

autotalk

APRIL 2020

.COM.AU



Vinesh Bhindi, Mazda Australia,
David Russel, Wippells Autos.

MAZDA MASTER DEALERS ANNOUNCED

FOUNDATION SPONSORS

AUTOTALK ACKNOWLEDGES THE SUPPORT OF OUR FOUNDATION SPONSORS:



DELIVERING YOUR MARKETING SOLUTIONS



autotalk

THE VEHICLE DEALER'S NEWS SOURCE

All the Auto Industry **HOT NEWS** every day as it happens on www.autotalk.com.au

Subscribe online for **FREE** twice weekly updates direct to your email.



autotalk.com.au/

GUMTREE CARS MOVES TO SUPPORT AUSTRALIAN DEALERS

Gumtree Cars is launching new dealer support measures in light of the Covid-19 pandemic.

The move comes as eBay Classified Group's Global Motors business initiates similar measures around the world.

To provide substantial financial relief and support for new and existing partners, Gumtree Cars launched a robust programme of dealer initiatives. These measures are aimed at increasing dealer visibility at a time when digital is more important than ever in the car sales journey.

Gumtree Cars, will:

- Waive all subscription fees for new and existing partners for the month of April.
- Remove all listing overage charges for the month of April, meaning that dealers can list their entire vehicle inventory for free.
- Extend current partner payment terms for March invoices, from 30 to 60 days.

Support has been put in place for dealers to list their entire stock on Gumtree Cars, without any added investment. This allows for a digital extension of dealerships and ensures Gumtree Cars' partners remain visible and able to generate connections to potential buyers when they need it most.

To maximise the benefit from the relief, dealers should keep their current inventory online and prioritise adding unlisted vehicles to the site says Gumtree Cars.

This means they will remain visible for future customers, laying the foundations for a buoyant recovery.

"Gumtree Cars' commitment to dealers remains unwavering during these uncertain times," Gumtree Cars' head of motors **Richard Dicello** says.

"Our large-scale financial support aims to alleviate some of the burden put on the automotive industry at this time.

"We understand the impact the crisis is having on all businesses, including car dealerships. By offering our new and existing partners the opportunity to list their entire stock on Gumtree

Cars for free for the month of April, we are demonstrating our commitment to supporting our dealers, whilst creating connections and delivering reach. Gumtree Cars will continue to assess market conditions based on government updates and dealer feedback and conduct a review at the end of April. As the future of the automotive industry and the ramifications of the crisis remain unclear, Gumtree Cars is committed to going above and beyond by providing ongoing customer service and sales support for its dealership network.



Richard Dicello

"We understand the impact the crisis is having on all businesses, including car dealerships. By offering our new and existing partners the opportunity to list their entire stock on Gumtree Cars for free for the month of April, we are demonstrating our commitment to supporting our dealers, whilst creating connections and delivering reach."

"While Australia's dealerships are dealing with the significant uncertainty around the longevity of the COVID-19 crisis and its potential long-term impacts, we want them to know that Gumtree Cars will continue to support their businesses. Gumtree Cars is people-powered, meaning we always put our partners first, and we will continue to do so during these difficult times, and beyond," Dicello says.

Further details regarding the relief support are available from the Gumtree Cars Account Management team. ■

autotalk

AutoTalk Magazine and autotalk.co.nz are published by Auto Media Group 8/152 Quay Street, Limited. P.O. Box 10 50 10, Auckland City, 1030. Ph. 09 309 2444



MANAGING EDITOR
Richard Edwards
021 556 655
richard@automediagroup.co.nz



EDITOR – AUTOTALK AUSTRALIA
Robert Barry
021 530 902
robert@automediagroup.co.nz



ASSISTANT EDITOR
Geoff Dobson
021 881 823
geoff@automediagroup.co.nz



BUSINESS MANAGER
Dale Stevenson
021 446 214
dale@automediagroup.co.nz



GROUP GENERAL MANAGER
Deborah Baxter
027 530 5016
deborah@automediagroup.co.nz



PUBLISHER / CHAIR
Vern Whitehead
021 831 153
vern@automediagroup.co.nz

Auto Media Group Limited makes every endeavour to ensure information contained in this publication is accurate, however we are not liable for any losses or issues resulting from its use.

Annual subscription: \$84 + gst (\$96.60)

Printed by: Alpine Printers.

automedia

GROUP LIMITED

autotalk.co.nz

autotalk

autotalk.com.au

autotalk

transporttalk.co.nz

transporttalk

futuretrucking.com.au

futuretrucking

evtalk.co.nz

EVtalk

evtalk.com.au

EVtalk

wheeltalk.co.nz

wheeltalk

identicar.co.nz

identicar



VAN BUYER NARROWLY AVOIDS INVOICE SCAM

A Sydney-based car-broker who had his licence suspended in 2019 by Fair Trading NSW for allegedly stealing money from clients, has allegedly resurfaced and is allegedly invoicing clients for cars and not delivering the vehicles.

Autotalk has been contacted by a reader who alleges that Shervin Kalimi of Cars & Co whose dealer licence was suspended by Fair Trading NSW in July 2019, has since resurfaced as Shervin Chadorchy trading as The Car Buying Agency, and is taking money from buyers and not delivering cars.

Antonio Settimo says he believes he has been scammed as he paid Chadorchy \$36,500 for a Calais V Tourer for delivery in February and has not received a receipt for payment or the car.

Settimo says Chadorchy told him all manner of excuses as to why the car is not being delivered.

A van buyer from New South Wales narrowly avoided transferring funds on an invoice which names Shervin Chadorchy as a fleet salesperson, when he tracked the dealer down (through the vehicle's VIN number) in Queensland and asked when the vehicle could be delivered.

Westpoint Autos group fleet manager **Ben Maslen** says the buyer was about to transfer \$37,000 into an ING account allegedly for the purchase of a new Hyundai van.

Maslen says this invoice (which *Autotalk* has sighted) to the buyer is fabricated and false and he assumes the details of the vehicle were taken from a national website.

"The car is our car, for sale in Queensland, the dealers' licence number is a made up one and the ABN is for a Hyundai dealer in Windsor NSW. This buyer was within minutes of transferring the funds before we notified them of the situation," he says.

Maslen says he has notified Fair Trading NSW and has been advised by a senior investigator that they are following up the matter.

"NSW Fair Trading is investigating several complaints relating to the Car Buying Agency Pty Ltd. As the matter is ongoing, no further comment can be made at this time," a spokesman for the agency says. The spokesman says if consumers have any concerns with their dealings with the trader should lodge a complaint with Fair Trading at www.fairtrading.nsw.gov.au. ■

GOVERNMENT SUPPORT IS NOT A LEVEL PLAYING FIELD

The COVID-19 public health issue has impacted more heavily on the automotive sector than the Global Financial Crisis, but members of the industry say while the current commonwealth and state government support initiatives are welcomed, some businesses unfairly fall outside the qualifying criteria.

One issue that the Australian Automotive Dealers Association (AADA), and the Victorian Automotive Chamber of Commerce (VACC) strongly agree upon, is that government's focus upon revenue thresholds for the support packages does not recognise that in the automotive industry – turnover does not equate to profit.

AADA's **James Voortman** says that although in principle many dealers have welcomed the news of the governments JobKeeper package, they are waiting to see how the Treasury and the Australian Tax Office (ATO) will implement and structure it. The government says that employers with an annual turnover of \$1 billion or more would be required to demonstrate a reduction in revenue of 50% or more to be eligible, and Voortman says the association feels that criteria is too harsh particularly for the larger motor vehicle dealership groups. "There are less than 10 dealership groups that would have such turnover, and two are listed companies, but under the criteria, they are going to feel more exposed," Voortman says.

"If they cannot prove a 50% reduction in turnover, then under this scheme there will be no support for their employees. We believe that turnover is a poor indicator of the health of the motor vehicle industry because the margins on new vehicles are razor thin.

"A Deloitte report tells us the average new vehicle margin was 0.9% and also that 30% of dealers were making a loss in 2019. Margins have been decreasing for the last four years and we have grave fears for the future of the industry.

"The government should not differentiate between who gets support and who

doesn't," he says.

"March is usually a good month for new vehicle sales as orders placed in January and February are delivered, but sales this year will certainly fall against the previous year as we saw a significant decline in the last two weeks of this month, and the worst is yet to come."

Regarding to better legal protection for new car franchises in the wake of the Holden shutdown and the announcement by Honda Australia of its proposed agency-model network restructure, Voortman says in the current climate it will be difficult to get Canberra to focus on this.

The association would like to see better protection mechanisms for franchise dealers similar to the US market, and Voortman says in the coming weeks: "We will pick our moment to talk to the relevant politicians and government departments on this particular issue."

Every automotive business can be open for business

Victorian Automotive Chamber of Commerce (VACC) executive director **Geoff Gwilym** says the argument about automotive businesses being an essential service is now redundant.

"The government has not asked any automotive business to shut down, so therefore any automotive business can be open for business," Gwilym says.

But Gwilym notes that there is a very cyclic environment in Victoria, and he says that government announcements in one week will determine how many vehicles come in for service and repair in the following week. Gwilym says the automotive sector bodies such as VACC and the MTAA played a large role in lobbying government for the support package and there was significant dialogue about small medium enterprises as well as the large dealerships.

"He echoes the sentiment from AADA that turnover does not equate to profit.

"Some larger dealership groups may

not qualify for support under the current JobKeeper thresholds.

He also notes that VACC research indicates that approximately 70% of Victorian franchise dealers will not qualify for the state government's \$500 million business support fund or the payroll tax waiver.

