



NEWSLETTER OF THE MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA

UPDATE

FROM THE DESK OF THE OMBUDSMAN

MIOSA – the only independent dispute resolution forum for the South African Motor Industry and its customers

After all these years there are still people who are unclear on what the Motor Industry Ombudsman of South Africa (MIOSA) does. I think it is worthy of another look.

The office of the MIOSA is an institution that focuses on the resolution of disputes where a deadlock has been reached between the motor and related industries and their customers. As its vision, the MIOSA is striving to contribute to the continuous improvement of customer care in the motor industry to the benefit of all parties. Its mission is to primarily defend the independence of the MIOSA's office while tirelessly striving to educate consumers and motor related service providers alike, in achieving higher levels of customer care within the motor industry.

The objective of the MIOSA is twofold. Firstly, it makes rulings in cases referred to it where disgruntled vehicle owners on the one hand and dealers/manufacturers/importers/service providers on the other, are unable to reach mutually acceptable agreements. Secondly, the MIOSA, by means of the printed media, radio and television, educates vehicle owners on procedures to be followed regarding service, costs and the handling of complaints. The MIOSA is funded by the motor dealers, manufacturers, importers and service providers that are contractually bound to the jurisdiction of the MIOSA. Although the MIOSA is funded by subscribing dealers, manufacturers, importer and service providers, these dealers, manufacturers, importers and service providers have no say in the day-to-

day running of the organisation, nor do they have any influence in the rulings made by the MIOSA. With the exception of on-site technical inspections, the services of the MIOSA are free to any motorist in South Africa.

Investigations conducted by the office of the MIOSA with regard to customer complaints, revealed that steps and procedures should be taken to protect all parties. The blame cannot only be attributed to dealers, manufacturers, importers and/or service providers. There are consumers that from time to time have unrealistic and sometimes even illegal expectations. It has also become clear that to institute legal proceedings have become far too expensive and time consuming.

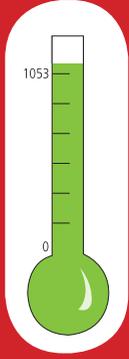
Taking the above into account the office of the MIOSA introduced the TRANSACTION PROTECTED PROJECT (TPP) to protect both the dealer and the consumer from unscrupulous behaviour. This is done by means of a MIOSA sanctioned contract between buyer and seller or by adding a binding clause to the dealers Offer to Purchase document. Should a dispute then arise between the two parties, the matter will be adjudicated at no cost by the MIOSA.

The TPP establishes an independent forum for speedy, effective dispute resolution between the dealer and the consumer. By acting as a diffuser the MIOSA ensures that the disputing parties maintain a level of courtesy thereby keeping the relationship intact. The purpose is always to find a practical solution within the framework of the manufacturer's

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TRANSACTION PROTECTED PROJECT OF THE MIOSA PASSES 1000 SUBSCRIBERS MARK.

The TRANSACTION PROTECTED PROJECT (TPP) of the MIOSA protects both the dealer and the consumer from unscrupulous behavior. This is done by means of a MIOSA sanctioned contract between buyer and seller or by adding a binding clause to the dealers Offer to Purchase document. Should a dispute arise between the two parties, the matter will be adjudicated at no cost by the MIOSA. The TPP establishes an independent forum for speedy, effective dispute resolution between the dealer and the consumer. Referring the matter to the MIOSA will avoid dealers entering into lengthy meetings and correspondence. This could mean a significant saving in the dealer's management time and avoid further conflict between dealer and customer. The objective is not to minimize the important role played by subscribing dealer's customer care as the MIOSA only takes action if the parties cannot resolve their differences within 14 days after the dispute arose. The office of the MIOSA will also give advice during this period if so requested.



As the year draws to a close it is a time to reflect on the past year and plan for the new. We at the Motor Industry Ombudsman of South Africa wish you and yours a happy and safe festive season and may 2013 be all that you wish for and more.

