

ISSUE 4 • VOLUME 9 • NOVEMBER 2018

UPDATE

NEWSLETTER OF THE MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA



MOTOR INDUSTRY OMBUDSMAN
OF SOUTH AFRICA

THE ROAD AHEAD

NEW VEHICLE SALES AND EXPORTS – OCT 2018

464,742

vehicles sold in first ten months of 2018



That's **0.5%** less than the 467,200 vehicles sold in the first ten months of 2017

51,866

New vehicles sold in South Africa in Oct 2018

2,235

more than Sept 2018

844

More than Oct 2017

35,050

The number of passenger vehicles sold in Oct 2018, down by 258 units or 0.7% on 35,308 vehicles sold in Oct 2018

TOP 5 SELLERS



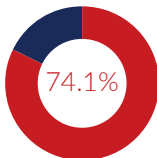
1. Toyota - **13,342**
2. VW - **8,983**
3. Ford - **5,421**
4. Nissan - **4,902**
5. Hyundai - **3,160**

Passenger vehicle sales accounted for 67.6% of car sales in Oct 2018

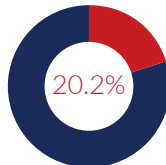


Light commercial vehicle sales in Oct 2018 were down by 1.1% from Sept 2018 and up 5.9% from Oct 2017

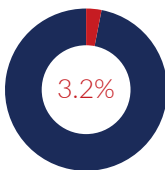
SALES PER INDUSTRY



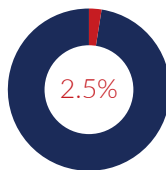
Dealer



Rental Industry



Government



Corporate

TOP 5 EXPORTS



1. Mercedes - **9,087**
2. BMW - **7,396**
3. VW - **7,295**
4. Toyota - **5,919**
5. Ford - **3,478**

34,134

vehicles were exported in Oct 2018

20.9%

higher than Oct 2017

7.13%

lower than Sept 2018

Supplied by Absa

Source: Naamsa



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MESSAGE FROM THE OMBUDSMAN

THE INDEPENDENT DISPUTE RESOLUTION FORUM FOR THE SA AUTOMOTIVE AND RELATED INDUSTRIES AND THEIR CUSTOMERS

After all these years there are still people who are unclear on what the Motor Industry Ombudsman of South Africa (MIOSA) does. I think it's worthy of another look.

The office of the MIOSA focuses on the resolution of disputes where a deadlock has been reached between the automotive and related industries and their customers.

The MIOSA, by all available means, educates consumers on procedures to be followed regarding service, costs and the handling of complaints.

Although the MIOSA is funded by the automotive and related industries, these service providers have no influence in the conciliations made by the MIOSA. Service providers are bound to the jurisdiction of the MIOSA, subject to the South African Automotive Industry Code of Conduct, a Regulation of the Consumer Protection Act 68 Of 2008.

With the exception of on-site technical inspections, the services of the MIOSA are free to any affected consumer in South Africa.

Keep in mind that the blame cannot only fall on the industry. Sometimes consumers have unrealistic and even illegal expectations. It has also become

Johan van Vreden

Motor Industry
Ombudsman of
South Africa



clear that instituting legal proceedings is far too expensive and time consuming.

By acting as a diffuser, the MIOSA ensures that the disputing parties maintain a level of courtesy and decorum, thereby keeping the relationship intact.

The objective is not to minimise the important role played by customer care departments within the industry as the MIOSA only takes action if the parties aren't able to resolve their differences. The MIOSA will also give advice during this period if called upon to do so.

On that note, we'd like to thank the automotive and related industries for their positive support over the past year.

We wish everyone a safe and joyous Festive Season. ●



FROM THE DESK OF KOBIE KRAUSE

COMPLIANCE

I would like to start off by thanking industry participants for their compliance with the South African Motor Industry Code of Conduct (code).

Unfortunately, the Motor Industry Ombudsman of South Africa (MIOSA) had no alternative but to commence legal action against those industry participants who refused to comply with the code and pay their contributions. In this regard we wish to confirm that most complied after receiving letters of demand from the legal representative of the MIOSA. In view of arrears having to be paid most participants arranged for monthly instalments to liquidate the outstanding amounts.

Other participants, however, neglected and/or refused to react to the letters of demand and summons were issued. The MIOSA has obtained default judgments and is in the process of issuing warrants

of execution against movable property.

Those few who decided to defend the action soon came to realise that litigation is expensive and in view of the small amount to be paid to the MIOSA, it is not a sound financial decision.

It is important to reiterate that Section 82 of the Consumer Protection Act clearly makes it an offence not to comply with the code. Thus far the MIOSA has not enforced this in order to collect contributions and relies on the business acumen of participants to comply with the industry code.

