

USED CAR DEALERS ASSOCIATION OF ONTARIO

230 NORSEMAN STREET, TORONTO, ONTARIO M8Z 2R4

TEL: (416) 231-2600 or 1-800-268-2598 • INTERNET: www.ucda.org**29** Years of **Growth** 1984-2013www.ucda.org

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LOOK FOR THE SIGN



It's A Sure Sign of Spring

It's Spring and that means the UCDA's Spring Consumer Awareness Campaign is ready to start on a TV station near you.

Viewers will once again be reminded to look for the sign ... the UCDA sign that has become familiar to consumers since we began running our Spring and Fall Campaigns in 2007.

The UCDA logo will be featured in the TV ad, which asks viewers to "Look for the Sign" at their local dealership.

The aim of the Campaign is to promote the value of buying from a UCDA member, so make sure that viewers in your area know you are a member.

Check that an up-to-date UCDA decal is on your window or door. If you don't have a decal, or need another, contact the UCDA.

Just as importantly, make sure your online and print advertising includes the UCDA logo so potential customers know you're a member.

To download a UCDA logo go to www.ucda.org.

This year, the ads will run for two months, through April and May, on local newscasts province-wide. The ads will run on Global, CTV, CP24, CHCH, and most local TV stations.

In the Toronto area, the UCDA will sponsor radio traffic reports on 680 News with the following message:

*This traffic report is brought to you by the UCDA
.... The Used Car Dealers Association of Ontario.*

Buy your next used car from an Ontario UCDA member ... buy with confidence. Look for the UCDA signs at your local dealer and online at carpages.ca

www.ucda.ca

The ads provide viewers with the web address of our consumer website. The site includes informative text and short video clips describing the benefits of buying from a UCDA member, such as our free mediation service. It also emphasizes the lack of protection when buying privately and the dangers posed by curbsiders.

Of course, consumers can search for UCDA members on both www.ucda.ca and www.ucda.org.

Carpages

The ads will also highlight www.carpages.ca, encouraging viewers to search for UCDA member vehicles exclusively on the site with a simple click.

Carpages makes it easy for members and consumers alike. If you're not already advertising on Carpages, call the UCDA at 1-800-268-2598 or Carpages directly at 1-866-56-PAGES (1-866-567-2437) to find out how inexpensively you can advertise your inventory on Carpages.

March Pricing Madness ... Extended!

March Pricing Madness was so popular with members that we've extended the offer!

Request an Auto Check™, Ontario Lien Search and an Ontario Vehicle Owner History Search, on the same VIN, on the same day and:

When you do all three 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.

APRIL SPECIAL OFFER

Members who request 5 or more Auto Checks™ in April will receive a free UCDA "Look for the Sign" poster and a "Buy With Confidence" poster that tie in with the Spring Advertising Campaign. Let your customers know you're a proud UCDA member.

Extra posters can be ordered for just \$10, plus HST, by calling 1-800-268-2598 or emailing posters@ucda.org. The price includes shipping.

Appraisal On Delivery

There is a useful aspect to the UCDA Customer Information, Appraisal & Disclosure Form that is often overlooked.

Everyone knows that you're supposed to "kick the tires" when you do the initial appraisal. Ask the right questions, inspect the vehicle, run your searches (like Auto Check™ and lien searches) and get your UCDA trade-in appraisal form signed by the customer. Only then can you give a value for the trade-in.

But the UCDA Appraisal Form also reminds you to take another look on DELIVERY. Remember, sometimes quite a while can pass between the "deal" date and the "delivery" date.

One of our members experienced this the hard way:

The sale was for a new car and, due to factory delays, the deal did not close for over 4 months. The dealer did not use an appraisal form, and so was not reminded to re-check the vehicle on delivery.

During the 4 months the customer was driving the trade-in he'd had an accident involving repairs of almost \$17,000 which he quietly had performed and "failed" to mention to the dealer on the delivery date.

The dealer says they asked the customer if there had been any accident, a fact denied by the customer and which they can't prove because they don't have an appraisal form.

Now the dealer is occupied with what might end up being a legal fight with their customer who is happily driving their new car!

Don't have regrets ... do it right the first time, use the UCDA Appraisal Form as the helpful tool it was designed to be.