"Our members are trying to get their heads around the JobSeeker and the JobKeeper packages which are yet to be passed into law, but it's a brave political and fiscal move by the Australian government to maintain the employee base and provide a huge safety net to stop unnecessary layoffs and redundancies," he says.

"The commonwealth government has done the right thing - it's going to save a lot of jobs, especially as there is such a narrow skills base in the automotive sector and the gaps are a challenge to fill.

"If we lose an apprentice, it takes up to seven years to fill that gap. There is four years of training and then at least another couple of years for the person to become competent and mature in their role.

Employers wait a considerable time for a return on their investment," Gwilym says. But he also notes that dealerships in Victoria are struggling, the decrease in sales, finance contracts, service bookings and retail parts sales are hurting.

Gwilym also says a regular weekly survey of more than 70 VACC members showed that retail sales in one week dropped by 53% post March 16, and on average the dealerships had seven fewer services each day, and retail parts were down 52%. VACC expects its new weekly data to become significantly worse before it gets better.

Small business owner welcomes JobKeeper package

The Garage Woodend proprietor **Andrea Matthews** says the government's announcement of the JobKeeper package was welcome news amongst a rollercoaster of issues she felt she was facing.

"The JobKeeper package takes away the number crunching and the guesswork around the future and it gives us the assurance that we don't need to resize the business," Matthews says.

"We can keep paying the staff, and more

Continued on page 6



James Voortman



Geoff Gwilym

Continued from page 5

importantly we can keep our staff. We're a family business that's been building up a solid team of technicians for the last six years, and to have the rug pulled out from underneath us due to this crisis would be terrifying.

"At the moment we have a relatively solid diary of bookings, there's a week's worth ahead of us, but normally we have more than two weeks of future service and repair work booked in.

"So yes, the current situation has definitely had an impact on us, but I think it's been more significant on others, particularly in the metro areas of Melbourne, although I'm pleased to say we had more inquiries yesterday than we did all of last week, which is a positive sign."

Matthews notes that the COVID-19 crisis has impacted the price and supply of parts. She says that some OEM dealerships which she buys genuine parts from have been cutting back on their hours of operation and the number of deliveries they will send out in a day.

Public health issues

Federal Chamber of Automotive Industries (FCAI) chief executive **Tony Weber** says

with the advent of the drought, bushfires, smoke haze, and now the COVID-19 pandemic, the last 12 months have been tough for the motor vehicle industry. Weber says support for all sectors is being announced by government on a daily basis and there's a raft of things coming through at both commonwealth and state levels. The FCAI will continue to monitor the stimulus packages as they roll out. "The \$130 billion assistance package recognises the impact of COVID-19 on industry but also the economy and how well we will bounce back from this. We think the package is beneficial to Australia and the economy as we go through this extremely difficult period.

"Everyone needs to recognise that COVID-19 needs to be addressed as a public health issue, and the government is trying to put the structural foundations in the economy and society to allow us to return to normal. As a sector the motor vehicle industry needs to be front and centre of that bounce back," he says.



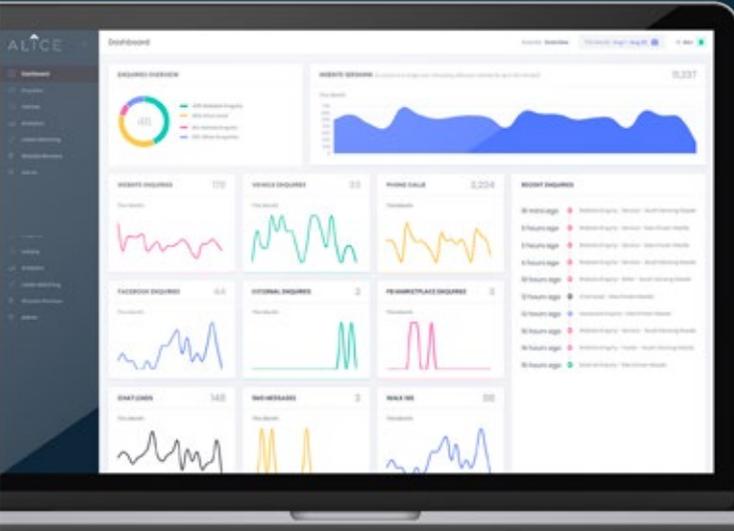
Tony Weber

Another issue affecting public health and safety is the ongoing Takata airbag replacement programme. Weber says manufacturers want to remind customers is an ongoing exercise and there are many outstanding vehicles which need to be presented to dealerships. He says many dealerships

of the brands impacted by the Takata airbag recall are open and able to make the necessary arrangements with vehicle owners to replace faulty airbags. Australians have made more than 10.1 million vehicle checks on www.ismyairbagsafe.com.au and more than 1.6m vehicles had been found to be equipped with faulty airbag inflators. Weber says the automotive industry has rectified more than 2.59 million vehicles affected by the airbag recall. A further 206,840 vehicles had been identified as unreplaceable as they are no longer operational. This represents the processing of more than 91% of vehicles affected by the compulsory recall. ■



MAKE BETTER ADVERTISING DECISIONS. SELL MORE CARS. GENERATE MORE PROFIT.



- ▶ Understand which advertising is working for your dealership
- ▶ Track leads: From advert to test drive
- ▶ Log into one platform to see **ALL** enquiries

To find out more visit whoisalice.com.au or call **1300 295 383**



adtorqueedge.com



AUTOCARE 2020 POSTPONED

Autocare 2020, Australia's largest education and training led automotive convention has been postponed.

The escalation of the Coronavirus (COVID-19) health crisis has triggered an unprecedented government and public response. The current circumstances have led to the status of Autocare 2020, and the original date of 19-20 June 2020, needing to be urgently re-evaluated.

The Australian Automotive Aftermarket Association (AAAA) Board of Directors held a special meeting on March 16 to fully consider options for the Autocare 2020 convention. After a thorough evaluation, the decision was made to postpone the event.

The rescheduled Autocare dates are

Friday and Saturday, 30 – 31 October 2020. The convention location will remain at the Brisbane Convention & Exhibition Centre.

"The AAAA takes the health and safety of our members, staff and event sponsors, exhibitors and speakers, very seriously and as a result we have made the difficult decision to postpone Autocare 2020," said Stuart Charity, CEO of the AAAA. "The new dates will allow Autocare 2020 to run at a time that provides the best opportunity for our industry and the wider community to enjoy this fantastic event, in a safe and healthy environment."

All Autocare 2020 conference stream registrations, exhibitor and sponsorship commitments will roll over to the new Autocare 2020 dates.

Hosted by the AAAA, the outstanding Autocare 2020 program will continue to provide industry leading speakers and exhibitors and address the latest global trends in the aftermarket industry.

"We acknowledge the significant commitment by speakers, sponsors and exhibitors and share our appreciation for their patience as Autocare 2020 arrangements pivot to meet the new dates.

"With the support of event organiser International Exhibition & Conference Group, and the auto aftermarket community, we can look forward to bringing the industry together in October. We thank you in advance for your support and understanding at this difficult time," said Stuart. ■

autotalk
THE VEHICLE DEALER'S NEWS SOURCE

Register for FREE news updates
-Receive twice-weekly news alerts to your email

autotalk.com.au



MAZDA MASTER DEALERS ANNOUNCED

Mazda Australia has announced the recipients of its 26th annual Mazda Master Dealer Excellence Awards programme.

Established in 1994, the awards recognise dealers in the Mazda Australia network that deliver excellence and exceptional customer experience.

Recipients are determined through an exhaustive assessment of key success factors, including dealer facilities, business processes, people development, sales results, financial management and customer satisfaction.

Sixteen dealers from across Australia were awarded the prestigious title of Master Dealer for 2019, including a number of repeat winners.

Wippells Auto from Queensland notched up its 26th consecutive award, and is the only dealer to have achieved Master

Dealer status every year since the programme's inception.

Queensland's **Grand Prix Aspley** achieved its 23rd and Victoria's **Ringwood Mazda** its 22nd award, while West Australia's **Wanneroo Mazda** and **Burnie Mazda** celebrate their first year as a Master Dealer.

Mazda Australia director of sales **Jarrod Gieschen** says Master Dealer status is highly coveted among the dealer network.

"The Master Dealer programme each year advances the benchmark for business excellence and customer service among the network, driving constant innovation and putting renewed focus on Mazda's customer-centric approach," Gieschen says.

"The Master Dealer programme is a chance to celebrate the dealer network,

whose passion and commitment is critical to the success of Mazda Australia," he says.

2019 Mazda Master Dealers:

Wippells Autos, QLD
 Mareeba Mazda, QLD
 Grand Prix Aspley, QLD
 Nowra Mazda, NSW
 Ringwood Mazda, VIC
 Mawson Lakes Mazda, SA
 Frankston Mazda, VIC
 Mount Gravatt Motors, QLD
 Penrith Mazda Centre, NSW
 South Morang Mazda, VIC
 Ballarat Mazda, VIC
 Wide Bay Mazda, QLD
 Bendigo Mazda, VIC
 Burnie Mazda, TAS
 Parkland Mazda, WA
 Wanneroo Mazda, WA. ■

FORD CELEBRATES TOP 10 ACHIEVING DEALERSHIPS



“Ford and our dealer network share a commitment to making sure every interaction with the customer counts, from before a purchase to servicing a vehicle and repurchase. As we keep striving to do more for our customers, it’s great to see these dealers leading the way.



Kay Hart

“These efforts also translated to Ford tying to rank the highest for the JD Power 2019 Australia Sales Satisfaction Index (SSI) Study. Independent research data such as this from J.D Power really demonstrates the collective efforts of all our dealers to offer fantastic customer service,” Hart says. With a score of 835 out of 860 points, the 2019 result saw Ford tie to rank the highest among mass market brands for sales satisfaction. Ford’s result led to a maximum Power Circle Rating of five, which J.D. Power rates as “among the best”. ■

Celebrating the top 10 achieving dealerships across its national network, Ford Australia has announced its 2019 Dealer Principal Gold Master winners.

