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Upelele

NEWSLETTER OF THE MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA



THE ROAD AHEAD



MOTOR INDUSTRY OMBUDSMAN
OF SOUTH AFRICA

NEW VEHICLE SALES AND EXPORTS NOVEMBER 2020

Highest Sales November 2020: Hilux

2,913

VEHICLE SALES BY SEGMENT

Passenger

Nov 2019 | 31,403

Nov 2020 | 25,707



LCV

Nov 2019 | 10,676

Nov 2020 | 11,243



Commercial

Nov 2019 | 2,591

Nov 2020 | 2,365



TOTAL SALES

November 2019 | 44,670

November 2020 | 39,315

VEHICLE SALES BY CHANNEL

DEALERSHIP

33,547

RENTAL

3,142

GOVERNMENT

1,548

SINGLE SALES

1,078

TOP 3 SELLING VEHICLES

Passenger

1. VW Polo Vivo - 2,234

2. VW Polo - 2,117

3. Toyota Fortuner - 1,488

LCV

1. Toyota Hilux - 2,913

2. Ford Ranger - 2,100

3. Toyota Hiace - 1,470

APPLICATION VOLUMES

NEW

51,930

USED

115,079

Average value of new cars financed

November 2019

333,602

November 2020

369,265

MESSAGE FROM THE OMBUDSMAN



Johan van Vreden
Motor Industry
Ombudsman of
South Africa

BIDDING ADIEU TO 2020

The office of the Motor Industry Ombudsman of South Africa (MIOSA) was really humming at the beginning of the year, resolving consumer complaints in record time and fulfilling our mandate in every way.

The enthusiasm and dedication of the staff was at an all-time high. Our relationships with different organisations within the automotive and related industries had improved and it appeared that the MIOSA was receiving cooperation from all sectors of the motor industry, as well as from fellow Ombud offices.

Then disaster struck in the form of a global pandemic that rocked the world to its very foundations. Suddenly everything changed. Even though South Africa was thrown into a national lockdown, the MIOSA continued its operations. In fact, in Level 4, a third of our staff were working in the office while the majority operated from home.

Staff were alternating between home and the office to sustain good management practices. It also gave us an idea of how many staff members were able to operate without supervision while still performing within the parameters of their job descriptions. From a management point of

view, this was an eye opener that served us well during these trying times.

Fortunately, after considering what was needed, we could quickly convert to this new way of working and it was not long before statistics normalised.

We were also able to clean up our database and were heartened by the dedication of the contributors to the MIOSA. Even though we had to inform staff that certain cost cuttings were necessary, we did our utmost not to shed jobs.

The circumstances have certainly not returned to "normal" as yet, but at the time of writing, the conditions in South Africa have improved to such an extent that by following strict guidelines we were able to bring all the staff back to the office and the MIOSA is performing as efficiently as always.

All that remains for me to do is to wish everybody in the office of the MIOSA, our board of directors, the motor manufacturers, importers, retailers, all other motor related service providers and consumers a pleasant, peaceful and blessed festive season.

FROM THE DESK OF KOBIE KRAUSE



Kobie Krause
Deputy ombudsman

FESTIVE SEASON SALES

Yes, it is that time of year again; silly season. Most consumers receive bonuses and many intend using the extra money to upgrade their vehicles.

Over the years, the Motor Industry Ombudsman of South Africa (MIOSA) has traditionally received the most complaints after the festive season and after diligent inspection it has been found that one of the most prevalent reasons is buyers' remorse. In this regard, it is advisable to establish – as far as possible – the needs of the consumer as well as the reason for the upgrade from the outset. It is also important to establish how and for what purpose the vehicle will be used.

If a dealer wishes to call upon Section 49 of the Consumer Protection Act (CPA) No. 68 of 2008, it is important that all defects are pointed out to the consumer. This must also be recorded in writing and the document signed by both parties to the agreement.

It must always be borne in mind that no matter what, this type of transaction will always be looked at as a specific transaction. Even though

all notices of “no warranty” etc. are displayed to the consumer at the entrance to the business and on the vehicle itself, each transaction will still be scrutinised on its own merit.

The MIOSA also suggests that the documentation of the transaction be fully explained to the consumer and that the consumer be afforded ample time to comprehend the meaning of all the documents. Furnish the consumer with copies of the documents he/she signed and record receipt thereof. Do not use ticks on delivery notes, rather have the initial of the consumer next to each item on the delivery note.

It is also advisable to have pictures of the vehicle taken at the point of delivery, with the consumer next to it. Keep in mind that a roadworthy certificate is just that. It is not a certification of the vehicle's condition, taking wear and tear and such into account.

We wish you all a successful festive season and trust that 2021 will be the one to prove your resilience in this very competitive industry. ●

A CASE IN POINT

COMPLAINT

The consumer authorised the overhauling of the engine of her vehicle after it was diagnosed by a repairer. A warranty of 1 year/20 000 km was provided in writing. The consumer experienced idling and power-related concerns with the vehicle within the warranty period.

