**FOCUS ON FORD:** WHY THE BLUE OVAL IS PLANNING BIG CUTS TO ITS NETWORK

## Carbealer

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## I ELECTRIC

**DRIVEN:** DOES NEW POWERTRAIN DELIVER THE FAMOUS FUN FACTOR?



TOP CARS THAT
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UNVEILED AT GENEVA

REVEALS CAZOO'S AMBITIOUS TARGETS

RESULTS – MORE TURMOIL AT LOOKERS



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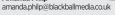


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#### WELL, we'll remember the early part of 2020, won't

WELL, we'll remember the we? The coronavirus crisis

is playing havoc with everyday life and has certainly made its presence felt in the automotive world. As I write this, Boris Johnson has just popped up on TV, backed up by his medical and scientific experts, to update the nation on the situation and urge us all, yet again, to wash our hands.

Of course, by the time you read this, things might have changed. It may have got a whole lot more serious - or maybe the worst will be over and we'll be getting back to normal. One thing is certain, though: it has led to the cancellation and postponement of several major events.

The Geneva Motor Show bit the dust this year of course - although there was a kind of online version during which the manufacturers released all their pictures and press releases anyway - and we have taken the sensible decision to postpone CDX, as you can see below.

Cancelled events and shortages of loo rolls don't matter at all, of course, when you think of the people who have

sadly lost their lives and those who have lost loved ones to this awful pandemic. If you've been affected, you have our utmost sympathy and our thoughts are with you. Stay safe, keep washing those hands and let's hope coronavirus becomes a thing of the past in the very near future.

#### WHAT'S INSIDE

As I've already mentioned, the new car reveals went ahead online even though there was no physical Geneva Motor Show this year - and we bring you six pages of coverage in this edition of the mag. There's more action from our Go-Karting Challenge held in association with Close Brothers Motor Finance, a lively Feedback spread, your regular columnists and much more besides. Enjoy the issue.



#### CDX 2020 has been postponed until September 30

CarDealer.

CAR DEALER publisher Blackball Media has decided to postpone this year's CDX to Wednesday, September 30 because of the ongoing coronavirus pandemic.

It had been due to take place on Tuesday, April 28, but the safety of our delegates and exhibitors is our main priority, which is why this decision has been made. and we are still committed to bringing the best expo within the industry. The venue will remain the same - Farnborough International Exhibition & Conference Centre.

Blackball Media CEO James Baggott said: 'The safety of our attendees is of the utmost importance, which is why we have made this decision. With eBay Motors Group, Facebook Marketplace and Codeweavers headlining, we are still really excited

> about the show and exclusive content that we have put together this year. We are now looking forward to bringing CDX to

> > you in September.' If you have already registered for this year's event, your ticket

will automatically update to the revised date.

Bona fide members of the motor industry can register for free tickets for September by going online to cardealerexpo.co.uk

## **BRIDGE THE GAP**

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#### Our events...



As voted for by you, Car Dealer Power is unique. To find out who won what following the latest industry-wide survey, go online to bit.ly/cdpower19



The Used Car Awards, sponsored by Black Horse, take place on Monday, November 30. Want to be a winner in 2020? You can enter online now at bit.ly/UCA-2020



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Car Dealer's must-attend automotive trade expo features the Live Stage, workshops and more. Because of coronavirus, we've postponed the event to **September 30**. See page 3.

#### **HONOUR**

## Carlos Tavares is voted World Car Person of 2020



GROUPE PSA chief executive Carlos Tavares has been voted World Car Person of the Year for 2020.

The announcement was made in Toronto following a secret ballot involving 86 World Car Awards (WCA) jurors from 24 countries.

They said his many significant accomplishments over the past year singled him out among other 'hugely impressive' industry executives, engineers, designers and entrepreneurs.

Among them are returning the company to profitability and bringing Opel back to profitability in record time.

Tavares also negotiated the merger of PSA and FCA that will create the world's fourth largest automaker by volume. He said: 'It is a great honour to receive this prestigious award, which I wish to dedicate to all the employees of the Groupe PSA, to its responsible and demanding social partners, and to the supervisory board which guarantees effective governance.'

## MOTORPOINT Looking for work in Peterborough?

MOTORPOINT is looking to fill a number of roles at its Peterborough branch as part of ongoing expansion plans. The UK's largest independent car retailer, which was recently named a Top 100 Company To Work For, for a sixth year, is looking to increase its sales team at its long-established branch on Edgerley Drain Road in the city to meet demand from customers.

THE BIG STORY

## 217,000 used cars a year! Cazoo sets itself a huge target

- · Leaked pack reveals online retailer plans to sell 217k cars a year by 2025
- · Start-up will lose more than £70m in the next three years
- · Ambitious target to capture five per cent share of UK's used car market

nline-only used car dealer Cazoo is planning to sell more than 200,000 cars a year within five years of launch, a leaked investor presentation pack has revealed.

The document, leaked to the PA news agency, was handed out to potential investors ahead of the start-up dealer's launch and predicts it will sell 217,000 used cars a year by 2025.

Led by former Zoopla and LoveFilm founder Alex Chesterman, the online retailer has so far raised more than £80m in funding and launched in December 2019.

The investment document reveals ambitious plans to rapidly scale up online used car sales within five years



- but adds it expects to make a loss for the first three.

Cazoo hopes that by 2025 it will account for five per cent of all used cars sold in the UK and assumes it will be making an average of £1,500 profit per transaction.

Mike Allen, head of research for investment bankers Zeus Capital, said Cazoo's numbers looked 'very ambitious'. He said: 'Clearly, if these numbers are achieved this would be a very valuable business, but it looks to be on the ambitious side.

'We believe some customers will

want to buy online, but others will want to visit the dealership and kick the tyres. Further down the line with electric cars etc, customers also need to visit the dealership and be educated on new technology.'

Chesterman's Cazoo believes customers are prepared to buy used cars exclusively online and it facilitates the entire transaction on its website.

Cars are delivered to the customer's home, their part-exchange collected, and if they're not happy with their new model they can hand it back and walk away up to seven days after the deal takes place.

The ambitious sales targets are a huge challenge for the start-up, which is already advertising its services on TV. Some of the largest and most established car supermarkets work hard to sell 30,000 cars a year.

The investor pack reveals that Cazoo will lose more than £70m in the next three years as it attempts to ramp up sales too. It predicts that in the first

## 'Clearly, if these numbers are achieved this would be a very valuable business, but it looks to be on the ambitious side.'

Mike Allen, head of research for investment bankers Zeus Capital

#### **FASCINATING INSIGHT**



What's wrong with traditional dealers? Cazoo thinks current dealers

are too dependent on a 'poor offline retail experience'. The firm says used car dealers are the 'least trusted professionals' and that the traditional model is 'costly, challenging and hard to scale'.

Why does Cazoo think it can capitalise? Cazoo rightly says the UK used car industry is huge with a



year it will sell 12,375 used cars, in year two 24,000, year three 46,500, and then it rapidly rises in years four and five, with 112,500 and 217,000 transactions predicted.

The huge jump in years four and five also see the start-up predicted to tip into profit, with EBITDA figures of £53.4m and £250m respectively.

By comparison to Cazoo's predictions, listed new and used car dealer group Marshall Motor Holdings generated revenue of £2.2bn in 2018 and profit of £25.7m. It sold 43,000 used cars.

The investment pack does include a disclaimer that states: 'By their nature, forward-looking statements involve risks and uncertainties because they relate to events that may or may not

occur in the future. We caution you that forward-looking statements are not guarantees of future performance."

Chief executive of Marshall Motor Holdings Daksh Gupta said: 'We welcome competition and wish Cazoo all the best. It will be fascinating to see how they get on, though it has taken us 110 years to sell half the volume they are hoping to achieve in five years. Time will tell whether that is achievable."

Lawrence Hall, spokesperson for Cazoo, said it was a 'private company that doesn't release forecasts or comment on projections'. He added: 'We think there is a large

opportunity to serve consumers who wish to purchase a car fully online much in the same way as they buy other products today.

'We launched just 12 weeks ago and have already delivered over 1,000 cars to customers all over the country, so we are very happy with the way things are going so far.'

 Cazoo chief financial officer Alex Gersh has left the business, it was revealed as we were going to press.

> Cazoo communications director Lawrence Hall told us: 'We have a finance director and strong finance team in place so have no immediate plans to replace this role.'

> > Alex Chesterman

£50bn annual turnover. It believes that 50 per cent of dealers currently only hold under 20 cars in stock and that 93 per cent have fewer than 100 cars available. It thinks the UK has the right geography for its efficient deliveries and collections and already 94 per cent of consumers are researching online.

Why else does Cazoo think it's better? Cazoo says traditional

dealers are limited by capacity, that consumers don't enjoy using them and that they don't have enough scale to offer big savings like it does. It also thinks that existing dealers don't have the expertise or scale to provide a 'quality guarantee' and that they're too dependent on retail to offer an 'integrated digital offering'.

What does Cazoo think are the biggest risks? Of biggest concern to Cazoo are moves into the used car space from Google, Facebook or Amazon. However, it thinks that any move will be made more into the lead generation area and not direct selling. Uber and driverless cars worry Cazoo as well, but it points out that the former is mostly in urban areas while driverless cars 'still require ownership'. Existing dealers upping their game do rank on its list, but not particularly highly.

#### **NETWORK**

#### **Fine Cars joins** SsangYong's growing family



AWARD-WINNING Fine Cars has joined SsangYong Motors' growing UK dealer network after adding the brand to its Gosport site.

Fine Cars, which has four sites and last year won the Franchised Workshop of the Year category at Car Dealer Magazine's Aftermarket Excellence Awards, said it prided itself on customer satisfaction. The company offers a range of services encompassing new and used car sales, servicing, car rental and MOTs.

Brett Duke, director of the family-owned business, which was established in 1982, said: 'We are delighted to adopt the SsangYong business for Gosport and the surrounding areas.

'The SsangYong product range doesn't conflict with our existing new car operations but it does add four key vehicle types to increase customer choice and give us more opportunities to secure conquest business.'

Long-termers, p71

#### **TRIATHLON** Three more years

#### of partnership

VOLVO Car UK is to continue as the Official Vehicle Partner of British Triathlon for a further three years.

The decision follows a successful first year in its association with the sport's **National Governing Body** in 2019.

Andy Salmon, British Triathlon CEO, said: 'We are delighted that our partnership with Volvo is set to continue.'

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REPRESENTATION

#### **New patrons of Automotive** 30% Club welcomed aboard

live top names in the automotive industry have become patrons of the Automotive 30% Club.

Volvo Cars UK managing director Kristian Elvefors, Auto Trader director Catherine Faiers, Bentley Motors board member Astrid Fontaine, Marshall Motor Holdings chief executive Daksh Gupta and CDK Global managing director Stuart Miles, who are already club members, will help founder Julia Muir, pictured, to steer its activities via an advisory panel.

They will meet virtually and in person up to four times a year, with discussions being hosted by Muir, who is the chief executive of Gaia Innovation.

The club's 40 members are working to achieve at least 30 per

the planning display board people



cent female representation in key roles in the automotive industry by 2030. The patrons' support will help to sustain the positive momentum of the campaign and enable the club to provide more advice and assistance to the members to help them achieve their goals.

Muir said: 'I'm so pleased to welcome on board some of the industry's top leaders as patrons of the Automotive 30% Club.

'I have been leading the club since

I launched it in 2016, and with 10 years to go to achieve our goal of having at least 30 per cent of women in key roles by 2030, it was the perfect time to bring on board some of our most committed supporters to share their experiences and to help shape and steer the direction for the next 10 years.

'These top executives place gender equality high on their personal and business agenda and will be recognised as game-changers in the sector and in wider society.

'I hope that their commitment to making their workplaces fair for all, and reaping the known business benefits of improved profitability, productivity and employee engagement, will inspire other leaders to create winning genderbalanced businesses."

#### **INSOLVENCY**

#### **Bristol Cars heads** into liquidation

**BRISTOL** Cars is to go into liquidation - bringing an end to 75 years of luxury car production by the firm. The High Court has said the troubled firm must be wound up and its assets sold so that creditors can be paid the millions that they are owed.

Insolvency practice Frost Group has been appointed as the liquidator, following a petitioning by HM Revenue and Customs. Bristol Cars' last accounts, for the year ending December 31, 2018 and filed at Companies House, show that the Surrey-based firm had more than £7m of debt.

Bristol Cars, which was founded in 1945, went into administration in 2011 but was bought out and re-established by KamKorp Ltd. It unveiled the Bullet sports car in 2016 - its first new model in over 10 years - but it never went into production.

#### **Workshop Planning Display Systems**

Workshop Boards | Job Card & Clipboard Scheduling | Document Rack Systems





## News from around

What's been hitting the headlines on the home front? Here's a

#### **HAMPSHIRE**

#### Snows hails Greg as its top manager



SNOWS Peugeot Basingstoke sales manager Greg Jones has been named Manager of the Year by the dealership group.

After being presented with his trophy at Snows' annual conference by chairman and chief executive Stephen Snow, pictured left with Jones, he said: 'It's a great honour to receive this award, and it comes as a result of a lot of hard work and support from my colleagues at Peugeot Basingstoke, who have consistently performed since Snows took over the dealership three years ago.'

#### **GUISEBOROUGH**

#### Simon Bailes wins Motability award



SIMON Bailes Peugeot in Guiseborough has won a regional award for its work with the Motability scheme.

The Dealer Awards are run by Motability Operations to recognise and reward best practice.

Simon Bailes Peugeot won thanks to outstanding customer feedback and reviews. Sales manager Alan Sedman said: 'Everyone within the business is incredibly proud to win this Motability Dealer Award.' Above: Motability Operations dealer development manager Richard Povey, left, with Alan Sedman



#### **HUDDERSFIELD**

#### Nissan dealership opens after record turnaround

CARS2 Huddersfield has opened its doors to the public after a record turnaround for a Nissan dealership. It took just six weeks for the transformation of the showroom to be completed and the first customers to be welcomed on site.

The Leeds Road outfit is a first for the Cars2 group, which already has showrooms in Barnsley, Bradford and Wakefield, and offers the entire range of new

Nissan models plus used vehicles, as well as full workshop and MOT facilities.

Cars2 operations director Neil Crossley said: 'We've worked incredibly hard to get the site ready for customers as soon as possible – faster than anyone thought we could. And already, we've had a fantastic reception from existing Nissan owners and new customers in the area.'

#### **SOMERSET**

#### Howards joins the MG family with two sites



HOWARDS Motor Group has signed up to MG Motor UK with sites in Taunton and Weston-super-Mare.

Managing director Peter Haynes said: 'We are absolutely delighted to be joining the MG dealer network in representing this iconic brand at two high-profile locations.

'We are a highly progressive and modern family business that remains proud of its heritage. We believe these values are totally in harmony with those of MG.'

Since opening in 1972, Howards has grown to operate 22 dealerships, selling 13 brands.

## Best-selling new cars in February

February 2020	Source: SMMT
Volkswagen Golf	3,457
Ford Fiesta	3,123
Ford Focus	2,764
Vauxhall Corsa	1,871
Mercedes-Benz A-Cla	ss <b>1,648</b>
Vauxhall Grandland X	1,540
Volkswagen Polo	1,451
Mini	1,339
Nissan Qashqai	1,293
BMW 5 Series	1,286



#### **ROMFORD**

#### All FCA brands under one roof at £1m store



GLYN Hopkin has invested more than £1 million in a new flagship retail concept store in Romford to house all the Fiat Chrysler Automobile brands under one roof.

The new, cutting-edge facility is the first of its kind in the UK and has more than 300 square metres of display space to showcase the entire FCA range.

Fraser Cohen, managing director of Glyn Hopkin, said: 'We have represented the FCA brands in Romford since 2000 and it's great to see their evolution.

'It's an exciting new chapter.'

## the UK

#### round-up of stories



#### The Geneva No-Show: Top 10 cars

Coronavirus scuppered 2020's event but reveals still took place

Dashboard, p14

#### **CRAMLINGTON**

#### Silbury Skoda bought by Pulman Group



A FAMILY-RUN Skoda dealership in Northumberland has changed hands. The Silbury Skoda site in Cramlington, which has been operational since 2006, has been bought by the Pulman Group.

Pulman has also welcomed all 28 staff members to the Pulman family, taking the total number of colleagues past the 250 mark.

Although Cramlington is a new catchment area for the group, Pulman has been well established across Durham and Sunderland for the past 22 years.

#### **NORWICH**

#### **FCA and Motorvogue** expand partnership



FIAT Chrysler Automobiles has opened a state-of-the-art showroom in Norwich with long-standing retail partner Motorvoque.

The high-end site is home to FCA brands Abarth, Alfa Romeo, Fiat, Fiat Professional and Jeep.

The rapidly growing dealer group said it decided to make a major investment in the new site after successfully representing FCA in Northampton, Bedford and Kings Lynn for a number of years.

Motorvogue MD Jon Pochin called it 'hugely exciting'.

'I took a Ford **B-Max** in with a main dealer job lot the other week only to find that I had to Google it to find out exactly what it was (though I'm still not sure).'

Big Mike, p33

#### **MORPETH**

#### Hvundai franchise added to Ford site



BRISTOL Street Motors has added a Hyundai franchise to its Ford dealership in Morpeth after a £100k investment in the Coopies Lane site.

Claire Richardson, pictured, general manager at Bristol Street Motors Ford Morpeth, will manage the Hyundai franchise. She said: 'This is an exciting venture in Morpeth and demonstrates our commitment to the town.

'Customers will have the opportunity to take a fresh look at Hyundai, which is a market leader in new car technology.'

#### **CORNWALL**

#### **Truro Motor Co voted** Volvo's top UK site



TRURO Motor Company has been named Volvo Car UK's topperforming dealer of 2019.

It was the overall winner at the manufacturer's annual event, which saw trophies presented by Volvo Car UK managing director Kristian Elvefors, pictured left with dealer principal Nick Jones, to representatives from Volvo showrooms across the country.

Key performance indicators for the retailers included customer satisfaction scores, and it was the team at Truro that edged out the seven other regional winners.



The Rybrook Volvo Preston site

#### **PRESTON**

#### Rybrook opens multi-million-pound Volvo site

RYBROOK has added a newly built Volvo site in Preston to its growing family-run franchise operation.

It makes it the third Volvo location for the privately owned and growing retail group alongside its existing sites in Warrington and Chester.

As part of its expansion plans, Rybrook Volvo Preston has created several new jobs.

The group - which has showrooms across England

and Wales - has invested heavily in the local area, with its Preston site having undergone a multimillion-pound build to become an official Volvo Retail Experience location.

Rybrook Group chief executive Henry Whale said: 'We are delighted to have expanded our operations with our valued franchise partner. Preston represents an area of huge potential for us.'

#### Top-performing staff recognised at Vertu awards ceremony

VERTU Motors celebrated the achievements of its inspirational colleagues at the company's annual awards event.

The CEO Awards recognise the company's top-performing colleagues from every area of the business who have delivered exceptional performances and produced outstanding results.

Vertu Motors chief executive Robert Forrester, pictured standing left with the winners, hosted the ceremony at Oulton Hall in Leeds.

The company's board and management teams nominate a shortlist of managers each year who have impressed at the group's dealerships and in central services at its headquarters in Team Valley, Gateshead.

Forrester reviews each individual nomination before personally selecting the top performers in each area of the business and deciding who wins the various

category awards. He said: 'The CEO Awards are one of the highlights of the year for me. They recognise colleagues who epitomise our values and have passion and determination - qualities you can't teach. Reading the nominations made me realise the depth of talent within the group and the number of outstanding people we employ. With 6,000 colleagues,

the competition was very fierce.
Congratulations to all the winners!

The winners were: The Tom
Fairgrieve Company Person of
the Year: Debbie Dankowycz of
Bradford Nissan and Renault Fleet
Centre; Accountant of the Year: Lisa
Taylor of Glasgow Nissan South:



General Manager of the Year: Rik Shield of JLR Leeds; Sales Manager of the Year: Johnny Best of Ford Worcester; Service Manager of the Year: Scott Hampton of Farnell Jaguar Land Rover Leeds; Business Manager of the Year: Jindy Sansoa of Honda Doncaster; Parts Manager of the Year: Marc Orton of Exeter Hyundai/Renault/Van Centre; Bodyshop Manager of the Year: Alan Clarke of Volkswagen Nottingham South; Workshop Controller of the Year: Louise Hylands of Glasgow Nissan South; Central Services Person of the Year: Bruce Clark, group IT manager.

#### **FUNDRAISING**

## Industry leaders' most ambitious challenge yet

he automotive charity Ben has announced the biggest ever Industry Leader Challenge fundraiser for 2020.

A group of up to 10 teams from well-known automotive businesses will take on ILC 2020: The Climb.

Fundraising is taking place throughout 2020 with an ambitious group target of £500,000 – an Industry Leader Challenge record!

An intrepid industry leader and future leader from each company involved will climb one of the world's most iconic peaks, Mount Kilimanjaro in Tanzania, in October this year over a period of 10 days.

This challenge marks 10 years since Sarah Sillars, the main inspiration behind the Industry Leader Challenge, took on Mount Kilimanjaro, raising £38,000 for Ben.

Three leaders from Ben will be taking part in The Climb: chief executive Zara Ross, fundraising director Matt Wigginton plus health and well-being director Rachel Clift.



Kilimanjaro, the highest mountain on Earth that isn't part of a range, stands at 5.895 metres (19.341 feet).

The challengers will battle through 55 miles of extreme trekking, freezing temperatures, high altitude, brutal ascents and severe weather.

Tackling such a hostile environment will be physically demanding and mentally draining but will raise funds to provide life-changing support for automotive industry people who need it the most.

This challenge was chosen to represent that everyone has their own

mountain to climb at some point in their life – no matter who they are, what they do or where they come from. The Industry Leader Challenge (ILC) is an epic personal challenge taken on each year by an automotive industry leader (or leaders) to raise funds for Ben. After completing a feat of their choice (either with a team or alone), the baton is then handed to another leader for the following year.

The first official Industry Leader Challenge took place in 2016 when Daksh Gupta, CEO of Marshall Motor Holdings, completed a skydive from 13,000ft, raising more than £151,000.

