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UPDATE

NEWSLETTER OF THE MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA



THE ROAD AHEAD



MOTOR INDUSTRY OMBUDSMAN
OF SOUTH AFRICA

NEW VEHICLE SALES AND EXPORTS AUGUST 2021

Highest Sales August 2021: Hilux

3,335

VEHICLE SALES BY SEGMENT

Passenger
Aug 2021 | 27,157
Aug 2020 | 19,335



LCV
Aug 2021 | 11,749
Aug 2020 | 11,342



Commercial
Aug 2021 | 2,519
Aug 2020 | 2,582



TOTAL SALES

August 2021 | 41,425 August 2020 | 33,259

VEHICLE SALES BY CHANNEL

DEALERSHIP	RENTAL	GOVERNMENT	SINGLE SALES
34,620	4,962	808	1,035

TOP 3 SELLING VEHICLES

Passenger
1. VW Polo - 2,563
2. VW Polo Vivo - 1,724
3. Toyota Starlet - 1,203

LCV
1. Toyota Hilux - 3,335
2. Toyota Hiace - 1,361
3. Isuzu D-MAX - 1,331

MESSAGE FROM THE OMBUDSMAN



Johan van Vreden
Motor Industry
Ombudsman of
South Africa

THE IMPORTANCE OF CONSUMER EDUCATION

Believe it or not, but our country has many avenues through which consumers can lodge complaints. Almost every brand and product in South Africa has a protocol for complaints regarding bad service or inferior product quality.

We are told that the majority of complaints occur in the motor and related industries. I would like to dispute that claim and draw into question the source of such information. In my view there are many more complaints about ordinary consumer goods than there are regarding products from the motor and related industry.

This begs the question why the motor and related industries are viewed in such a bad light when it comes to customer complaints? In my opinion there are several factors that contribute to this skewed assumption.

Firstly, the value of complaints regarding the motor and related industries plays a role. Remember, we are not talking about a loaf of bread, we are talking about big-ticket and relatively sophisticated products that consist of several thousand components to make up the whole.

Secondly, I believe that in South Africa, motor vehicles are a necessity rather than

a luxury as public transport is inadequate and inconsistent. The distances between locations and destinations in our country are such that using public transport is not always practical, if that option is even available. Unfortunately, this situation is likely to prevail for the foreseeable future.

The Motor Industry Ombudsman of South Africa (MIOSA) has, for the past twenty years, worked tirelessly to ensure that reason and fairness prevail between consumers and the motor and related industries.

Not only does the MIOSA conciliate between conflicted parties, but also spends a considerable portion of its budget on educating all relevant parties on their rights and the actions that can be taken to resolve complaints fairly and to the satisfaction of all concerned.

With the above in mind, the education provided by the MIOSA has become an essential component in ensuring that consumers and service providers within the motor and related industries are more successful in their newest and most recent ways of resolving complaints, without the perceived traditional aggression of the recent past. This will remain one of our important focus points in the future. ●

FROM THE DESK OF KOBIE KRAUSE

RESPONSIBILITY OF A SUPPLIER/SERVICE PROVIDER IN TERMS OF THE CPA

What is the responsibility of a dealer/service provider in terms of the Consumer Protection Act No. 68 of 2008 (CPA)? We have dealt with this aspect on numerous occasions previously, but it is a subject that is worth revisiting. The National Consumer Tribunal (NCT) on 3 August 2021 addressed these issues in detail in a judgement in the matter of the National Consumer Commission (NCC) and Platinum Wheels (Pty) Ltd.

Although the complaint was attended to by the MIOSA, the parties could not reach a settlement during the conciliation process and were referred to the NCC for further attention. In turn, the matter was referred to the NCT for adjudication.

The NCT, inter alia, found the following in favour of the consumer:

Page 9 paragraph 43 (quote): “The consumer cannot forfeit his rights under section 56(3) of the CPA.” The consumer, by instructing the supplier to repair the failed goods, has the right to exercise his rights in terms of section 56(3) and the supplier will either have to replace or refund the purchase price if the consumer meets the requirements of the section.

