

COLUMNS: BIG MIKE ON SPECIAL EDITIONS | BAGGOTT ON THE FUTURE OF PHYSICAL DEALERS

CarDealer[®]

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LEAN MEAN GREEN MACHINE

IS PORSCHE'S FIRST EV
A TESLA-BEATER?



ONLINE
WILL LOCKDOWN
CHANGE HOW WE
SELL CARS
FOREVER?

PLUS: WE TEST FOUR OF
THE LATEST £30K
HOT HATCHES

HELP & ADVICE

- DISTANCE SELLING
- REDUNDANCIES
- TOP TIPS FOR GETTING BACK TO BUSINESS

NEWS

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- TREVOR FINN'S PLANS
- BOUNCE BACK LOANS 'SPENT ON LUXURY CARS'

USED PRICES

WHY VALUES ARE ON THE RISE

...PLUS THE CARS
LOSING CASH IN
LOCKDOWN





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5 THINGS WE'VE LEARNED THIS MONTH

1. Yes, January WAS this year
2. WFH isn't a novelty anymore
3. Australian Penguins = Tim Tams
4. Discovery Sports can travel a surprising distance on one tank
5. Hand sanitiser is not an acceptable substitute for gin, no matter what the Tesco delivery man says

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Welcome.

THE sense of relief that car dealer bosses in England felt when they were finally

allowed to reopen their doors at the beginning of the month must have been like nothing before. But I am sure that feeling was soon surpassed when customers actually started buying cars again.

Across the trade, I'm hearing from dealers that the market has opened with a flourish. That pent-up demand that commentators predicted was actually there all along and dealers of all sizes are reporting buoyant sales.

Used cars are particularly strong, with one main dealer group boss telling me that many customers have decided to hold back a little and not buy new, instead opting for something pre-owned. Couple these buyers with those who'd usually be in the market for a used model plus many buyers looking for alternatives to public transport and you can see why many are predicting a record June.

'We'll make money in June,' said one dealer boss, surprised that they would be back to profit so quickly after the devastating lows of April and May.

The problem now is getting hold of good-quality used stock - something else that was predicted and reported on by CarDealerMag.co.uk long before lockdown eased. There are reports of buyer frenzies at auction, with hundreds more bidders fighting for stock than usual. That's understandably driving prices up.

New cars are selling well in June too - and it's likely that the SMMT registration figures for the month will actually be up, following two months of record lows. However, washed into that is huge numbers of cars that were sold pre-lockdown and have simply been sitting waiting to be registered and collected. June won't be a true picture of what is really happening out there.

The big question on everybody's lips right now is how long the demand will last. Will buyers still be out there once this initial surge of activity has passed? One thing's for sure, we'll be watching carefully and reporting daily on

what's happening on our website and in this magazine.

Used cars are a hot topic across the industry and this month we've looked in detail at what's happening with prices. Spoiler alert: They're holding firm. But then you probably knew that already.

We look at what's happening across the different advertising platforms and get a view from the experts on what happens next.

It's not all rosy, though. We've also looked at the used cars that dropped in value the most during the lockdown. While a lot of cars held their values, or even nudged upwards slightly, there were a handful of models that fell the other way. You can find out which in this issue.

One area of the motor trade that's really booming, though, is the motorhome and caravan sector. We've chatted to a number of dealers who are riding a staycation wave of enthusiasm as people ditch foreign holidays for some soggy fish and chips and a windy walk along a pier.

OK, I made that sound a bit rubbish - honestly, I couldn't be happier being by the sea and can't wait to spend a few weeks off enjoying a holiday at home. I won't be rushing out to buy a caravan to do it in, though - but it seems many people are.

Elsewhere in this digital issue we review the incredible Porsche Taycan. I haven't been as excited about a car like this for a long time and was very jealous that our staff writer Darren Cassey's first foray into road testing post-lockdown was for this. It looks amazing.

I hope you enjoy the issue and if you think we should be reporting something that we're not - get in touch. Now we're working from home, we're never far from our desks...

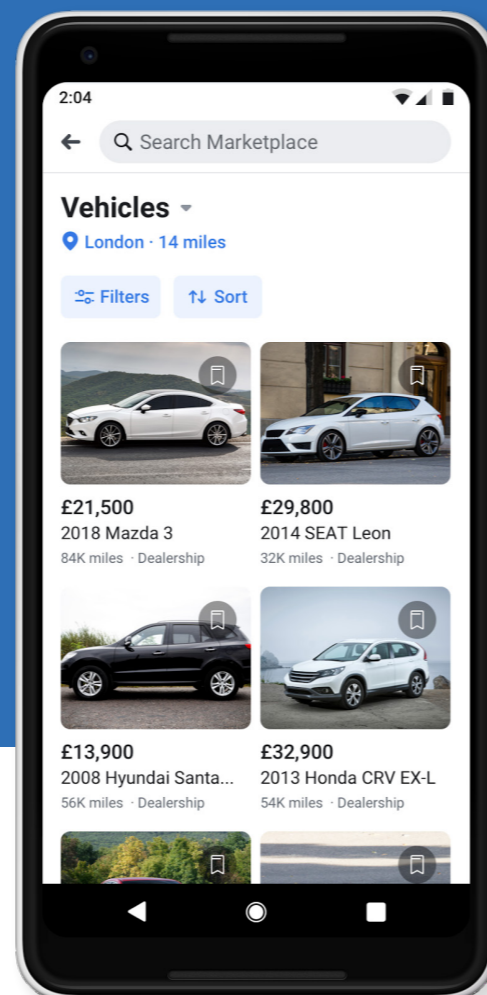
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Founder, Car Dealer Magazine

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Feature: Hot hatch group test

Pre-lockdown, we took four of the best hot hatches you can buy on a trip to south Wales

Inside.

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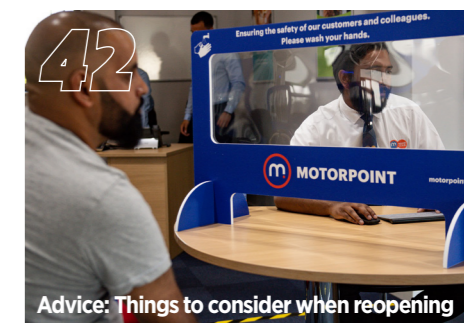
Hot hatch group test

Focus on.

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Data file.

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Suppliers Guide
Long-term



Advice: Things to consider when reopening



Big Mike: Bring back the Special Edition



Driven: Porsche's new fire-breathing electric car

Will digital car sales kickstarted by the coronavirus lockdown change dealerships forever?

It's a question many dealers are asking as they weigh up investing in new websites and online sales solutions at the same time profits are squeezed and showroom doors swing open again.