The list of 2020 challengers is still growing but here are the heroes who have decided to tackle The Climb so far: Euro Car Parts – Andy Hamilton and Anthony McAteer: Endeavour Automotive – Adrian Wallington and Guy Twistleton; JCT600 – John and Joe Tordoff; Haymarket – Rachael Prasher and Chris Daniels; Gallagher Insurance and Lawgistics – Leon Bosch and Joel Combes.

#### **MERCEDES-BENZ**

## Ad campaign for new online showroom

MERCEDES-BENZ is running an advertising campaign to promote its new online showroom.

The TV advert focuses on various situations where people are confronted by endless choices. These are then stripped back to show the best option for them.

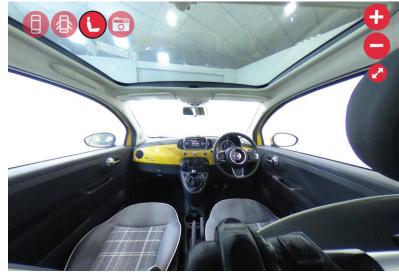
The showroom website has a stock locator, which can be narrowed down by location and can run a finance quote that includes the retailer's best offer on a specific car. Standalone options have been packaged into well-equipped model lines, which means customers can compare different cars, retailers and offers.

Rob Halloway, marketing director for Mercedes-Benz Cars UK, said: 'Our online showroom makes it incredibly easy to choose your ideal Mercedes-Benz car, however you choose to select it.'

### UK ATURNTABLES







#### dealer<mark>360</mark>™

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Camera to website in less than 5 minutes

Our bespoke software controls both turntable and cameras in harmony with each other

#### Dashboard.

#### We kept calm and carried on! No show but still lots of news



by DAVE BROWN @CarDealerDave

ell, don't say you weren't warned! The Geneva Motor Show was cancelled just a few days before the doors were due to be opened to the public - and here at Car Dealer Magazine, we were very much alive to the possibility that the whole thing might be canned because of the coronavirus outbreak.

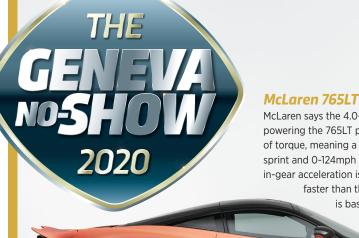
Persistent inquiries by James Baggott led us to predict in last month's mag that it probably wouldn't happen - and sure enough, on February 28, the event finally bit the dust after the Swiss government enforced a law banning gatherings of more than 1,000 people.

Maurice Turrettini, chairman of the board for the show, said: 'This is a tremendous loss for the manufacturers who have invested massively in their presence in Geneva.

'However, we are convinced that they will understand this decision."

In some respects, however, the show did go on. News of new models was still released, interviews with manufacturer bosses took place as usual - and a few lucky members of the Car Dealer team still had fun on the ski slopes!

We have six pages of coverage from this year's 'Geneva No-Show' - so check out the cars that could be coming to your showrooms soon, as well as a few that definitely won't be!



#### McLaren 765LT

McLaren says the 4.0-litre twin-turbo V8 engine powering the 765LT produces 755bhp and 800Nm of torque, meaning a sub-three-second 0-60mph sprint and 0-124mph in only 7.2 seconds. The in-gear acceleration is said to be 15 per cent faster than the 720S on which the 765LT is based. There'll only be 765



## The top 10 cars that \*would\* have been revealed

OK, so the doors to the Swiss exhibition halls stayed firmly shut, but there's still lots to get excited about...

THE stands had been built, the manufacturers were ready with their display cars in place - and then it was all called off. However, that didn't stop them pushing ahead with the reveals they had planned - and who can blame them? As a result, we've got a variety of concepts, supercars and electric vehicles - among others - to get excited about. Here are our top 10...



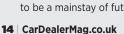
#### **BMW Concept i4**

Although it has design details unlikely to make it to the road - such as its dramatic headlights and wing mirrors - BMW's i4 is a close representation of what we can ultimately expect to see. A large kidney grille steals the show, with streamlined bodywork flowing into a minimalistic rear. BMW says this concept shows the firm's 'new look', so expect the oversized grille to be a mainstay of future models.

#### Audi A3

Audi revealed the updated version of its popular A3 hatchback, which now has a sharper, more angular look and better technology. The shape may be familiar but the details of its styling are vastly different - especially at the front, where the headlights and side intakes in particular have been given a more aggressive appearance.









#### **Hyundai Prophecy**

Hyundai has unveiled the Prophecy concept as its latest approach to design. Inside, you'll find joysticks instead of a steering wheel – said to let the driver control the vehicle in a 'position of comfort' as well as offer more space. Autonomous technology is also on board, but Hyundai hasn't said to what extent.

#### **Dacia Spring Electric**

The Dacia Spring Electric is said to be a preview of 'Europe's most affordable all-electric vehicle'. It looks similar to its current offerings, with a boxy silhouette, rugged design details such as plastic cladding and roof bars, plus skid plates integrated into the front and back bumpers.

#### Volkswagen ID.4

The next model to join VW's all-electric car line-up will be the entirely carbonneutral ID.4. Ralf Brandstätter, chief operating officer at Volkswagen, said: 'The outstanding aerodynamics reduce the drag coefficient and will boost the ID.4's range to up to 311 miles, depending on the drive package.'



#### Pininfarina Battista Anniversario

Pininfarina has revealed a fresh take on its Battista hypercar - the highly exclusive Anniversario. Limited to just five units, it uses the same 1,900bhp powertrain but takes on a new aerodynamic bodykit as well as a triple-colour handcrafted paint job. The asking price? €2.6m (circa £2.3m).

#### Porsche 911 Turbo S

Porsche's new 911 Turbo S is its most extreme yet, with this 641bhp powerhouse capable of 0-60mph in 2.5 seconds. It remains available as a coupe and cabriolet, and has an aggressive aerodynamic package that includes a large rear wing plus active elements to make the best of downforce. Its 3.8-litre twin-turbocharged engine is all new, too.

#### Alfa Romeo Giulia GTA

Alfa Romeo let its engineers loose on the high-performance Giulia Quadrifoglio and they came up with an extreme version of the saloon. Underneath the Giulia GTA's bonnet is a ramped-up version of the 2.9-litre twin-turbocharged V6 found in the standard car, now producing 533bhp – a 30bhp increase. Power is still sent to the rear wheels, with a 0-60mph time of 3.6 seconds possible.

#### **Bentley Bacalar**

Bentley has unveiled the Mulliner
Bacalar – a seriously limited-edition
and hand-built convertible. Just 12
examples – already accounted for
– will be built by Mulliner, Bentley's
bespoke division, which has been
revived to offer these low-run
models as well as exclusive upgrades
to standard Bentley models and
restorations of classic examples.





**BAC** 

#### New turbocharged Mono hits the road



BAC has officially launched its new lightweight Mono single-seater.

Fully road-legal across Europe, the new Mono gains a 2.3-litre four-cylinder turbocharged petrol engine packing 332bhp and 400Nm of torque.

Thanks to a kerb weight of just 570kg, the Mono is able to offer a power-to-weight ratio of 582bhp, which represents a 57bhp-pertonne increase on the older Mono.

The Mono now complies with the latest EU6d emissions standards and meets European drive-by noise regulations.

Neill Briggs, BAC's director of product development, said: 'Launching another incredible product and holding our heads high amongst the automotive elite is truly humbling – and special thanks go to the talented BAC team as well as our partners and suppliers worldwide.

'The success of the first-generation Mono was beyond our wildest dreams and we can't wait for even more success with the new model in new territories around the globe.'

KΙΔ

## 2035 target is quite a risk. Will the grid be able to cope?

Manufacturer's new powertrains offer opportunities for dealers to become the 'experts on electrification' in their local areas.

he recently announced 2035 target for a ban on new petrol, diesel and hybrid cars is a risk, according to Kia boss Paul Philpott. 'The big question I would put to the government is, where is the investment for

the capacity of electricity and for the charging infrastructure? I think now, from what I see, that target is a risk,' said Philpott.

Kia is a company that is pushing towards electrification – in line with the government's target – but Philpott believes that although the South Korean manufacturer is on track, infrastructure demands could be a limiting factor on the process as a whole.

The firm currently offers Niro in hybrid, plug-in hybrid and all-electric form, while the all-electric Soul EV is due on forecourts soon. Dealers are being brought into the loop too.

Philpott told us how 'we're putting a lot of resources into training our dealer network so they



**by JACK EVANS**@jackrober

can provide the right experience for customers surrounding an electrified future.

'We're working hard with a plan for each of our dealers to become what we call "the local expert" on electrification.

'Customers will want to go back to trusted franchise dealers providing they provide the right experience. It means there will be less leakage to areas outside the franchised dealership. It's a real opportunity for franchised dealers – providing they are ready to learn and raise their capability towards electrification.'

Philpott believes there are questions that need to be answered by the government as well as the motoring industry as a whole.

'The big challenge that I think the government

#### New e-tense model is 'key to the performance of the brand'

THERE'S a lot riding on the all-electric DS 3 e-tense, according to Beatrice Foucher, vicepresident of the French manufacturer.

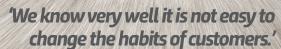
'When we launched the DS 7 we worked hard to establish the brand, and now we have to sell the e-tense version of the DS 3, which is key to our performance,' she said.

The e-tense arrives with a claimed all-electric range of up to 206 miles and can be charged from 0-80 per cent in just 30 minutes via a 100kW rapid charger.

Foucher believes that attitudes towards EVs are changing quickly.

"We know very well it is not easy to change the habits of customers,' she said. 'But remember - eight years ago, electric cars weren't seen as proper vehicles in people's minds, but now there's no more of that attitude.

'The first step for us is to educate the dealers - they have to be convinced and they have to understand the benefit of these vehicles. They need to be the advocates of these electric cars.'



**Beatrice Foucher** 



has in the road map from now until 2035 is whether or not there's enough electricity in the grid. In areas where emissions are higher - such as London - the charging network investment needs to be significant to give people easy homecharge capability."

Although on many occasions the government has asked manufacturers to step up to the plate by imposing more stringent targets on emissions and fuel economy, many car makers - particularly Kia's Philpott -

believe that those in charge of setting laws in the UK need to make it known that a definite plan is in place for the country's electrified future.

You can't get there in one step. You need to do it progressively,' said Philpott. 'It might be that although deadlines are tight on emissions. the way to properly achieve them is through progressive change rather than a snap decision."

'We're putting a lot of resources into trainina our dealer network."

**Paul Philpott** 



#### **FIAT**

#### Petrol 500 will still be built 'for many years'

FIAT is planning to produce the 'classic' petrol-powered 500 for 'many, many years', despite the introduction of an electric-only next-generation model. Speaking following the reveal of the new 500, Olivier François, head of Fiat, confirmed the existing car would be 'built parallel' to the new machine.

The new version of the Italian icon has moved to Fiat Chrysler Automobiles' (FCA) new platform for electric vehicles, and is the first of the nameplate in Europe to be sold as a battery-powered model. Previously, the firm had offered an EV version of the existing car - dubbed the 500e - but this was limited to selected areas of the USA.

A move to the new platform means the possibility of an internal combustion-powered version of the all-new 500 has categorically been ruled out, although François believes the existing 'classic' car will continue 'as long as there is a real request'.

François suggested this strategy of selling both models side by side will allow Fiat to have all bases covered for the varying demands of different markets. He said: '[Demand] can depend from one country to one country, or even from city to city.

'Where we live in Italy, Milan is going to go totally electric and Rome maybe.'



#### **Updated Mercedes-Benz** E-Class debuts new look

MERCEDES-BENZ has revealed its facelifted E-Class, which has been equipped with better driver-assistance technology. The front end has been made softer in appearance, with reshaped lights either side of a newly designed grille. LED units are now standard, with powerful 'Multibeam' units available as an optional extra.

#### Dashboard.

#### **BENTLEY**

#### **Beautiful Bacalars have** all been snapped up



BENTLEY has revealed the Mulliner Bacalar - an incredibly limited-run, hand-built convertible that has already sold out.

Just 12 examples will be built by Mulliner, Bentley's bespoke division, which has been revived to offer these low-run models as well as exclusive upgrades to standard Bentley models and restorations of classic examples.

The Bacalar, which takes its name from a Mexican lake that's known for its 'breathtaking natural beauty', has a 6.0-litre W12 engine making 650bhp and 900Nm of torque. Power goes to all four wheels when needed, but it's rear-wheel drive at most times to improve efficiency and driving dynamics.

Buyers will work with a team of specialist designers to create a unique vehicle, with upholstery including ethically sourced materials, such as natural British wool and paint containing ash from rice husks.

Despite looking similar in shape to a Continental GT Convertible and likely being based on a modified platform of that car, the Bacalar shares no body panel with any other Bentley model.

The doors and wings are made from carbon fibre, it has 22-inch alloy wheels, and a rear clamshell made from aluminium.



#### Iconic grilles add to our appeal, claims BMW

'OUR grilles are a big topic with British journalists,' says Peter Henrich, senior product manager at BMW when asked about the huge new kidney grilles that feature on the firm's latest i4. 'They look a bit like cars from the 1930s and they're iconic, which is why we're bringing them forward. For me, it fits very well into the overall appeal of the car.'



#### **HONDA**

## No more nerves! It's time for confidence in our electric future

Dealers are excited about the new product that's on the way, which is what they need to get their customers in, says UK boss Dave Hodgetts.

his year is a big one for Honda. One of its most innovative new cars - the Honda e is arriving in the UK, allowing consumers and dealers their first look at the firm's all-new electric model. It's a funky and dynamic car for the brand and one that will help push it towards its plans to achieve 100 per cent electrified sales by the end of 2022.

'We've said that we'll be fully electrified by the end of 2022, and I think that's a really exciting statement because it's not far away,' says Dave Hodgetts, managing director for Honda UK.

'I think therefore that we've got quite a bit of change to go through. To get all of our range changed into a fully electrified is quite a statement.'

In a policy that dominated this year's not-the-Geneva Motor Show, Honda is another company pledging much of its future to electrification.

Indeed, sales of its popular CR-V SUV have



by JACK EVANS @iackrober

swung away from traditional petrol-powered models in favour of the new hybrid, with Phil Webb, head of car for Honda UK, stating that the introduction of this new model is yet another indication of the firm's commitment to an electrified future.

'We're ahead of the game now. This year we'll be well over 80 per cent hybrid CR-V, so I think people have adopted our hybrid technology in that sense - and it's just the same system on our new Jazz. Anyone I speak to who has driven the car is really amazed by it – it's a question of getting behind the wheel and finding out. Our biggest challenge is getting people to test-drive it and find out for themselves."

But as with all new things, getting people

#### **PEUGEOT**

#### Electric variants accounting for 15 per cent of 208 sales

ORDERS for Peugeot's recently released e-208 have accounted for 15 per cent of total 208 orders so far, a leading figure at the firm has confirmed. Speaking following the 208's crowning as World Car of the Year, Jean-Philippe Imparato, executive vice-president of Peugeot, revealed the high demand for batterypowered variants of the new model.

'After four months and 20,000 orders of the car, 15 per cent of the intake has been EV.'

Despite this initially high proportion, Imparato did reveal he was unsure if such demand would continue. He added: 'I don't know if it will be stable, I don't know if at the end it will end up at seven per cent like the initial target we had. I'm waiting to be more sure of the global mix.'

Imparato did reveal this number has come as something of a surprise, though, following with: 'I can tell you that one year ago I would not have bet on [a 15 per cent uptake]. It means that something is changing.'

What may not come as a surprise following this success are plans for an electrified variant of every Peugeot at the time of introduction. Imparato confirmed that strategy, saying: 'Each and every launch of a passenger car, except the pick-up launching only in countries outside of Europe, will be electrified.

'We have started that with the B segment with the 2008 and 208, and with the C segment we'll soon have the 3008 plug-in hybrid to compete with diesel.'



#### The Honda e is a funky, innovative and dynamic new model for the brand

- both dealers and consumers - educated and properly informed about fresh technology is half the battle. 'There's a nervousness about what a hybrid or electric can do, so if we can get that confidence into our dealers, that'll be put to our customers too,' says Hodgetts. 'I think that we need to get customers trying the car, but actually

'Anyone I speak to who has driven it is amazed by it - it's a question of getting behind the wheel and finding out."

Phil Webb on the new Honda Jazz

educating our dealer network is so important."

However, the combination of education and a pledge to be electrified by the end of 2022 means one thing for dealers - new product. New Jazz and the groundbreaking e are two fresh new models with which to draw in customers.

'If you asked any car dealership in the UK what they wanted, I reckon they'd say new models.

'We've got a strong relationship with our dealer groups, and I'd say they're excited about their new product - which is what they need to get customers in,' says Hodgetts.

Certainly, things look to be on the up for Honda. And with an electrified future in its sights, there's no reason why dealers can't share in the recharging of the brand.

#### **PORSCHE**

#### New 911 Turbo S makes the most of its power



PORSCHE'S new 911 Turbo S has been revealed, with the model producing a monstrous 641bhp. That output comes courtesy of a new 3.8-litre twin-turbocharged flat-six engine sending that power and 800Nm of torque to all four wheels via an eight-speed PDK automatic gearbox.

The result is a blistering 0-60mph time of 2.5 seconds and a 205mph top speed.

It's available as both a coupe or cabriolet, although Porsche hasn't stated if the droptop version of the car has seen a slight compromise on performance.

Helping to contain all this power is a new aerodynamic bodykit. Along with a large rear wing at the back, adaptive elements are included in the nose to optimise downforce — which Porsche says is up 15 per cent overall compared with the previous Turbo S.

Its all-wheel-drive system has also been worked to make the most of the power available in both road and circuit conditions, with as much as 500Nm of torque able to be sent to the front wheels at any given time.

Carbon-composite brakes are a standardfit item to enhance stopping power, while alterations have been made to the car's dampers for improved handling as well.



#### 'We need to retain all powertrain possibilities'

'THERE is no unique solution' - that's what Pascal Ruch, head of Lexus Europe, believes is the case when it comes to electrification. 'It's really down to your usage. Our view is that we need all of the powertrain possibilities available.' Lexus currently offers predominantly hybrid powertrains, but a fully electric option will soon join the line-up. [

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**FORD** 

## Network facing big cuts in bid to shore up profits

ord is set to cut its UK
dealership network by almost
half as it looks to shore up
'unsustainable' profit levels.

The manufacturer, which currently has around 400 showrooms across the country, is looking to reduce that number to somewhere between 210 and 230 by 2025.

In a statement, the company said it was 'working together in a spirit of partnership' with its dealers and their investors to build a 'stronger and more sustainably profitable Ford sales and servicing network for the future'.

The aim was to create a network 'which works for the mutual benefit of our businesses and for our commercial and passenger vehicle customers,' it added.

Ford said its customers would not be 'unduly inconvenienced' when buying a new vehicle, adding: 'There will continue to be a Ford selling site within easy reach for the majority of our customers, with around 90 per cent of the population within a 30-minute drive of a Ford sales point.

'Many of the existing smaller sales sites will be converted into vehicle servicing centres to further improve our customer service capability.'

Explaining the rationale behind the strategy, the manufacturer said: 'Ford is becoming a more targeted business with a strong focus on growing our commercial vehicle business and providing passenger vehicle customers with a more defined portfolio. In



Andy Barratt: 'There are some sites that will no longer sell new vehicles.'

addition, automotive retailing is pivoting to new trends, including electrification, connectivity, carsharing and online sales.

'The UK is an important part of Ford's European transformation, continuing to be a critical market. We are the largest European sales market for commercial and passenger vehicles, and [have been] market leader in both for many decades.'

Turning to its dealer network, it went on: 'Ahead of the game in the UK, the dealer network and Ford of Britain national sales company have undergone restructuring over the past two decades. [But] the market is changing further and dealer network profitability is still not sustainable.'

Talking to Car Dealer, Andy Barratt, chairman and MD of Ford of Britain, said: 'This journey started a few years ago and we have had some

natural attrition, but we truly value the relationship we have with our network. They've been valued partners – in some cases, we're talking about the same family for over 100 years.

'You cannot disregard that level of loyalty – and it has worked both ways. You don't rip up a relationship that has lasted that long. We are actively working with every single owner and investor in our network to come up with the right solution for them for the future. They have a choice as to where they spend their capital – we'd like them to keep spending their capital with Ford.'

Barratt added: 'There are some sites that will no longer sell new vehicles. It depends on the viability and it depends on the shape and format and span of control. It's not an easy answer for the purposes of an interview but we have a plan.'

#### **APPOINTMENT**

## JCT600's new MD 'knows the firm inside out'



JCT600 has promoted operations director Richard Hargraves to the position of managing director.

In his new role, Hargraves will work closely with chief executive John Tordoff, supporting the operations board in managing the group's 48 dealerships from Yorkshire and the north-east of England to Derbyshire, Lincolnshire and Nottinghamshire.

Tordoff said: 'With more than 30 years' experience in the motor industry, Richard has a wealth of knowledge and has played a key role in our continued growth. As a company that prides itself on nurturing and developing its team, he is a great role model for colleagues as he has risen through the ranks and understands the business inside out.'

#### **CLICK DEALER**

#### Debbie takes on new challenge

CLICK Dealer has made Debbie Fox its chief commercial officer with immediate effect as part of a restructure that will see her assume responsibility for several teams.

She joined the Stoke-on-Trent company last autumn as its head of commercial, bringing with her more than 30 years' experience of the automotive industry to support the business's growth and development.

In her new role, she will oversee several of Click Dealer's commercial support arms.

#### Lexus keeps crown as dealers' favourite in survey

LEXUS achieved the top manufacturer rating again in a survey by the National Franchised Dealers' Association.

The latest Dealer Attitude Survey – for winter 2019-20 – asked 31 franchise networks 53 questions about the ongoing relationship with their respective manufacturers. The 39 per cent response rate, with 1,795 dealers getting back in touch, saw Lexus retain its position at the top of the table with 9.4 points for overall satisfaction, followed by Mercedes (9.2), Toyota and Kia (8.9 each). Meanwhile, the

manufacturers with the lowest ratings were Abarth (3.8), Alfa Romeo (3.4) and Hyundai (3.2).