Front Row from left to right: Naomi Nemavhadwe, Caroline Damons, Marelidiah Raymond, **Second Row from left to right:** Rejoice Ngwenya, Jenny Smith, Cathrine Baloyi, **Third row from left to right:** Coen Gouws, Leanne Lubbe, Beverley van Vreden, Lucious Bodibe, **Back Row from left to right:** Tjaart van der Walt, Kobie Krause (Deputy Ombudsman), Dr Johan van Vreden (Ombudsman), Darren Smith, **Insert:** Mercia van Niekerk

NEWS FROM THE WESTERN CAPE

WINNER OF THE 2009 DAKAR RALLY RECEIVES SPONSORSHIP FROM IMPERIAL TOYOTA CAPEGATE

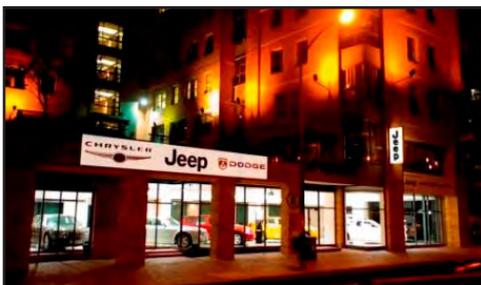
Giniel de Villiers, winner of the 2009 Dakar Rally and third in the 2012 race with a Imperial Toyota Hilux, received a sponsored Lexus LX570 from Imperial Toyota CapeGate. De Villiers will make his second appearance in January 2013 with an Imperial Toyota Hilux in the Dakar Rally in South America. For the duration of the Imperial Toyota Dakar sponsorship, which covers the period 2013 to 2015, Giniel will not only have the Lexus at his disposal but will also have a Toyota Auris rally car sponsored by Imperial Toyota to partake in the South African Rally Championship.



Giniel de Villiers, on the right, receives the keys to a sponsored Lexus LX570 from Charl Odendal, Dealer Principal of Imperial Toyota CapeGate.

IMPERIAL TOYOTA SUBSCRIBES TO THE TRANSACTION PROTECTED PROJECT OF THE MIOSA.

LADIES RULE THE ROOST AT CHRYSLER JEEP DODGE NEWLANDS



The staff at Chrysler Jeep Dodge Newlands of 22 consists of a compliment of 50% woman. Craig van der Heever the dealer principal believes that women bring a different dimension to the business that makes it more vibrant and exciting. A few ladies holding key positions are: Susan Steele, new vehicle sales executive who also manages fleet and key accounts - Gadija Phillips, the workshop manager and Marianca Smith: service advisor in the workshop.

CHRYSLER JEEP DODGE NEWLANDS SUBSCRIBES TO THE TRANSACTION PROTECTED PROJECT OF THE MIOSA.

NEW AMH DEALERSHIP IN BRACKENFELL



Following the tremendous growth and success of the Multifranchise Branches in recent months, AMH has opened a new KIA and Imperial Select Dealership in Brackenfell. The new dealership is currently managed under the watchful eye of Cornel Marais and is well positioned to supply customers increasing demands for KIA products in the Cape Town northern suburbs. Brackenfell Multifranchise is set to become another flagship dealership within the AMH Multifranchise dealer network.



From left to right the winning sales team of Brackenfell Multifranchise; JP, Dean Beneke, Dean Parrott, Cornel Marais

BRACKENFELL MULTIFRANCHISE SUBSCRIBES TO THE TRANSACTION PROTECTED PROJECT OF THE MIOSA.

NOVEL MOTOR COMPANY OPENS TRIPLE S DEALERSHIP IN STELLENBOSCH

Novel Motor Company South Africa, recently opened their long-awaited triple S dealership in Devon Valley Road Stellenbosch, Western Cape. Technical Director, Mr. Dries Moolman, heads up the Stellenbosch operation as Dealer Principal, flanked by Bredell Viljoen as Sales Manager for New and Used Ford and Mazda, and Yvette Engelbrecht as Service Manager. The entire team consists of 30 people who are well trained, friendly and ready to offer exceptional service.



NOVEL MOTOR COMPANY SUBSCRIBES TO THE TRANSACTION PROTECTED PROJECT OF THE MIOSA.



