

USED CAR DEALERS ASSOCIATION OF ONTARIO
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 TEL: (416) 231-2600 or 1-800-268-2598 • INTERNET: www.ucda.org

29 Years of Growth 1984-2013

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THE NEW CARPAGES

... Home of UCDA Member Vehicles

Almost 800 UCDA members are currently displaying vehicles on Carpages.ca making it the Number 1 all-Dealer Site in Canada for on-line vehicle searching ... and it's about to get a lot better!

With UCDA's fall advertising campaign being planned now, Carpages and the UCDA are making significant changes to the message and to Carpages.ca.

Every Member will have a Page on Carpages.ca

The Carpages.ca banner will display "Home of UCDA Member Vehicles ... Shop with Confidence."

Carpages is developing a dealer profile page on the site for every member even if you don't list vehicles with them. This will show the Member's name and contact information. The public will be directed to Carpages.ca to determine that you are a UCDA member and that they can "Shop with Confidence".

Since you will already have a page on the site a simple call to Carpages will get your vehicles on your page at special UCDA reduced rates.

Every vehicle displayed will have a UCDA Member logo with the message "Shop with Confidence".

Customer Tracking Numbers

Carpages is developing a customer call tracking process to enable members to know and track the leads that they will be getting.

Get on Carpages

To take full advantage of the Province-Wide Campaign and all of these enhancements you need to get your vehicles on the Home of UCDA Member Vehicles ... Carpages.ca ... by September 1st .

The screenshot shows the Carpages.ca website with a green header and navigation menu. The main banner reads "Carpages.ca is the Home of UCDA Member Vehicles. Shop with Confidence." Below this is a search bar and a "Buyers Tip" section. The "Used Car Search" section includes filters for Price, Year, Vehicle Type, and Make, along with a "Search by Region" dropdown set to "Ontario". A featured image of a blue 2013 Ford Mustang GT is shown. Below the search section is a grid of vehicle listings with images and prices:

2001 Ford Taurus SEL \$1,500	2008 Ford Focus SE S... \$8,840	2008 Honda CBR 1000RR \$9,699
2001 Subaru Outback \$4,990	2009 Audi A4 2.0T QU... \$25,900	2008 Pontiac G5 AUTO... \$5,988

Call Carpages at 1-866-567-2437 or contact the UCDA

Flood Cars

As we all heard through extensive media coverage, Albertans had a shocking start to their summer ... and parts of Ontario have not been spared either.

Flooding in and around major cities in Southern Alberta was unprecedented, caused severe losses to infrastructure and may harm the economy for some time to come. Preliminary economic loss estimates alone sit at \$5 billion.

Of course, motor vehicles were not spared and they factor into that number. We have to be concerned about the potential for these flood damaged units reaching the Ontario marketplace. The recent flooding in the Toronto area will also result in local flood damaged vehicles turning up for sale.

While not as damaging as salt water (such as we see from some U.S. storm events), fresh water damage to vehicles can pose some of the following concerns:

- Accelerated rust and corrosion
- Engine damage
- Damage to electrical and computer systems
- Parts contamination
- Bacteria and mold

Don't assume that just because a vehicle "looks" OK that it is. Chronic problems may not become evident until much later.

For only \$4, UCDA's Can Check™ will tell you if a vehicle was or is registered in Alberta. An Ontario vehicle owner search will tell you if the vehicle has only recently come into Ontario. An Auto Check™ search, for only \$8, may be able to confirm insurance write off, branding, flood or accident history.

UCDA searches are available at www.ucdasearches.com.

Paint Meters: A Key Tool

A recent article on Wheels.ca hit the nail on the head when it comes to checking for accident damage on vehicles.

The article points out the importance of proper inspections, including the use of paint meters to find past accident repairs that may not show up on an internet search.

If you or your staff have fallen into the lazy habit of relying entirely on vehicle information searches to gather information, appraise a vehicle's value and make legally required disclosures, you might find this story interesting.

<http://www.wheels.ca/feature/second-handpaint-meters-reveal-the-truth-about-hidden-repairs/>

UCDA members can purchase paint meters from MacMillans at discounted rates.

Barter

A dealer has a vehicle worth \$5,000. He happens to need his parking lot repaved and that's going to cost about \$5,000.