One NSW, one QLD and eight Victorian dealerships were recognised as Gold Master Dealerships following a review of all aspects of their businesses, including customer satisfaction in sales, service, parts processes, staff training and performance.

The Gold Master Dealership award recognises top achievers in the Ford Guild, a national program to recognise and reward on-going achievement for the combined efforts of sales, service and parts and their commitment to “Go Further”.

It also recognises the commitment of each dealership to the training provided by the Ford Academy in relation to product knowledge, processes and professionalism.

The 2019 Dealer Principal Gold Master winners are:

- **Costa Pappas**, Motorama Ford, Moorooka, QLD
- **Geoff O’Connell**, Kinghorn Motors, Nowra, NSW
- **David Blackwood**, Bayford, Epping, VIC
- **Matthew Fraser**, Jefferson Ford, Mentone, VIC
- **Tim Harkness**, Courtney & Patterson Ford, Heidelberg, VIC
- **Nick Dempsey**, Sunbury Ford, Sunbury, VIC
- **Marcus Norton**, Norton Ford, Stawell, VIC
- **Paul Biti**, Biti Motors, Culcairn, VIC
- **Jon Wainwright**, Coffey Ford, Dandenong, VIC
- **Cameron McLeish**, Freeway Ford, Cranbourne, VIC

Ford Australia president **Kay Hart** says the Gold Master Dealerships excelled in all areas by focusing on exceptional customer service.

“We know that it isn’t enough just to have world-class vehicles in our dealerships; we need to offer our customers service to match at every step of the ownership experience,” Hart says. “Each of our 2019 Gold Master Dealerships had outstanding customer satisfaction scores, and we really saw the effort our winners put into truly understanding their customers’ needs.



SAM

AUTOMOTIVE SERVICE IT

- NZ’s number one automotive workshop management software for over 25 years.
- The ultimate specialist workshop software package
- Cloud-based and hosted options available
- Installation, Configuration, Support and Trainer from the industry best
- Range of options from the entry level lite to the all-inclusive Elite



Contact Details:
 P: SAM Admin +64 9 583 2451
 SAM Support +64 9 583 2455
 E: info@sam.co.nz

COX AUTOMOTIVE LAUNCHES COVID-19 DEALER ASSISTANCE PROGRAMME

Recognising that the next couple of months are going to be tough for the motor vehicle industry, Cox Automotive Retail Solutions is launching a Covid-19 dealer assistance programme.



Michael Sommerton

The Cox Automotive Retail Solutions business in Australia comprises Dealer Solutions, Digipurple and Kelley Blue Book. The company has looked across its product portfolio to offer dealers assistance to reduce costs and help sell cars.

"We mean it when we say we are here to help. We will continue to work hard to help the industry get through this impact and we are still working on other ways we can help so stay tuned. We value your partnership and we will stand with you to get through this stronger," Cox Automotive Retail Solutions chief executive officer Michael Sommerton says.

"If you don't have a Dealer Solutions Modular website and would like to access these tools, you can switch to us and we will waive all setup costs and get your new website live asap," he says.

For the months of April and May 2020, Cox Automotive Retail Solutions, together with Autotrader will also provide the following assistance packages to help dealers through this time.

All dealer data distribution charges will be discounted by 25%. This will apply to the April and May invoices automatically. Digital advertising agency Digipurple will help dealers communicate and engage with customers with campaigns designed to drive contactless online and phone interactions.

"We have several dealer groups who have already changed their strategy to new campaigns designed around contactless home delivery for service and sales. As well, dealers are also promoting the new increased ABN tax deduction and other tax benefits," Sommerton says.

Digipurple will be offering:

- 50% discount across all creative fees.
- No cost on any Covid-19 updates on your website.
- 50% off on all campaign management fees.
- All campaign set up fees will be removed.
- Full time consulting on the best direct communication and engagement with customers online and over the phone is available.

"We highly recommend continuing digital campaigns to communicate with customers and mitigate service and sales losses," Sommerton says.

"Our professional photography services still continue to visit dealerships taking extra sanitising and social distancing precautions. If our photographers are unable to visit your dealership and services are suspended we will offer our mobile photographer app for free," he says.

Dealer Solutions Photography is offering free access to the mobile photographer app and free access to the new car image library. It will be extended for used cars very soon.

Kelley Blue Book is offering free access to MarketLens during April 2020 as well as Lead Driver free for 30 days.

"Our Lead Driver product does exactly as the name suggests – it allows customers visiting your website to obtain a valuation for their car using Kelley Blue Book data. It is a valuable way for dealers to collect customer data for leads," Sommerton says.

Online deposits in partnership with PayPal will be free for 30 days.

"Our partnership with PayPal allows for online deposits to be taken directly on your website. Dealers can use this function to help drive online sales," Sommerton says.

"We've partnered with Autotrader to bring you 50% off on all listings fees for two months during April and May 2020. To access this assistance option, please contact your Autotrader account manager.

"All dealer data distribution charges will be discounted by 25%. This will apply to the April and May invoices automatically."

"This will provide you with an ongoing presence on *Autotrader* and *CarsGuide*, along with free placement on Facebook Marketplace, providing access to chat, SMS, phone, email and walk-in enquiry. With all of our listings capped, if your inventory takes longer to sell, there is no charge beyond the cap," he says. ■

PARTNERSHIP BRINGS BNPL TO 60% OF AUSTRALIAN FRANCHISE DEALERS

Buy Now Pay Later (BNPL) supplier Openpay has signed an initial three-year exclusive deal with dealer management system provider Pentana Solutions.

The partnership has been designed to bring quantifiable benefits to new car franchise dealerships and their customers.

Pentana Solutions has access to more than 2500 new car franchise dealerships across Australia through its dealer management system called eraPower, which equates to approximately 60% of the domestic market.

Those new car franchise dealerships include well-known companies such as AP Eagers, AHG, Inchcape and Peter Warren.

Openpay is an Australian stock exchange listed company, and it has a specialist merchant focus on the automotive, healthcare, and home improvement sectors. It offers payment plans up to \$20,000 from two to 24 months.

Current automotive merchants include some Jax Tyres & Auto and Mercedes-Benz dealerships, as well as well-known retailers such as LSH Auto, Nova Tyres,

UltraTune, Battery World, Iconic Detailing, Mr Tyre and Rapid Tune.

Currently Openpay services more than 1000 Australian dealerships directly, 600 of which are currently customers of Pentana Solutions. Those dealers will have the option to automatically roll over to the fully integrated system upon deployment.

The partners will co-market BNPL services to the remaining 1900 Pentana dealer customers inviting them to opt in to Openpay as their exclusive BNPL provider.

BNPL plans provide consumers with a tool that can assist with cashflow management or to navigate through times of unexpected purchase requirements, such as the need for new tyres or parts “Often motorists are caught in need of servicing or parts that they did not plan for in their cashflows. For that reason, we have seen growing interest in our automotive BNPL plans – people are using Openpay to solve their immediate need, such as a car service or a set of new tyres, then paying it off over a timeframe that suits their budget,” says Openpay chief executive officer **Michael Eidel**.

“Pentana Solutions’ dealers service more than 4.2 million vehicles per year, equating to around \$2.5 billion in annual servicing value. Integrating Openpay into eraPower means dealers can simply and easily activate a plan for their customers at the point of sale. It has been our experience that dealerships offering Openpay as a payment option see average requisition order increase from \$450 to \$950 per customer,” says Eidel. “Any new partner that is embedded into Pentana Solutions eraPower system is carefully selected to bring quantifiable benefits to our customers,” says Pentana Solutions chief executive officer **Steve Kloss**.

“Openpay offers a flexible product delivering higher value plans at attractive terms for our dealers and for dealer customers who are asking for BNPL solutions. Openpay helps customer better manage their cashflow and budget around car servicing. We expect this partnership to increase profitability and customer retention amongst our dealership partners,” he says.

The integration of Openpay into eraPower is expected to commence in Q4 FY20. ■

MAYNARD TAKING THE SALES HELM AT JAGUAR LAND ROVER

Jaguar Land Rover Australia (JLRA) has appointed **Scott Maynard** as the company’s new sales director from May 1, 2020.

Maynard moves to the new position from his current role as JLRA customer service director which he has held since 2016, he also had a six-month stint as acting sales director in 2017/18.

JLRA says Maynard has made a significant contribution to the success of its customer service division. Prior to joining JLRA, Maynard previously spent 10 years at Audi Australia and was the general manager for sales for four years. The company says he is therefore ideally

suited to take on the responsibility of leading the JLRA sales team during these times of challenge and future opportunity. “Scott brings with him into the new role a deep understanding of JLRA at a senior level and also commands great respect from our retailer network,” JLRA says.

“This industry challenges, rewards and inspires like no other and I feel fortunate to have worked in and around it for 28 years, however we have not seen conditions such as those

that currently prevail,” Maynard says. “I look forward to doing all that I can in making a contribution to the JLRA network and to assist managing director

Mark Cameron in leading our business through the next period and then into the future,” he says.

Maynard will start his transition between the two functions in April, a replacement for the customer service director role will be the subject of a future announcement. ■



Scott Maynard

POTENTIAL BUYERS RELUCTANT TO HAND OVER PERSONAL DETAILS



Shaun Cornelius



Lee Reynolds

It goes without saying that converting online leads into sales is the objective of any classified auto marketplace.

Research commissioned by Autotrader, however, vividly illustrates why conventional wisdom about how best to achieve those sales may be wrong, while also pointing the way to better and more effective sales channels.