CHAIRPERSON'S MESSAGE

Dr Mathews Phosa | Chairperson

Economic cycles are an accepted phenomenon amongst business and economists the world over. However, it is not often that an industry like the motor industry has to face and manage two extremes of low periods and one high in one decade. The current international economic crisis has not left the motor industry untouched however; the South African motor and component industry has shown remarkable recovery during the year under review and confidence is high that Industry will be testing record export levels during 2012.

As previously reported, South Africa remains focussed on its export drives and industry sources are confident that the 6, 8% contribution to the GDP (Gross national product) during 2011 will assist to grow the export of vehicles to an estimated 300 000 vehicles in 2012 as well as an 10% growth in the export of components. The motor industry remains one of the most important sectors in the South African economy and its continuous drive to create jobs cannot be underestimated. Important is the export to 39 African countries that has grown to 67 442 units compared to the 42 553 units of the previous year. The challenges for the South African consumer were many during the year under review. The fuel price remains stable but at such a level that it impacted negatively on basic foodstuffs and production costs in all sectors. This could be seen in the steady rise in the price of consumers' monthly basket. Despite this,

South Africa has managed the impact during the year but will have to in all sectors react with discipline and with educated foresight to stave off what can be a serious economic threat during 2012.

Challenges for the motor industry did not only occur on the economic front but manifested itself locally when trying to come to terms with the new Consumer Protection Act, issues pertaining to labour and the impending new tolling of main roads in Gauteng. As reported previously, the draft Code for the Motor Industry was delivered to the Consumer Commission in March 2011. Industry awaits progress on that front.

There is nothing like experience to deal with day to day issues and pressures that consumers and industry battle with. The office of the Motor Industry Ombudsman is twelve years old and with these twelve years comes a unique experience to carry out its mandate. Thousand of consumers contact the office of the Motor Industry Ombudsman every year and although it is not always possible to help everyone the statistics attest to the great work that the Ombudsman, Mr. van Vreden and his loyal team ably assisted by the members of the advisory board.

(From MIOSA Annual Report 2011)

FROM THE DESK OF THE OMBUDSMAN

From p1

specifications, service schedules, warranties and the South African legal system.

Referring the matter to the MIOSA will avoid dealers entering into lengthy meetings and correspondence. This could mean a significant saving in the dealer's management time and avoid further conflict between dealer and customer. If correctly communicated, cooperation with the MIOSA will result in peace of mind for both parties and clearly will attract consumers to subscribing dealers – as opposed to fly-by-night operations – and should result in increased turnover and profits.

The objective is not to minimize the important role played by subscribing dealer's customer care as the MIOSA only takes action if the parties cannot resolve their differences within 14 days after the dispute arose. The MIOSA will also give advice during this period if so requested.

Subscribing to the TPP has no effect on the dealer's existing warranties and maintenance programmes. The dealer can still offer these products to the consumer if he wishes. There are also no restrictions regarding normal transaction process and the normal rules as determined by the South Africa contract law will remain in force.

A subscribing dealer will be able to inform the consumer that he/she is a part of the project by displaying the logo of the MIOSA at his premises, on advertisements and stationary. The names of subscribing dealers will appear on the MIOSA's website as well as in all related advertising placed by the MIOSA in the local as well as national media. The massive marketing advantage that subscribing dealers will enjoy speaks for itself.

Presently a motor vehicle is arguably one of the most expensive assets any person will own. The MIOSA is convinced that through the effective implementation of this programme and continual advice to the motoring public, the motorist will for the first time in the history of South Africa be able to make an informed decision when buying a vehicle.

Johan van Vreden
Motor Industry Ombudsman of South Africa

MISS SA AT BARLOWORLD GM ZAMBEZI'S FIRST BIRTHDAY CELEBRATIONS



Barloworld GM Zambezi recently celebrated their first birthday at their new premises in Montana. Several celebrities took part in the three day event. In the foto from the left Alistair Ironside (GMSA), Melinda Bam (Miss SA 2011), Tim Hendon (GMSA), Malcolm Gauld (GMSA) & Alda Waddell (Dealer Principal Barloworld GM Zambezi)

BARLOWORLD GM ZAMBEZI SUBSCRIBES TO THE TRANSACTION PROTECTED PROJECT OF THE MIOSA.



NEWS FROM KZN

PINETOWN DEALERSHIPS JOIN TPP



On the photo is seen Mr. Royce Love and his staff at Monster Motors.

