Tel: 086 116 4672 Fax: 086 630 6141 E-mail: info@miosa.co.za Suite 156, Private Bag X025, Lynnwood Ridge, 0040



NEWSLETTER OF THE MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA

WHY DID YOU NOT GET BACK TO ME?

The old buzz word COMMUNICATION seems to pop up every now and then when I have to investigate or give a ruling in a case. I know that everybody and sundry has a view on communication, however, after having had to deal with thousands of cases over the years in the office of the Motor Industry Ombudsman of South Africa (MIOSA) it remains clear that effective communication in any business whether it is with your customers, staff or superiors is and will always be the foundation of a successful business.

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In the immortal long suffering words of the actor Jack Nicholson "Why can't we all just get along" we find a plea that is universal but almost impossible in a free thinking world. However, for that reason there are laws, institutions and processes in place to guide human behaviour in such a way that we almost or more often than not "all get along". These processes are there to assist us as human beings in our endeavours to communicate with each other in an effective manner. My own recent experience when dealing with an extremely technically competent workshop was somewhat marred by the lack of effective communication that existed between myself as the customer and the service provider. Even though I was satisfied with the end result the lack of communication during the period that my vehicle was in for repairs, undoubtedly contributed to my patience wearing thin towards the end of the process. It is imperative that we must all acknowledge that the customer is the life blood of any business and that everything else is in place to ensure that the outcome of any transaction or service provided is advantageous to both parties. Not only does this type of thinking result in return business but also the most important "word of mouth" referrals.

The MIOSA strives to keep communication channels between service providers and their customers as open and informal as possible with the understanding that by guiding the parties to a palatable solution saves time and resources. In a perfect world this concept will always be successful, however, even though we agree that the approach is ideal, it is still not without flaws and therefore not all the cases dealt with by the MIOSA can be resolved in this fashion. The fact remains however that effective communication in business reduces strain on resources and human intervention and should remain a priority in our day to day business lives.

REVIEW OF THE PAST 3 MONTHS

FEBRUARY – APRIL 2013 NB: Our call centre is open between 13:30 and 15:30 Mondays to Fridays.

FROM THE DESK OF THE OMBUDSMAN

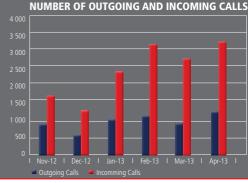
Over the past 3 months a total of 10 029 calls were received, which is an average of 152 calls per working day. As you can see from the table incoming calls have increased over the past 3 months compared to the calls received between November and January.

Motor Industry Ombudsman of South Africa

Johan van Vreden -

You will also note that the number of complaints actually lodged with the MIOSA have decreased due to the new systems which have been implemented. With the CPA in place, we are also able to educate the public and therefore help them solve their own complaints before it becomes necessary to lodge a complaint with the MIOSA.

The total number of complaints lodged over the past 3 months were 4 031(4 773 from November 2012 to January 2013) which is an average of 61 new complaints logged per working day.



Leanne Lubbe - Personal Assistant to the Ombudsman



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f Calls I Incomming Calls

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EASTVAAL MOTOR GROUP SUBSCRIBES TO THE TRANSACTION PROTECTED PROJECT OF THE MIOSA



Eastvaal Motor Group is one of the largest distributors of motor vehicles and ancillary products in Mpumalanga and Northwest Province and it has

been in existence since 1968. The group was initially known as a retailer group representing Ford Motor Company in the Mpumalanga province, but the group has grown into a multi franchise group representing 18 brands in the Mpumalanga and North West provinces over the last 8 years.

The group employs 350 staff members with a central Head Office in Middelburg. The group has recently completed a new Ford facility in Secunda and upgraded its Toyota facility in Potchefstroom. The new multi franchise facility in Witbank will be completed in October 2013. The vision of the Eastvaal Motor Group is to become the foremost motor group in the country through being the preferred supplier of motor vehicles, trucks, tractors and related services. This will be achieved by giving excellent service and attention to detail, which will create value for customers and earn customer lovalty. The group's motto is to under promise and over deliver. The group represents the following brands: Ford and Mazda (Secunda and Witbank), Toyota and Hino trucks (Potchefstroom), Chevrolet/Opel/Isuzu (Standerton), Kia, Renault, Daihatsu, Honda, Honda Wing, Tata cars, Tata trucks (Middelburg and Witbank), Nissan and UD trucks (Bethal), New Holland Agriculture and Construction (Middelburg and Witbank). Eastvaal Group is a level 5 BEE contributor and is a major distributor of products. services and parts to the mines in the Mpumalanga province.

