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February 2018

Leading the charge to transform fleet

Autofile talks to some leading players of the motor-vehicle industry about what the year ahead and longer-term future have in store

The uptake of electric vehicles (EVs) is expected to boom over the next two years as work with fleet managers and company executives continues.

There are now more than 6,000 EVs on New Zealand's roads, which Mark Gilbert, chairman of Drive Electric, describes as "quite incredible".

"The National government's target was 64,000 units by 2021, so there's still a big challenge facing those who set the target," he says.

"But, with four years to go and most car makers signalling a strong shift to electric propulsion of some sort, it's doable. We expect the new government to be bolder with its expectations.

"Fleets are expected to change to EVs if 64,000 is to be achieved and, if they do, this target will be obliterated."

Gilbert believes this ambition may be achieved earlier. This is based on work being done by the Energy Efficiency and Conservation Authority (EECA) and Drive Electric to inform fleet managers and company executives about EVs' benefits and opportunities.

"This education has resulted in low-volume uptake, but we believe this will accelerate over the next two years," he told Autofile.

"The fact the coalition has issued instructions that the government fleet must be primarily electric by 2025/26 should start those with fleet responsibility to get on the wave early. Why wait? Mercury Energy's fleet is 70 per cent electric now. Perhaps we can be more ambitious.

"Many companies that have put their corporate toe into the electric current will hopefully also be looking at total cost-of-ownership models, which should favour EVs."

Drive Electric continues to push

More public-charging infrastructure will boost confidence in the electric-vehicle market

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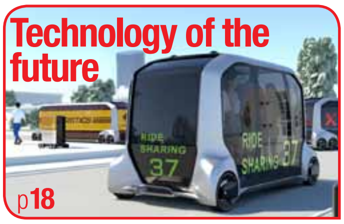

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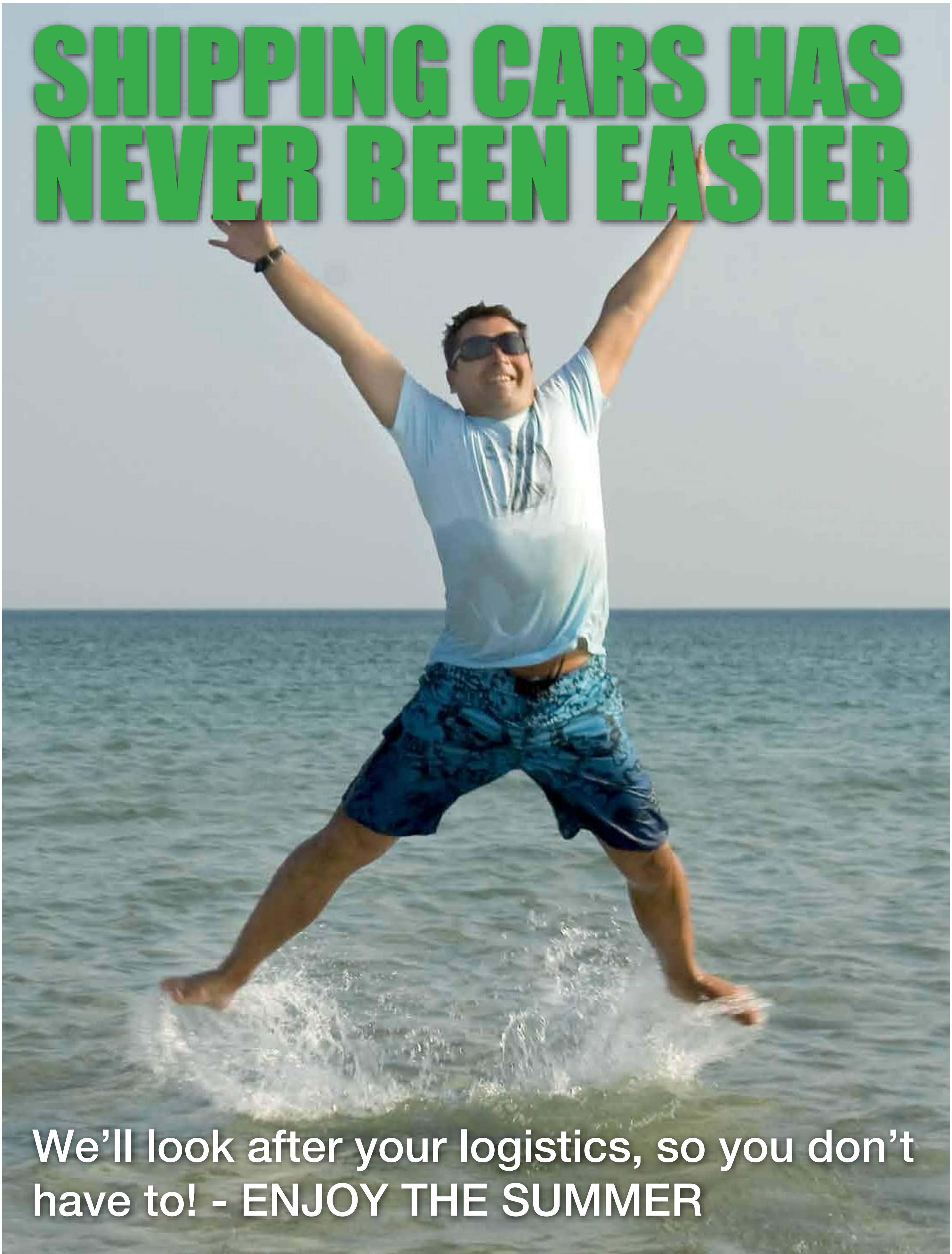
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GUEST EDITORIAL

Every day's a journey home

Darren Risby is back in the editor's chair after two years away – and he's glad to have Down Under close in his sights


DARREN RISBY
Autofile editor

This month marks the second anniversary of bidding farewell to Autofile while this is my sixth edition since "being back" – albeit from the other hemisphere and Bath, one of England's world heritage sites.

The plan 24 months ago was a nine-month tour of Australia and the US followed by running a business on mainland Europe to be closer to family, but Brexit has put that to the sword. As the saying goes, you don't miss what you have until you no longer have it, so Down Under now beckons.

Sadly, much has worsened during our 12-year stint away from Blighty's shores. For one thing, there are now about eight million more people in a country with a landmass about the same as New Zealand.

Aucklanders complain, and quite rightly so, about the increase in traffic on the city's roads, but much of England is now a car park and choking on congestion.

The country has been in austerity for seven years with all the implications that brings, such as a crumbling national health service.

Above all others is the Brexit vote, the outcome which was mostly put down to being a protest against unpopular prime minister David Cameron. It also brought about the legitimation of racism by the likes of the UK Independence Party and jingoism reminiscent of the British Empire.

Brexit has left family members incommunicado with many of the older generation still in a hump with "traitor" Ted Heath, who was prime minister when the country joined what was the European Economic Community in 1973. Many younger people see themselves more as European than British and feel they have been robbed of their futures.

The economic effects of the vote continue to be profound and may worsen when the so-called divorce finally happens, especially with the Tories chest-thumping "no deal unless it's our deal". The irony of this is that Margaret Thatcher was a fierce supporter of the UK being in the EU, but many of her older past-supporters voted leave. A land of contradictions.

Other European countries are already experiencing the fall-out of Brexit.

Italy, for one, has been teetering on the brink since the referendum, so much so that it has been placed into austerity by Brussels and much of its banking sector is close to collapse.

Beppe Grillo, a former TV show, and his populist far-right party are marching inexorably upwards and are promising a referendum on whether Italy should leave the eurozone and go back to the lira if they win the next election.

There has been one good thing about being in Europe though – I don't miss the misery the NZ Warriors pile on their fans as much as in the past.

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Project Switch, which it hopes will encourage the government to offer companies fringe-benefit tax relief on new EVs for a period to increase uptake.

Progress on a national scale is already being made with the NZTA looking to boost its electric fleet. In a request for information notice issued last month, it's also seeking more information in implementing EV infrastructure.

The agency is ideally looking for a fleet-charging solution that would "enable staff to confidently move to and from NZTA locations in fully electric vehicles".

The request, which also covers the need for information about providing, installing, operating and maintaining charging stations, will inform its approach before going to the market this month.

The NZTA will then assess the information before buying any charging products or services, and expects its EVs to be spread around the country with up to eight units per site. It will also share what it learns with the wider government sector, particularly in the procurement of charging infrastructure.

Gilbert says: "The agency's proposal to add 41 EVs to its fleet in 2018 shows it's leading from the front in adopting technology that will eventually dominate the automotive sector in a few years."

He notes the NZTA is getting on-board sooner rather than later as Labour and NZ First look to the public sector to adopt EV technology as part of its coalition agreement.

Having the agency that maintains the country's highways supporting EVs in this way has the potential to drive up public interest, while its intention to invest in its own charging infrastructure to support the fleet is another positive sign.

"The change is under way and the country needs to be prepared"
– Mark Gilbert, Drive Electric

"Looking into this type of investment shows the NZTA is serious about using EVs in the long term and wants to make it easy for staff to drive them," enthuses Gilbert. "It's a signal we hope other agencies will pick up on.

"Transitioning New Zealand's light-vehicle fleet to electric won't happen overnight, but the change is under way and the country needs to be prepared."

Drive Electric has outlined key priorities it's encouraging the government to support.

One is trying to get local-government bodies to invest in public chargers, especially in areas where housing density means no garaging – such as inner-city Wellington and Ponsonby in Auckland.

"Some leadership in getting a few public-private partnerships under way could also help New Zealand advance its charging network," suggests Gilbert. "There are a number of private businesses up for this opportunity."

He says there needs to be changes in terms of "place-making in our cities" for EVs. There's talk around this, but little consistent action – perhaps apart from Christchurch, which is about to roll out charging infrastructure on a commercial basis.

And commercial charging – be it rapid, fast or slow – needs to become more visible around population centres and highways.

"Destination charging needs to be managed," says Gilbert. "This is happening ad-hoc and is usually based on funding from the EECA's low-emission vehicles contestable fund. This isn't the best way to get

On the road

New Zealand's fleet of EVs has broken through the 6,000-barrier, according to government figures released in December.

Most were used light EVs at 3,216. There were 1,265 new light pure EVs with 1,197 being new light plug-in hybrids. There were 408 used light plug-ins and 76 heavy EVs.

The total of 6,162 was up by 3,615 more than the 2,547 EVs registered in December 2016.

Auckland dominated the market with 3,026 units. It was followed by Wellington on 789 and Canterbury with 753. Businesses owned 1,042 light EVs compared to 929 registered with individuals.

the best outcomes, geographically at least."

Drive Electric wants action taken to ensure people's homes are safe for EV charging and for all new housing to be future-proofed for the vehicles they will garage.

"Worksafe has a role in making sure chargers installed in houses, as well as commercial buildings, are compliant and ideally smart. Some are, most are not, so this is a scary space that needs addressing sooner rather than later."

Safety ratings for car chargers, such as via a Worksafe approval programme, may also be required.

This year, Drive Electric aims to get across its message that New Zealand needs to follow the strategies of major right-hand-drive markets, for example Japan, the UK and France, in reducing or stopping the sale of fossil-fuel vehicles from 2030 – China even earlier, it appears.

"This country is a technology taker, so needs to look at the bigger global picture," stresses Gilbert. "For example, electric autonomous vehicles are likely to be running in London from 2021 and it won't take long for them to arrive in New Zealand.

"That means the Ministry of Transport has some work to do to lay out a road map for industry and consumers to avoid vapourising the value of every Kiwi's first, or second, major purchase – the car.

"It's important to note EVs aren't just about cars with many heavy vehicles going electric too. This requires infrastructure planning. It would be helpful to have guidelines for operators to work towards.

"We need to be prepared for changes, which involve investigating how to deal with issues that will disrupt the status quo."

Encouraging all forms of public transport – trains, buses and ferries – to be electrified by 2040 at the latest is another priority.

This could be linked to cleaner air targets and possible emissions incentives, and, where necessary, penalties for high emitters, including the public fleet.

Electric bicycles (e-bikes) need discussing. "The sale of this mode of transport is exponential, here and overseas, and brings conversation around to safety.

"While cycleways are being introduced, they aren't always segregated. This needs consideration, especially to encourage urban commuters to adopt e-bikes.

"There are different categories and, given their proliferation, safety claims should be investigated to ensure those going on our roads meet appropriate standards."

With the new government that includes the Greens as a partner, the Motor Trade Association wouldn't be surprised to see an increased effort to lift the EV share of the fleet by the EECA, "which is already doing great work promoting and educating" and other parts of the government.

Greig Epps, industry relationship manager, says: "We must consider whether the Japanese market will have enough used EVs to meet increased demand from New Zealand and whether there will be any initiatives to make new EVs more affordable for the average Kiwi buyer."

Economics consultancy Infometrics notes sales of EVs caught last year's headlines with them

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Training on agenda

A qualification framework for the safe inspection, servicing and repair of electric vehicles (EVs) in New Zealand is to be developed by MITO.

Janet Lane

The training organisation has received $95,000 in funding from the government's low-emission vehicles contestable fund for the work.

The money will go towards a project that will enable industry-wide access to training provision and qualifications for EVs by 2019.

Fundamental to the scheme will be researching and evaluating qualification design, content, structure and delivery models. This will be needed to understand and capitalise on other countries' experiences, and how this can be applied here.

"We are delighted to have received this funding," says Janet Lane, MITO's chief executive. "The fund encourages innovation and investment to accelerate uptake of electric and low-emission vehicles.

"Critical to this is developing the human infrastructure required for the safe inspection, servicing and repair of EVs, and balancing the required physical infrastructure."

Lane adds the project will benefit the public. "It will ensure consumers have choice when buying inspection, servicing and repair services for EVs, which will drive value for money and increase consumer confidence."

In addition, access to a qualification framework for the motor-industry workforce will allow businesses to respond to an increasingly rapid pace of change.

"This is a strategy necessary for strong, sustainable and balanced growth of the industry."

[continued from page 5]

"rocketing ahead of government targets in New Zealand and most projections globally".

It notes: "The size of the light EV fleet now is miniscule compared to what it's expected to grow to in the next five years. It increased in size by 148 per cent in 2017, but – at just above 6,000 cars – it's small compared to projections.

"The government's target of 64,000 EVs by the end of 2021 will only be achieved by at least doubling the fleet every year."

In the longer term, Infometrics has taken Ministry of Transport (MoT) EV-fleet projections and – after accounting for 2.2 per cent scrappage each year from 2025 – has calculated what these estimates might mean for registrations.

Under its base-case scenario, the MoT estimates EVs will make up 40 per cent of the fleet by June 2040.

"For this proportion to be reached, more than half of the cars imported and sold in New Zealand will be EVs," adds Infometrics.

"This estimate is not out of line with global estimates with Bloomberg expecting EVs to account for 54 per cent of sales by 2040.

"In the shorter term, according to our estimates, projections suggest EV sales will almost double in 2018 and reach about 11,000 per annum in 2019."

Only last month, Megan Woods, the Energy and Resources Minister, unveiled $3.74 million for 20 projects in the third round of the low-emission vehicles contestable fund run by the EECA. The scheme will see government funding matched or bettered by businesses.

"These exciting projects include a 58-tonne fully electric truck to be used by Coda in Hamilton to shuttle Fonterra's dairy goods to the railway," says Woods.

"Projects such as this are vital to show others in the heavy logistics and transport industry that electric trucks are not only viable, but have very low running costs."

Some $1.7m of the funding will help fill gaps in the country's charging infrastructure, while some will go towards tourism opportunities, such as electric campervans.

She says: "The projects we are funding show there's an EV for almost every job or use in New Zealand, be it delivering fruit and veg or taking a holiday."

The scheme is one of a range of initiatives in the government's EVs programme. The fund offers up to 50 per cent funding towards projects and applicants must match or exceed the amounts granted.

Recipients are contributing $4.3m for the latest round, and schemes are approved conditionally until contracts are prepared and signed.

Another project that will gain

Increasing presence

Hyundai's Ioniq, pictured, won the EV and plug-in hybrid award at December's NZ Car of the Year Awards after such vehicles were given their own category for the first time.

EVs weren't new to the awards line-up because BMW's i3 took out the top gong 2015. But, in 2017, organisers created a specific class to reflect increasing numbers available and growing market interest.

"We considered the inclusion of an EV category over the past two years, but the market wasn't quite ready for it," said Stella Stocks, general manager of motoring services, at the time.

"Now more vehicles are becoming available from a variety of manufacturers, which means competition is really starting to build."


Orion CEO Rob Jamieson, Foodstuffs South Island CEO Steve Anderson, and ChargeNet NZ CEO Steve West at the New World Northwood charging station

momentum thanks to the fund is Foodstuffs NZ's bid to roll out 29 new EV charging stations across the country over the coming months.

Managing director Steve Anderson says: "We were delighted to install the first charging station in Christchurch in 2017, and this project shows how committed we are to helping Kiwis reduce their dependence on fossil fuels.

"Our winning bid is in partnership between ChargeNet NZ, Foodstuffs NZ and the two co-operatives – Foodstuffs North Island and Foodstuffs South Island. Our owner-operators fully support this initiative."

ChargeNet NZ's chief executive, Steve West, adds: "As EVs become more mainstream, having chargers at supermarkets will be part of everyday life.

"We have opened a number of fast-charge stations in partnership with electricity suppliers, site owners and BMW. A fast charger typically charges an EV in 20-30 minutes."

Car dealer warned

The owner and operator of Motor Me has been officially warned he has "likely broken the law" for deceiving consumers about the quality of cars he sold.

The Commerce Commission has investigated five complaints about how vehicles were sold through his website, via Trade Me and from his yard in Onehunga, Auckland.

In its view, Brent Smith, trading as Motor Me, was likely to have breached sections 13a, 13e and 13i of the Fair Trading Act (FTA) by making false or misleading representations about goods being sold, and the Consumer Guarantees Act (CGA).

Complaints included stating a car had 230,000km on its odometer when it was 283,554km. Another vehicle was advertised as having an AA tick and safety certification when it didn't, and he described a third as being in good condition when it wasn't.

"Purchasing a vehicle is a significant spend for consumers and compliance with the FTA by dealers is important when advertising," says Antonia Horrocks, the commission's general manager of competition.

"If selling a vehicle, you must describe it accurately including relevant information about its quality, history and any endorsements or benefits. In this case, three complainants provided evidence that condition and mechanical performance was of lower quality than represented."

Two other people claimed they were provided false information about rights or remedies available under the CGA.

All complainants in the investigation have received a partial or full refund from Motor Me after disputing the representations initially made to them.

The warning letter sent to Smith recommends he takes "immediate action" to address the commission's concerns and seek legal advice about complying with legislation.

Make-up of fleet set to evolve

The Motor Industry Association (MIA) believes sales of new passenger cars and light commercials in 2018 will be on a par with last year.

In the longer term, it's predicting what models we see being driven on our roads will transform as more electric vehicles (EVs) become available.