Autotrader is notable for its “open” model that allows customers to immediately access the dealer’s location and contact information. New research conducted by marketing research firm FF2, Sydney, makes the benefits of this model immediately apparent.

Perhaps the most glaring finding was that, of the 511 auto buyers and 489 intenders surveyed, 86% of the total agreed or strongly agreed with the statement, “I prefer to choose when and where I give my contact details rather than being forced to provide my details.”

The reluctance to share details was rooted in one overwhelming factor: 72% of the sample group agreed or strongly agreed with the statement, “If I leave my personal contact details before I have visited, I worry that the dealership will keep hassling me.”

Furthermore, 74% agreed or strongly agreed with the statement, “When I first visit a dealer, I prefer to drop in

unannounced rather than giving my contact details before I visit.”

With so many buyers and intenders reluctant to give out their details, how can dealers better reach them? It turns out that catering to this preference for walk-ins doesn’t just make potential customers happier, it increases the chances of converting leads into sales.

For example, the survey found that 63% of buyers bought their car after dropping in unannounced, compared to 37% who had given their details first. These figures take on even more significance when you consider that walk-ins account for 34% of all sales conversions, as compared to only 17% for previous phone or email leads.

In short, walk-ins are vital and encouraging them should be prioritised.

Lee Reynolds is the Portfolio Manager at AP Eagers. His observations of customer behaviour tally with the survey’s findings. “We transact with customers every day, all across Australia. They tell us that they want it to be easy. Some customers don’t like to give their name and details straight up, they just want to know where the car is. Autotrader lets the customer know exactly where to find us, in their time, in their way.”

To encourage walk-ins, Autotrader also found a strong preference for a wider

variety of contact methods, especially among younger buyers and intenders. For example, 60% of intenders aged 45-69 agreed or strongly agreed with the statement “When I’m looking to buy a car, I prefer to have a wide range of methods for getting in contact with car dealerships” (examples included “email, phone, visit in person, text message and chat via web site”). However, that figure leapt to 74% in the 20-44 age range. It seems fair to assume that in coming years, as “digital natives” age, customers will increasingly expect the sort of features, such as text and web chat. Says Shaun Cornelius, CEO at Cox Australia Media Solutions (including CarsGuide & Autotrader), “Consumers are using a wide range of methods to communicate with each other, so it makes sense that they want these same methods to connect with dealerships. **“We believe that if you allow a consumer to connect with you via their preferred method, then you’re bringing them into the sales funnel on their terms, heightening the chance of a sale.”**

The way consumers engage with dealers is rapidly changing. Autotrader’s model is designed to help future-proof online auto classifieds by providing a customer-centric sales model that is, ultimately, a win-win for dealers and consumers. ■



JAX REBRANDS AND FOCUSSES ON EV FUTURE

An Australian mechanical service provider and tyre retailer is rebranding itself to better reflect its offer which will include electric vehicle (EV) service and maintenance in the near future.

Founded in 1949, JAX Tyres has rebranded to JAX Tyres & Auto because the majority of its customers were unaware that 45% of the company's business is fast-fitting mechanical items.

JAX Tyres & Auto has more than 86 stores nationally, integrated with an e-commerce platform to deliver full automotive mechanical servicing and sales of tyres, wheels, brakes and suspension.

The updated brand position coincides with the opening of the company's new headquarters in Crow's Nest, Sydney. An in-house training facility replicating a JAX bricks and mortar store, complete with TouchPoint interactive touchscreen technology and modern equipment, has been constructed onsite.

JAX Tyres & Auto chief executive officer **Steve Grossrieder** says the brand change better articulates all facets of the business and encapsulates the brand's

customer-focused values.

"Many customers weren't aware that 45% of our business is fast-fitting mechanical. They were introduced when we fitted out new tyres and provided a complimentary JAX Inspect safety report capturing our suite of services," Grossrieder says.

So, there was a clear need to put ourselves on the front foot, align our brand with our full business model and give customers more transparency.

"The new identity, look and feel aren't superficial changes. JAX Tyres & Auto fully embodies where we are as a business now, through our peace of mind driving promise to our customers and our agile retail and mechanical ecosystem facilitated through our best-in-class

franchise network," he says.

A focus on internal learning and development for all team members to maintain retail, customer service and mechanical best practice, means the training facility will enable unique upskilling opportunities for JAX mechanical teams, ensuring the network is ready to leverage evolving automotive technology, particularly in the electric vehicle market.

"A major focus for our business is to do what we do really well while also staying ahead of industry evolution," Grossrieder says.

"From a strategic perspective, this will include integrating electric vehicle service and maintenance across our national

network, with the aim to have all stores electrified in five years."

JAX Tyres & Auto will also be rolling out multiple stores nationally this year.

"We're in a strong position for sustainable business growth and we look forward to this enhanced direction energising our relationships with customers, franchise network, globally ranked suppliers and stakeholders," Grossrieder says. ■





ARNTZ OPTIBELT RELEASES NEW EPDM COGGED V-BELTS

Optibelt's new Super XE-Power Pro M=S cogged V-belt has a redesigned moulded cogged profile which greatly improves durability, flexibility and power transmission, opening up new opportunities in the field of friction drives.

The high modulus cords allow the v-belt to be totally maintenance free, reducing

downtime, improving drive efficiency, and increasing belt power capacity by up to 20% over other high-performance cogged v-belts.

The newly developed tooth shape makes it possible to use pulleys with extremely small diameters.

The Super XE-Power Pro M=S cogged v-belt also has the advantage of being

suitable for back bend idlers, paving the way for the construction of ultra-compact drive units.

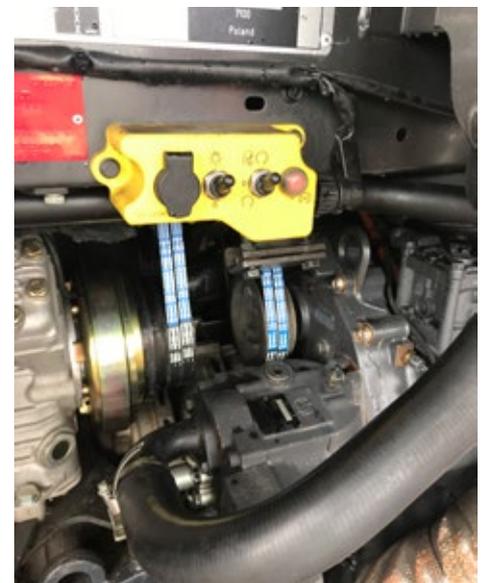
According to Optibelt, the unique power ratings achieved by the Super XE-Power Pro M=S cogged v-belt are the result of exceptionally powerful and low-stretch cords used in conjunction with a tooth form optimised for dynamic loads.

The red cushion compound gives a perfect adhesion for tension cords and high load capacity. The EPDM transverse fibre laden compound gives the belt an operational temperature range of -40°C to +120°C and it runs extremely quietly and smoothly - even at high speeds.

The v-belts can be used unmeasured in sets as it has the narrow length tolerance of Optibelt M=S (no matched sets are needed).

Optibelt's new Super XE-Power Pro M=S cogged V-belt earned the company recognition as the "Best of Drive and Fluid Technology" in the German Industry Awards 2018.

The Arntz Optibelt Group is a global manufacturer of high-performance power transmission and material handling belts – including v-belt, timing belt and ribbed belt for a wide range of industries such as automotive, agricultural and general machineries, oil and gas, textile and household appliances. ■



From Roadside Assistance Supplier
to **Solutions Partner**

365RoadsideAssistance.com.au

Your business can now connect with a leading national Partner of choice delivering nextgen roadside technology and service



GROW TODAY 
CLICK HERE TO LEARN MORE

We're supporting **Manufacturers, Dealerships, Finance and Insurance groups** in launching white-labelled APP's and custom portals that drive innovation through seamless Customer experiences and a dynamic Provider network.

sales@365assistance.com.au

02 8705 5497



Partner. Connect. Grow.

GERMAN TECHNOLOGY LAUNCHES FLEX COUPLINGS

Burson Auto Parts, Australia's preferred supplier of parts, tools and equipment to the Australian automotive trade, brings German engineering precision and total quality to its power transmission product range with SGF.

Burson Auto Parts offers a complete range of German manufactured SGF original flex couplings for European, Australian, American, and Asian vehicle makes and models.

SGF is a specialist in automotive power transmission products, manufactured from several state-of-the-art engineering and manufacturing facilities located in Germany and around the world.

Australia's Burson Auto Parts constantly seeks to provide its valued trade customers with premium quality automotive components. SGF's decades of experience and unmatched quality make this range a clear stand out when it comes to flexible couplings.

A flexible coupling is used to transmit rotational torque whilst compensating for axial, radial and angular misalignment in the drivetrain. In a road car, they are typically located between the transmission output

shaft and the driveshaft. They can also be located between the driveshaft and the differential on some makes and models. SGF flex couplings from Burson Auto Parts are engineered to handle the operating and torque peaks of the engine in conjunction with cancelling the various vibration and harmonic frequencies generated by the drivetrain.

Each coupling is designed and tuned to perform this task based on the vehicle model and powertrain configuration, so it is vitally important to be aware that a coupling can differ for each make and model of a vehicle.

SGF's product advantage is based on its expertise in this field, along with its exclusive Tenpu® fibre technology. This technology combines unique cord inlays and rubber material that operate under tension load.

Unlike common rubber couplings that work with shear load or pressure load on the rubber, the tension load principle ensures that the cord inlays transmit most of the load, providing a better tolerance to shock loads and a higher power density ratio. This results in the ability to transmit higher torque with a smaller coupling.