Page 15 paragraph 75.2(quote): “The obligations under section 55(2)(a) to (c) attach to the

supplier, which the supplier cannot transfer to any other party, or BMW SA as the underwriter of motor plan.”

Page 18 paragraph 84 (quote): “The Tribunal agrees with the applicant’s submission that the availability of the BMW motor plan and extended warranty is not a substitute for the respondent’s obligation.”

Page 19 paragraph 88 (quote): “Having made the finding that the respondent breached its obligations in terms of sections 55(2) and section 55(3) of the CPA.”

We would recommend that industry participants read this judgement, which is available on the MIOSA website (www.miosa.co.za) as a matter of urgency.

We would also like to mention that the MIOSA case manager involved in this complaint recommended a solution also in favour of the consumer. This was not accepted by the parties and the complaint was referred to the NCC and escalated to the NCT.

Finally, the NCT ordered the supplier to refund the consumer the price paid for the vehicle and levied an administrative fine of R50 000 on the supplier. No order as to costs was made. ●

Kobie Krause
Deputy ombudsman



TRIBUTE DR JOHAN VAN ZYL

Dr Johan van Zyl



The Motor Industry Ombudsman of South Africa (MIOSA) says farewell to the biggest supporter of the MIOSA since its inception. A true legend of the South African motor industry, Dr. Johan van Zyl, passed away on 30 July 2021. Toyota South Africa bid farewell to one of Africa’s business giants during a touching celebration of his life and legacy.

It was a fitting tribute to a truly remarkable captain of industry, as all 14 speakers attested to. Andrew Kirby, Dr van Zyl’s successor and current President and CEO of Toyota South Africa, was personally appointed by Dr. van Zyl: “I owe my career and many opportunities that I have been given to Johan. He helped me develop and lead me to where I am today. He was without a doubt my mentor and confidante and I’m going to miss bouncing ideas off him.”

Brand Pretorius recalled that the last time he stood at the podium in the Toyota Auditorium was 26 years ago when he was still at the helm of Toyota; then it was for his own farewell, and now it was for a farewell of another kind, but a far sadder one – saying goodbye to his lifelong friend.

Interestingly, it was Mr. Pretorius that set Dr. van Zyl on the automotive path, having poached him from academia: “From the first moment I met him I could sense his formidable intellect and integrity. I was also impressed with his sense of attitude, energy, passion and saw some definitive leadership qualities that would lead to greater things. I knew we needed him to be part of the Toyota team. In 1993, we had a vacancy for the Director of Sales and Dealer Network. I recruited him and got him to join Toyota. He did a brilliant job and I was immensely proud of him.”

True to that prophecy he did scale the heights of automotive excellence, landing the top spot as President and CEO of Toyota Motor Europe (TME) in 2015. His successor, Matthew Harrison recounts that he will forever remember his leadership and humour. “He leaves behind an incredible legacy of his six years in Europe. Under his leadership, we grew the business to over 1 million sales and Toyota became the number-two passenger car brand for the first time in our history. We also led the market in terms of our electrification mix and environmental performance. At the same time, we increased our profitability. We will also never forget his personal engagement in the Brexit negotiations to ensure the best possible outcome for Toyota.”

The Minister of Trade, Industry & Competition, Ebrahim Patel echoed Harrison’s sentiments, highlighting how Dr. van Zyl was instrumental in helping to shape the new fit-for-purpose APDP: “He saw the opportunities to partner with government and to grow local component manufacturing. He just had passion for industrialisation. By 2019, before the pandemic hit, the industry in South Africa had reached record local production and export levels – a tribute to his leadership and his work.”

