



UPDATE



Newsletter of the Motor Industry Ombudsman of South Africa Issue 1 Volume 3 February 2012

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FROM THE DESK OF THE OMBUDSMAN



*Ombudsman
Johan van Vreden*

New year, new challenges

The New Year has started quite seamless and it feels as if the office of the MIO did not even have the long awaited December break. I would like to take this opportunity to wish every reader of this newsletter a prosperous and wonderful new year. We have yet again received the opportunity to start afresh and to do the best we can, each within his or her environment.

For the people in workshops all over South Africa whether you receive vehicles from consumers or whether you service, repair or wash vehicles, I want to wish you all a wonderful productive getting it right the first time year. Remember it is the small things that count and that make the consumer's experience with your organisation a good one. Even though you are the "backroom guys" remember the result of your work on their vehicle is the lasting impression the consumer will have of your workshop and in fact your company.

As I said after the scheduled repair or service has been carried out look to the little things: make sure the seats are in the correct position, that the radio has been tuned in, that the air in the vehicle smells fresh and not of oil or industrial cleaner. Most of all make sure the vehicle is clean. You will most probably think to yourself that this is old hat and that you already do all those things. However, you must keep reminding yourselves that these little things are important to consumers and the way they view your business.

A friendly smile will go a long way at the spares and service counters to enhance the consumer's experience of your brand when dealing with your

business. For you guys and girls only the best for the New Year and keep on matching those part numbers with the vehicles and make sure that your stock control is a tool that contributes towards the consumer's experience and towards brand loyalty and prevent the wasting of time that is the bone of so much contention in the motor industry.

To the sales people: heads up for a wonderful year and may the image that you carry out to consumers be a positive one. Remember as the first contact with consumers, your attitude, skill and presentation is the life blood of your business. Make 2012 the year where you will make the effort to improve your own performance by: making sure that you know the Consumer Protection Act; that you know your Company's procedures; that you know your company's products and that you speak to consumers with confidence. Your job is most important as you are depended on to create and establish a relationship with consumers that will not only result in a purchase, but will result in consumers coming back time and again.

Of course I cannot leave out the administrative staff that ensures that the businesses run like a well-oiled machine. To you and yours I wish a successful and productive year. Remember how many people depend on you in order to carry out their jobs properly during the year. Exercise patience and walk the extra mile. Leaving a few minutes later or coming in a few minutes earlier can make a difference in not only your own life but in all those people that depend on your support.

Lastly but most importantly are the leadership of motoring businesses. To you I wish only the best. As 2012 stretches out before us we know that the challenges we face in this competitive **continued on page 2**

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market is not for the faint hearted. The responsibilities can be overwhelming from time to time and to be a leader is not always the easiest job. Setting an example through your day to day actions and managing your people and business with skill, wisdom and patience is worth striving for and keeping in mind all the time. Be accessible to your customers as well as your staff and remember a lot more can be achieved with humour and a smile than with intimidation and impatience.

With the above in mind I hope that we will all have a good and peaceful year where we will remember and achieve our goals.

NEWS FROM THE EASTERN CAPE

Welcome to Mahindra – Geely George



The office of the MIO welcomes Mahindra – Geely in George as a new subscriber to the **Transaction Protected Project** of the MIO. A big welcome to Dealer Principal, Markus Smal and his friendly staff, Hilda, Glen, Deon, Erika and Hentas.

NEWS FROM KWAZULU-NATAL

McCarthy Renault Pietermaritzburg wins Service Excellence Award



Congratulations to Dominic Raw (Service Manager) on the left and Glenn Clifton (Dealer Principal) in the middle on receiving a service excellence award recently. On the right is Cyril Neilson the MIO consultant in KZN. McCarthy Renault is a longstanding subscriber to the **Transaction Protected Project** of the MIO.

Imperial Nissan Durban: Dealership with 30 year track record



The pre-owned department of this well known Durban based dealership, with a 30 year track record and part of the national Imperial Group, is now run by the “legendary” Rocky Govender (right of picture). Govender, who has been in the industry for over a decade, leads by example and is well known for his straight forward “no mess, no fuss” approach writes MIO KZN consultant Cyril Neilson (left in Picture). Imperial Nissan Durban subscribes to the **Transaction Protected Project** of the MIO.

