

2014 FALL CONSUMER AWARENESS CAMPAIGN

As summer fades into autumn, it can only mean it's time for the UCDA's annual Fall multimedia awareness campaign. The campaign begins on various media on September 15th and concludes the week of November 14th.

The TV focus is on the 6 pm and 11 pm local newscasts on CTV, CITY, CHCH, CHEX and CKWS using the same "Saturday Morning Couple" TV spot viewers saw last year.

The ad promotes the benefits of buying from a UCDA member and searching Carpages.ca to find UCDA member vehicles.

In addition, the ads will appear on CITY-TV's highly watched Breakfast Television morning show to increase the viewership and consumer reach.

Because we live in a digital world and the internet is becoming a more common source of news, ten second ad clips will also appear as a "pre-roll" ahead of video news stories on ctvnews.ca. This will deliver a million impressions (views) in Ontario.

And since there's no better place to reach potential car buyers than in their car, the UCDA is once again sponsoring 680 NEWS Toronto traffic reports for the same 8 week period. UCDA sponsored traffic reports will also run in Ottawa on CFRA NEWS TALK 580 and NEWS 1310.

Be sure your potential customers who see or hear the campaign know you're a member. If it's not already on your web site and in your ads, download the UCDA logo at ucda.org. If buyers don't know you're a member ... you won't benefit from the awareness campaign ... while your competitors will!

The number of members and vehicles on Carpages continues to grow and so do the number of lead generations. The campaign directs consumers to Carpages.ca to search for UCDA member vehicles. They won't find yours if you don't have any listed.

- Total email leads through Carpages.ca increased by 72% in July alone compared to July 2013
- Year-to-date total email leads have increased by 61% compared to the same period in 2014

During our Spring UCDA Campaign, more than 100 dealers signed up with Carpages.ca and we're hoping that even more members sign up this Fall.

To make your decision even easier, during September and October, Carpages.ca is offering a "Pay for 2, Get the 3rd Month Free" deal for new dealer sign-ups. Take advantage of this great offer and get your inventory on Carpages.ca right now.

(continued on page 2)

By advertising on Carpages.ca, your vehicles will be displayed on:

- The Carpages.ca website
- The Carpages iPhone app
- The Carpages Android app
- The Carpages iPad app

All this is included with your advertising plan for one low monthly price ... and it's specially discounted for UCDA members.

DealerSite Plus Websites

Carpages.ca also offers full dealer websites, based on their **DealerSite Plus** platform. This is a platform designed from the ground up specifically for dealers who want a robust and effective website that generates leads and helps sell more cars.

Here are some examples of member websites from Carpages:

AutoBerry Canada: autoberry.ca
Canadian Auto Price: canadianautoprice.ca
Global Auto Sales: globalautosales.ca
Auto Showplace: autoshowplace.ca

Every DealerSite Plus website is fully customizable and optimized to generate sales leads ... and it's very competitive pricing is surprisingly low, both for the upfront design fee as well as the monthly maintenance/support/licensing fee.

Here's what members have been saying about Carpages.ca ...

"I've been with Carpages for one month, and I'm already selling cars as a result. I'm really excited about my new website with Carpages too!" - *Shady Shehata, Owner, Executive Motors in Scarborough*

"I just wanted to let you know how happy I am with my new custom web site...the team delivered everything on time as promised and met all of my needs. I have been in business for over 20 years and have gone through three different web sites, and I feel like now I finally have the online presence that I have been looking for..Your customer service team is second to none and I would recommend any dealer that is looking to improve their online presence consider building a Dealer Site Plus with Carpages. ." - *Kevin Bavelaar, Auto Showplace*

"Carpages.ca provides the dealership with great Value and Exposure for the money. They also employ excellent administration of our Dealer website." - *Gerry Courtemanche, Kitchener Truck Centre*

Call Carpages.ca today! 1-866-567-2437.

OMVIC's Undercover Blitz

OMVIC has announced the results of its recent undercover shopping blitz, undertaken following W-5's used car shopper report last Spring.