A buyer comes in, wants the car and guess what? He runs a paving company! A match made in heaven. The buyer gets his car and the dealer gets a pave job that he needed anyway.

The buyer gets a car, the dealer gets asphalt, but what does the tax man get? You can't forget them!

How To Do This Properly?

Draw up your bill of sale as you normally would, if the sale price is \$5,000 remit H.S.T. of \$650 to the Government and the rest is up to you and the buyer.

Thieves Come In All Sizes

A member discovered this the hard way, when an apparent customer arrived with two small children in tow and asked to look at some vehicles.

To accommodate customers with children, the dealer keeps some colouring books and kids toys, and left the kids in his office while showing the customer, who was apparently the kids' mother, the cars she was interested in.

No one else was there at the time.

After some time the woman left, with the kids, without buying or rescheduling a visit. Returning to his office, the dealer discovered that his brand new iphone had been stolen from his desk.

He reported the theft to the police, but since the woman did not take a test drive, he had no identification or contact information for her.

The phone was password protected, but our member was informed that within an hour and a half, someone had broken his password and made a phone call.

Clearly, this was a planned theft, shockingly using young kids to commit the crime!

The message to members ... don't leave cell phones or any valuable property unattended.

Unfortunately, it seems members need to be cautious when dealing even with the most innocent appearing customers.

Declaring Accidents / Claims On Bills Of Sale

The law in Ontario that governs the sale of vehicles by dealers to consumers is called the Motor Vehicle Dealers Act, 2002 (MVDA). All Members have heard of this law!

The MVDA is quite specific about a number of disclosures. Here is what it says about accident or "incident" declarations:

"If the total costs of repairs to fix the damage caused to the motor vehicle by an incident exceed \$3,000, a statement to that effect and if the registered motor vehicle dealer knew the total costs, a statement of the total costs."

Some dealers have gotten into the bad habit, if they have an Auto Check™ or some other report with an insurance claim on it, of just writing on the bill of sale "Auto Check™ provided".

This is not enough to satisfy the law and it's not good practice. It's too easy for a consumer to deny they ever received the report or, if they did, to disagree with what you think it said.

Make sure your bill of sale does the work it was designed to do, make the required disclosures on the contract and protect yourself at the same time.

Is The Customer Really Always Right?

Whether we like it or not, we live in an information age. Dealers and buyers have access to so much information about motor vehicles these days it often seems like information overload.

Is all the information useful? That depends on the source of the data, what it says and what it means. It is very risky to take pieces of data, or paper, at face value.

One of the greatest sources of tension between dealers and consumers these days is the information contained in vehicle information reports. These reports can be very useful if used as a tool and not as an end in themselves.

If, for example, a report says a vehicle had a \$1,200 collision 12 years ago, or an estimate of \$5,200, but no insurance claim, or a "miscellaneous" claim of \$857, or a "\$0" claim, or a "police report" at a collision centre showing damage "total" to the front bumper, what is a dealer supposed to do with this?

Many times these reports are run when a customer is trying to trade-in a vehicle that they may have purchased years before.

The UCDA office regularly gets calls from members who have had customers demand a full refund after seeing a report ... and often, sadly, because of bad advice they may have been given ... sometimes by other dealers.

Most members will listen to their customer and try to do what they can to resolve any problem that is presented to them ... but ... is a consumer "entitled" to a full refund in these circumstances or indeed do they even have a "legal" right to compensation from a dealer who failed to make declarations in these circumstances?

Maybe ... Maybe Not

The law in Ontario speaks about an obligation to declare incidents involving "repairs" costing over \$3,000 or material facts a reasonable buyer would want to know. But is all information contained in these reports equally meaningful ... clearly the answer is NO.

And sometimes "NO" is the answer a consumer will and should hear from a dealer when confronted with these kinds of demands.

Often, the "allegations" and bad impression raised about a vehicle by these reports do not withstand careful scrutiny.

By itself, a vague and unsubstantiated report, with nothing to back it up, would not hold up as reliable evidence in a court of law and, yes, dealers have the same right to their "day in court" as a consumer does, if it comes to that.

So no, the customer may not always be right, and sometimes, dealers need to stand up and say "NO".