By selecting premium quality SGF power transmission products from Burson Auto Parts, automotive experts are fitting the same products that have been selected as Original Equipment for many RWD and AWD vehicles around the world.

Ford, General Motors, Chrysler, BMW, Mercedes Benz and Hyundai all use SGF flex drive couplings.

Australian workshops and mechanics need to beware of the dangers when using lower quality flexible couplings, as they do not offer the same NVH cancelling properties as the original. This results in vibration and noise issues along with the fact that in many cases, lower quality couplings cannot handle the vehicle torque and RPM. This has the potential to cause serious and expensive engine damage. ■

NEW GLOBE CABINET FREE WITH QUALIFYING PURCHASE

Narva has just released a new Automotive Globe Cabinet providing workshops and other high volume globe users with a tough and easy-to-use storage and display solution.

Featuring premium steel construction for longevity and finished in Narva Blue incorporating a screen printed Narva logo, the new cabinets are designed to meet the rigours of constant workshop use.

Other benefits include tool chest quality drawer runners that provide reliable and smooth draw operation and a tough, clear, magnetised Perspex front face that is lockable, making these cabinets ideal to securely house globes and other

consumables and related tools.

For added convenience, the clear face also allows the user to easily keep tabs on stock levels of the five drawers at a glance. Additionally, the cabinets contain a hidden shelf to keep higher value items secure and out of sight if required.

The new Automotive Globe Cabinets include rubber floor stoppers to elevate and protect the base if positioned on a shelf or floor, or as an alternative, can be



wall mounted using the predrilled holes.

*Applicable globe packs that qualify for the free Narva Automotive Globe Cabinet offer are: 12V Automotive¹ (Part No 47100); 12/24V Premium Automotive (Part No 17100); 12/24V Automotive (Part No. 47110) and 12/24V Premium and Heavy Duty Globe (Part N. 17110).

*For additional information on the qualifying Globe Packs, contact your local Narva representative. ■

MARGIN CRUNCH: HOW DEALERSHIPS CAN FIND MORE EFFICIENCIES IN THEIR DELIVERY TRANSPORT



By **Walter Scremin**
General manager, Ontime
Delivery Solutions

I've worked closely with automotive dealerships for over 30 years and have seen the pressure increase on servicing and parts divisions.

Dealerships are being challenged as large insurance companies take on more repair work, and by a changing landscape across panel repair which is seeing many smaller panel beaters being purchased by bigger players.

In addition, the cost of distribution to make a dollar is only increasing. Delivery transport efficiency is always a challenge but there is now more urgency for dealerships to control these costs. There are some common delivery transport traps which must be avoided to gain more control over this area.

Delivery transport represents a high fixed cost and a potentially bottomless pit for dealerships – even running a small delivery fleet may attract many unexpected and hidden costs.

Some ways to improve efficiency and reduce costs will be obvious, such as outsourcing to high-performing transport suppliers. But good ideas can come from a combination of experience and lateral thinking.

For example, Ontime recently facilitated a conversation between two dealerships to pool some of their delivery resources – they were each located on either side of a major capital city, and we found they could share some of the costs by teaming up on certain delivery runs. This created an instant and profound efficiency gain.

Common transport delivery traps

Before a dealership can hope to lift its efficiency it must avoid some common delivery transport traps.

The first trap is the lure of “false economy”: This generally involves a headline delivery rate which is too good to be true. There has been a recent increase in the number of low price, low quality transport operators in the industry, which offer attractive headline rates, but often ending up costing more down the track. It may be tempting to find someone who can do a delivery for a few dollars cheaper, but what if it takes two hours longer? If the supplier doesn't have the systems or experience to improve your business, it's false economy.

Dealerships need to look beyond the rate and consider the value add, the ability to streamline processes and improve performance.

The second biggest trap is not knowing the exact delivery costs for your parts division. It's surprisingly common, yet there are ways to objectively reveal the lurking costs which trouble many delivery fleets.

When you truly know the costs you increase your chances of making the right choices.

Keys to greater efficiency

Many little things improve efficiency, and experience counts. For now, let's consider three big areas for improving efficiency in the delivery fleet.

Elastic logistics – flexibility is king in parcel delivery, and dealerships must demand solutions which provide more control. Elastic logistics is scaling resources up or down at short notice, critical for being genuinely responsive to your customers.

Achieving a logistics solution which is “elastic” involves significant ground work, but the effort is worth the efficiency gains. Dealerships which can honestly appraise their delivery transport structures, locate the hidden costs, and evaluate suppliers and technology solutions are poised to benefit.

Using technology – Many small-to-medium sized delivery fleets still fall short in digitalisation. As a minimum, you should consider digital tracking, communication to keep customers up-to-date, and proof of delivery systems. Research shows customer expectations around parcel delivery are increasing. Interestingly, it's not all about speed. A quick turnaround might be nice, but communication, reliability and accuracy are most vital.

Using technology to track items and update clients is a customer service booster. They just love being accurately informed about their deliveries.

Thinking laterally – sometimes you need to be creative to solve a problem, but achieving this requires experienced transport operators able to treat your dealership's delivery challenges as if they were their own. Whether it's combining resources as part of an efficiency drive, or finding innovative ways to streamline processes, you'll know a transport supplier has your best interests in mind if they put you first and genuinely help you to cut costs. ■

BREAK THROUGH THE NOISE WITH YOUR AD CREATIVE

The creative component of an advertisement has traditionally been a key part – if not “the” key part – of ensuring a campaign message achieves cut through in print, TV and radio. This, however, has not always been the case in digital advertising, with the artwork sometimes being secondary to achieving reach, frequency, targeting and – the all-important - lead generation.

As time goes on, however, and we move beyond static banner ads and repurposed 30-second TV spots into more sophisticated digital advertising techniques, we are seeing a fundamental shift in focus, with creative and messaging needing to be tailored to the individual customer.

Digital capabilities have pushed advertising into new and exciting areas and we are finally arriving at the marketing industry’s long-time goal: Advertising that is highly engaging and incredibly relevant to the consumer. Right message, right person, right time.

Welcome to the age of dynamic creative

Research from Nielsen Catalina Solutions based on nearly 500 studies from 2016 to 2017, shows that on average 47% of a sale can be attributed to the advertising creative, across both TV and digital. In addition to this, consumers today demand tailor-made content. They expect it to be personal in ways that were unachievable in the past, but are now

"Digital capabilities have pushed advertising into new and exciting areas and we are finally arriving at the marketing industry’s long-time goal: Advertising that is highly engaging and incredibly relevant to the consumer. "

being unlocked with advances in technology, the proliferation of mobile devices and advancements in data utilisation.

Dynamic creative is advertising that is developed in real time using customer data, combining and aligning to a myriad of external factors – such as location, the weather at that location, the time of day - to create relevant and personal messages that speak directly to that individual.

The message in our dynamic creative is key. Advertising can reach consumers at the right time and right moment but if the messaging is off then we fall on deaf ears.

For example, running a promotion or retail message to someone just entering their buying journey will have less of an impact than a product awareness advert – that is, selling the features and benefits.

Similarly, pushing entry level small vehicles to new families looking to upgrade is the right audience (we know they are potentially in market), the right moment, but wrong message.

Having an effective creative strategy in place that targets all consumers with exactly the right message takes time, planning and a detailed level of execution, however, it is an investment that can deliver some excellent results.

So, how can dealers get dynamic creative right?

We start small. Focus on the immediate: The customers visiting your website, engaging with you already. Move away from simply retargeting a set of generic sales messages to everyone who has visited your site. If they take the time to view your stock then aim to put that specific vehicle (or similar) in front of them again, across the channels we know they will visit: Facebook, news sites and video platforms. By doing that we start to see that right message, right person, right time approach take hold.



by **Gavin Cox**
Managing Director
AdTorque Edge
gavin@adtorqueedge.com

Our top tips for digital creative

- **Data and personalisation**
Take advantage of data and personalisation. Retarget to consumers the specific vehicle they have looked at on your site or a third-party site.
- **Platform-specific campaigns**
Make sure your campaigns are customised to the platform you are running on. Want to run the manufacturer produced TVC across social & programmatic? Then keep the central theme (retail offer, message) but tailor the ad to fit the platforms specs.
- **Video ads**
For video, make sure your message comes across early. Logo/branding, retail message should happen up front.
- **Put your best foot forward**
Make your creative sing. Consumers are much more responsive to digital messaging. You want your creative to be representative of the expertise, experience and professionalism they can expect when they walk on to your showroom floor.

It is fair to say that when aligned with data and technology, the better and more tailored the creative, the more effective the ad.

Great creative with a good message targeted at the right customer will showcase your product, dealership, and retail offer in the best light, and deliver you the strongest campaign performance in an age where consumers are being faced with advertising messages everywhere they turn. ■

AUTOMOTIVE REVOLUTION: CHANGING TIMES FOR THE CAR INDUSTRY

Car sales in Australia last year were the slowest since 2011, reflecting a shift which saw consumers opting for alternatives to traditional car ownership.

The trend is being driven primarily by millennials who no longer feel they need to own a car.

Some commentators expect traditional car sales won't bounce back over the next decade, and the auto industry will undergo major changes.

Car subscriptions may become the new normal. The global car subscription market is booming, with companies like HelloCars offering drivers convenient, flexible access to a car that fits their lifestyle.

Aussies can drive any car they want by making small weekly payments without a locked-in contract. City dwellers can drive a small hatchback throughout the year with the option of swapping to an SUV for a holiday road trip.

Car subscriptions are another service dealerships can offer customers, while providing a revenue stream through the weekly payments.

Software platform *Blinker.com.au* is allowing car dealerships to offer subscriptions as a service, so customers can head to their local dealer whether they want to buy, lease or subscribe.