What was noteworthy is that despite the fact that each speaker touched on a different aspect of their time with Dr. van Zyl, there was one golden thread – and that was sheer quality of his humanity. Roelf Meyer, summed it up the most appropriately: “Johan had the most unassuming nature – his interactions with people from grass-roots level to presidents was the same. It was a model on how all people should conduct themselves.” ●

PEOPLE, PUNS AND PRODUCTS

TOYOTA AND LEGO BUILD A GR SUPRA

Toyota is celebrating the 35th anniversary of the iconic Supra nameplate by showcasing a life-size incarnation of the current-generation model built from more than 477 000 LEGO blocks. Weighing an astonishing 1 885 kg (390 kg heavier than the road-going vehicle), it took the team of 21 builders and two mechanics – who worked 24 hours a day in three shifts – a total of 5 400 hours to assemble the LEGO Supra. Although it's mainly built from blocks, the car also incorporates a steering wheel, tyres, driving seat and car factory logo – all derived from the original vehicle – while the interior remains largely plastic. While it doesn't feature the GR Supra's turbocharged inline six-cylinder engine, the LEGO replica is drivable, with an electric engine capable of reaching a top speed of 28km/h. The LEGO Supra sports a vibrant shade of yellow and has functioning headlights and taillights.



CHERY ESTABLISHES FULLY OWNED AFFILIATE IN SA

Chery recently announced the establishment of Chery South Africa, a wholly owned subsidiary of the industrial powerhouse. This makes South Africa the newest member of a global network that stretches across more than 80 countries and regions. From its new head office in Bryanston, Johannesburg, Chery South Africa will now complete the process of appointing the first 30 dealers and preparing for the introduction of the first vehicles, which are expected in the fourth quarter of 2021. The company has been hard at work testing the vehicles



in local conditions and growing its parts storage and distribution capabilities.

FORD SOUTH AFRICA EXPORTS 500 000TH LOCALLY ASSEMBLED RANGER

Ford SA celebrated a significant milestone at the beginning of September when its Silverton Assembly Plant in Pretoria produced its 500 000th Ranger for export. Exports of locally assembled Rangers initially commenced in 2000 for the previous-generation model, but it was the 2009 announcement of a R3.4-billion investment in Ford's local operations that transformed the plant to build the current Ranger, which was launched locally in 2011. At the time the installed capacity for local Ranger production was 110 000 vehicles per annum, but capacity increased to 168 000 units by 2018.



THE RAGING BULL TAKES TO THE WATER

Lamborghini and Italian yacht maker Tecnomar have partnered up to deliver a solution to the age-old problem of land-locked Lambos: the Tecnomar for Lamborghini 63. Moving this super boat through the water is a pair of MAN V12-2000HP engines. As the name would suggest, these 12-cylinder engines put out 1972 hp each. The boat's controls resemble those of a roadgoing Lamborghini. It features a digital screen that feeds the captain all the essential information in what looks like a super-sized Lamborghini gauge cluster. The Lamborghini ignition switch is also in place, as is a Lamborghini steering wheel. The captain's chairs also look like



they came from the Lambo production line. This Tecnomar for Lamborghini is as pricey as it sounds, costing upwards of \$3 million. Only 63 of these super boats will be produced.

AUDI E-TRON RANGE HEADING TO SA

Audi has committed to an electric future: by 2026 every new Audi model launched on the global market will be all-electric. In South Africa, Audi is progressing an electric agenda and will be introducing the e-tron name plate to consumers in quarter one, 2022. This will include the e-tron 50 and e-tron 55, the e-tron Sportback 55 and e-tron Sportback S, as well as the e-tron GT and Audi RS e-tron GT.



MBSA CO-CEO BOWS OUT ON A HIGH

Mercedes-Benz South Africa has announced that Co-CEO & Executive Director Mercedes-Benz Cars Johannes Fritz, who steered the brand since September 2017, will be moving back to Germany to head up Mercedes-Benz Cars & Vans in Bavaria. One of the key achievements of his tenure was the launch of the new Agency Model with which Mercedes-Benz in South Africa became pioneers in global automotive distribution and sales. Fritz will be succeeded by Mark Raine, who is currently Vice President of Product & Marketing at Mercedes-Benz Cars in Korea. The move is something of a homecoming for Raine, who grew up in Pretoria before joining Mercedes-Benz in Stuttgart in 2002.