NEW BIDVEST AUTOMOTIVE MOBILE APPLICATION

A functional, innovative and exciting new mobile application is now available to all Smartphone users. The value-add of the application is its assistance in acquiring the vehicle best suited to your needs. Users gain access to the massive database of new and used vehicles, can contact the closest dealership and apply for finance directly through the application, 24 hours a day. Bidvest Automotive Mobile Application offers other exciting features that include a login to the McCarthy Club profile, GPS functionality to assist in locating your desired vehicle, a finance calculator to help you compute your monthly instalments as well as links to Goodfellas and social media platforms. In addition to this, users can give customer feedback, apply for insurance and report accidents instantaneously.

https://play.google.com/store/apps/details?id=za.co.callacar.McCarthyMobile

CONTACTING CONSULTANTS

Regional TPP consultants for pre-owned vehicle dealers, workshops, panelbeaters and fitment centres

Johannesburg/West Rand	Tjaart van der Walt (jnr)	084 845 9057
Pretoria/Midrand/East Rand Free State/Limpopo/ Mpumalana/North West/ Northern Cape	Mercia van Niekerk Area Project Manager	082 442 9250
Kwazulu-Natal	Cyril Neilson	071 608 9995
Eastern Cape	Stephanie Newsome	081 267 2608
Western Cape	Rozanne Spangenberg	082 575 2681

NEWS FROM GAUTENG STAR MOTOR GROUP SPONSORS KURT DARREN WITH A NEW INFINITI



Renier Swart (Centre) and Edwin Strauss (Left), directors of STAR Motor Group hand over the keys of a brand new Infiniti SUV to Kurt Darren for his personal use.

STAR Motor Group subscribes to Transaction Protected Project of the MIOSA

CAR OF THE YEAR 2012



POINTS AWARDED TO INDIVIDUAL FINALISTS:

Porsche Boxster	221
Range Rover Evoque Si4 Dynamic 5-door	181
Toyota 86 High Spec 6MT	177
Kia Rio 1.4 TEC Hatch Manual	144
Lexus GS 350 EX	143
Hyundai i30 1.8 Executive	106
BMW 320i Automatic	104
Nissan Juke 1.6 DIG-T Tekna (with leather)	79
Opel Meriva 1.4T Cosmo	67
Ford Ranger 3.2 XLT 4x4 Double Cab Auto	56
Toyota Yaris 1.5 HSD Xs	47
Mercedes-Benz B180 CDI BlueEFFICIENCY 7G-DCT	35

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DEALER OF THE YEAR AWARDS 2012

SANDOWN SHINES AT DOTY AWARDS

Sandown teams won two coveted Dealer of the Year Awards, two prestigious Chairman's Awards, as well as various other performance awards at the 2012 Mercedes-Benz South Africa dealer of the Year (DOTY) Awards. Mercedes-Benz PC Gauteng West was the top Mercedes-Benz passenger car Brand Centre in the country for 2012, while MBCV Cape Town was the top Mercedes-Benz Commercial Vehicle Brand Centre in the country.

Sandown Commercial Vehicles Gauteng North and West also won the highly prestigious Chairman's Award as the Best Overall CSI Dealer, while Mercedes-Benz Gauteng West won the Mercedes-Benz Financial Services Chairman's award. The Chairman's Awards are chosen from the winners of the Dealer of the Year categories, which were based on quantitative measures such sales achievement, independent customer satisfaction ratings, parts sales, pre-owned sales, and adherence to MBSA's dealer standards as well as financial service penetration. In addition, qualitative measures include attitude, willingness and co-operation, community involvement and staff development.

TOP MERCEDES- BENZ PASSENGER CAR BRAND CENTRE: SANDOWN PC GAUTENG WEST



Jaco Boshoff(left) receives the Chairman's Award for Sandown's PC Gauteng West division, which was named the top Mercedes-Benz passenger car Brand Centre in the country for 2012 from Dr Martin Zimmermann (CEO and President of MBSA).

TOP MERCEDES BENZ COMMERCIAL VEHICLE BRAND CENTRE: MERCEDES BENZ COMMERCIAL VEHICLES CAPE TOWN



Mark Croxon (left) is congratulated by Kobus van Zyl, Vice-President for Commercial Vehicles at MBSA. MBCV Cape Town was the top Mercedes-Benz Commercial Vehicle Brand Centre in the country for 2012.