Monster Motors and Pinetown Cars have joined the TPP of the MIOSA. Mr. Royce Love, owner of these dealerships and a pioneer in the Motor Industry in KZN, not only has a passion for cars but also motorcycles, on and off road. A motorcycle close to his heart is his father's Harley Davidson, which he still owns.

MONSTER MOTORS AND PINETOWN CARS SUBSCRIBE TO THE TRANSACTION PROTECTED PROJECT OF THE MIOSA.

BURCHMORE'S DURBAN UNDER NEW MANAGEMENT

Machiel Adendorf recently took over as manager at Burchmore's Durban. Machiel previously was manager at Burchmore's in Cape Town, but now has made sunny Durban his new home.



In the photo on the left Mr. Tjaart van der Walt, National Project Manager in the office of the MIOSA in Pretoria, Mr Feroz Haneef and Machiel Adendorf of Burchmore's Durban.

BURCHMORE'S DURBAN SUBSCRIBES TO THE TRANSACTION PROTECTED PROJECT OF THE MIOSA.

HOLLENBACH MOTORS VISITED

Mr. Tjaart van der Walt, National Project Manager of the MIOSA, on his recent visit to KZN, paid a visit to Danie Hollenbach Motors, one of the subscribers to the TPP of the MIOSA.



In the photo: Mr. Tjaart van der Walt, National Project Manager in the office of the MIOSA in Pretoria and Mr. Rudi Hollenbach, owner of Hollenbach Motors.

NEWS FROM THE EASTERN CAPE

AUTO FINANCE SOLUTIONS NOW IN ALL MAIN PROVINCES



Auto Finance Solutions specializes solely in private to private finance transactions through banks and their own facility. The company has been in operation for six and a half years. They operate in all main provinces and have built up an extensive network through the banks, clients and courier companies. They proud themselves in having done transactions in the most remote places in SA. Through York Auto, a subsidiary company in George, driven and owned by Danie von Mollendorff with more than thirty years experience in the pre-owned market, they also carry their own stock to sell and aim to open showrooms in Port Elizabeth and Gauteng in 2013.

AUTO FINANCE SOLUTIONS AND YORK AUTO SUBSCRIBE TO THE TRANSACTION PROTECTED PROJECT OF THE MIOSA.

MIOSA WELCOMES NEW SUBSCRIBERS

The following dealers/service providers have joined the Transaction Protected Project of the MIOSA recently

DEALERS

INDEPENDENT DEALERS

Active Motors Edward Street Centurion
 Active Motors
 H F Verwoerd Drive Centurion
 Auto Alpina BMW Boksburg
 Brothers Executive Auto Roodepoort
 Bruma Auto BMW Bedfordview
 Danlou Motors Klerksdorp
 Grace Auto
 H F Verwoerd Drive Pretoria
 Grace Auto
 Voortrekker Street Pretoria
 GWM Pre-Owned Roodepoort
 Ideal Drive Pre-Owned Pretoria
 Midcity Motors Klerksdorp
 Monster Motors Pinetown
 Pinetown Cars Pinetown
 Struben Street Motors Pretoria
 Stucky Motors Newcastle
 Stucky Motors Volksrust
 Thorp Delta Cape Town

GROUPS

ROLA GROUP

CAM Motors Caledon
 Rola Commercial Vehicles Somerset West
 Rola Toyota Bredasdorp Bredasdorp
 Rola VW Malmesbury Malmesbury
 Rola VW Vredenburg Vredenburg

NOVEL MOTOR COMPANY

Novel Goodwood Capetown
 Novel Stellenbosch Stellenbosch

INSPECTACAR FRANCHISES

Inspectacar Freeway Johannesburg
 Inspectacar on Jean Centurion
 Inspectacar Parys Parys

SERVICE PROVIDERS

AUTOMAGIC AUTHORISED AGENTS:
 A & N Panelbeaters Potchefstroom
 Auto 911 Repair Centre East London
 Florida Panelbeaters Florida
 Jewels Auto & Paint Kokstad
 Northern Auto Panelbeaters Pretoria
 Polkwane Polokwane
 Precision Panelbeaters Welkom
 Sectri Auto Body Secunda
 Status Panelbeaters Marburg
 Thomsons Body 107 Polokwane
 Van Vredens Panelbeaters Tzaneen



