

AUTO CHECK SUSPENDED

After supplying members with accident claims information since 1995, the UCDA regrets to inform members that effective June 17th, until further notice, we will be unable to offer Auto Check™ reports to members.

This is the result of actions by the Insurance Bureau of Canada (IBC), which has terminated the UCDA's access to the accident claims data that the UCDA has used to provide our Auto Check™ member service for the past 16 years.

The UCDA has been in the process of seeking access to more comprehensive dollar claims data from IBC member insurers, in order to assist UCDA members to disclose past accident damage as required by the *Motor Vehicle Dealers Act*.

However, the UCDA has learned that a single information provider, CGI Group Inc., has obtained exclusive access to claims data from a significant number of major insurance companies. CGI in turn, supplies the data to Carproof through a third intermediary company.

Excuses about privacy and personal information have been raised, though no personal information is

included in the claims data, which is based solely on VIN numbers.

The UCDA has never received a complaint related to the use of personal information or breach of privacy as a result of an Auto Check™ search.

Without adequate data from major insurers, the UCDA has come to the difficult decision that it is better to suspend Auto Check.™

In the meantime, accident damage information is available to UCDA members at www.ucdasherches.com, through Carfax, at special UCDA member pricing of \$15. Information on a Carfax report includes:

- Accident information from various sources across Canada and the U.S.
- Canadian insurance dollar claim information
- Out-of-province Canadian and U.S. registration information, identifying provinces and states and dates of registration
- Canadian and U.S. branding information

The UCDA is considering all available legal options in order to obtain access to the data needed to resume the Auto Check service.

A Change For The Better

It has been over two years since the UCDA made the move to a new insurer to underwrite our Garage Insurance Program ... Sovereign General Insurance ... and the change has been a good one.

Sovereign General is an all-Canadian company that has integrated the UCDA dealer program into their process flawlessly and have been very receptive to making the necessary changes to the variety of coverages that our members required.

Although we have had a couple of different insurance companies over the 16 years this Member Service has been offered, we have only ever had one broker ... Baird Macgregor Insurance Brokers.

During that time, partnering with the UCDA, Baird Macgregor has proven itself to be a leader in delivering a program based on ongoing product review, development and service delivery uniquely tailored to the specific needs of our members.

In response, UCDA members have proven to be a good risk for insurers over the years and that's why we have been able to maintain stable premium rates during some very trying economic times.

The UCDA Insurance Program was designed with two unique components in mind:

Premium Discounts: Every member enrolled in the program receives a 7.5% premium discount that has saved members more than \$5 million dollars in insurance costs,

and,

Claims Free Bonus: Members that are claims free receive a 5% premium bonus each policy year. Introduced in 1998, this aspect of the program has returned over \$3.5 million dollars in bonuses to members! Some of our members have received the bonus each and every year since it began.

When your existing policy comes up for renewal, call the UCDA to arrange for a broker from Baird to give you a quote. Call 1-800-268-2598 and ask for member services.

90 Day Cancellation ... Wrong Odometer Reading

A member has informed us that a consumer demanded cancellation of a contract under the 90 day cancellation section of the MVDA, because the distance traveled recorded on the bill of sale was 1,626 kms less than the actual reading on the vehicle.

This is the first consumer demand, that we are aware of, for automatic cancellation under Section 50 of the MVDA.

Here are the details

- Vehicle purchased Feb. 24, 2011 for more than \$40,000
- Bill of Sale 47,474 kms
- SSC same date showed 49,100 kms
- The difference is well over the 1,000 kms tolerance
- The customer demanded cancellation before the May 24th deadline (90 days from purchase).

**Is the customer taking advantage of the situation?
... no question!**

Does it matter if the vehicle has another 6,000 kms on it when it's returned ... probably not?

Is the dealer going to lose money? ... You bet!

The 90 day rule is non-negotiable. Under the MVDA 2002, the odometer reading/distance travelled has to be correct and in this case it was easily proven to be wrong.

You are encouraged to put a process in place where someone "before delivery" re-checks the recorded distance traveled for accuracy, and for other disclosures that could have been overlooked.

For the record ... the dealer took back the car and cancelled the deal!