The MIOSA wishes to make use of this opportunity to wish all industry participants well over the Festive Season. ●



Kobie Krause
Deputy ombudsman

A CASE IN POINT

COMPLAINT

The complainant purchased a motorcycle with 694 km on the odometer. A year later the engine failed and the owner received a quotation of around R56 000 to have it fixed. The respondent agreed to repair the engine at their cost, provided that

the owner paid for the consumables. It took the dealer eight months to get the motorcycle fixed. The complainant felt that he should have been informed that the motorcycle was a grey import at the time of purchase and that this was the reason for the delay with the repairs. He

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was also of the opinion that the sales agreement was concluded dishonestly and wanted to cancel the transaction.

CONCLUSION

The office of the MIOSA was in receipt of a copy of the sales agreement signed by both parties at the time of sale. It clearly indicated that the subject motorcycle was a grey import and the complainant had signed the sales document, indicating that he had read and understood the terms and conditions thereof. The MIOSA found in favour of the dealer.

COMPLAINT

The complainant purchased a used vehicle with 86 000 kilometres on the odometer. The vehicle started experiencing mechanical problems as it was mixing oil with the coolant. This was attended to and repaired by the selling dealer. The problem recurred and when it was again reported to the dealership they were not willing to assist. The owner was told to have the issue fixed himself under the warranty – which only pays a limited amount – and cover the rest of the costs out of his pocket.

CONCLUSION

The subject vehicle still fell within the six months implied warranty period stipulated by the Act. The office of the MIOSA resolved the matter by informing the dealer to take the responsibility and

have the complainant's vehicle repaired at no cost to him.

COMPLAINT

The complainant purchased a second-hand truck, but the dealer failed to deliver it on time due to a mechanical failure which was repaired prior to delivery. Two days after the truck was delivered it broke down. The complainant informed the dealer and the truck was collected for repairs but the complainant was not informed that he would be liable for the repairs. When he enquired about the progress of the repairs he was issued with an invoice amounting to R226 909.83 for the repairs and informed that the failure had occurred due to negligence on his part. The complainant disputed his liability to the dealer and in essence alleged that the dealer sold him a faulty truck and that he had not caused the damages to the truck and had not given consent for the repairs done by the dealer.

CONCLUSION

Upon investigating the matter the office of the MIOSA requested a copy of an independent comprehensive technical report in support of the allegations made by the dealer. This was never supplied. The MIOSA resolved the matter in line with Section 56 subsection 2 and Section 55 of the Consumer Protection Act 68 of 2008 and found in favour of the complainant. ●

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FOOD FOR THOUGHT

USED MOTOR OIL: HANDLE WITH CARE

Used oil is hazardous stuff, containing poisonous substances and heavy metals that can pollute the environment and are dangerous to your health.

However, according to the ROSE Foundation (Recycling Oil Saves the Environment), an organisation driving responsible recycling of lubricating oil, South Africans continue to misuse used oil in some rather strange ways.

Here are a few examples:

1. Firing up chainsaws and lawnmowers on the power of used motor oil.
2. Using used motor oil in a squirt can as lubricant instead of buying a can of lubricant like WD-40.
3. Spraying used oil onto weeds to kill them.
4. Pouring used motor oil onto the ground and lighting it to burn firebreaks.
5. Treating mange in dogs and parasites in livestock.
6. Spraying used oil on dirt roads to dampen down dust.
7. Loosening up rusty nuts and bolts by soaking them in a jar of old used motor oil.
8. Painting the underside of vehicles with used oil as a cheap way to protect against rust.

9. Brushing used motor oil onto wooden forms to help prevent the concrete from sticking during the building process.

10. Using old engine oil as a hair cream to protect the scalp from burning when applying hair relaxers.

11. Treating open wounds in the belief that it will speed up the healing process.

While industry faces rigorous environmental compliance, in smaller domestic circumstances used oil is often not disposed of correctly, with thousands of unaccounted for litres going straight into the environment. Recycling used motor oil keeps this carcinogenic substance out of our rivers, lakes, streams and ground water. In many cases, that also means keeping it out of our drinking water, off our beaches, and away from wildlife.