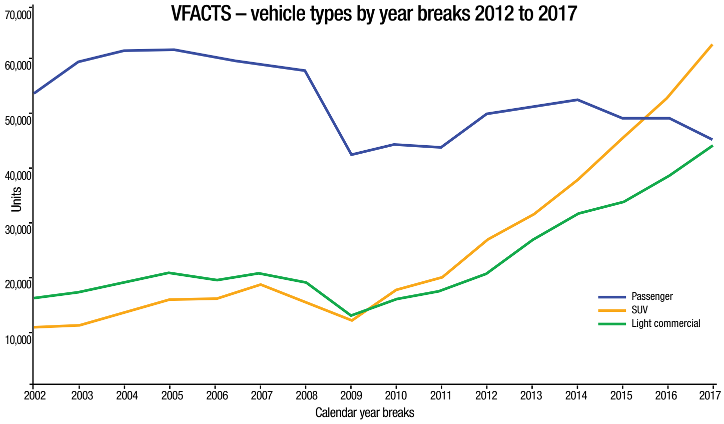
"We are expecting the 2018 year to come in at about the same level as for 2017, or just above," says David Crawford, chief executive officer of the MIA.

"That is, we are not expecting the significant growth in the market that we've enjoyed over the past 12 months.

"The pattern of sales continues to evolve with SUVs and the light-commercial sector growing and passenger vehicles – that's to say, anything not an SUV or light commercial – reducing."

Crawford is also anticipating that the "model mix" will change significantly between now and the end of 2020 with the introduction of more plug-in hybrid vehicles (PHEVs) and, to a lesser extent, battery EVs to the market.

An updated survey published by the MIA last year, completed with feedback from most of its members that distribute light vehicles, shows compact-medium SUVs and medium-upper large cars will see the largest rises in PHEV and EV releases – with 21 and eight respectively – over the three years. The next biggest categories will likely be micro, light and small cars, and light commercials, with five EVs and PHEVs scheduled for release over the same timescale.



Source: MIA – this long-term graph is useful to look at the impact of the global financial crisis and the climb out of it, plus changing consumer purchasing preferences

Expected EV and PHEV releases over next three years

Vehicle class	2018 EV	2018 PHEV	2019 EV	2019 PHEV	2020 EV	2020 PHEV
Passenger cars – micro, light, small	–	–	1	–	3	1
Passenger cars – medium to upper large	–	–	3	2	2	1
People movers	1	–	–	–	–	–
Passenger sports cars	–	1	–	–	1	–
SUVs – compact to medium	1	3	2	3	6	6
SUVs – large and luxury	–	–	1	1	1	–
Light commercial vehicles	2	–	2	1	–	–
Totals	**4**	**4**	**9**	**7**	**13**	**8**

Abbreviations: EV = electric vehicle, PHEV = plug-in hybrid electric vehicle
Source note: The MIA says its survey, updated last year, has been compiled with feedback from the vast majority of, but not all, light-vehicle distributors operating in New Zealand

ON THE AGENDA

As for other developments to look out for, Crawford believes that with the change in government, "the big shift in focus" is cutting greenhouse gas emissions from transport.

The MIA understands officials are providing advice to ministers on a sales-weighted fuel-economy standard possibly being imposed on vehicles to further reduce pollution.

"We prefer a demand-side approach in trying to cut emissions caused by the transport sector," he told Autofile.

The MIA describes such a fuel-economy standard as a "supply-side intervention" that would apply to vehicles as they enter the fleet.

"Our preference would be for the removal of excise duty off petrol and move all vehicles to having electronic road-user charges because this would impact all vehicles – not just those entering the fleet."

Crawford adds the MIA understands Labour intends to remove the differential ACC vehicle-risk rating, which isn't supported by industry.

"The Greens' election policy of zero fringe-benefit tax on EVs would be welcomed, but we haven't heard from the government if it intends to implement that policy. We would encourage it to do so.

"Overall, we expect the economy to remain strong, but there will be weakening of some aspects of it."

Wraps off car and insurance

Suzuki NZ has launched two new products at the Highlands Motorsport Park.

They were the all-new Swift Sport, which went on sale at the start of February, and Suzuki Insurance – a branded programme delivered with Protecta Insurance.

About 50 people, mainly dealer principals, partners and sales managers, attended the event at the end of last month.

Protecta's Stephen Glading presenting Suzuki Insurance to the marque's dealer principals

Emma Billman, owner and operations manager of Queenstown Suzuki, and Jared Morris, dealer principal of Wadsco Motorworld in Blenheim

Presentations included the launch of Suzuki Insurance by Stephen Glading, Protecta's managing director, and were followed by track events to put the Sport through its paces.

"We're excited about the leap forward in performance and technology from the latest-generation Sport," says Gary Collins, general manager of automobile marketing with Suzuki NZ. "The ideal location to showcase it was Highlands where our dealers could experience all aspects."

Andrew Wait, professional driver at Highlands, says: "It's a great little car and it's unbelievable how much of a step up it is from the last model.

"Out on the track, we could compare the two. When we came in to change, the guys in the back, in the older models were saying, 'we're trying to keep up with you'.

"We ran the cars through a mix of laps. The slalom was a bit of fun and a good chance to see how well they handled. The stop zone tested the safety features and electronics behind them."

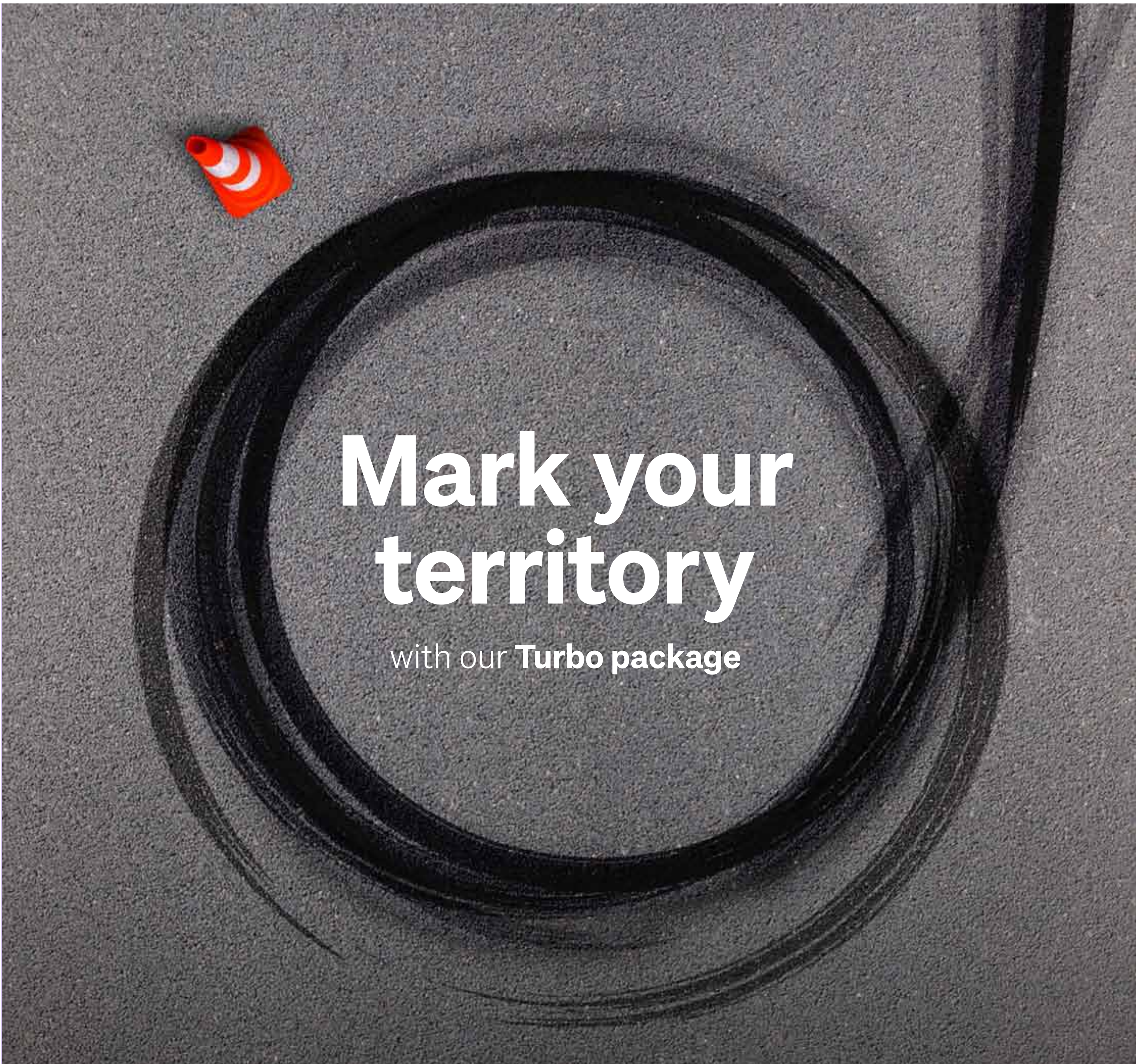
The launch of Suzuki Insurance was also well-received. Mark Chapman, dealer principal at Nelson Bays Suzuki and Subaru, describes it as a "good move forward" for the marque.

"We at Nelson Bays Motor Group have been using a similar branded product in our Nissan dealership and it has been working very well," he adds.

Collins says: "The introduction of Suzuki Finance through UDC has been a great asset to us.

"Adding Suzuki Insurance with a well-respected organisation such as Protecta completes our suite of branded sales-support components.

"It also gives our customers the assurance of dealing with a Suzuki-endorsed organisation."



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Rule to put dent in volumes

The next phase of regulation focussing on electronic stability control (ESC) is expected to have some impact on what's available to be imported from overseas.

All used class MA vehicles – passenger cars – with an engine capacity of more than two litres and border-checked on or after March 1 must have the crash-avoidance system as supplied by the original equipment manufacturer.

Autofile asked some industry experts about the possible impact the new rule may have on Kiwi car dealers going about their business.

"ESC will clamp down on some people movers and put a dent in volumes," says David Vinsen, chief executive of VIA (the Imported Motor Vehicle Industry Association). "But importers are entrepreneurial and are looking for what will take their place."

Frank Willett, chief executive of Autohub, adds: "The next phase of ESC for used imports will have varying degrees of effect for importers – the worst which will be the mistaken importation of a non-compliant vehicle or two."

Greig Epps, industry relationship manager at the Motor Trade Association (MTA), notes the latest stage of ESC regulations shouldn't slow imports down, "but it might affect prices if importers find it difficult to source compliant used vehicles from the Japanese market".

VIA, meanwhile, has compiled three lists to help importers of used cars – red for those that don't comply, green for vehicles that do and amber for those requiring extra research.

Models on the amber list may be fitted with ESC systems, but only some meet the NZTA's legal requirements.

VIA advises that if a vehicle is identified for further investigation, the importer should ensure it is physically inspected prior to purchase.

As for 2018 overall, Vinsen is predicting another good year. "We have some time – about three to five years – before some of the new technology kicks in, which will have an impact on the fleet and imports.

"Connected journeys will reduce the number of cars people own, and will have a beneficial effect on safety and congestion."

Vinsen notes the UK market is "up and down" depending on what's available. We can buy ex-lease electric vehicles [EVs] that have been subsidised by the UK government and purchase them at a good price. But the government will ramp down subsidies as prices of EVs drop."

As for Singapore, he doesn't expect to see import growth in that market. "It's mostly European cars being imported from there. There are dealers specialising in that market who look for good quality at the right price, but it's a limited supply."

Willett believes this year will see further changes to all market sectors as the industry continues on its "ever-changing evolutionary journey".

He says: "I predict more retail dealers will be relying on finance to shore up their businesses as competition tightens and cash flows slow.

"From my camp, I can see freight rates in the container sector increasing. This will have downstream effects on all rates, space and ultimately what dealers will have to pay to get their vehicles here."

As for volumes of used imports in 2018, Willett describes himself as being "one of the sceptics with a closet joy in being wrong – I'm anticipating vehicle imports to drop in numbers".

He adds: "The signs are that we are well, or even over, stocked at present. However, with the possibility of another 5,000 or so public servants about to be launched into action – a favourite and long-standing Labour policy of 'the more bureaucrats the better' – low interest rates and easy finance, there's a high possibility that it will be another bumper year."

On other matters, Vinsen says VIA will continue working with government departments, agencies and working groups focusing on new technologies, such as intelligent transport systems, which will impact on the industry.

"The Labour-led government will have less emphasis on road-building," he says. "That will put pressure on congestion and force people to use public transport and other modes, such as ride-sharing, in the medium term."

As for transport policy, the MTA is expecting more emphasis on public-transport improvements, the use of other modes of transport, and the increased uptake of ride-sharing and ride-hailing services.

"As the quality, availability and patronage of these services increases, there may be a downward effect on demand for vehicles," says Epps.

Looking at the bigger picture, Epps notes the MTA's core function is not macroeconomic analysis.

"However, we cannot help but take note of several economic commentators warning of a potential downturn in 2018 due to New Zealand's position in the general economic cycle," he says.

"While we can hope that maybe this time around we can break this cycle, it's something that would affect the market."

New requirements for electronic stability control may impact on used cars crossing the border

David Vinsen

Greig Epps

Frank Willett

The experience of automation

We have all heard bold claims made about the predicted uptake of mass automation. As part of the sales pitch, we are assured that it will coincide with decreases in costs, which will offset any negative externalities that come with it.

Everyone in society, we are promised, will benefit from the cheaper costs of production, the smoother efficiency of automated customer-service systems and so on.

In the transport industry, we hear much about how automated vehicles will be a boon to freight, decrease congestion and allow mobility for all.

Automation is already affecting all aspects of life and will continue to do so at an ever-increasing rate.

I had a recent experience with automation while on a trip overseas and it left me wondering whether we will really see the benefits promised.

As simple as it is, I bought a coffee at a "coffee shop" while travelling through an airport in France. I was shocked as the "barista" stepped past the espresso machine, which apparently had not recently been used.

He approached a wall of shiny buttons and pressed one. Out came a cup and my coffee. Being from New Zealand, I was assuming I would get a human-made coffee.

I was taken aback. The worst part was that I paid what I would expect to be full price for a coffee made by a human. Interestingly, they still had the traditional barista tools sitting there. They simply weren't being used.

It took the attendant a fraction of the usual time to provide my drink and it's likely that he could be paid less since he no longer even needs the skills to make coffee. So, this got me thinking, who is benefitting from this?

KIT WILKERSON
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VIA

My coffee was normal price, but tasted like it came from a machine. Other than the fact that I got it in a fraction of the time, I didn't feel as if I benefitted.

That got me wondering about the other places automation has occurred already and where it's likely to happen next. It got me thinking if the average citizen can really expect to see the benefits of automation.

In the transport industry, we are also seeing automation in everything – from how we sell cars, to the importation and compliance process itself.

Online markets and auctions handle a large number of sales that might previously have required a more manual process by scores of sales people. At the other end, our ports are looking at ways to automate various aspects of their functions.

The future will see things we cannot even yet imagine. Additive manufacturing, also known as 3D printing, might lead to automation in the parts industry, or perhaps even the panel-beating sector.

For me, the most interesting and momentous automation will involve data – the processes and insights that businesses use in areas such as decision-making and targeted marketing.

In fact, we are seeing all aspects of data use automated – from data collection, data cleaning, analyses and even the development of new algorithms.

Returning to my point, there has to be a business case for automation or it wouldn't be occurring. Business case is usually synonymous with profit, but that can mean anything from cutting costs to finding efficiencies.

Will full automation remove the human-made flavour from our life or give it consistency?

In general, the argument goes that increased automation will cut costs, which, so they say, will make the product or service more affordable with the savings and benefits passed onto customers.

I wonder, however, if this will be the norm or if automation will be invisible to the consumer – invisible until we watch a barista bypass the espresso machine, I mean. The obvious alternative is that consumers are left holding that bag as the benefits, and resulting profits, of automation flow upward.

If businesses allow the temptation of automation to go too far, the customer will know. I didn't bother getting another coffee while in France. Of course, there were probably fantastic coffee shops, but my first impression – and the language barrier – convinced me to not bother.

The trust of the consumer is necessary for the continued success of our industry.

Now don't get me wrong, businesses need to be nimble and smart. However, as in most other industries, there's a place for the online, automated tools and human sales person on the lot.

Businesses that are adept in differentiating themselves from competitors will understand this. Finding that perfect balance is what will give the edge to those that succeed in the future.

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Focus falls on write-offs

A plan by the government to bring more transparency to the process of how buyers can identify the status of written-off vehicles has been welcomed.

The Ministry of Business, Innovation and Employment (MBIE) is investigating how the system can be improved when people purchase second-hand cars previously declared as write-offs.

It follows complaints by members of the public especially in regards to vehicles declared statutory write-offs in Australia and then imported into New Zealand before being repaired and on-sold.

The MBIE will start reviewing the Consumer Information Standards (Used Motor Vehicles) Regulations 2008 later this year. These prescribe the disclosure of details about stock offered or displayed for sale by car dealers with this being noted on a consumer information notice (CIN).

A spokesman for consumer protection at the MBIE says the review will consider possible changes to the CIN, such as a requirement to state if a car has been written-off and whether vehicle-safety ratings should be included.

There will be a consultation process with interested parties invited to make submissions to the government. Any recommended changes will be based on the review's findings.

The Motor Trade Association (MTA) believes all heavily-damaged vehicles that have been repaired should be flagged, and backs the government's move to close cracks in legislation that allow damaged cars to be imported, repaired and sold without buyers being fully informed.

Craig Pomare, chief executive officer, says safety is important to the MTA's 3,600 members who repair, fuel and sell cars.

"What we need is a simple, transparent system that easily allows consumers and traders to check the damage history – whether it's an import or not," he says. "We believe all cars that have gone through major repairs or have been water-damaged should be clearly flagged."

The MTA says the lack of transparency in this country's system became obvious after a sudden jump in the importation of statutory write-offs from across the Tasman after the 2013 floods in Queensland.

The government is reviewing the requirements for declaring written-off vehicles

In the four years before August 2016, about 7,000 write-offs were brought into New Zealand, including 2,400 cars damaged by floods.

Pomare says: "Only savvy consumers know they can check the NZTA's website to see if a car they're interested in was once a statutory write-off in Australia. The MTA first raised this issue with the government in 2015, but we think the industry can go further and do better."

The association believes a review is needed of the system for tracking all damaged vehicles – not just recent Australian imports – and for this to include the sale, repair and re-registration process in New Zealand regardless of origin.

Pomare accepts that, in some situations, some such vehicles may be easily and fully repaired. "However, we have enough that meet that criteria in New Zealand, so why import more."

Trade Me's position remains unchanged since May 2016 when James Ryan, policy and compliance team leader, posted a blog on the issue.

The company is concerned about the "unquantified number" of vehicles that have been through the statutory write-off process in Australia and then on-sold to unaware Kiwi buyers and dealers.

"All traders listing vehicles on Trade Me must disclose in the listing body if a vehicle imported from Australia was a statutory write-off," says Ryan.

"We're concerned about the safety of our members and believe consumers need to know the accurate history of a vehicle so they have the opportunity to have it inspected for specific damage or repair."

Trade Me believes such information should be compulsory on CINs.

"To ensure the greater provision of information to consumers, we believe the CIN should be displayed on all online classified advertising," says Ryan.

"Consumers need to have an accurate picture of the true state of the vehicle to assess its worth with full information."