Advertising Properly

OMVIC continues to pursue dealers who advertise improperly, it's more important than ever to know the rules.

We've made it simple with a quick and easy-to-read advertising guideline summary on our website at: <http://www.ucda.org/DealerInfo/Advertising.aspx>

We are here to help if you're not sure about how to properly advertise all-in-pricing, "as is", unfit, daily rentals and credit/lease disclosure. We can help you advertise for success and avoid regulatory tangles.

Indian Status Cards

In the November 2012 issue of Front Line we wrote that the rules for expiry dates on Certificate of Indian Status Cards and Temporary Confirmation of Registration Document ("TCRD"), both issued by Aboriginal Affairs and Northern Development Canada (formerly known as Indian and Northern Affairs Canada) have been relaxed somewhat.

Due to delays rolling out a new "secure" Certificate of Indian Status card that will improve security and reliability, until further notice, the Canada Revenue Agency will accept an authentic Certificate of Indian Status card or TCRD, even if expired, as supporting documentation that the purchaser is a Status Indian. Additional picture identification should be obtained to verify ID as well.

Please note, it's still the case that other non-government cards, such as "Métis" cards, "First Nations" cards, "Aboriginal Nation" cards, or anything else do **NOT** entitle the cardholder to any tax exemption.

If you're ever in doubt about what you are being shown, call the UCDA legal department to clarify 416-231-2600 or 1-800-268-2598.

HST Comes and HST Goes

HST may be here to stay in Ontario, but it's coming and going in other parts of the country.

On April 1, British Columbia is cancelling its HST and will revert back to the old provincial sales tax, plus 5% GST.

That means that from April 1st on, when selling and shipping a vehicle to a BC resident or dealer, Ontario dealers should charge 5% GST on the sale. Shipping charges will still be subject to 13% HST if invoiced to the buyer separately.

If the BC purchaser takes delivery here in Ontario or arranges for the shipping themselves, dealers should continue to charge 13% HST.

At the same time, Prince Edward Island is introducing HST for the first time. The rate in PEI is 14%. So, starting on April 1st, members selling and shipping a vehicle to a PEI resident or dealer should charge 14% HST on the sale. Separately invoiced shipping is subject to 13% HST. If the PEI purchaser takes delivery of the vehicle in Ontario or arranges shipping themselves, 13% HST should be charged.

A full summary of the GST and HST rates across the country can be found at <http://www.ucda.org/DealerInfo/OutOfProvince.aspx>.

Taxing Issues

The UCDA is not a tax advisory office. We are not accountants and our on staff lawyers don't have specific expertise in tax law.

On the other hand, we do have to turn our mind to these issues when we design our bills of sale and we get calls regularly from members with all kinds of questions related to tax on the purchase and sale of vehicles.

Lately, we have been getting calls from some members who are being audited by the Canada Revenue Agency ("CRA"), and some common HST issues are emerging that we would like to comment on.

This is our chance to describe the issues for all our members and tell you our opinion. This is not tax advice, however, and you should always consult with tax professionals and consider using rights of appeal provided by CRA if there is disagreement with an audit or assessment.

Gas

If a dealer puts \$50 worth of gas in a vehicle and charges that cost back to the customer on the bill of sale, in our opinion, as long as the dealer keeps the receipt and does not claim an input tax credit on the HST included in the gas purchase, it becomes a disbursement, charged to the customer, and not subject to HST.

This is different from a fee that is more like an administration fee, such as a flat \$50 gas charge on a sale regardless of how much, if any, gas is put into the car.

This would likely be subject to tax as any administration fee would be. On UCDA bills of sale, gas disbursement recovery charges appear below the tax line for that reason.

We understand some CRA auditors have questioned this, but we are not aware of any formal assessment or appeal having been made on this issue.

It's important to keep the gas receipt, otherwise, an auditor will have no way of knowing if that amount of gas was actually purchased for the customer. We continue to monitor this issue.

Vehicle Registration Fee

This is a recovery of the government fee charged by Service Ontario and paid by dealers on behalf of customers at Driver and Vehicle Licence Offices for registration and plates.