Undercover "shoppers" visited dealers looking for non-compliant advertising, improper disclosures and unregistered salespeople. It sounds like they found some of each.

OMVIC says 30 new car dealers were visited in the Greater Toronto Area and half of the dealers passed with "flying colours".

OMVIC didn't disclose specific details or indicate its "pass/fail" criteria, but said 15 dealers "failed" the visit.

While some dealers apparently committed minor infractions, OMVIC found serious problems at others and many of these dealers are facing charges or disciplinary action. Discipline penalties can go as high as \$25,000!

Contact the UCDA if you have any concerns about your current MVDA compliance. We can help!

UCDA Days At Manheim Toronto

Each month since April a lucky UCDA member has won a \$500 credit to their UCDA Account. All they had to do to have a chance at winning was buy or sell a vehicle in the UCDA Lane at the Thursday sale during the month.

The lucky winners so far:

| | | |
|-----------|-----|---|
| April | ... | Ofner's Auto Sales of London |
| May | ... | Bravo Auto Sales of Mississauga |
| June | ... | VIP Auto Sales of Toronto |
| July | ... | MG Motors of Markham |
| August | ... | Trinity Auto Sales & Service of Lindsay |
| September | ... | Your name here??????? |

The credit can be used for any UCDA search service, such as lien searches, Auto Check™ accident reports, vehicle history searches or Carfax™ reports, bills of sale and other UCDA forms, or simply be applied to your membership renewal when it comes due ... \$500 is equal to two and a half years of membership!

And continuing our popular promotion from August, every purchaser of a vehicle on the UCDA Lane in September will receive a \$50 gas card from Petro Canada.

Call Manheim Toronto at 1-800-667-4656 for more information.

Curbsider Heads Off to Jail!

On August 29th, OMVIC won an important appeal against a curbsider, who then went straight to jail!

Andre Nicholas Campbell of Missisauga had been convicted of curbsiding in January, 2013 and been sentenced to 32 days in jail by Justice of the Peace Delano Europa, to be served on weekends. Campbell had previously been convicted of curbing and fined in 2001 and 2004. He never paid the fines. No doubt this led to the jail sentence in 2013.

Incredibly, Campbell appealed both the conviction and the sentence. It took a year and a half for the appeal to be heard and a decision rendered.

Campbell couldn't have liked the outcome.

Justice S.R. Shamai, of the Ontario Court of Justice, upheld the conviction and stated that Campbell "had shown a lengthy pattern of misrepresentation."

Justice Shamai said she thought the sentence issued by the J.P. was "lenient" and ordered Campbell into custody to start serving his sentence immediately ... not just on weekends!

OMVIC reported many of the vehicles Campbell sold were previous accident damaged vehicles and write-offs. Of course, this wasn't disclosed when he sold the cars. One car was sold to a driving instructor to be used by his students!

We can only hope that with some media attention, curbers and would-be curbers will get the message that curbsiding is a serious offence and will stop ... or get registered.

Selling As-Is Vehicles to the Public ... WHY?

Take a look at the following "real" dealer examples of just how bad "as is" selling is becoming.

1. A customer comes in and tells the salesperson that she needs a vehicle to transport her son to a weekly hospital appointment, but she doesn't have a lot of money.

The salesperson shows her an older Subaru being sold "as is". She purchases it for \$3,000 and the dealer delivers it to her mechanic. All goes well, until, on her first trip the engine blows. Long story short ...

dealer hands over \$3,000 to her repairer to get the vehicle back on the road.

2. A customer sees an ad for a 2002 Chev pickup **safety and e-tested** for \$2,000. The ad was a mistake, because the vehicle was on the lot with clear signage "vehicle sold as is".

The full "as is" disclosure was supposed to be in the ad. It wasn't. The customer complained to the dealer and they reluctantly agreed to have the vehicle safetied and e-tested. That was until they determined that the cost of doing so would be two and a half times the value of the truck!

The vehicle was not road worthy and could never reasonably be made to be. The truck was scrapped and the dealer has a threat of a legal action to deal with.