In September 2016, the NZTA introduced new rules requiring electronic and pyrotechnic safety components – such as airbags, sensors pre-tensioner seatbelts and wiring – to be replaced in water-damaged light vehicles. Previously, only items below the water line had to be replaced.

The changes apply to those damaged in New Zealand as well as imports. The agency says there have been concerns about the quality of repairs, and cases of people misrepresenting water-damage levels.

Data is still lacking about damaged vehicles coming from other countries. The NZTA has previously tried to get similar information from Japan, but says a write-off register doesn't exist there.

Make customers feel important

One of the most important changes you can make today, without any additional expense, that will also help your dealership sell more cars, is… listen to your customers.

This applies regardless of what your role is within the dealership if at any time you come into contact with prospective clients.

Be empathetic, build the relationship, listen to their needs and understand them. Stop trying to sell through old-school techniques and don't use word tracks that make you sound like a cold, uninterested robot.

Listen, listen and listen. Whether that be online, through email, on the phone, or face to face at your dealership, you have to do everything you can to make every single customer feel important and that you care.

When people feel understood and have someone who is listening to them, this releases a dopamine hit in their body, which makes them feel good.

Listening helps you build a more emotional connection with your customer, and this connection is highly likely to be the difference between a sale or not.

Would-be buyers have visited your dealership after making a decision to purchase a car. When they first meet you, they are determining – even sub-consciously – do I trust you, do I believe you?

In the words of American educator Stephen Covey: "When trust is high, communication is easy, instant and effective." Once that trust and belief has been established, you are a good way into a journey to success.

MARK GREENFIELD
Motorcentral

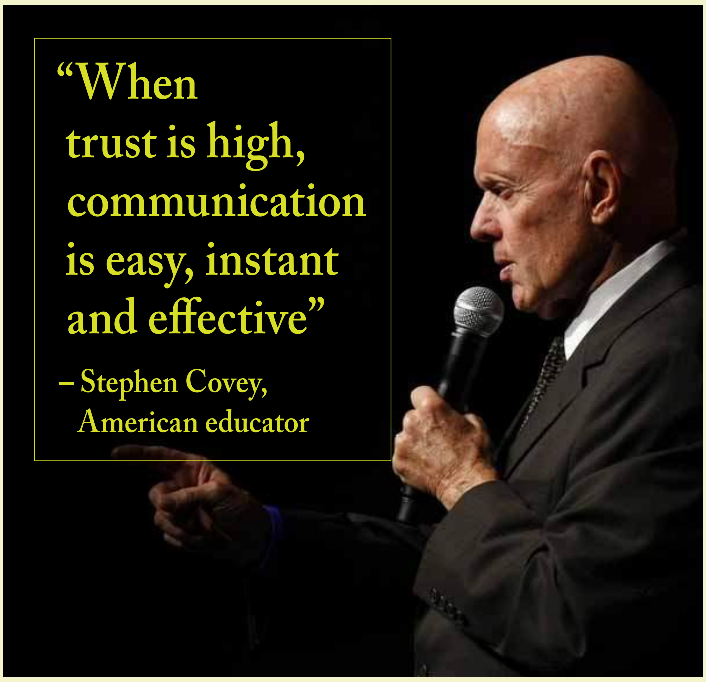
A considerable amount of BuyerScore feedback from those who "did not buy" from dealerships they visited, isn't about price, it's about people.

It's the experience they had when dealing with a sales person or manager. This information is critical to ongoing success and conversion of prospective customers that your dealership has fought hard to bring to the yard.

So, before you go adjusting prices to stimulate sales that negatively affect your margins, think about whether your sales people are listening, building trust and rapport, and giving your prospective customers every reason to purchase from you.

This experience will also influence your after-sales experience with your newly acquired buyer. Think about what type of customer is most likely to contact you with niggly issues that you can get with any car after the sale. Is this:

- The one who had an amazing experience, felt important and listened to, is recommending you to family and friends, and will buy from you again?
- Or the one who felt disrespected, unheard, misunderstood, sold hard to, and doesn't really trust your people or your business?



Remember, the first experience your customer has with your business is pretty much the only difference between buying from you or someone else with a similar car.

As we all know, the majority of buyers have already narrowed their choice down to two, perhaps three, vehicles to view. Therefore, it is yours to lose.

Make 2018 the year that your dealership places a focus on the conversion of customers through making them feel important, listened to, understood and respected. You'll be surprised how much effect this will have without you having to spend a dollar.

This area also has a significant impact on your referral and repeat business because it starts here – before they have bought a vehicle and during their purchase.

There's no point giving them a rubbish experience, and expecting them to tell people positive things about your business and come back.

Start now if you haven't already, and make sure you measure it so you can see the results and be proud of any time invested.

One way to measure success is by using BuyerScore to provide you with ongoing feedback from those who matter the most – your customers.

Technology of the future

Nissan's brain-to-vehicle system

Nissan says it will be offering brain-to-vehicle (B2V) technology on production vehicles in the future, but its roll-out is yet to be determined.

The system, which was unveiled at the Consumer Electronics Show (CES) in Las Vegas, allows the driver to steer, accelerate and brake via a bespoke device that can read intended vehicle-control inputs.

Daniele Schillaci, vice-president of global marketing and sales, said it is B2V's ability to passively control other functions – including driving mode, climate control and seating position – that makes it important to bring the technology to market.

"The idea is one day to be capable to implement this in our vehicles, but I cannot tell you when," he said.

B2V interprets the signal that's sent from the brain to hands to tell it to move the steering wheel, or accelerate or brake. The system is reportedly able to reduce reaction time by three-tenths of a second.

If the technology were to interrupt a signal incorrectly and turn unintendedly, the car's semi-autonomous technology would cut in and prevent a collision.

Pairing with the brain-reading technology will be an artificial-intelligence (AI) system that can read occupant discomfort and adjust auxiliary settings, including media volume and suspension.

Part of Nissan's "intelligent mobility" plan, B2V technology falls into the marque's "integration pillar" with electrified powertrains and autonomous systems being other elements.

GETTING TUNED IN

A plethora of next-generation infotainment systems made their debuts at last month's CES, one of which was the Mercedes-Benz User Experience (MBUX).

It will first appear in the new-generation A-Class before being rolled out across the marque's range. The system uses two 10-inch high-definition displays integrated on a single screen.

The user interface is underpinned by deep learning and AI that can make suggestions, such as what music to play based on previous driver inputs.

The menu has large icons that can be scrolled, while updated software introduces a global search function that will look for entered keywords across all vehicle functions and online.

The largest update to the way drivers will interact with MBUX is speech recognition activated by commands such "Hi Mercedes", similar to Apple's "Hey Siri".

In addition to usual voice-activated functions, such as calling contacts and setting destinations, the system can control climate settings, ambient lighting and display weather forecasts. It can recognise language such as "I'm feeling cold" to turn up the temperature.

MBUX will also be compatible with Android Auto and Apple CarPlay to give users the choice of preferred controls, although only the marque's system will integrate with vehicle functions.

USES FOR ROBOTS

Honda revealed some AI concepts in Las Vegas. One was the D18, an autonomous workhorse for use in farming and manual labour.

It features an electric drivetrain and flat top for customisable uses. Based on the marque's ATV chassis, it boasts all-wheel drive, airless tyres and off-road capability. It can operate autonomously thanks to GPS and sensors to guide it in most environments.

Another is the B18 – an electric wheelchair-like device, which can be outfitted with AI sensors for autonomous operation. It's capable of keeping its seat level uphill and downhill.

Then there's the C18, a robotic device to be used as a mobile platform. Shaped like a cart, it's equipped with a pop-up shelf and canopy. It can be used as a mobile cafe, for example, and can operate autonomously by observing how people act and respond.

Also revealed at CES was Honda's mobile power pack. It has been designed to harness surplus renewable energy and store it in efficient, portable batteries.

Each pack, for which robotic concepts are compatible, has an output of 1kWh or more, and multiple packs can be used simultaneously. This means it can potentially power electric motorbikes and small mobility products.

Using swappable batteries eliminates recharging times associated with fixed equipment.

SUV GOING ELECTRIC

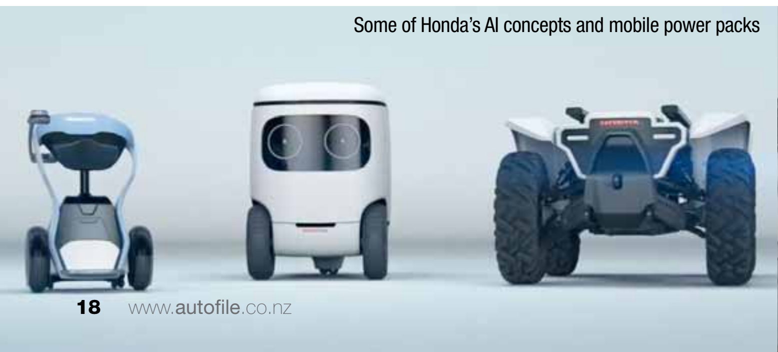
Kia has revealed a fully electric version of its Niro compact SUV. It features a 64kWh battery pack and electric motor capable of a 383km driving range.

The EV boasts a new active pedestrian warning system. This uses cameras, object-recognition technology and external speakers to mitigate collisions. If it detects someone on foot or a cyclist crossing in front, an alert is sounded.

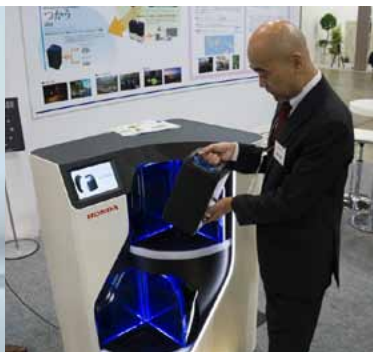
While not yet ready for production, the car could be one of 16 electrified models to feature in Kia's range by 2025. They will consist of five hybrids, five plug-in hybrids, five new pure EVs and one mass-market fuel-cell EV.

The marque is aiming to commercialise level-four autonomous driving technology with testing in 2021. It's creating connected cars that can send vehicle-to-vehicle and vehicle-to-infrastructure information, while aiming to adopt connected technologies across all segments by 2025.

The company's latest interface systems can be adapted for use in future vehicles, such as the world's first in-car 5G connection. ▶



Some of Honda's AI concepts and mobile power packs




Kia's fully electric Niro compact SUV


The Mercedes-Benz User Experience


The Nexo will be Hyundai's all-new fuel-cell electric vehicle

For example, the Niro EV's steering wheel can control functions, such as music and volume and air conditioning, through gesture control and swiping along the wheel.

Then there's facial recognition that allows people to "log in" to their cars, and a sound-control system for front and rear passengers to listen to their own music at the same time by using speakers embedded in headrests and noise-cancelling technology.

SENSORS BLEND IN

Toyota has unveiled its upgraded third-generation autonomous vehicle prototype based on a Lexus LS 600hL. It's the first in a fleet of test cars to be turned out for trials this year.

The company has indicated it will incorporate autonomous technology in the fifth-generation Lexus LS during its lifecycle – probably in 2020.

Called Platform 3.0, the system includes a 360-degree external camera with a range of 200 metres and improved data density.

Sensors on the car have been toned down so they blend into the vehicle more. The roof-mounted lidar scanner is still obvious, but is more streamlined than some similar systems. Other sensors still protrude from the car's flanks.

Engineers have used space normally taken by the sunroof to minimise the height of the rooftop pod housing four spinning lidar sensors that scan for potential hazards in all directions instead of just to the front.

REDUCING EMISSIONS

Hyundai's all-new fuel-cell EV (FCEV) will be called the Nexo. It will spearhead the marque's plans to accelerate developing low-emission vehicles in line with its goal to introduce 18 eco-friendly models by 2025.

The Nexo is the marque's second generation of commercialised FCEV, which will be available in selected markets in early 2018.

Improving on the ix35, it has an estimated range of 800km – up by 206km. Acceleration and power have also increased.

Its dedicated architecture includes lighter weight, improved power-to-weight ratio, more cabin space and a better fuel-cell system layout.

BOOSTING MOBILITY

The Renault-Nissan-Mitsubishi Alliance will invest up to NZ$1.4 billion over the next five years in start-ups pioneering autonomous systems, connectivity, electrification and AI.

Chairman Carlos Ghosn told CES delegates that its corporate capital fund will help innovate and evolve vehicle technologies.

The venture's first investment will be in solid-state battery specialist Ionic Materials. However, no timeframe has been given on costings or when new EV technology will be ready for the mass market.

The mid-term Alliance 2022 plan includes 12 new all-electric models, consolidation of technologies and platforms among all brands, and boost EV sales to 500,000 annually.

CONTROLS TO GO

General Motors aims to mass-produce self-driving vehicles without traditional controls, such as steering wheels and pedals, by 2019.

The car at the centre of this will be the fourth generation of the driverless, all-electric Chevy Bolt, which is being tested on public roads. After rolling off the assembly line, they will be deployed as ride-hailing vehicles in some US cities.

By committing to rolling out fully driverless cars in a shortened timeframe, GM hopes to gain the upper hand in the race to build and deploy robotic vehicles.

Meanwhile, Ford will build an autonomous car with a steering wheel and pedals by 2021, and Waymo – the self-driving unit of Google parent Alphabet – is preparing to launch its first commercial ride-hailing service in Arizona's capital, Phoenix, featuring driverless mini-vans.

LIVES AT STAKE

The chief executive officer of Nvidia – the technology giant – has described the complexity of software of future cars as "incredible".

"Building a computer for autonomous vehicles is of a level of complexity the world has never known," Jensen Huang told CES delegates. "It can never fail because lives are at stake. It has to make the right decision running software the world has never known how to write."

Nevertheless, after four years of development and investing NZ$2.75b, Nvidia has created the most advanced system-on-a-chip processor yet.

Capable of completing 30 trillion operations per second while consuming only 30 watts of power, the Xavier features more than nine billion transistors. The processor board is smaller than a registration plate, meaning the cargo areas of next-generation autonomous vehicles will not be filled up with computing gear.

Getting connected

ITS New Zealand is hosting next month's T-Tech Transport Innovation Conference to provide those interested in the future of transport with opportunities to learn from internationally respected experts, academics and thought-leaders, and network with this country's intelligent transportation systems community.

The keynote speaker at the two-day event is Greg Lindsay of The New Cities Foundation, a leading global non-profit organisation based in Canada, with the objective of making cities more inclusive, connected, healthy and vibrant.

Lindsay is a journalist, urbanist, futurist and speaker, and leads the foundation's Connected Mobility Initiative.

He's also a non-resident senior fellow of the Atlantic Council's foresight, strategy and risks initiative, and a visiting scholar at New York University's centre for transportation policy and management.

There will also be a plethora of other speakers at the Pullman Hotel in Auckland on March 19 and 20 with the organisers saying T-Tech will cover emerging trends, challenges and innovations in transport technology, mobility and urban design.


Greg Lindsay

"T-Tech aims to inform and inspire attendees looking at international ideas and direction, and examining New Zealand's own activity and strategies," says Simon McManus, spokesman for ITS NZ.

"Presentations will look at new and superior technology, modes of transport, how emerging business models and better connectivity are creating opportunities to improve transport networks and urban design, that will create better communities stemming from efficient, sustainable and safer transport for people and business."

Other speakers at T-Tech include David Dixon, senior principal for planning and urban design at Stantec, Debbie Hopkins from the University of Oxford's transport studies unit and Matt Amos from LINZ. Visit www.its.org.nz for more information.

NEWS in brief

Brand's finance package launched as demand grows

New Zealand has become Jaguar Land Rover's first import market to provide a financial services product in the marque's name.

General manager Steve Kenchington says growing demand for its vehicles has provided the package's foundation.

"Local sales have grown over the past five years as new models have been introduced," he says, while economic factors – such a strong housing market and rise in immigration – have provided boosts.

"A financial product under our own label was the next step as the brand has matured in the market. It complements our five-year service plan sold with every new Jaguar Land Rover.

"With strong residuals, we are able to offer customers who use the package a guaranteed minimum future value on their purchase.

"This means they will have further confidence the vehicle will retain its value until they are ready to trade in, upgrade, refinance, keep or return it. Trade-ins go into our approved pre-owned vehicle programme."

The finance package is being provided with Heartland Bank. Chris Flood, deputy chief executive officer, says: "A key part of Heartland's strategy is to grow business through partnering with intermediaries, enabling us to reach more customers at the point of sale.

"We look forward to working with Jaguar Land Rover and believe our partnership will bring value for our mutual customers."

Electric-vehicle maker opens extra charging facility

Tesla has expanded its super-charger network to allow "seamless travel" between Auckland and Wellington.

The new station in Palmerston North is equipped with four charging bays, which are available to use 24/7. It joins existing super-chargers in Taupo and Hamilton.

Tesla's super-chargers can add up to 270km of range in 30 minutes. They are designed for city-to-city travel, and allow drivers to travel for about three hours, take a break and get back on the road charged up.

Suzuki joins three other brands in south of city

Southern Autos Manukau, which has franchises for Citroen, Isuzu and Peugeot, has added Suzuki to its portfolio with the full range of facilities on site – including sales, insurance, finance, service and parts.

Dealer principal Andrew Craw says: "This is a perfect fit as Suzuki compliments other products we sell." He adds its SUVs and compact cars offer great value for money in an area where buyers are conscious of pricing and reliability.

"We see the expansion of Suzuki to South Auckland as significant for our growth in Auckland," says Gary Collins, of Suzuki NZ.

Battery import process meets dangerous goods rules

A process has been developed to ensure new and used batteries for electric vehicles (EVs) can be brought into New Zealand.

VIA (the Imported Motor Vehicle Industry Association) has obtained documentation for certain types of batteries to ensure shipping companies can meet their requirements under the United Nations' regulations for dangerous goods.

"The lifespan of these batteries is key in issuing mechanical warranties for EVs, which mean greater confidence for consumers," says Malcolm Yorston, technical manager.

"While we've been able to achieve a breakthrough, it's not an easy process as shipping lithium-ion batteries is so regulated."

Supercar marque enters SUV territory


Lamborghini joins the trend of luxury marques entering the SUV category

Lamborghini has unveiled the Urus, its performance "super SUV" with a four-litre twin-turbocharged V8 producing 484kW of power and 850Nm of torque from 2,250 to 4,500rpm.

The Urus makes the 0-100kph dash in 3.6 seconds and can go onto 200kph in 12.8 seconds thanks to launch control and a fast-shifting eight-speed "electro-hydraulically controlled planetary" automatic gearbox, while its top speed is a claimed 305kph.

The SUV weighs 2,154kg, which helps to boost its performance, and rides on the same platform as Volkswagen stablemates, such Bentley's Bentayga and Porsche's Cayenne.

The four-wheel-drive system uses a Torsen central self-locking differential for responsive motoring in all conditions. Torque is split 40-60 to the front and rear axles with a maximum split of 70 per cent for the front and 87 per cent to the rear, while vectoring improves cornering agility.

Drive modes include the standard strada, sport and corsa used in previous Lamborghinis, while the Urus boasts off-road, snow and sand alternatives. Off-road mode gives added ground clearance.

The SUV has the same rear-wheel steering as the Aventador S and its angle changes by up to three degrees – according to speed and mode – to improve manoeuvrability.

Inside, there are marque-style edges and a specific centre-console design, a flat-bottomed steering wheel and red starter button. Alcantara, aluminium, carbon fibre and wood add to luxury levels, while the black dashboard finish is standard.

