

# UCDA ... SOME BUZZ!!

The UCDA's TV Commercial and Website has really begun to get the attention of Ontario consumers and most importantly, potential car buyers.

## WEBSITE

In September, we launched the new consumer website at www.ucda.ca. It was designed to provide viewers with valuable information about a potential car purchase and stress the reasons why buying from a UCDA member would be the smart choice.

In the past 3 months, the UCDA's websites have tracked over 100,000 visitors and those folks stayed to view more than 600,000 pages.



## FALL TV CAMPAIGN

The five week Consumer Awareness Commercial ran 'till Oct. 28th and was aired over 400 times.

Featured on local newscasts across Ontario and on selected high profile shows, the commercial received almost 40,000,000 impressions ... or, as they say, "eyeballs watching".



## IPSOS REID SURVEY

We commissioned Ipsos Reid Public Affairs to conduct a Consumer Survey across the province to gauge the effectiveness of our Fall TV Campaign. Almost 1,000 homes made up the survey group.

### Survey Results



Overall the results are very good. Province-wide, one out of every 4 consumers know about the UCDA. What we and members now need to do is dramatically increase the number that know you, as a local UCDA member.

**Prominently displaying the UCDA decal in your advertising and on your website is the key. If buyers don't know you're a member, the UCDA's member promotion doesn't help you.**

## BBB Complaints

The Canadian Better Business Bureau released its list of complaints received in 2010 and again car dealer complaints were on the list.

However, although new and used car dealers received over 70,000 "inquiries" each from consumers, they registered fewer than 1,000 complaints. And nowhere in the report does it explain whether the complaints were necessarily justified.

### Here's their top "ten" list:

Industry	Inquiries	Complaints
Cellular Phones Services & Equipment	14225	1523
Health & Medical Products	8386	1143
Auto Dealers – New Cars	77078	897
Furniture – Retail	32205	819
Television – Cable & Satellite	4083	627
Health Clubs	16016	591
Movers	128751	569
Telephone Communications	8008	511
Auto Dealers – Used Cars	79291	491
Internet Auction Service	10665	473

## Another Member Gets Burned On Export

The calls continue. The buyer does not want to pay HST because they are exporting the vehicle overseas.

In this latest case, the dealer delivered the vehicle to a common carrier, but did not insist on a bill of lading right away. Now, the vehicle has been shipped and the shipping company is refusing to provide the dealer with a bill of lading because the buyer refuses to give them permission.

Why? ... Because the buyer's nose is out of joint about some scratches on the vehicle when it arrived for shipment!

So now the dealer has to pay the customer's HST!

Dealers must remember: **"No bill of lading, no vehicle", it's that simple.**

At a minimum, the bill of lading must identify the overseas destination and must come from the common carrier with whom you are shipping the vehicle and to whom you give the vehicle.

Vehicles sold for export are only exempt from HST if the dealer arranges for the vehicle to be delivered to the buyer outside of Canada, otherwise ALWAYS collect the tax.

## Misleading Warranty Marketing

Front Line readers with long memories might recall that we wrote about warranty companies that sell "direct to consumers" back in our February 2009 issue.

Dealers regularly get consumer complaints about aggressive, confusing and misleading telemarketing/ mailing campaigns by such companies.

We reminded dealers to warn customers as warranties offered in this manner are rarely, if ever, properly insured.

Now, out of the U.S., comes news of two former executives that engaged in this activity going to jail for fraud and misleading sales practices.

The company (Transcontinental Warranty Inc., Florida) misled consumers, through automated "robo calls", into thinking they were dealing with the manufacturer, reinstating or extending their OEM warranty, instead of just buying a warranty from an unrelated third party.

Now these gentlemen have 5 years in prison, 5 years of post-release supervision and \$15,000 in fines each to think about instead!

Let's hope authorities in this Country are as vigilant in monitoring these practices.

## Top 10 most stolen cars

Every year, the Insurance Bureau of Canada (IBC) releases an annual list of the most frequently stolen vehicles. In 2010, the IBC says that the appearance of high-value, all-wheel / four-wheel drive models on the list illustrates that sophisticated organized crime rings are involved.

Criminal organizations strip them for parts, resell them to unsuspecting consumers or export them to countries where there is a high demand.

### The top 10 stolen vehicles in Canada are:

1. 2000 Honda Civic SiR 2-door
2. 1999 Honda Civic SiR 2-door
3. 2002 Cadillac Escalade 4-door 4WD
4. 2004 Cadillac Escalade 4-door 4WD
5. 2005 Acura RSX Type S 2-door
6. 1997 Acura Integra 2-door
7. 2000 Audi S4 Quattro 4-door AWD
8. 2003 Hummer H2 4-door AWD
9. 2006 Acura RSX Type S 2-door
10. 2004 Hummer H2 4-door AWD

## Extended Warranty Update

The UCDA regularly updates the list of extended warranty companies that have satisfied the UCDA that their warranties are fully insured by a licensed Ontario insurer.

Each of the companies listed below have provided the UCDA with a copy of its insurance agreement, along with a written undertaking by the insurer to notify the UCDA in the event that the coverage is cancelled or changes are made. The UCDA asks the recognized warranty companies to have insurers provide annual updates to us, confirming that insurance remains in place.