Sandown Group subscribes to Transaction Protected Project of the MIOSA

TOYOTA DEALER OF THE YEAR: IMPERIAL TOYOTA KEMPTON PARK



Hitoshi Muramoto: Executive Vice-President and Chief-Co-ordinating Officer, Desiree Wiseman, Dealer Principal of Imperial Toyota Kemton Park, Dr Johan van Zyl Chief Executive Officer of Toyota South Africa and Calvyn Hamman, Senior Vice-President Sales and Marketing.

IMPERIAL Group subscribes to Transaction Protected Project of the MIOSA

HINO DEALER OF THE YEAR: HINO EASTRAND



Hitoshi Muramoto: Executive Vice-President and Chief-Co-ordinating Officer, Frans Cloete, Dealer Principal, Dr Johan van Zyl Chief Executive Officer of Toyota South Africa and Calvyn Hamman, Senior Vice-President Sales and Marketing.

IMPERIAL Group subscribes to Transaction Protected Project of the MIOSA

UD TRUCKS DEALER OF THE YEAR: MCCARTHY COMMERCIAL VEHICLES ALRODE



Dealer Principal Fernando de Sousa and his staff proudly displays some of the awards they have won recently, amongst others the prestigious International Service and Workshop Retention Award judged by Nissan Diesel Motor Company in Japan

Mc Carthy Group subscribes to Transaction Protected Project of the MIOSA

Photos acknowledgement: Lara Theron, Hothouse Communication



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AUTOMOTIVE EXPORT MANUAL 2013

THE INFORMATION AND ANALYSIS IN THE REPORT WAS PRODUCED AND COMPILED BY DR NORMAN LAMPRECHT ON BEHALF OF THE AUTOMOTIVE INDUSTRY EXPORT COUNCILL

The Automotive Export Manual – 2013 – South Africa publication is an annual publication produced and compiled by the Automotive Industry Export Council (AIEC) – the key source of South African automotive trade data. The 2013 as well as previous publications since 2006 represent a comprehensive guide on the export and import performance of the South African automotive industry under the Motor Industry Development Programme (MIDP).

The aim of the manual is to identify and prioritise the major automotive export destinations, the major countries of origin, the main automotive export trade blocs, the most important automotive products exported and imported, the top growth markets and products as well as the impact of the trade arrangements enjoyed by South Africa. Under the Automotive Production Development Programme (APDP), which commenced on 1 January 2013, the South African automotive industry is entering a new era of volume-driven production support. The APDP intends to elevate the domestic automotive industry to a higher level. Vision 2020 objectives include 1,2 million units produced per annum by 2020 and an associated broadening and deepening of the component production basket in South Africa. However, past success sets the bar for the future and this publication acknowledges the track record of the MIDP over the past 17 years up to 2012.

The MIDP has been recognised as a successful and innovative national strategy to develop automotive manufacturing and open up a domestic market in the new environment of globalisation. The MIDP's main achievement was the move from short production runs and a transition from an uncompetitive, inward looking industry, to an internationally competitive industry, integrated into global manufacturing. The industry's performance during 2012 reflects industry exports increasing by R4,7 billion or 5,7% to R86,9 billion from R82,2 billion in 2011. Furthermore, with the export value to 65 of the 152 countries the industry exported to more than doubling from 2011 to 2012, it has set the scene for 2013 and beyond.



Automotive Export Manual 2013



Mr Roger Pitot Executive Director NAACAM

Range



Dr Norman Lamprecht Executive Manager NAAMSA



Mr Nico Vermeulen Director NAAMSA



The AIEC Board of Directors consists of Mr Roger Pitot (Executive Director – NAACAM – Chairperson), Mr Nico Vermeulen (Director – NAAMSA),Dr Norman Lamprecht (Executive Manager – NAAMSA) as well as two exofficio members from the Department of Trade and Industry, Mr Mzwakhe Mbatha and Mr Jacob Moatshe.

Copies (printed, electronic, CD) of the 2013 Manual are available from the NAAMSA office in Pretoria – naamsa@iafrica.com or telephone 012 323 2980.

MIOSA WELCOMES NEW SUBSCRIBERS

The following dealers/service providers have joined the **Transaction Protected Project** of the MIOSA recently:

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Yellow Stone Auto

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Randfontein

PAGE 4 • ISSUE 2 • VOLUME 4 NAAMSA MEDIA RELEASE:

COMMENT ON THE MARCH, 2013 SOUTH AFRICAN NEW VEHICLE SALES STATISTICS

In future, South African automotive industry new vehicle sales and export sales data will be compiled, verified and administered by RGT SMART and, after publication of the data on the website of the Department of Trade & Industry, the sales information will be released for public consumption without any embargo. This arrangement has enabled Mercedes-Benz SA (Pty) Ltd to resume full sales reporting and the industry's automotive sales data base has been updated with Mercedes-Benz sales figures retrospective to December, 2011.