CELEBRATING 70 YEARS OF VOLKSWAGEN IN SA

On 31 August 1951, the first Volkswagen vehicle manufactured in South Africa, a Volkswagen Beetle,

rolled off the assembly line. In the 70 years since, VWSA has become the market leader and the largest private employer in Nelson Mandela Bay, with over 4 000 employees. The company has also notched up numerous achievements and milestones along the way. The plant in Kariega has manufactured such icons as the Beetle, the Type 2 Kombi, various Audi models, the Golf (including Citi Golf) and the Polo Vivo. It has manufactured well over 4 million vehicles and achieved a major milestone in 2019 when it produced a record 161 954 vehicles in a single year. ●



CUT THOSE STRINGS!



There are increasing reports of wildlife becoming entangled in discarded face masks. Both marine and terrestrial fauna are affected. The MIOSA urges all members of the motor and related industries to dispose of masks correctly and responsibly in order to avoid injury to or death of wild animals. This includes cutting the elastic bands, as many birds have been spotted with face masks tangled around their wings and feet. Let's work together to ensure the survival of our co-habitants on this planet.

REGULATOR ENSURES ACCESS TO INFORMATION

Lucious Bodibe
Public affairs
manager of the
MIOSA



During the month of September 2021, the Information Regulator will join the rest of the world in celebrating the International Day for Universal Access to Information (IDUAI), an initiative that was introduced by the UNESCO General Conference in 2015 after the adoption of the 38 C/Resolution 57 in Paris. Recognising the significance of access to information, the 74th UN General Assembly, held in October 2019, then proclaimed 28 September as IDUAI at UN level.

IDUAI is of significant importance to the Regulator, because on 30 June 2021 it took over the Promotion of Access to Information Act (PAIA) functions from the South African Human Rights Commission (SAHRC).

Before South Africa became a constitutional democracy with an enforceable Bill of Rights, the local system had been one of a secretive and unresponsive nature in both public and private bodies, and this often led to the abuse of power and human rights violations. As such, section 32(1) of the Bill of Rights in the Constitution, provides for the right of access to information held by the state, as well as any information held by another person that is required for the exercise or protection of any rights.

The powers and functions of the Regulator in so far as the PAIA is concerned includes the handling of complaints, conducting investigations, making

assessments on whether public and private bodies comply with the provisions of the PAIA, and developing and conducting educational programmes that focus on disadvantaged communities.

The Chairperson of the Regulator, Advocate Pansy Tlakula has often described the right to access to information, along with the right to privacy, as two of the most important rights of citizens. "The right to privacy is one of the most important rights that we have, closely linked with the right to human dignity and – of course – giving effect to the right of access to information to enhance transparency, openness and responsiveness," she said.

As we kick off this important month and also celebrate 25 years of the South African Constitution, we take pride in sections 14 Right to privacy and sections 32 Right to access to information. At a time when the world is moving at such fast pace, the words of former US Senator and lawyer Christopher Dodd, who once said that when the public's right to know is threatened all other public rights are threatened, have never been truer.

The Regulator actively encourages public and private bodies to ensure proactive access to information without a person having to request such access in terms of the PAIA. Access to information deepens democracy by ensuring and enabling citizens to exercise their voice and allows them to enter into dialogues about decisions which affect their lives. ●



Far left: Advocate Pansy Tlakula, Chairperson of the Information Regulator.
Centre: Information Regulator joint Consumer Awareness with MIOSA
Right: Countrywide public awareness campaigns are run by the MIOSA, in conjunction with the Government Communication Information System and the Information Regulator.