

USED CAR DEALERS ASSOCIATION OF ONTARIO

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April 2014

Vol. 27 No. 4

THE 2014 SPRING AD CAMPAIGN HAS BEGUN!

The UCDA's 2014 Spring Consumer Awareness Campaign is on the air!

The 8 week campaign runs from April 7th through May 31st. For the first time, the UCDA ad is appearing on popular morning television programs Breakfast Television on CITY TV, Canada AM on CTV and Morning Live on CHCH. The ads will also appear on the 6:00 p.m. and 11:30 p.m. local news on those channels, as well as CKWS in Kingston and CHEX in Peterborough.

During the same period, and just in time for the playoffs, a special 15 second "pre-roll" ad will run prior to highlight videos on tsn.ca. The UCDA pre-roll will get 1 million impressions (1 million views) on the site.

<https://www.youtube.com/user/TheUCDA>

The UCDA's highly successful traffic report sponsorship will continue on 680 News in Toronto and CFRA in Ottawa.

Why does the UCDA run these Spring and Fall campaigns each year?

In short ... "for you" ... our members. By repeating the

message and re-emphasizing the UCDA brand every few months, year after year, consumers are encouraged to seek out UCDA members when looking to buy.

In conjunction with this UCDA awareness branding, the campaign continues to promote the message to consumers to look for the UCDA sign before purchasing a used vehicle. Make sure the UCDA logo is on your website, in all your on-line and print ads and, of course, on your door or window.

If it's not, customers who've seen or heard the ads, won't know you're a member and you'll get no benefit from the Campaign. Contact the UCDA if you need more decals.

The ads also direct consumers to Carpages.ca and to the Carpages iPhone and Android Apps as the home of UCDA member vehicles.

If you're not on Carpages, now is the time to sign up so you can reap the benefits of the Spring Campaign. There's no better time than during Carpages current "3 months for the price of 2" offer.

For more information and to find out how to get your own "DealerSite Plus" website, contact Carpages at 1-866-567-2437 or dealers@carpages.ca.



REAL Due Diligence ... PART II

In the last issue of Front Line, we wrote that due diligence does not begin and end with an accident search.

In order to satisfy their MVDA obligations, dealers are expected to do some significant work. Accident searches are an important, indeed crucial, part of that process, but it is a "process" and involves many other moving parts.

The important take away here is that accident reports are very useful, but they are not always 100% accurate or reliable, and that includes the UCDA's Auto Check™.

A case in point is a true story that happened to one of our members in 2012. He sold a vehicle and declared two accidents of which he was aware, each slightly over \$2,000. The buyer subsequently obtained a CarProof™ "claims" report which described, in addition to the two declared accidents, another claim for \$25,312. This appeared on the report as a "damage claim – damage to vehicle".

The buyer hit the roof and posted this on the internet (we've removed the dealers' name):

I purchased a used SUV from ██████████ in ██████████ CANADA through, ██████████ he lied and said it was not involved in a serious motor vehicle accident. A friend provided me a car proof that details \$25,000.00 in damages.

I have had to seek legal advice and I am engaged in a small claims action to sue him for damages.

If you are looking for a used vehicle I would not recommend (sic) this dealer as they are not on the up and up unless you want to have to go to court to sue him.

DO NOT EVER PURCHASE FROM ██████████

The dealer in this case was fortunate in that he was able to get in touch with the person who actually owned the vehicle at the time of the claim in question. As a result of this, the insurance company that put the data in the system was contacted and the broker was able to confirm the information was wrong.

The claim for \$25,312 on CarProof™ has now been removed. Unfortunately, the angry internet blog post is not gone, although the consumer did not sue the dealer.

Over reliance, or blind faith, on any accident report is a mistake that dealers must avoid. The old ways still remain tried and true ... physically inspect the vehicle, use a paint tester, ask the right questions, document answers and disclosures and use tools like reports to make conclusions about vehicles you plan to buy ... or sell.

Drive Clean Fee Drops, But Wasteful Program Continues

The fee for a Drive Clean test dropped from \$35 to \$30 on April 1st, but nothing else has changed. Dealers are still burdened with testing clean running, late model vehicles as young as one model year old, that will almost certainly receive a pass.

Media reports have exposed the wastefulness of the Drive Clean program as it now stands and many, including the *Toronto Star*, have called for the program to be ended.

Industry associations and most consumer groups are united in their position that the program has outlived its once useful purpose and should now be scrapped, as is happening in British Columbia at the end of this year.

In the short term, the UCDA's position is that until the program can be wound down in an orderly way, late model vehicles, 7 years or younger, should immediately be exempted from testing on re-sale, as they are on plate renewal.

Unfortunately, it's very apparent that the current government has no desire to remove this wasteful burden from dealers or the driving public. With a provincial election looming, members may wish to let your local MPP know your thoughts and ask them about their position on Drive Clean.

You can find contact information for all MPPs here: http://www.ontla.on.ca/web/members/member_addresses.do?locale=en

Synthetic ID Fraud

A new twist on identity theft ... why steal someone's identity when you can create one yourself?

Media reports suggest hundreds of thousands of fake Ontario driver's licences may be in circulation leading to concerns criminals could use them to obtain still more fake ID and commit all sorts of expensive frauds.

It's a big concern in an industry like ours where so much paperwork is involved to finance the purchase and sale of vehicles. No one wants to be the victim of a fraud, facilitated by a fake identity, because there is no one to go after if the cheque bounces or the loan goes unpaid.

It's shocking how easily this can be done. All someone has to do, according to various reports, is go to a department store and apply for a store credit card. Without ID, that application will be rejected, but the mere fact it was applied for causes the name used to go into credit reporting databases, like Equifax.