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/ Mpumalanga/North West/ Northern Cape	Mercia van Niekerk	082 442 9250
KwaZulu-Natal	Cyril Neilson	071 608 9995
Eastern Cape	Stephanie Newsome	082 544 2124
Western Cape	Rozanne Volschenk	082 575 2681

MIO WELCOMES NEW SUBSCRIBERS

The following dealerships have subscribed to the **Transaction Protected Project** recently:

Auto Select • Kempton Park | Luhan Motors • Pretoria

OPPASA MEMBERS:

Belmore Forest & Garden • Port Elizabeth
Coastal Forest & Garden Equipment • Empangeni
Power Mowers • Klerksdorp



Leo Haese celebrates 30 years

Leo Haese BMW Pretoria this year celebrates 30 years in the premium segment, servicing BMW customers.

After a very successful career with BMW SA, Mr Leo Haese opened a BMW dealership in Doornkloof Pretoria in 1982. The company had exceptional growth and in January 2004 opened the current new head office which is located in Burnett Street, Pretoria, with superior facilities enabling the company to render break-through service to customers. Mr Leo Haese also owns a branch based in Lenchen Avenue, Centurion.

The Leo Haese Service Centres are equipped with the very latest state-of-the-art technology. From there an extensive parts network is run to provide the service centre, panelbeaters and other BMW franchise holders across the province with the components they need. Adjacent to each of the workshops, is a tasteful furnished reception area where the client may enjoy a hot beverage, relax with the latest copy of the local English or Afrikaans daily, conduct urgent business affairs by means of the readily available fax facilities, wireless internet access or enjoy their favourite programme on TV.

Leo Haese BMW is currently one of the very few dealerships in South Africa that presents "BMW Team Building Events" to Management Groups. These sessions serve the purpose of introducing their product to these different groups, whilst giving them a chance to socialize and to build team spirit.

The "BMW Team Building Events" include one of the following:

- BMW Ride and Drive Day
- Management Meeting Venue at Leo Haese BMW

- Corporate Displays
- BMW Rosslyn Factory Tours
- Golf Days (Sponsorships)
- Hijack Prevention Course

Leo Haese BMW will continue to serve their customers with integrity in the years to come. Visit them on facebook or on their website www.bmw-leohaese Pretoria.co.za

Leo Haese BMW is geared to continue this trend towards providing the top class service Leo Haese clients have come to expect. Both dealerships subscribe to the **Transaction Protected Project of the MIO.**

CAR OF THE YEAR



*Alfa Romeo Giulietta 1.4 125 kW
MultiAir Distinctive*



*Audi A6 3.0 TDI
Quattro S-tronic*



Kia Picanto 1.2 EX



Mercedes Benz SLK 350 Blue Efficiency

NEWS FROM THE WESTERN CAPE

Traders Online Cape Town: Online Auction Site for Traders

Traders Online Cape Town, subscribers to the **Transaction Protected Project** of the MIO, is part of the Barloworld Group and is headed up by the General Manager, Philip Knibbs. They receive all the trade-ins from the dealers under the umbrella of the Barloworld Group in the Western Cape. Traders Online is an online auction site specifically for dealers only. Vehicles are loaded daily on the site with a full description and the traders then bid against each other until the highest bid is awarded at 15h00. Vehicles are also available to be viewed and driven by the traders. Traders wanting to register can go to www.tradersonline.co.za or phone Maria de Abreu on 011 920 9300



Car of the Year Finalist at McCarthy Suzuki Parow



Suzuki is proud to have one of this year's Car Of The Year finalists namely the Suzuki Kizashi. Suzuki has never ventured into the D-Segment market in South Africa, so this is ground breaking for the brand.

McCarthy Suzuki Parow last year entered a Suzuki Jimny in a gruelling 4x4 night challenge held in the Atlantis area over a 12 hour time frame, to showcase the 4x4 capabilities of the vehicle. They finished in a credible 11th place out of 49 entries.

They are also anticipating an exciting launch of the new Swift Sport and SX4 Sedan later this year. The latter of the two being a very important addition to the fleet sales department. The dealership is confident that these 2 models will be well received by their ever growing customer base.

Should you want to join the Suzuki Way of Life or need more information visit their interactive website www.mccarthysuzukiparow.co.za or give them a call.



Way of Life!