When Car Dealer Magazine discovered at the height of the crisis that the government was happy to let car dealers sell online and deliver to customers' homes, there was a surge in interest for online sales solutions.

GForces told us it was running 400 per cent up in April, such was the demand from dealer clients to have an online sales platform to keep them going during the lockdown.

But now, as of publication, we are three weeks into dealerships in England opening their doors to a world of social distancing, contactless handovers and red-raw sanitised hands, so do buyers still want to complete their transactions remotely? Or has the switch to digital faded as fast as the enthusiasm for home-schooling?

'Covid has definitely acted as a catalyst for online car sales, and many operational and cultural barriers to adoption have been blown away in a bid to keep the lights on,' said GForces commercial director Tim Smith.

'In recent years, pretty much every study on car buying habits has pointed to a latent demand for consumers' desire to purchase vehicles online.'

Smith says car dealers have now seen the huge benefits selling cars online can have to their businesses.

Vertu Motors boss Robert Forrester reported to the stock market that it turbocharged its online sales processes during the lockdown.

Although the dealer group has sold cars online since 2017, in May this year the system was enhanced, simplifying the process even further.



by **JAMES BAGGOTT**
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Forrester said this resulted in 'record levels of purely online transactions completed'.

He said in the group's annual report: 'Consumers can now reserve a car for a fee online, so effectively taking the car off-market while the deal is finalised with the dealership.'

'Uptake of this functionality has been excellent. It will now be more vital than ever before to have an omni-channel approach offering choice to customers between online and offline channels. The customer experience of the transition from online to offline (and return) must be seamless.'

'The group has moved a long way down this road in recent months which will lead to competitive benefits in the future.'

Not only are dealers now always open, but the cost of sale, as Forrester alludes to above, can be far less than a conventional one. As dealers up and down the country look to cut costs, online sales solutions could help there too.

Smith added: 'It is definitely an opportunity to cut costs – an e-commerce platform can perform the entire sales function up to the point of handing the vehicle over, removing enormous operational costs for the dealer.'

A combination of these cost savings and an explosion in demand for online sales, kick-started by the lockdown, means many believe this could be the revolution the industry has been waiting for years.

GForces saw an 800 per cent increase in online sales by its customers since January as more and more dealers added the functionality to their sites. 'Even if you look at customers who have

been using e-commerce for six months or longer, the average number of transactions per month has increased over 300 per cent,' added Smith.

This growth is driven by consumers who still don't really want to leave the house. After months of being told to stay at home, venturing out feels alien, while shopping on their phones comes completely naturally – even when it comes to buying a car.

'Our research showed that 76 per cent of consumers looking to buy a car are anxious about visiting a dealership in person, and half want minimal contact with a retailer,' Ian Plummer, commercial director of Auto Trader, told Car Dealer.

'Venturing out feels alien, while shopping on their phones comes naturally.'

He believes that this shift isn't just about social distancing either – most customers have simply just got more used to buying everything online.

'This means retailers will not only have to place greater focus on the quality of their digital forecourts, but they'll also have to adapt their skills to better suit remote selling,' added Plummer.

'Rather than relying on face-to-face rapport, salespeople will have to become experts at hosting live video chats, virtual test drives, product walkarounds and video handovers, as well as simply being more effective on the phone.'

These sales techniques will certainly present new challenges for dealers, but if they think they can be ignored the chances are they'll soon

get left behind. 'A dealer who thinks online car sales was just a reaction to the pandemic is certainly wrong and probably in the minority, I would say,' added Karl Rahmani, owner of specialist web design firm The Whole Caboodle.

'In our experience, our clients and their clients want easier ways to buy and sell cars.'

'Online purchase, either outright or reservation fees, is here to stay, and soon a complete end-to-end virtual purchase with little or no interaction with a dealer is going to become commonplace.'

Rahmani's firm helped Batchelors Motor Group implement an online sales process on its website during lockdown. Boss Tony Denton reported he sold 20 cars online in the first week of it being live.

Interest in Rahmani's solution has boomed since lockdown and he is 'hearing every day' from dealers looking to use online sales to cut overheads.

He added: 'I don't think dealers have forgotten about online. The more forward-thinking ones are looking at ways of maximising all opportunities and websites are being scrutinised right now.'

Codeweavers, another online sales specialist, has seen its dealer clients use digital sales to help boost their recovery.

'Those who did take advantage of online sales are certainly not forgetting, as reservations and orders are playing a significant part in their recovery,' explained the firm's Shaun Harris.

'There were retailers who took advantage of lockdown to build their digital capabilities.'

'If anything, we expect to see more focus on this as the retail world, in general, adjusts to a new normal which sees far greater levels of digital retailing.'

However, Harris understands that as dealers look to save cash in a tough market, online sales processes can help save money.

He added: 'In a challenging environment, it's natural for any company to look at their cost base, and online ordering could help efficiency and reduce costs if it's well integrated into their operations model.'

Web specialist Bluesky Interactive thinks the lockdown gave dealers the time to integrate online sales solutions and now they can begin to ramp them up.

'Coronavirus has been the push the industry needed towards digital,' said the firm's Lauren Cooke.

'A lot of dealers we have spoken to have been intending to investigate e-commerce and click-and-collect options for a long time, but the current crisis provided the catalyst and time incentive to make it happen.'

'It also means that dealers can embrace new

800%

The increase in online sales by customers of GForces since January

technologies and processes in advance of full market uptake – meaning these dealerships will be fully equipped to handle it when buying habits change completely.'

Now, with dealerships open again in England and Northern Ireland and the rest of the UK following soon, most experts believe a combination of online and traditional sales will be the future – and the longer social distancing restrictions go on, the more used to this way of buying consumers will become.

Auto Trader's Plummer added: 'The physical experience won't become redundant, far from it, as car buyers will favour a blended retail type model in which they can seamlessly transition between the online and offline experience even more than before Covid-19.'

'People vary as to which points of the process they want to engage with physically or digitally – there's no one unique customer journey – but after three months of lockdown, where car buyers are looking for the most efficient, transparent and, crucially, the safest way to buy a car, the balance has definitely tipped on the side of online.'

GForces' Smith thinks the showroom will still play a vital part in the sales process in the future but its role will be very different.

'Showrooms will still form part of the sales journey, but our view is they will become more the stage for the drama and excitement of a sales handover as opposed to the traditional site for doing the paperwork,' he explained.

'Showrooms should be about the positive experience of buying a car, not the drudge of filling in forms which can be done online.'

What many dealers are realising is that while digital sales were important before the lockdown, they're now more vital than ever before – and there's no chance of that switching back the other way again.

Plummer added: 'Reassuringly, in most cases the reopening of showrooms hasn't slowed the transformation to digital, and some retailers, both independents and franchise, have made some very big strides.'