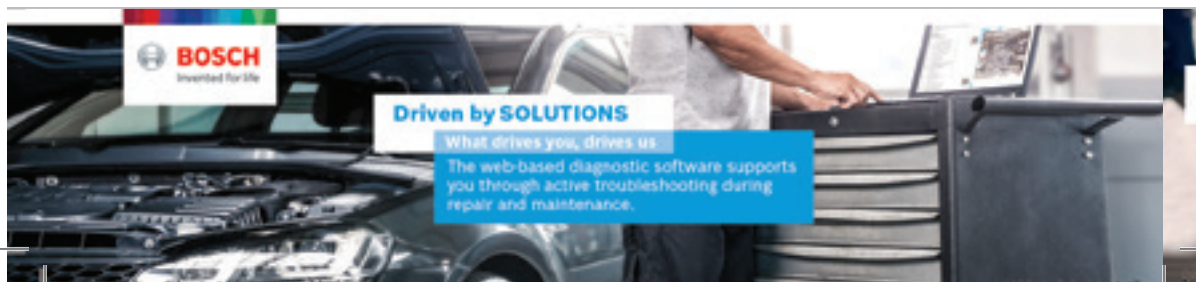
For more information contact the ROSE Foundation on (021) 448 7492 or visit www.rosefoundation.org.za. ●



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REGISTERING WITH THE MIOSA

AUG 2018 – OCT 2018

In the previous edition of the MIOSA newsletter the Motor Industry Ombudsman of South Africa, Johan van Vreden, advised that when it came to vehicles needing repairs, consumers should enquire whether service providers are registered with the MIOSA. If the answer is no, it would be advisable to walk away and find a business that is registered with the MIOSA. This had a huge influence on the number of registrations from the mechanical workshop sector during the three months under review.

The total number of businesses that registered with the MIOSA in August 2018 was on par with the average for 2018. Used vehicle dealerships registering secured first position, narrowly beating registrations of mechanical workshops. Fitment centres and auto body repairers also made a noteworthy contribution to the total. In addition, small contributions were noted from nearly all other sectors within the automotive industry.

The number of businesses registering with the MIOSA in September 2018 was the 3rd highest for 2018. This time around though registrations from mechanical workshops were higher than those received from the used vehicle

Tjaart van der Walt
Senior administrative
clerk



dealership sector. Registrations from auto body repairers, fitment centres and spares outlets made a stronger showing than in previous months and contributed 31% to the total. It was also noted that one of the major tractor importers registered its dealerships.

Registrations in October 2018 almost equalled the September 2018 total and was 4th highest for the year. Registrations from mechanical workshops reached a record high, forcing registrations from the used vehicle sector into 2nd place for the second month in a row. Registrations from fitment centres were the highest for the 3 months analysed.

It is clear from looking at the registrations for the 3 months under review that the message to comply with the legislation by registering with the MIOSA and paying the contribution has finally been accepted by the majority of participants in the automotive industry in South Africa. ●

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The \$117k Vector electric motorcycle is custom made for each owner and comes with a high-tech helmet and jacket. All ride info comes through a heads-up display in the helmet, while the jacket provides tactile feedback. Only 355 units will be produced.



NEW-GENERATION COROLLA SEDAN REVEALED

The new four-door version of the Toyota Corolla has made its global debut at Auto Guangzhou in China, more than a year ahead of its expected arrival in showrooms. It will share many of the features and technology of the much-anticipated Corolla hatch, which is due for release locally early in 2019.



70 YEARS OF JAGUAR SPORTS CARS

Jaguar has developed two F-Type Convertible rally cars to continue its celebration of 70 years of sports car heritage since the XK 120 was revealed in 1948. Both cars were built to FIA specification and put through their paces on the Walters Arena rally stage, South Wales, to demonstrate their performance credentials.



BABY DOUBLE-CAB BAKKIE FROM VW

The compact Volkswagen Tarok combines the stylistic elements of an urban SUV with an off-road design, helped by a Targa-inspired roof bar, front end and side panels. It will soon be available in Brazil and without providing details, VW has indicated that it could be made available in other global markets.



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A FORD FOR ROAD AND TRACK

The Ford GT Carbon Series is the lightest of the road-going Ford supercars. It features lightweight innovations such as carbon fibre wheels, a titanium exhaust, titanium wheel nuts and a polycarbonate rear hatch. Its creators say it is equally at home on the road and on track. Approximately one special model can be built each week.



HOME IS WHERE THE MINI IS

Love your MINI so much you wish you could sleep in it? This specially designed roof tent can be mounted onto the roof rails of the MINI Countryman. Measuring 2,1 metres in length and 1,3 metres in width, it features a high-density mattress, two door flaps and two windows with zips, close-meshed mosquito nets at all openings and a battery-operated LED interior light.



NEW HEAD OF VW BRAND IN SA

Martina Biene has been appointed as the new head of the Volkswagen brand in South Africa. Biene was previously the head of product marketing for the VW brand in Wolfsburg and has 16 years' experience in the Volkswagen Group,



having worked in product planning and product marketing for luxury vehicles and the Volkswagen Brand in Germany, Belgium and Luxemburg.

"I COULDN'T FIND THE SPORTS CAR OF MY DREAMS, SO I BUILT IT MYSELF."