OPPASA MEMBERS

Lumber & Lawn Paarl
 Robbies Mowers & Pools Pinetown
 Klipfontein Grassyners Witbank



COMMENTS ON THE **NEW VEHICLE** SALES FOR SEPTEMBER 2012

Nico Vermeulen - Director NAAMSA

In amplification of the new vehicle sales statistics for the month of September, 2012 – released by NAAMSA's independent statistical service provider, Messrs RGT SMART – the Association commented that following many months, during 2012, of double digit year on year growth, the September, 2012 new vehicle sales reflected a significant statistical slow down in underlying growth momentum. This could be attributed, in part, to the high base effect since last years' September new vehicle sales represented a particularly strong month. However, the tragic events at Marikana together with the current high level of industrial action in an increasing number of sectors in the economy - had dented business confidence in South Africa.

Consumers similarly would have been affected and concerns about the macro socio- economic environment in the country was likely to have resulted in a deferral of purchasing decisions. In the event, September, 2012 aggregate Industry domestic sales had improved by 740 units or 1.4% to 55 097 from 54 357 units in September last year. Total domestic sales for the nine months of calendar 2012 remained 10.0% ahead of the corresponding nine months in 2011. September, 2012 export sales at 26 638 vehicles had registered marginal improvement of 703 units or 2.7%.

Mercedes-Benz South Africa (MBSA) provides a single sales number for passenger cars, commercial vehicles and export sales. Based on historical sales trends and forecasting techniques, Messrs RGT SMART (NAAMSA's data processing service provider) had compiled estimates for MBSA commercial vehicle sales by segment. Overall, out of the total detailed (disaggregated) reported Industry sales of 52 368 vehicles (excluding MBSA), 78.4% or 41 040 units represented dealer sales, 13.9% represented sales to the vehicle rental industry, 3.4% industry corporate fleet sales and 4.3% to government.

Aggregate Industry new car sales during September, 2012 had maintained modest upward momentum and at 39 496 units (including MBSA) reflected an improvement of 1 667 units or 4.4% compared to the 37 829 new cars sold during September 2011. Year to date new car sales remained 11.5% ahead of the corresponding nine months of 2011, whilst the daily selling rate during September, 2012 had continued close to 6 year high levels. The September 2012 new car market, for the third month in succession, had been supported by strong demand on the part of car rental companies with the car rental industry accounting for 18.6% of total sales.

Including estimates for MBSA commercial vehicle sales by segment – sales of Industry new light commercial vehicles, bakkies and mini buses had reflected a decline and at 13 279 units during September, 2012 showed a decrease of 725 units or 5.2% compared to the 14 004 light commercial vehicle sales during the corresponding month last year. The sales figures probably reflected a fall in general business confidence.

Sales of vehicles in the medium and heavy truck segments of the Industry at an estimated 779 and 1 543 units, respectively, had recorded a decrease of 73 units or 8.6%, in the case of medium commercial vehicles, and a decline of 129 units or 7.7%, in the case of heavy trucks and buses, compared to the corresponding month last year. The weak sales performance also reflected lower business confidence.

2012 CAR OF THE YEAR FINALISTS ANNOUNCED

After a thorough voting process the 29 member judging panel of the Guild of South African Motoring Journalists in the beginning of November announced the finalists that will partake in next years car of the year competition.

In alphabetical order they are:

- BMW 320i
- Ford Ranger 3.2 XLT 4X4 Double Cab
- Hyundai i30 1.8 Executive
- Kia Rio 1.4 TEC hatchback
- Lexus GS 350 EX
- Mercedes-Benz B180 CDI
- Nissan Juke 1.6 DIG-T Tekna
- Porsche Boxster
- Range Rover Evogue Si4 Dynamic
- Toyota 86 High Spec
- Toyota Yaris 1.5 HSD Xs