'The majority of businesses have recognised that if they are to survive in this challenging new retail landscape, they have no choice but to embrace digital.' [CO]

What did the lockdown do to used car prices?

Many car buyers came out of lockdown to find that the research into used car prices that they'd been busy doing during the restrictions had been way off the mark.

Consumers are reporting that rather than the good deals they were expecting at used car dealers and big price drops, they're actually seeing used car prices on the rise.

Across a basket of the most popular used car models, eBay Motors Group told Car Dealer Live that it had seen prices go up 0.7 per cent in May. And Car Dealer Magazine reported that the UK's leading classified advertising website Auto Trader had found used car prices rose by 1.9 per cent the same month – a record year-on-year growth.

While that may seem at odds with the economic picture – one of swathes of job losses and a drop in

consumer confidence – the price rises are very real and are being reported from a number of sources.

Many will think this is the trade 'talking the game up', but it's reality – and many consumers are seeing the effects of it first hand.

One friend of Car Dealer Magazine has been searching for a VW California since the start of lockdown. He reported prices creeping up out of reach of his budget and stock on the manufacturer's used car locator plummeting on a daily basis.

His experience is not likely to be unusual. In fact, even the experts are struggling.

Jim Holder, editorial director at Haymarket Automotive, publisher of Autocar and What Car? magazines, said he'd been trying to buy a used car for a fortnight and even he had failed to find what he was looking for.

'I've spent the past two weeks trying to buy a used car and – like many – expected to pick up a bargain,' he said.

'So far, there seems a collective mindset that the industry needs to hold its line if it is to survive intact, with that reserve buoyed by greater demand than expected either from new car buyers downsizing budgets or

people purchasing to avoid public transport or to ensure that the car they have is as reliable as possible.'

But why are prices going up? Well, the used car market is all about supply and demand, and right now there is a lot of demand and not a lot

'People are turning to the used car market in their droves and price rises have been reported to be largest in the sub-£10,000 category.'

of supply. Many buyers have spent the lockdown weeks researching a used car, and with very few dealers operating during the closure, that demand has not been satisfied.

That's not to mention the fact there are now many more people out there looking for used cars for a variety of reasons – the largest being the fact that using public transport is being advised against by the government.

The government also announced that face masks will become mandatory on public transport from June 15, and for many that will be the step that puts them off using trains and buses for good.

These people are turning to the used car market in their droves and price rises have been reported to be largest in the sub-£10,000 category – the area these buyers are likely to be looking.

Cap HPI head of valuations Derren Martin said: 'The main reasons some prices have gone up are pent-up demand from consumers that were looking to buy a car during or just before lockdown, those that are now wary of public transport and financially in a position to spend a few thousand pounds on a used car, and those that are downgrading by selling their car and buying a cheaper, older one.'

'Added to this is the fact that supply levels are not yet high as defleets have not arrived in great volume, mainly due to the transport infrastructure still not being back at full strength, and auctions and other remarketers

not yet working to full capacity,' Richard Walker, data and insight director at Auto Trader, said used car searches on its site were not only back to pre-Covid-19 levels but actually higher.

'The growth reflects a market which has largely been paused during lockdown. Retailers have held firm on prices, which is a real positive as there is clear consumer demand,' he said.

1.9%
May's increase in used car prices as seen by Auto Trader – a record figure

'There are likely to be new areas of market opportunity, as more than half of commuters previously using public transport and who have a driving licence expect to buy a car for their

commute post-lockdown as they seek safety in their own personal space.'

IMDA chairman Umesh Samani, who runs a used car business in Stoke-on-Trent, said prices were 'shooting up'. He said: 'It's simple maths. Many have been selling during the lockdown and all those cars have now left dealers without them being able to restock.'

Many dealers we spoke to were reporting a surge in buyers for used cars too as they opened their doors again on June 1. While it is unknown how long this will last, it's certainly been enough to suck up the little amount of stock that's out there. But What Car's Holder thinks used car prices could be on the turn soon. 'The surge in interest since lockdown eased will likely last just four to six weeks according to our data, and that's when I think we'll get a truer picture of the market.' [CO]



Sub-£10k cars have seen the largest price increases

So when exactly is it a good time to buy a used car?

OUR advice to anyone reading this would be when you need one, because if you wait for the used car market to change then you'll be waiting forever.

Used car prices ebb and flow, and while that might make the car you're looking to buy slightly cheaper at some point, price rises will

also mean that you may get slightly more than usual for your car when you come to sell.

While it is true that car dealers have been hit hard by the pandemic, they have large amounts of cash tied up in the used car models many are looking to buy, so dropping the prices for less than they bought them for

doesn't make economic or business sense.

And while Cap HPI told Car Dealer in a recent interview that used car prices could be 'volatile' for the next 12 months, that doesn't necessarily mean there will be huge drops. If you're waiting for used car prices to plummet, it seems you could be waiting a very long time.

Dashboard.

The biggest used car price falls recorded by classified websites Auto Trader and eBay Motors Group have been revealed exclusively to Car Dealer.

The research from the top two biggest used car advertising portals shows that three-year-old Audi A3s have dropped by 4.3 per cent and Volvo V40s have fallen by 4.0 per cent.

Both websites assessed asking prices from franchised and independent dealers on their respective websites for Car Dealer and we can reveal the top 10 fallers here.

The positive news is that while there were some fallers in the used car prices assessed, the drops are far less than those recorded this time last year.

A spokesperson for Auto Trader said: 'Our biggest decrease is only 4.0 per cent, and when we ran the same data for this time last year, the biggest overall decrease was 8.1 per cent.'

'That's a huge difference and really indicative of just how much the market has stood still.'

Richard Walker, Auto Trader's data and insight director, added: 'It is really positive data, as we can see the price reductions are far less than the price increases, which is a very encouraging position for the market.'

'These reductions are also still well within the ranges of daily price movements we see in a normal market, which indicates that retailers haven't been panic-slashing prices. With consumer demand bouncing back, retailers should stay strong with their prices and ensure that their stock and their prices are right for their specific geographic area.'

Auto Trader assessed cars on sale between April and May, while eBay Motors Group looked at cars on sale on its sites during May only.

We've combined their findings below to create a top 10 price fallers.

2 – Volvo V40

Age: Three to five years

Auto Trader found the biggest price faller on its website was the Volvo V40, dropping four per cent, or around £493 on average.



↓ 4.0%



4 – Vauxhall Insignia

Age: Three to five years

The Vauxhall Insignia in SRI Nav specification dropped by around £224 on average during April and May, says Auto Trader, to around £7,332.

↓ 3.0%



7 – Toyota Aygo

Age: One to three years

At a time when buyers are trying to find small city cars, the Aygo fall was unusual. It dropped around £266 to an average selling price on Auto Trader of £9,131.