The second time around, they might get that card. Apparently, some retail stores will issue a store credit card on the basis of the name showing up in a credit reporting agency database, without any other ID at all. Once they have that, the bad guy is in business.

They make a few purchases, pay on time, apply for other cards, build a favourable credit history and bide their time. The really smart crooks combine time and additional IDs like driver's licences to craft a truly believable identity ... and then they strike.

Schemes like this are said to have made off with millions in fraudulent mortgages, insurance, loans and personal property transactions.

How are dealers supposed to protect themselves from such sophisticated frauds? The short answer is, in some cases you may not be able to, but you can avoid becoming a victim by using some old tricks to catch new dogs. Look for things like:

- Poor grammar
- Strange names
- Suspicious behaviour
- Has only one or two pieces of ID
- Not acting like a "normal" consumer i.e. not asking for a test drive, or to negotiate the price
- Does not want to deal face to face or sends agents to speak for him

The rest is up to the system to fix. Why do stores issue credit cards to people without ID? How careful is the Province about who can get a driver's licence? Are banks, credit reporting agencies and ID issuers talking to each other ... is anyone listening?

One thing is for sure, fraudsters are getting more sophisticated and to combat it we must ALL do the same.

UCDA's New Dealer Management Program

For the last 6 months UCDA and SureFireSolutions.com have been testing a new DMS designed especially for UCDA members.

The system produces UCDA's Used Vehicle Bill of Sale, Appraisal and Disclosure Form, Wholesale Bill of Sale and Lease Agreement at no additional charge with a simple licensing agreement.

SureFireSolutions.com is a leading provider of affordable and easy-to-use Dealer Management Software (DMS) for the Automotive, RV, Marine and Motorsport Industry.

SureFire DMS has proven to significantly streamline the dealer management process, saving valuable time and money for members who are already using it.

SureFire's complete end-to-end system includes Finance & Insurance (F&I), Customer Retention features, Inventory, Sales, Parts and Service. It is the only system in North America whose software is tied directly to Sage 50 accounting.

Benefits for UCDA Members

1) SureFire DMS Basic Version

This product tracks all your inventory, inventory costs, customers, all deal types (including cash, finance and lease), reports and customer retention features like automated "Thank You" letters. Also includes two-way interface with DealerTrack Canada.

Pricing Options - fees include training and ongoing user support:

- UCDA Flex Plan rate \$6.99 per delivered vehicle
- Non-UCDA Flex Plan rate \$8.99 per delivered vehicle
- UCDA Monthly rate \$149.00 per month
- Non-UCDA Monthly rate \$179.00 per month

2) SureFire DMS Web Enhanced Version

This product has everything the Basic Version has plus the ability to electronically transfer to many online auto advertising sites, including Carpages.ca:

Pricing Options - fees include training and ongoing user support:

- UCDA Flex Plan rate \$10.99 per delivered vehicle
- Non-UCDA Flex Plan rate \$12.99 per delivered vehicle
- UCDA Monthly rate \$219.00 per month
- Non-UCDA Monthly rate \$249.00 per month

3) SureFire DMS Sage Enhanced Version

This product combines the Basic Version plus the ability to electronically transfer accounting information directly to Sage 50 Accounting - Canadian Edition.

Contact SureFire for UCDA Member Pricing.

- Full F&I software with Easy to Learn/User friendly screens. New Dealers can be up and running within a few days.

Here's what one satisfied UCDA member had to say about Surefire Solutions...

"We have been using SureFire DMS for more than 7 months now and are very pleased with both the software and their great support" - Omid Farhangi - Owner, York Auto Centre, London, ON

NAPA Returns \$1.3 Million to UCDA Members

2013 set another sales record for members participating in the NAPA Auto Parts Rebate program.

This year, more than \$1.3 million has been returned to our members. And 2013 saw close to 650 members eligible for rebates.

Cheques were handed out to members by our UCDA Member Service Advisors and regional NAPA staff over the past few weeks. The happy faces of two of them can be seen in the accompanying photos.

Check Pricing with NAPA First

UCDA members are finding NAPA has very competitive pricing, parts availability and unparalleled service delivery. Clearly, every year, more and more members are calling NAPA first for price, availability and delivery time.

Expanding the NAPA Program

With the opening of a number of new Toronto locations, and continued expansion in 905 and 416, NAPA is committed to making the program available to even more

UCDA members.

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 Member Services Advisor for the NAPA brochure.

Members can also take advantage of NAPA's "PRO LINK" a state of the art on-line parts ordering site with full details and pictures of the parts being ordered. Using Pro Link increases the available rebate!

Call the UCDA at 1-800-268-2598 for more information about NAPA and any of our other member services.

Ask to be contacted by your local UCDA Member Service Advisor to see if your business qualifies for the NAPA rebate program.

You could share in more than \$1.3 million next Spring!



Did you know?

The minimum fine for employing an unregistered salesperson is \$2,500.

OMVIC has charged, and will continue to charge, dealers who employ unregistered salespeople including those whose registration has unknowingly lapsed.

Don't be caught on an inspection with expired salesperson licences. Check the status of each of your salespeople's licences regularly at <https://www.omvic.on.ca/RegistrantSearch/index.aspx>.

The search costs nothing ... but could save you thousands of dollars!

Annual & Special Meeting

The UCDA Annual & Special Meeting will be held on May 22, 2014 at 4:00 p.m at the Travelodge Toronto Airport Hotel, 925 Dixon Road, Toronto.

The Agenda will include the approval of bylaws, the election of directors and appointment of the association's auditors.

**UCDA VEHICLE
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