CONCLUSION

A report compiled by a franchise dealership stated that the concern was related to the timing of the vehicle. The MIOSA's technical department found that this concern was directly related to the work carried out and the parts supplied by the repairer. It was determined that the vehicle should be repaired at the cost of the repairer in terms of its express warranty. ●

FROM THE DESK OF INA OPPERMAN



Ina Opperman
Non-executive director

LICENSE DELAYS SHOULD BE FIXED, AND FAST

It is a fact that the South African economy must be restarted soon to ensure that the country survives the pandemic and the losses it caused.

The vehicle sales industry can contribute to the economic restart, but major delays in the transport department to license drivers and cars are hampering these efforts.

This is such a pressing issue that the National Automobile Dealers' Association (NADA) has called on the Minister of Transport, Fikile Mbalula, to urgently address extensive administrative delays in document turnaround times and vital operational systems that are drastically impacting motor vehicle sales in South Africa.

I would like to add my voice to theirs. We do not have time to waste here as our economic situation is critical. NADA offers a simple solution: extend the validity period of learner's licenses, driving license cards, license discs, professional driving permits and registration of motor vehicles for a further six to twelve months while the backlogs are resolved.

We need quick, simple and practical solutions for economic activities to function until backlogs are cleared. Dealers are unable to register vehicles,

while some roadworthy test centres have cut the number of daily inspections. Add to this the fact that consumers' finance applications are declined if they do not have valid drivers' licenses and that they can also not insure their vehicles without it, and it is clear that these problems must be solved soon.

The Minister did announce measures to ease the backlog until it is cleared. This includes upping capacity at Driving License Testing Centres to service expired driving licence card renewals and professional driving permits (PDPs), satellite centres and a task team to advise the Gauteng Department of Transport on the procurement of mobile centres.

An operations centre was also opened to monitor operations at testing centres daily and to evaluate the availability of booking slots, while operating hours will be extended and those in the Tshwane metro will be open from 06:00 in December 2020.

However, these measures will still not speed up the process fast enough. We need the validity of learner's licenses, driving license cards, license discs, professional driving permits and registration of motor vehicles extended for a further six to twelve months. It is that simple. ●

PEOPLE, PUNS AND PRODUCTS

AUDI TO COMPETE IN DAKAR RALLY

In 1981 the Audi quattro revolutionised rallying and now, after many international successes in a wide range of motorsport categories, the brand is returning to its roots by competing in the Dakar Rally. The vehicle to be used will be driven by a powerful electric drivetrain. The energy required for this comes from a high-voltage battery, which can be charged as required while driving via an energy converter in the form of a highly efficient TFSI engine. Audi is the first car manufacturer that has committed to develop a viable alternative drive concept for the Dakar Rally, making it a pioneer in motorsport once again. In 2012, Audi achieved the first victory of a hybrid racing car in the Le Mans 24 Hours. The Audi R18 e-tron quattro remained unbeaten in the world's most important endurance race for three years in a row.



BRIDGESTONE CLOSES PE PLANT

Bridgestone South Africa (BSAF) has closed down its tyre manufacturing plant in Port Elizabeth, Eastern Cape. The last day of operation at the plant – which celebrated its 80th birthday in 2016 – was on November 15th. BSAF has in recent years seen its financial performance come under pressure,



hard-hit by a variety of economic conditions and industry factors. Chief among these industry changes was the bias industrial and off-the-road tyres manufactured at the Port Elizabeth plant being phased out in the market, as a result of a growing trend in the production and use of radial tyres globally. BSAF's Brition manufacturing facility remains fully operational.

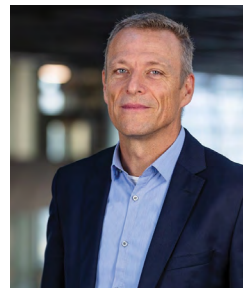


VWSA CELEBRATES MAJOR MILESTONE

Volkswagen Group South Africa (VWSA) recently celebrated a momentous milestone with over 4 million vehicles having been manufactured at its Uitenhage plant. The first of these vehicles was manufactured 72 years prior in November 1948, when the premises still belonged to South African Motor Assemblers and Distributors (SAMAD). The first Volkswagen vehicle to be manufactured in Uitenhage was a Volkswagen Beetle that rolled off the production line in August 1951. The Uitenhage plant currently manufactures the Polo for local and export markets, as well as the Polo Vivo for the local market. Since the start of 2020, the plant has produced 75 521 Polos for export, as well as 12 804 Polos and 17 038 Polo Vivos for the local market.