In amplification of the new vehicle sales statistics for the month of March, 2013 - released today on the website of the Department of Trade & Industry - the Association commented that overall new car and commercial vehicle sales for the month had been in line with expectations, reflecting modest declines compared to the corresponding month last year. In 2012 the Easter recess fell during the month of April, whereas this year the Easter break occurred during the month of March, 2013. As a result, March last year benefited from two additional selling days compared to March this year and this would have contributed to the decline in aggregate industry sales of 1206 units or 2,1% to 54946 vehicles from 56152 units in March last year. On a daily selling rate basis, aggregate new vehicle sales for March, 2013 showed an improvement of about 7,0% compared to the corresponding month last year. Export sales had registered another strong performance reflecting an improvement of 18,2%.

Overall, out of the total detailed (disaggregated) reported Industry sales of 54946 vehicles, 48101 units or 87,5% represented dealer sales, 4,4% represented sales to the vehicle rental Industry, 4,2% to government and 3,9% to Industry corporate fleets. During March, 2013 a total of 37596 new cars were sold which represents a decline of 1400 units or a fall of 3,6% compared to the 38996 new cars sold in March last year which had benefited from two additional selling days. Interestingly, the daily selling rate in respect of new cars in March, 2013 was around 5,5% higher than during the corresponding month last year. Sales of industry new light commercial vehicles, bakkies and mini buses at 14794 units during March, 2013 reflected an increase of 189 units or 1,3% compared to the 14605 light commercial vehicles sold during the corresponding month last year

Sales of vehicles in the medium and heavy truck segments of the Industry at 1015 units and 1541 units, respectively, had recorded an increase of 32 units or 3,3% in the case of medium commercial vehicles, and a decline of 27 units or 1,7% in the case of heavy trucks and buses, compared to the corresponding month last year.

Industry new vehicle exports during March, 2013 at 28338 vehicles had registered substantial gains rising by 4370 units or 18,2% compared to the 23968 vehicles exported in March last year. The momentum of vehicle exports was expected to improve further over the balance of the year and particularly exports of light commercial vehicles should increase substantially during 2013.

The near term outlook for the automotive sector would be affected by upward new vehicle pricing pressure as a result of the weaker exchange rate and the April, 2013 increase in CO2 vehicle emissions taxes on cars and certain categories of light commercials. This could result in some moderation in the rate of growth in sales over the balance of the year. There were a number of factors however that should lend support going forward and these included the low interest rate environment, continued strong replacement demand, a highly competitive trading environment with attractive incentives, low debt servicing costs and high tech new model introductions. On the negative side, however, rising inflationary pressures facing consumers would dampen growth in consumers' real disposable income. New vehicle exports and industry production, however, should register strong growth in 2013.



Nico Vermeulen -Director NAAMSA

TOTAL VEHICLE SALES BY **MANUFACTURER FOR MARCH 2013**

	RSA	EXPORT
TOYOTA	10 593	8 779
VOLKSWAGEN GROUP SA	9 337	4 286
FMC	5 001	3 465
NISSAN	4 709	2 648
GMSA	4 553	102
BMW GROUP	2 815	4 843
MERCEDES-BENZ-SA	2 810	4 0 1 4
HONDA	1 400	40
JAGUAR LAND ROVER	1 289	0
CHRYSLER SA	876	28
TATA	707	0
RENAULT	630	9
PCSA	567	0
FIAT GROUP	466	4
MITSUBISHI MOTORS SA	440	36
MAHINDRA	372	0
SUZUKI AUTO	314	0
VOLVO CARS	272	1
UD TRUCKS	205	30
PORSCHE	204	0
SCANIA	164	3
VOLVO TRUCKS	163	0
MAN	155	28
IVECO	129	9
SUBARU	100	0
POWERSTAR	46	9
JMC	43	0
NC2 TRUCKS SA	27	2
RENAULT TRUCKS	18	2
BABCOCK	9	0
MASERATI	8	0
FAW	7	0
VOLVO BUS	6	0
SUB TOTAL	48 435	28 338
AMH & AAD	6 511	0
INDUSTRY TOTAL	54 946	28 338

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FROM THE DESK OF THE DEPUTY OMBUDSMAN

RETURN OF GOODS IN TERMS OF SECTION 56 (2) OF THE CONSUMER PROTECTION ACT 2008 (CPA)

It appears as if many consumers as well as dealers are still not sure as to the consequences when goods are returned in terms of Section 56(2) of the CPA. Goods may be returned in terms of Section 56(2)(b) if the goods fail to satisfy the requirements and standards contemplated in Section 55 of the CPA. However, if the goods fail in terms of the requirements set out in Section 55 the consequences to both supplier and consumer is dealt with in terms of Sections 20 and 56.

