

USED CAR DEALERS ASSOCIATION OF ONTARIO

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29 Years of Growth 1984-2013

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NAPA RETURNS \$1.2 MILLION to UCDA Members

2012 set yet another sales record for members participating in the NAPA Auto Parts Rebate Program.

More than \$1.2 million has been returned to our members, a 30% increase above last year's rebates. And 2012 saw close to 650 members eligible for rebates, compared with about 600 in 2011.

Cheques were handed out to members across Ontario by UCDA Member Service Advisors and regional NAPA staff over the past few weeks. The happy faces of a few can be seen in the photos on page 4.

Check Pricing with NAPA First

NAPA continues to offer highly competitive pricing, parts availability and unparalleled service delivery to UCDA members. More and more members are calling NAPA first ... for price, availability and delivery time.

Expanding the NAPA Program

With the opening of a new Toronto location, and continued expansion in the Greater Toronto Area, NAPA is committed to making the program available to even more members, building on its strong presence in other parts of Ontario.

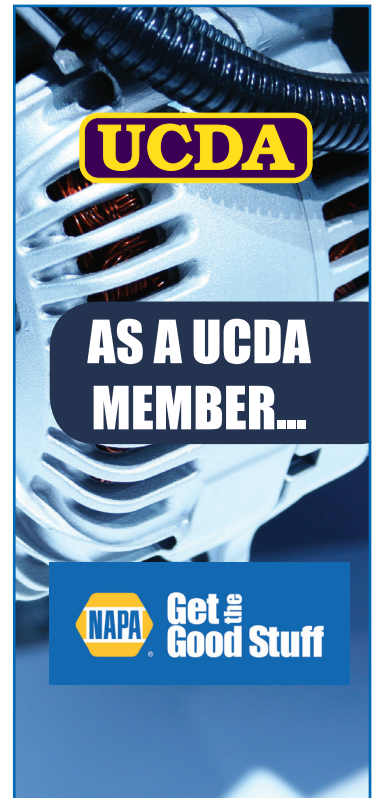
NAPA has developed special pricing for UCDA members on over 250,000 different products. From work gloves to flashlights to windshield washer fluid, NAPA can deliver what you need to keep your business running smoothly. Ask your UCDA Service Advisor for the NAPA brochure.

NAPA's "PRO LINK" is a state of the art, on-line parts ordering site with full details and pictures of the parts being ordered ...using Pro Link increases your rebate.

The UCDA has four Member Service Advisors working closely with local NAPA sales representatives to service most of the Province.

Our on-road Service Advisors visit members and explain the UCDA's member services including the NAPA program, UCDA's garage insurance program, vehicle information searches, health plan, bills of sale, appraisal forms and much more.

Contact the UCDA at 416-231-2600 or 1-800-268-2598, or email us at web@ucda.org, for more information about the NAPA program or any of the UCDA's many other member services.



UCDA Meets with Environment Minister

In late February, representatives of the UCDA and the Trillium Automobile Dealers Association met with Environment Minister Jim Bradley and several of his staff.

We thanked the Minister for acting on pressing industry concerns about readiness issues that had caused so many problems for dealers in the first six weeks of the new Drive Clean program.

The changes made by the Ministry, while not perfect, have at least eliminated the situations where dealers have had to drive vehicles, with no emissions problems, for days and sometimes for hundreds of kilometres, in order to try and get them ready to be tested. In some cases, this led to lost or delayed sales. At a minimum, it cost dealers money in gas and time driving vehicles around.

Under the new process, if a vehicle fails a test because it is "not ready", it will not need to be tested over and over again if:

- the vehicle is re-tested at least 24 hours after the first test;
- the vehicle has been driven at least 30 kilometres since the first test;
- the battery has not been disconnected and any OBD codes have not been cleared; and,
- the number of "not ready" monitors has not increased since the first test.

However, we also pointed out that a double standard continues to exist in the Drive Clean program. A vehicle as new as the previous model year (i.e. 2012) is required to pass a Drive Clean test if it is being sold and plated to a new owner. Yet, the same vehicle, if owned by the original purchaser, will not require a test for 7 years.

Clearly, the Ministry has recognized that the vast majority of these newer vehicles are "clean" and have no significant emissions concerns. There is no reason to trouble the owners of these newer vehicles with the need to test them.

We see this as unfair to both dealers and private individuals selling their vehicles and we told the Minister this. If a car is clean enough to be driven without needing a test, it should be clean enough to be sold without needing a test.

We have asked for an exemption from testing for **all** vehicles up to 7 model years of age, to be consistent with the current practice in several other jurisdictions.

At the very least, we told the Minister that testing should not be required for a period equal to the length of the manufacturers' original warranties on vehicles. At a minimum, this would provide a 3 year test exemption for the sale of vehicles.

The initial response from the Minister and his staff was lukewarm at best, but they have agreed to continue to monitor the test data. If the failure rates for newer vehicles are extremely low, there may be an opportunity for an exemption in the future.