The questions covered a range of business issues and their impact on dealers' satisfaction levels with their manufacturer's relationship. Responses were scored from one (extremely dissatisfied) to 10 (extremely satisfied).

There was an overall average improvement of 12.0 points across all questions of the survey. Following two disappointing performances in the

past two surveys, BMW regained all the points it had previously lost with a total increase of 99.3 points. Suzuki registered the biggest loss in points, dropping by 62.7.

NFDA director Sue Robinson said: 'It was positive to see an improvement in overall average dealer satisfaction levels with their manufacturers.

'It is encouraging to see that most manufacturers continue to take seriously their performance in the survey and work with dealers to address their networks' concerns'



funding plan so we can stock better quality cars, higher value cars, more cars. More stock equals more footfall and more sales.

Justin Lee, Martin Lee Car Sales



The fifth and last qualifying round of the 2019/20 Car Dealer Magazine/Close Brothers Motor Finance Go-Karting Challenge was held on February 6, with 11 teams vying for the remaining slots in the grand final. Kevin Day was there to report on the action.

The podiumplaced finishers at the conclusion of the Cardiff qualifier

t may have been a cold evening but the heat was most definitely on in more ways than one as the competitors gathered at the twolevel TeamSport Karting track in Cardiff.

This was the last chance for dealers to compete for a slot in the final, and the pressure was palpable. As was the case with the previous qualifiers, the evening started with a 15-minute practice session so that everyone could get used to the karts and track.

Nick King Car Sales and and the team made up of drivers from Motorbikes 4 All, Dragon Motorcycles and CMC South Wales – collectively called The Bikers – were the early pace-setters, putting in the best lap times.

After some quick tactical discussions, the 90-minute endurance race started smoothly without any incidents off the grid. Nick King and Lane Pearson both got off to a flyer and after the first lap were clear of the pack in first and second.



With 15 minutes gone, Nick King had pulled away to a one-lap lead over A&M Car Sales – whose team also included staff from Used Cars of Bristol – in second place and Motorhub of Newport in third.

Nick King also put in the fastest lap so far at 35.3 seconds, which was nearly a second faster than anyone else on the track.

At the 30-minute stage, they were still leading the way but A&M were putting in some hot laps and the gap was now down to less than 20 seconds. Dick Lovett, meanwhile, had moved up to third place and were closing down on the top two.

At the halfway stage, A&M had reduced the gap between them and Nick King to five seconds.

Lane Pearson had displaced Dick Lovett in third place, though, and were right on the tails of the leaders.

Heading into the last 30 minutes, Nick King were still holding the lead but there was now less than 25 seconds between first and fourth place, and Lane Pearson, A&M and Dick Lovett all had their eyes on winning gold.

With 20 minutes remaining, Lane Pearson's pressure paid off and they took over the lead from Nick King – but could they maintain it? A&M were hot on the heels of the first two, so it was all set for a tight finish.

Things were proving seriously nail-biting, and with less than 10 minutes to go Nick King regained the lead from Lane Pearson by putting in a blistering series of laps, including a 34.9-second fastest.

Despite Lane Pearson's and A&M's best efforts, though, they couldn't catch up with Nick King,

See the next edition of the magazine for a full report with pictures



See pictures from previous events at bit.ly/cardealeralbums

#### Dates and tracks

#### **Qualifiers**

Stockton-on-Tees
Manchester
Reading
Harlow
Cardiff

#### Final





#### The rival teams keep abreast of the action

who eventually ended the race with a 14-second lead over Lane Pearson and were 27 seconds ahead of A&M. Very well done to all our racers on a great night of friendly, competitive rivalry!

#### **Results from Cardiff**

Nick King Car Sales	142
Lane Pearson	142
A&M Car Sales	141
Evans Exports	140
Dick Lovett	139
Avenue Cars	138
The Bikers	138
Motorhub	136
Motor Plus	136
Imperial Cars	131
Howe Motors	130

Laps completed during the 90-minute race



#### Feeling confident! **New research paints** a positive picture

NEW research from Close Brothers Motor Finance has revealed that nearly all UK car dealers (98 per cent) are confident about the business outlook for their dealership, while almost two-thirds (63 per cent) are 'very confident'.

In the aftermath of Britain's exit from the EU, a third of dealers (35 per cent) see Brexit as the biggest threat to their business over the next 12 months - a drop of 12 percentage points from the previous three months.

In contrast, under a tenth (nine per cent) see Brexit as the biggest opportunity - a drop from 13 per cent over the same period.

The survey of 200 dealers also reveals that 13 per cent of them are especially positive about the opportunities for business growth. Dealers cited a range of opportunities in

### Close Brothers Motor Finance

2020, with seven per cent expanding their offering to new types of vehicles, namely electric cars, and seven per cent keen to maintain stability.

On the flip side, nine per cent of dealers are concerned about how an economic downturn will affect their business, and seven per cent worry about stock availability.

Sean Kemple, director of sales at Close Brothers Motor Finance, said: '2019 was a challenging year for the motor industry but the results of our Dealer Satisfaction Survey show that hope is far from lost.

'Used dealerships have seen a boost with drivers looking to cut costs - a trend expected to continue. Car dealers are the backbone of the car industry, so it's encouraging to see high levels of confidence, but it's vital that they are properly supported. When they are, they're perfectly placed to, in turn, provide valuable support and expertise to buyers.'

**APPOINTMENT** 

## **Pendragon CEO says the** firm has 'great potential'



Bill Berman: Looking forward to building on strong relationships

endragon has appointed Bill Berman as its chief executive with immediate effect - weeks after warning over profits.

Berman, who has more than 30 years' experience in automotive retail, joined Pendragon as a non-executive director in April 2019 and has been its interim executive chairman since October.

It brings some steadiness to the troubled group, which trades under the Evans Halshaw and Stratstone brands. Previous chief executive Mark Herbert quit out of the blue last June, having been in the role for less than three months. Then in September, the company announced that some 300 jobs would be axed, with the closure of 22 Car Stores and a preparation centre, after it published a post-tax loss of £129.6m for the six months to June 30.

Berman will continue as interim chairman while the search for a permanent non-executive chairman continues.

Before joining Pendragon, he was president and chief operating officer of AutoNation, the largest automotive retailer in America. In that role, he was responsible for its 26,000 associates and the operational performance of the company's 300-plus new vehicle franchises, including new and used vehicle sales and aftersales.

'Pendragon is a company with great potential and a talented team,' he said.

'As chief executive officer. I look forward to building on strong relationships with our team members, customers, suppliers, our OEM partners and investors as we move forward together.'

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#### HonestJohn.co.uk bought by Heycar

ONLINE used car marketplace Heycar has struck a deal to buy the website HonestJohn.co.uk which went into administration in January.

The start-up said it cemented its intention to bring greater trust and transparency to the market and to continue rapid growth.

Peterborough-based HonestJohn.co.uk - which publishes advice and reviews of cars and vans on its website and has a Cars for Sale section as well - has been established for two decades, boasting many millions of site visitors.

However, as reported by Car Dealer, it went into administration after suffering 'significant' cash problems.

The deal - for an unspecified sum means that it is business as usual for the site. Heycar was launched eight months ago and now has more than 170,000 cars on its site and 3,500 franchised dealers signed up.

Chief executive Mat Moakes said: 'We launched Heycar to drive greater trust and transparency. That's exactly what Honest John has been doing for the past two decades. The acquisition of the site will allow us to achieve that mission faster, by bolstering Heycar's growth and industry presence."

#### **HONDA**

#### **New managing** director set to take the reins



HONDA UK MD Dave Hodgetts is to retire on April 1 to be replaced by Jean-Marc Streng.

The news was part of a senior management reshuffle that will also see Honda Motor Europe (HME) head of automobile Phil Webb become deputy general manager of HME's automobile division at the same time, to be replaced by Rebecca Stead.

Streng, pictured above, joins with more than 20 years' experience in the automotive industry and having spent the past eight years as general manager of HME's automobile division.

The manufacturer said that as the architect of Honda's European electrification strategy, he was ideally placed to deliver that vision in what is Honda's largest European sales operation. He will also be responsible for motorcycles and the power products division.

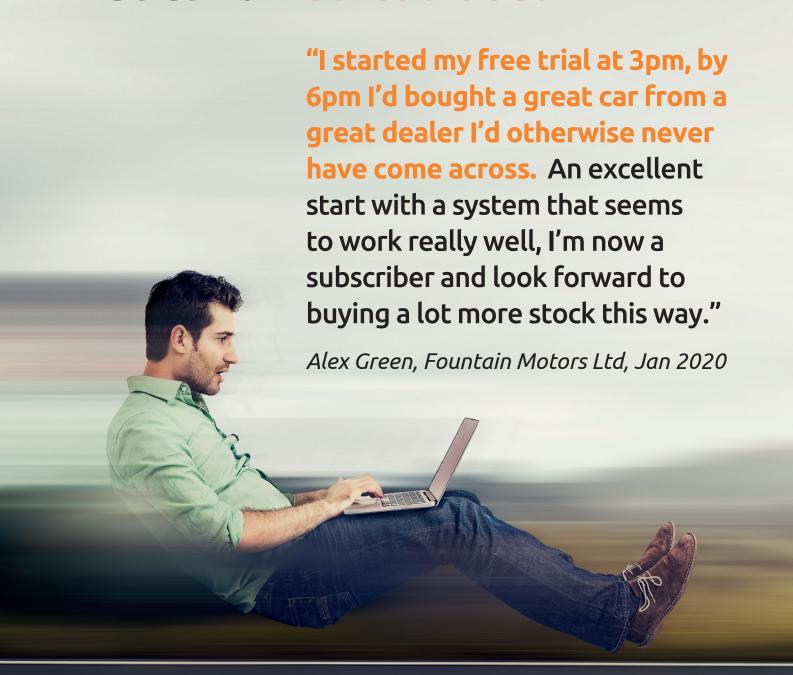
#### **AUTO TRADER** A record month for site visitors

JANUARY 2020 was a record month for car-buying visitors to Auto Trader.

A total of 58 million cross-platform visits were recorded - up five per cent compared with the previous record set in March 2019.

As well as impressive visitor numbers, in January the business neared 14 million total downloads of its mobile app.

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**MARSHALL** 

## Another year of growth despite declining market

arshall Motor Holdings has announced its results for 2019 - showing record reported revenue of £2.3bn and £33.1m operating profit.

After 12 months of significant growth during which Marshall incorporated 20 new businesses, underlying profit before tax was £22.1m, down 10.8 per cent. But the like-for-like figure of £33.1m was down just 4.1 per cent in a difficult year for the automotive sector.

Like-for-like total new vehicle unit sales were up 0.3 per cent (against an overall market decline of 2.4 per cent), with both retail and fleet outperforming the market strongly.

Used car unit sales were up 6.1 per cent (market volumes as a whole declined 0.1 per cent in 2019), while the company reported further growth in aftersales revenue, up 3.2 per cent.

The company attributed its strong financial performance partly to disciplined cost management. Operating expenses increased by only 1.5 per cent despite cost headwinds. Strong operational cash generation

£33.1m

- down 4.1 per cent on the figure for 2018 but still 'an excellent result'



by DAVE BROWN @CarDealerDave

supported £46.8m of acquisitions and capital investment. For investors, a recommended final dividend of 5.69p will give a full-year dividend of 8.54p per share (2018: 8.54p).

Daksh Gupta, pictured, Marshall's chief executive, said: 'The group continued to perform well in 2019 and, despite a sustained period of market decline, has grown market share by outperforming in all of its

key segments. The group delivered record total reported revenue and achieved like-for-like revenue growth. Despite market conditions, the business performed well, with like-forlike operating profit down 4.1 per cent to £33.1m

against last year's record result.

'The group has taken advantage of market consolidation, completing a number of strategic acquisitions in 2019, adding 20 new businesses.

'We are particularly proud to have become Volkswagen Group's largest partner in the UK.

'The board notes the latest forecast by the Society of Motor Manufacturers and Traders for a further decline in the UK new car market in 2020 of 2.6 per cent. It is also cognisant of the potential impact that uncertainty over the outcome of future trade

> agreement negotiations between the UK and the European Union may have on the automotive sector. 'The board is monitoring the potential impact of Covid-19 and is

considering contingency plans in the event it starts to impact our dealerships."

out-performance of the market and

building on years of record results.

'We also invested £31.6m in 20 new businesses - that helped our revenues get to £2.3bn, which is a record for the group. And on a like-for-like basis, revenues were up for a fifth successive year, and that was another pleasing result given the market conditions."

£33.1m - down 4.1 per cent. Gupta said: 'It's the first year as CEO that was an excellent result.'

#### **INCHCAPE**

#### Financial results 'demonstrate our resilience'

INCHCAPE'S financial results for 2019 'demonstrate the resilience in its business model,' according to outgoing CEO Stefan Bomhard.

The company reported profit before tax of £402m, up a hefty 256 per cent year on year, although the figure was enhanced because in 2019 it sold off parts of its business, and in the previous year had to fork out for 'impairment charges'.

The company's 'preexceptional' profit before tax was down 7.4 per cent and stood at £326.3m.

Other key performance



indicators included the fact that 2019 revenue stood at £9.4bn (2018: £9.3bn) and Inchcape's operating margin was four per cent (2018: 4.3 per cent).

Revenue for the UK and Europe arm of its business stood at £1,329.6m (2018: £1,145.5m) with trading profit at £43.7m, representing a margin of 3.3 per cent (2018: £34.7m, three per cent).

Looking at the retail arm of the business, the company stated: 'UK and Europe revenue declined 1.6 per cent year on year and trading profit declined 0.6 per cent on a small base. The stabilisation of profit was pleasing considering the declines experienced over 2018 and amidst continuing UK market pressures.

'An improved opening inventory position at the start of the year, a focus on driving all-value drivers and a focus on costs helped to stabilise performance.'

#### Like-for-like operating profit for 2019

#### Used car performance a highlight of 'stellar' results

MARSHALL Motor Holdings might have had a very busy 2019 - but the bosses of the company aren't planning on putting their feet up any time soon.

As we report above, Marshall revealed record revenue of £2.3bn and £33.1m operating profit when it published its financial results for 2019.

Total new unit sales, like for like, grew by 0.3 per cent against a market decline of 2.4 per cent - an achievement CEO Daksh Gupta described as 'stellar'. Like-for-like new retail sales, although down two per cent, again outperformed the market.

Looking at Marshall's performance in the round, Gupta, speaking to Car Dealer Magazine, described the results as 'really strong when you consider the wider market'.

He added: 'We had strong outperformance against the market against all of our key operational metrics: the total new market, retail, new fleet and used cars - so a clean sweep across the board, which is excellent. Our used car performance was absolutely stand-out again, which is pleasing. Like-for-like units were up 6.1 per cent – a significant

Like-for-like operating profit was

I've not delivered a record - but in the context of the market, we thought that

## LOOKERS

#### Results delay as 'potential fraud' uncovered

LOOKERS has delayed the announcement of its latest results after uncovering 'potentially fraudulent transactions'.

The results were due out at 7am on March 11, but in an announcement to the London Stock Exchange, the multi-franchise dealer group

said that during the final stages of preparing its results for the financial year ending December 31, 2019, the company had 'identified potentially fraudulent transactions in one of its operating divisions'.

An external adviser is being appointed by the Lookers board

to head a full investigation, and because of this the announcement of the results has been delayed to an unspecified date in the second half of April.

The statement added that the initial findings weren't material in the context of the group.

#### **LOOKERS**

## More turmoil as top exec quits just weeks into role

ookers' new chief operating officer has quit his post with immediate effect.

The one-line announcement about Cameron Wade was made to the London Stock Exchange on March 12. It said he had resigned from the board and left the company, and came hot on the heels of the news that the dealer group's final results for 2019 - due the day before - had been delayed because of suspected fraud (see above). Wade had only been in the top role for a few weeks, having joined Lookers in December 2016 as franchise director of the Audi division.

In November 2019, he became group franchise director, and was made chief operating officer on February 5. Before joining Lookers, he was commercial director then managing director at Peter Vardy.

His sudden departure is yet another upset for the company and a fresh headache for new CEO Mark Raban, who was appointed at the same time as Wade. Lookers has had a rocky year that saw previous chief executive Andy Bruce and chief operating officer Nigel McMinn leaving abruptly in November after the second of two profit warnings in which Lookers' top tiers revised their expectation for



by JOHN BOWMAN iohn@blackballmedia.co.uk

underlying pre-tax profits for the full year to hit just £20m, compared with £67.3m in 2018.

In addition, its offices in Newcastle upon Tyne are poised to close with the loss of some 60 jobs, plus it is the subject of an ongoing inquiry by the Financial Conduct Authority over how it sold car loans between January 1, 2016 and June 13 last year.

Last June, the FCA said it would be investigating legacy sales processes there. Lookers said later it continued to 'fully support' the FCA, but added: 'We are unable to predict what, if any, impact the outcome of the investigation may have.'

Car Dealer asked Lookers for a comment about Wade's departure but it declined to say anything further about it.

Last August, Lookers posted interim results showing that its pre-tax profit had plummeted by nearly 40 per cent to £24.9m year on year during the six months to the end of June 2019.

Its underlying profit before tax dropped by 27.5 per cent from £40.3m to £29.2m, with Lookers

> having predicted it would be around £32m - and at the time, McMinn told Car Dealer that the company was 'by no means a broken business', adding: 'We still think it's a profitable, cashgenerative business." **Cameron Wade**

#### **ACQUISITION**

#### Cox joins vehicle services field as it buys C Walton



#### Martin Forbes, left, and John Walton

COX Automotive UK has bought C Walton Ltd - one of the UK's key providers of vehicle services for manufacturers, fleet operators, dealers and daily rental companies.

As part of the deal, which was for an undisclosed sum, Cox has acquired CWL's vehicle services business, which operates from sites in Bruntingthorpe, Wyton and Long Bennington, and its proving ground and events businesses.

The acquisition - Cox Automotive UK's biggest single such deal - will significantly increase the scale and scope of wholelife vehicle services it can offer new clients to support physical and online auction programmes, it said.

Martin Forbes. chief executive at Cox Automotive UK, said: 'We will now be able to offer all aspects of a used car remarketing programme, including vehicle services on a much larger scale, to support both existing and potential new customers.'

John Walton, commercial director of CWL, said: 'When Cox Automotive approached us to acquire the business, a major factor in deciding to sell was that they shared similar values to ours. Our experience and expertise naturally complement that of Cox Automotive, and we believe it will be a perfect fit to help the business continue to grow.'

#### Dashboard.

#### **Around** the world

Dealer news from somewhere other than here

#### **USA**

A TRACTOR towing farm equipment ran over and wrote off several used cars at a dealership in Kinston, North Carolina, causing around £50.000-worth of damage. The tractor apparently malfunctioned, causing its driver to veer right towards the Faith **Automotive Sales** showroom. Local fire chief Ernie Davis said: 'The tractor ran over the hoods of some of the cars, kind of crushing them down.' No-one was injured and police are investigating.

#### **GERMANY**

A COURT has ruled that the clearing of trees from the site of Tesla's first electric car factory in Europe can go ahead - even though final planning approval for the plant has yet to be granted. The company wants to start manufacturing 150,000 cars a year at a new facility in the state of Brandenburg from mid-2021, and plans to increase that number to half a million annually. Germany's main business lobby group, the Federation of German Industries, welcomed the ruling.



#### **SPAIN**

A NEW home for McLaren supercars has opened in Barcelona. At a spectacular launch event, more than 300 guests had a first look at the brand-new showroom, with 600 square metres available to display six cars, as well as an extensive workshop, a McLaren Qualified pre-owned section and a classic car area.

**CHINA ONLINE** car retailing is taking huge strides forward as buyers avoid showrooms because of coronavirus. Chinese manufacturer Geely became the latest carmaker to launch an online service to boost sales, following in the footsteps of Mercedes-Benz, Tesla and BMW. The switch to online came after the Chinese new car market plunged by 92 per cent in the first half of February. The China Passenger Car Association said there was 'barely anybody at car dealers as most people stayed at home'.

#### **INDIA**

THE 2020 Geneva Motor Show may have bitten the dust thanks to coronavirus but the New Delhi Auto Expo went ahead in early February. Among the models on show were the small electric SUV concept Tata Sierra, Kia Sonet SUV and MG Marvel X - a swish electric SUV coupé. The futuristic Mahindra Funster also attracted plenty of interest.

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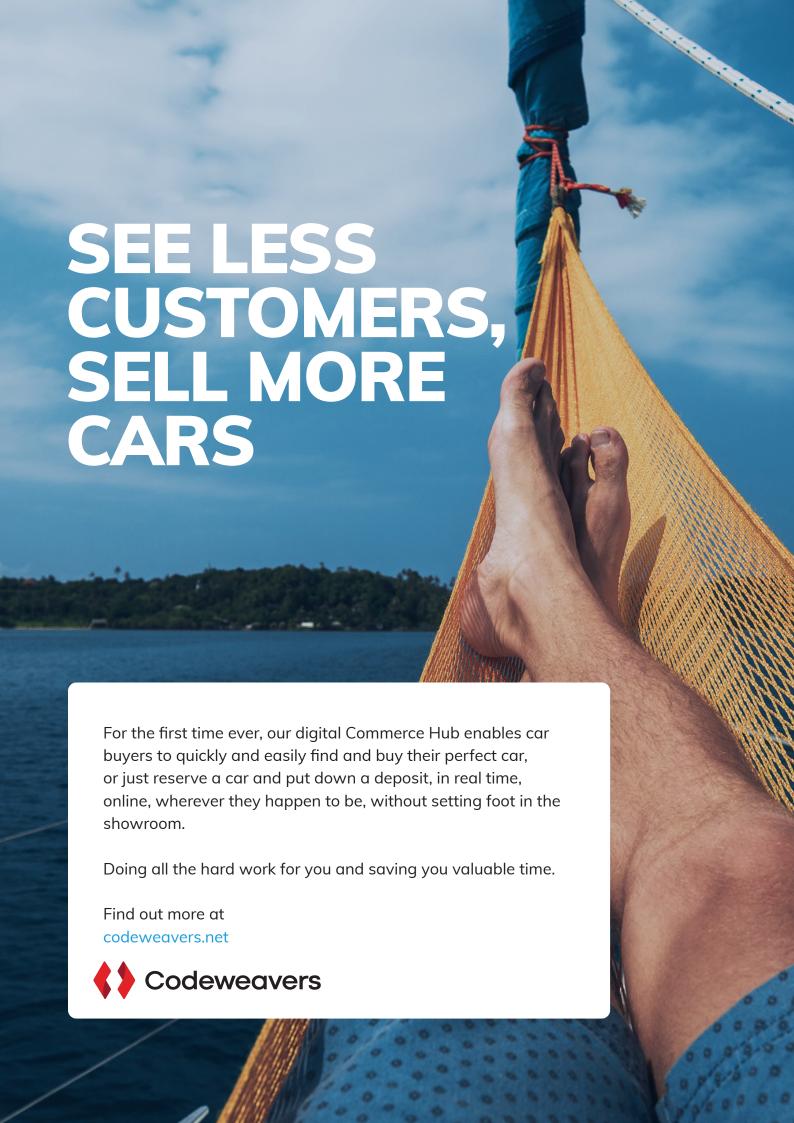
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## Big Mike

Our man on the inside shares his thoughts on the car business

#### Weird and wide (a bit like me), my fugly Fiat at least has a real identity

oes anyone have a use for a paper bag with two eyeholes in it? You see, I've just spent the past week or so driving

around in a 2002 Fiat Multipla finished in the same kind of shade as a well-used catheter bag. I took it in part-exchange and decided to potter about in it for a bit

because, like all good car dealers, I use the most unsaleable car I have in stock as my personal transport.