As the offering becomes more popular, car dealerships are tipped to head toward a similar structure to real estate agencies, with car subscription and sales forming two equally-important departments of the business.

By 2030, a car dealership without a subscription business will be like a real estate agency without a rent roll.

Self-driving cars may still be a long way off hitting Australian roads, but they're almost guaranteed to become a part of daily life within the next decade.

Forbes predicts that by 2030, a quarter of all vehicles will be autonomous, bringing

with them a range of social and economic benefits.

Human error is estimated to cause 90% of all road deaths. By removing manual driving controls, some experts predict all road deaths involving human error can be prevented.

Research also suggests driverless cars could improve transport accessibility for people with a disability and for older motorists.

That's likely to occur after the commercialisation of autonomous cars, which will provide special needs consumers with affordable access to independent transport.

Electric vehicles are growing in popularity around the world. In Norway, they make up 58% of new car sales, and Norway is on track to end fossil-fuelled car sales by 2025.

"Car subscriptions may become the new normal. The global car subscription market is booming, with companies like HelloCars offering drivers convenient, flexible access to a car that fits their lifestyle."

Although Australia is lagging behind when it comes to electrifying the car industry, there's growth in local sales of hybrid and electric vehicles.

An *Australian Automotive Aftermarket Association* report says sales of both hybrid and electric cars have almost doubled year on year, with total sales making up 2.5% of the market. According to PwC, 55% of all new car sales around the globe will be fully electric by 2030.



by **Michael Higgins**
managing director of
Blinker

More people will be travelling further. **Studies show that a rising population will lead to higher mobility demands, resulting in more people travelling longer distances. That's largely because major city centres are running out of space, so daily commutes to work will be longer.**

With an increase in kilometres travelled, drivers may need to replace their vehicles more frequently. Experts predict that will lead to higher sales for car dealerships in the long-run.

Cars will get even smarter. The Internet of Things (IoT) is having an impact across industries, with consumers expecting to be connected to the Internet wherever they are.

Soon cars will be no different. There's a growing demand for smart cars that are kitted out with wi-fi – as well as being connected to networks like Apple Carplay or Android Auto – to help drivers find and order goods and services.

Those capabilities are expected to grow exponentially by 2030. The adoption of 5G capabilities in the next couple of years is set to accelerate IoT, with connectivity increasing in homes, cars and businesses.

In the next decade, cars will be able to speak to each other, car dealerships and OEMs. Like other forms of industrialised IoT, this will see dealers and manufacturers able to track and determine when cars need a repair or replacement. ■

CORONAVIRUS IN COLLISION WITH DRIVERS

The impact of coronavirus is leaving very few areas of everyday life untouched. But with the recent revelations of manufacturing plant shutdowns and shortage of car parts imported from China, aside from our ability to repair and maintain our vehicles, there is a more sinister consequence.

Demand for Recycled Original Equipment (ROE) vehicle parts will grow rapidly. As a result of faulty manufacture, some of these parts may be under active recall. With this increased demand comes the heightened risk of a dangerous and potentially fatal recalled part, being fitted to our cars.

A recall system is in place for car parts. But with high profile failings such as Takata airbags and the recent embarrassment for Mercedes failing to recall, the system appears to be flawed and does not always protect drivers. The single most important question every Aussie driver should be asking right now of their mechanic, insurer or seller of parts is: "Do you know if this car part is safe and not the subject of a recall, and can this part be traced to my vehicle should it be recalled in the future?" It's not something many of us would give a second thought to – you have been in a collision, or your car is due routine repairs and maintenance and we pass our vehicle over, into the hands of our local mechanic or insurer.

Once the car is returned, repaired and ready to drive, how many of us would question where the parts had been sourced and if they were safe? How would we know if one such part, was in fact a dangerous part on the recall register? How would we know if it were to be recalled in the future; could the part be traced to us and our vehicle?

Traditionally ROE parts for collision repair make up approximately 5% of all parts used in Australia, a whopping 40% in New Zealand, 11% in the USA, and 2% in the United Kingdom.

Manufacturers recalled 29.3 million vehicles in 2018, according to National Highway Traffic Safety Administration data (NHTSA).

Between 2014 and 2016, the total number of vehicles affected by recalls spiked - reaching 50.5 million in 2016. There are in excess of 1.5 million insurance claims each year in Australia with parts making up circa 50% of a vehicles' repair cost. We must know if a part that has been added to our vehicle is from a licenced automotive recycler and more importantly, that they have a lawful and robust recall process in place. And that recall process must go beyond the time it is added to the car; it needs to go for the life of the car and the time we own it. If this information does not reach either the owner or the mechanic that fitted the part, there is zero traceability.

"It is critical for mechanics, collision repairers, insurers and any on-seller of parts, to have a recall checking capability so that they can alert their customer to a safety problem on their vehicle. "

And this applies no matter where it was sourced and by whom it was fitted, including the online marketplace.

The recalls process is often overlooked by online sellers, not to mention the Facebook online marketplace.

It took me a short time to find over 70 unsafe, recalled Takata airbags available for sale in the online marketplaces.

Online sellers must know if the items being placed online for sale are subject to an active recall, and they must have a recall process in place as part of their business process.



by **Chris Daglis**
managing director
All Auto Recalls

It is critical for mechanics, collision repairers, insurers and any on-seller of parts, to have a recall checking capability so that they can alert their customer to a safety problem on their vehicle.

Sometimes these recalls are critical. In the Takata airbag scenario, we are talking about some airbags being in vehicles that are now 24 years old, yet they were only recalled three months ago.

The product safety website offers the automotive industry a static database that they can check against for recalls, or they can use the All Auto Recalls system which is dynamic, live and offers the Auto Alert function. This will alert the mechanic if any of the vehicles they have entered into the system, have a recall against them at any time in the future. Remember, a vehicle may be clear today, but recalled at some time in the future.

The automotive recycling industry will play an increasingly important role in the parts supply chain moving forward.

The Recycled Original Equipment part, supplied by the professional auto recycler that manages recalls effectively, is critical to the long-term sustainability of the auto repair and insurance industry. The coronavirus is presenting multiple issues and raising concerns for many, however in the case of the automotive industry, driver safety is of equal concern and now is the time to raise awareness of the increased risks surrounding recalled parts and arm the public with the information they need to stay safe on the road. ■



NEW BMW 2-SERIES GRAN COUPE OFFERS MORE CHOICE

Sitting dimensionally between the BMW 1-Series hot hatch and the mid-size 3-Series range, the new BMW 2-Series Gran Coupe offers buyers the options of a comfortable urban cruiser or a more sporting grand tourer. **The new 2-series is 4526mm long, 180mm wide, and 1420mm high, and combines coupe styling and dynamics with the practicality of four doors (with frameless windows) and a 430-litre boot capacity.**

In comparison to the iconic BMW E46 3-series sedan, the new 2-series Gran Coupe is 56mm longer, has a 55mm shorter wheelbase, but offers the same amount of front legroom as the older car and 33mm more legroom in the rear, making for easier entry and exit as well as comfort on longer journeys.

A 40/20/40 split rear seat backrest allows the 430 litres of boot space to be expanded as required.

The 2-Series Gran Coupe joins its bigger siblings the 4-Series, 6-Series, and 8-Series Gran Coupes of which BMW have sold more than 400,000 units globally, according BMW Group Australia head of product marketing **Brendan Michel**.

Michel says that BMW Group Australia has the highest take-up of M Sport packages because customers like their vehicles to

have a certain sporty look, resulting in the biggest take-up of the largest sized alloy wheels from the factory, so making the M Sport package standard on the 218i was a no brainer.

There are two flavours of 2-Series Gran Coupe on offer, the comfort-orientated 218i which is equipped with the M Sport package as standard priced from \$47,990 and the sports-orientated M235i xDrive priced from \$69,990.

The M235i xDrive is differentiated from the 218i thanks to exclusive highlights on Cerium Grey with a distinctive three-dimensional mesh kidney grille adorning the front. A \$2200 M Performance Package is also available which lowers the cars weight and enhances the aesthetics.

This particular package includes black high-gloss kidney grille frame and mesh, black finished mirror caps, black finished tailpipes and forged 18-inch V-spoke style M light-alloy wheels.

A 103kW/220Nm turbocharged three-cylinder 1.5-litre powers the front wheels of the 218i Gran Coupe through a 7-speed automatic, while the all-wheel-drive M235i xDrive gets it thrust from a 225kW/450Nm turbocharged four-cylinder 2-litre petrol engine allied to an 8-speed automatic.

First driving impressions

BMW Group Australia held the media launch of the 2-Series Gran Coupe in Sydney which allowed us to experience the cars in their natural suburban habitat as well as the narrow and windy hill roads of the Ku Ring Gai Chase national park.

Driving an M235i XDrive solo in the Sydney CBD is not for the faint of heart, but the navigation system with turn by turn instructions replicated in the head up display took a lot of stress away, allowing us to enjoy the sports bucket seats and the aural delights of BMW's most powerful 2-litre engine yet.

Even with comfort mode selected, you can feel the stiffness of the chassis and the crisp response of the steering, the large wheels and low-profile tyres of the M23i XDrive didn't take well to the potholes which are the scourge of the arterial routes in NSW.

However, the more softly suspended 218i was perfectly at home in the urban sprawl and on the challenging narrow roads of Sydney's national park and Northern beaches. The front-wheel-drive 218i naturally has more understeer than the all-paw M235i, but it still corners crisply, and the characterful three-cylinder engine has plenty of verve when faced with the hills of Sydney. ■



FASTEST GOLF YET ARRIVING IN JULY



Production of the fastest official Golf GTI to date commences in May ahead of this special edition's Australian arrival in July.