-Ferdinand Porsche

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2018 SARF / IRF / PIARC REGIONAL CONFERENCE FOR AFRICA



ROADS TO SOCIAL & ECONOMIC GROWTH

The South African Road Traffic Safety Management Association (SARTSMA) recently attended the 2018 South African Road Federation (SARF) / International Road Federation / World Roads Association (PIARC) Regional Conference as an exhibitor and was privileged to share an exhibition stand with Avery Dennison and Ennis-Flint.

The conference brought together road officials, academia and professionals in the private sector to assist in determining the road needs and formulating a way forward.

Africa poses unique challenges for the provision and preservation of roads and road transport to serve an extensive range of needs in terms of economic development and social well-being. Demands range from providing national mobility, primarily for economic reasons, through to rural roads providing mobility and access to remote communities.

Mr Saied Solomon, SARF president and chairman of the conference organising committee, stated during his opening address that the SARF Regional Conference became the flagship event for road infrastructure in Southern Africa and was further enhanced in 2018 by the participation of the IRF and

PIARC. The guest speakers and topics of discussions included:

- Dr Allyson Lawless – Engineering numbers and needs in the SADC regions
- Mr Michael G. Dreznes – How Africa can, and must, meet the challenge of the so-called Decade of Action
- Mr Victor Radebe – Africa's roadmap to connected, autonomous and electric vehicles
- Mr Miguel Caso Florez – No country is rich enough not to afford international cooperation
- Mr Seung-Hwan HAN – International collaboration for sustainable paving solutions

The conference included a workshop – Work Zones Can and Must be Safer in South Africa – which was presented by the executive vice president of the International Road Federation, Mike Dreznes. "Africa must stop doing things the way they have always done them if they want to reduce fatalities by 2020," noted Dreznes.

Conference delegates also had the opportunity to visit the combined Mount Edgecombe / Cornubia Interchanges, soon to be one of the largest in South Africa. The incrementally launched main span at Mount Edgecombe is the longest in the Southern Hemisphere. ●

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PLAN AHEAD FOR YOUR FESTIVE SEASON ROAD TRIP

What a beautiful country we live in. So when asked whether we're traveling this Festive Season, most of us respond with "of course we are". Excited to be getting out of our usual haunt, some of us act compulsively without consideration for the possible catastrophes that could turn our time of leisure into a living nightmare.

It is important for anyone, who will be travelling by road later this year, to follow these few basic rules to ensure their journey, and their holiday, is safe:

- Make sure that your valid driver's licence is on your person at all times.
- Check that your vehicle's licence disc is valid and clearly displayed on the left bottom corner of your windscreen.
- Keep a basic first-aid kit in the boot.
- Ensure your car is in good condition and roadworthy.
- Inspect tyres (including the spare tyre) and make sure they have sufficient tread for the road ahead. If they are worn, replace them before you leave.
- Check that you have all the necessary tools to change a tyre if you need to.
- Ensure that the windscreen wipers are working properly, that the wiper blades are in good condition and that the windscreen washer reservoir is full.
- Check that the battery terminals are clean and fastened properly and that the battery itself is secure. Check water levels and top up with distilled or purified water if necessary.
- Make sure that headlights, brake lights and indicators of your vehicle, trailer and caravan are all in good working order. Take along a spare set of fuses just in case.
- Check for oil leaks under the vehicle and that all fluids are filled to capacity. A full oil service is suggested in order to check that filters and belts are clean and in working order.
- Ensure that your cell phone is fully charged and loaded with airtime and data and that your GPS is enabled. A power bank and charger cable are also suggested.
- Take along a map in the event that you pass through an area with no signal.

Everyone wants to have a happy and incident free holiday but this can only happen if you – and your vehicle – are properly prepared. ●

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OBITUARIES

COEN GOUWS (1943 – 2018)

Coen Gouws was very well known in the motor industry. He had a long stint in the customer care department of Toyota before joining the MIOSA in 2005. He not only inspired his colleagues but could bring laughter to even the most dreary of days. It was indeed a sad day when Coen retired in 2015 due to bad health. He will always be remembered and sorely missed.



TERRY KENT (1951 – 2018)

Not only was Terry Kent a great all-round technician, he was also an accomplished pilot, deep-sea skipper, clothing designer and dressmaker. He owned his own airplanes, boats and businesses, which he ran with great success. Above all, though, Terry was a good husband, father and friend. He could be called upon at any time if his help was needed and he'd be there, no questions asked. His passing leaves a great void in the hearts of those who knew and loved him.



THAVA CHINSAMY (1981 – 2018)

Thava Chinsamy will be remembered fondly as someone who always had other people's interests at heart and would put them first. This was evident not only at work but also in his community. Thava and Pragasi, his beloved sister, shared an unbreakable bond that was strengthened even further by their unwavering values. His warm smile and endearing nature will be missed by all who had the privilege of working with him.



The views expressed by contributors are not necessarily those of the MIOSA.

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