New UCDA Decals

Clarification: We've had several phone calls inquiring about our new window decals since our June article in Front Line went out.

The "Buy with Confidence" UCDA decals are **for your dealership window** – not for the windows of your vehicles. We apologize to those of you who were misled by the term "Point of Sale".

There's no charge to members for the dealership window decals.

Call the UCDA at 1-800-268-2598 or 416-231-2600 to get yours.

Liens and U.S. Cars

As members know, searching for liens in Ontario (and anywhere in Canada) is easy and efficient. The UCDA lien search facility can do these searches affordably and fast.

But what about vehicles from the U.S. – how do you search for liens on these vehicles?

Vehicles in the United States are “titled”. There is no lien “registry” to search like we have in Canada.

To find out if there is a lien on a vehicle from the U.S., ask to see the original Certificate of Title (CT). In some U.S. States, lien information will be printed and described right on the document. In other States, if a bank has a lien, they will hold the original CT in their possession.

Either way, if you ask for the original CT you should learn what you need to know – either the lien will be described on it or the owner won't have it to show you which is a clear indication to beware.

To be extra certain (i.e. maybe the CT is a fake or tampered with), some U.S. States' Departments of Motor Vehicles (DMV) will give you a confirmation that a title is clear if you call them. We have contact information for all U.S. DMVs. Should you ever need it, just call the UCDA Legal Department.

Desjardins Ready-to-Drive Loan Meets With Strong Reviews

Members across Ontario are signing up and capitalizing on the many benefits offered through the Desjardins Ready-to-Drive Loan program.

The product was designed to be unique and incorporate more added-value than some other products currently being offered in the market. All Desjardins' automotive loans include complimentary life insurance on the loan.

This was intended to both add value and speed up the closing process, as there are no additional forms to fill out to register for the insurance. Every automotive loan also includes one year of roadside assistance.

Desjardins will finance vehicles as old as 10 model years. Sebastian Dinolfo, President of Clear Auto Group Inc., reports that this program has allowed him to “purchase 6-10 year old used vehicles being traded in at new car dealers” and he has realized “an increase in gross profits, making more on a really nice 2004 CRV, than a 2009 CRV that would be readily available at most of the new car dealers.”

Combined with competitive rates and reserves and superior service, Desjardins has quickly put the Ready-to-Drive product on the map with UCDA members. Larry Weir, General Manager of Canadian Auto Group, Wharnccliffe Auto Group, 5 Star Dealers and Oxford Motors, says, “I have found Desjardins to be very easy to deal with and funding done immediately.” Mr. Dinolfo adds, “Funding has been exceptionally fast, which helps with cash flow.”

Desjardins aspires to become your partner and contribute to your growth and success. Mr. Weir reports, “We recently signed our four dealerships up with Desjardins and have increased our business by 10% and are looking forward to more. I would recommend Desjardins as a lender to any dealership wanting to increase their sales”. Mr. Dinolfo adds, “Clear Auto has seen a 33% increase in funded business” attributed to the Desjardins Ready-to-Drive loan program.

For more information about the Desjardins program, visit <http://www.ucda.org/Services/DealerFinancing.htm> or email ucda@scd.desjardins.com or call 1-877-871-0114.

UCDA Membership Renewals

The majority of our Members are very good when it comes to renewing their Membership each year. There are always a few who get busy and have good intentions, but it just doesn't get done.

We understand and start early with our reminders. We send a renewal notice two months before your renewal date, along with a postage-paid return envelope. From there on, until you renew, we provide monthly reminders and follow up with a visit or a phone call.

A current UCDA Membership is mandatory for those of you enrolled in our programs (i.e. Baird MacGregor Garage Insurance, Capital Group Health Insurance, Carpages.ca, and the NAPA program). The program providers cannot issue discounts and rebates when you are not a current UCDA Member.

Once your membership becomes more than 60 days past due, an automatic hold goes on your account and your log-in account number and password will no longer work for searches and registering liens.

You can easily avoid this by phoning our office to renew over the phone with a Visa /MasterCard or, mail in your renewal notice with a cheque made payable to the UCDA.

If you have any questions about your current membership status or your renewal date, please give our office a call at 1-800-268-2598 or 416-231-2600.

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