The **Golf GTI TCR** celebrates Volkswagen's success in Touring Car Racing, and is the latest in the line of special editions that began with the GTI Pirelli (Mark 5), through GTI 35th Anniversary (Mark 6) and GTI 40 Years (Mark 7, 2016).

The GTI TCR succeeds the GTI 40 Years as the most powerful production version of the model line.

While both emulate the 213kW of the Golf R, the 40 Years achieved this power on over-boost. In the GTI TCR this output is constantly attainable; an appreciable increase over the standard GTI's 180kW. The GTI TCR's estimated 0-100km/h time is 5.7 seconds – 0.6 more rapid than the GTI 40 Years with DSG transmission and within one second of the Golf R DSG hatch's 4.8 seconds.

Unlike the Golf R, GTIs eschew all-wheel-drive for the lighter weight of a

front differential lock. In the TCR this is augmented by a bespoke adaptive chassis control and performance front brake system. The TCR rides more firmly and 5mm lower than the standard GTI. The difference with GTI TCR and the usual GTI is also audible with a freer flowing system providing a distinctive note. A six-speed version of Volkswagen's wet clutch DSG comes with the unfiltered 350Nm version of this engine tune. Available in the Pure White and Tornado Red shades synonymous with GTI, the GTI TCR is also available in a new Pure Grey. All colours come with a black roof, distinctive honeycomb side decals and bespoke 19-inch alloys.

Interior features include Alcantara accents, black/red sports cloth upholstery, a new version of the GTI steering wheel with perforated leather at the hand positions and a red 12 o'clock marker.

The final iteration of the current generation Golf, 300 GTI TCRs will be available.

VOLKSWAGEN GOLF GTI TCR \$51,490
Additional and differing specification to the GTI:

- 213kW/350Nm 2.0-litre turbo petrol engine
- 6-speed wet-clutch DSG
- Modified exhaust
- Unique Adaptive Chassis Control, lowered 5mm
- Black mirror covers
- Honeycomb TCR decals
- Gloss black roof
- LED headlights with dynamic cornering light
- Dynamic light assist
- Sports cloth/microfleece seats
- Sports steering wheel with perforated leather and red 12 o'clock marker
- Seat belts and floor mats with red trim
- Alcantara gearshift lever and door trim inserts

Glass panoramic sunroof \$1900. ■

NEW KIA SORENTO ARRIVING IN JUNE

Kia has unveiled its fourth generation Sorento SUV which will be available with diesel, petrol/electric hybrid and PHEV powertrains for global markets. **It sits at the heart of Kia's reinvigorated global SUV line-up, which also includes the Seltos and Sportage. More than 44,000 Sorento models have been sold in Australia since the model was introduced in January 2003.**

"The Sorento's evolution over the last 18 years echoes that of the Kia brand as a whole," Kia Motors Europe chief operating officer **Emilio Herrera** says.

"While the car was initially launched in 2002 as a utilitarian all-terrain vehicle, the fourth-generation Sorento has been transformed into something more desirable. It is an important model for Kia, particularly now that it also represents the first use of electrified power in our flagship SUV."

It is the first vehicle to be based on Kia's new-generation midsize SUV platform. **Paired with a larger body to maximise cargo and luggage space, the platform ensures the Sorento is one of the most versatile and spacious three-row SUVs on the road.**

Innovative interior packaging means it can offer all this while accommodating Kia's new Smartstream electrified powertrains – the first time that hybrid power has featured in the Sorento line-up (not for Australia at launch).

This will be Kia's most high-tech car yet, thanks to its progressive connectivity, driver assistance and infotainment technologies. Its twin digital displays deliver advanced graphics, new telematics features and full wireless smartphone connectivity.

The new model is the result of a collaborative design effort between all three studios within Kia's worldwide design network, in Korea, Europe and North America.

Its bodywork incorporates sharp lines and creases – noticeably more sculpted than its more round-edged predecessor. The front of the Sorento evolves with a new interpretation of Kia's hallmark 'tiger nose' grille, displaying a wider shape which



organically wraps around the integrated headlamps on each side. The headlamps themselves feature a new 'tiger eye' LED daytime running light, adding extra focus to the design.

It is 1900mm wide, 10 mm wider than the third-generation Sorento and is 10mm longer (now 4810mm), yet it features shorter front and rear overhangs. The additional length is found in the wheelbase, which has grown by 35mm to 2815mm. The new Sorento will be available in Australia with a choice of seven exterior paint finishes, and 17, 18, 19 and 20-inch aluminium alloy wheels, depending on trim grade.

Material quality is enhanced, with a cabin that blends metallic trim, leather upholstery, and embossed satin-effect surfaces.

In Australia the Sorento will be available (grade dependent) with embossed black cloth, leather appointed black cloth and black quilted Nappa leather.

Kia's newest SUV will be available with hybrid power – a first for a Sorento – and buyers will eventually be able to choose from hybrid or plug-in hybrid variants.

The Sorento Hybrid is powered by a new Smartstream electrified powertrain, pairing a 1.6-litre T-GDi (turbocharged gasoline direct injection) with a 1.49 kWh lithium-ion polymer battery pack and 44.2 kW electric motor. The intelligent packaging of the Sorento's new platform means the

battery pack can be located under the floor beneath the front passenger, with minimal impact on cabin or luggage space.

Power is sent through the six-speed automatic transmission via a transmission-mounted electrical device, allowing the full power of the engine and motor to be transferred in parallel with minimal loss of energy.

The Sorento Hybrid will go on sale in select European markets from launch, with others to follow later in 2020. The new Sorento will also be available as a plug-in hybrid variant from late in 2020.

The new four-cylinder 2.2-litre Smartstream diesel engine produces 148kW and 440 Nm torque. The newer engine is 19.5kg lighter compared to that found in the third-generation Sorento and it is paired with Kia's new eight-speed wet double-clutch transmission (8DCT).

Fuel efficiency and emissions data for the Sorento's new powertrains will be announced closer to the car's European on-sale date later in 2020. Like its predecessor, the new Sorento will be built for Europe and Australia, at Kia's Hwasung manufacturing facility in Korea.

Australian sales of diesel models will commence in June while the petrol models will be available in the fourth quarter of this year. As with all Kia models it will be covered by the 7-year unlimited kilometre warranty, 7-year capped price service and 7-year roadside assist. ■

MARCH SALES DECLINE BY NEARLY 18%



The Federal Chamber of Automotive Industries (FCAI) says new vehicle sales in March 2020 declined by 17.9% in comparison to March 2019 and attributes this to the effects of COVID-19 on the Australian economy.

It is the 24th consecutive month of market decline.

Sales for the month totalled 81,690, consisting of 21,777 passenger vehicles for a 26.7% share of the market, 39,171 SUVs (48% share) and 18,162 light commercial vehicles (22.2%).

Toyota was the best-selling brand in March, with 17,583 sales recorded. In second place was Mazda with 6819 sales, followed by Mitsubishi with 6002, Kia with 5654 and Hyundai 5306.

The top-selling vehicle in March was the Toyota Hi-Lux with 3556 sales, followed by the Ford Ranger (3108), Toyota RAV 4 (2991), Toyota Corolla (2812) and the Holden Colorado (2391).

FCAI chief executive **Tony Weber** says around Australia many dealerships have opted to remain open to maintain support for customers, particularly from a service perspective, during this difficult period.

“Of particular importance are first responder and essential services vehicles. We must keep these vehicles on the road to ensure our communities continue to function and remain safe.

“Within dealerships, customer safety is of the highest priority, and automotive brands have initiated a variety of



Tony Weber

enhanced hygiene protocols and contactless consultations to maintain personal distance,” Weber says. Group fleet manager **Ben Maslen** from Westpoint Autos in Indorooipilly, Brisbane says the dealership has changed the way customers drop off their vehicles for service.

Maslen says the service advisors meet the customers at the bottom of the driveway and direct them to a car park to maintain social distancing. The customer is then directed to a waiting courtesy car which has been sanitised for their use. When they return, their freshly serviced and sanitised vehicle is waiting for them.

“It’s a little bit different to what we did in the past, and our weekly service department bookings are sitting at 80% full where we used to be 100%. Sales wise the last week of March was pretty ordinary, it was certainly not the usual end of the Japanese fiscal year,” he says. ■



1. TOYOTA 50,071



2. MAZDA 20,744



3. HYUNDAI 16,694



4. MITSUBISHI 16,623



5. KIA 15,479

All the Auto Industry **HOT NEWS** every day as it happens on www.autotalk.com.au

Subscribe online for **FREE** twice weekly updates direct to your email

www.autotalk.com.au

TOP 10 MARCH

LIGHT CARS UNDER \$25K



1. TOYOTA YARIS
721



2. KIA RIO
642



3. MG MG3
631



4. SUZUKI SWIFT
449



5. SUZUKI BALENO
306



6. VOLKSWAGEN POLO
266



7. HONDA JAZZ
258



8. MAZDA 2
252



9. SKODA FABIA
73



10. HONDA CITY
16

MEDIUM SUV UNDER \$60K



1. TOYOTA RAV4
2,991



2. MAZDA CX-5
1,734



3. NISSAN X-TRAIL
1,323



4. MITSUBISHI OUTLANDER
1,264



5. SUBARU FORESTER
1,227



6. KIA SPORTAGE
1,186



7. HYUNDAI TUCSON
1,128



8. HONDA CR-V
990



9. HOLDEN EQUINOX
439



10. VOLKSWAGEN TIGUAN
337

TOP 10 BRANDS CONTINUED



6. FORD 13,882



7. NISSAN 10,749



8. HONDA 10,102



9. VOLKSWAGEN 9,749



10. HOLDEN 9,000

HYBRIDS AND EVS CLIMB WHILE FOSSIL FUELS FALL

It's more of the same in the March VFACTS figures with electric vehicles (EVs) and hybrids continuing to set the pace while petrol and diesel vehicle sales generally dive.