We have had some calls telling us auditors are questioning why HST was not charged on this fee. The

answer is that government fees are not subject to HST. As long as the dealer does not add anything extra to this amount, this should be a disbursement recovery and not a taxable fee. Again, keep receipts.

We are not aware of any formal assessment or appeal on this issue with CRA.

Dealer Reserves

Dealers often help customers arrange third party financing, through banks or lenders, as a normal part of a sale.

The lender will sometimes pay a commission or a "reserve" to the dealer for that service. It is on that fee that some CRA auditors are saying the dealership must collect HST from the financial institution.

The reasons for this are complicated, but seem to boil

down to changes made by CRA to their definition of "financial service". You can read more detail on this at <http://www.cra-arc.gc.ca/E/pub/gm/b-105/b-105-e.pdf>.

The gist of it seems to be that the more work dealership employees do to obtain third party financing for customers, the more likely the activity will be considered to be a "financial service" and, therefore exempt from the requirement to charge HST on the third party fee.

The devil is in the details, however, as every dealership practice is unique and even different transactions at the same dealership may be viewed differently by CRA.

These issues should be reviewed with professional tax advisors. This concern is also being brought to the attention of CRA officials in Ottawa, hopefully to receive some positive clarification.

Get Your Posters!

With the UCDA's Spring Consumer Awareness Campaign starting April 1st, it's time to get your UCDA posters, "Buy with Confidence" and "Before you sign, Look for the sign".

These posters are high quality, tear proof, and attractive. They send the same message as the TV advertisements.

This is how the posters look in a couple of Members' showrooms.



UCDA at the Auction

The UCDA is pleased to announce that we will have a visible presence at Manheim's Toronto Auto Auction every Tuesday during the sale. We won't be selling anything, the main reason to be there is to meet members, answer questions, introduce new services for members and to make it easier to join the UCDA.

Each week one or two UCDA staff members will attend the sale ... so be sure to drop around and say "Hello"!

Bob Pierce, UCDA Director of Member Services, is seen here with Cheryl Munce, Manheim Toronto General Manager, at the March 19th sale. The response from dealers and salespeople has been very positive.



36228

IT'S ALL IN THE DETAILS: ABSOLUTE AUTO IMAGE



“If you have a '65 'Stang, you don't just take it to any shop...”

It was Thanksgiving weekend 2010, and Fadi Charbine, who was working as a production manager at Matcor at the time, had a bit of an epiphany. “I got tired of travelling and working for somebody,” he said. “I wanted my own shop, close to home.”

With that, Charbine, a robotic technologist with a background in business management, decided it was time to spend more time at his detailing shop, Absolute Auto Image, in Oakville. At the time, Charbine says it was more of a hobby than a job after working in the automotive manufacturing industry since 1991.

“I dropped everything...and I mean everything,” he said. “It wasn't great timing, but it was a choice I had to make.”

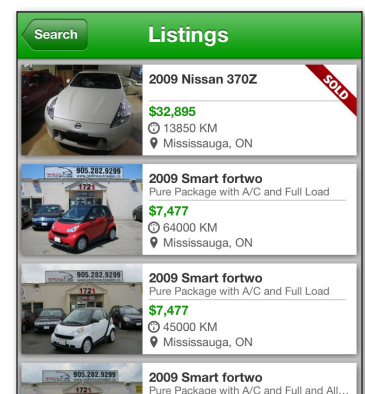
Absolute Auto Image is actually Charbine's second detailing shop, after he closed his original shop—Kleen Getaway Car Care—in 1996. With that change in location also came a bit of a paradigm shift, and detailing cars was just the start of it.

“As much as I do detailing, I do accessories and auto sales as well,” he said. To make things even easier on customers, Charbine's website will soon provide access to over 400 parts and accessories right online, so customers will more easily be able to find what they're looking for. “It's a one stop shop,” he said. Soon, it will be more than a “one stop shop”; in fact, some customers won't have to worry about a shop at all once Charbine gets his next project underway.

A part of his accessories business involves building trailers and customizing vans with tool shelves, work benches and other ergonomic accoutrements that many labourers need. In that light, he has already put plans in motion to build mobile AAI units that will come to customers, instead of them having to come to him. When implemented, he'll be the only detailer in the Oakville area that will provide that service. The mobile units will be able to provide detailing services, window tinting and paint protection.