↓ 2.8%



10 – Audi A4 Avant

Age: Three to five years

With an average selling price of £9,934, the Audi A4 dropped £236 during April and May, says Auto Trader. The estate model in SE Technik specification was the worst performer.

↓ 2.3%

Which used cars have dropped in price the most during lockdown?



1 – Audi A3

Age: Less than three years old

Out of 107 Audi A3s advertised on the eBay Motors Group platforms at the time of this research being carried out, prices had dropped by around £796 on average during May, making it the biggest faller in our list.

↓ 4.3%



9 – Vauxhall Astra

Age: Three to five years

The humble Astra fell by around £205 in April and May, says Auto Trader, with the average asking price on the site around £8,747. The Estate model in SRi trim was the biggest faller.

↓ 2.3%



8 – Ford Focus

Age: Three to six years

Dropping around £250 in value, according to eBay Motors Group, the Focus was down to an average selling price of £9,359. It had 810 models for sale at the start of May, falling to 702 by the end.

↓ 2.6%



5 – Range Rover Evoque

Age: Three to five years

One of the biggest falls in terms of monetary value was the Range Rover Evoque – on average models dropped £569. The average selling price was down to £19,7865.

↓ 2.8%

3 – VW Passat

Age: Three to five years

The Volkswagen in GT trim was the third biggest faller, according to Auto Trader, losing around £542 and with the average asking price down to £13,451.

↓ 3.9%



6 – Mini Hatch

Age: Less than three years old

Dropping at independent dealers the most, the Mini Hatch fell by £378 in May to an average selling price of £13,001, eBay Motors Group found.

↓ 2.8%



Staycation boom sees motorhome and caravan used prices rocket

Campervan and caravan dealers are reporting booming sales as one area of the motor trade rides a wave of post-lockdown activity – with prices rising sharply.

Motorhome dealers, classified advertising websites and manufacturers have all told Car Dealer Magazine that coronavirus killing off the traditional foreign holiday has seen interest in campervans and caravans skyrocket.

The surge in staycation planning in anticipation that the government will allow camping sites to reopen in July has seen buyers flock to a market already short on stock, and prices are beginning to rise.

One campervan dealer told us he had sold a month's worth of stock in the first week back after the lockdown, while Auto Trader has reported caravan advert views up 18 per cent and motorhome adverts up 17 per cent.

Meanwhile, auctions are selling to the trade and well above predicted prices, with bidding 'frenzied' among dealers scrambling to replenish stock.

Peter Vaughan, editor of Which Motorhome Magazine, said he 'wasn't surprised' that prices were going up.



by **JAMES BAGGETT**
@CarDealerEd

'It's a combination of people not wanting to holiday abroad, get on a plane or a cruise, and looking for a safe and enjoyable holiday at home.

'Pricing earlier this year was strong as dealers could not get hold of quality used stock and that was even before coronavirus. A number of factors combined then which saw stock dry up and that has got worse now.'

Vaughan said he thinks the biggest firming-up of prices will be in the sub-£25,000 bracket.

'That sort of money is where car buyers and those new to the sector look first,' he explained.

'£25k doesn't get you a lot of motorhome, but comparable to a car it's a lot of money, so it's here that a combination of little stock and a lot of buyers will push prices up.'

Vaughan said most dealers are rushed off their feet 'running around in tiny circles' as they look to juggle huge demand with fewer staff.

Used motorhome dealer Bill Hayes is one of those. He has been selling motorhomes for 45 years in Darlaston and told Car Dealer he sold a month's worth of stock in the first week of June alone.

'There's a lot of pent-up demand, but we had an amazing first week,' he said. 'I'm not surprised. Many are new to the market and we've sold models from £30,000-£60,000.

'The idea of holidaying in a space that you yourself own is definitely reassuring.'

Rory Reid, Auto Trader editor

He also said the sub-£30,000 market was booming, with models in that price bracket 'selling almost immediately'.

'We have just one motorhome for sale that's around the £25,000 mark and it won't last. Even dealers are calling us up wanting to buy it.'

BCA held its first exclusively online caravan and motorhome sale on June 1 and reported that every lot sold – most for far in excess of their expected values.

Nearly 800 trade customers registered to bid during the auction, and activity was 'frenzied' at times.

Among the stars was a 2019-registered Bailey Autograph 79-4 Motorhome, which sold for £45,600 – more than £7,000 above the guide

value. Meanwhile, a 2012-registered Nu Venture Rio Motorhome sold for £24,100 – more than twice the guide value.

Hayes – who says this year has been 'one of the strangest ever' in his 45 years of trading – said he believed the lack of foreign holidays was certainly the reason he's so busy.

'People don't want to fly, they can't take cruises and they're turning to motorhomes instead. I haven't got a crystal ball, but I'm hopeful this could be our best year yet.'

He said the busy June was starting to make up for the loss of two of the busiest months for motor home sales – usually March and April.

Auto Trader surveyed 2,000 users on its website and found 40 per cent were planning a 2020 staycation. It believes caravan holidays could match stays in hotels this year.

Former Top Gear presenter and now Auto Trader editor Rory Reid said: 'Coronavirus has changed the way we live our lives in so many ways, and there's no doubt this will extend to our holidays.

'Many are unlikely to want to quarantine themselves for 14 days after a holiday abroad, so we'll be seeing UK beaches and other hotspots abuzz with British holidaymakers this summer.

'Caravan holidays in particular will shoot through the roof.'

Manufacturers are seeing the boom in interest too. VW told Car Dealer Magazine that requests for quotes on its popular California model were up 250 per cent and Grand California up 100 per cent in April.

250%
increase in requests for quotes on VW Californias

A VW spokesperson told us: 'Web stats show this interest. During lockdown we saw a big increase in web traffic to our California and Grand California pages, so we know people are researching, configuring vehicles and starting to dream about getting out and about.'

Conversion companies are enjoying rising interest too – and tell us the post-lockdown surge comes on top of an already buoyant start to the year.

Adrian Cross, CEO of Hillside Leisure, which

converts VW Transport and Crafter vans, is currently 20 per cent up on sales year on year.

'It helps that the big yellow ball of fire in the sky has been out quite a bit this year, but we are certainly on target to have our best year ever,' he told Car Dealer Magazine.

'Earlier this year at the NEC show we were already tracking ahead of last year. It dipped in March when coronavirus kicked off, but it has rapidly come back. I don't want to tempt fate but things are going very well.'

Cross added that the small number of used models the company does have in stock have seen huge amounts of interest, with many buyers telling him their abandoned holidays abroad have seen them turn to campervans instead.

Auto Trader's research certainly backs that up.

Out of those 2,000 adults surveyed, 22 per cent said a caravan would allow them to avoid busy areas, and 29 per cent said they'd feel more confident of going on holiday during the coronavirus outbreak.