The new Lamborghini Infotainment System III is included with connected voice control, wireless charging, USB connections and a head-up display. Apple CarPlay and Android Auto are supported.

The Urus will retail for $339,000 plus options when it arrives in New Zealand in the third quarter of 2018.

The final countdown

The Lancer has been lined up for one last time with Mitsubishi Motors NZ releasing a limited run of 400 Final Editions.

The model has been a mainstay for the marque since its launch in 1975, but it's now the end of an era.

"There are many die-hard fans sorry to hear this is the end of the line," says Daniel Cook, general manager of vehicle sales. "The Lancer will always hold a special place in New Zealanders' memories – as a much-loved family car and hard-running rally machine.

Complete with its own signature badge, the Final Edition is packed with all of the GSR's features plus extras.

There are leather-appointed seats throughout – heated up-front and with a power-adjust function for the driver, a keyless operating system, reversing camera, touchscreen audio and 16-inch sports alloys.

The Final Edition, which is only available as a sedan, boasts fuel-consumption figures of 7l/100km and is priced at $26,990 plus on-road costs.

Southern hub bucks national trends

Timaru prides itself on a solid, primarily agricultural-based economy and low unemployment.

The district, which is the economic hub of South Canterbury, has a population of 44,000 and boasts a standard of living that's higher than average when compared to the rest of New Zealand, according to the local council's economic development strategy report for 2015-35.

Timaru district councillor Steve Wills, who describes it as "the riviera of the south", says: "It's unique in that we have diverse companies and businesses that create plenty of employment. And because of growth in many major industries, there are spin-offs for smaller businesses."

Almost one-quarter of the district's residents work in agriculture – cropping, dairy, cattle, sheep farming – and in associated manufacturing and support services, and food processing.

Food-product manufacturing is the single highest contributor to GDP figures at 16.5 per cent. It's followed by agriculture at 7.3 per cent and

road transport at 4.5 per cent.

Road and bridge building, as well as dwelling construction, is expected to continue to grow due in part to Christchurch's rebuild, but is also linked to a boom in farming and food processing – particularly around road-freight needs.

Wills says: "We're expecting Timaru to continue to grow and have 5,000 extra people living here over the next 10 years. We have to be able to meet that demand and have the infrastructure available."

In addition, the number of people working locally is expected to grow by 300 full-time employees a year to 2025 – most in construction, wholesale, retail, transport and warehousing. About one-third of the population will be over-60 by 2035.

"Many people moved here after the earthquakes and have stayed with their families. The district is a magnificent place to live, there's an incredible vibe and you hear good news stories all the time.

"And I think motor-vehicle traders have confidence that demand for cars will continue."

Indeed, local dealers contacted by Autofile confirm that positive economic conditions are flowing through into the automotive industry.

Craig McDermid, chief executive officer of South Canterbury Toyota, says volumes are up and describes the market in Timaru as "strong".

"We're happy with the market and the region is buoyant," he says. "The rain over the new year has been good for crops and dairy farms. Mid and South Canterbury are in a good state.

"We had a couple of years with low dairy pay-outs, but that's in the past. Everything is quietly and confidently moving forward. There's a lot of confidence in the wider community."

Bob Driver, director of Bob Driver SsangYong, agrees and says business has been picking up.

"The low price of new cars, low finance and great warranties on offer – it's all driving down the price of used cars," he enthuses. "The number of imports from Japan seems to increase month after month and I don't know when that will end. There are a lot of new cars being sold and this market is competitive."

If people want jobs, there are plenty in Timaru, notes Driver, with the agricultural industry always looking for staff.

The district's annual average unemployment rate was 3.2 per cent towards the end of last year. This was down from 3.3 per cent on the previous year with the rest of the country averaging 4.9 per cent.

"Things just keep ticking over in Timaru," adds Driver. "We aren't overpopulated and it's a nice place to live. There are jobs and everything you need, so why live elsewhere."

The area's ageing population does have some bearing on what types of vehicles are popular in addition to national trends.

"People aged 60 and over are a large part of our market, and many older people find they can easily get in and out of an SUV," explains Driver. "That's a huge part of their decision to buy a SUV as

Timaru vehicle sales - February 2017 to January 2018

	USED CARS	NEW CARS	USED COMMERCIALS	NEW COMMERCIALS	PUBLIC TO TRADER	PUBLIC TO PUBLIC	TRADER TO PUBLIC
Jan '17	129	62	14	54	149	561	232
Feb '17	118	87	11	39	129	544	228
Mar '17	138	92	14	63	152	634	226
Apr '17	98	72	8	43	127	510	202
May '17	115	70	12	62	174	597	250
Jun '17	147	98	7	79	136	520	218
Jul '17	122	54	11	59	117	569	197
Aug '17	144	65	11	62	142	582	280
Sep '17	131	66	15	60	112	593	212
Oct '17	110	73	6	47	126	578	191
Nov '17	125	67	20	50	156	544	214
Dec '17	115	38	13	42	82	521	205
Jan '18	114	85	15	50	125	525	242
Total 12 months	**1,477**	**867**	**143**	**656**	**1,578**	**6,717**	**2,665**
Change on Jan 2017	**-11.6%**	**37.1%**	**7.1%**	**-7.4%**	**-16.1%**	**-6.4%**	**4.3%**
Previous 12 months - Feb 2016-Jan 2017	1,246	794	125	545	1,800	6,414	2,940
Change on previous 12 months	18.5%	9.2%	14.4%	20.4%	-12.3%	4.7%	-9.4%
NZ sales - past 12 months	166,440	109,256	13,128	51,871	159,615	518,000	213,198
Timaru's % of NZ sales	0.89%	0.79%	1.09%	1.26%	0.99%	1.30%	1.25%
Population	New Zealand	4,600,000	Timaru region	55,623	1.2%		

Commodities boost forecast

On a national level, Westpac expects New Zealand's export commodity prices to soften over 2018, including continued moderation in dairy prices, which has prompted the bank to revise its milk forecast down to $6.20/kgMs.

Meat and forestry prices are also expected to ease back over the next year, but returns to farmers will be supported by a lower exchange rate this year.

Despite this, Timaru District Council expects its area to experience gains in GDP of 3.1 per cent per annum – $2.4 billion to $3.4b – although its national share will remain at 1.1 per cent.

Economists at Infometrics report Timaru is continuing to recover strongly from a "sluggish" performance in 2016.

Good prospects for the primary sector bode well for the region's outlook with 18 per cent of the economy in manufacturing, and 12 per cent in agriculture, forestry and fishing. High prices for lamb, beef and dairy are positive.

A $6.50/kgMS milk price would inject an extra $20 million into the area this season relative to 2016/17. Fishing appears to be a growth sector with Sanford increasing investment and looking to expand with a new fish-processing room.

Longer-term prospects, such as a mooted oil and gas field 60km off Oamaru's coast, may provide benefits for Timaru via increased freight and storage volumes through its port.

ASB reports Canterbury moved up to 12th place on its regional economic scoreboard during the last quarter, which suggests signs of more balanced growth.

"It appears Cantabrians have a hop in their step as consumers are the most optimistic in the country. Meanwhile, the commercial rebuild is slowing, with the number of cranes in the region, for example, decreasing to 17 from 25 earlier last year.

"We expect growth in the region will begin to reaccelerate as 'business as usual' activity takes hold. However, there may be the odd bump along the activity road when remaining large projects finish and associated resources are deployed elsewhere."


Craig McDermid, chief executive officer of South Canterbury Toyota

South Canterbury Toyota's premises in Timaru


Pykes Auto Court

Caroline Mitsubishi

Bob Driver SsangYong

well as low prices and warranties.

"Also, there's a lot more positivity in Timaru than a few years ago. We have more jobs than people to fill them. There are good schools here. All of the dairy farms have immigrants working on them and they spend their money in town."

Darryl Pyke, who has owned and operated Pykes Auto Court with his brother Wayne from its current location for about 26 years, believes people are attracted to the region for its lifestyle, lakes and uncrowded beaches.

"We have a large farming-based community – Fonterra is 35km away and we have a couple of smaller dairy companies nearby. They are big employers as well as the farmers.

"Then there's the flow-on from there, such as workers needing vehicles. We are dependent on the dairy industry and at the moment things are upbeat. We're humming."

Brian Downing, sales manager at Caroline Mitsubishi, is anticipating another good year for the business and "there's nothing on the horizon that will change that".

"There are a few positive things happening – sheep farmers are getting good prices for meat and grain is having a good turn."

Downing believes the district's population will easily increase by 5,000 over the next 10 years. "There are lots of new developments and houses being built. There's a good spread of industries and that probably helps to keep our unemployment rate low."

He adds there's a slow southern drift with some folk finding it too expensive to live on the North Island.

"You can get a nice house here for $250,000 to $350,000," says Downing. "There are more things to do than just snow skiing if you are into the great outdoors and there's no overcrowding.

"Over the past three to five years, we've had many new buyers coming in. A trend we've noticed over the past two to three years is that our customer base is getting younger and younger – people in their 30s are buying new cars.

"When I started in 1999, it was only wealthy, older people buying new cars as well as companies. In the mid-1980s, a two-litre car cost somewhere in the early $30,000s. You can buy a new Lancer today for $26,000."

The month that was.... February

With more than 30 years of history, Autofile looks back on what made the headlines

February 3, 1997

New vehicle prices continue to fall

Mitsubishi's move to cut the cost of new vehicles was the latest salvo in ongoing price wars.

Autofile research showed that each of the six major companies – which made up 79 per cent of the new-vehicle market – had dropped the price of at least one model in the past 12 months.

Mitsubishi said it had adjusted pricing to pass onto consumers the effects of the then-current high level of the Kiwi dollar to the Japanese yen.

Marketing manager Mike Alexander added the new pricing placed cars at their lowest level for at least two decades compared with the average annual income. He said there were 36 franchises chasing a static number of sales with more than 530 models available in one of the smallest new-car markets in the OECD.

The price cuts appeared to have been beneficial for dealers. Grant Simpson, of Kirk Motors in Newmarket, Auckland, reported a much-increased traffic flow – both in people through the dealership and calls inquiring about product. He said Kirk's had gone from a flat December to a very good January.

Going against the price drop trend were Ford and Holden, which had both increased prices in the past year.

February 16, 1998

Reaction awaited to speedo plan

Harry Duynhoven, the MP for New Plymouth, had received no response from the Motor Vehicle Dealers' Institute (MVDI) about the full details of his plan for checking Japan-based odometers when Autofile went to print.

The institute's national executive had met and discussed the plan, and referred it to an independent advisory group for further consideration. It had called for a more extensive proposal than the one provided by Duynhoven to the meeting, and was subsequently passed to the institute by the MP.

A media release issued by the MVDI's executive indicated it was concerned that Duynhoven could be acting as an agent for anti-clocking campaigner Dermot Nottingham. The institute was assured by the MP that wasn't the case and neither Dermot, nor his brother Phillip, were involved.

The executive also said it was aware the government would shortly announce its own proposal to prevent odometer fraud – an apparent reference to the odometer working party that was due to report its finding to cabinet.

It felt Duynhoven's plan didn't deal sufficiently with the 30 per cent of vehicles brought in by unlicensed importers nor did it cover other countries, such as the UK and Australia. The MVDI's chief executive, Stephen Downes, was unavailable for comment.

February 2, 2007

Review of notices on the cards

The Ministry of Transport (MoT) was set to release two tandem discussion papers in March to review supplier information notice (SIN) provisions in the Motor Vehicle Sales Act (MVSA) and the legislation itself.

In a statement to Autofile, the Minister of Transport, Judith Tizard, said: "The 2006 review noted there were some deficiencies in the SIN provisions and recommended a comprehensive review of the notice be undertaken.

"The changes being proposed do not alter the fundamental purpose of the SIN – rather they are designed to make the notice more usable for consumers and business alike."

A review surrounding SIN provisions had to be split from the main MVSA review due to the wealth of information supplied during the submission stage.

"There were issues surrounding vehicle year and how you define it," said David Vinsen, chief executive of Independent Motor Vehicle Dealers' Association.

"We think the issue has now been largely resolved in that the vehicle year is considered the date of registration in any jurisdiction. Land Transport and the MoT have accepted this, and the SIN card review needs to reflect that."

Tizard said that, overall, the 2006 review of the MVSA noted arrangements set up by the act were operating well.

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Industry movers

Frank Willett John Davies

FRANK WILLETT has been appointed as Autohub NZ's chief executive officer. He has been acting CEO for the past 11 months and has been with the company for three-and-a-half years.

The news follows John Davies announcing he was stepping down as managing director of Autohub NZ in February 2017.

Willett is pleased his appointment to the top job has now been made official and says the move is "in line with what was planned".

He told Autofile: "It's business as usual, but we're always looking for opportunities that may drive change. Our industry is in a state of evolution and we keep our eyes open for new developments."

Davies will stay on in a part-time capacity as a consultant for the group, especially in relation to global interests.

"My retirement was in the wings for a while," he says. "We wanted to make the changeover in an orderly fashion. It has been worked on for some time." His retirement will include overseas travel and "playing with old cars".

MIKE CRITCHLEY has been appointed as New Zealand country manager for Automotive Holdings Group (AHG).

Critchley has 20 years' experience with AHG NZ and the former Auckland Automotive Collection (AAC), which was acquired by the group in 2006. He has been successful as dealer principal of North Harbour Ford and Mazda franchises.

Paul Morris, AHG's chief operating officer – franchised automotive, says: "Mike has worked in a range of positions across AHG and AAC, and brings a wealth of knowledge to the business."

Critchley has handed over his dealer-principal responsibilities to sales managers Steve Fraser and Keith Shaw at North Harbour Ford and North Harbour Mazda respectively, after which the positions will be advertised on a permanent basis.

Acting country manager Gary Gooding remains with the company in a consulting and mentoring role.

KAT INSTRALL has joined MARAC Insurance as general manager. Originally from the UK, she has 13 years' experience in New Zealand insurance, including previous partner management roles with IAG, AIG and Tower.

Instrall is passionate about client experience for dealers and end customers, and is motivated to deliver on the insurance promise at claims time.

PHILLIP WILLETTS has joined Autosure as a mechanical claims assessor.

He has been involved in the automotive industry for more than 15 years, and has worked for Toyota NZ and at Mercedes-Benz Auckland for the past nine years.

Willetts' experience with Mercedes-Benz NZ extends to Australia and Germany where his technical ability is held in high regard.

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

NZ labour market report

THE NUMBER OF JOBS IN non-metropolitan regions boomed in the last quarter of 2017 as post-election uncertainty took a toll on Auckland, Wellington and Canterbury, according to an analysis of more than 68,000 online vacancies.

Data indicates employers and job hunters in main centres were "treading softly" as they waited for the political landscape to settle, says Jeremy Wade, head of Trade Me Jobs, but those in the regions were less concerned.

Southland, Northland, Otago, Hawke's Bay, Waikato and Marlborough had solid double-digit growth in new listings year on year. They fell in Auckland by 2.8 per cent and in Wellington by 1.6 per cent, while Canterbury had a one per cent rise compared to 2016.

"Despite the benign growth of new listings in main centres, we would expect some wage growth given the skill shortage," says Wade. "However, at a national level, average pay was flat in the final quarter of 2017 – down by 0.2 per cent to $60,441.

> **"We would expect employers to be digging deeper to secure the best candidates"**
> **– Jeremy Wade, Trade Me Jobs**

"Even after some encouraging wage growth in the previous two quarters, it's surprising to see such little movement. We would expect employers to be digging deeper to secure the best candidates."

Job hunters continued to be in prime position with average applications per role down by 15 per cent on 2016 and down 5.8 per cent on the previous quarter. Applications in Auckland, Wellington and Canterbury dropped by 17, 10 and 14 per cent respectively.

Of 26 sectors on Trade Me Jobs, 13 saw a jump in year-on-year listings with manufacturing and operations up by 28.5 per cent, transport and logistics rising by 21.2 per cent, and agriculture up 20.7 per cent.

Retail, hospitality and sales performed well last year, but dipped sharply in 2017's final quarter with new listings dropping by 12, 2.8 and 12 per cent respectively.

When it came to the automotive sector, listings rose by 17.5 per cent when comparing the last quarter of last year to the same period in 2016.

Vacancies for diesel mechanics jumped by 40.3 per cent and were followed by management roles on 33.6 per cent. Then came sales operations and parts, other roles, automotive technicians, and panel and paint – up by 16.5, 15.9, 5.3 and 4.3 per cent respectively.

As for pay, the highest rise was in management with 7.9 per cent, with panel and paint second on 5.5 per cent. Next up were diesel mechanics, others, sales and automotive technicians with 4.8, four, 3.6 and 1.5 per cent rises respectively.

Auckland City remained the highest-earning area with $72,383 followed by Wellington on $69,787, but average pay was down by 0.3 per cent in the former year on year and up by 0.3 per cent in the capital.

"With a shortage of talent, flat wage growth and the increasing cost of living, employers in the main metros will be under more pressure in 2018 to secure talent and we expect average pay to increase," says Wade.

He adds employers will continue to face challenges securing skilled people in 2018.

"We expect to see the shortage worsen as tightening on immigration will likely leave employers with little choice but improve packages to lure talent. The ball is in the job hunter's court and skilled workers can expect better offers."

Small businesses are likely to slow their hiring rates, notes Wade. While replacing core people will be important, there may be cutbacks on discretionary hiring.

Products must benefit clients

I thought it was an appropriate time to remind our dealers of their obligations under the responsible lending code.

There has recently been publicity around fines and refunds of junk insurance sold via dealerships in Australia, and I recently read an article in which New Zealand could come under the microscope.

The Australian Securities and Investments Commission, which is the equivalent to our Commerce Commission, has been looking at the type of insurance sold and benefits their clients will receive when it comes to claim time.

Rebates and fines in Australia have been in the millions of dollars, which directly impacts dealerships as part of the refund would need to come from the traders' margins as well as the insurer.

In July 2017, our Financial Services Federation released a responsible credit-related insurance code, which is an interpretation of the insurance portion of the responsible lending code. These guidelines state insurance provided to your clients must be of benefit when it comes to claim time.

TONY HEADLAND
General manager
Protecta Insurance

If we want to look at that a little more closely, guaranteed asset protection insurance is a great example. If your client has a deposit of more than 20 per cent, we anticipate there would be little to no benefit to the customer, but if they have less than 20 per cent as a deposit we would encourage you to demonstrate the benefits of this product to your client.

Another good example is payment protection insurance. There are three levels of cover available, so it's imperative to sell the correct level to suit your client's situation. For example, if you are financing a beneficiary, there's no benefit in the customer having redundancy cover.

The other part of the responsible credit-related insurance code states the policy sold needs to be appropriate when compared to the loan amount, credit limit or value of the asset being insured.

When selling this product, two questions you need to ask yourself are:

- Is the value of the insurance appropriate for the value of the vehicle you are selling?
- If you sell this insurance, and include the premium in the loan, will the client be able to pay the loan without suffering substantial hardship?

