

ISSUE 2 • VOLUME 9 • MAY 2018

UPDATE

NEWSLETTER OF THE MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA



MOTOR INDUSTRY OMBUDSMAN
OF SOUTH AFRICA

THE ROAD AHEAD

NEW VEHICLE SALES AND EXPORTS – APR 2018

177,617

vehicles sold in first four months of 2018



That's **2.6%** less than the 182,371 vehicles sold in the first four months of 2017

36,346

New vehicles sold in South Africa in Apr 2018

12,886

Less than March 2018

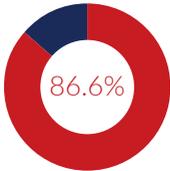
1,260

More than April 2017

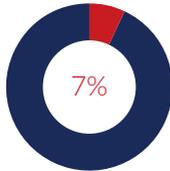
23,928

The number of passenger vehicles sold in Apr 2018, down by 8,227 units or 25.5% on 32,155 vehicles sold in March 2018

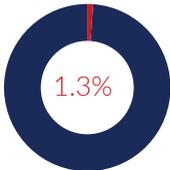
SALES PER INDUSTRY



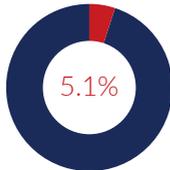
Dealer



Rental Industry



Government



Corporate

TOP 5 SELLERS



1. Toyota - 8,213

4. Nissan - 3,403

2. VW - 6,261

5. Hyundai - 2,633

3. Ford - 3,570

Passenger vehicle sales accounted for 65.8% of car sales in April 2018



Light commercial vehicle sales in April 2018 were down by 1.2% from April 2017 and down by 28.12% from March 2018

TOP 5 EXPORTS



1. Ford - 8,063

4. Toyota - 3,376

2. VW - 6,659

5. Nissan - 441

3. Mercedes - 5,251

24,422

vehicles were exported in April 2018

0.8%

19.02%

Higher than April 2017

Lower than March 2018

Supplied by Absa, Member of Barclays

Source: Naamsa



Driven by MOBILITY

What drives you, drives us

Bosch technologies are used worldwide in almost all vehicles. People, and assuring their mobility, is what we are focused on. We continue to work on our unique combination of solutions for spare parts, diagnostic devices, workshop equipment and services.

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MESSAGE FROM THE OMBUDSMAN

The office of the Motor Industry Ombudsman of South Africa (MIOSA) was established as first a voluntary organisation 18 years ago. The manufacturing and importing industries were very quick to recognise the advantages of having a well-versed independent ombud scheme.

The retailers took a little longer to understand the concept and at times felt that the ombud scheme will present a threat to their businesses.

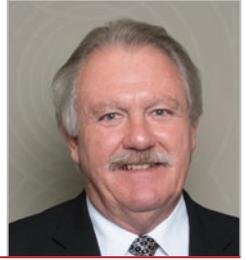
Of course, it was mostly the “under belly” of the industry that showed reluctance to support the independent MIOSA and this was to be expected.

An alternative dispute resolution in a new form of addressing consumer complaints was considered. It was viewed with a lot of suspicion in the beginning by the parties concerned.

As the confidence in the independent MIOSA grew and the successes became more apparent, consumers made use of the MIOSA to resolve their issues. To resolve disputes that arose within the industries, more and more automotive and related industries started to make use of the dispute resolution service provided by the MIOSA.

A new era dawned when the Consumer Protection Act No. 68 of 2008 (CPA) was promulgated. The MIOSA was

Johan van Vreden
Motor Industry
Ombudsman of
South Africa



now faced with the challenge that necessitated ongoing study and training of its staff in the intricacies of the new act and its possible consequences for the automotive and related industries.

The MIOSA was then charged with the duty of putting together a task team that would draw up a code of conduct for the automotive and related industries. The eventual document was written into law in 2014 and in October 2014 the MIOSA was accredited by the minister of trade and industries, making the MIOSA a parastatal organisation that had to advise and make recommendations to the National Consumer Commission (NCC) regarding consumer complaints within the automotive and related industries.

During the three years of accreditation, the MIOSA has had to grow its infrastructure to enable it to deal with the ever-increasing consumer complaints. As the presence of the MIOSA became even better known, calls to its information and liaison office grew to a staggering 194 845 during 2017. ●



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What drives you, drives us

Bosch is your one-stop shop for everything from straightforward troubleshooting and suitable equipment to repair work for current diesel vehicles, systems and components.

