

ISSUE 4 • VOLUME 12 • DECEMBER 2021



UPDATE

NEWSLETTER OF THE MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA



THE ROAD AHEAD

MOTOR INDUSTRY OMBUDSMAN
OF SOUTH AFRICA

NEW VEHICLE SALES AND EXPORTS NOVEMBER 2021

Highest Sales November 2021: Hilux

2,558

VEHICLE SALES BY SEGMENT

Passenger

Nov 2021 | 27,828

Nov 2020 | 25,442



LCV

Nov 2021 | 11,156

Nov 2020 | 11,246



Commercial

Nov 2021 | 2,604

Nov 2020 | 2,327



TOTAL SALES

November 2021 | 41,588

November 2020 | 39,015

VEHICLE SALES BY CHANNEL

DEALERSHIP

35,014

RENTAL

4,771

GOVERNMENT

1,021

SINGLE SALES

782

TOP 3 SELLING VEHICLES

Passenger

1. VW Polo - 1,890
2. Toyota Corolla Cross - 1,757
3. VW Polo Vivo - 1,608

LCV

1. Toyota Hilux - 2,558
2. Toyota Hiace - 1,789
3. Isuzu D-MAX - 1,666

APPLICATION VOLUMES

NEW

58,628

USED

118,201

Average value of new cars financed

November 2021

372,660

November 2020

369,265

MESSAGE FROM THE OMBUDSMAN



Johan van Vreden
Motor Industry
Ombudsman of
South Africa

WHAT A YEAR!

After a tumultuous 2021 we have come to the end of the year, battered but not beaten. There are many people who, despite the economy and the shutdowns caused by the COVID-19 pandemic, have planned their annual vacation or family visits for December.

This means, of course, that there will be increased traffic on the roads, with the normal result of broken-down vehicles and people stranded in odd areas.

I would like to recommend that all repairers take note of their customer lists and contact them to bring their vehicles in for maintenance and/or repairs in good time. Apart from the commercial angle, it will play a big role in allowing consumers to reach their destinations without having

to suffer the debilitating experience of vehicle breakdowns that could have been avoided.

The advertising of pre-holiday checks is essential during the month of December. The Motor Industry Ombudsman of South Africa (MIOSA) considers this so important that it will play its part in advising the public through press releases and other means in stressing the importance of pre-holiday checks and repairs.

All that remains is to wish the motor and related industries a wonderful Festive Season and to thank all role players for their ongoing support of and co-operation with the MIOSA. Let's approach the New Year with a positive attitude and put all the negative events of 2021 behind us. ●



FROM THE DESK OF KOBIE KRAUSE



Kobie Krause
Deputy ombudsman

EXTENDED WARRANTIES AND VOETSTOOTS

What to do regarding extended warranties

We have discussed the voetstoots scenario on numerous occasions in the past. However, with the latest National Consumer Tribunal (NCT) case (on the MIOSA website) it is now better explained.

A service provider who sells an extended warranty to a consumer is not doing anything wrong. Where problems arise, however, is when the extended warranty becomes part of the transaction as a condition of sale. Firstly, it could be seen as bundling. Secondly, if the extended warranty is to be utilised during the first six months to fix a default on the vehicle it will be seen as infringing on the consumer's rights.

The six-month statutory warranty that consumers have in terms of the Consumer Protection Act No. 68 of 2008 is absolute

and cannot be diluted with an extended warranty. It would also be a contravention should the condition be that if there is a claim, the retailer will foot the bill for any excess payable during the first six months after delivery of the vehicle.

Keep in mind that although the vehicle might still have time left on the OEM warranty, the aforementioned NCT case found that the consumer did not enter into an agreement with the OEM but with the retailer, who will be the responsible party.

It has been a hectic year but plenty of lessons have been learned for the good.