3. A customer buys a vehicle "as is" and for "parts only". The vehicle is delivered and again all is well until, two and a half months later a couple of Ministry of Environment inspectors attend the dealership with some serious threats of prosecution.

They are alleging that the "vehicle" **was sold with five components of the exhaust system missing** including the catalytic converter, and the dealer has until the end of October to fix the matter. The estimate from the customer is \$8,000 to \$10,000. We are monitoring this one at the UCDA.

The Law

The MVDA 2002 does **not** exempt "as is" vehicles from all of the disclosure requirements ... including a list of possible repairs the vehicle needs. Without these written disclosures the dealer is on the hook and sometimes other legislation comes into affect.

Nor does selling "as is" exempt vehicles from the *Environmental Protection Act* which prohibits the sale of vehicles with inoperable pollution control equipment.

The Problem with "As Is" Sales to the Public

Purchasers are told the sale is "as is" and, yes, they sign the required 14 point bold type "as is" box on the bill of sale ... but that's not typically what the buyer wants.

The purchaser thinks they are buying a drivable vehicle and all it needs is a safety inspection and e-test. Unless you are prepared to actually determine just how much work a vehicle will need to pass both, make all the necessary disclosures and ... really make the customer understand what "as is" means ...you could be on the hook for some serious money and charges for non-compliance.

The “Wash Through Car Deal” ... There’s Nothing In It For You

It’s a request dealers get every day across the Province. The “wash through” or “convenience deal” as it’s otherwise often known, is “convenient” for everyone ... except the dealer!

A customer wants to sell their vehicle to a friend, family member or a complete stranger at an agreed upon price. The customer knows if they trade in their car to a dealer they can reduce tax on the car they want to buy.

So the customer asks you, the dealer, to take their vehicle in at the price they’ve agreed to with the private buyer, so they can get the “tax break” off their newer vehicle and complete the sale of the trade to the new buyer at the agreed price.....nothing in the deal for you so far.

But Wait ... It Gets Better!

The selling customer has made numerous statements about the vehicle, its qualities, history, past accidents, etc., and the private buyer has relied on them and wants the vehicle ... you inherit responsibility for those statements ... again what’s in this for you?

Meanwhile, you owe all the responsibilities to the buyer that you owe to any customer who buys a car from you, in addition to any statements made by the seller, you also have all the MVDA, 2002 disclosures to concern yourself with.

You probably don’t even get the service work because the safety is done somewhere else and in some cases you don’t get to see the car until the time of delivery!

A member recently asked the UCDA for help because the buyer of the trade was “lied to by the seller”. The vehicle had numerous mechanical defects, had a \$10,000 accident history not disclosed, and the buyer of the trade is demanding that the member “fix” everything including all maintenance issues like tires.

The buyer admits that she was given an out dated vehicle history report from the vehicle owner that did not show the accident. The problem is the original “seller” did not sell this problem to her ... the dealer did!

The dealer has offered to take the vehicle back in trade on a newer vehicle for a reasonable price, offered a cash settlement or an even trade on an in stock vehicle ... all of these offers have been declined. The buyer wants every dime back after owning the vehicle for 15 months and driving it 30,000 kms.

Looks like this one is heading to court!

What Did The Dealer Do Wrong?

The dealer did the deal on the seller’s terms, not the dealer’s.

A “wash through” has to be handled the same way as any vehicle coming into and ultimately going out of your inventory. You must get a disclosure statement, do a complete inspection, and get an accident and history report because you are responsible for the vehicle just as you are for any vehicle you sell.

If you don’t do the safety and e-test you need to inspect the vehicle to make sure it really did meet the standards. The cost of the reports, and inspection, can be passed on to either the seller or the buyer.

If this isn’t acceptable to the seller or buyer of the trade, don’t do the wash through deal ... because “there’s nothing in it for you”.

Over Reliance On Data

Information overload. Dealers today have access to so much data on cars they want to buy or sell that it can be overwhelming.

We recently had calls from two members in as many days that are striking examples of this.

