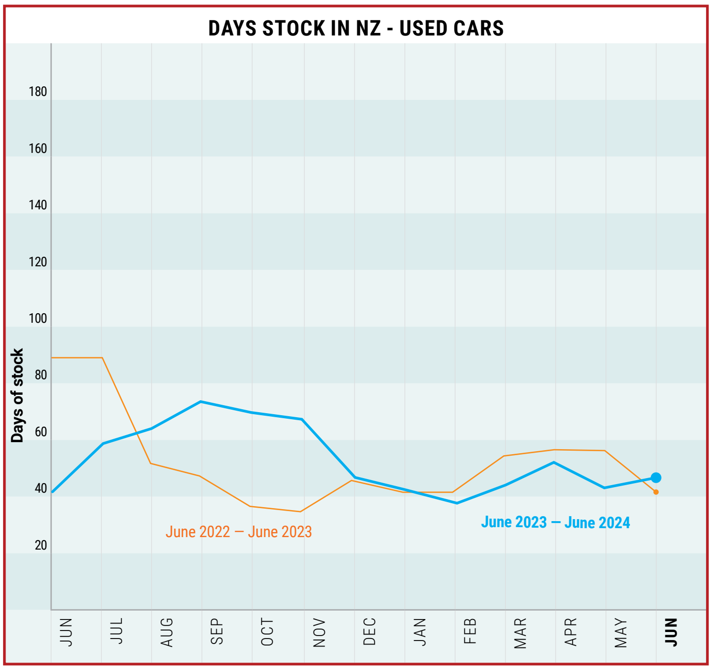
There were 7,989 used cars imported last month, an increase of 30.7 per cent from May when 6,111 units crossed our borders. However, the latest figure was down by 38.1 per cent from June 2023.

Some 7,828 units were registered in June. That was 53 per cent fewer than the 16,659 a year ago when there was a surge ahead of changes to the clean car discount. It was also down 11.9 per cent from 8,882 in May.

With 161 more used cars imported than registered last month, unregistered stock on dealers' yards, or in compliance shops, came to 14,076 units.

This was up 1.2 per cent from the end of May and an increase of 18.6 per cent from the 11,866 units a year ago.

Average daily registrations for the month were 297, compared to 284 a year ago, and there is 47 days' stock remaining.



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
Jun '23	12,900	16,659	-3,759	11,866	284	42
Jul '23	11,000	6,491	4,509	16,375	279	59
Aug '23	10,265	8,714	1,551	17,926	281	64
Sep '23	12,052	8,905	3,147	21,073	285	74
Oct '23	9,044	9,644	-600	20,473	292	70
Nov '23	8,711	9,638	-927	19,546	299	65
Dec '23	7,768	12,801	-5,033	14,513	315	46
Jan '24	8,117	8,906	-789	13,724	320	43
Feb '24	7,457	8,818	-1,361	12,363	323	38
Mar '24	10,353	8,940	1,413	13,776	321	43
Apr '24	11,638	8,728	2,910	16,686	323	52
May '24	6,111	8,882	-2,771	13,915	321	43
Jun '24	**7,989**	**7,828**	**161**	**14,076**	**297**	**47**
Year to date	**51,665**	**52,102**				
Change on last month	**30.7%**	**-11.9%**		**1.2%**		
Change on Jun 2023	**-38.1%**	**-53.0%**		**18.6%**		
	LESS IMPORTED	LESS SOLD		MORE STOCK		