I would like to take this opportunity to wish everybody a safe journey and peaceful Festive Season. ●



A CASE IN POINT

COMPLAINT

The complainant purchased a used commercial truck from the selling dealer. A few days after purchase, the vehicle broke down and the complainant had gearbox-related repairs carried out through a repairer of his own choice, without notifying the selling dealer. The complainant wanted the selling dealer to refund him the repair costs he had incurred.

CONCLUSION

The MIOSA advised that although the concerns noted had arisen within the parameters of the implied six months warranty provision of Section 56 Subsection 2 of the Consumer Protection Act 68 of 2008 (CPA), by having the goods, in this case the vehicle, altered contrary to the instructions, or after leaving the control of the selling dealer, the implied warranty was rendered null and void as per Section 56 Subsection 1 of the CPA. The MIOSA therefore could not support the complainant's expectations as stated in the submission made available.

COMPLAINT

The complainant had his vehicle towed to the repairing dealer by his insurance service provider for non starting-related repairs. After the repairs were concluded, the complainant then collected the vehicle and alleges that a few days thereafter a dent on the roof towards the rear of the vehicle was discovered. Upon approaching the repairing dealer to raise his concerns, the repairing dealer rejected the complainant's claim, citing that it had been almost a month since he had taken delivery of the vehicle and the damage (dent) was not related to the work carried out by the repairing dealer.

CONCLUSION

Taking into consideration that the complainant had possession of the repaired vehicle for almost a month without noticing the dent, the MIOSA advised that the complainant should have inspected the vehicle on collection after the repairs had been carried out. The MIOSA therefore could not expect the repairing dealer to be liable for the dent repairs as it could not be proven when the damage occurred. ●



PEOPLE, PUNS AND PRODUCTS

GRENADIER TO LAUNCH IN SA IN 2022

The first Ineos Grenadier vehicles destined for customers will arrive in South Africa in October next year. The Grenadier will be sold locally using a direct sales model but will also be available at three full sales and service points, with one each in Johannesburg, Durban and Cape Town. The Grenadier is assembled at the former Mercedes-Benz plant in Hambach, France, now the property of Ineos. Pricing will start from R1.4-million, with a three-year, unlimited mileage warranty in the works.



LAND ROVER'S DEFENDER V8 IS HERE

The most potent Land Rover Defender ever made is now available in South Africa. Boasting a 5-litre supercharged engine with 386 kW and 625 Nm of peak torque on tap, the new V8 Defender is available in both 110 and short-wheelbase 90 body designs. As with all new Defenders, drive from the engine goes through a standard eight-speed automatic transmission, with permanent drive to all four wheels. Its hefty outputs enable the Defender 90 V8 to accelerate from 0-100 km/h in 5,2 seconds and on to a top speed of 240 km/h, while the 110 achieves 0-100 km/h in 5,4 seconds, with the same maximum speed. There are four V8 models in the line-up, with prices ranging from R2 359 300 to R2 528 300.



NAAMSA ELECTS NEW OFFICE BEARERS

Naamsa has announced that Neale Hill who was recently appointed President of Ford Motor Company Africa, was elected unopposed as the new Naamsa President for a two-year term. At the same time Billy Tom, President and CEO of Isuzu Motors South Africa was elected Vice-President: Manufacturing OEMs, while Gary Scott, CEO of Kia South Africa was elected Vice-President: Retailing OEMs. Flip van den Heede, the Managing Director of UD Trucks was elected Vice President: Heavy Commercial OEMs. Andrew Kirby, President and CEO of Toyota South Africa Motors becomes Naamsa's Immediate Past President.



A MOTORSPORT LEGEND CALLS IT QUITS

Local racing legend Peter Lindenberg has announced his retirement from the sport after 43 years. He ended his career on a high note by winning the V8 Legends of the 9 Hour Championship in his 1965 Shelby GT 350 Mustang. Over the course of his on-track career, he won 23 national championships. He received his Springbok colours 39 times, along with numerous international records and championships that were added to his collection.