Reid added: 'The idea of holidaying in a space that you yourself own, which you can clean yourself and which won't have been used by others recently is definitely reassuring.' **[CD]**

The road to recovery:

How hey car is helping the industry get back on its feet

Bringing dealers and customers closer together in a Covid world



by **KAREN HILTON**
Chief Commercial Officer

Showrooms shutting for 10 weeks to help combat the coronavirus outbreak plunged the automotive industry into an unprecedented crisis.

Yet while forecourts fell silent for the first time in living memory, activity across the industry didn't cease. And at hey car we've certainly been busy – embarking on an ambitious initiative to help our nationwide network of dealers emerge from lockdown in the strongest position possible.

Our priority was to maintain levels of consumer interest while showrooms were out of bounds. By keeping leads 'warm' we provided dealers with vital breathing space, allowing them to focus on ensuring their physical sites complied with new regulations, safe in the knowledge that when they reopened they could follow up with interested customers.

And we achieved this by leveraging data to drive a programme of product development.

We quizzed website visitors on their intentions. Would those who planned to buy before lockdown return to dealers, or would Covid-19 halt their plans?

We wanted to know what they felt were the barriers to them returning to dealerships and how the industry could help provide vital reassurance.

They told us what they expected to see when showrooms opened again. These included the ability to book specific

appointments with dealers, test-drive alone and view via video before buying contact-free.

At the same time, we also explored what measures dealers expected to put in place ahead of reopening. These included establishing Covid-friendly showrooms with added hygiene and social distance measures, arranging virtual appointments, establishing click-and-collect services and unaccompanied test drives.

This valuable insight informed a string of developments on the website, including greater prominence of listings with videos – so the customers can see more of a car from the comfort of their own home.

And going forward, we have a string of initiatives in the pipeline to bring dealers and customers even closer together, including various strands of CRM activity informing customers that dealers are open again and reassuring them about the safety measures they have put in place.

All of our decision-making has been driven by insight – from both consumers and dealers. We're proud of our swift responses to champion and support our industry colleagues and customers through the global pandemic.

But our hard work is by no means over.

We will continue innovating, putting the customer first and supporting dealers as the industry weathers – and ultimately recovers – from this storm.

Our innovation throughout the coronavirus pandemic



by **VIK BARODIA**
Chief Operating & Product Officer

For a young start-up, the challenge for us at hey car was how to remain visible and relevant when everything had been turned on its head and showrooms had closed.

With demand for cars in steep decline overnight, our competitors had taken different approaches to marketing, but we decided to focus our energy on the immediate. We decided to change our product priorities and pivot how we operated in order to provide the best value to customers and car dealers at this time.

The result has been increased authority and credibility for the hey car brand as the industry emerges out of lockdown.

We added a filter for vehicles with video and, at the request of our dealers, we switched over all call functionality to request a callback so that it was easier for dealers to manage conversations when they could.

We launched 'favourites' to help buyers easily recall cars they may be interested in during their car searches – a function which has been used over 100,000 times to date – driving conversion through better engagement.

We also accelerated our editorial output, specifically around Covid-19 advice for consumers and dealers.

Out of all the new products we added to the site, the 'Register Interest' option had the biggest impact and has been directly responsible for one quarter of our

total leads since then. At the same time, we've seen our opt-in function, which provides a way to bring customers and dealers directly together, surge in popularity – with 14,000 opt-ins since the end of March.

Together, these additions offer improved levels of transparency for customers, increasing their peace of mind and allowing them easier access to the information they require.

It's part of our commitment to increase visibility for dealers so we can support their efforts and act as a true partner to them.

During the 11th week of lockdown at hey car, we saw five record days on the bounce for enquiries and of those, register interest has now reached a constant 20 per cent. Where once we dropped to 36 per cent of pre-Covid levels of enquiry, we are now at 170 per cent.

Dealers have fed back to us that those who have registered interest have been added to their CRM database, while many have had at least a connected conversation and some have even put deposits down on cars ready for collection in a few weeks' time.

It has been great to hear from dealers how hey car has increasingly become a more relevant channel for them during this period. It's a testament to our hard work and innovation to hear this and gives us so much confidence that we've got a robust platform, backed by a brilliant team across the board.

Preserving and growing workplace culture during the pandemic



by **MAT MOAKES**
Chief Executive Officer

Starting and growing a brand-new entrant into the automotive industry leads you to think of many 'what ifs?' that suddenly occur to you in the middle of the night on a random Tuesday. However, it's safe to say that no one had 'global pandemic that shuts down the industry' on their business start-up bingo card.

We had worked so hard at hey car for eight months to begin to establish ourselves and get a real foothold in the industry – only for Covid-19 to stop us in our tracks.

While the leadership team brilliantly and swiftly pivoted to address the short-term problems with new ways of working and new products that suited the needs of consumers and dealerships in lockdown, I was most keen that this enormous forced change didn't alter the business in a longer-term way.

What I mean by this is that I was desperate to keep the band together – the team we had built up since launch in August 2019 and the culture we had developed so well.

Nothing was the same, so mindsets had to change and aspects of our culture had to adapt to fit into the circumstances we were now in. The power of our business culture, of being agile and open, a high-challenge and high-support environment, was built on so much open face-to-face interaction. Now, we had to maintain this in a remote setting, empowering people to continue to deliver amazing work while their interactions were reduced to seeing one another as a face on a laptop screen.

To begin with, there were simple

communications to the team about maintaining the right work-life balance in their new work-from-home environment and having a flexible, heightened awareness of people's different needs and challenges at this time.

We also needed to make sure as many opportunities for interaction were still possible each week remotely. I made weekly videos rounding up our latest internal news that I tried to keep light and fun to engage everyone. Staff socials were put in the calendar on an increased basis, colleagues were encouraged to 'drop in' on one another for chats and smaller teams to have as much face time as possible with each other. The same need to maintain face-to-face contact was vital for those who managed any external partners, too.

The result of this conscious effort to keep the entire team focused, motivated and encouraged is that we are coming out of lockdown in incredible shape.

Often the pace that the world changed at was quicker than we were able to keep up with, but throughout we stayed close to dealer partners and to consumers to understand their mindsets and what they were looking for in the 'new normal'.

It's no exaggeration to say that hey car has led the pace for change within the industry at a time when many of our competitors have gone silent.

The hey car team is together, strong and on the front foot. We will continue supporting each other, innovating, putting the customer first and helping our dealers through this difficult time.

Dealer news

New world for Trevor Finn and war chest of investment cash



FORMER Pendragon CEO Trevor Finn has built a war chest of investment cash to help digital automotive businesses get off the ground – and he’s on the hunt for opportunities.