### Verified Insured Warranty Companies

After receiving updates from insurers, here is the current alphabetical list of warranty companies that have met our requirements for insurance recognition.

Coast to Coast Services	1-800-387-0119
Coverage One	1-866-988-1642
Easy Care	1-800-428-6184
Global	1-800-265-1519
INDS Canada	1-800-995-0290
Lubrico	1-800-668-3331
Nationwide	1-888-674-8549
Peoples Choice	1-888-284-2356

The UCDA does not endorse any specific warranty company or product, but strongly recommends that members only offer warranties that are insured by a licensed Ontario insurer.

### MVDA Regulations Regarding Warranties

The Motor Vehicle Dealers Act, 2002 which took effect on January 1, 2010, prohibits dealers from offering third party warranties to their customers unless:

- The warranty is insured by a licensed Ontario insurer; or
- The warranty company has posted a \$500,000 irrevocable letter of credit to the Compensation Fund

OMVIC also lists the companies it recognizes in each category on its website, [www.omvic.on.ca](http://www.omvic.on.ca).

The UCDA considers full insurance coverage to be the best form of protection to adequately shield consumers and dealers in the event that a warranty provider fails to honour its obligations. A letter of credit can quickly be used up, which could then leave the dealer that sold a failed warranty on the hook for consumer claims.

Contact Warren Barnard at the UCDA, if you'd like more information.

## Ontarians with Disabilities & Dealers

On January 1, 2012 the Accessibility for Ontarians with Disabilities Act, 2005 ("AODA") comes into effect.

This will apply to businesses, including motor vehicle dealerships, in Ontario that deal with members of the public or other third parties.

### Dealers with at least 1 employee must:

- Establish policies, practices and procedures for providing goods and services to the disabled
- Establish measures that will facilitate equal access to those goods and services, such as
  - signage
  - ramps
  - disabled parking
  - allowing guide dogs
- Provide training for staff and any others who interact with the public or third parties
- Give notice if disabled facilities or services are temporarily disrupted
- Communicate in a manner consistent with the customer's disability
- Establish a process for feedback

### Dealers with 20 or more employees:

In addition to the above, larger dealerships must also:

- Establish written policies, procedures and practices to provide disabled customer service as set out in the Customer Service Standards regulations
- Provide notice that the policy is available upon request in a format that takes account of the person's disability

Fines for non-compliance can be substantial: up to \$50,000 for a person, \$100,000 for corporations and \$50,000 for every officer or director who fails to take reasonable care to prevent the corporation from breaking this law. These sums can apply for each day of non-compliance!

We don't want our members to face any charges or fines, please visit <http://www.mcscs.gov.on.ca/en/mcscs/programs/accessibility/index.aspx> for guides and policy templates.

## Flood Cars



Automotive News has reminded dealers that although Hurricane Irene was not expected to produce the 1.3 million U.S. flood cars resulting from Katrina, they warn dealers to expect tens of thousands with many to return to the market.

More than 10,000 U.S. vehicles are coming into Canada every month providing opportunities for unscrupulous sellers to flog flood camouflaged cars here.

With Pennsylvania being so close to the border and having more flooding than other states, Ontario is probably looking like a good place to dump the flooders.

If you're looking at a purchase or trade of a U.S. vehicle, we recommend that you protect yourself against getting a flood car by doing a Carfax search. It can be done online at [www.ucdash.com](http://www.ucdash.com) or by phone to 1-800-668-8265.



## Christmas Holiday Hours

All dealers must be closed on Christmas Day, December 25th, which falls on a Sunday this year. Dealers may open on Boxing Day, Monday, December 26th.

New Year's Day also falls on a Sunday, so dealers must be closed on Sunday, January 1st.

However, employees are entitled to paid holidays for Christmas Day, Boxing Day and New Year's Day, so

employees who would not normally work on the actual holidays are entitled to paid holidays on other days.

Dealers may, if they wish, choose to be closed on one or more of Friday, December 23rd, Saturday, the 24th, Monday, the 26th or Tuesday, the 27th to provide employees with days off for the Christmas and Boxing Day holidays. Dealers may also choose to close on Monday, January 2nd, if they wish, to provide employees with the New Year's Day holiday.

Dates	Search Office Hours	Search Internet Hours
Saturday, December 24	9:00 a.m. to 5:00 p.m.	9:00 a.m. to 8:00 p.m.
Sunday, December 25	Closed	Not Available
Monday, December 26	Closed	9:00 a.m. to 8:00 p.m.
Tuesday, December 27	Closed	9:00 a.m. to 8:00 p.m.
Wednesday, December 28	9:00 a.m. to 8:00 p.m.	9:00 a.m. to 8:00 p.m.
Thursday, December 29	9:00 a.m. to 8:00 p.m.	9:00 a.m. to 8:00 p.m.
Friday, December 30	9:00 a.m. to 8:00 p.m.	9:00 a.m. to 8:00 p.m.
Saturday, December 31	9:00 a.m. to 5:00 p.m.	9:00 a.m. to 8:00 p.m.
Sunday January 1	Closed	Not Available
Monday, January 2	Closed	9:00 a.m. to 8:00 p.m.

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