The trend has been continuing for some time with EV, plug-in hybrid (PHEV) and hybrid sales still soaring at the expense of internal combustion engine (ICE) vehicles in vehicle sales figures released by the Federal Chamber of Automotive Industries (FCAI).

"The Australian new vehicle market has now seen a downturn each month for the past 24 months," FCAI chief executive Tony Weber says.

Weber doesn't mention the EV, PHEV and hybrid results but the FCAI blames coronavirus (COVID-19) concerns, bushfires, droughts, floods, political and financial uncertainty and more for the adverse impacts on consumer confidence contributing to the difficult Australian market.

He says that despite the difficult conditions numerous automotive dealerships around Australia remained open to maintain support for customers, particularly first responder and essential services vehicles.

"In addition, we need to ensure those who physically attend their workplace can travel safely. The motor vehicle is a safe form of transport during the pandemic, allowing occupants to preserve their personal distance from other commuters.

In March, both EVs/PHEVs and hybrids are well up in most categories.

Hybrids take the lead in numbers among the two sectors, recording more than 1000 in most segments and just under in one.

For the private passenger category, hybrids reach 1001 up 73.8% compared with March 2019 (576), then get to 1455 (up 75.5% or 626) in the monthly comparisons for the non-private passenger market.

The biggest rises for hybrids come in the SUV private and non-private areas – jumping more



than 999% in monthly and year-to-date (YTD) comparisons. They reached 1284 in the private SUV sector – up 1210 from 74 in the monthly comparisons and got to 909 in the non-private sector – up 847 in March 2020 from 62 in March 2019.

That also saw YTD totals rocket to 3725 and 2498 in the respective categories – both well over 999% increases.

Electric/PHEV vehicles continue to make good ground too.

These rose to 44 (up 91.3%) in March 2020 in the private passenger market and 51 (up 75.9%) in the non-private category.

Adoption for this segment in the SUV categories was much lower, reaching 112 (62.3% up on March 2019) in the private market and dropping to 86 (down 75.8%) in the non-private SUV sector.

However, both EV/PHEV and hybrid market sectors continue to make ground on their fossil fuel counterparts. ■

NEW VEHICLE SALES BY BUYER TYPE AND FUEL TYPE							MARCH 2020		
	Month		YTD		Variance +/- Vol. & %				
Total Market	2019	2018	2019	2018	MTH	YTD	MTH	YTD	
ELECTRIC									
Passenger Private	44	23	124	101	21	23	91.3%	22.8%	
Passenger Non-Private	51	29	181	66	22	115	75.9%	174.2%	
SUV Private	112	69	236	127	43	109	62.3%	85.8%	
SUV Non-Private	86	355	196	425	-269	-229	-75.8%	-53.9%	
Light Commercial Non-Private	0	2	10	5	-2	5	-100.0%	100.0%	
Sub Total	293	478	747	724	-185	23	-38.7%	3.2%	
HYBRID									
Passenger Private	1,001	576	2,848	1,677	425	1,171	73.8%	69.8%	
Passenger Non-Private	1,455	829	3,907	2,746	626	1,161	75.5%	42.3%	
SUV Private	1,284	74	3,725	213	1,210	3,512	>999%	>999%	
SUV Non-Private	909	62	2,498	173	847	2,325	>999%	>999%	
Sub Total	4,649	1,541	12,978	4,809	3,108	8,169	201.7%	169.9%	
TOTAL	4,942	2,019	13,725	5,533	2,923	8,192	144.8%	148.1%	

HIGHLIGHTS OF THE MONTH

Mark Bouris to front new Lexus campaign

Entrepreneur **Mark Bouris** is joining Lexus Australia as a brand ambassador and he will front the launch of the new Lexus ES F Sport campaign.

“Partnering with achievers like Mark is an opportunity to combine our approach to business – one entrenched in taking care of customers like they are guests in our home – with the honed skills of a philanthropic business mind,” Lexus Australia chief executive **Scott Thompson** says.

“It’s one of life’s great rewards to collaborate with global brands who drive innovation,” Bouris says.

“For Lexus to collaborate with my mentored programme that helps entrepreneurs achieve their goals and excel on their journey is very special indeed.”



Ram 1500 reports for Marine Police duties

NSW Police Marine Command has taken delivery of a second full-size Ram Truck to tow police jet skis and rigid inflatables to locations throughout the state.

A 5.7-litre V8 Hemi 1500 Crew Cab has just clocked on for duty, following an evaluation of multiple RAM Trucks, including the 2500.

Based in Balmain, Sydney, the NSW Police Marine Area Command’s (MAC) responsibility extends to all coastal areas of NSW and 200 nautical miles out to sea. The services provided by MAC are similar to those carried out by land-based police, including crime prevention and detection, search and rescue.

“These trucks go everywhere in NSW with the MAC enforcement team, from Tweed Heads down to the Murray,” NSW Police Marine Command Superintendent **Stephen Hegarty** says.

“**The 4.5-tonne max brake towing is incredibly useful as it allows us to easily tow up to four jet skis at a time – or one of our bigger rigid inflatables – out to Dubbo, for example, for the Commissioner’s Rise Up youth programme, compliance around boat safety on the water, or the South Coast to assist in the recent bushfire evacuations.**”



VACC launches Auto Workplace Assist

The Victorian Automobile Chamber of Commerce (VACC) says the upcoming implementation of workplace manslaughter laws in the state from July 1, means that now is a very good time to check and ensure compliance.

It has launched a new national product to help make business operations easier: Auto Workplace Assist.

“Auto Workplace Assist is a convenient go-to solution for supporting business owners across Australia with their automotive workplace compliance, knowledge and awareness needs,” VACC chief executive officer **Geoff Gwilym** says. It makes it easier for automotive business owners and managers to look after their health and safety obligations by offering industry specific products, so that they can concentrate on what they do best: running successful automotive businesses.

Westcott takes over as Signoriello heads to Japan

Shaun Westcott will take over the reins of Mitsubishi Motors Australia Limited (MMAL) as chief executive officer on April 1, 2020 succeeding **John Signoriello** who is heading to a new role in Japan.

A 30-year Mitsubishi Motors veteran, Signoriello becomes MMC global marketing and sales executive officer based in Tokyo. He was appointed MMAL chief executive officer in 2017, prior to this he held various roles in operations, sales and marketing.

Westcott joined MMAL in 2019 as Aftersales deputy director and is responsible for the areas of aftersales, parts and accessories and customer experience. He also brings skills



Shaun Westcott

Continued on page 27

Continued from page 26

and experience from a diverse range of industries including mining, FMCG, robotics and manufacturing.

“Shaun is a great fit for MMAL and his diverse experience places him in a strong position to lead this team through the next phase of the business,” Signoriello says.

“His appointment demonstrates MMC’s commitment to developing talent globally and I look forward to following the developments under Shaun’s leadership over the coming years.”

Ricciardo ambassadorship extended by carsales

Australian F1 driver Daniel Ricciardo will continue his global brand ambassador partnership with carsales for another two years says the company.

Since 2017, Ricciardo has appeared in carsales television commercials and video content, featured on billboards and spent time with some of carsales’ most important clients both here in Australia and abroad.

“We are very proud of our partnership with Dan and looking forward to another two years of his support to help Australians buy and sell cars with confidence,” carsales chief marketing officer **Kellie Corder** says.

“Dan’s natural charm, down-to-earth persona, reliability and sense of humour aligns perfectly with how we see our brand. He’s loved by Aussies and F1 fans across the globe and has helped reinforce carsales as Australia’s #1 for cars,” Corder says.

Ricciardo’s collaborations with carsales have included the Auto Reply video series campaign — where Dan answered carsales’ frequently-asked questions — to humorous how-to videos such as parallel parking, selling a car and changing a tyre.



Jeep Australia sets up technical quick response team

Jeep Australia has created its own in-house team of “flying doctors” who are four technical experts that can respond quickly to new vehicles with warranty issues in the dealer network.

Jeep Australia boss Kevin Flynn told WhichCar.Com.Au the service is modelled on the Jeep South African operation which shares the same distance issues as Australia.

Flynn told Which.Car.Com.Au that his priority is to make sure the four technicians are available to fly to a dealership at a moment’s notice, and then once the problem is fixed, it is then analysed to see how it can be avoided in future by training or improved processes.

More than 10 million checks on Takata website

Australians have now made more than 10 million vehicle checks on the automotive industry’s Takata airbag recall website www.ismyairbagsafe.com.au

More than 1.64 million vehicles have been found to be equipped with faulty airbag inflators. A faulty Takata airbag has the potential to seriously injure, or even kill, vehicle drivers and passengers.

“The heavy volume to the industry website clearly shows its effectiveness in such an important public recall,” Federal Chamber of Automotive Industries (FCAI) chief executive **Tony Weber** says.

“The real strength of the website is that vehicle owners can check the recall status of their vehicles simply and quickly, and in their own time.”

Weber says the 10 million milestone mark represented more than 56% of the 17.8 million passenger cars and light commercial vehicles on Australian roads.

Two Mazda's and a Kia vie for World COTY

Two models of SUV and a passenger car are vying for the World Car of the Year award, as the top three finalists in each category have been announced.

The Kia Telluride, Mazda CX-30 and Mazda are the top three finalists for the World Car of the Year award.

A jury of 86 international automotive journalists selected the finalists by secret ballot based on their evaluation of each eligible vehicle as part of their professional work. KPMG tabulated the vote results. ■