Finn has registered the company New World Automotive and already has people on the books helping him with a number of projects.

Speaking exclusively to Car Dealer Magazine, Finn said he had lined up investors from ‘all over the world’ keen to put cash into automotive businesses in the UK.

He told Car Dealer: ‘I absolutely want to be buying and selling used cars. It is a big market and there is space to do things differently.’

Seventeen jobs lost as Pentagon to close Doncaster dealership



SEVENTEEN people are losing their jobs after the Pentagon Motor Group said it was being forced to shut its Alfa Romeo and Jeep dealership in Doncaster because of the pandemic.

David Lewis, managing director of Pentagon Motor Group, said: ‘We regret closing our Alfa Romeo and Jeep business in Doncaster, but faced with the recent challenge of the coronavirus lockdown and the future market forecast for new cars, the site is no longer viable.’

The Wheatley Hall Road site is due to close on June 30.

Image: Google Street View



Exclusive: Scottish dealers express frustration at lack of clear guidance for reopening on June 29

CAR dealers in Scotland have expressed their frustration at the lack of clarity over the news that showrooms can reopen on June 29.

Volvo dealer and twice-British Touring Car champion John Cleland was expecting to reopen on June 19 to take advantage of weekend trade.

But as of the afternoon of June 18, he had received no clarity on whether his dealership – Clelands, in Galashiels – could open on June 19 or even June 29.

He said: ‘It’s madness that garden centres have already been allowed to reopen and yet car dealerships up to 800 square metres can’t – showrooms are more spacious than garden centres!’

He also called for a 100 per cent relief on business rates from March 23 to a month after June 29 to help struggling showrooms.

Cleland’s frustration was shared by Jim Reid of Jim Reid Vehicle Sales, based in Kintore, Inverurie.

‘It’s an absolute disgrace,’ he told us. ‘We haven’t officially been told yet we can open and the guidance from the Scottish government hasn’t been clear. ‘We are ready to go and yet we have to wait. ‘Restrictions ease on June 19 allowing single-person households to meet up with one other household, yet dealerships have to remain shut until the 29th. Why would you have a phased phase two?’

Contactless car sales are seen as key to the industry’s future



CONTACTLESS car buying is the future for the industry.

That’s according to The Car Buying Group, which says it has seen tens of thousands of people looking to sell their car since it started trading again.

Chief executive Tom Marley said its success was down to its contactless car buying method, and with the industry having taken a hit during the pandemic, he added that contactless was the way forward.

‘We’re confident that consumers prefer the contactless approach, and this is likely to be how future car-buying sales will look.’

Marshall’s hilarious coronavirus-themed Queen cover



STAFF at Marshall Motor Group have come together for a special coronavirus-inspired rendition of Queen’s Bohemian Rhapsody.

The dealer group’s HR team filmed themselves singing the famous six-minute track first released in 1975 then cleverly pieced it together with neat graphics.

It was sung by Liam Harkin, Rachel Jones, Marisa Parfitt, Katie Williams, Jo Moxon and many others from the HR team. Lyrics include: ‘If I’m not back again this time tomorrow/carry on, carry on/I’ve probably just been furloughed.’

Click on the image to watch.

Dealerships in Wales given go-ahead to reopen from June 22

CAR dealerships in Wales have been given the go-ahead to reopen on June 22.

First minister Mark Drakeford gave the green light on June 19 as part of an announcement by the Welsh government of further steps to unlock Wales following the coronavirus pandemic.

As of June 22, non-essential retail businesses – which the Welsh government press office confirmed to Car Dealer Magazine includes car dealerships – will be allowed to trade again so long as they take all reasonable measures to follow social distancing to reduce the spread of coronavirus and protect workers and shoppers. However, the legal requirement for shoppers to remain local is staying in place, which the government says as a rule of thumb generally means not travelling more than five miles from home.

Electric cars to get green number plates from this autumn



GREEN number plates are set to be rolled out from autumn under plans to encourage drivers to make the switch to electric.

The new plates are designed to make it easier for zero-emissions cars to be identified by drivers and for local authorities to design and put in place new policies to encourage people to own EVs. These could be free parking and access to zero-emission zones.

The plates will be identifiable by a green flash at the start of the registration and will be available for zero-emission vehicles only.

Transport secretary Grant Shapps said: ‘Green number plates could unlock a number of incentives for drivers and increase awareness of cleaner vehicles on our roads.’

Virtual Showroom takes PSA cars into customers’ homes



VAUXHALL, Peugeot, Citroen and DS cars can now be viewed in customers’ homes via Groupe PSA’s new Virtual Showroom.

People are taken on exclusive live tours of the latest models via their smartphone, tablet or computer, plus they can ask brand specialists questions, book test drives and buy vehicles while at home.

Groupe PSA said it had launched the digital programme in response to consumers’ concerns about visiting retailers in the pandemic.

The online portal guides them through the whole buying process, as well as arranging finance.

Once the vehicle is bought, they can have a remote handover at their home or they can click-and-collect from a retailer.

Russia’s biggest car dealer could swoop on troubled Lookers



ONE of the biggest car dealers in Russia has revealed he is on the hunt for a European dealer group.

Sergey Petrov, founder of the Rolf Group, which commands a five per cent market share in Russia with a turnover of \$3.7bn, has said he is on the acquisition trail.

In an exclusive interview with Auto Express, Petrov said he was looking to buy a group in western Europe or form a partnership.

Troubled dealer group Lookers could be one target, as could Pendragon, having actively looked for partnerships with other dealers.

Petrov said: ‘I’m looking at how to expand our business to maybe part of Europe.’

‘Luckily, the seat trim was so vile and abstract in a way only the French could muster that you couldn’t tell whether it was stained or not, which was a massive help when it came to resale’

Big Mike, p36

Lookers to close dealers and cut 1,500 jobs

LOOKERS is set to axe 12 more dealerships and 1,500 jobs as it looks to reduce costs by £50m a year – and it has revealed its internal fraud investigation is nearing completion.

In an update to the stock market this month, the company said trading had resumed at lower than normal levels as it looked to cut 20 per cent of its workforce.

Lookers identified 15 dealerships for closure last year and has now lined up a further 12 to either close, consolidate or rebrand.

Currently, Lookers employs 8,100 people and these cuts could see on average 12 staff lost from each dealership.

In the statement Lookers said: ‘The board has carefully considered all options and regrettably considers this action as being necessary in the current environment to sustain and protect the Lookers business over the long term.’

Grant Thornton’s investigation into potential fraudulent activity, meanwhile, is ‘nearing completion’.



Small business directors are spending Bounce Back Loan cash on new luxury cars, say dealers

GROWING numbers of small business owners are using Bounce Back Loans designed to keep companies afloat to buy themselves luxury supercars.