FINALISTS



*Citroen DS4
THP 200 Sport*



*Ford Focus 2.0 TDCI Trend
Sedan Powershift*



*Hyundai Elantra
1.8 GLS*



Peugeot 5008 2.0 HDi Active Man



Suzuki Kizashi 2.4 SDLX Man



VW Jetta 1.4 TSI 118 kW Highline

NAAMSA 2011 SALES FIGURES

Aggregate annual industry sales by sector, over the past four years, were as follows:

SECTOR	2008	2009	2010	2011 Excl. Dec Mercedes data	2011 Estimated*	Estimated 2011 / 2010 % Change
Cars	329 262	258 129	337 130	394 503	395 423	+ 17.3%
Light Commercials	169 466	118 159	133 756	149 261	149 302	+ 11.6%
Medium Commercials	12 130	7 229	7 557	9 110	9 257	+ 22.5%
Heavy, Extra Heavy, Commercials/Buses	22 529	11 705	14 464	17 138	17 443	+ 20.6%
Total Vehicles	533 387	395 222	492 907	570 012	571 425	+ 15.9%

* Using historical sales trends and forecasting techniques, NAAMSA's third party service provider, RGT Smart, have calculated industry sales including projections for Mercedes sales

2011 Industry export sales data, compared to the previous three years, were as follows:

SECTOR	2008	2009	2010	2011 Excl. Dec Mercedes data	2011 Estimated*	Estimated 2011 / 2010 % Change
Cars	195 670	128 602	181 654	183 035	186 835	+ 2.9%
Light Commercials	87 314	45 514	56 950	84 123	84 123	+ 47.7%
Trucks & Buses	1 227	831	861	805	805	- 6.5%
Total Exports	284 211	174 947	239 465	267 963	271 763	+ 13.5%

* Using historical export trends and forecasting techniques, RGT Smart have calculated industry export sales including estimates for Mercedes exports

The outlook for 2012 in terms of industry vehicle sales by sector is summarised in the table hereunder:

SECTOR	2008	2009	2010	2011 Estimated	2012 Projected
Cars	329 262	258 129	337 130	395 423	422 500
Light Commercials	169 466	118 159	133 756	149 302	160 000
Medium Commercials	12 130	7 229	7 557	9 257	10 000
Heavy, Extra Heavy, Commercials/Buses	22 529	11 705	14 464	17 443	19 000
Total Vehicles	533 387	395 222	492 907	571 425	611 500



JL Krause
Deputy
Ombudsman

FROM THE DESK OF THE DEPUTY OMBUDSMAN

CPA training sessions

The Consumer Protection Act and the new Regulations thereto were implemented on 1 April 2011 and are unique, as South Africa is the pioneer internationally in respect of this Act.

Mr Kobie Krause, Director Legal Services of the office of the Motor Industry Ombudsman of South Africa and practicing attorney is presenting a training session highlighting the sections of the Act which relate to customer care, warranties, service delivery, presentation of estimates etc. The training session is a practical one and delegates will participate throughout the presentation to address the day to day application of the Act. Attention is given to the Regulations during the presentation.

Sections to be covered:

- **Section 1:** Terms Defined
- **Section 2:** Interpretation of Act
- **Section 3:** Purpose and Policy
- **Section 4:** Realisation of Consumer Rights
- **Section 5:** Application
- **Section 8:** Consumer Fundamental Rights
- **Section 15:** Quotation Estimates
- **Section 16:** Cooling Off Period and Implications of Direct Marketing
- **Section 17:** Consumer's Right to Cancel Advance Bookings
- **Section 19:** Consumer's Right to Delivery of Goods or Supply of Services
- **Section 20:** Consumer's Right to Choose
- **Section 26:** Sales Records
- **Section 51:** Prohibited Terms
- **Section 53:** Right to Fair Value, Good Quality and Safety
- **Section 54:** Consumer's Right to Quality Goods

- **Section 55:** How to identify what Defects, Failure, Hazard and Unsafe Situations are
- **Section 56:** Implied Warranties and How to Deal With It
- **Section 65:** Supplier to hold and account for consumer's property

If you would like to attend a training session, please contact Leanne Lubbe on 012 841 2944 or email leanne@miosa.co.za.



Peter Asselbergs

REMINDER:

Specialised two day course on engine failure analysis endorsed by MIO

The "engine failure analysis" course, presented by Peter Asselbergs and endorsed by the MIO, is a two day session and is the start of what is intended to develop into a series of training courses that will cover other aspects of the automobile as well.

The training is considered to be "specialised" and is available to qualified artisans who are in key positions in the motor industry as well as persons operating in the "mechanical assessing" business as this could also further lead to improving standards of assessing and reporting. Courses can be scheduled as required. Please contact Leanne Lubbe at the MIO on 012 841 2944 or leanne@miosa.co.za.