FROM THE DESK OF KOBIE KRAUSE

IGNORANCE IS NO EXCUSE

“I didn’t know.” It is the most-often heard excuse from people in the automotive and related industries for not registering with the Motor Industry Ombudsman of South Africa (MIOSA). Or. “I am not aware that I am compelled by law to register my business with the MIOSA.”

Indeed, the MIOSA is constantly confronted with excuses from individuals for not registering with the MIOSA.

All major industry associations discussed the South African automotive industry code of conduct (Code) before it was referred to the National Consumer Commission (NCC). The two major associations were in fact part of the drafting committee. Before the draft code was submitted to the NCC the industry participants funded advertisements in national publications and the government gazette for comments. All comments received were entertained by the drafting committee. Some associations even held road shows to inform their members regarding the implications of the proposed code. Many companies commenced with lectures to familiarise their staff members with the proposed code.

The NCC decided to again advertise the code in national publications and the government gazette before it was



Kobie Krause
Deputy ombudsman

submitted to the Department of Trade and Industry (DTI). Comments received were again entertained. The DTI published the proposed code again for comments in the government gazette. This made the code one of the most published pieces of legislation ever.

In view of the above, it is difficult to comprehend how an industry participant can claim to be ignorant of the MIOSA’s existence.

The MIOSA is only able to furnish invoices to known industry participants. If an industry participant neglects or refuses to register and is eventually identified by a MIOSA inspector, invoices will be created and forwarded to such participants to pay all arrears dating back to 17 January 2015.

Section 82(8) of the Consumer Protection Act (CPA) must always be kept in mind. It reads: “A supplier must not, in the ordinary course of business, contravene an applicable industry code”. ●

Driven by RELIABILITY
 What drives you, drives us
 Ongoing research and development ensures our products delivery beyond expectations used across the globe in various applications.

A CASE IN POINT

COMPLAINT

After purchasing a new scooter, a consumer started experiencing problems after travelling approximately 500 kilometres. The consumer noticed a noise and found that the numberplate framework had fallen off. After the repairs had been done he noticed that the frame had screws missing, the rear footrest was cracked, the carry frame was incorrectly fitted and was broken. After numerous additional faults had manifested themselves on the scooter, the consumer decided to return the scooter to the dealership for a full refund.

CONCLUSION

The consumer approached the MIOSA for assistance. After studying the submission of both parties, the MIOSA concluded that the said scooter had not met the requirements as stated in the Consumer Protection Act No. 68 of 2008 (CPA) as it was not usable or durable. The MIOSA advised the dealership to refund the consumer the price he had paid for the scooter.

COMPLAINT

A consumer purchased a used car with 107 000 kilometres on the odometer from a dealer. She found out from an authorised dealer one month later that three years prior the mileage had been 135 000 kilometres.

CONCLUSION

The complaint was referred to the office of the MIOSA for assessment and it was concluded that the product the consumer had been led to believe she was purchasing was not the product that she had received. The MIOSA further concluded that the vehicle should be returned to the dealership and the consumer should be refunded the amount paid for it in accordance with sections 56 (2) and 20 (6) of the CPA.

COMPLAINT

The consumer took his 1998 model vehicle in for the timing chain to be replaced. A few weeks later an oil leak developed. However, the consumer did not inform the servicing dealership of this concern. Approximately eighteen months later a significant engine leak manifested and the head gasket sustained damage. The consumer was of the opinion that the previous repairs contributed to the damage on the vehicle. The servicing dealership declined to assist.

CONCLUSION

The office of the MIOSA concluded in favour of the servicing dealership as the second concern arose outside the parameters of the implied three-month workmanship warranty provided by section 57 (1) of the CPA. ●

Driven by TECHNOLOGY

What drives you, drives us

We provide a full compliment of diagnostic technology from around-the-engine to around-the-wheel ensuring your workshop delivers accurate technical service.

FOOD FOR THOUGHT

One of the best-known German industrialists is the late Ferdinand Porsche. Not only did his company develop and build some of the greatest sports cars ever, but the marque also achieved great success on the racetrack. Here are some of his famous quotes.

Life itself is a race, marked by a start and a finish. It is what we learn during the race and how we apply it, that determines whether our participation has had particular value. If we learn from each success and each failure and improve ourselves through this process, then at the end, we have fulfilled our potential and performed well.