“Guaranteed” Sale Scam

You may be asked about this by consumers from time to time.

A consumer is trying to sell their vehicle privately and they get a call from a company that, for an up-front fee of \$500, will “guarantee” the sale of the vehicle ...and for a price \$1,000 above what the consumer was asking!

The hook?

They tell the consumer, “you can’t lose because, if your car doesn’t sell in 90 days as promised, we’ll give you most of your money back and we’ll only keep a small fee (like \$100) for our “service”.

Sound too good to be true? It is!

Too often, these consumers find out they not only don’t get a windfall, they don’t even sell their car and, to make things worse ... the company doesn’t refund their up-front fee.

If a consumer tells you they’ve received such a call, give them the bad news, but it’s an opportunity to remind them that they’re probably better off selling the car to you.

Used Vehicle Inventory Shrinking

Over the next few years, inventory availability is going to shrink substantially, according to data released by DesRosiers Automotive Consultants Inc.

While we’re all aware that there were fewer vehicles leased in recent years, DesRosiers’ estimates provide a clearer picture of what we can expect. In Canada, Leased and Fleet vehicle sales dropped from almost a million units in 2007 to 663,000 in 2008 and plummeted to 326,000 in 2009.

As a result, DesRosiers is forecasting a drop of 80,000 vehicles coming onto the used market in 2011 and larger drops in the following two years.

While there is some offset to these losses by the larger percentage of vehicles “financed” by consumers in 2008 through 2010, there’s little question that the overall shortages will continue to put upward pressure on used vehicle prices for some time to come.

Carpages.ca ... Double Exposure



In the past few weeks, over 6,000 used car buyers have searched for a car at one of the UCDA’s two websites, www.ucda.carpages.ca or www.ucda.ca.

This is over and above the many more thousands of visitors and leads generated directly from Carpages.ca.

UCDA members who advertise on Carpages.ca have their vehicles displayed to car buyers through the UCDA’s own website, providing the unique opportunity to double the consumer exposure of vehicles that members post on carpages.ca ... at no extra cost to members.

The number of members using Carpages.ca has grown significantly and members now have more than 50,000 vehicles listed on their site.

Contact Mark at 1-866-567-2437 for information on exclusive UCDA member pricing.

LIEN SEARCH HOURS

Monday to Friday: 9:00 AM to 8:00 PM

Saturday: 9:00 AM to 5:00 PM

416.599.7412 or 1.800.668.8265

Fax : 416.232.0775 or

www.ucdasherches.com



NAPA Rebates ... Another Great Year

Over \$700,000 in cheques were sent out to more than 400 UCDA members, representing rebates for purchases made in 2010. That was a 25% increase over the \$550,000 our 350 members received for the prior year.

Participation in the UCDA NAPA Rebate programme has continued its solid growth with 132 new members joining the programme in the last 8 months.

A Great 3 Years

When the UCDA got together with NAPA in 2006, we believed that an auto parts programme, with such a world class company, would be a valuable new member service. Little did we know just how successful it would be for our members.

NAPA provides Quality ... Service ...and Value

New Toronto Warehouse

Two months ago, NAPA opened a new Toronto warehouse to service the north-west part of the city. Access to this 30,000 square foot facility is exclusive to UCDA members and marks the start of a major expansion for NAPA across Toronto. NAPA is committed to competitive pricing, parts availability and service delivery for UCDA members.

Here are just a few comments from members about the programme:

- Schmidt & Shaw, Barrie. We rely on product, warranty and delivery. NAPA goes out of their way to meet our expectations. We promote NAPA's top line of products because the warranty helps us with any customer problems. Mike Schmidt
- Penn Automotive, Hepworth. We have been a NAPA customer for years. No question their service is the best. If we need a part...they get it ... no excuses. We compare prices often and they are very competitive. Dale Morton
- Jim Keay Ford, Orleans. UCDA's NAPA program is very important to us. We have an "all makes" fast lane and NAPA provides great service to it and our body shop too. Jason Keay
- Jim Hume Automotive, Guelph. I am very happy with UCDA's NAPA program. It has a lot to do with our local store owners. They work very hard to service us ... they are "good people" to deal with. Jim Hume

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