Car Dealer Magazine has spoken to a range of leading supercar dealers across the UK and found that business has boomed since the government began handing out cash to company owners.

Saba Amari, of Amari Supercars, said they’d seen an increasing number of company directors using the Bounce Back Loans to fund new supercar purchases.

‘We absolutely have had customers who say they are using the Bounce Back Loan money to boost their deposits for supercar purchases, but we have always advised them responsibly and suggested this is not the right thing to do with a government-backed loan,’ she told Car Dealer Magazine.

Andrew North, director of Alexanders Prestige, confirmed he’d sold cars to clients who had used Bounce Back Loan cash to fund part of the deals, and said he believed some businessmen had even used dormant companies to raise cash at low rates.

‘A bit crazy isn’t it? But I guess any extra liquidity in the market at this current time is a good thing no matter where it comes from,’ he told us.

Business news

Bank of England pumps another £100bn into the economy in wake of pandemic



THE Bank of England has agreed to increase its economy-boosting action by £100bn – even though the impact of the coronavirus crisis could be less severe than initially feared.

Its monetary policy committee voted eight to one to expand the quantitative easing (QE) programme to £745bn, on top of the extra £200bn that was announced in March.

However, the Bank said the drop in gross domestic product (GDP) between April and June may not be as bad as feared, thanks in part to a recovery in consumer spending and the housing market. It now believes the second-quarter plunge in GDP may be around 20 per cent compared with October to December 2019, rather than the 27 per cent originally forecast.

Record drop in fuel prices in May helps UK inflation fall to lowest level in four years



A RECORD drop in fuel prices helped UK inflation fall to its lowest level in four years in May, official figures have shown.

The Office for National Statistics (ONS) said the rate of consumer price index inflation fell to 0.5 per cent in May from 0.8 per cent in April – the lowest since June 2016.

Fuel prices plunged by 16.7 per cent in May – the biggest drop on record – while energy costs sank by seven per cent and clothing and footwear price tags fell by 3.1 per cent, with retailers resorting to heavy discounts.

Jonathan Athow, ONS deputy national statistician for economic statistics, said: 'The growth in consumer prices again slowed to the lowest annual rate in four years. The cost of games and toys fell back from last month's rises, while there was a continued drop in prices at the pump in May, following the huge crude price falls seen in recent months.'

Less than half of companies topped up furlough pay in last fortnight of May



LESS than half of firms with furloughed staff have been paying the difference above the 80 per cent that the scheme guarantees workers.

The Office for National Statistics found that in the last two weeks of May just 42 per cent of businesses said they'd made up the shortfall, despite 79 per cent of them trading for most of the month.

Between May 18 and 31, five per cent of companies had resumed trading, with another five per cent saying they intended to start again during June.

Some 30 per cent of the workforce was on the Coronavirus Job Retention Scheme, it found, corresponding with similar data from the government.

The Treasury said that 9.1 million jobs were covered by the scheme, which is expected to have cost around £60bn by the time it ends in October.

Jaguar Land Rover ramps up efficiency plans as it blames Covid-19 for £422m annual loss



JAGUAR Land Rover has blamed Covid-19 for a £422m loss in the year to March and has fast-tracked cost-efficiency plans including job losses.

Britain's biggest car maker lost £422m before tax in the year to March, and although JLR posted profits in quarters two and three, it finished quarter four with a £500m pre-tax loss.

Fourth-quarter retail sales were 109,869 units – down 30.9 per cent year on year – while full-year sales were down 12.1 per cent year on year.

JLR put the losses down to the Covid-19 pandemic, which saw its factories in the UK and around the world temporarily closed.

Publishing the results, JLR CEO Sir Ralf Speth said: 'In such uncertain times, I remain convinced that Jaguar Land Rover's focus on its people, its innovative products and its Destination Zero mission will remain the key to navigating out of this global crisis effectively.'



Scrappage scheme 'unlikely' despite calls from trade bodies for support

A SCRAPPAGE scheme to boost car sales is 'unlikely' say government ministers despite more trade bodies increasing calls for industry support.

A scrappage scheme similar to that put in place in France and Germany was understood to have been planned to give car buyers up to £6,000 off a hybrid or electric car.

Government sources briefed the Telegraph that a scheme was being considered, but now reports have emerged in the Financial Times that one isn't likely.

Four senior officials have told the FT that although the Treasury has considered a scheme that would boost sales by incentivising buyers to scrap older, more-polluting models, that is now skidding off course.

Behind closed doors, there are said to be worries a scrappage scheme would boost overseas manufacturers more than those at home.

The previous scheme in 2009 boosted demand for lower-cost cars, with makers such as Hyundai seeing the most benefit.

Nissan Sunderland temporary staff are dealt contracts blow

NISSAN has said the contracts of nearly 250 temporary workers at its Sunderland plant won't be extended.

Production had only just resumed at the Wearside factory, but the manufacturer has subsequently said it is facing a period of reduced volumes and 248 temporary workers who were furloughed won't be returning.

In a statement it said: 'Nissan continually adjusts production to meet market demand. Given current business conditions in Europe, we are facing a period of reduced volumes in our Sunderland plant.'

'Unfortunately, therefore, we will not be extending the contracts of 248 temporary manufacturing staff.'

Ellesmere Port plant will remain shut until at least September

VAUXHALL'S Ellesmere Port plant – which builds the Astra – will not reopen until at least September.

Parent company PSA Groupe has told the Telegraph that the extended closure was down to 'the commercial situation of the Astra'.

It has thrown into doubt the future of the plant that last produced cars in March. By September, the plant will have been mothballed for six months.

Vauxhall hopes to redeploy up to 250 Ellesmere Port employees to its van factory in Luton to meet demand, which it says is now back to normal levels.

The extra staff are needed to maintain output as social distancing measures have reduced productivity.

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First Response
take care of your finance

Supplier news

Auto Trader launches home delivery option for dealers



AUTO Trader has brought in a home delivery option as part of its Vehicle Moves platform. Dealers can now deliver directly to car buyers' homes, with Auto Trader calculating that could save them £31 per move on average. It added that it had launched the option to help dealers adapt to the changing retail landscape, and comes as a survey of 300 people by Auto Trader highlighted that 37 per cent of car buyers said they'd be unlikely or very unlikely to visit a dealership in person. Delivery jobs are bid on by more than 300 suppliers, boasting some 600 vehicle transporters and 1,600 drivers between them.