After all, what's the point in putting wear and tear into something that may have margin in it, or getting a decent sales car dirty?

It was only after driving the fugly Fiat for a few days, though, that I realised it has something that very few cars of its type have today - and

Most family cars of the past decade or so follow a similar theme - needlessly jacked-up suspension, aspirational 'SUV' credentials and a pretty much identikit body style that's somewhere between hatchback and 4x4.

But back in the Multipla's day, family car buyers had loads of options to go at. Even the Vauxhall Zafira (the pre-combustible one) may have been a car that was as bland as instant coffee powder on the outside, but it was interesting in other ways thanks to its innovative seat mechanism.

Other family motors such as the Renault Mégane Scenic and bigger Espace were interesting because they were different, while there was also a choice of more utilitarian rubbish - the Citroen Berlingo Multispace, for example, which was effectively a van with some horrid multicoloured seats in, yet was brilliant despite all that.

Or, if you wanted a 4x4, you could get a real one - something like a Land Rover Discovery or a Mitsubishi Shogun, which were unapologetic about being what they were.

It was easier for a duffer like me, too, as I knew what I was selling - unlike when I took a Ford B-Max in with a main dealer job lot the other week only to find that I had to Google it to find out exactly what it was (though I'm still not sure, as it's essentially a notquite MPV that's the same size as a Fiesta but isn't a Fiesta, right?).

I'm not denying that the Multipla is grotesque. It is,

quite possibly, the most hideous car ever made, and that's something that I don't say lightly. I've tried looking at it from all sorts of angles, but I still can't find one that works for me - or, indeed, for anyone else, seeing as the total number of calls I've had on it totals the number of seats won by UKIP in the last general election. Indeed, the Multipla has six more of those than UKIP does.

And that's key to its appeal. When you back away from the looks (the same way in which you might back away from a rabid dog or an angry snake), the rest of the Multipla is truly brilliant. It seats three in the front and three in the back, has a giant boot, a gearstick on the dashboard and a flat floor. There's also loads of space and enough headroom to accommodate a Grenadier Guard or Marge Simpson (if they borrowed my paper bag, you wouldn't be able to tell

which was which).

For me, though, the paper bag is now surplus to requirements. Yes, I did genuinely wear it, but only as a joke when I turned up at Cannock Auctions the other week knowing full well that a few of my mates in the trade would be arriving at about the same time and would appreciate the humour.

Since then, though, I've grown rather fond of the old bus.

Yes, it's over-wide and over-weird, but it's also perfect for taking my dogs out in, carrying car parts and ferrying friends and family (I have a selection of bags of all different head shapes

and sizes to cater for this, ranging from the 'Marge

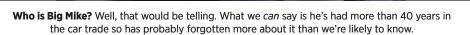
Simpson' to the 'Frank Sidebottom').

As for me, I'm happy to drive the thing in full view of the world - after all, I'm round, wide and pretty unattractive myself, though I haven't quite progressed to the catheter bag just yet.

What I have realised, though, is that the humble Fiat Multipla has a lot more going for it than today's crop of insipid, copycat crossovers, and no amount of renaming them with badges like 'X', 'Cross' and 'Life' will ever convince me that they're a good alternative to more traditional motors

> - which worries me, because if I haven't managed to retire in the next few years, I'll be expected to sell them to make a living, and right now I don't know one from another...





Your comments via email to dave@blackballmedia.co.uk

## How long do you expect

I realise that this can be a 'how long is a piece of string?' question but for those of you who like to specialise in a certain brand or category when you get a car, how long do you generally sit on it until you maybe start thinking that you should drop the price or try to market it harder?

marc\_p

I have a car here coming up for a birthday so you cannot say - every car is different. You have to remember, there's a bum for every seat - it's just a question of finding the bum and prising the money out of the owner.

#### New year revolutions.....

Out of interest, what have you been sat on for a year? The thing with me (and I may change my mentality after a few months) is that I would rather not sell someone a car than sell them the wrong car. As a newbie, I'll be initially starting with the more enthusiast-owned BMWs from the 1990-2010 era and as an enthusiast myself, I know that each one suits a different person.

My current pain in the arse is an immaculate 2012 Golf GTI with 50k miles, full leather and DSG box. I can't give the thing away. What I learned fairly quickly is that the stock I really like doesn't tend to sell fast. I like big, rear-wheel-drive V8 things etc. Yes, there can be good margin in them but not when they sit there for three times as long. You'd be better aiming for nice 320ds and adding value by fitting the black grilles, spoilers etc.

I sell German stuff between £6-10k, and a month and a half is my average. Before, when I was selling Corsas, Fiestas etc. though, if a car wasn't sold in two weeks, I'd be panicking.

tradegirl

#### Picture of the month



WITH the Geneva Motor Show having been cancelled but the team already heading out there, some of the guys braved the snow to shoot our hero cars for an upcoming feature. Here are Ted and Darren acting like the ultimate professionals in the chilly conditions.

It's gone from one extreme to the other here this week. Sold a 64-plate Ibiza on the first day it was here, followed by a 64-plate Focus that had been here for two years! Nothing wrong with the car, 28k miles, FSH, 1.6 Zetec, just stuck, Amazingly, I should still come away with a profit on the deal.

I budget each car a month of advertising. I don't know exact averages, but most don't go much over that. I sell £1,000 to £4,000, older petrols with good miles, good history. Obviously that doesn't include prep times. Prep adds anything from a day to a month. But most are online less than a week after arriving.

**BIGNIT** 

We start to get a bit edgy at 90 days. Mostly stuff goes within six weeks. We have an Alfa at the moment that we've had for 200+ days.

One thing I would say, marc, having been in this business a long time, is don't mix business with pleasure. It is dangerous. You are enthusiastic about these cars and it's an appealing idea to run a business buying/selling them. But to make a living you need to be ruthless and dispassionate - it can't be a hobby. It's good to know about cars and their foibles, but the main idea is to shift metal and make a profit.

Hi Marc - don't worry about stock sticking everyone gets them.

trade vet

#### Ford dealership closures

So Ford is closing half its dealers by 2025. I am old enough to remember when they had a third of the total market. How did they get it so wrong? Halfpenny

Isn't the new car sales side of main dealerships becoming an anachronism? Apart from test drives, what do they offer that can't be achieved by a punter logging in online and using their bank details (or more likely, completing the finance questionnaire) to order their car direct from the manufacturer, ESPECIALLY with the more bread and butter manufacturers?

Admittedly, the introduction of scabby old part-exes muddies the waters but that can be overcome. The times, they are a-changing.

**BHM** 

I think it's why leasing is so popular on new stuff. The car turns up at your door, it's job done, they hand it back at the end and repeat the process.

Rory RSC

#### Top tweets



Reverend Hancock has been to our Doncaster dealership to collect the keys to her brand new #20Plate Aygo from our Doncaster dealership. We wish you many happy miles in your new car!

Burrows Toyota @BurrowsToyota

This February marks the eighth consecutive month in a row that @DS UK Official has had strong YOY growth in sales. I want to thank all of our retailers for their contribution to this success and I am proud of the great brand journey we are on together.

Alain Descat @AlainDescat

As of 1st April 2020, the Government will be

increasing the first-year tax on all vehicles, so if you were thinking of upgrading your car, the time is now.

Motorline Toyota @MotorlineToyota

According to the SMMT, there was a 243% increase in registrations of pure EVs in February, compared to the same time last year. This is great news as we work to get Scotland driving electric and develop the network to support the increase in demand.

ChargePlace Scotland @ChargePlaceScot

The service at #newark @JCT600 is superb! Very happy customer!

Alfie the Owl @DonAlfieGarnett



## to hang on to a car for?

#### **CORONAVIRUS**

#### Are you taking any precautions?

I'm being careful dealing with customers. In an average winter, some customers feel that if they have the sniffles, I should have them too. Fortunately, I don't normally succumb to man flu. However, I am taking reasonable precautions to avoid this super-virus.

#### New year revolutions.....

When you think about it, colds and flu do seem to spread mostly when the weather is cool/ cold. We are told on TV that handwashing is the important thing. So I am washing my hands at every opportunity. I think the economy could take a very big hit, especially if some businesses have to close or go on short time. People will delay major purchases. Could not have come at a worse time (Brexit etc).

#### Halfpenny

I know someone who lives in Wuhan. He's a teacher and married into a local family. It's been interesting comparing his version of events with our own news outlets.

Already there's panic buying and panic selling, whether it's food or on the stock markets. It will be people and the media that will be the architects of any chaos that follows more than the virus. And if there is a world slump in the economy, it's the cashrich corporations that will benefit, buying up investments at low prices. I may add that this is nothing new and has always historically been the case. Let's hope it all fizzles out over the coming weeks/months.

#### Tony F

Who knows? I think the reality is we're overdue a recession. The central banks have been trying to avoid one for some reason by constantly lowering interest rates to keep the party going whatever the cost. If you look at profit levels for many businesses, they don't match the stock valuations around. There is a good reason why more FTSE chief executives have resigned/retired over the last 12 months than ever before.

#### Other possible uses for my pitch

I CURRENTLY have a pretty big pitch. It's in a good location with a tyre fitters next door. I currently have a car wash and sell a few cars there. Anyway, I'm sick of breaking my back working at the wash seven days a week and am thinking of going all-in with selling cars. However, I've got a few months before I take the plunge. Just wondering if there's anything else that I could use the pitch for - any ideas?

#### Lambchop

It depends where you're based, but in London, if you can have a small block of flats built for rental, they are the gift that keeps on giving. Six tiny 'luxury flats' at a competitive £2k a month each is the sort of pension I'd want!

I'm in St Helens on Merseyside, just outside the town centre. I don't think I've got the money to turn the pitch into flats. I was seeing a lot of artificial grass sales places popping up and that seems like less of a headache than cars but I don't know how long that would last.

I think if I turned the property into a service station doing exhausts, batteries, brakes, etc., we would do really well with the tyre bay next door however, that would require building work and it would be hard to find a good mechanic.

#### Lambchop

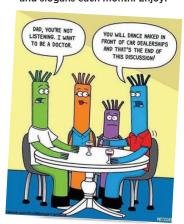
'Failed car washer' here. Bought and sold a few after having got sick of having a completely weather-dependent business and the headache of staff. I gradually took over the pitch with clean, well-presented cars which gave the valeters something to do on wet days. If the car wash was busy, the customers' cars took priority.

Honestly - I've never looked back. 'Failing' was the best thing I ever did. I grew it as much as I could organically, investing all the time and not touching a penny of car sales profit. I opened a workshop on a neighbouring unit and employed a tech for our own cars. When the time was right and the foundations secure, I borrowed some funding to stock up the space I had available. It's gone very well so far. Best thing I ever did.

**Rory RSC** 



We've teamed up with Car Sales Memes to bring you a few of their funniest captions and slogans each month. Enjoy!







Search for Car Sales Memes on Facebook, Twitter or Instagram and give them a follow!



**USED EVs** 

### Industry-wide talks urged over 2035 announcement

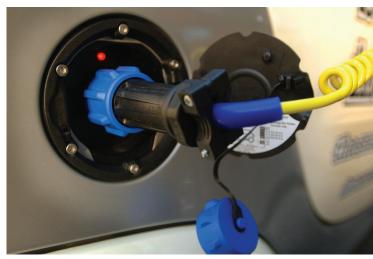
ndustry-wide talks on used electric vehicle finance are needed after the government's announcement about a 2035 deadline for stopping new petrol, diesel and hybrid sales.

That's the view of near-prime specialist Startline Motor Finance, which says major questions remain around the funding of EVs on the used market. Chief executive Paul Burgess said the announcement created a new degree of impetus towards resolving them. 'It's fair to say that the used car motor finance sector has been aware of the structural problems around used EV funding for a while, but we believed that more time was available to work our way through them.

'The new announcement moves the point of action much closer. Like most other motor finance providers, we have been looking at the challenges around constructing EV funding products.

'These range from the fact that predicting residual values remains much more difficult than for petrol and diesel cars through to the question of the battery as an asset.

'The current situation, where there



are very few companies currently willing to provide finance for used EVs - and that even some of those are having the business underwritten by manufacturers - illustrates the difficulty of solving these problems.'

Having a properly functioning used car market and accompanying motor finance was essential to the success of EVs in the medium and long term.

'The government announcement

means that within less than a generation we will all be EV drivers, so finding viable finance products is crucial, but the current models we use for petrol, diesel and hybrid don't really work, at least at the moment. No single motor finance company is likely to solve this issue by themselves and there needs to be industry-wide discussion and co-operation to deliver the required innovations.

#### **MANN ISLAND**

#### **Andy moves** from regions to head of sales



MOTOR finance lender Mann Island Finance has appointed Andy Muir as head of sales.

He takes over from Paul Power, who is retiring at the end of March.

Muir has been promoted from regional manager, with a brief to drive Mann Island's lending activity via its network of 40-plus account managers.

'The transformation of the Mann Island Finance business from broker to lender has been an amazing journey,' he said.

'Having been part of this change over recent years, it is a great privilege to be entrusted with the opportunity to lead the sales drive.

'We are committed to working with the dealer community, adding value to them with our unique DNA and capabilities.

'Dealers can benefit from our core lending capability and the continuance of our brokerage skills.

'We expect car sales to be a challenging environment in the year ahead. Having access to experienced and capable people with a lending appetite across the credit spectrum and keen to help is something I believe will appeal to many dealers.'

#### **PARAGON**

#### Specialist lender reaps rewards of process review

INCREASED customer-centricity has allowed Paragon Motor Finance to further strengthen its position as a leading specialist lender, it says.

Following research carried out with London-based consultancy Optimum to explore introducer experiences, Paragon said it had reviewed its processes and support to introducers.

The key areas that the research highlighted were around streamlining fraud and overnight checks to improve decisioning time, coupled with a

desire for underwriters to have greater flexibility in decision making.

Iulian Rance, director of motor finance, said: 'At Paragon, we are continually looking at ways to improve our product offering and remain competitive in the market.

'We wanted to take full advantage of the opportunity to strengthen our position as a leading specialist lender of motor finance by identifying areas of improvement.

'This research has been invaluable

in helping us to implement specific changes in order to stay in tune with customer needs, and we have already started to see the benefits through greater business volumes.'

Results highlighted that large introducers are unlikely to remain loyal to one lender for all their business, so to strengthen relationships with introducers and remain competitive, it is vital that lenders listen to their customers' needs.

DO WE TICK ANY OF YOUR BOXES?



24/7 ACCESS TO THE DEALER PORTAL



FLEXIBLE RATES FROM 11.9% TO 54.9%



FUNDS RECEIVED WITHIN 15 MINUTES 97% OF THE TIME





# Time is money

BEN GARSIDE

A monthly look at the world of automotive finance and marketing

# We may be in a digital age but don't dismiss the old-school approach

'Traditional

marketing isn't as

easy to measure and

doesn't produce

instant results but

it most definitely

still works."

ollowing on from my article last month, where I discussed digital marketing from a car sales perspective, I was asked by a dealer what marketing is available and worthwhile but doesn't require as much technological infrastructure or knowledge. So this month, I thought I'd discuss the 'traditional' side of marketing.

These include print (magazines, newspapers, etc), broadcast (TV, radio, etc) direct mail (postcards, letters, etc), telephone (telemarketing, SMS marketing, etc) and out of home and outdoor (billboards, flyers, etc).

Some may say this is old hat and that it doesn't work any more, but if that's the case, why are companies such as Coca-Cola, McDonald's and all the other great marketing teams still throwing their money at it? Well, because it's still an important part of the customer's buying cycle.

Of course, unlike digital marketing, this type of marketing isn't as easy to measure and doesn't produce instant results. But traditional marketing most definitely still works.

I was guite surprised to find out recently that over the past few years total ad spend growth has been slowing in the UK and that this is forecast to continue over the next couple of years. However, analysts believe it is mainly because of Brexit uncertainty and should return to previous growth levels.

This slowdown hasn't affected the out of home advertising spend, though, and it continues to increase. Out of home (OOH) and digital out of home (DOOH) advertising includes billboards, road advertising, in-transit adverts and in-building (such as cafes, bars, restaurants, gyms, colleges, sports stadium/arenas, shops, airports, etc).

This particular advertising type is constantly growing, and I believe that motor dealers can use this type of advertising either nationally or localised. Out of home marketing can be used

to your advantage, thanks to its versatility and quick and simple set-up process. This is because of the impressive positioning of thousands of well-

> placed digital ad boards and billboards right across the IIK

You don't need to spend big, either. With digitalised ad boards, your adverts can be bought in 30-second slots over just a few weeks and can also be produced quickly, thanks to the improved processes.

Advertising using this media allows you to be very creative and play with your messages. For instance, if you are advertising in buses or

taxis, your messages may be about the benefits of having a car, ie, personal space, reliability, cost, etc. If you are advertising at a football ground, you could use messages offering money off or deals for season ticket holders. If you decide to use on-street/road advertising, you could advertise more attention-grabbing messages - for example, well-priced vehicles, maybe low-cost finance, or even non-prime finance. Obviously, you will need to consider your demographic target, the geographical

placement of the advert and the likely regulations, but your options are endless.

These tools are proven marketing communication methods, gaining awareness, sales and, of course, growth.

Ben Garside is marketing manager for First Response. Call him on 07817 518739 or email ben.garside@frfl.co.uk

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**First Response** 

#### YOUR ESSENTIAL GUIDE **TO CONVERTIBLES**

Audi A3 Cabriolet



VW T-Roc Cabriolet



WITH the German firm unlikely to produce a drop-top version of its new best-selling A3 hatchback, this could be the last chance to pick up an A3 Cabriolet of the outgoing generation.

Even for an older model, it still offers a high-quality interior and stunning looks. We've selected it with the same 1.5-litre engine and gearbox selection as the T-Roc, and in S line trim.

Audi is offering a hefty £4,500 deposit contribution, and the customer contributes the same amount, after which they make 35 monthly payments of £410.28.

After three years, the customer will have spent £18,859.80. If they decide to buy their A3, a final payment of £14,689.40 can be made - bringing the total to £33,549.20. Even with the 6.5 per cent APR, the generous deposit contribution still makes it £670.80 cheaper than the £34,220 cash price.

VOLKSWAGEN'S convertible version of its popular T-Roc can lower its roof in just nine seconds.

It's in range-topping guise here, with a 148bhp 1.5-litre petrol engine mated to a seven-speed DSG automatic gearbox.

Even for a new model that's only just arriving in showrooms, VW is already offering a £1,600 deposit contribution, to which the customer adds a further £4,400. Over three years, they will make 35 monthly payments of £425.15 - meaning they will have spent £19,280.25 come the end of the contract.

Should the customer decide to buy their T-Roc, a final payment of £15,611.40 needs to be made. This, plus a £10 option-topurchase fee, makes the total £34,901.65, which works out £1,481.65 more expensive than the £33,420 cash price because of the 4.9 per cent APR.

#### **INTEGRATION**

# Marsh on the march as launch of new F&I service nears

arsh Finance says 2020 is shaping up to be an exciting year as it integrates its new API system into its processes to provide dealer partners, broker-introducers and customers with much slicker electronic solutions.

The family-run business has been serving the motor finance industry since 1973 and operates in the near-prime sector.

The past four years have seen it relocate its head office to a state-of-the-art mill conversion in Rochdale, since when the field sales team has grown in number and experience in preparation for the incremental growth that the Marsh Automated Underwriting System (Maus) is expected to create.

Andy McMorine, pictured, head of field sales, said Marsh was ready to launch 'the most innovative lender F&I solution in the near-prime marketplace', boasting automated underwriting, esigning and the ability to directly upload proofs.

'We have invested a considerable amount of resource into creating an API platform that makes Marsh a much easier proposition to do business with for all our partners,' he said. 'We operate from fantastic premises, have a very experienced team, and provide very competitive commercial offerings, which include near-prime PCP and joint hirer options. Launching the Maus system is the final piece of the plan to ensure we see growth in our market share while continuing to work with a responsible and sustainable model."

Managing director Andrew Marsh added: 'Our mission at Marsh Finance has always been to be the preferred lender for near-prime and non-prime



business in the car finance marketplace and to earn a reputation for exceptional service.

'By harnessing new technology, we will make ourselves easier to do business with and will be able to share timely information with all our customers.

'In doing this, we will look to further create a fulfilling and rewarding environment for all our employees and build a quality portfolio that will ensure the success of the business in the long term.'

McMorine added: 'We are the only business in the market that allows our partners the option to work with Marsh to create their own lending book.

'We now operate partner portfolios to a value in excess of £450m, proving the success of the concept."

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#### BMW 2 Series Convertible



JUST like the Audi A3, the BMW 2 Series Convertible's days are numbered, with an all-new version on the way in the coming months.