The UCDA will continue to press for this, but no changes are expected in the short term.

Selling "As Is" ... Disclosure Still Needed

Unless selling an irreparable, scrap vehicle to an auto wrecker, the MVDA requires full disclosure be made to consumers ... even if they sign the "as-is" section on the bill of sale.

This is especially important when it comes to a vehicle's mechanical condition.

A member recently sold a \$2,500 car to a consumer who wanted to have her own mechanic do the "safety". The dealer had the purchaser sign the "as is" section on the contract.

However, the purchaser didn't intend to buy a vehicle that was "not roadworthy and not mechanically sound". In fact, she was told that it was roadworthy and that the safety would not cost a lot. She clearly expected to be able to use the car as a means of transportation.

Soon after the purchase the transmission failed and it was clear that the problem existed prior to the customer purchasing the vehicle and that the dealer should have known this.

There were no disclosures made, but there should have been. If a vehicle is truly being sold "as is" there would be numerous things that would require disclosure ... or it wouldn't really be an "as is" vehicle.

In this case, the dealer had to take the car back.

Members should be aware that, even when selling "as is", the MVDA requires dealers and salespeople to tell consumers what is wrong with the vehicle and to clearly explain what the "as is" clause on the contract means.

Otherwise, it isn't really an "as is" sale.

The Garage Register

The Garage Register is a book, published by the Ontario Ministry of Transportation (MTO) and used by dealers to record all vehicles a motor vehicle dealer takes into, and transfers out of, inventory.

The Garage Register includes columns to record the name and address of the seller; the type, colour, odometer reading and Vehicle Identification Number (VIN) of the vehicle, and the name and address of the buyer.

Dealers are required by the Highway Traffic Act to keep the Register current and available for inspection.

The Garage Register is available free of charge from the MTO or the UCDA.

Since 2006, dealers have also been permitted to keep these records on computer, and do not need the actual book. The electronic version must contain the same information as would be in the book and it must be able to be printed or transferred electronically if need be.

Regardless of how the records are kept, it's important that they be complete and accurate. OMVIC, MTO, tax authorities and police all have the right to inspect a garage register, whether in a book or on a computer.

Unwanted Cars

Sometimes a dealer will take a car into inventory, often as a trade, more as a favour to a customer than a serious purchase decision.

The car is typically at the end of its useful life ... not really fit for the road, now or ever again.

Don't Let Your Guard Down

Dealers often "give" these vehicles to a "wrecker" or recycler. The recycler is helping them get rid of it ... so what's the problem?

The problem is these vehicles can remain in the name of the dealership and have been known to end up back on the road, either being driven illegally or in dangerous condition, causing concerns for liability.

Dealers may also have to deal with annoying calls from police and/or storage facilities, parking tickets or toll roads for use of a vehicle long since disposed of and forgotten.

A paper trail can be important too, for MTO, the tax man and OMVIC.

Do It Right

To prevent this kind of vehicle from coming back to haunt them, dealers should:

- Do up a bill of sale, even if the sale price shown is just \$1.00
- Register the vehicle out of the dealer's name into the recycler's name
- Enter the vehicle into their Garage Register in the column for "wrecking"
- Have the Licence Office register the vehicle into a "wrecked status". This will automatically brand the vehicle "irreparable" and ensure that the vehicle will never end up back on the road.

March Pricing Madness

When you request an Auto Check™, Ontario Lien Search and an Ontario Vehicle Owner History Search, on the same VIN, on the same day, during March:

You'll pay just:

- \$7 for an Auto Check™ (Save \$1.00)
- \$9 for an Ontario Lien Search (Save up to \$3.50)
- \$13 for an Owner History (Save \$3.00)

Total price for a REAL vehicle history ... just \$29 ... a 20% savings off regular pricing!

Together, these reports contain more MVDA required disclosure information than any other report available!

- Real time insurance claims with dollar amounts on Auto Check™
- Real time Ontario Lien Search
- Real time Ontario ownership history

Auto Check™ also includes Out of Province registration status, U.S. imports, current stolen vehicle information, Canada and U.S. branding information and Drive Clean Pass Data and Odometer info.

The Owner History shows daily rental company or insurance company names, indicating a former daily rental or total loss ... even if the car is not branded.

As an added bonus, if Auto Check™ shows a U.S. import ... you'll get a free Carfax™ report ... the most comprehensive U.S. vehicle information report available ... a \$15 value.

Now that's a REAL vehicle history at an affordable price!



Jim DeRoche and Ray Taylor from NAPA with Kevin Ruby at Three Bay Garage



Jim DeRoche and Ray Taylor from NAPA with Mike Seidl at Wright Auto Sales



Dave Aelick, UCDA and Jim DeRoche, NAPA with Walter Hojniak at Four Wheels



Jim DeRoche and Ray Taylor from NAPA with Willy Heffner at Heffner Toyota



Jim DeRoche, NAPA with Bento De-Sao Jose at Bento's



Greg Walsh and Michael Johnston with Dave Aelick, UCDA at Class A Automotive