Porsche There is no substitute.

Design must be functional and functionality must be translated into visual aesthetics, without any reliance on gimmicks that have to be explained.

If one does not fail at times, then one has not challenged himself.

Change is easy. Improvement is far more difficult.

I couldn't find a sports car of my dreams, so I built it myself.



The perfect racing car crosses the finish line first and subsequently falls into its component parts.

Committees are, by nature, timid. They are based on the premise of safety in numbers; content to survive inconspicuously, rather than take risks and move independently ahead. Without independence, without the freedom for new ideas to be tried, to fail and to ultimately succeed, the world will not move ahead, but rather live in fear of its own potential. ●



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The web-based diagnostic software supports you through active troubleshooting during repair and maintenance.

ARE WE SALESPeOPLE OR ADVISORS?

I recently came across an interesting article about the world's most successful car salesman. Ali Reda from Detroit in the USA broke a 44-year record when he sold an astonishing 1 582 cars last year.

That set me thinking about how we can apply some of the lessons from Ali to our businesses.

Ali prefers to refer advisors more than salespeople. In the age of social media, people know what they want, why they want it and where to get it. Our job is to help our customers in the sales process. We can't assume that the customers know the process of buying a

vehicle or obtaining finance or taking out insurance. They depend on us to guide and advise them. And this is where we have a big role to play.

Ali is also passionate about relationships. There are many inexpensive ways to create and maintain relationships: from a simple phone call to a thank you note.

So, let's move closer to our customers, because ultimately our businesses depend on them! ●

(Extract from Heads-Up, official newsletter of the Independent Dealer Association)

UGLY FORMULA ONE CARS

Throughout history there were many Formula One cars that looked the part. However, there were a few that were outright ugly. Here are a few examples of the latter.

Clockwise from right: 2008 Honda RA108; 1978 March 711; 1979 Ensign N179; 1971 Brabham BT34



Driven by QUALITY

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One of the world's largest supplier of automotive components and replacement parts, manufacturer of choice with leading vehicle manufacturers.

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Invented for life

BRAIN TEASER

Name the driver and his nationality. What year did he win the drivers' world title? Name the make of the car he drove.



Phil Hill, American, 1961, Ferrari.

ELECTRIC MONSTER

The American-designed Zeus prototype is an electrically powered monster on two wheels. Very little is known about the innards of the Zeus, except that it puts out 127 kW and 393 Nm of torque. The Zeus concept was declared the most innovative motorcycle at the recent Quail motorcycle gathering in Carmel, California.



UGLY DUCKLING

This must be the ugliest creation on four wheels. If not, it is a very close second. And, the name says it all. It is called the Sin S1!



MORE BITE FOR A MOTORBIKE

This is the brainchild of a German engineer, who designed an all-wheel drive off-roader based on a KTM 990 Adventure. You can't any longer tell your girlfriend/wife that you got stuck in the mud while you were settling a few pints with your friends in the pub.



FOR THE CHEVY FANS

Something to drool over. The front is styled like a 1957 Chevy. The side like a 1958 model and the rear like a 1959. Hence the designation 789. The company is planning a production run of 100 vehicles.



BOSCH Service

Driven by PARTNERSHIP
What drives you, drives us

Bosch Service partners are one of the very best independently owned workshops who have met stringent technical and customer service quality standards which are backed by Bosch.

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REGISTERING WITH THE MIOSA

FEBRUARY 2018 – APRIL 2018

The total number of businesses that registered with the MIOSA in February 2018 was higher than the average for 2017. Statistics show that used vehicle dealerships registering with the MIOSA, outshone all the other sectors within the automotive industry by a huge margin. Although auto body repairers and mechanical workshops ended up in a tie, both continued with strong showings as was the trend towards the end of 2017. The only other businesses that made a noteworthy contribution to the total for February 2018 were from the fitment centre and spares outlets.

The number of businesses that registered with the MIOSA in March 2018 was undoubtedly one of the highest since accreditation. The effect the multi-agency compliance inspections (including the South African Police Service) at used vehicle dealerships resulted in a flood of registrations from that sector. Mechanical workshops, spares outlets, fitment centres and auto body repairers made up the bulk of the registrations for the month.

Due to the two long weekends (Easter and Freedom Day) and school holidays the registrations in April 2018 slowed to 50 percent of the March 2018 total.