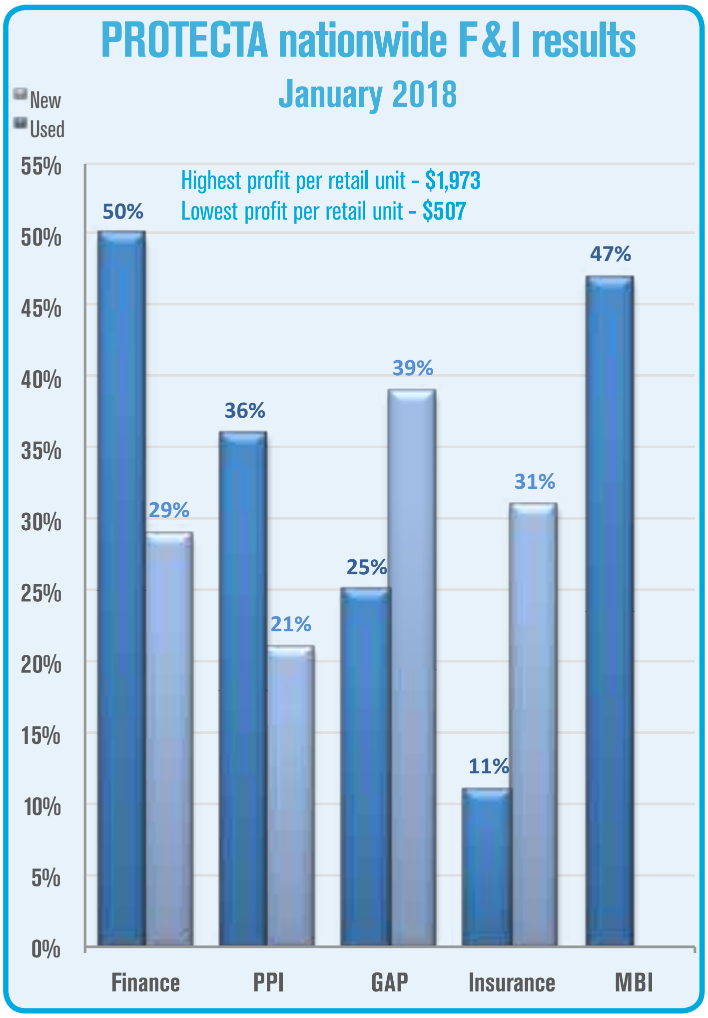
In other words, when looking at the client's situation the three questions to ask of yourself are:

- Will there be a benefit to the client when it is claim time?
- Is the insurance too much for the asset's value?
- Can the client afford the insurance?

Disclosure of insurance is mandatory under the responsible lending principles. This includes how much the premium is, the amount of interest the client will pay if it's added to the loan, what each of the products cover and do not cover, the term of the insurance and the cooling-off period.

As a tip, ensure once clients have agreed on products that they receive the policy wording before the certificate of insurance is issued.

This will ensure they have enough time to read the wording before buying that product.



Battle turns white hot

Richard Verschoor clinched the New Zealand Motor Cup at Hampton Downs

As the 2018 Castrol Toyota Racing Championship hit its mid-point at Hampton Downs, the whole vibe of the series subtly shifted.

This year's group of local and international racers has to be the most focussed and intensely competitive in the 14 years of the championship, yet everything clicked up a notch in the Waikato where leader Marcus Armstrong came under attack from determined international rivals.

Richard Verschoor, Clement Novalak, Robert Shwartzman and now Charles Milesi are all hungry to wrest the advantage away from Armstrong. All of the overseas drivers responded keenly to the wider, more European nature of Hampton Downs.

Racing on a circuit they all agreed was similar in character to many of their European circuits – although, perhaps, with a little more sun – most of the field was soon lapping at 1:01 and 1:00.

The top five broke the minute barrier in practice and qualifying amid temperatures approaching 40 degrees.

It was former Red Bull junior Verschoor who stepped up with greatest determination at Hampton Downs and it's his name that will be engraved on the New Zealand Motor Cup. A distant third coming into that round, he has now won four races to Armstrong's two.

In such a rapid-fire championship, competitors quickly understand the need to finish every race and make the most of the points they accrue.

Armstrong, a veteran karter at the highest level and winner of the 2017 Italian Formula 4 Championship, knows this instinctively. He has been on the podium in every race so far, quietly banking points, and with his eye firmly on the title.

Endorsement appears to be valid

With Australian motorsport possibly endorsing the TCR category, Kiwi fans may soon experience European Touring Cars here at home

The rumour mill is in high gear around the New Zealand summer series after Australian motorsport media uncovered apparent endorsement for the "world" touring car category.

The category has been around since 2014 and was "merged" with the failing World Touring Car Championship last year.

Eligible cars are found in all major manufacturers' product ranges. They must be four or five-door body styles with two-litre turbocharged petrol or diesel engines – no mention of hybrids – and wet sump two-wheel drive.

The vehicles can run production gearboxes or a single design of six-speed sequential race transmission made for the organisers. The minimum weight is 1,250kg with standard transmission.

That means the TCR category – similar in some respects to the AP4/AP4+ category seen in rallying here and overseas – becomes the de-facto world touring car category.

New Zealand's motorsport authorities have long insisted the class made little sense here unless other Australasian motorsport organisations adopted it, creating a viable market for the cars.

Now, with Australia apparently heading towards endorsing the two-litre category, key players in this country have been holding off-the-record meetings about the potential for TCR to step up as the premier touring car category.

Australia can kick off TCR races in 2019 – and industry figures are excited by the prospect of once more having a category with broad-brand appeal and indicate New Zealand may follow closely behind.

New TCR cars retail for $220-$250,000. Competitive used cars, such as the SEAT Leon that won the 2017 European Touring Car Championship, go for $170,000.

At the cutting edge of racing


Guy Griffith, left, and Garry Orton's Victory Motor Racing has produced F1 drivers Daniil Kyvat and Brendon Hartley

Guy Griffith and Garry Orton are unsure if New Zealand appreciates its position in the multi-billion-dollar world of motor racing.

Specifically, the significance of this country having Brendon Hartley in Formula One and taking part in this year's championship – on merit – with Red Bull Racing.

In a country that has a population smaller than many overseas cities, motorsport punches above its weight and consistently places more Kiwi drivers in the higher reaches of the sport than others can achieve.

The pair are quick to point to the role played by the country's premier championship – New Zealand's Castrol Toyota Racing Series (TRS) – in the rise of Brendon Hartley, Earl Bamber, Nick Cassidy and so many others to global racing success.

Griffith and Orton are co-directors and dual "chiefs" of Victory Motor Racing, and they too are part of the global success story of the TRS.

"Our vision has always been to help Kiwis – racers, mechanics, engineers – achieve their passion and goals. In this, we believe we are closely aligned with the goals of TRS itself."

Regarded as a "junior" open-wheeler category, the TRS feeds into European Formula 3 and similar categories, which in turn propel drivers upward into GP3 and F2. A lucky, well-prepared few then ascend to Formula 1.

"The TRS has a fantastic world following and is known for producing star drivers," says Orton. "That will only get stronger as we move into a new era of management."

Griffith and Orton find a dual-director model works well in the business and the pit lane where there is a clear demarcation of roles, but each can run ideas past the other.

They operate a race team and car preparation business from New Zealand's sunshine capital in Nelson – hundreds of kilometres from the nearest race circuit.

"It's a fantastic place, but can be isolated when you are doing things like talking to sponsors," says Griffith. "They can't just pop around to see you as would be the case in Auckland."

The team was established in 2003 to run Grant Silvester in the TraNZam category of the time – space-frame cars with fibreglass bodies and V8 engines. They subsequently ran Clark Proctor and Dean Perkins in the New Zealand V8 category.

When the TRS was first mooted, the fit with Victory was obvious and the company was involved from the earliest days. Nelson businessman Peter Talley helped Victory purchase its first TRS car.

Alongside the intense five-week TRS, the pair have taken their humble Project 64 Mini to speeds far higher than any other race shop in the world, and have land-speed records from Bonneville to prove it. Nelson Hartley drove the tiny racer, which has now been restored and is displayed in the car museum alongside the Victory premises.

In a transition year as the FIA moves to change the nature of Formula 3, the pair say the work of junior categories is even more important for rising Kiwi race stars.

The pair say Euro F3 in its current form works well and that TRS will need to follow developments with the sport's governing body in Paris closely over the coming months.

Today, with their vehicle-restoration business sold, Griffith is contracted to the new owner and Orton is based in the US in Dallas, returning to New Zealand each year for TRS.


Brendon Leitch has been with the Victory team since 2014

Purchaser's request for repairs refund dismissed as wrong fuel used in car

The case: About 18 months after it was supplied, the engine in the buyer's car failed. The trader agreed to replace it with a second-hand one if the purchaser paid for the labour costs involved, but the buyer said the fault was a breach of the guarantee of acceptable quality in the Consumer Guarantees Act (CGA).

The decision: The buyer's application was dismissed because the engine failure was most likely caused by using the wrong fuel in the car.

At: The Motor Vehicle Disputes Tribunal, Auckland.

Background

Claire Jones purchased a 2006 Nissan Murano for $10,484 from 2 Cheap Cars on June 20, 2015. It had an odometer reading of 126,627km when sold.

Around January 26, 2017, its engine failed. The trader agreed to provide a second-hand powerplant at its expense and for Jones to pay the labour to replace it.

She then applied to the tribunal to recover the labour charges and cost of having the damage diagnosed alleging the fault breached the CGA.

The case

The Murano had a 3.5-litre V6 petrol engine. Sean Gregory, the tribunal's assessor, said 95 octane fuel or higher should be used in it because the vehicle had been tuned and had a compression ratio, which required the use of high-octane petrol.

He added that using fuel with a lower octane level, such as 91, could cause detonation in the engine's combustion chamber, and damage the pistons and rings.

Jones said she had used only 91 octane in the Murano. Therefore, incorrect fuel was used in the vehicle during the 18 months of her ownership and about 8,000km of travel.

She added that about a week before the engine failed, the car developed a rattling in its engine, which got louder to the point that she took it to her mechanic, who diagnosed a significant problem.

Gregory said the symptoms of the fault were entirely consistent with damage to the piston and rings caused by using incorrect fuel.

The trader's representative gave evidence regarding talks with a mechanic at Marshall Automotive.

During the hearing, the tribunal saw a copy of notes the dealer had made during that discussion with the mechanic, who assessed the damage and installed the replacement engine. The trader noted he considered the Murano had burnt or blown pistons.

Gregory said the mechanic's observations were consistent with engine problems caused by 91 octane having been used.

On the basis of the evidence the tribunal heard – and advice from Gregory – it was satisfied the damage was most likely caused by the buyer using incorrect fuel in the vehicle, rather than any fault with the Murano.

The finding

The tribunal said there was only one issue that required consideration – did the Murano fail to comply with the acceptable quality guarantee?

Section six of the CGA imposes on suppliers and manufacturers of consumer goods "a guarantee that goods are of acceptable quality".

The expression "acceptable quality" is defined in section seven as goods being fit for all purposes commonly supplied, being acceptable in appearance and finish, free from minor defects, safe and durable.

These factors are considered in relation to how a reasonable consumer fully acquainted with the state and condition of the goods, including any hidden defects, views acceptable.

This needs to take regards of the nature of the goods, when relevant the price, statements made about the goods on any packaging or label on them, the nature of the supplier and context in which the goods are supplied, representations made by the supplier or manufacturer, and all other relevant circumstances of the goods' supply.

When any defects have been specifically drawn to the consumer's attention before he or she agrees to the supply, then notwithstanding that a reasonable consumer may not have regarded the goods as acceptable with those defects, they will not fail to comply with the guarantee as to acceptable quality by reason only of those defects.

When goods are displayed for sale or hire, defects that are to be treated as having been specifically drawn to the consumer's attention for the purposes of sub-section two are those disclosed on a written notice displayed with the goods.

Goods will not fail to comply with the guarantee of acceptable quality if they have been used in a manner – or to an extent that's inconsistent with the manner or extent of use – that a reasonable person would expect to obtain from them.

This also applies when they would have complied with the guarantee of acceptable quality if they hadn't been used in that way or to that extent.

The tribunal said the buyer could only succeed with her application if she proved the Murano had a fault that breached the CGA's acceptable quality guarantee.

It added section seven of the act was also relevant because it stated goods couldn't fail to comply with the guarantee if they had been used in a way inconsistent with the way a reasonable person would expect to use them.

The tribunal was satisfied the purchaser had used the Murano in a manner inconsistent with this because she had inadvertently used the wrong fuel.

By driving the vehicle with the incorrect fuel, significant damage had been caused to its engine.

Order

The buyer's application was dismissed because the car complied with the CGA's acceptable quality guarantee when it was supplied. ⊕

Dealer's claim Lamborghini's sale was 'private' thrown out by adjudicator

The case: The tribunal was asked to make a decision on an outstanding matter from a dispute in 2016 regarding the refund of repair costs for a Lamborghini. The trader claimed the car had been sold privately. However, several documents – including the vehicle offer and sale agreement (VOSA) – established it had been sold by the dealer.

The decision: The trader was ordered to pay the buyer $9,246 for repairs to the car's oil and cooling systems.

At: The Motor Vehicle Disputes Tribunal, Christchurch.

Background

Clinton Sloan purchased a 2008 Lamborghini Gallardo for $170,000 towards the end of 2016.

Almost immediately after purchase, he experienced problems with the car's air conditioning.

First2Go Cars, which Sloan said sold him the vehicle, agreed to reimburse him for the cost of these repairs following a hearing.

The tribunal issued consent orders to that effect and reserved its decision in relation to another matter on which the parties failed to agree.

That outstanding matter concerned $9,246 worth of repairs to the oil and cooling system paid for by Sloan, who applied for the dealer to refund those costs.

This case raised the following issues:

- Did Sloan buy the vehicle from First2Go Cars?
- Did the car fail to comply with the guarantee of acceptable quality in the Consumer Guarantees Act (CGA)?
- If so, did Sloan give the dealer time to remedy the failure?
- Did First2Go Cars refuse to remedy the issue?
- What remedy was Sloan entitled to?

The case

First2Go Cars failed to provide the tribunal with a report on its settlement discussions and response to Sloan's claim as directed.

However, documents submitted by Sloan indicated that Rikki Bidois, who was the general manager of First2Go Cars, denied the company had sold the vehicle to Sloan.

Instead, Bidois said the Lamborghini was sold privately by an individual known as "Kent".

The private-seller defence wasn't pursued with any real vigour by Bidois during the hearing, the tribunal stated. He effectively conceded that First2Go Cars sold the car to Sloan.

Additionally, several documents established the Lamborghini was sold by the trader.

Specifically, these were the Trade Me Motors listing for the vehicle, the consumer information notice and VOSA. They all stated First2GoCars was the seller.

Under the terms of the CGA, when goods are supplied to a consumer there is a guarantee they are "of acceptable quality".

Sloan said the Lamborghini leaked oil on his garage floor. M Developments' mechanic, Chris Moore, who fixed the air conditioning, referred to the coolant and oil leaks on his invoice. They were diagnosed about two months after purchase.

The coolant leak came from an alloy pipe carrying liquid from the engine to the radiators. Repairing the fault required the front differential to be removed in order to replace the pipes.

The oil leak comprised a smaller one from the timing-chain cover and a larger one from the upper-sump area. Moore stated the bigger leak couldn't be fully diagnosed without stripping the engine down and this required removing it.

The leaks were repaired in May 2017. The work took about 56 hours of labour and the cost was $9,246.

At the tribunal hearing, Bidois argued that Sloan had driven the vehicle knowing it had an oil leak. Sloan said he only drove a further 1,000km after discovering the problems.

The tribunal's assessor confirmed his continued use of the Lamborghini wouldn't have increased the repair costs.

The finding

The tribunal ruled First2Go Cars had failed to establish that the Lamborghini would have complied with the quality guarantee for the use of the car.

It ruled a reasonable consumer who spent $170,000 on a relatively low-mileage eight-year-old vehicle wouldn't expect to undertake costly repairs so soon after purchase and the leaks breached the CGA's guarantee of acceptable quality.

Under section 18 of the act, when a failure can be remedied the consumer must ask the supplier to fix the fault within a reasonable time before the buyer is permitted to have the matter dealt with elsewhere and then recover reasonable costs from the seller.

Before Sloan had the leaks repaired, he forwarded M Developments' air-conditioning repairs invoice, which outlined the preliminary diagnosis of the leaks, to Bidois.

On March 6, 2017, Sloan sent Bidois a further email from M Developments explaining in detail the nature of the work required along with photographs.

Sloan encouraged Bidois to contact M Developments if he needed more information. He said he had attempted to make contact, but had been unsuccessful.

Bidois replied by email saying he wasn't responsible for any repairs because it was "a private sale between you and Kent".

Sloan replied back by email saying, "the car was advertised on Trade Me that I was buying with confidence off a licensed motor trader".

He added he received no reply to that correspondence, and his further emails and phone calls to First2Go Cars went unanswered.

Bidois said Sloan was legally required to provide a repair estimate, but the tribunal ruled that was incorrect.

Section 18 of the CGA indicates a consumer must "require the supplier to remedy the failure".

The tribunal concluded First2Go Cars had refused to fix the problems. It was ruled that Sloan had met his obligations under the act to require the dealer to repair the vehicle's faults.

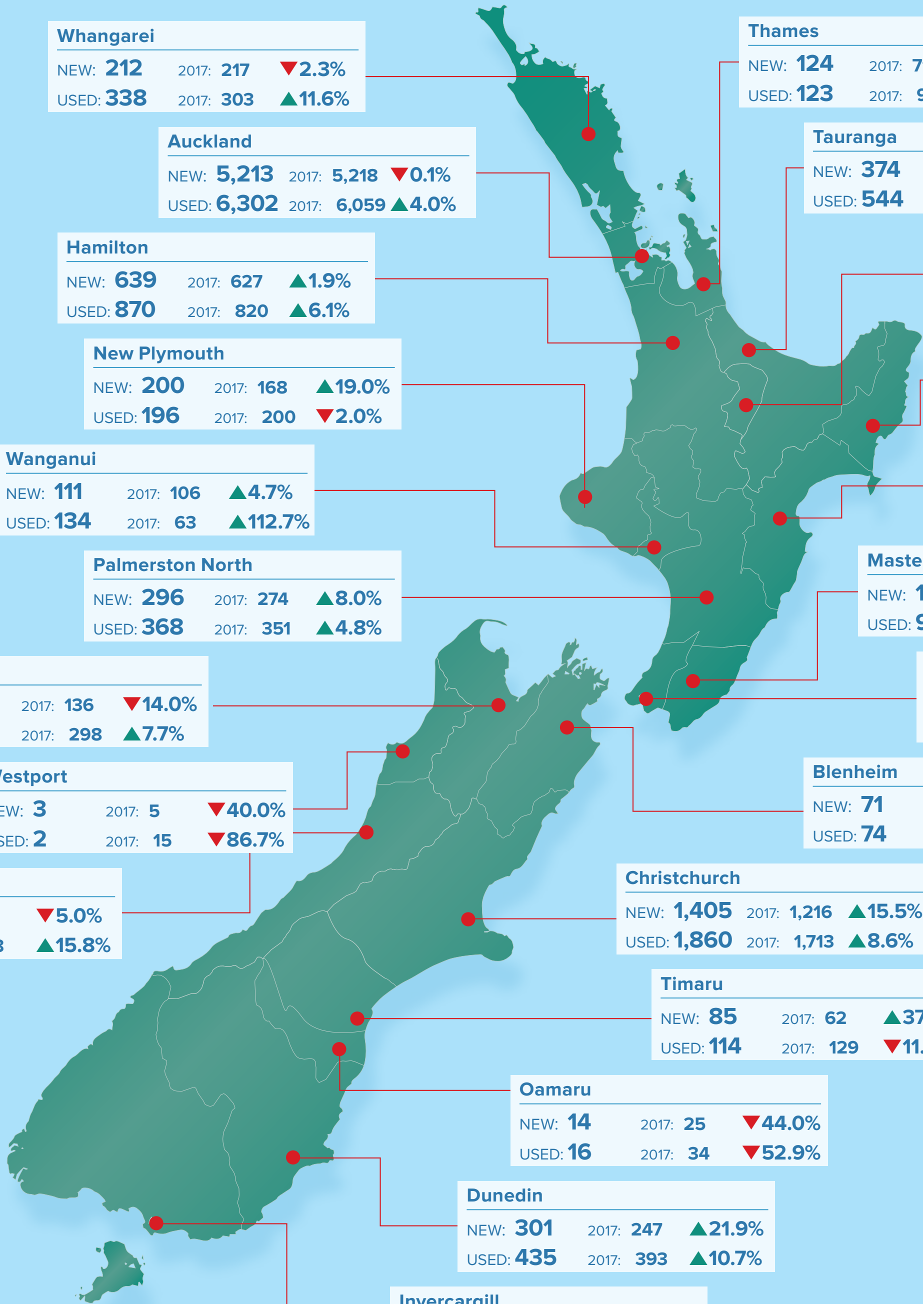
Order

The tribunal ruled the trader had to pay $9,246 to the buyer.