One dealer suspects a trade-in he is about to take in has been in an accident since he first appraised it. He has no proof, just a gut feeling, because the customer keeps putting off the delivery date for their new vehicle. He is worried any accident will be so recent it won’t appear on any accident report he might want to run. He’s not sure how to proceed.

Another dealer ran a data report that “suggested” an odometer discrepancy. Rather than investigate further, he simply lowered the trade-in value based on that and now the customer has discovered the report may be wrong.

Both dealers have got themselves into a muddle because they have become too reliant on electronic data. They have forgotten to take a step back and ask “what can I do to learn more here”?

The dealer who wonders about his trade-in ... can inspect the vehicle! With a trained tech and the use of some modern technology like a paint tester, you’d be amazed what a tale a vehicle will tell you.

The dealer with the suggested odometer problem ... could run a vehicle history search and speak to the prior owner about what is most likely an error caused on a licence plate renewal.

Over reliance, or simple blind faith, on any data report is a mistake that dealers must avoid.

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2014 CANADIAN USED VEHICLE DEALER SUMMIT

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COME CELEBRATE THE UCDA'S 30th ANNIVERSARY

**FRIDAY NOVEMBER 7
2014 TORONTO
INTERNATIONAL
PLAZA HOTEL**



An exciting and interactive day where the most influential industry professionals will gather to network, share insights, create new opportunities and have FUN!

REGISTRATION

Please register by :

Mail the completed Registration Form and payment to **Used Car Dealers Association of Ontario**
230 Norseman St
Toronto, Ontario M8Z 6A2

Fax the completed Registration Form to :
1 888 918-9310

Email : v.maclean@ucda.org

ATTENDEE INFORMATION

| | | | | | | |
|--------------|---|--|---|---|--|--------------------------------------|
| ORGANIZATION | | ADDRESS | | | | |
| CITY | PROVINCE | POSTAL/ZIP CODE | TELEPHONE NUMBER | FAX NUMBER | | |
| SECTOR | <input type="checkbox"/> Car Dealer <input type="checkbox"/> OEM | <input type="checkbox"/> Remarketing <input type="checkbox"/> Auction | <input type="checkbox"/> Reconditioning <input type="checkbox"/> Fleet | <input type="checkbox"/> Leasing <input type="checkbox"/> Services | <input type="checkbox"/> Finance <input type="checkbox"/> Other | <input type="checkbox"/> Association |
| NAME | JOB TITLE | | EMAIL | | | |
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| NAME | JOB TITLE | | EMAIL | | | |

ATTENDEE REGISTRATION FEE

Registration Fee (includes dinner)

\$175 + \$22.75 = \$197.75

Cocktail/Dinner Guest

\$88.50 + \$11.50 = \$100

TOTAL (\$) :

For assistance with registration, contact Valerie MacLean, UCDA Manager Membership Services

Tel. 416-231-2600 or 1-800-268-2598 Email v.maclean@ucda.org

Cancellation policy: All cancellations must be sent in writing to the Used Car Dealers Association of Ontario. Full refund less \$ 100 administration fee will be made for cancellations received on or before October 17th 2014. No refund after this date.

HOTEL ACCOMMODATIONS

International Plaza Hotel, 655 Dixon Road Toronto

Reserve by October 17th to receive preferred rates

Group rate code : REM

Phone 1-800-668-3656 | Fax 416-224-8031

PAYMENT VISA, MASTERCARD, CHEQUE (MADE PAYABLE TO USED CAR DEALERS ASSOCIATION OF ONTARIO)

| | | |
|--|------------|-----------|
| <input type="checkbox"/> Visa <input type="checkbox"/> Master Card <input type="checkbox"/> Cheque | CARD NAME | |
| CARD NUMBER | EXPIRATION | SIGNATURE |



present

UCDA MEMBER LANE DAYS

Month of September!

**\$50 Petro Canada Gas Card
for every purchase of a
UCDA Member Vehicle
on Lane 17**

PLUS!

**Every sold unit
qualifies for a
\$500 end of month draw !**