Tjaart van der Walt
Senior administrative
clerk

Fitment centres made another strong showing leaving the used vehicle dealerships and mechanical workshops in its wake.

Generally over the three months there has also been a sprinkling of motorcycle dealerships, engineering shops and vehicle importers (trucks) registering with the MIOSA.

The MIOSA has embarked on a litigation strategy to force non-compliant participants in the automotive industry, as defined in the South African automotive industry code of conduct (Code) (Section 2.3), to register with the MIOSA and to make the prescribed contribution. This should have a noticeable influence on the numbers complying over the next few months. ●

Driven by KNOW-HOW

What drives you, drives us

The Bosch Service network is backed by Bosch supported with a full portfolio of services such as technical training, support and information database ensuring customer satisfaction.



SOUTH AFRICAN ROAD TRAFFIC SIGN MANUFACTURERS' ASSOCIATION

THE SOUTH AFRICAN GENIUS BEHIND BRITISH ROAD TRAFFIC SIGNS

Margaret Calvert has shaped the face of Britain. And, in doing so, stopped many marital arguments on journeys.

The South African-born Calvert is a talented typographer and was nominated during 2017 as one of the women of the century on Britain's *Radio 4 Today* programme. She revolutionised the look of the humble road sign, a feature of everyday life so ubiquitous we barely notice it.

Some of her signs were mocked by critics who described her clear letters and symbols as common. In fact, the only thing common about them was that they were – and still are – commonly understood and saved thousands of lives. Her creations were modern, clear, colour-coded and easy to read at high speed. Calvert and Jock Kinneir, a respected graphic designer, got the job of designing the signs for Britain's first motorway, the Preston bypass, opened 60 years ago by prime minister Harold Macmillan.

But it was in their pictures that Calvert and Kinneir really made their distinctive mark on Britain. Many of them were

based on Calvert's childhood memories. The cow for the farm animals crossing sign was based on Patience, a cow Calvert saw on a relative's farm.

She took particular care over the children crossing sign. "The first school sign was a torch, then a boy followed by a girl with a satchel – it looked very grammar school," Calvert has said. "I wanted it to look more inclusive, so you couldn't tell if it was secondary modern or grammar. And I wanted it to be more caring – so I made the girl lead the little boy. But it needed to have something urgent about it."

Calvert still notices small errors in new signs when she drives across the country. "It has been a nightmare all my life," she has said. "I am plagued by the sloppiness of something not being done well – the spacing being wrong, for instance." Still, Margaret Calvert's extraordinary effect on the look of Britain remains largely intact. While practically everything else in the country has changed in appearance over the past 60 years, our road signs – incredibly – have not.

That's because they were perfect in the first place. ●

(Extract based on an article in the *Daily Mail*)

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 **BOSCH**
Service

INTRODUCING A STAFF MEMBER



Naomi Nemavhadwe
Public affairs assistant

Naomi was born in Pretoria and matriculated at the Hoërskool CR Swart. She is the classic example of a Joan of all trades, master of many.

After school Naomi attended the Centurion College where she obtained a certificate in light current engineering. She then enrolled at the Technical College in Pretoria, obtaining her

diploma in accounting management. Naomi then enrolled at the Jeppe College to qualify in hotel and catering management. She then joined an event management company for almost two years, before moving to Bloemfontein where she worked for a hotel group. This was followed by a two-year stint at a hotel in Midrand.

Naomi joined the MIOSA as a case manager assistant in 2012. She moved to the public affairs department in 2017.

What does she do in her private time? "I jog a lot, because it keeps the body and mind healthy," explains Naomi.

She is also a movie freak.

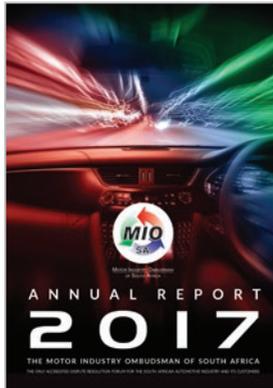
Sport interests? "I love rugby and I am a Blue Bulls fan," says Naomi.

She is the proud mother of a one-year-old daughter. ●

NEW APPOINTMENT



Jéan Boucher
Information and liaison officer



2017/18 ANNUAL REPORT

The 2017/18 annual report of the Motor Industry Ombudsman of South Africa (MIOSA) was published at the end of May. Please visit the MIOSA's website at www.miosa.co.za for further information.

The views expressed by contributors are not necessarily those of the MIOSA.

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