But this 2 Series - essentially a drop-top version of the 1 Series - remains a top choice, combining smart looks with a great driving experience.

Here it's in 218i guise, which uses a 134bhp 1.5-litre petrol engine paired with a six-speed manual 'box. It's also in M Sport trim.

BMW is offering a generous deposit contribution of £3,327.49, to which the customer adds £4,209. Over three years, 35 monthly payments of £422.17 will be made - adding up to £18,984.95. If the customer then decides they want to buy their 2 Series, they must hand over £11,961.45 - making the final total £30,946.40.

Thanks to BMW's contribution and a low 3.9 per cent APR, this is £1,213.60 cheaper than the regular £32,160 cash price.

#### **PARTNERSHIP**

#### **Oodle Car Finance teams** up with G3 Remarketing for disposal of vehicles

OODLE Car Finance has joined the growing number of finance vendors using G3 Remarketing's auction lanes.

Established in 2015, Oodle has provided more than £660m of car finance to over 50,000 UK customers and has grown significantly over the past 12 months. Jasmine Meynen, head of recoveries & asset

disposal at Oodle. said: 'Their physical and digital sales calendar, coupled with their expertise

in the motor

finance space and



nationwide collection network, puts G3 in prime position to maximise the sale values on our returning assets and we look forward to developing the relationship further.'

G3 Remarketing joint director Matt Dale said: 'We're delighted to work with Oodle. We have ambitious growth plans for 2020, and it's encouraging that we can attract key vendors like Oodle to join us on our exciting journey.'

#### **MOTONOVO**

#### **Clicks and bricks** 'shaping future of used car buying'

AN online survey of thousands of car finance customers has revealed the vital role that dealers play in the car-buying journey.

The poll of 160,943 customers, carried out between November 2018 and November 2019 by MotoNovo Finance as part of its financing process, revealed that 60 per cent of car buyers found their used car online but bought their vehicle through a dealership.

Customer satisfaction with the service they received from the dealership was 93 per cent.

MotoNovo Finance chief executive Mark Standish said: 'The speed, control and transparency of an omnichannel approach to used car buying is proving to be a winning combination. The situation is more pronounced for used cars than for new. People want support, guidance and, crucially, want to see and touch a used car and feel supported beyond the purchase.'



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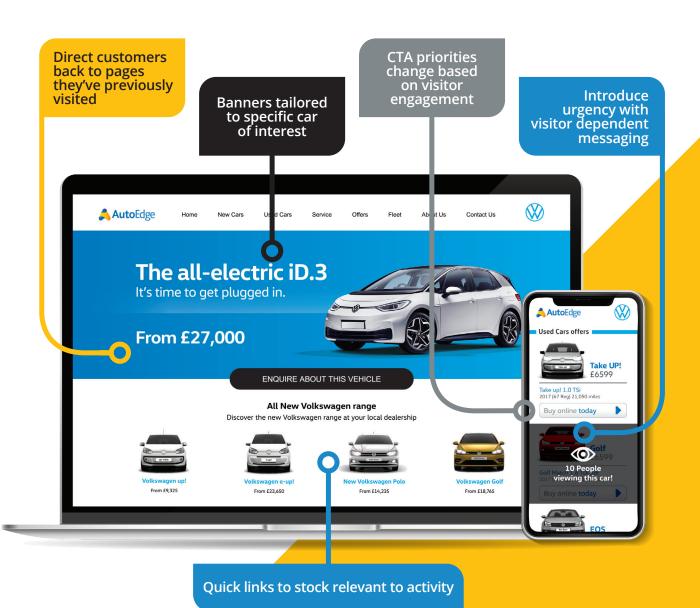
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#### Audi has seen fit to update its RS 4 Avant – but how have these changes helped the overall package? Jack Evans reports from Morocco.

#### What is it?

We've already seen how successfully Audi has reinvigorated its flagship RS 6 Avant, bringing added poise and performance to a car that was already held in high esteem. Now it's the RS 6's little brother - the RS 4 Avant - which is getting a bit of niptuck. This is a far more understated affair, mind you, with the RS 4's mechanicals left largely unchanged over the car that it replaces. No, the edits come into force more in terms of the car's visuals, as well as its incabin entertainment.

#### What's new?

As we've already mentioned, this is more of a facelift than an outright new car.

Whereas the RS 6 now benefits from mild-hybrid technology and a cleaner - albeit still quite thirsty -V8 engine, the RS 4 makes do with the same V6 biturbo as found in the older car. That said, the eightspeed auto has been 'optimised' for better changes.

It's outside where you'll notice the most variation over the previousgeneration RS 4. The front end has been sharpened up with larger air intakes, while the rear has been beefed up, too.

#### What's under the bonnet?

With 444bhp and 600Nm of torque, the power outputs of the RS 4's 2.9-litre biturbo V6 remain unaffected from the previous car.

That's right, there's no bump in power, and drive is sent through the same eight-speed tiptronic automatic gearbox to all four wheels via Audi's quattro system.

A sport differential comes as standard, which can alter the amount of power sent to the rear wheels to help improve cornering.

#### What's it like to drive?

Although the updates to the RS 4 have been reasonably minimal, we're quite glad about that because it still drives superbly well. There's an inherent lightness to the car, which means that cornering is undertaken with a minimum of fuss - although a faster entry speed and a trailed brake can result in a pleasing amount of rotation. However, drive it neatly and the RS 4 will cover ground exceptionally quickly.

#### How does it look?

We always liked the look of the older RS 4; it managed to appear purposeful enough to be worthy of the RS badge, yet understated enough to appeal across the board. This latest model has done little to dispel those thoughts, with the newly implemented air intake above the front grille representing a neat touch in terms of both adding some drama to the front end of the car, while bringing it closer in line with other Audi-group cars such as the R8 and A1. It's not as striking as its big brother RS 6 - the front

arches are only increased by 3cm over the standard A4 Avant - but it's still a well-rounded design. It might have been good to see a more comprehensive series of updates over the old car, though.

#### What's it like inside?

Again, it's a case of mild updates in the cabin. The new central screen looks more appealing than it did in the older car, but it's still not quite as well integrated as the systems you find in other Audi models. That said, the level of fit and finish is excellent.

#### What's the spec like?

Given its place at the top of the A4 range, it'll come as little surprise that the RS 4 has plenty of kit as standard. The most notable addition is the new 10.1-inch infotainment screen, which sits in the centre of the dashboard.

It's more integrated into the overall cabin design than before but still appears to be perched atop the dash, so doesn't look quite as seamless as the systems in other Audi models

The Virtual Cockpit system ahead of the driver remains - and it remains excellent, too.

Audi's excellent matrix LED headlights come as standard as well - they've been redesigned for this model - alongside 19-inch alloy wheels. Plus, the RS 4 still ticks the boxes when it comes to practicality,

Torque: 600Nm Max speed: 155mph 0-60mph: 3.8 seconds MPG: 29.1 Emissions (CO<sub>2</sub>): 210q/km

#### **TARGET BUYERS:**

Those who want performance and practicality in equal measure from their car.

#### THE RIVALS:

BMW M340i Touring, Mercedes-AMG C63 Estate, Alfa Romeo Giulia Quadrifoglio.

#### **KEY SELLING POINTS:**

- 1. Dynamic drive.
- 2. Surprisingly pliable ride.
- 3. Excellent build quality.

#### **DEAL CLINCHER:**

Already excellent performance estate has undergone a nicely judged refresh.

which it needs to as a performance estate car. As such, there's 495 litres of seats-up space, rising to 1.495 litres with those seats folded down.

#### What do the press think?

Auto Express said: 'The new Audi RS 4 Avant is a great fast all-rounder that's easy to live with.' PistonHeads said: 'The car remains a model of composure and crosscountry pace, even when it involves actual countryside.'

#### What do we think?

Although the interior may lag a touch behind rivals - despite the update - the RS 4 still feels like a car that you'd happily get behind the wheel of time and time again.

# FORECOURT. FIRST DRIVE Mini's long-anticipated EV has arrived, but how does the Electric fare? Ryan Hirons heads to its home turf of Oxford to find out.

#### What is it?

An electric Mini isn't all that new an idea. In fact, you only have to wind back to 2008 for the firm's first EV offering – the E. That was a car built in extremely limited numbers, with none ever finding permanent public homes.

So, what we're driving today has been rather a long time in the making. This is the Mini Electric, the car that lays claim to be the first mass-market electric Mini, and what the firm is happy to describe as its biggest introduction since BMW took over the reins.

With the electric car market incredibly competitive now though – think the likes of the latest Renault Zoe, new Vauxhall Corsa-e and Peugeot e-208, plus the upcoming Honda e – can the Mini Electric make an impact worthy of the brand? We find out.

#### What's new?

Of course, a major change to this Mini comes under the bonnet with its electric powertrain, but fundamental changes are very minimal in a bid to keep the brand's trademarks at its core. The Electric is even built on the same production line as petrol and diesel equivalents, which is currently a rarity in the industry.

Changes elsewhere include some optional visual tweaks to highlight its battery-powered prowess, although these are a free option in case you'd prefer to fly under the radar a bit, while it also becomes the first Mini to adopt a new 'Level 1, 2, 3' trim line-up that does away with individual cost options. Finally, a rather snazzy-looking digital display replaces traditional dials and gauges in front of the driver.

#### What's under the bonnet?

Mini is launching the Electric in just one capacity, under 'Cooper S' guise.

For now, though, that sole option is a 32.6kWh unit sending 182bhp and 270Nm of torque to

Access
The Electric is only available as a threedoor, so reaching those back seats is a bit of a pain.

Mini spirit

The car is fun
to drive while
continuing to deliver
a comfortable,
premium experience

the front wheels. Zero to 60mph comes in 7.1 seconds, which is just a touch shy of the lighter petrol Cooper S.

While the powertrain itself is pretty impressive – delivery of its grunt is sharp and predictable – the whole thing is hugely compromised by its range. Mini claims 145 miles on the WLTP combined cycle, although hopping into the freshly charged car (admittedly on a cold February day), we're met with a readout of about 120 miles – and realistically you can expect to extract 90-100 miles of that before having to plug back in.

#### What's it like to drive?

Fortunately, the switch over to electric hasn't compromised what the Mini is so good at in the first place – driving fun.

Take it on a tasty-looking back road and the chassis feels remarkably playful, with all of its agility able to be exposed well thanks to its potent powertrain. Its slight extra heft does leave the car a little more prone to understeer than a petrol Cooper S, but the spirit of its counterpart is very much there. It's just as at home around town, too. Its ride is on the harsh side, however.



#### How does it look?

Rather than take some radical approach to design, Mini has opted to retain the core look of the car for the Electric, with some mild tweaks here and there to hint at its electrically charged nature.

Up front, its grille outline remains, but the unit itself is closed off and features a split yellow stripe through the centre, while colour-matching mirror caps and 'E' badging feature around the car.

Rounding out the look is a set of Electricexclusive 17-inch alloy wheels.

Although we think these changes are pretty fitting, Mini also offers the ability to take them off for no cost in favour of more conventional colours and alloys if that's your preference.

#### What's it like inside?

Changes to the cabin are verging on non-existent for the Mini Electric, with the only ones of note being a digital display in place of traditional dials and gauges, as well as a yellow 'S' on its Cooper S-branded door sills.

Not that we're complaining. The whole thing

feels incredibly well put together, with a strong use of soft-touch materials in both the Level 2 and 3 trims we've had a crack in. Its new display is exceptionally clear too and does well to focus on key information on speed and charge without feeling overly cluttered.

The Electric is only available as a three-door, so reaching those back seats is a pain. Boot space isn't compromised though, as the batteries sit towards the front of the car, retaining the hatch's 211-litre capacity - but that lags behind the Vauxhall Corsa-e's 267-litre offering and the Peugeot e-208's 265 litres.

#### What's the spec like?

Pricing for the Mini Electric kicks off at £24,400 (including the £3,500 government plug-in grant) in Level 1 guise. Equipment here includes automatic air conditioning, cruise control, automatic LED headlights, selectable driving modes, sat nav and rain-sensing wipers.

Moving up the £26,400 (grant inc), Level 2 builds on that with auto-folding mirrors, a centre armrest, ambient interior lighting, a rearview camera, heated seats, anthracite-coloured headlining and cloth/leatherette seats.

Topping the range is the £30,400 (grant inc) Level 3. This adds full leather seats, matrix LED headlights, front parking sensors, a Harmon Kardon audio system, head-up display, panoramic glass sunroof, self-parking tech and illuminated dashboard panels.

#### What do the press think?

Autocar said: 'Few cars, regardless of price, steer as well or hold their line as accurately.' Top Gear said: 'The goodwill behind this car should make it a success.'

#### What do we think?

Mini has nailed it when it comes to keeping the Electric on-point with everything its internal combustion counterparts stand for. It's a remarkably fun thing to drive, while continuing to deliver a comfortable and appropriately premium experience inside.

# vAutoStock & Click2Trade

# How we can help you get ahead on used cars in 2020

#### VAUTOSTOCK

oday is one of the hardest times to buy used vehicle stock. It is now the norm to see retailers pay well over what is deemed a 'guide' price.

Added to that, most of the big used car sales platforms such as Auto Trader now tell customers what they should be paying for a vehicle. This is putting a lot of pressure on margins. So how are these retailers who are paying big money for stock managing to turn it and make a living? They are prepping it quickly and marketing it well online.

We visit several dealerships each week and are amazed at how long it is taking some of them to prepare vehicles for sale. Good dealers have their stock prepared within five to seven days and ready to go that day if the customer wants.

When we install vAutoStock to help measure and improve vehicle preparation, we are often replacing some already excellent processes and tools such as Google Docs.

The good just want to get better.

#### How vAutoStock works

vAutoStock takes a feed from the dealer management system and then links all the departments together. Each dealer can be spoke their own process, as shown below.





Because it is cloud-based, anyone from any location can see the exact status of all the used vehicle stock. Any problem vehicles are flagged.

With an average margin increase of three to five per cent over the course of a year, vAutoStock can make a huge difference to your business.

vAutoStock now has over 5,000 vehicles being prepared through it each month. If you want to get ahead on used vehicles for 2020, get in touch to arrange your 30-minute demo. Go online to vautostock.co.uk or call 020 8355 5805.

# Getting the part-exchange valuation just right is crucial

#### **CLICK2TRADE**

here is a sales person sitting in front of the sales manager talking them through a hand-written appraisal form. The customer is sitting at their desk wondering what is taking so long. The sales manager plugs in some details and comes up with a price and off the sales consultant goes.

With all the pressures a sales manager has on them, it is hard to get it right every time.

Undervalue a vehicle and you might lose the sale. Overvalue and you lose money. With margins so tight, it is a fine line. Click2Trade is helping modernise the part-exchange process, aiding the sales manager and closing more sales.

#### What is Click2Trade?

Click2Trade is a free electronic appraisal tool for your sales consultants to use with their customers. It's quick, easy and professional.

Once the vehicle has been appraised, the sales

consultant clicks one of three buttons:

- **1.** Sales manager valuation to allow the manager to appraise as before.
- **2.** External valuation/bid to receive bids from up to 150 trade buyers (or limit to your preferred).
- **3.** Group valuation for large dealer groups that are multi-franchise.

Choose option two and within 5 to 15 minutes you will start receiving bids to buy that vehicle. This gives the confidence to offer strong valuations and help close more sales.

Select option three and keep it within the group but get quicker, more transparent bids from within your own group. On average, not only have the dealers seen an increase of £600 per trade vehicle, it has allowed them to close more deals.

Because dealers can see who is bidding and how much, if they are just a few hundred pounds away from a deal with a customer, a message can be sent to the highest bidder to see if there is a bit



more to help close the deal. Often there is.

Should dealers prefer, they can pick and choose when to put vehicles on or wait for them to arrive. If the latter, an online auction is available. Dealers can also decide to send a car to auction if they are not happy with the bids so far.

Click2Trade is free to use and free to sell vehicles on. As a buyer it is also free to use. Buyers only pay £39 plus VAT when a vehicle is bought.

Vehicles are paid for within 24 hours of arrival and collected within three days. This helps with cashflow and site space. Sign up now online at click2trade.co.uk or call 020 8355 5805.



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### RAPIDATE

# How to make the best first impression with digital leads

RAPID RTC ///

igital leads have never been more valuable to automotive dealerships. Today's car buyer is spending a large percentage of their purchasing journey online and contacting multiple dealers prior to visiting a showroom in person. Dealerships that cannot make an impressive first impression with these digital touchpoints are finding themselves on the outside looking in.

It could be that a salesperson is replying to the digital prospect with a poor-quality message, or worse yet, the dealership could mistakenly ignore the lead altogether. In either case, it's unlikely they'll sell a vehicle to this customer. It is for these reasons that digital lead management is so important, and it is where RAPID RTC excels.

#### Right time, right channel, right message

RAPID RTC is known as the authority in digital lead management and empowers salespeople to deliver the best first impression in the industry.

As a multinational brand providing automotive manufacturers and dealers with cutting-edge B2B lead management and lead generation software, RAPID RTC serves more than 3,000 clients in multiple languages and countries.

Its best selling core products include RAPID RTC Lead Manager and Chat.  $\label{eq:condition} % \begin{center} \begin{centen$ 

It is through these best-in-class products that it helps its clients communicate with car buyers at the right time, through the right channel, and with the right message.

#### High-quality responses to every single lead

The flagship Lead Manager product seamlessly aggregates digital leads from all sources and distributes them in real time to the dealership contact best suited to answer the inquiry. From there, salespeople respond in an industry-leading average of 30 minutes, with personalised and high-quality messages. RAPID RTC is also agnostic when it comes to CRM platforms, and integrates with any system. The RAPID RTC platform complements an existing CRM rather than replacing it, ensuring every lead is responded to, and every experience is maximised.



The RAPID RTC team are ready to help you make the most of every digital sales opportunity

#### Real-time conversations with salespeople

RAPID RTC's Chat product connects digital chat prospects to real salespeople – not message-takers or bots – which allows salespeople to build a rapport directly and provide the best possible customer experience. RAPID RTC's 24/7 Concierge team picks up chat requests in an average of seven seconds and pre-qualifies leads, before passing them along to dealership sales staff to continue the conversation.

In the event your team cannot facilitate an incoming live chat, the Concierge team will support and convert them into an actionable lead for follow-up through the Lead Manager platform.

#### Exceptional products, results and service

Pontus Riska, VP, sales and support for RAPID RTC, says: 'This is an exciting time for us, as we continue our trajectory of growth in the market, as well as our recent expansion into Ireland.

'Our clients are experiencing for themselves the value that our products can offer and the level of exceptional service that our team of experts can bring.

'We work with dealers of all shapes and sizes and work tirelessly to make the RAPID RTC product adoption process seamless for new customers. Whether it be our certified trainers or dealer care teams, our customers are always in

good hands when it comes to their service needs.'

Dealers in the UK are extremely happy with their RAPID RTC products and the results they've seen since adopting them.

'We have been using RAPID RTC Lead Manager for a year now and have seen a massive difference in our lead response times and quality,' says David Lowes, group head of sales for Border Motor Group in Melrose.

'We now know that 100 per cent of leads are being responded to fast and professionally. We liked it so much we extended it to the full group!

'Lead Manager ensures we create a great experience for our customers on their first touchpoint, and we often hear feedback on our high-quality and prompt responses. The tool is easy to use and the sales executives access the inquiries through their mobile devices – they don't even have to log on anywhere to respond to them. During the implementation, RAPID RTC's Dealer Care and Training teams proved invaluable. I recommend RAPID RTC Lead

Manager without hesitation.'







# TALK IS CHEAP. 38% UPLIFT ISN'T.



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# Ilink Trade Buyer

# 1link Trade Buyer is the new dealer stock platform from epyx

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#### W: 1linkTradeBuyer.co.uk

T: 01676 591098

pyx has extensively upgraded its longstanding remarketing platform with the unveiling of Ilink Trade Buyer, set for launch soon.

The new product will take the place of 1link Disposal Network for the 3,000 dealers who use the platform to buy ex-fleet stock. It has been rewritten over a period of two years, based on the availability of new technology and an extensive research programme into the needs of both existing and potential users.

The result is a faster, more efficient and more user-friendly buying experience that the company believes will be industry-leading.

Vicky Gardner, head of remarketing at epyx, said: 'For almost 20 years, we have used the 1link Disposal Network brand for our two remarketing platforms, whether they faced towards the dealers who were buying stock or fleet vendors selling cars and vans.

'With the new investment and enhancements we have made to the dealer platform, now seemed like the perfect time to create two clear and separate identities with the launch of 1link Trade Buyer while continuing with 1link Disposal Network for fleets.

'The platform we are launching has been re-engineered from the ground up to provide a cutting-edge user experience that's powered by state-of-the-art technology. In a highly competitive sector, we have created something that stands out from the opposition. Certainly, the immediate response from our established dealer community has been very positive to both the advantages of the new technology and the new name, which much better explains what the platform does and who it is for.'

Enhancements in 1link Trade Buyer include advanced vehicle filtering with multi-pick selections and dynamic counts, updated vehicle summary and vehicle detailed cards with more detailed service history and clearer data presentation, higher quality imagery, key information indicators, downloadable stock lists and improved address tools.

Vicky said: 'Everything we have done with 1link Trade Buyer is designed to do one thing – enable dealers to identify and acquire the stock they want as quickly and as easily as possible.

'In 2020, the viability of almost all used car operations depends on a rapid turnover of the right stock and we have expanded rapidly in recent years by helping our dealer community do just that.

'Now, the changes we have made enhance that approach significantly.'

Vicky added that 1link Trade Buyer would retain the same pricing structure as previously used, which was popular with dealers.

'We have flat-rate, low-cost, buyer's fee options for dealers. It's simple, fair and transparent and we have no plans to change it.'