Around the Country
January 2018

Total new cars
10,798
2017: 10,150 ▲6.4%

Total imported used cars
13,719
2017: 12,933 ▲6.1%



Whangarei
NEW: 212 2017: 217 ▼2.3%
USED: 338 2017: 303 ▲11.6%

Thames
NEW: 124 2017: 71 ▲74.6%
USED: 123 2017: 92 ▲33.7%

Auckland
NEW: 5,213 2017: 5,218 ▼0.1%
USED: 6,302 2017: 6,059 ▲4.0%

Tauranga
NEW: 374 2017: 366 ▲2.2%
USED: 544 2017: 558 ▼2.5%

Hamilton
NEW: 639 2017: 627 ▲1.9%
USED: 870 2017: 820 ▲6.1%

Rotorua
NEW: 159 2017: 88 ▲80.7%
USED: 228 2017: 136 ▲67.6%

New Plymouth
NEW: 200 2017: 168 ▲19.0%
USED: 196 2017: 200 ▼2.0%

Gisborne
NEW: 69 2017: 42 ▲64.3%
USED: 71 2017: 60 ▲18.3%

Wanganui
NEW: 111 2017: 106 ▲4.7%
USED: 134 2017: 63 ▲112.7%

Napier
NEW: 240 2017: 240 ■0.0%
USED: 279 2017: 301 ▼7.3%

Palmerston North
NEW: 296 2017: 274 ▲8.0%
USED: 368 2017: 351 ▲4.8%

Masterton
NEW: 105 2017: 77 ▲36.4%
USED: 97 2017: 78 ▲24.4%

Nelson
NEW: 117 2017: 136 ▼14.0%
USED: 321 2017: 298 ▲7.7%

Wellington
NEW: 860 2017: 755 ▲13.9%
USED: 1,073 2017: 1,058 ▲1.4%

Westport
NEW: 3 2017: 5 ▼40.0%
USED: 2 2017: 15 ▼86.7%

Blenheim
NEW: 71 2017: 51 ▲39.2%
USED: 74 2017: 70 ▲5.7%

Greymouth
NEW: 19 2017: 20 ▼5.0%
USED: 44 2017: 38 ▲15.8%

Christchurch
NEW: 1,405 2017: 1,216 ▲15.5%
USED: 1,860 2017: 1,713 ▲8.6%

Timaru
NEW: 85 2017: 62 ▲37.1%
USED: 114 2017: 129 ▼11.6%

Oamaru
NEW: 14 2017: 25 ▼44.0%
USED: 16 2017: 34 ▼52.9%

Dunedin
NEW: 301 2017: 247 ▲21.9%
USED: 435 2017: 393 ▲10.7%

Invercargill
NEW: 181 2017: 139 ▲30.2%
USED: 230 2017: 164 ▲40.2%

Imported Passenger Vehicle Sales by Make - January 2018

MAKE	JAN'18	JAN'17	+/- %	JAN'18 MKT SHARE	2018 YEAR TO DATE	2018 MKT SHARE
Toyota	3,232	3,396	-4.8	23.6%	3,232	23.6%
Nissan	2,629	2,268	15.9	19.2%	2,629	19.2%
Mazda	2,310	1,979	16.7	16.8%	2,310	16.8%
Honda	1,356	1,308	3.7	9.9%	1,356	9.9%
Subaru	809	543	49.0	5.9%	809	5.9%
Suzuki	722	622	16.1	5.3%	722	5.3%
BMW	523	568	-7.9	3.8%	523	3.8%
Volkswagen	445	467	-4.7	3.2%	445	3.2%
Mitsubishi	440	469	-6.2	3.2%	440	3.2%
Audi	250	264	-5.3	1.8%	250	1.8%
Mercedes-Benz	210	275	-23.6	1.5%	210	1.5%
Ford	115	102	12.7	0.8%	115	0.8%
Lexus	97	65	49.2	0.7%	97	0.7%
Chevrolet	65	56	16.1	0.5%	65	0.5%
Volvo	65	107	-39.3	0.5%	65	0.5%
Jaguar	57	54	5.6	0.4%	57	0.4%
Holden	46	43	7.0	0.3%	46	0.3%
Land Rover	42	47	-10.6	0.3%	42	0.3%
Dodge	38	27	40.7	0.3%	38	0.3%
Mini	37	40	-7.5	0.3%	37	0.3%
Hyundai	27	25	8.0	0.2%	27	0.2%
Porsche	27	34	-20.6	0.2%	27	0.2%
Peugeot	26	12	116.7	0.2%	26	0.2%
Jeep	23	24	-4.2	0.2%	23	0.2%
Chrysler	17	12	41.7	0.1%	17	0.1%
Renault	14	8	75.0	0.1%	14	0.1%
Bentley	9	25	-64.0	0.1%	9	0.1%
Citroen	9	2	350.0	0.1%	9	0.1%
Kia	9	8	12.5	0.1%	9	0.1%
Daihatsu	8	14	-42.9	0.1%	8	0.1%
Rover	5	5	0.0	0.0%	5	0.0%
Fiat	4	2	100.0	0.0%	4	0.0%
Maserati	4	5	-20.0	0.0%	4	0.0%
Smart	4	1	300.0	0.0%	4	0.0%
Alfa Romeo	3	5	-40.0	0.0%	3	0.0%
Others	42	51	-17.6	0.3%	42	0.3%
Total	**13,719**	**12,933**	**6.1**	**100.0%**	**13,719**	**100.0%**

Imported Passenger Vehicle Sales by Model - January 2018

MAKE	MODEL	JAN'18	JAN'17	+/- %	JAN'18 MKT SHARE	2018 YEAR TO DATE	2018 MKT SHARE
Mazda	Axela	653	606	7.8	4.8%	653	4.8%
Suzuki	Swift	619	542	14.2	4.5%	619	4.5%
Mazda	Demio	588	465	26.5	4.3%	588	4.3%
Nissan	Tiida	575	549	4.7	4.2%	575	4.2%
Honda	Fit	533	485	9.9	3.9%	533	3.9%
Subaru	Legacy	398	259	53.7	2.9%	398	2.9%
Toyota	Wish	308	320	-3.8	2.2%	308	2.2%
Volkswagen	Golf	296	289	2.4	2.2%	296	2.2%
Toyota	Vitz	282	241	17.0	2.1%	282	2.1%
Mazda	Atenza	280	292	-4.1	2.0%	280	2.0%
Toyota	Prius	275	267	3.0	2.0%	275	2.0%
Toyota	MarkX	263	239	10.0	1.9%	263	1.9%
Mitsubishi	Outlander	244	256	-4.7	1.8%	244	1.8%
Mazda	MPV	243	226	7.5	1.8%	243	1.8%
Nissan	Leaf	242	94	157.4	1.8%	242	1.8%
Mazda	Premacy	219	194	12.9	1.6%	219	1.6%
Subaru	Impreza	199	116	71.6	1.5%	199	1.5%
Nissan	Dualis	198	182	8.8	1.4%	198	1.4%
Nissan	Note	198	148	33.8	1.4%	198	1.4%
Toyota	Auris	193	198	-2.5	1.4%	193	1.4%
Toyota	Corolla	193	245	-21.2	1.4%	193	1.4%
Toyota	Blade	179	164	9.1	1.3%	179	1.3%
Toyota	Estima	169	211	-19.9	1.2%	169	1.2%
Honda	Odyssey	168	168	0.0	1.2%	168	1.2%
Nissan	Murano	167	138	21.0	1.2%	167	1.2%
Nissan	X-Trail	149	105	41.9	1.1%	149	1.1%
Honda	Stream	146	112	30.4	1.1%	146	1.1%
Toyota	RAV4	128	139	-7.9	0.9%	128	0.9%
Nissan	Bluebird	127	139	-8.6	0.9%	127	0.9%
Nissan	Skyline	125	96	30.2	0.9%	125	0.9%
Nissan	March	118	118	0.0	0.9%	118	0.9%
Nissan	Verisa	118	97	21.6	0.9%	118	0.9%
Honda	CRV	116	118	-1.7	0.8%	116	0.8%
Toyota	Alphard	115	97	18.6	0.8%	115	0.8%
Nissan	Teana	106	99	7.1	0.8%	106	0.8%
Others		4,789	4,919	-2.6	34.9%	4,789	34.9%
Total		**13,719**	**12,933**	**6.1**	**100.0%**	**13,719**	**100.0%**

Positive signs for year ahead

January saw a continuation of last year's buoyancy in the used imported passenger vehicle market.

There were 13,719 registrations, an increase of 6.1 per cent on January 2017's 12,933 units, and only a 2.72 per cent drop on December's 14,102 registrations.

It was the best January for sales of used imported cars on record.

Toyota was once again the top-selling used import marque with 3,232 sales, which was a decrease of 4.8 per cent on the 3,396 units in same month of last year.

The marque started the year with a market share of 23.6 per cent – a fall of 2.7 per cent on January 2017.

Nissan held onto second with 2,629 sales last month – a jump of 15.9 per cent on 2,268 units in the same month of last year. It holds 19.2 per cent of the market share – up by 1.7 per cent.

Mazda came in third on 2,310 registrations, which was a healthy increase of 16.7 per cent on the same month of last year, while the marque has a market share of 16.8 per cent – up by 1.5 per cent.

The battle for the top used car model was close with the Mazda Axela back in the lead, but only by 34 units, while the Suzuki Swift was second and Mazda's Demio was third – bumping the Nissan Tiida into fourth place.

There were 653 Axelas sold during January – up by 7.8 per cent on the same month of last year. Swift registrations totalled 619 units for an increase of 14.2 per cent and 588 Demios were registered – a remarkable jump of 26.5 per cent.

The three models held 4.8 per cent, 4.5 per cent and 4.3 per cent of the monthly market share respectively.

There was only a slight slowdown in business during January's summer holiday period when compared to December, according to car dealers contacted by Autofile.

Steve Fraser, dealer principal of Motorsports Ltd in Rotorua, says January was almost as good as December for used car sales.

"I think 2018 will be another great year. We have a couple of big shipments of cars from Japan coming in mid-February and then we will be off to Japan again to restock."

The dealership, which started in 1997 and is situated on a prime site in Rotorua, sells all makes and models mostly in the $10,000 to $20,000 range, however Mazda, Toyota and Nissan make up a majority of its stock.

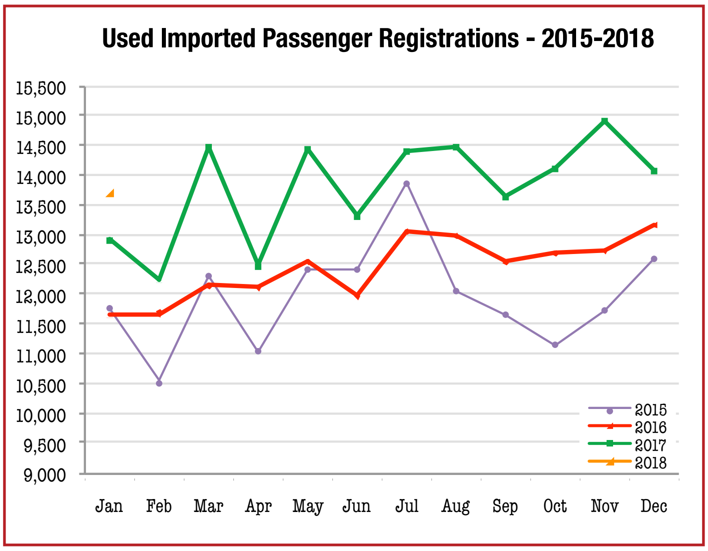
"We diversify our stock," adds Fraser. "We have a lot of commercial vehicles and stock a large variety of cars to meet the market."

Darryl Pyke, co-owner of Pykes Auto Court in Timaru, says: "January was a good month and we expect another good year.

"Everyone we talk to seems positive," he says. "We are a small yard and also sell caravans. We're ticking along, but not breaking any records. We only bring in about 10 to 12 Japanese imports a year.

"You have to be on the yard making it happen. We have a lot of repeat business and a lot of commercial clients. Many small dealerships are struggling to make money."

Pyke adds the internet has opened up the market in general.



"In December, I had a buyer from Warkworth who came down to buy a ute. We also sold a caravan to people from Whangarei.

"Advertising on the internet is the way to go. Before the internet, you could only attract locals through advertising in local newspapers."

Back to the statistics, and other stand-out models for January included the Subaru Impreza with 199 units registered – up by 71.6 per cent on January 2017's 116 units. It was followed by Subaru's Legacy with 398 sales, which were up by 53.7 per cent on the same month of last year.

The Nissan Leaf has made a strong start to 2018. There were 242 registrations of the popular electric car, which was up by 157.4 per cent on January 2017's 94 units, while Nissan's Skyline had 125 registrations – up by 30.2 per cent.

When looking at individual areas, sales for January increased in 16 of the country's 22 regions when compared to the same month of last year.

The regions that performed best when compared to the same month of the previous year were Wanganui, up by 112 per cent from 63 in 2017 to 134 units last month, with Rotorua and Invercargill rounding out the top three – up by 67 and 40 per cent respectively.

Auckland sales were up by four per cent to 6,302 units in January compared to 6,059 in the same month of last year.

Subsidies hit import prices

It was business as usual for importers of used cars last month with 10,423 units crossing the border.

January's figures dropped by 1.51 per cent compared to the same month of 2017's total of 10,583.

Last month's aggregate was down by 20.4 per cent in comparison to 13,097 units in December, but that was pretty much in line with previous years' post-Christmas and new-year slowdowns.

Used cars imported from Japan totalled 9,660 in January, which was down by 37 units – or by 0.4 per cent – on the same month of 2017.

Over the same timescale, the UK's total plummeted from 273 units to 121, or by 55.7 per cent, according to Customs figures.

Last month, there were 416 used cars imported from Australia in January, 119 from Singapore and 79 from the US.

Greg Hedgepeth, chief executive officer of Turners Group NZ, says the development of electric vehicles (EVs) is "coming on thick and fast overseas".

"I think New Zealand will be a slow adopter of EVs, driverless cars and car-sharing because of our geographical layout," he told Autofile.

"Overseas, people are being deterred from car ownership if they live in big cities. However, New Zealand has a lot of space. We think we are green and don't have smog, whereas people in our big cities can see the pollution.

"EVs and ride-sharing will come, but we will be at the bottom of the curve. I think a lot of corporates will use them, but the average EV is too expensive for most people.

"Used hybrids and EVs from Japan or the UK are coming in at prices that are acceptable because they have been subsidised in the UK and Japan.

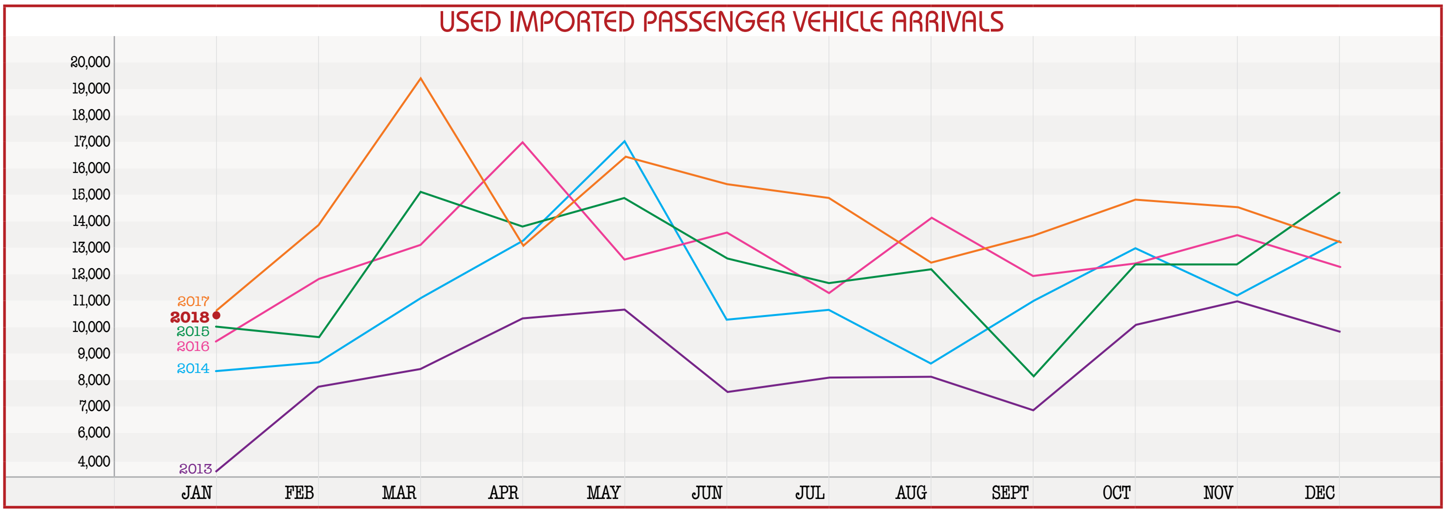
"But until we get subsidies here, we will not see a big change. This Labour-led government may change that and then we will see a tipping point coming."

Hedgepeth predicts it may take another 20 years before autonomous cars became a feature on our roads.

"There is a lot of work involved with autonomous cars, such as insurance issues, before they happen. Autonomous cars work well on big motorways."

Back to the statistics and some 7,933 new passenger vehicles came in last month, compared with 8,736 in December.

The totals for new light commercial vehicles were 2,431 in January and 3,514 in the last month of 2017, while the figures for used light commercials were 493 and 540 respectively.