In terms of Section 20(1) the CPA clearly states that this Section is in addition to and not in substitution for- (a) the right to return unsafe or defective goods in terms of Section 56 or (b) any other right in law between a supplier and consumer to return goods and receive a refund. In terms of Section 20(6)(b) of the CPA a supplier may charge the consumer a reasonable amount for-

(1) Use of the goods during the time they were in the consumer's possession, unless they are goods that are ordinarily consumed or depleted by use, and no such consumption or depletion has occurred.

The argument that charging a consumer for usage amounts to being a penalty is therefore not correct. The important issue is to determine a reasonable amount for the usage of the goods. In this regard there are acceptable and vested methods to determine usage of vehicles, often referred to as "rate per kilometre".

As far as the financing of the returned goods are concerned, the consumer will have to finalise the issue with the financier as the supplier cannot be held liable because the consumer did not have sufficient funds to purchase the goods for cash. The CPA makes a clear distinction between the sale of the goods and the financing thereof. Interesting to note that the supplier issues an invoice to the finance house where after the finance house pays the supplier where after the supplier transfers ownership of the goods to the finance house. Before financed goods are accepted back by the supplier he must have the written approval and transfer of ownership from the finance house.



Kobie Krause -Deputy Motor Industry Ombudsman of South Africa

A copy of the draft Code of Conduct for the Motor Industry is available on the MIOSA website - **www.miosa.co.za**

VEHICLE SALES-MARCH 2013: TOP PERFORMERS

Passenger Car Market

Position	Movement	Make	Model	Qty
1	1	VOLKSWAGEN	Polo Vivo 1.4 Base 5-dr	1196
2	1	VOLKSWAGEN	Polo 1.6 Comfortline 77kW 5-dr MY10	1041
3		FORD	Figo 1.4 Ambiente 5-dr MY12	960
4	Ļ	TOYOTA	Etios HB 1.5 Xs 5-dr	927
5	1	BMW	320i MY12 AT	630

Light CV < 3501kg

Position	Movement	Make	Model	Qty
1		NISSAN	NP200 1.6 Base PU	680
2	+	TOYOTA	Quantum 2.7 Sesfikile 16-s Bus MY12	546
3	1	TOYOTA	Hilux 2.0 VVT-i PU MY12	489
4	Ļ	CHEVROLET	Utility 1.4 AC Base MY12 PU	439
5		NISSAN	NP200 1.6 AC Safety PU	421

Medium CV 3501-8500kg

Position	Movement	Make	Model	Qty
1	->	MERCEDES	Sprinter 515 CDi 2.2 E4 P-Van	93
2	1	HINO	Hino 300 915 LWB 4x2 FC MY12	56
3		VOLKSWAGEN	Crafter 50 GP 2.0 TDi LWB P-Van	53
4	Ļ	MERCEDES	Sprinter 519 CDi 3.0 HR E5 P-Van	50
5	Ļ	TOYOTA	150 4-093 4x2 F-C	45

Heavy CV 8501-16500kg

Position	Movement	Make	Model	Qty
1		HINO	Hino 500 1626 4x2 LWB F-C	60
2	1	HINO	Hino 500 1322 4x4 F-C	31
3		HINO	Hino 500 1324 4x2 F-C	31
4	Ļ	TOYOTA	LPT 1518TC 4x2 Local F-C	29
5	1	HINO	Hino 500 1324 4x2 Tipper	26

Extra Heavy CV > 16500kg

Position	Movement	Make	Model	Qty
1	1	VOLVO	FH13I 440 S/R SC 6x4 T-T	81
2	1	FREIGHTLINER	Argosy 90 Cummins 500 6x4 T-T	48
3	1	SCANIA	R500LA MHZ 6x4 T-T	47
4	1	SCANIA	G460CA MSZ 6x4 T-T	43
5	-	FREIGHTLINER	Argosy 90 DDC 440 6x4 T-T	42

Bus > 8500kg

Position	Movement	Make	Model	Qty
1		VOLKSWAGEN	17.2100D FE 4x2 Bus	21
2	1	SCANIA	F310HB HZ 6x2 Bus	13
3	Ļ	MAN	18.240 BB FOC F-Eng 4x2 Bus	11
4		MERCEDES	OF 1730/59 FE 4x2 Bus	11
5	1	TATA	LPO 918 4x2 Bus	11

Article acknowledgement: RGTSMART



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