CHANGE OF LEADERSHIP AT BMW

From 1 January 2021, Peter van Binsbergen will assume the role of CEO BMW Group South Africa & Sub-Saharan Africa. Van Binsbergen's career with the BMW Group



began over 25 years ago when he was responsible for product planning, marketing and sales at BMW Group South Africa. He succeeds Tim Abbott, who will leave the BMW Group to focus on projects close to his heart, in South Africa.



LAND ROVER RENEWS SPRINGBOK SPONSORSHIP

Land Rover South Africa has announced that it will continue its partnership with the South African Rugby Union (SARU) as the official vehicle partner and an associate sponsor of the Springboks. The announcement was accompanied by confirmation that Springboks Duane Vermeulen, Sbu Nkosi, Bongsi Mbonambi, Trevor Nyakane, Pieter-Steph du Toit and Frans Steyn have been appointed official Land Rover brand ambassadors. All six were part of the Rugby World Cup 2019-winning squad which Land Rover South Africa was also proud to support. Land Rover has a long-standing, 20-year heritage and commitment to rugby at all levels and has been a sponsor of Rugby World Cup since 2011. Locally, Land Rover has been a partner of the Springboks since 2017 and in recent years has been involved with local unions, clubs and rural schools to support rugby from grassroots level to the pinnacle of the sport on the world stage.

THE NEW BMW G 310 R

With its powerful, dynamic single cylinder, the appearance in 2015 of the BMW G 310 R opened up the world of BMW Motorrad's Dynamic Roadster. Quick and agile in the city, confident and powerful on the open road, the lively, purposeful Dynamic Roadster delighted many customers all over the world. In order to sustain this going forward, BMW Motorrad has made the BMW G 310 R fit for the future and afforded it a range

of enhancements. Updated features include a single-cylinder engine with electromotive throttle controller and automatic idle speed increase, a self-boosting anti-hopping clutch, a new LED headlight and LED flashing turn indicators and a hand lever that is adjustable in four stages for brake and clutch. The new BMW G 310 R will be available in South Africa from the first quarter of 2021.



VOLVO USES GAMING TECHNOLOGY TO DEVELOP SAFER CARS

A setup with a moving driving seat, a steering wheel with haptic feedback and a crystal-clear virtual reality headset would make any serious gamer jealous, but Volvo Cars' simulator takes this concept to the next level. Using cutting-edge technology from the leading real-time 3D development platform Unity and Finnish virtual and mixed reality experts Varjo, the simulator involves driving a real car on real roads. It combines life-like, high definition 3D graphics, an augmented reality headset, and a full-body Teslasuit that provides haptic feedback from a virtual world, while also monitoring bodily reactions. This combination of software and hardware allows Volvo Cars engineers to simulate traffic scenarios on a real test track road while using a real car, all in total safety. Engineers can gain important insights on the interaction between people and the car for development of new safety, driver assistance and autonomous driving features. ●



OMBUDSMAN WITHOUT BORDERS

Lucious Bodibe
Public affairs
manager of the
MIOSA



When heritage month dawned, the Motor Industry Ombudsman of South Africa (MIOSA) and the Department of Economic Development, Environment, Conservation and Tourism (Dedect) in the North West Province embarked on awareness campaigns to test how consumers were responding to our campaigns amid the COVID-19 pandemic.

We were driven by the desire to conscientise consumers about their rights ahead of Black Friday and the looming festive season. The MIOSA's presence in the media caught the attention of Government Departments such as Government Communications and Information Systems and the Department of Health – City of Tshwane. Through these collaborations, the MIOSA found itself at the forefront of the fight against COVID-19 and other related diseases such as hypertension. We leveraged on their campaigns to engage face-to-face with consumers.

In the MIOSA's endeavour to reach out to remote rural villages, we approached the Bakgatla Ba Mosetlha Traditional Council for permission to educate communities within their jurisdiction. The Council was extremely excited about our initiative and gave the MIOSA written permission to raise ongoing awareness in their villages.

In order to cater for the different needs of consumers, we invited stakeholders within Consumer Protection and Advocacy, and were not surprised to receive support from the National Regulator for Compulsory Specifications, Independent Communications of South Africa, the Council for Debt Collectors, the Council for Medical Schemes, the National Consumer Commission, the Credit Ombudsman, the Consumer Goods and Services Ombudsman and Godisang Development.

This event took place in the form of mini workshops and an exhibition.

Community members, NPOs and members of the South African Police Service in Makapanstad attended the event and had the opportunity to interact directly with various regulators. Godisang Development presented skills programmes aimed at assisting unemployed youth. This event culminated in invitations from leadership of several villages with the jurisdiction of Bakgatla Ba Mosetlha Traditional Council to get involved in their communities.

Now that technology is the way of life, we also anchored two webinars courtesy of the NCC and Wunderman Thompson. The NCC Brown Bag seminar was focused on the Protection of Consumers during the COVID-19 national lockdown, whereas the Wunderman Thompson event was focused on financial fitness. So, these two months have been a hive of consumer education activity for the MIOSA. ●