Used Imported Passenger Vehicles By Country Of Export

COUNTRY OF EXPORT	2018 JAN '18	2018 JAN MARKET SHARE %	2018 TOTAL	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2017 TOTAL	2017 MRKT SHARE	2016 TOTAL	2016 MRKT SHARE
Australia	416	4.0%	416	1,529	1,414	1,339	1,258	5,540	3.2%	5,151	3.4%
Great Britain	121	1.2%	121	687	485	478	523	2,173	1.3%	1,537	1.0%
Japan	9,660	92.7%	9,660	41,047	42,489	37,311	39,975	160,822	93.8%	143,080	93.7%
Singapore	119	1.1%	119	225	324	296	357	1,202	0.7%	1,231	0.8%
USA	79	0.8%	79	391	309	337	382	1,419	0.8%	1,275	0.8%
Other countries	28	0.3%	28	79	110	88	110	387	0.2%	438	0.3%
Total	**10,423**	**100.0%**	**10,423**	**43,958**	**45,131**	**39,849**	**42,605**	**171,543**	**100.0%**	**152,712**	**100.0%**

Traders' sales remaining steady

Dealer-to-public sales of second-hand passenger vehicles during January were up by 1.3 per cent on the same month of the previous year.

There were 16,967 cars sold by traders last month compared to 16,754 in January 2017.

Out of the country's 22 regions, 14 saw an increase in trader sales during January compared to the same month of last year.

Wanganui recorded the highest percentage increase in used-car sales by dealers – up by 69.5 per cent or 256 sales, compared to 151 units during the same month of the previous year.

Thames was second by jumping by 40.6 per cent and was followed by Rotorua, which rose by 40.5 per cent.

Westport experienced the largest fall in sales last month – down by 72 per cent on the same month of last year.

As for trade-ins, there were 12,371 during January – an increase of 2.4 per cent compared to 12,078 in the same month of the previous year.

Thames saw an 82.2 per cent jump in public-to-trader sales with 184 units compared to 101 in the same month of last year. Greymouth was second – up by 80 per cent with 45 units – and Rotorua was third with a 77.5 per cent increase.

There were 43,759 public-to-public transactions last month. This was up by 0.6 per cent compared to 43,481 in the same month of the previous year, and amounted to 59.9 per cent of changes of ownership for cars already in the fleet.

Rob Morris, sales and finance manager at United Autos in Warkworth, says the dealership is situated near a large retirement village, which has been a big advantage for the business.

"When people move into Summerset Village, they usually own a big sedan or SUV and find the cars are too big to fit into their villas' small garages, so they come to us and trade-in for a smaller vehicle," he says.

"I also get people from the village wanting to sell me their cars because they can no longer drive. Most have been properly serviced. We try to stock cars that are desirable for people with money – that's the way to go."

Darryl Pyke, co-owner of Pykes Auto Court in Timaru, says the motor-vehicle industry is now dealing with a different generation of buyer.

"They can go to the big car warehouses and will see about 20 vehicles that fit with what they want to buy, so smaller dealers have to be savvy to stay in business."

SECONDHAND CAR SALES - January 2018

	DEALER TO PUBLIC				PUBLIC TO PUBLIC			PUBLIC TO DEALER		
	JAN'18	JAN'17	+/- %	MARKET SHARE	JAN'18	JAN'17	+/- %	JAN'18	JAN'17	+/- %
Whangarei	563	534	5.4	3.32	1,957	1,866	4.9	216	234	-7.7
Auckland	5,468	5,444	0.4	32.23	14,325	14,849	-3.5	4,737	4,211	12.5
Hamilton	1,261	1,362	-7.4	7.43	3,355	3,378	-0.7	957	1,154	-17.1
Thames	291	207	40.6	1.72	721	538	34.0	184	101	82.2
Tauranga	780	900	-13.3	4.60	2,065	2,218	-6.9	547	612	-10.6
Rotorua	378	269	40.5	2.23	965	907	6.4	142	80	77.5
Gisborne	160	185	-13.5	0.94	419	379	10.6	71	85	-16.5
Napier	679	596	13.9	4.00	1,596	1,584	0.8	417	360	15.8
New Plymouth	380	419	-9.3	2.24	1,060	1,081	-1.9	178	245	-27.3
Wanganui	256	151	69.5	1.51	647	492	31.5	166	130	27.7
Palmerston North	814	811	0.4	4.80	1,668	1,725	-3.3	594	618	-3.9
Masterton	239	194	23.2	1.41	544	448	21.4	99	87	13.8
Wellington	1,478	1,477	0.1	8.71	3,318	3,047	8.9	1,032	1,073	-3.8
Nelson	341	306	11.4	2.01	1,120	1,031	8.6	241	216	11.6
Blenheim	187	155	20.6	1.10	441	437	0.9	115	109	5.5
Greymouth	74	76	-2.6	0.44	193	229	-15.7	45	25	80.0
Westport	7	25	-72.0	0.04	24	76	-68.4	0	0	0.0
Christchurch	2,145	2,319	-7.5	12.64	5,460	5,388	1.3	1,794	1,924	-6.8
Timaru	242	232	4.3	1.43	525	561	-6.4	125	149	-16.1
Oamaru	28	58	-51.7	0.17	121	181	-33.1	2	15	-86.7
Dunedin	740	703	5.3	4.36	2,140	2,027	5.6	415	403	3.0
Invercargill	456	331	37.8	2.69	1,095	1,039	5.4	294	247	19.0
NZ total	**16,967**	**16,754**	**1.3**	**100.00**	**43,759**	**43,481**	**0.6**	**12,371**	**12,078**	**2.4**

New Passenger Vehicle Sales by Make - January 2018

MAKE	JAN'18	JAN'17	+/- %	JAN'18 MKT SHARE	2018 YEAR TO DATE	2018 MKT SHARE
Toyota	2,490	1,644	51.5	23.1%	2,490	23.1%
Mazda	1,025	779	31.6	9.5%	1,025	9.5%
Ford	846	778	8.7	7.8%	846	7.8%
Holden	777	1,381	-43.7	7.2%	777	7.2%
Kia	762	603	26.4	7.1%	762	7.1%
Mitsubishi	626	647	-3.2	5.8%	626	5.8%
Suzuki	591	728	-18.8	5.5%	591	5.5%
Hyundai	553	540	2.4	5.1%	553	5.1%
Honda	524	405	29.4	4.9%	524	4.9%
Nissan	423	478	-11.5	3.9%	423	3.9%
Subaru	342	236	44.9	3.2%	342	3.2%
Volkswagen	300	474	-36.7	2.8%	300	2.8%
Mercedes-Benz	188	222	-15.3	1.7%	188	1.7%
BMW	187	198	-5.6	1.7%	187	1.7%
Audi	178	154	15.6	1.6%	178	1.6%
Skoda	140	106	32.1	1.3%	140	1.3%
Peugeot	89	73	21.9	0.8%	89	0.8%
Jeep	82	71	15.5	0.8%	82	0.8%
Ssangyong	82	60	36.7	0.8%	82	0.8%
Mini	77	73	5.5	0.7%	77	0.7%
Land Rover	73	111	-34.2	0.7%	73	0.7%
Lexus	62	55	12.7	0.6%	62	0.6%
Volvo	57	44	29.5	0.5%	57	0.5%
Porsche	54	58	-6.9	0.5%	54	0.5%
Haval	37	0	3700.0	0.3%	37	0.3%
Isuzu	30	17	76.5	0.3%	30	0.3%
Citroen	26	23	13.0	0.2%	26	0.2%
Renault	24	29	-17.2	0.2%	24	0.2%
Tesla	23	3	666.7	0.2%	23	0.2%
Jaguar	20	38	-47.4	0.2%	20	0.2%
Alfa Romeo	12	7	71.4	0.1%	12	0.1%
Maserati	11	16	-31.3	0.1%	11	0.1%
Mahindra	10	0	1000.0	0.1%	10	0.1%
Yamaha	10	3	233.3	0.1%	10	0.1%
Aston Martin	9	10	-10.0	0.1%	9	0.1%
Others	58	86	-32.6	0.5%	58	0.5%
Total	**10,798**	**10,150**	**6.4**	**100.0%**	**10,798**	**100.0%**

New Passenger Vehicle Sales by Model - January 2018

MAKE	MODEL	JAN'18	JAN'17	+/- %	JAN'18 MKT SHARE	2018 YEAR TO DATE	2018 MKT SHARE
Toyota	Corolla	958	590	62.4	8.9%	958	8.9%
Toyota	Highlander	427	140	205.0	4.0%	427	4.0%
Toyota	RAV4	421	556	-24.3	3.9%	421	3.9%
Ford	Focus	320	164	95.1	3.0%	320	3.0%
Kia	Sportage	315	340	-7.4	2.9%	315	2.9%
Mazda	CX-5	305	199	53.3	2.8%	305	2.8%
Mazda	Mazda3	266	134	98.5	2.5%	266	2.5%
Suzuki	Swift	242	343	-29.4	2.2%	242	2.2%
Nissan	Qashqai	217	203	6.9	2.0%	217	2.0%
Holden	Captiva	211	362	-41.7	2.0%	211	2.0%
Mitsubishi	Outlander	197	198	-0.5	1.8%	197	1.8%
Ford	Escape	193	169	14.2	1.8%	193	1.8%
Honda	Jazz	192	140	37.1	1.8%	192	1.8%
Hyundai	Kona	189	0	18900.0	1.8%	189	1.8%
Honda	CRV	168	25	572.0	1.6%	168	1.6%
Mitsubishi	Eclipse Cross	162	0	16200.0	1.5%	162	1.5%
Toyota	Yaris	157	79	98.7	1.5%	157	1.5%
Nissan	X-Trail	156	138	13.0	1.4%	156	1.4%
Mitsubishi	ASX	150	219	-31.5	1.4%	150	1.4%
Suzuki	Vitara	147	172	-14.5	1.4%	147	1.4%
Holden	Trax	141	182	-22.5	1.3%	141	1.3%
Toyota	L'cruiser Prado	133	68	95.6	1.2%	133	1.2%
Mazda	CX-3	131	128	2.3	1.2%	131	1.2%
Mazda	Mazda2	131	105	24.8	1.2%	131	1.2%
Mazda	CX-9	130	165	-21.2	1.2%	130	1.2%
Kia	Rio	130	76	71.1	1.2%	130	1.2%
Hyundai	Tucson	129	184	-29.9	1.2%	129	1.2%
Volkswagen	Tiguan	122	263	-53.6	1.1%	122	1.1%
Toyota	Camry	121	97	24.7	1.1%	121	1.1%
Ford	Mondeo	121	92	31.5	1.1%	121	1.1%
Subaru	Outback	117	128	-8.6	1.1%	117	1.1%
Toyota	Fortuner	116	10	1060.0	1.1%	116	1.1%
Subaru	XV	112	27	314.8	1.0%	112	1.0%
Volkswagen	Golf	103	90	14.4	1.0%	103	1.0%
Hyundai	Santa Fe	103	141	-27.0	1.0%	103	1.0%
Others		3,565	4,223	-15.6	33.0%	3,565	33.0%
Total		**10,798**	**10,150**	**6.4**	**100.0%**	**10,798**	**100.0%**

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

LEADS

- Web - Dealer 22.4%
- Web - Classified 13.6%
- Brand 41.9%

TEST DRIVES

- Web - Dealer 20.9%
- Direct 21.9%
- Brand 21%

Strong start to the new year

The new year has started where 2017 left off with bumper sales of new passenger vehicles – there were 10,797 units registered.

This meant the monthly total was up by 6.4 per cent, or by 647 units, when compared to January 2017.

There were 2,490 new cars and SUVs made by Toyota registered during January, which was a massive 51.5 per cent rise on the same month of 2017. This secured the marque 23.1 per cent of the month's market.

Mazda was second. Its sales jumped by 31.6 per cent with 1,025 registrations compared to 779 over the same timescale for a 9.5 per cent market share.

When combined, these two marques took out 32.6 per cent of January's market.

Ford was third with 846 units – up by 8.7 per cent on the same month of the previous year.

Overall, new car registrations increased by 6.4 per cent with 10,798 units sold last month compared to 10,150 registered in January 2017.

Toyota took out the first three places on the models' leader board. There were 958 Corollas registered last month – up by 62.4 per cent on January 2017's 590 units.

The Highlander was second – up by a huge 205 per cent from 140 units during the same month of last year to 427 in January. The RAV4 came third even though sales fell by 24.3 per cent over the same timescale.

Fifteen of the country's 22 regions experienced increases in new car sales. Rotorua saw an 80.7 per cent rise in registrations – up from 88 units in January 2017 to 159 last month.

Thames was close behind in second place with a 74.6 per cent increase. This was up from 71 units in the same month last year to 124 last month.

Looking at the overall market when combining sales of new passenger and light commercial vehicles, the Motor Industry Association (MIA) notes last month's registrations total of 14,834 units was a record for the month of January.

It says this has continued the trend experienced over the past five years with last month's sales climbing by 7.3 per cent, or by 1,011 units, when compared to January 2017.

When sales in both sectors of the market are aggregated, Toyota remains the overall leader with a market share of 22 per cent thanks to 3,270 registrations of new passenger and light commercial vehicles. It's followed by Ford with 11 per cent and 1,654 units, and Mazda on eight per cent with 1,197 units.

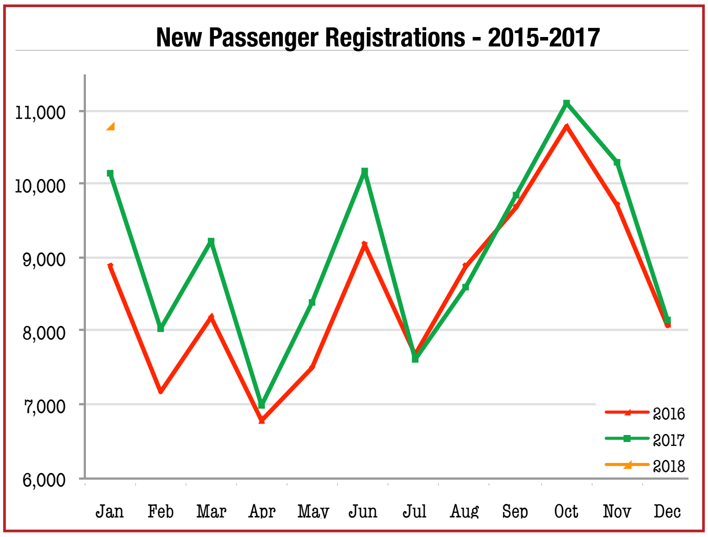
The MIA reports the medium-sized SUV segment accounted for 16 per cent of the overall new-vehicle market in January. It was followed by small passenger cars with 14 per cent and compact SUVs with 13 per cent.

> **"The key drivers of sales remain the continued elevated levels of net immigration, low costs of debt, a strong national economy and stable government" – David Crawford, MIA**

"The strength of growth in the new-vehicle market ran somewhat against expectations making it once again the strongest ever start to a new sales year," says David Crawford, chief executive officer.

"As 2018 gets under way, nothing has changed with the economic environment that existed for most of the past 24 months in place.

"The key drivers of sales remain the continued elevated levels of net immigration, low costs of debt, a strong national economy and stable government."



Strong level of sales of new vehicles in New Zealand are being mirrored across the Tasman where registrations also got off to a record-breaking start, according to the Federal Chamber of Automotive Industries (FCAI).

Total sales for January, including passenger cars, SUVs, light and heavy commercial vehicles came in at 88,551 – up by 4.3 per cent – compared to January 2017 with significant growth experienced in the SUV and light-commercial segments.

Tony Weber, the FCAI's chief executive, notes the strong figures reflect ongoing value in the market underpinned by significant competition between many marques.

Sales of small and medium SUVs jumped by 25.5 and 19.2 per cent respectively last month, while four-by-four light commercials were up by 26.6 per cent.

Passenger cars declined by 8.7 per cent compared to January 2017, although they still account for 36 per cent of the total market.

Australia's top four best-selling vehicles in January were the Toyota Hilux on 3,860 units, Ford Ranger on 3,260, Mazda 3 with 3,201 and Toyota Corolla on 2,776.

Toyota topped last month's marques ladder across the ditch with a market share of 17.3 per cent share. It was followed by Mazda, Hyundai and Holden with 11.4, 8 and 6.5 per cent respectively.

Construction demand decreases

Infometrics, the economics consultancy, describes registrations of light commercial vehicles as "a roaring success in 2017, exceeding 2016 levels with a month to spare".

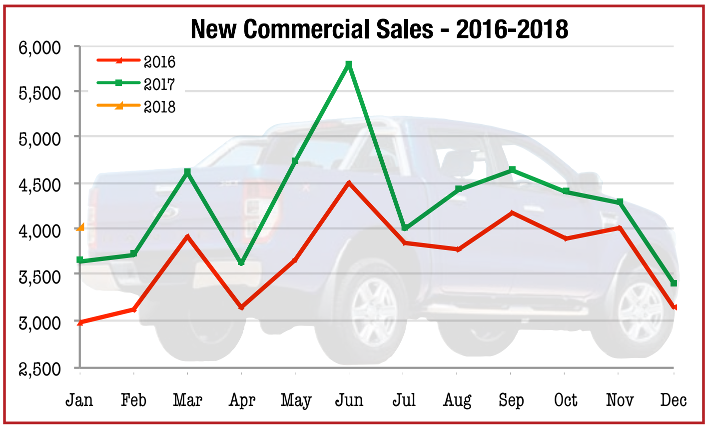
"Despite these record results, we anticipate that sales this year will be even a touch higher," says a spokesman.

"New light commercial vehicle sales finished 2017 within 0.3 per cent of our December quarter forecast."

Over the quarter, such registrations were 6.6 per cent higher than a year earlier, and registrations for their used equivalents were up by 3.3 per cent over the same period.

"However, this growth in light commercial sales is the slowest we've seen in two years, and the past few months of growth have shown a persistent loss in momentum across both new and used vehicle sales.

"We suspect this cooling in demand has come from the construction sector, which hasn't continued to expand as quickly as it had in 2016 and earlier."



Although Infometrics still expects light commercial vehicle sales to climb over the coming year, it doesn't anticipate this growth to be anywhere near as strong as it was in 2017.

As for January's statistics, Ford kicked off the new year with its Ranger leading the pack.

However, last month's sales of the utility – 713 – fell by 3.8 per cent on 741 registrations during the same month of last year. The ute holds 17.7 per cent of the market share.

There were 4,037 new commercials registered in January for an increase of 9.9 per cent on the same month of last year when 3,673 were sold. Ford sold the most with 808 units – up by 2.5 per cent on January 2017.