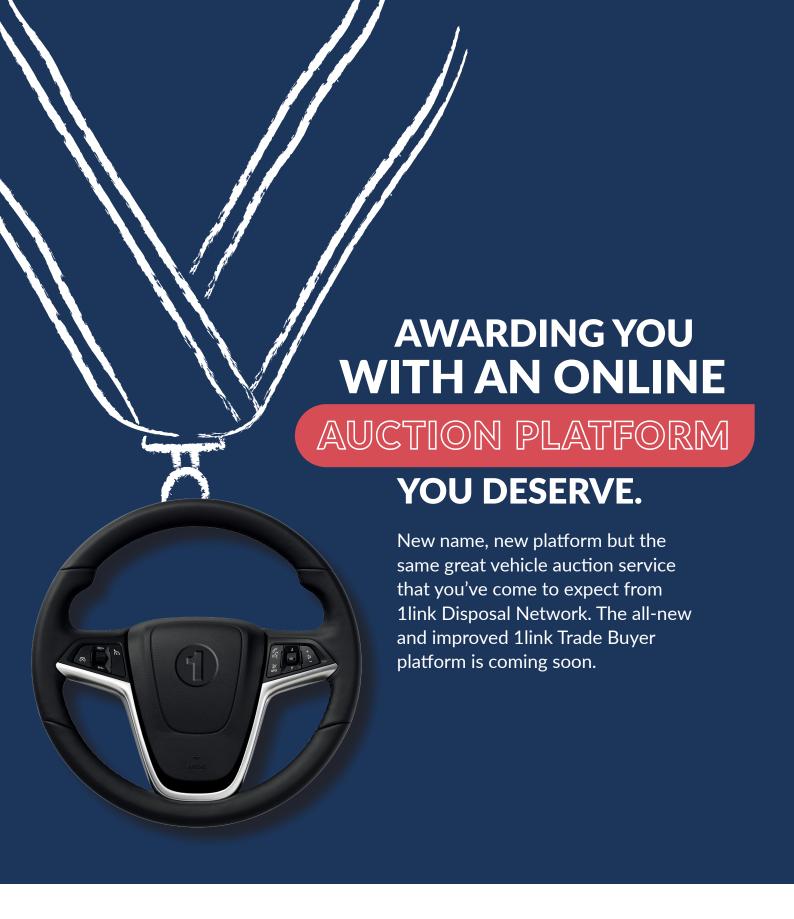
#### **About epyx**

epyx specialises in e-commerce solutions for the automotive sector. Its best-known products are the llink platforms, which improve the efficiency of major fleets and their suppliers, covering functions including vehicle procurement, maintenance, hire, remarketing and relicensing. They have been adopted by fleets totalling four million vehicles, around 18,000 service providers, and nearly all motor manufacturers on behalf of their franchise networks. epyx is owned by FLEETCOR Technologies Inc.

"The platform we are launching has been re-engineered from the ground up."



To find out more, visit 1linkTradeBuyer.co.uk or call 01676 591098



Our newly-designed auction platform has been reimagined from the ground up. We've developed key features to bring you intuitive search functionality and improved design making it easier for you to find the right vehicles to add to your forecourt. What's more, you'll still get the low-cost, flat rate buyer's fee and exclusive access to thousands of quality ex-fleet, lease and manufacturer vehicles.

www.1linkTradeBuyer.co.uk





# Ask Lawgistics

Car Dealer Club lawyers at Lawgistics answer dealers' legal questions. Join for £49.99 a year to get advice like this when you need it

# How documentation will help your case

IN the previous issue of Car Dealer, we looked into the technical aspect of chargebacks – an issue that seems to be becoming more and more widespread. We shall now look into potential defences.

Any chargeback will be limited to the amount of the disputed transaction. If, say, the trader took a deposit by card and then the rest of the purchase price by the card as well, then two chargebacks may be raised – one for the deposit amount and the other for the remainder of the purchase price.

You will remember that it is the issuer, the bank or the finance company of the card holder that essentially acts as the judge. Remember also that banks work with the documents. If the trader does not respond or provides insufficient evidence, then the chargeback is likely to stand.

So here is the first rule: always respond to a chargeback. Your bank or payment processing company, the acquirer, is bound by the Visa

and MasterCard time limits for the second presentment and will normally wait for some two weeks for your response.

The second rule is the more documents you can submit in your defence, the better. A copy of the pre-delivery inspection or a fresh MOT

test will likely persuade the banks that the car was not faulty as supplied. If the consumer claims that the car was not as

described (for example, it does not have a Bluetooth connection), then a copy of the invoice with the buyer's signature

confirming the consumer examined the car and was happy with it, and a copy of the sales advertisement saying that the exact specifications may vary from those stated should be handy. Of course, avoiding taking payments by card altogether may also be considered.

With banking apps becoming ubiquitous, it should not be too onerous for the consumer to pay directly into the trader's account, which will eliminate the very possibility of a chargeback.



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Click Dealer is a performance partner for dealerships with over 20 years' experience and a portfolio of award-winning, integrated products and services. We believe in thinking differently, disrupting archaic processes and creating frictionless services, by helping dealers to manage, digitise and market their businesses.

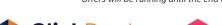
With over 1,600 independent and franchise dealership clients, Click Dealer is constantly striving to help every dealer buy and sell vehicles, more profitably, more often, through a combination of leading tech,

industry expertise and a tremendous appetite to keep on improving.

**ADVICE** 

- Make 2020 your year by ensuring that your website and digital showroom is the very best that it can be! Click Dealer's team of in-house experts will look over your website and advise on any recommended changes to improve your visibility online!
- At Click Dealer, we ALWAYS put our customers first! That's why we'd like to offer Car Dealer Club members £100 off their first bill when they take out any of our products or services!

Offers will be running until the end of 2020



ClickDealer



# A free telephone consultation and other great benefits, too

- A free telephone consultation worth £100.
- Lawgistics' Basic package worth £95.
- Twenty-five per cent off the 'pay-on-use' legal helpline and casework service.
- Up to 25 per cent off any stationery or warranty products.
- Upgrade the Basic package and receive £100 off the Small Business package or £250 off the Professional package.

#### that allows its members to buy and sell trade stock quickly and profitably. To see the benefits, Car Dealer Club members can have an extended, no-obligation, four-week free trial\*. If, after the free trial, a Car Dealer Club member wishes to

Buy and sell trade stock

Cartotrade.com is the new online

trade-to-trade platform set up

by the ex-management team of

is on the integrity, security and

Autotrade-mail. Cartotrade's focus

accessibility of stock, complemented

by a simple yet innovative platform

subscribe, they then get their next

contracts and never a price increase.

month completely free, without

quickly and profitably

\* Subject to vetting





#### WHY I LOVE LAWGISTICS

### Straight-talking advice from an amazing firm

IF you're facing a problem at your dealership, it's great to get some straight-talking advice. And that's exactly what Car Haven Nottingham has found since joining Lawgistics.

Zohib Younis, director of the family-run business that specialises in sub-£3,000 cars, said: 'Unlike a lot of other companies, Lawgistics is straight to the point. Many in the legal industry like to beat around the bush, but they are different.

'We're busy people running businesses and we want someone that's going to be clear-cut and tell you yes or no, or where you stand as a business. That's something Lawgistics is very good at.'

Younis had to use the services of Lawgistics last year after an issue with a Citroen C4 Picasso.

'We listed the car for £500 because it had an engine light, and thought that by pointing it out that would suffice. A customer approached us saying he was a mechanic, and because of the way he conducted himself, we had no

reason to doubt this. He took the vehicle away, but it wasn't long before he complained, saying: "Under the Consumer Rights Act, the vehicle is not fit for purpose. I'm taking you to court."

'Thankfully, Lawgistics came into their own, and were amazing. It went through to court, and thanks to the amazing advice we had been given, we won the case.'

Younis described Lawgistics as 'the best thing that's happened to our business for a long time'.

#### **WANT TO UPGRADE?**

LAWGISTICS' Basic membership - which you receive as a member of Car Dealer Club – is a cracking deal, but what if you need something that has extra clout? Larger dealer groups or a dealer embroiled in a big legal battle may require some more firepower, and the good news is that club members get discounts on Lawgistics' other packages. You'll receive a £100 discount off the Small Business package (normally £795) - perfect for sole traders, a partnership or a small dealer group - and £250 off the Professional package (normally £1,595). This is ideal for franchises, a dealer group or a car supermarket and covers all relevant legal areas and documentation. There really is a package for everyone with Lawgistics.

To join go to cardealerclub.com or call 023 9252 2434 and speak to one of the Car Dealer team

### 'Employee has told of suicidal thoughts'

We have an employee who suffers from depression and has told her line manager she has suicidal thoughts. As her employers, what are our responsibilities, given the information she has shared?

Employers have a duty of care under the Health and Safety at Work Act to provide a safe environment for workers.

If issues in the workplace are causing or contributing towards your employee's stress and depression, you have a duty to

assess the risks and take action.

The Health and Safety Executive defines stress as 'the adverse reaction people have to excessive pressures or other types of demand placed on them'.

They identify six main areas of work design that can affect stress: demands, control, support, relationships, role and change.

Try to ascertain from your employee whether the workplace is contributing to her depression and take the reasonable necessary steps to eradicate the contributing factors. You could devise an individual action plan to help her or offer some counselling, refer her to your mental health firstaider if you have one, or to a union representative if relevant.

The HSE publishes a 'talking toolkit' to assist managers in dealing with employee stress, along with some example stress risk assessments. With your employee's consent you can seek a medical opinion if you are concerned about her state of mind and her capability to do her job.

#### **JUST £49.99**

#### **Exclusive 10 per cent** discount on your tailormade trade insurance

At Unicom, we've been safeguarding our clients with the best protection policies for more than 20 years - so, no matter what role your business plays in the motor trade, we can have you covered for every possible risk. From road risks to legal cover, your motor trade insurance can be tailored to suit your individual needs. It's our job to make sure that you get the best price for the cover that you want.

#### Discount on software and free health check app from Dragon2000

Dragon2000's dealer management system is one of the most versatile and easy-to-use products on the market. The software can help manage supplier and customer details, help you keep on top of your costs, and ensure that your business is running as smoothly and as profitably as possible. Car Dealer Club members are eligible for a 10 per cent discount on their first year of a Dragon2000 software subscription - and they get the free Vehicle Health Check app too.

#### Personalised promotional warranty material from The WMS Group

WMS Group are one of the UK's leading business-to-business car warranty suppliers, providing extended warranty cover and other motoring protection to more than 3,500 dealerships across the UK. Club members who sign up to our flagship used car scheme Safe and Sound (endorsed by former Stig and Hollywood stunt driver Ben Collins) will receive a promotional warranty video. starring Ben and tailored round your dealer's needs, at zero cost. We'll even come out to your dealership to film it!

# WMSGroup\*\*

#### Fifty per cent off your first video shoot or PR package

Video has become a must-have for dealers, with branded, broadcastquality video for corporate messaging and social media outlets now the industry standard. Automotive PR and video expert OnCue Comms, which works with the likes of Glyn Hopkin, Nissan, Mitsubishi, Skoda and Motors.co.uk, is offering club members 50 per cent off their first video shoot or PR package. For more information, please call 023 9252 2434.







# Thestatistics

| SMMT SALES DATA | TAKING STOCK |

SMMT sales data

Feb/year to date

**'RESTRUCTURING' UNDER WAY** 

# New car market falls in February ahead of key plate-change month

he UK new car market shrank by 2.9 per cent in February, according to data published by the Society of Motor Manufacturers and Traders.

A total of 79,594 models were registered in the month, traditionally one of the year's quietest ahead of the crucial March number plate change, with the decline driven primarily by weak consumer confidence and uncertainty over what fuel technology to buy.

Registrations by private buyers were responsible for the bulk of the overall loss, down some 7.4 per cent as 2,741 fewer people took delivery of new cars. Fleet demand, however, remained stable – up by 31 registrations. Demand for both diesel and petrol cars fell in the month, with registrations down 27.1 per cent and 7.3 per cent respectively, and diesel now accounting for just over a fifth of sales (21.9 per cent).

Hybrids (HEVs) recorded an uplift of 71.9 per cent to 4,154 units, while registrations of zero-emission-capable cars also continued to enjoy growth, with battery-electric vehicles (BEVs) rising more than threefold to 2,508 units and plug-in hybrids (PHEVs) up 49.9 per cent to 2,058. However, these vehicles still

make up just 5.8 per cent of the market and BEVs only 3.2 per cent.

Reacting to the figures, Ian Plummer, commercial director at Auto Trader, said: 'Whilst February's new car performance largely followed the trajectory set in January, we're seeing plenty of other metrics point to an increasingly healthy market, not least the growth in footfall and inquiry levels reported by many of our retailer partners. We saw a similar trend on our own platforms. Not only did the number of visits increase nine per cent year-on-year in February, but we also recorded a 10 per cent growth in ad views compared to this time last year.

'This renewed consumer confidence is having a positive influence on new car orders. Coupled with an anticipated strong consumer appetite for the first 20 number plate of the decade, we're expecting March to perform at a similarly solid rate as 2019. Given the far greater relative size of the March plate-change month, that should allow retailers and brands alike to conclude the all-important first quarter of the year in a reasonably healthy position.

'However, with the presence of a variety of new and existing challenges posing a threat to the positive, but fragile, consumer sentiment, the industry can ill afford to be complacent.'

Michael Woodward, UK automotive lead at Deloitte, pictured, said: 'This year, we expect to see further restructuring of the market, as 52 per cent of UK consumers would consider

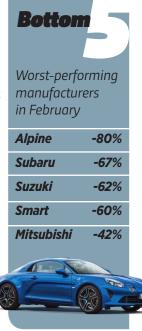
hybrid or electric as their next vehicle purchase.

'Whilst the inclusion of hybrids in the UK's incoming ban on new petrol and diesel car sales from 2035 could slow demand in the longer

term, sales in February appear undented. For now, hybrids continue to be seen as a stepping stone to going fully electric. The key to maintaining growth of EVs will be investment in the supporting infrastructure.

'Manufacturers are doing their part by bringing new models to the market and adding range to batteries. What consumers need now is clarity on joined-up, long-term infrastructure development and continued financial incentives could be key to EV growth.'

Most-impi manufacti in Februar	roved
DS	+141%
MG	+97%
Lexus	+61%
Toyota	+47%
Porsche	+36%



### 'Coronavirus concerns lie ahead for many dealerships'

THE decline in new car registrations for February shows that consumer confidence is 'still looking a little shaky, with many people still holding off when it comes to spending on big-ticket items'.

That's according to Karen Johnson, head of retail and wholesale at Barclays Corporate Banking. She added: 'That said, the case could be made that some were holding off for the allimportant March number plate change.

'Albeit from a low base, growth in the hybrid and electric market is contrastingly positive, although unsurprising given the government's recent announcement on their infrastructure investment fund and the continuing environmental focus of many UK buyers.

'Looking ahead, ongoing developments around

coronavirus are likely to provide further concerns for UK dealerships, with a fall in production a distinct possibility over the medium term.

'Alongside recent government commitments to the sector, dealers will be looking to the benefits provided by developments in their e-commerce capabilities as a potential redeemer over the remainder of this year.'



	February 2020		February 2019				Year-to-date (YTD)			
Marque	2020	% market share	2019	% market share	% change	2020	% market share	2019	% market share	% change
Abarth	130	0.16	105	0.13	23.81	350	0.15	365	0.15	-4.11
Alfa Romeo	112	0.14	109	0.13	2.75	314	0.14	408	0.17	-23.04
Alpine	1	0.00	5	0.01	-80.00	11	0.00	21	0.01	-47.62
Audi	4,485	5.63	5,112	6.24	-12.27	14,245	6.22	13,744	5.66	3.65
Bentley	42	0.05	45	0.05	-6.67	220	0.10	175	0.07	25.71
BMW	6,654	8.36	6,870	8.38	-3.14	16,732	7.31	16,423	6.76	1.88
Chevrolet	0	0.00	2	0.00	0.00	0	0.00	2	0.00	0.00
Citroen	2,152	2.70	2,226	2.72	-3.32	5,202	2.27	6,113	2.52	-14.90
Dacia	823	1.03	1,008	1.23	-18.35	2,045	0.89	3,483	1.43	-41.29
DS	140	0.18	58	0.07	141.38	425	0.19	311	0.13	36.66
Fiat	1,097	1.38	955	1.17	14.87	2,808	1.23	2,631	1.08	6.73
Ford	8,462	10.63	10,390	12.68	-18.56	24,839	10.85	27,019	11.12	-8.07
Honda	1,799	2.26	1,742	2.13	3.27	4,989	2.18	5,442	2.24	-8.32
Hyundai	2,469	3.10	2,682	3.27	-7.94	6,474	2.83	8,460	3.48	-23.48
Infiniti	0	0.00	16	0.02	0.00	0	0.00	48	0.02	0.00
Jaguar	848	1.07	991	1.21	-14.43	3,173	1.39	3,112	1.28	1.96
Jeep	155	0.19	189	0.23	-17.99	627	0.27	561	0.23	11.76
Kia	3,054	3.84	3,281	4.00	-6.92	9,338	4.08	11,609	4.78	-19.56
Land Rover	2,081	2.61	1,559	1.90	33.48	7,694	3.36	7,160	2.95	7.46
Lexus	422	0.53	262	0.32	61.07	1,876	0.82	1,269	0.52	47.83
Lotus	2	0.00	0	0.00	0.00	1,070	0.00	7	0.00	57.14
Maserati	24	0.03	38	0.05	-36.84	95	0.04	121	0.05	-21.49
Mazda	948	1.19	1,543	1.88	-38.56	2,973	1.30	4,267	1.76	-30.33
Mercedes-Benz	5,745	7.22	6,088	7.43	-5.63	16,875	7.37	18,337	7.55	-7.97
MG	883	1.11	448	0.55	97.10	2,729	1.19	1,202	0.49	127.04
Mini	2,046	2.57	1,891	2.31	8.20	4,278	1.13	5,142	2.12	-16.80
Mitsubishi	397	0.50	691	0.84	-42.55	1,810	0.79	1,904	0.78	-4.94
	2,788	3.50	2,471	3.01	12.83	11,039	4.82	9,440	3.89	16.94
Nissan		3.69	·	3.99	-10.15			8,924		-9.59
Peugeot Porsche	2,939	0.35	3,271 204		36.27	8,068 917	3.53	785	3.67	
	278			0.25			0.40		0.32	16.82
Renault	1,320	1.66	1,942	2.37	-32.03	4,224	1.85	5,307	2.18	-20.41
Seat	2,696	3.39	2,431	2.97	10.90	7,897	3.45	7,953	3.27	-0.70
Skoda	3,192	4.01	2,953	3.60	8.09	8,158	3.56	8,355	3.44	-2.36
Smart	80	0.10	201	0.25	-60.20	105	0.05	691	0.28	-84.80
SsangYong	80	0.10	66	0.08	21.21	183	0.08	274	0.11	-33.21
Subaru	24	0.03	74	0.09	-67.57	73	0.03	248	0.10	-70.56
Suzuki	1,021	1.28	2,750	3.35	-62.87	2,815	1.23	5,756	2.37	-51.09
Toyota	3,740	4.70	2,532	3.09	47.71	11,643	5.09	11,107	4.57	4.83
Vauxhall	5,132	6.45	4,905	5.98	4.63	14,368	6.28	17,155	7.06	-16.25
Volkswagen	8,948	11.24	7,960	9.71	12.41	22,145	9.68	21,184	8.72	4.54
Volvo	1,802	2.26	1,705	2.08	5.69	5,909	2.58	5,784	2.38	2.16
Other British	81	0.10	59	0.07	37.29	298	0.13	337	0.14	-11.57
Other imports	502	0.63	139	0.17	261.15	898	0.39	346	0.14	159.54
Total	79,594		81,969		-2.90	228,873		242,982		-5.81

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#### **STUDY**

#### Warning over not going hands-free



FEWER than half of van drivers use hands-free or Bluetooth technology while driving – and risk a £200 fine plus six penalty points for making calls on the go, according to a new study by Volkswagen Commercial Vehicles.

It is illegal to hold a phone or sat nav while driving, and motorists must have handsfree access. However, despite the average worker making seven calls a day while driving and spending an average of 37 minutes on the phone for work each day, just 41 per cent use hands-free and Bluetooth technology on a frequent basis, according to the poll of 1,000 UK van drivers.

It's not just making calls, either, with 17 per cent of drivers in the UK admitting in the RAC Report on Motoring 2019 to sending and receiving texts, checking emails or posting on social media while driving.

Claire English, head of fleet at Volkswagen Commercial Vehicles, said: 'Mobile phone use behind the wheel... is still a huge safety problem on UK roads. Despite carrying a hefty punishment, it lacks the taboo of other offences such as drink-driving and this needs to change.' She added that Volkswagen Commercial Vehicles fitted Bluetooth hands-free kits as standard across its range.

**TRANSFORMATION** 

# Rossetts' £150k refurb is 'a breath of fresh air'



**by DAVE BROWN**dave@blackballmedia.co.uk

ossetts Commercials has given its Aldershot Mercedes-Benz Vans premises a £150,000 facelift.

The brick front of the Eastern Road building has been replaced by silver aluminium, while a new vehicle display area and customer parking bays have also been created.

The interior has benefited in the upgrade too, with new reception areas and airy, open-plan offices.

Its comprehensively-equipped workshop remains open until 10pm each night and on Saturday mornings, helping to reduce vehicle downtime for van operators.

Aldershot site manager Nick Thomas, pictured, said: 'The refurbishment programme has transformed the appearance of the branch, which is now much more in keeping with the Mercedes-Benz Vans brand image.

'It has a much friendlier and at the same time more professional feel, which is certainly appreciated by customers.

'We've had numerous compliments from visitors who can't believe how much better it



looks since they were last here.' He added: 'The refurbishment has been a real breath of fresh air for colleagues, too.

'Having previously been on the first floor, the sales team now sit downstairs, which is better all round. In motivational terms, it makes a real difference to be coming to work at what, in many respects, feels like a brand-new dealership.' Rossetts Commercials sells and supports the Sprinter, Vito and Citan van models.

As well as maintaining and repairing commercial vehicles of all sizes, the service team also undertakes Class 4 and 7 MOT tests.

In addition to Aldershot, the company has branches in Crawley and Eastbourne, as well as its headquarters in Worthing.

### **Top-selling LCVs in February**



Ford Transit Custom	1,930
Ford Transit	1,122
Mercedes-Benz Sprinter	1,092
Vauxhall Vivaro	966
Ford Transit Connect	757

Source: SMMT

Peugeot Partner	734
Citroen Berlingo	642
Volkswagen Transporter	506
Vauxhall Combo	461
Peugeot Expert	420

LCV registrations, p58



'The dip in registrations is concerning at a time when fleet renewal is more important than ever.'