NATIONAL SALES FIGURES

Market	Channel	Sep 2012	2012 YTD	Aug 2012	2011 YTD
PAS	Dealer	25383	222906	26632	198534
	Exports	13907	109872	14829	145256
	Government	902	7165	592	7309
	Rental	5185	26940	4912	30208
	Single Units	1568	13529	1756	12353
LCV	Dealer	10443	96447	10992	91119
	Exports	12633	93994	10119	62286
	Government	1332	10013	1274	7289
	Rental	337	2249	348	2362
	Single Units	228	1818	138	1646
MCV	Dealer	670	2686	727	5783
	Exports	17	113	4	90
	Government	44	562	26	781
	Rental	19	57	0	5
	Single Units	6	38	4	92
HCV	Dealer	398	3357	333	3230
	Exports	21	181	19	91
	Government	46	222	0	315
	Rental	11	59	0	64
	Single Units	0	2	0	18
XHV	Dealer	1004	8949	1019	8653
	Exports	46	431	21	295
	Government	19	175	16	219
	Rental	0	12	0	17
	Single Units	3	27	3	29
BUS	Dealer	70	771	64	747
	Exports	22	123	8	62
	Government	0	18	0	18

Article Acknowledgement: AUTOPULSE, NAAMSA and RGTSMART

NEWS FROM GAUTENG

MCCARTHY COMMERCIAL TEAM MEMBERS RECOGNISED

The team members at McCarthy Commercial Vehicles Boksburg and Alrode walked away with a handful of awards at the recent ADC Awards. The ADC awards recognize the best among the best within the UD Trucks Southern Africa dealer network. Felicity Ann Oelofse and Rajesh Basdeo were finalists in their respective categories.

The following awards were won by the team:

- Sales Administrator of the Year: Lettie van Heerden
- Warranty Administrator of the Year: Cindy Rudolph
- Parts Administrator of the Year: Sharmilla Pillay
- Best Dealer: Finance and Administration: Rose Robinson
- Best Large Dealer: Service: Chris Fourie.



The winning UD team: from left; Felicity Oelofse, Chris Fourie, Rose Robinson, Sharmilla Pillay, Peter English, Rajesh Basdeo, Cindy Rudolph and Lettie van Eeden

MCCARTHY COMMERCIAL VEHICLES BOKSBURG SUBSCRIBES TO THE TRANSACTION PROTECTED PROJECT OF THE MIOSA.

Photo & Article Acknowledgement: Lana Theron, hothouse communication.

MIOSA NEWS ON SA'S FIRST DEDICATED MOTORING APP

Car Guru is a free South African motoring app for Android and Apple smart phones and tablets. The app is not only an impressive news resource where one can find the latest launch news, road tests and cool multimedia content, but it also has a virtual showroom with cars for sale from across South Africa.

Adding to the app's top-notch editorial content will be news from the MIOSA.

The iPad and iPhone versions were released for global public download on the 18th of October 2012 The Android and Tablet versions will be released this November.

If you would like to list your dealership on the app or if you would like more information about the app, email sukasha@guruapps.co.za

AUDI CENTRE ARCADIA SHINES AT DEALER AWARDS



Philip Clough who achieved third place in the Dealer Principal Category is pictured (second from right) with the other Audi Centre Arcadia Silver Arrow Award winners. From left are Peter Leballo (who clinched the Parts Manager award for the second year in a row), Dorietha Gouws (who also made it two in a row in the New Vehicle Sales Manager awards) and Paul Spruyt who was the top Service Manager in this category.

AUDI CENTRE ARCADIA SUBSCRIBES TO THE TRANSACTION PROTECTED PROJECT OF THE MIOSA.

Photo & Article Acknowledgement: Lana Theron, hothouse communication.

CONTACTING CONSULTANTS

Regional TPP consultants for pre-owned vehicle dealers, workshops, panelbeaters and fitment centres

Johannesburg/ West Rand	Tjaart van der Walt (jnr)	084 845 9057
Pretoria/Midrand/ East Rand/Free State/ Limpopo/Mpumalana/ North West/ Northern Cape	Mercia van Niekerk	082 442 9250
Kwazulu-Natal	Cyril Nelson	071 608 9995
Eastern Cape	Stephanie Newsome	081 267 2608
Western Cape	Rozanne Volschenk	082 575 2681