SA HAS NINTH LEAST CONGESTED ROADS IN WORLD

A study by a British research company has found that the United Arab Emirates is the world's most congested country in the world with an average of 553 cars for every kilometre of road. South Africa has the ninth least congested roads with 91 cars per kilometre. The study involved 64 of

the world's economies. Hong Kong is the second most congested with 390 cars/km. Singapore (192), Turkey (171), and Bulgaria (160) follow it. Countries in Europe and Asia dominate the top 20 most congested, with Egypt and Mexico the only countries from this group that are located elsewhere in the world. The US just makes the top 50, placed 47th with 18 cars/km across a network of 6.6-million kilometres, making it the longest network in the world. The study also looked at pollution levels. Egypt, the 14th most congested country, was worst at 87 micrograms per cubic metre of air. Norway has the least with 6, while South Africa has 25.



KIA SETS WORLD RECORD WITH EV6

Kia's EV6 recently made Guinness World Records history, traveling 2 880,5 miles (4 636 km) with the shortest charging time to cross the United States in an electric vehicle. During the seven-day trek from New York City to Los Angeles, the EV6 was plugged in for a scant 7 hours, 10 minutes and 1 second, beating previous record holder, Tesla, by more than five-and-a-half hours (12 hours, 48 minutes and 19 seconds).



REPLICA OF FAMOUS BOND CAR RELEASED

One of the most iconic cars in cinematic history, James Bond's Aston Martin DB5 as seen in Goldfinger, has been released by PLAYMOBIL for all film lovers and collectors to enjoy. Just like

the full-size sports coupé, the car blends elegance and ingenuity, and is customised with special gadgets from Q. Individual parts with a chrome finish recreate the appearance from the car's starring role on the silver screen. One highlight of the PLAYMOBIL model is the famous ejector seat triggered by pressing the exhaust pipes. Other features taken straight from the movies include triple rotating number plates at the front and back, the retractable bulletproof armoured bulkhead behind the rear window, and the extendable ramming horns on the bumper. Hidden, retractable machine guns are also included.



MAHINDRA LAUNCHES TRACTORS AND FARM EQUIPMENT

Mahindra South Africa has launched a range of tractors and farm equipment in South Africa. These products will be introduced in a phased manner. The company also announced the appointment of its first seven tractor dealers across South Africa and Namibia. While Mahindra tractors and farming equipment have been sold in SA since 2019, these will now – for the first time – be distributed, sold and serviced by Mahindra South Africa's authorised dealer network. ●



MIOSA AN INTEGRAL PART OF THE COMMUNITY

Lucious Bodibe
Public affairs
manager of the
MIOSA



Whilst the core function of the Motor Industry Ombudsman of South Africa (MIOSA) is to provide for alternative dispute resolution for both the automotive and related industries and consumers alike, we are also enthusiastic about community service.

One of the functions of the Public Affairs Department is to create and maintain stakeholder relationships. Communities are considered to be part of our stakeholders as this is where our workforce comes from. Our participation in community activities does not only resonate with the values of our organisation, but it also gives our employees confident self-fulfillment.

Our community outreach programmes are factored into the annual activity plan. However, we still accept invitations from various NGOs during the year and participate or help where we can.

Despite the pandemic, we still met our moral obligations and contributed as follows:

- In February this year we leveraged on the back-to-school theme and visited Potsanyane Primary School in Marapyane village, where we donated stationary courtesy of the Council for Debt Collection (CDC).
- On Mother's Day we hosted an information sharing session at African Catholic Church in Seabe Village that culminated with donations of gifts to all women and children that were in attendance. This event was blessed with the attendance of the National Consumer Commission (NCC), the Council for Medical Schemes (CMS), the Information Regulator (IR) and the Credit Ombudsman.

- In September we joined the youth of Mamelodi West and helped them to clean the streets.
- We kick-started disability month (October) by collaborating with the National Credit Regulator (NCR) to support the community workers around Brits and attended the launch of Tshimologo ya Tswelopele (NGO) in Moruleng. ●