Mike Hawes, p58

# Sliding doors

WITH CRAIG CHEETHAM

A look at the world of buying and selling vans and pick-ups

# Leeds takes the lead on EVs with two-month free trial for firms

on't talk to me about sophistication - I've BEEN to Leeds.' So says Harry Enfield's Yorkshireman in one of the comedian's most famous sketches. But a quarter of a century on, the irony of the character's statement is becoming increasingly lost as the Yorkshire city grows ever more cosmopolitan and becomes home to more high-profile businesses.

The city is also about to steal a march on some of its rivals in terms of transport, too. It has positioned itself as a clean air leader, with geofenced bus routes to cut down on emissions in the city centre, an imminent congestion/pollution charge and that all-important element for reducing exhaust emissions in the inner city: eye-wateringly ridiculous parking charges. All in the name of air quality, of course.

One area where Leeds is definitely in the lead, though, is its latest incentive to get people behind the wheel of electric vehicles.

The city has a fleet of EVs of its own and is lending them to business operators to test for two months for free, the logic being that an extended trial such as this is a much more effective way of getting companies to properly evaluate the usefulness and practicality of such vehicles than any form of showroom demonstration.

Councillor James Lewis, executive member for resources at Leeds City Council, said: 'We know that changing to electric vehicles would be a leap in the dark for some, so this trial is to support businesses to understand the charging regime without having to make an upfront financial commitment.

'Not only are electric vehicles better for the environment, they're cheaper to run and maintain than traditional diesel and petrol vehicles. We'd encourage businesses and organisations from across the region to consider taking up a free trial.'

It's a noble strategy, and one backed by Highways England, which is helping fund access to the loan vehicles.

The scheme will allow up to 250 companies the opportunity to have an EV on extended test, with a choice of Renault Kangoo or Nissan e-NV200 vans on offer, as well as Nissan Leafs offered on extended test to taxi and private hire operators.

Of course, there are conditions. Taxi operators have to be registered in the city, while those looking to test a van need to be based in West Yorkshire and be frequent visitors to the city itself.

During the trial, each vehicle will be fitted with a 'black box' to record its location and movements, which will help both the operator and Leeds City Council understand if an EV is right for

that particular user or not. Not only will it analyse their usage in terms of range, but the black box will also

> generate a cost comparison to help the relevant parties understand whether an EV works for them financially as well as in terms of efficiency.

Indeed, it's operators in areas such as West Yorkshire that will probably derive the most benefit from today's electric vans. They're now perfectly viable in areas like West Yorkshire, Greater Manchester and the West Midlands, but in more widespread areas such as Norfolk, the Lincolnshire Fens, Cumbria, Northumberland and parts of Wales and Scotland, the electric van still has

quite a bit further to go - quite literally.

Nevertheless, the free trials in Leeds should be commended not only for promoting clean air benefits but also for helping customers truly understand their needs and make an educated decision as to whether or not an electric van is right for them.

It's yet another step towards one of the key areas where EVs can be made to truly work and - as I've said before with commercial vehicles - van and truck technology is the perfect test-bed for the car tech of tomorrow. Trials such these will have long-term benefits for more than just the businesses of West Yorkshire. In the meantime, though, if you have a business in that area and fancy running an electric van for a short while for free, go online to bit.ly/leedsevtest

Craig Cheetham is an experienced automotive journalist with specialist knowledge of the LCV sector.



#### **LATEST SMMT DATA**

### UK new van market takes a slight tumble in February

THE UK new light commercial vehicle market fell by two per cent in the second month of the year after two successive months of growth, according to the latest figures from the Society of Motor Manufacturers and Traders.

February, typically one of the year's smallestvolume months as many operators wait for the new March number plate, saw 14,103 new units registered. Pick-ups and small vans weighing



less than 2.0 tonnes experienced double-digit declines, with registrations down 10.1 per cent and 11.1 per cent respectively.

Mid-size vans weighing 2.0-2.5 tonnes, however, bucked the trend, with demand

growing 9.3 per cent. Larger vans weighing more than 2.5-3.5 tonnes made up the bulk of registrations, but were down 2.8 per cent, with 9.082 units registered. Mike Hawes, SMMT chief executive, said: 'It is important to remember that February is usually a quiet month ahead of the March plate change. However, the dip in registrations is concerning at a time when fleet renewal is more important than ever.'

#### Registrations of new commercial vehicles less than 3.5 tonnes

Figures supplied by SMMT

February 2020 February 2019				Year-to-date figures						
Marque	2020	% market share	2019	% market share	% change	2020	% market share	2019	% market share	% change
Ford	4,479	31.76	4,809	33.43	-6.86	12,810	34.01	11,874	32.42	7.88
Vauxhall	1,665	11.81	1,486	10.33	12.05	4,561	12.11	3,072	8.39	48.47
Peugeot	1,453	10.30	1,457	10.13	-0.27	3,456	9.18	3,568	9.74	-3.14
Mercedes	1,421	10.08	1,493	10.38	-4.82	2,979	7.91	3,282	8.96	-9.23
Volkswagen	1,140	8.08	1,568	10.90	-27.30	3,312	8.79	4,177	11.41	-20.71
Citroen	1,117	7.92	1,156	8.04	-3.37	3,114	8.27	3,106	8.48	0.26
Renault	579	4.11	632	4.39	-8.39	1,241	3.30	1,642	4.48	-24.42
Toyota	542	3.84	273	1.90	98.53	1,360	3.61	937	2.56	45.14
Fiat	406	2.88	346	2.41	17.34	929	2.47	891	2.43	4.26
Nissan	371	2.63	310	2.16	19.68	1,390	3.69	1,115	3.04	24.66
Mitsubishi	236	1.67	293	2.04	-19.45	927	2.46	1,542	4.21	-39.88
Iveco	227	1.61	208	1.45	9.13	383	1.02	459	1.25	-16.56
Isuzu	121	0.86	149	1.04	-18.79	398	1.06	343	0.94	16.03
Renault Trucks	116	0.82	83	0.58	39.76	193	0.51	158	0.43	22.15
Isuzu Trucks	70	0.50	30	0.21	133.33	119	0.32	83	0.23	43.37
LDV	68	0.48	18	0.13	277.78	123	0.33	58	0.16	112.07
MAN	38	0.27	34	0.24	11.76	133	0.35	102	0.28	30.39
Land Rover	35	0.25	22	0.15	59.09	148	0.39	133	0.36	11.28
SsangYong	11	0.08	6	0.04	83.33	62	0.16	47	0.13	31.91
Fuso	8	0.06	10	0.07	-20.00	22	0.06	20	0.05	10.00
Hyundai	0	0.00	1	0.01	0.00	0	0.00	11	0.03	0.00
Total light CV	14,103	100.00	14,384	100.00	-1.95	37,660	100.00	36,620	100.00	2.84

#### Registrations of new commercial vehicles 3.5 tonnes to 6.0 tonnes

Figures supplied by SMMT

	February 2020 February 2019		ebruary 2020 February 2019			February 2019 Year-to-date				te figures	
Marque	2020	% market share	2019	% market share	% change	2020	% market share	2019	% market share	% change	
Mercedes	132	28.45	112	32.18	17.86	321	33.37	193	27.34	66.32	
Fiat	129	27.80	83	23.85	55.42	180	18.71	185	26.20	-2.70	
Ford	92	19.83	22	6.32	318.18	160	16.63	44	6.23	263.64	
Peugeot	66	14.22	57	16.38	15.79	189	19.65	131	18.56	44.27	
Citroen	27	5.82	4	1.15	575.00	72	7.48	13	1.84	453.85	
Volkswagen	10	2.16	0	0.00	0.00	11	1.14	7	0.99	57.14	
Iveco	5	1.08	49	14.08	-89.80	23	2.39	96	13.60	-76.04	
Renault	2	0.43	4	1.15	-50.00	2	0.21	9	1.27	-77.78	
Vauxhall	1	0.22	8	2.30	-87.50	1	0.10	19	2.69	-94.74	
MAN	0	0.00	6	1.72	0.00	3	0.31	6	0.85	-50.00	
Isuzu Trucks	0	0.00	1	0.29	0.00	0	0.00	1	0.14	0.00	
Ranault Trucks	0	0.00	2	0.57	0.00	0	0.00	2	0.28	0.00	
Total heavy CV	464	100.00	348	100.00	33.33	962	100.00	706	100.00	36.26	



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# No more petrol, diesel and even hybrid vehicles by 2035 - how will that affect motor insurance?

Leon Bosch, managing director, Gallagher Automotive, considers how motor insurance will be affected in the future, following the announcement of new government policy in February.

ast month we heard about the government's plans to reach its net zero legal goal by 2050 - by bringing forward the planned ban on the sale of new petrol and diesel vehicles from 2040 to 2035, including hybrid vehicles for the first time too.

Following the announcement, we heard from all the industry leaders raising their concerns over this announcement – from manufacturers having to change their production from conventional powertrains to new and cleaner electric technology, to charging infrastructure improvements, to investment in training the current workforce to service and maintain these vehicles safely post-production, to the ultimate cost to consumers (as the technology is still new).

At the same time, the insurance fraternity were warning of premium increases across all motor insurance lines (including motor trade insurance), given that the current level of claims inflation over recent years is rising at a faster rate than premiums are.

#### What is claims inflation?

Claims inflation is the increase in the average cost per claim. In a report issued by Moody's, it was reported that claims inflation in 2019 was estimated at five to eight per cent relative to 2018 (whereas premiums, as a whole, fell by one per cent over the same period).

EY has also issued a report, predicting that claims inflation will continue to run at around seven per cent throughout 2020.

With the cost of claims outweighing the premium collected, it has caused motor insurers' profits to slump and they expect it to worsen still, meaning they will likely have to take corrective action on premiums (ie, apply premium increases) to counteract this trend.

#### But what is causing this trend?

Technology. Advanced driving assistance systems (Adas) have been a big contributing factor in driving claims inflation. As these systems are being built into vehicles at all levels nowadays (to make them safer), the parts needed to repair vehicles with these systems are far more expensive than before, as they tend to be replaced rather than repaired. Most notable is the humble windscreen - once a pane of glass (costing a couple of hundred pounds to replace), it is now a piece of tech housed in a pane of glass that needs all its sensors to be professionally recalibrated.

Skills required to carry out these repairs are

another factor. With fewer technicians qualified for such work, it lengthens the time that vehicles are in workshops, increasing the insurers' outlay for courtesy cars, etc.

Furthermore, those with the necessary qualifications are able to command a higher labour rate (and rightly so, given the investment garage owners have had to make in their technicians), placing added pressure on the claims cost.

This is the position of the insurance industry as we see it now.

So how is bringing the deadline for electric vehicles forward going to affect claims inflation and premium rates?

To help ease the pressure for insurers, with the above in mind, we need to ensure that:

- The cost of the replacement parts can be reduced as the technology evolves
- We can find economical ways to repair these technologically advanced vehicles without compromising their safety or quality
- Replacement parts are readily available to carry out repairs so as not to cause any lengthy delays
- Repairs are carried out in a timely manner by qualified technicians who can do them safely

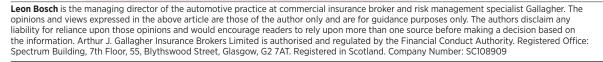
If not, the timeframe to complete a repair would lengthen, increasing the claims costs further for insurers through car hire charges, storage charges, etc, leaving insurers little choice but to pass the cost on to their policyholders through premium increases.

So it is imperative that the automotive sector is closely aligned with the insurance sector on this deadline to ensure that claims costs are managed closely and that policy premiums remain affordable for policyholders so that they can continue purchasing new vehicles.

#### Would you like to talk?

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# Coronavirus gets blame as car dealer shares suffer in February

#### Worldwide outbreak of Covid-19 gives investors plenty of food for thought, reports Mike Jones.

early all of the motor retail share prices saw significant falls during the month of February as they proved they weren't immune to the wider fall in the UK stock market.

The reason, of course, was that investors were starting to process the scale and potential impact of the spread of Covid-19.

#### **Financial performance**

Financial results announcements were relatively thin on the ground, with the December year-end businesses announcing their full-year results during March, along with **Vertu** and **Cambria** giving pre-close updates.

**Inchcape** released its full-year results, which saw a fall in pre-exceptional operating profit of 6.4 per cent. Within these numbers, overall trading profit from its retail operations grew by 12.5 per cent, with the UK and Europe region falling by 1.1 per cent.

Profit within the region stabilised, which was 'pleasing' given continued UK market pressures.

**Lookers** provided a trading update for 2019. Trading was deemed to be 'as expected', therefore

	Share price movement during Feb 2020	Share price movement since Jan 1, 2020
Pendragon	-2.3%	-7.0%
Vertu	-12.9%	-15.0%
Lookers	-18.0%	-20.1%
Inchcape	-12.2%	-18.3%
Cambria	-5.1%	-5.1%
Caffyns	0.0%	0.0%
Marshall	0.3%	0.3%
Motorpoint	-3.5%	3.4%
Auto Trader	-6.8%	-11.9%
FTSE 100	-10.7%	-13.7%

the results are forecast to come in line with the downgraded expectation of £20m set during the profit warning issued at the start of November.

(In the event, the announcement was postponed, as we report on page 29.)

#### Other announcements

**Motorpoint** said that on the back of the transition progressing well, the handover of the CEO position from Trevor Mather to Nathan Coe would happen at the end of February rather than the end of April.

In further personnel changes, Inchcape confirmed that its CEO, Stefan Bomhard, would be leaving on June 30, with no successor currently announced.

**Pendragon** announced the completion of the sale of its Chevrolet dealership in Puente Hills, California.

The purchaser changed from the originally announced buyer, presumably as a result of an intervention by Chevrolet.

The total proceeds, at £16.5m, were also £0.7m lower than initially envisaged. In addition, Pendragon announced that the interim executive chairman, Bill Berman, would be taking on the role of CEO on a permanent basis.

He is also remaining interim chairman until a new non-executive chairman is recruited.



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# More partnerships may offer the key to EV manufacturing profits

#### Traka Automotive director Paul Smith says OEMs have to work out how to bridge a big financial gap.

used this column last month to look at the potential impact of the new EU-wide 95 grams of carbon dioxide per kilometre (g CO<sub>2</sub>/km) emissions target for newly registered cars being imposed across the region from this year on.

With that as the backdrop, I thought it made sense to look forward to a now-inevitable era in which electric vehicles (EVs) will dominate the car market - and ask the question, 'what do existing internal combustion engine-based (ICE) OEMs need to do in the next few years to make the transition to EV-dominant manufacturing?'

One solution is to get as close to ICE/EV cost (of manufacturing) parity as quickly as possible.

A recent McKinsey report, entitled Making Electric Vehicles Profitable, explores this question. McKinsey calculates that right now, the average small-to-medium-sized EV costs \$12,000 more to manufacture than its ICE equivalent.

Assuming that government subsidies will not be offered for EV vehicle manufacture (other than increasing penalties being mounted on the OEMs of ICE vehicles and the consumers buying them through increased taxes and fuel duties, etc), manufacturers themselves will need to find ways of saving all or nearly all of that \$12,000 per unit in the next few years.

McKinsey suggests multiple routes to reducing the price of manufacturing EVs. The first area is labelled 'design simplifications and valueneutral decontenting'. Don't be alarmed by the management consultancy-speak. Essentially, what they are talking about is eliminating extraneous dashboard displays, buttons, switches and wiring, while simplifying interior trims, seat design and lighting. McKinsey estimates an average of \$600 can be saved by 'decontenting' EVs.



The automotive specialists at the management consultancy go on to identify the savings from not incorporating the highest-range batteries (currently 50 kWh) but sticking with the 40 kWh cells, which already offer up to 250 km of range - more than adequate for most early adopters of EVs living in urban areas.

Sticking with the smaller batteries would mean that OEMs would benefit from falling battery prices quicker and should be able to reduce the per-vehicle cost by a further \$2,000.

McKinsey also says that manufacturers looking to make the switch to EV manufacturing need to partner with other OEMs to command more bargaining power in the purchase of battery cells, power electronics and e-motors. These partnerships also offer the potential to share the huge R&D costs of building a dedicated EV platform together - potentially getting to market more quickly, with more cost-effective offerings. McKinsey calculates a further \$2,000 can be saved per EV through judicious partnering to this end.

In addition, McKinsey looks at how to make money from batteries to save more money, suggesting that batteries can be leased from OEMs rather than bought with the car. That way, higher recurring revenue can be secured, creating another, arguably more reliable, income stream.

It also suggests that there ought to be a growing market for battery resale.

So, as batteries inside EVs reveal declining ranges, there may be potential to swap out the old battery for a new one, while the older one could be reused for less-demanding 'stationary power storage' purposes. A further \$1,000 per unit could be saved through these activities.

If you add up all the savings evident from McKinsey's experts, you are talking about an EV OEM saving of \$5,100-5,700 per vehicle produced. Provided you get these elements right, that's still over \$6,000 adrift of ICE parity, a fact that also indicates that manufacturing EVs will not be profitable until 2025 at the very earliest.

However, by moving in the direction of EV manufacturing quicker than competitors, early movers will be offered another EU market-specific opportunity presented by those 'super-credits' flowing from the Clean Air for Europe (CAFE) programme that I wrote about last month.

Finishing with the power of partnering, it seems inevitable that there will need to be many more east-west partnerships and joint ventures in the next few years as all manufacturers try to grab EV market share. It's worth remembering that China is the largest market for EVs bar none today. A total of 793,000 BEVs were sold in China in 2018, as against 173,000 across the whole of the EU and 239,000 in the USA.

Admittedly, Tesla is the number one EV car maker in the world right now (and has received enormous tax breaks to get there).

But two Chinese OEMs - BYD and BAIC - come in a close second and third.

Paul Smith heads Traka Automotive, part of the Assa Abloy Group brand Traka. Assa Abloy bought the electronic key management software provider eTag Solutions, which was founded by him. Traka is a leader in intelligent access control, key management control solutions and keyless electronic lockers.





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#### **DEVELOPMENT PROGRAMME**



# **Graduates can unlock** their potential with BCA

pplications for BCA's 2020/2021 graduate development programme are now being accepted. Graduates can gain real in-depth experience across different functions of BCA through the in-house scheme, with a selection of placements operating on rotation over a 12-month period.

BCA provides tailored training, mentoring and support throughout, helping people to unlock their maximum potential. There is also the opportunity to study for a nationally recognised qualification alongside the programme to help them build their skills.

Chris Isaac, BCA learning and development manager, said: 'BCA is committed to building effectiveness and efficiency across the business through training and development. Our highly successful graduate management development programme is now in its sixth year and BCA has provided places for 50 graduates in that time, many of whom have stayed with BCA to progress their careers. The programme gives students the opportunity to experience a variety of business disciplines and automotive specialisations with BCA.

We provide tailored training and mentoring support to help students unlock their potential with the prospect to study to build skills and capabilities with the right qualifications.'

To find out more about the programme, go online to bit.ly/BCA-grad

### Wholesale diesel demand still strong

NEW insight from BCA Valuations has shown that demand from professional buyers for diesel vehicles remains strong in the wholesale sector.

Average values for all diesel vehicles climbed steadily over the past year, averaging £9,003 across the board in February 2020, a year-on-year improvement of £246 (2.8 per cent) despite average age rising to 77 months (+6.9 per cent) and mileage increasing to 70,246 (+2.7 per cent).

Stuart Pearson, chief operating officer for BCA's UK remarketing operation, said: 'For many used car buyers, diesel will remain the preferred choice of fuel type as it offers great economy and typically lower running costs.

'Overall, average diesel prices at BCA are rising steadily, largely as a result of the high-quality stock we offer but also underlining that trade buyers continue to see a profit opportunity in diesel product."

# ones

#### **AUCTION STATIONS**

#### **BCA Buyer app launches** digital Sale Day catalogue

■he BCA Buyer app is proving a highly successful addition to BCA's suite of remarketing tools creating a digital journey to support buyers whether attending sales physically or joining remotely.

The app generates insight that helps BCA meet the needs of its buyer customers, creating additional buying power by ensuring that buyers never miss the vehicles that they are interested in and helping buyers bid on any vehicle being sold, whatever their location. More than 50 per cent of BCA's active buyer base has been using the app since it launched a year ago.

BCA released a major update to the app in February with the introduction of a new digital Sale Day catalogue. This new feature delivers the same content as the daily printed catalogues available at BCA centres nationwide but via a seamless online experience with even more features.

**'Customers** now have everything they need in the palm of their hand.'

The new digital Sale Day catalogue includes a breakdown

of each individual sale by vendor or section at every BCA branch, with details of which hall the sale is in, the current lot number and the number of vehicles entered.

App users can drill down into the catalogue to see the detail of each individual vehicle including description, images, valuation data, grading and BCA Assured reports.

The new feature also enables users to have a quick view of a selected BCA centre's sale programme for the current and next day's trading.

This update to the BCA Buyer app means customers now have everything they need in the palm of their hand for every sale day, no matter how large the catalogue is, or which hall the lots are being offered in. The BCA Buyer app is the go-to mobile solution making sale day easy and more productive for customers.

Dene Jones is BCA's chief marketing and data officer. Visit bca.co.uk or call 0345 600 6644.



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### Taking Stock.

Remarketing specialist BCA analyses its latest Pulse report to give its thoughts on matters that dealers need to consider in the months ahead.



# Strong buyer engagement as record volumes of cars sold



Stuart Pearson, chief operating officer for BCA's UK remarketing operation, says BCA's dealer customers are reporting positive levels of retail activity, which is driving wholesale demand.

Dealer

values:

£5,397

s in previous years, average used car values returned to more typical levels in January, following the seasonally affected values recorded during December 2019.

**Average** 

used car

value:

Trading started strongly for BCA in 2020 as the company offered and sold record volumes of vehicles. with digital sales increasing by a healthy 23 per cent across the board compared with the first month of 2019.

The BCA headline figure £9,840 of £9,840 in January 2020 represented an increase of £364 year on year - equivalent to a 3.7 per cent improvement across the board, despite both average age and mileage rising.