Perhaps the most refreshing aspect of Charbine is that he's a car guy through and through that's passionate about his work, evidenced by his love of working with classic car clubs like the Horseshoe

Mustang Club and Burlington Porsche Club. “If you have a '65 'Stang, you don't just take it to any shop,” he says. “I'm very honoured for people to trust me with these cars.”



In March, Carpages released a brand new iPhone app for consumers that allows them to search used vehicles on the go.

Understanding **Lead Generation** with DealerSite Plus

A DealerSite Plus website delivers the features and content your customers are looking for!

With 60% of the car buying process now online, your dealership's website is on the front line for lead generation and a preferred method of contact by your potential customers. A DealerSite+ website from Carpages.ca offers plenty of standard, no cost utilities that make it easy for your customers to reach you online, while providing you with valuable contact information, insight into the customer's vehicle requirements and buying process, and driving new business to all the services and products you sell.

Vehicle Inquiry: Capitalize on customer interest in your stock inventory!

Customers can email you, directly from each individual vehicle page. They provide you with contact information and their questions or comments regarding a specific vehicle they are viewing.

Book Test Drive: Serious customers book test drives!

Customers can book a test drive from each vehicle page. They provide you with contact information and a desired appointment time, related to a specific vehicle they are viewing.

Vehicle Locator/Car Finder: Find customers when they are ready to buy!

Customers provide you with contact information as well as details of the year, make model and price of a particular vehicle they are searching for.

Appraise Your Trade-In/Sell Your Car: Make it easy for customers to trade up!

Customers provide you with contact information and comprehensive information about the vehicle they are currently driving, using handy drop down boxes and user friendly check boxes.

Credit Application: Get more credit customers!

Customers complete the secure, comprehensive credit application, conveniently online. In the event that the first page is completed, but the balance of the application is not finished, the complete first page will be sent to you with the customer's contact and address information.

Book a Service Appointment: Drive business to your service department!

Customers can conveniently provide your service department with their contact information, year, make and model of their vehicle, the service required and their desired appointment date. Works great for Detailing, and other auto appearance services, too.

Find A Part: Sell more parts!

Customers contact your parts department online, providing you with their contact information, the year make and model of their vehicle, and a name or description of the auto part they would like to purchase

Contact Us: Let your customers have their say!

This standard, Email Us utility allows customers to contact you directly from your website, with any questions, comments or requirements they may have. With their contact information provided, you can start building your relationship online.

EMPLOYEE PROFILE: LORRIE BENOIT-PAQUETTE

"If you want to succeed you should strike out on new paths, rather than travel the worn paths of accepted success." — John D. Rockefeller

Lorrie joined the Carpages family nearly 4 years ago after moving from Montreal. Lorrie had several years in sales experience under her belt when she joined us.


"I love working in sales, but I have learnt that I have to believe in the product offering that I am presenting, otherwise I don't feel that I am helping my clients. Here at Carpages, I am very blessed because not only do I believe in our product offerings, I also believe in the company and it's corporate values."

Lorrie has had several roles in the company. She started out as an inside sales rep, later became a website sales specialist and is now spending much of her time on the road as a dealer solutions consultant.

"I love my new role! Talking to dealers, finding out what their needs are and offering the best solution for them is very gratifying to me. I don't see myself simply selling a product to a dealer, I know that I am providing the dealer with the best solution for their digital marketing strategy."

Lorrie is committed to providing the best service to her client base. "I see my clients and my territory as my own business within Carpages. I believe if you approach your role this way, customers will know that they are truly valued."

Facebook, Twitter and You Tube Plug-Ins: Get more social with your customers!

Real time postings and links to your social media pages and links to your You Tube channel allow for seamless two-way communication between dealers and customers. 

Contact the friendly staff at Carpages today for a free estimate to create a DealerSite Plus website.

dealersite+
 by CARPAGES.CA
 Dealer websites that offer more

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- Increased web traffic, meaning more leads
- Appear on more search results
- Online vehicle showroom with advanced search options
- Responsive customer support team

Call us today for a free quote! 1-866-56-PAGES