New Commercial Sales by Make - January 2018

MAKE	JAN'18	JAN'17	+/- %	JAN'18 MKT SHARE	2018 YEAR TO DATE	2018 MKT SHARE
Ford	808	788	2.5	20.0%	808	20.0%
Toyota	780	698	11.7	19.3%	780	19.3%
Holden	385	383	0.5	9.5%	385	9.5%
Mitsubishi	318	219	45.2	7.9%	318	7.9%
Nissan	284	276	2.9	7.0%	284	7.0%
Isuzu	258	271	-4.8	6.4%	258	6.4%
Mazda	172	154	11.7	4.3%	172	4.3%
Volkswagen	165	123	34.1	4.1%	165	4.1%
LDV	153	87	75.9	3.8%	153	3.8%
Fiat	101	63	60.3	2.5%	101	2.5%
SsangYong	94	83	13.3	2.3%	94	2.3%
Foton	66	67	-1.5	1.6%	66	1.6%
Fuso	66	22	200.0	1.6%	66	1.6%
Hyundai	64	68	-5.9	1.6%	64	1.6%
Mercedes-Benz	57	40	42.5	1.4%	57	1.4%
Hino	46	42	9.5	1.1%	46	1.1%
Kenworth	32	15	113.3	0.8%	32	0.8%
Iveco	25	13	92.3	0.6%	25	0.6%
UD Trucks	22	18	22.2	0.5%	22	0.5%
DAF	21	13	61.5	0.5%	21	0.5%
Others	120	230	-47.8	3.0%	120	3.0%
Total	**4,037**	**3,673**	**9.9**	**100.0%**	**4,037**	**100.0%**

New Commercial Sales by Model - January 2018

MAKE	MODEL	JAN'18	JAN'17	+/- %	JAN'18 MKT SHARE	2018 YEAR TO DATE	2018 MKT SHARE
Ford	Ranger	713	741	-3.8	17.7%	713	17.7%
Toyota	Hilux	636	447	42.3	15.8%	636	15.8%
Holden	Colorado	376	360	4.4	9.3%	376	9.3%
Mitsubishi	Triton	318	219	45.2	7.9%	318	7.9%
Nissan	Navara	284	276	2.9	7.0%	284	7.0%
Isuzu	D-Max	192	198	-3.0	4.8%	192	4.8%
Mazda	BT-50	172	154	11.7	4.3%	172	4.3%
Toyota	Hiace	127	234	-45.7	3.1%	127	3.1%
Volkswagen	Amarok	111	69	60.9	2.7%	111	2.7%
Fiat	Ducato	101	61	65.6	2.5%	101	2.5%
Ford	Transit	95	46	106.5	2.4%	95	2.4%
SsangYong	Actyon Sport	94	83	13.3	2.3%	94	2.3%
LDV	T60	65	0	6500.0	1.6%	65	1.6%
Hyundai	Iload	63	64	-1.6	1.6%	63	1.6%
Foton	Tunland	62	55	12.7	1.5%	62	1.5%
LDV	V80	49	47	4.3	1.2%	49	1.2%
Mercedes-Benz	Sprinter	41	28	46.4	1.0%	41	1.0%
LDV	G10	38	40	-5.0	0.9%	38	0.9%
Volkswagen	T6	30	20	50.0	0.7%	30	0.7%
Isuzu	F Series	26	39	-33.3	0.6%	26	0.6%
Others		444	492	-9.8	11.0%	444	11.0%
Total		**4,037**	**3,673**	**9.9**	**100.0%**	**4,037**	**100.0%**

No holiday for ute buyers

Sales of used imported commercial vehicles were down slightly compared to December, but were up against the same month of last year.

There were 1,024 imported used commercials registered last month – only 20 units short of December's total of 1,044, but up by 10.3 per cent when compared to January 2017's 926 sales.

Toyota's 2017 reign as the market leader in this category shows no signs of ending with 441 registrations last month – up by 9.2 per cent on the 404 units registered during the same month of last year.

Nissan was second with 210 registrations, which was up by 6.6 per cent on the same month of last year, and Mazda came in third with 78 sales – down by six per cent on January 2017.

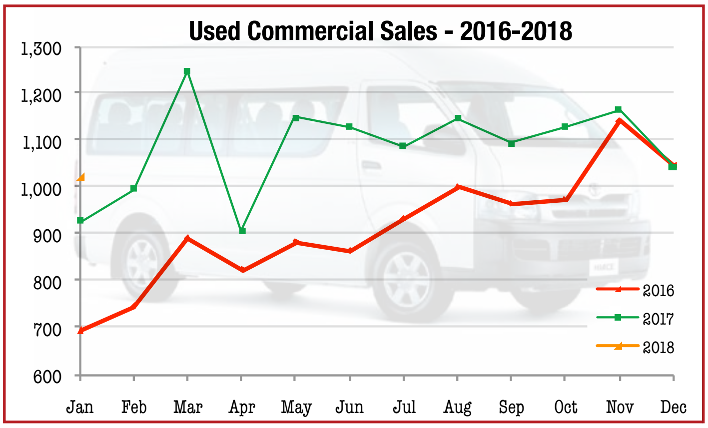
Toyota started the new year with a 43.1 per cent share of the market, while Nissan had 20.5 per cent and Mazda was third on 7.6 per cent.

Toyota's Hiace was at the top of the models ladder with 342 registrations last month – up by 16.7 per cent on January 2017's 293 units. Mazda's Bongo was second equal with Nissan's Caravan, both with 65 sales – the Bongo was down by 12.2 per cent and the Caravan dropped by 17.7 per cent.

Darryl Pyke, dealer principal of Pykes Auto Court in Timaru, says business is ticking along and should continue to do so throughout 2018.

"We mostly sell a lot of utes and vans," he told Autofile. "Double-cab utes are more expensive than SUVs – they hold their price and are hard to get.

"We can operate on lower margins because we are a smaller operation. People have to weigh up if they really need a ute. But we live in a rural area, farmers need utes, and people like to go camping and tow a boat or caravan."



Used Commercial Sales by Make - January 2018

MAKE	JAN'18	JAN'17	+/- %	JAN'18 MKT SHARE	2018 YEAR TO DATE	2018 MKT SHARE
Toyota	441	404	9.2	43.1%	441	43.1%
Nissan	210	197	6.6	20.5%	210	20.5%
Mazda	78	83	-6.0	7.6%	78	7.6%
Isuzu	57	41	39.0	5.6%	57	5.6%
Ford	45	30	50.0	4.4%	45	4.4%
Mitsubishi	36	33	9.1	3.5%	36	3.5%
Fiat	35	23	52.2	3.4%	35	3.4%
Hino	26	19	36.8	2.5%	26	2.5%
Holden	22	13	69.2	2.1%	22	2.1%
Chevrolet	13	19	-31.6	1.3%	13	1.3%
Dodge	8	4	100.0	0.8%	8	0.8%
GMC	7	5	40.0	0.7%	7	0.7%
Mercedes-Benz	5	9	-44.4	0.5%	5	0.5%
Suzuki	5	2	150.0	0.5%	5	0.5%
Peugeot	4	1	300.0	0.4%	4	0.4%
DAF	3	1	200.0	0.3%	3	0.3%
Factory Built	3	1	200.0	0.3%	3	0.3%
Hyundai	3	2	50.0	0.3%	3	0.3%
Renault	3	3	0.0	0.3%	3	0.3%
Volkswagen	3	10	-70.0	0.3%	3	0.3%
Others	17	28	-39.3	1.7%	17	1.7%
Total	**1,024**	**928**	**10.3**	**100.0%**	**1,024**	**100.0%**

Used Commercial Sales by Model - January 2018

MAKE	MODEL	JAN'18	JAN'17	+/- %	JAN'18 MKT SHARE	2018 YEAR TO DATE	2018 MKT SHARE
Toyota	Hiace	342	293	16.7	33.4%	342	33.4%
Mazda	Bongo	65	74	-12.2	6.3%	65	6.3%
Nissan	Caravan	65	79	-17.7	6.3%	65	6.3%
Nissan	NV200	46	26	76.9	4.5%	46	4.5%
Isuzu	Elf	33	26	26.9	3.2%	33	3.2%
Toyota	Dyna	32	13	146.2	3.1%	32	3.1%
Toyota	Regius	32	43	-25.6	3.1%	32	3.1%
Fiat	Ducato	31	23	34.8	3.0%	31	3.0%
Nissan	Atlas	27	12	125.0	2.6%	27	2.6%
Nissan	NV350	26	4	550.0	2.5%	26	2.5%
Toyota	Hilux	21	16	31.3	2.1%	21	2.1%
Ford	Ranger	20	12	66.7	2.0%	20	2.0%
Isuzu	Forward	18	7	157.1	1.8%	18	1.8%
Nissan	Vanette	18	41	-56.1	1.8%	18	1.8%
Mitsubishi	Canter	14	15	-6.7	1.4%	14	1.4%
Hino	Ranger	13	7	85.7	1.3%	20	2.0%
Nissan	E-NV200	12	3	300.0	1.2%	12	1.2%
Holden	Commodore	9	8	12.5	0.9%	9	0.9%
Ford	F150	9	6	50.0	0.9%	9	0.9%
Mitsubishi	Triton	9	3	200.0	0.9%	9	0.9%
Others		182	217	-16.1	17.8%	175	17.1%
Total		**1,024**	**928**	**10.3**	**100.0%**	**1,024**	**100.0%**

Sales reduce yard volumes

Low import volumes along with a buoyant sales month have combined to reduce dealers' new car stock on-hand.

Imports of new cars during January fell by 9.2 per cent compared to December and were down 6.5 per cent on the same month of last year.

There were 7,933 new cars imported into New Zealand last month – the second lowest import total during the past 12 months behind September's 7,620 units.

However, average daily sales remain strong, increasing to 299 units per day during January – up by 14 days on the same month in the previous year.

Average daily sales have consistently sat in the early-to-mid 290-day period for the past 11 months.

Despite the low volume of imports, there were 10,798 new car registrations. This amounted a remarkable 32.5 per cent increase on December and up by 6.4 per cent on January 2017.

As a result, there was a reduction of stock on-hand of 2,865 units leaving 68,336 cars still unregistered.

But there remains 6.3 per cent more stock in-hand than in the same month of last year, although there has been a four per cent decrease in unsold stock sitting on yards compared to December's 71,201 units.

There is now seven-and-a-half months, or 228 days, of supply of new car stock sitting on distributor or dealership yards.

This is 23 days less than last year's high of 251 days in August and only two days higher than the same month of last year.

Bob Driver, director of Bob Driver SsangYong in Timaru, says: "We are short on new stock and we have to stand in the queue, but we get treated very well by SsangYong and LDV.

"Both marques have sold well here. The manufacturers do look after their dealers.

"SsangYong was the leader in price for a couple of years and then other manufacturers had to reduce their prices to compete but the brand now has a strong foothold in the market."

Driver told Autofile: "We mostly sell utes, vans and SUVs. We don't sell a lot of cars. In general, cars have taken a huge dive in the market over the past few years and now SUVs are not much dearer than a car. People want a change and SUVs are safer.

"The business sector will be into EVs because they are cheaper to run, but it will be based on price."

"New car buyers want utes and medium-sized SUVs," says Brian Downing, sales manager at Caroline Mitsubishi in Timaru.

"Business is surprisingly good for this time of the year – it is very buoyant, so we have to stock quite heavily to meet buyer demand."

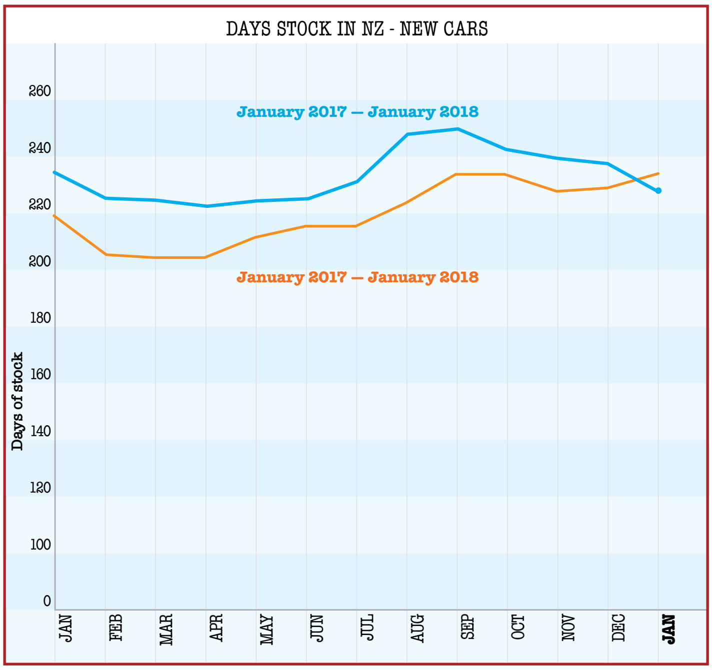
Downing says there's already a three-month wait for the top spec'ed Eclipse Cross VRX.

And such is the demand for new utilities that Downing has ordered Mitsubishi Tritons for Field Days about five months in advance.

"We do a lot of finance and about 10 per cent of our sales are to people aged under 40."

Dealer stock of new cars in New Zealand

	CAR SALES		VARIANCE	STOCK	DAILY SALES - 12-MONTH AVERAGE	DAYS STOCK AT HAND
	IMPORTED	REGISTERED				
Jan '17	8,489	10,150	-1,661	64,260	285	226
Feb '17	8,099	8,050	49	64,309	287	224
Mar '17	9,200	9,230	-30	64,279	290	222
Apr '17	8,234	6,996	1,238	65,517	290	226
May '17	9,539	8,386	1,153	66,670	293	228
Jun '17	10,483	10,181	302	66,972	296	227
Jul '17	12,591	7,605	4,986	71,958	295	244
Aug '17	10,599	8,606	1,993	73,951	295	251
Sep '17	7,620	9,855	-2,235	71,716	295	243
Oct '17	10,473	11,109	-636	71,080	296	240
Nov '17	9,825	10,289	-464	70,616	297	237
Dec '17	8,736	8,151	585	71,201	298	239
Jan '18	**7,933**	**10,798**	**-2,865**	**68,336**	**299**	**228**
Year to date	**7,933**	**10,798**	**(2,865)**			
Change on last month	**-9.2%**	**32.5%**		**-4.0%**		
Change on Jan 2017	**-6.5%** LESS IMPORTED	**6.4%** MORE SOLD		**6.3%** MORE STOCK		



Drop in used imports cuts stockpile

The country's stockpile of used unregistered passenger vehicles has been reduced due the combination of significantly fewer imports and record sales in January.

Last month there were 10,423 used cars imported into New Zealand. It was a 20.4 per cent fall against the 13,097 units that crossed the border in December.

January's imports were also down by 1.5 per cent, or 160 units, against the same month of the previous year.

Another reason for the reduction in stock was last month's new record for the number of used cars sold during the month of January – a total of 13,719 units.

Therefore, the current overall amount of stock sitting on dealers' yards and in distributors' warehouses fell by 3,296 reducing the stockpile of unregistered used cars to 31,306.

Stock dropped by 9.5 per cent on December's 34,602 units, but it remains 18.7 per cent higher than January 2017's 12-month low of 26,363 units. Stock has fallen for the third month in a row.

Dealers' now have about 2.3 months of stock or 69 days' worth on-hand. This is down from 76 in December, but still well-ahead of the 12-month low of 64 days in January 2017.

Daily sales have been consistently trending upwards over the past 12 months and reached 456 last month.

There were 13,719 cars registered in January – up by 6.1 per cent on the same month of the previous year, but down by 2.7 per cent on December's 14,102 units.

Darryl Pyke, dealer principal of Pykes Auto Court in Timaru, says if you put effort into buying the right stock and pricing it right, it will sell.

"We mostly sell a lot of utes and vans," he told Autofile. "We only have a Swift and a couple of Mazdas on the yard.

"We have been here for 27 years and have dealers who support us – and we have a good relationship with them."

Rob Morris, sales and finance manager at United Autos in Warkworth, says: "We have got some late-model double-cab utes on the yard. We have a buyer in Auckland and we also get people coming in wanting to sell their utes to us.

"With the large volumes of new utes and SUVs sold over the past two years, more second-hand stock will start coming onto the market.

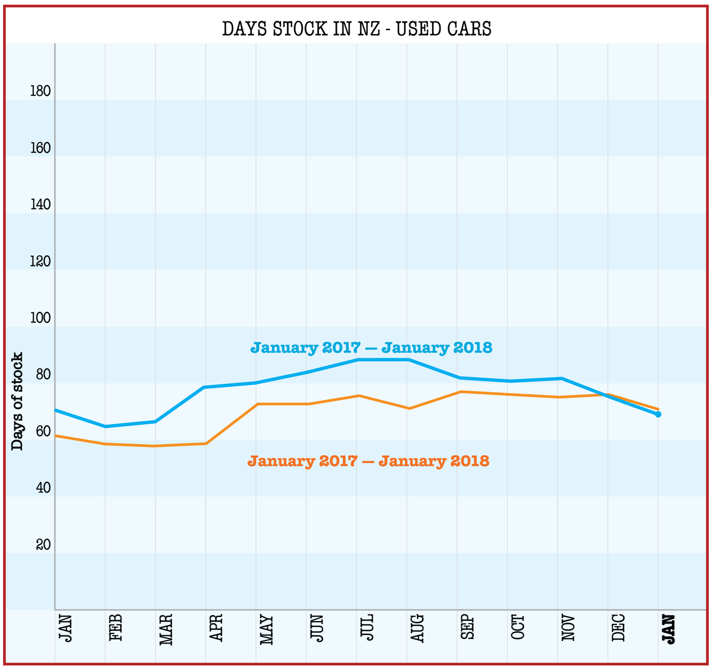
"But we have to make sure the vehicles haven't been backed into the sea during the weekends."

The Turners Group notes sales of used cars in New Zealand "have shown yet another year-on-year increase and are up on the previous month as consumers take advantage of a record number of imports coming into the country".

January was a great month for dealer-to-public sales, which came in just shy of 17,000 for the month and were "very high for January historically".

It adds: "Despite the traditional slower month of cars coming through our ports in January, sales of used imported cars were the highest January on record – up by more than six per cent on last year."

"The high level of used import sales is possible due to record number of vehicles coming into New Zealand over the second half of last year giving greater choice to potential buyers."



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
Jan '17	10,583	12,933	-2,350	26,363	413	64
Feb '17	13,829	12,260	1,569	27,932	415	67
Mar '17	19,546	14,474	5,072	33,004	421	78
Apr '17	13,017	12,507	510	33,514	422	79
May '17	16,584	14,439	2,145	35,659	427	84
Jun '17	15,530	13,339	2,191	37,850	431	88
Jul '17	14,055	14,430	-375	37,475	434	86
Aug '17	12,416	14,483	-2,067	35,408	439	81
Sep '17	13,378	13,645	-267	35,141	442	80
Oct '17	14,866	14,118	748	35,889	445	81
Nov '17	14,642	14,924	-282	35,607	451	79
Dec '17	13,097	14,102	-1,005	34,602	454	76
Jan '18	**10,423**	**13,719**	**-3,296**	**31,306**	**456**	**69**
Year to date	**10,423**	**13,719**	**(3,296)**			
Change on last month	**-20.4%**	**-2.7%**		**-9.5%**		
Change on Jan 2017	**-1.5%** LESS IMPORTED	**6.1%** MORE SOLD		**18.7%** MORE STOCK		

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With offices in Japan, Australia, Singapore, the United Kingdom, and New Zealand, AUTOHUB customers are well represented everywhere vehicles are imported and exported.

If there is a problem we're there to sort it.
AUTOHUB offices, AUTOHUB people.

AUTOHUB - A TRUSTED GLOBAL VEHICLE LOGISTICS COMPANY

THERE WHEN YOU NEED US, WHERE YOU NEED US