Average year-on-year values increased across all sectors at BCA in January 2020, with dealer part-exchange values rising to the highest point on record, and fleet & lease vehicles reaching the second highest average value ever recorded.

The increased year-on-year values reflect both the richer mix of cars available at BCA over the past 12 months and the substantial levels of demand experienced this January. Fleet & lease and dealer part-exchange values increased by

7.1 per cent and 5.5 per cent respectively, while nearly-new values were up by 4.5 per cent.

January was a strong month across BCA's network, with record volumes sold and strong

buyer engagement across the network for both physical and digital sales. Dealer customers are reporting positive levels of retail activity and this is driving

demand in the wholesale sector.

Online trading played a significant role during January, with sold volumes rising by a significant 23 per cent against January last

year. The BCA Buyer app part-exchange is driving digital engagement, creating additional buying power by ensuring that buyers never miss the vehicles that they are interested in and helping buyers bid on any vehicle being sold, whatever its location. Over 50 per cent of BCA's active buyer base have used the app since it launched a year ago, underlining that BCA is

channels offering an unrivalled selection of stock. Fleet & lease values averaged £12,331 at BCA

leading the digital sales market with a choice of

in January 2020 - the second highest value ever recorded at BCA.

Demand for fleet & lease stock at BCA has seen values rise consistently since September of last year, with the past five months representing the five highest monthly values recorded. Year-onyear values were up by £878 (7.1 per cent), with both average age and mileage continuing to rise.

The retained value against original MRP (manufacturer's retail price) averaged 43.3 per cent - down by 0.8 percentage points

> Dealer part-exchange values at BCA rose to record levels for the second month running during January, increasing by £76 (2.5 per cent) over the month to reach £5,397. Average values for part-exchange vehicles were up by £281 (5.5 per cent) compared with the same month last year, with stock

showing a slightly lower profile of age and mileage. Values for nearly-new vehicles at BCA averaged £24,029 in January 2020, with year-onyear values up by £1,044 (4.5 per cent).

Model mix has a significant effect in this sector, with brand-specific winners and losers.

# lames Litton

TRADER TALES

#### Private group has caught the imagination of thousands

uying used car stock is simply not as easy as it used to be. Gone are the days of pitching up at your local auction, indulging in an artery-hardening breakfast, consuming Chinese-city levels of carbon monoxide, then queuing for hours to pay for your purchases.

The phrase 'omni-channel' gets thrown about, and used car acquisition is no different.

It is easy for used car buyers within franchised dealers to look at independents and supermarkets enviously, given the increased flexibility they have to acquire cars, but most supermarkets are tied to deals with auction houses or Motability to give reduced fees or wholesale incentives. It is also more difficult for smaller dealers to capitalise on used car purchases without the help of auction house funding. This funding interest added to the auction fees makes what may have looked like a cheap car suddenly look expensive.

Take Dealer Auction. Once a small company owned and managed by former car sales people, the might of Cox Automotive has turned the enterprise into a machine for vendors looking to control their trade operations a bit more closely.

Niche players such as Motorway or Wizzle connect you with private sellers AND you can still buy the odd car from one of your customers, but I was introduced to a Facebook group called T2T by a friend who said it was an interesting place to buy cars. Started by an independent dealer, T2T is a private group with more than 5,000 members and something for everyone.

There is almost an honouramonastthieves camaraderie.'

Yes, there is a lot of old scrap listed by dreamers or the odd would-be kerbside dealer, but there are also plenty of nice cars to fit every budget, from Fiestas to McLarens.

The beauty of the site (for now) is that it is free and the strong and active user base has a lot of unwritten rules. Dealers are encouraged to give full descriptions with lots of pictures and a buy-now price, and there is almost an honour-amongst-thieves camaraderie that means dealers are reported for poor form – something very absent from other platforms.

Understandably, the site needs to be monetised and the owner is moving to an app-based format with a monthly subscription. Who can blame him? £50 a month is the projected cost to be a member, and given the cost of auction fees, it seems like great value, but inevitably - as with Dealer Auction and Autotrade Mail - someone will buy it, and one can only hope that this nice little trade community isn't left out in the cold by a hedge fund or publishing company.

James Litton is an automotive retail consultant who always has something to say about the industry he loves.

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#### get customers through the doors. Family fun days and VIP evenings took it in turns with various seasonal events and visits from local

**Confessions** 

'Man from the factory' who

gave a VERY big discount!

used to work at a dealership back in the day that

specialised in all the traditional marketing ploys to

YOUR REAL STORIES

'celebrities' as we tried to sell as many cars as possible and pocket that all-important commission.

Then my dealer principal had a lightbulb moment... We'd never had a 'man from the factory' event - so why didn't we organise one? Always keen to appear enthusiastic, we hastily agreed but wondered how we would go about arranging a visit by an executive from the overseas plant where our cars were built.

'Oh, no need to bother with all that,' said the DP. 'Getting someone from the actual factory will be a complete b\*\*\*-ache. Imagine the expense - and the bloke probably won't speak English anyway. You can do it,' he said - pointing to me.

'We had

of people

opened.'

outside when

I groaned. But the duties didn't seem too onerous. All I would have to do would be sit behind some kind of black mesh screen, with a light shining behind me so people could see a silhouette of the mysterious person who could **the showroom** potentially take them to car discount heaven.

So far, so clichéd.

The day of the event arrived, and thanks to a biggerthan-usual advert in the local rag, a few flyers and a bit of good old-fashioned word-of-mouth advertising, we actually had a queue of people outside the door when the showroom opened that Saturday morning.

All day long, I was busy with our sales execs coming to see me - and after a few minutes of 'negotiation' I would simply knock £200 off whatever price they'd suggested (the limit set by our DP).

It was all going swimmingly. Then, towards the end of the day, I peeped out from behind my screen to see some familiar people walking into the dealership. It was my mum and dad!

They asked for me, but my colleagues had been told to say I had a day off. Anyway, they sat down with one of our sales execs to hammer out a deal on a new motor, then the sales exec approached me for that factory-authorised price reduction - and I duly obliged.

Only this time I knocked off a grand as it was my parents - and faced the music with the boss on Monday...

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### Long-termers.

#### I ATEST FROM THE FLEET...

### **SsangYong Korando**

South Korean manufacturer has a new dealership just down the road from Car Dealer Towers...



by TED WELFORD @TedWelford

ook at Kia and Hyundai today and it's a very different story to where those firms were just 15 years ago.

This pair of manufacturers have radically changed, and are now truly in the mainstream. But there's a third, lesser-known South Korean manufacturer that's still fighting to get to this position - SsangYong.

Say the brand name to a typical car buyer and you'll more than likely get a blank look, with SsangYong's range of SUVs and pick-ups (that's all it has traditionally sold) only really appealing to the caravanners and rugged types of this world.

But with the new Korando, the firm aims to change that, with a far more modern and upmarket-feeling crossover that's a world away from its disappointing predecessor. I've already been impressed on the launch by this Kia Sportage-rivalling model, but now I have the ultimate test for it – living with it for six months.

But first a trip to our new local dealer - Fine Cars SsangYong Gosport (see p7) - to pick it up.

At just four miles from the office and only two miles from my front door (something plenty of buyers care about), it couldn't be handier. SsangYong and Kia, the brand it shares its site with, are the only main dealers in Gosport.

More impressively, given the excellent handover experience, this is one of SsangYong's latest franchises, and is more of a used car site than a flashy main dealer. To give a sense of the immediacy, the SsangYong branding was only put up three days before our collection.

But back to the car... The Korando is the mid-size model in the brand's range – squeezing between the Tivoli and Rexton. We've already tried it as a diesel four-wheel-drive (the configuration that towers will buy), but here's our first go in the new 1.5-litre petrol engine producing 161bhp and 280Nm of torque. It's mated to a six-speed automatic gearbox, which sends its power to the front wheels.

If you want an automatic petrol, your only option is this top-spec Ultimate model. It's appropriately named for sure, with kit highlights including full leather upholstery, ventilated and heated seats, and a massive 10-inch touchscreen.

It's painted in what (to my eyes at least) is the



Ted behind the wheel of 'our' Ssang Yong Korando, and below, chatting to Ben Harris

#### THE KNOWLEDGE

Model: SsangYong Korando Ultimate Price (as tested): £27.995 Engine: 1.5-litre turbocharged petrol Power: 161bhp 280Nm Torque: 11.8 seconds 0-60mph: Top speed: 117mph Fuel economy: 39.8mpg Emissions: 162g/km CO2 Mileage:

#### THIS MONTH'S HIGHLIGHT:

Enjoying a very smooth handover process as we take possession of our latest long-termer.

best colour for it - a metallic Cherry Red that comes alive in the sun - and rides on 18-inch alloy wheels. Both are fitted as standard, as is most of it, for a not unreasonable £27,995. In fact, the only thing that doesn't come with the Korando normally is the Thule roof bars and bike carrier. Selected for lifestyle purposes, obviously.

On Fine Cars' compound, it's the Korando that's clearly the big-seller - the bulk of stock seemingly being for this model, either of this new generation (which debuted last August year) or of the frumpy previous generation.

Site manager Ben Harris tells us that out of the expressions of interest they get at the dealer, the vast majority of those are for the Korando, and that this is a key model to help change SsangYong's image.

'SsangYong has a distinctive customer and a very strong following,' he said. 'They know what they like, and they know exactly what they want. But the brand is changing, just like Kia did, and SsangYong is very much transitioning and evolving into the family market. Yes, it retains that towing pedigree, but overall it's adapting, and the Korando is leading the change."





On first impressions, I'm in agreement. The package feels on a par with mainstream competitors, with its large touchscreen and seriously impressive digital dials (which we'll cover in future reports) actually making it feel more premium than the likes of a Kia Sportage, for example.

And gripes? Well, we've only had it a matter of weeks so there are no glaring concerns, just a few minor annoyances. The gearbox isn't especially smooth around town, and the Korando bings and bongs like you wouldn't believe to warn you of various things. I'm sure it's being useful, but they could definitely be toned down somewhat.

With six months to spend with the Korando, I'm keen to see if it can live up to this 'new SsangYong' image and be a model worth considering over the best-sellers.

Let the fun and games begin...

### Long-termers.

#### LATEST FROM THE FLEET...

## Audi A1 Citycarver

This new addition to the evergrowing crossover market is still a very small car...



**by DARREN CASSEY**@darrencassey

iche filling is rife in the car industry, and it's easy to see why. As a manufacturer, if you can take a car that already exists, change perhaps 10 per cent of its parts and bodywork, then offer an extra model in your range, why wouldn't you?

Audi is a great example of this, with its SUVs and SUV coupes. While less than a decade ago the mere concept of an SUV coupe would have been laughed at, they're now everywhere.

I've always been in the minority among car enthusiasts in defending manufacturers for doing this, because honestly, if people are buying these things, who am I to say they shouldn't build them? That's just good business.

However, I think Audi has gone a step too far with this A1 Citycarver. The premise is to take the firm's A1 city car, give it some plastic cladding and a raised ride height a bit like an off-road car... to make it more appropriate for the city.

The A1 is, therefore, technically the latest addition to the ever-blossoming crossover market, but it's still a very small car. The appeal of SUVs and, in turn, crossovers is that many buyers enjoy the raised ride height that improves visibility – and indeed, Audi cites this as one of the appealing aspects of the Citycarver trim.

The reality, though, is that this is just four centimetres taller than the standard A1 – you can negate that with one crank of the height-adjustable driver's seat. So as far as I can tell, the only benefit this trim brings is the chunky styling.

All this being said, there's no denying that the Audi A1 is a lovely car, even in this arguably pointless trim. And what's most impressive is that as a lanky human being who generally finds smaller cars cramped and claustrophobic, I'm surprisingly comfortable in this German supermini. (Even if my knee does knock the key in the ignition while driving.)

I've been really putting its SUV-esque pretensions to the test, too, with my new year's resolution being to take up mountain biking again, and with March now here I'm delighted to say I've stuck at it. My aforementioned long limbs mean I require quite a big bike, so when I got home with the Citycarver and put my XL-framed Vitus Nucleus alongside the A1, I wasn't



Darren's verdict? Nice to drive with a great interior - but a frustratingly slow gearbox

#### THE KNOWLEDGE

Model: Audi A1 Citycarver 30 TFSI S Tronic £22.040 Base price: Price (as tested): £27.695 Engine: 1.0-litre petrol engine Power: 115bhp Torque: 200Nm 0-60mph: 9.7 seconds Top speed: 124mph Fuel economy: 43.4mpg 146g/km CO2 Emissions: 4,319 Mileage:

#### THIS MONTH'S HIGHLIGHT:

#### Using KY69 DVC as a companion on mountain-biking expeditions.

particularly confident of squeezing it into the boot, even with the front wheel removed.

However, with the rear seats flat and an old bed sheet protecting the car from the muddy clay of the South Downs, it didn't take much jiggerypokery to get the bike in.

That said, the front suspension forks butt up against the back of the front seats, while the handlebars poke between driver and passenger, although not in an overly obtrusive way.

It's admittedly not an ideal set-up, but after a few weekends of mountain bike versus Citycarver boot, I have absolutely no reservations about taking the Audi home on a Friday night.

And when I pull up alongside the vans, pick-up trucks and large estates of fellow mountain bikers, the plucky Audi always draws an impressed smile. Meanwhile, a friend I ride with let out a laugh last time, saying: 'I still can't believe you can fit your bike in that thing.'

It's not all gone swimmingly, though. The A1's automatic gearbox suffers from the typical

Volkswagen Group affliction of being incredibly slow to respond to inputs – a feature that became noticeable once companies had to hit new, stricter WLTP emissions targets. It's frustrating.

I spent a solid week in the Audi and quickly adjusted to this foible, before testing a Mercedes GLC for a few days. The SUV's automatic gearbox responded exactly as you think a gearbox should, only amplifying the delay in the A1 when I got back in it. Swapping back resulted in a couple of clench-worthy moments at roundabouts as the Audi hesitated to dart into a gap.

I must say, though, considering I've complained about its very reason for existing and the annoying gearbox, I don't actually dislike the A1. I've found it to be nice to drive, with a great interior. However, with a few months still left on this long-term test car, I have to say that if it were my money, I'd go for the standard A1 Sportback model with equivalent equipment levels.

#### OTHER CARS WE'RE DRIVING



#### **Honda CR-V EX**

Mileage: 7,203

We're gearing up to say goodbye to RY19 XRP and we'll be sorry to see it go. Its wild bodykit may divide opinion but it's certainly stolen a few hearts during its time with us.

### Seat **Tarraco**

'Our' SUV is proving to be a useful road trip companion but it's not without its foibles.



**by JACK HEALY** @jack\_healy19

couple of months into our Tarraco's term and it's settled in rather well both for the cycling contingent in our office and if we've needed to haul kit around for various events.

Its huge boot and decent legroom have made it incredibly useful, while the fairly reasonable tank provides around 500 miles-worth of fuel, which has been great for longer journeys.

With these factors in mind, I decided to use the Tarraco for a couple of road trips.

Journey one involved transporting the family dog from my flat in south Hampshire to meet my mum in west Dorset for a birthday meal - a round trip of about 180 miles.

I filled the back seats with all of the dog's stuff and put her cushioned throne in the boot. She's getting on in years but seemed comfortable, and apart from barking at a couple of cyclists appeared to be perfectly happy.

However, on this journey I found small issues with our long-termer that started to grate. The bike rack is very whistly at motorway speeds when not carrying a bike - then there's the overall ride. The 19-inch alloy wheels look great but transfer a lot of the cracks and bumps into the cabin - tedious on longer jaunts.

The second in my mini road trip series was going to be much longer - roughly 600 miles.



Have dog, will travel... The Tarraco proved to be the perfect canine comfort zone



Rochdale may not be the most picturesque place in the world, but when a friend's birthday came knocking, I couldn't help but lay on transport for a few other chums with the Tarraco as our steed.

All of our kit fitted easily in the boot, and the Tarraco took the wet and blustery weather of that Friday evening in its stride. Setting the adaptive cruise control to the speed limit and letting the car mostly take care of itself is one of the small joys of modern driving.

Come Sunday and our return trip, the Tarraco was ready with slightly under half a tank. After a quick £15 fill-up just to be safe, and again setting

the cruise control. Lancashire was in the rear-view mirror in no time. During the journey, I kept tabs on the Tarraco's efficiency, with the turbocharged diesel returning close to 40mpg for the journey back - a good couple of mpgs better than Seat's claimed figure.

My fellow road-trippers had some issues with the Tarraco. They found the rear seats quite uncomfortable and the rear fold-out tables not as supportive and useful as they might have liked.

Also, unless you have a fully kitted toolbox, the bike rack can't be taken off easily at all - so much so that we left it to whistle away as I drove.

But can these niggles really detract from the overall experience of the Tarraco? Not so much. It proved perfectly capable of almost everything we threw at it, and considering how much it costs -£35,305 on test - it's remarkably good value for money, even without the odd bit of equipment here and there.

The fuel economy was also excellent.

As an ardent estate fan, it may be tricky to pull me away from the likes of a Skoda Superb or BMW 3 Series Touring, but the Seat has shown that even though it's not what I'd usually want for a road trip, it can do the job just as well.



#### **Skoda Kodiag**

Mileage: **8,132** 

The Kodiag is another car that will be leaving us soon, but we've been making the most of it lately. High ground clearance and four-wheel drive have been useful during recent spells of bad weather.



#### Mazda3 Skyactiv-X

Mileage: 6,874

Following a bit of an altercation with a loose rock, our Mazda 3 has just been trucked back to the firm's UK base for a new windscreen. A small blip in an otherwise pleasant spell with the car so far...

#### THE KNOWLEDGE

**Seat Tarraco** Model: £35.305 Price (as tested): Engine: 2.0-litre turbocharged diesel Power. 148bbp 340Nm Torque: 0-60mph: 9.6 seconds Top speed: 123mph Fuel economy: 38.2mpg Emissions: 146g/km CO<sub>2</sub> 3.307 Mileage:

#### THIS MONTH'S HIGHLIGHT:

Getting more fuel economy bang for my buck than Seat's estimation.



# The last word

JAMES BAGGOTT

Against our better judgment, we give our CEO the final say each month

# It's time to think differently – and remember, we're all in this together

n these times of national crisis, keeping calm and carrying on can seem harder than ever. The rate at which the coronavirus pandemic has gripped the nation has been devastating – sweeping across the country at an alarming rate, interrupting our daily lives and changing the way we live and work.

But it's in these dark times of crisis when true British resolve and our Blitz spirit shines through.

While it is clear the pandemic is a serious risk to our health – and you don't need me to rattle on about to whom and why – what I do want to touch on is the risk to business and how there may just be a glimmer of hope in all of this uncertainty.

On the back of a year of Brexit battles and a winter of floods that have ruined showrooms across the country, this coronavirus could be a killer blow to firms if they sit still and do nothing. But if I know the motor trade, it's not one for sitting still – OK, it might sometimes be a little reluctant to get up out of its armchair, but this could be the helping hand it needs to get on its feet and start brawling.

Car dealers are already reporting that showrooms are pretty much dead. One dealer boss told me on the phone this week that cancellations were coming in 'left, right and centre'. He quite rightly questioned why people would go out to a car dealership when they didn't really need to.

An excuse for a delay isn't something many people need, especially when they can stay at home and watch Netflix.

If we're heading for a similar situation to Italy, where all non-essential businesses have been told to shut their doors, car showrooms could be forced to close. For many, a month with the doors shut could spell the end of their businesses – wage bills for some dealer groups would simply be impossible to cover, crippling them. So, now is the time to think differently. While it might not have made sense a few months ago, allowing some staff to work from home, rethinking how you approach sales and servicing, could actually be a boost.

Let's take servicing as an example. When people are self-isolating at home, offering to go and pick up their car and drop it back off for them – all the while with the appropriate hygiene regimes in place – could show customers that they don't actually need to leave their home to get these things done.

When I'm at a loose end at home, I try to sort those jobs that I've been meaning to do for months. If others are like me, that could mean many people deciding to get their cars serviced or repaired – especially if it's with a dealer who'll do all the running around.

Making it easy for them to book online and explaining they won't need to leave the house could keep your workshop's wheels turning. It's the same for sales. Elsewhere in this magazine I talk about the ambitious plans for online-only car firm Cazoo. While I think their numbers are frankly absurd, a crisis like this could play into their hands. Everyone will be researching their next car online, and those dealers that offer people the chance to buy them and have them delivered to their door could steal customers.

PCPs will still be coming to an end, new cars will still entice people – and when they're not spending all their wages on eating out or going to the cinema, they might just have a bit more cash for a deposit. Look at the positives; there are some.

Your sales people could be retrained to offer advice online, guiding buyers through the process virtually. The technology is there; now could be the time it really comes into its own.

We all know most buyers do most of the shopping at home anyway – so beat Cazoo at their own game and take cars to customers' homes. It'll give them an excuse to get out of the house in a perfectly sealed box on the test drive.

We've all had to look at our businesses very carefully in the past few weeks and make tough decisions.

Here at Car Dealer Magazine, we've already had to postpone CDX, and our entire team is working from home.

Our expo for the motor industry was shaping up to be a cracker on April 28, with Codeweavers, eBay Motors Group and Facebook Marketplace all headline sponsors.

However, faced with an event few people

would want to attend, we've moved it to September 30 – at the forefront of our minds was the health of our exhibitors and delegates. Sadly, that's meant we've had to pay for the venue again (I couldn't quite believe it either) and that means it will now cost us to put CDX on. But I'm a big believer in the fact this industry needs an event like CDX – and we are in extraordinary times.

Rather than cancelling it altogether, I hope that by delaying it, people will be able to come out of their bunkers in September and support it. It's at times like this that businesses are truly tested.

With some innovation, good practices and – importantly

 by treating everyone fairly, we will come out of it on the other side having learnt some valuable lessons. Think about those you do business with and treat them fairly – no-one (bar hand sanitiser companies) should be profiteering from this pandemic.

Think about new ways to keep your business going, however strange they may feel – and if they work, share them. Business is cut-throat, but at times like this it doesn't have to be – we're all in this together. Stay healthy, keep innovating and stay in touch – we might all be working from home over the next few months, but more than ever we'll all want to keep talking.

'The rate at which the coronavirus pandemic has gripped the nation has been devastating.'

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