Dealers must plan in case of second Covid-19 wave



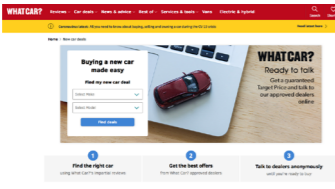
DEALERS need to have a second-wave plan in case of a major re-emergence of coronavirus this year. That's according to James Tew, chief executive of online motor retail technology specialist iVendi. 'We've all seen the warnings from experts of the likelihood of a second wave,' said Tew. 'There are a variety of scenarios that could emerge and it makes sense for managers to run through what they might do in each. 'Certainly, we would advise all dealers as a minimum to ensure that they now have a click-and-collect option in place.'



Used car searches in June surge past pre-lockdown levels, says AA Cars

USED car searches were higher in the first week of June than before lockdown, AA Cars data reveals. Searches on the AA Cars website in the first week of June rose by 9.1 per cent compared with the first week of March. That was before any social distancing measures were implemented, prompting AA Cars to suggest that interest in used cars had sprung back to pre-pandemic levels. Searches in the first week of June were also 163.2 per cent greater than in April, when lockdown restrictions were tightest. 'Ford Fiesta' was the most searched-for term on AA Cars in June, followed by 'Mini' and 'Mercedes'. Interest in electric cars has returned to pre-lockdown levels, says the firm. 'Electric' was the fourth most popular search term in June, but it didn't appear at all in searches in April and May.

Huge leap in people looking to buy new, says What Car?



FRESH research has shown a surge in consumers looking into buying a new car – with 135 per cent more in-market buyers searching for deals than at the start of lockdown. That's what emerged from a What Car? survey of more than 10,000 people for its latest Weekly Insight report (Jun 17), with new car review page views up by 139 per cent over the same period. Those looking to buy an electric car went down from eight per cent to 6.5 per cent though, while 18 per cent said they were more inclined to buy a hybrid now than before the pandemic.

New auction feature means simple and safe sales



CAR & Classic has launched an online auction feature that not only makes selling vehicles simpler than ever for enthusiasts, it's also safe for both sides throughout. Car & Classic Auction has an escrow payment function that holds funds in a secure third-party account until buyer and seller are happy with the sale. For sellers, this cuts the risk of no-shows after the auction. Listings are free, while sellers are only charged five per cent of the sale price – inclusive of VAT – making it the cheapest online auction of its kind.

Consumers splash out on used sports and luxury cars



MOTORISTS treated themselves to used sports and luxury cars as they emerged from the 10-week pandemic lockdown period. That's according to the latest Market Watch insights report from Indicata UK, which said consumers seemed intent on having some motoring fun, using the money they had saved from cancelled holidays and lower family costs to invest in used luxury or sports cars. Indicata UK's Neil Gilligan said: 'Our insights clearly show that sales in the luxury and sports car sectors were most prominent across the used cars sold in May.'

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FIRST DRIVE

Porsche Taycan Turbo S

Porsche’s Tesla Model S rival is here. Should Elon Musk’s company be worried? Darren Cassey finds out

What is it?

It’s a pretty big deal, that’s what. The Taycan is Porsche’s first electric vehicle and the car that’s finally giving Tesla something to worry about. The German car maker reckons its American rival isn’t really a rival at all because they have a different ethos – but for now, they’re the only electric executive cars about. (The Taycan is considerably more expensive, though.) It’s also a big deal because when Porsche tries something new it tends to succeed. When it launched the Cayenne, the idea of a premium sports car maker doing an SUV was madness. Now it’s the firm’s best-selling model. So with the Taycan in the UK for the first time, we took the Turbo S – the top-spec, top-performance version – on a mix of motorway miles and winding country roads to see if it has that special Porsche something, or that – hang on, what’s the German for ‘je ne sais quoi’?

What’s new?

This isn’t just Porsche’s first electric vehicle – it’s been designed to be an electric vehicle from the ground up. So there’s no cramming of batteries and electric motors into engine bays; instead, the powertrain has been integrated into the body to give a low and sleek silhouette, while the batteries being under the floor helps give the Taycan the lowest centre of gravity of any Porsche. It is also the first production vehicle from any car maker to use an 800-volt system – twice the typical amount for an EV, which has benefits at the charging pump. Using a DC fast charger, you can add up to 60 miles of range in just five minutes, Porsche reckons, while charging from zero to 80 per cent of the battery’s capacity takes about 22 minutes in ideal conditions. With peak charging power of 270kW and a maximum battery capacity of 93.4kWh, range anxiety is surely a buzz phrase of the past.

What’s under the bonnet?

Performance comes from a pair of electric motors, one on each axle providing all-wheel drive, with a two-speed gearbox on the rear and a single-speed on the front. It’s full of clever innovations that are too complex to explain in one paragraph, but the result is 616bhp in normal driving with up to 750bhp available in Launch Control mode, while

maximum torque is 1,050 Nm. Zero to 60mph will come up in 2.6 seconds and the top speed is 161mph. Those are incredible numbers, and they have an incredible effect on your body. Most EVs use a single-speed gearbox, but that two-speed gearbox on the rear axle means the Taycan has an acceleration gear to maximise its acceleration potential. Plant your foot on the accelerator from a standstill and you’re violently punched back into the seat as the car launches forward, the sustained g-force leaving you feeling light-headed and a little nauseous at first.

It’s intoxicating and you can’t help but laugh out loud... once you’ve pulled yourself away from the backrest, that is.

What’s it like to drive?

Refinement is the key word here. From the moment you set off in silence it’s clear Porsche has worked hard to give you a feeling of quiet solidity – there are no squeaks or rattles in the cabin unmasked by the silent powertrain. The control weights are perfectly judged between being light enough that you could drive it daily but offering enough feedback that

they give you confidence when pushing on. The steering is a particular highlight. There are five drive modes: Normal, Sport, Sport Plus, Individual and Wet. You’ll spend most of your time in normal, where it’s still silly fast but silent. Sport adds a little more electric whine, while Sport Plus unleashes maximum power and provides a sci-fi movie soundtrack that adds an aural sense of entering warp speed as well as a physical one. Aside from the gut-wrenching acceleration, it’s the way the Taycan feels small and nimble on a country road that delights. We tested this the same day as a 911 Turbo S, and where that felt like an intimidatingly big, blunt instrument with which to pummel roads into submission, the four-door saloon felt lithe and nimble and surprisingly at home bombing between the hedgerows. Out on the motorway? It’s perfectly Porsche. The ride is exquisite, there’s hardly any road noise, and you could imagine spending hours behind the wheel without so much as a grumble from car or driver.

How does it look?

When Porsche first revealed the Mission E, the concept car that previewed the Taycan, its coupe-

Charging

Depending on the charger, Taycan can charge at up to 270kW, five times faster than EVs such as the Nissan Leaf.

Powertrain

Taycan gets two motors and two gearboxes: single-speed at the front, and two-speed at the rear.

Looks

Taycan stays true to the Mission E concept car, with its low-slung, coupe-like appearance.

THE KNOWLEDGE

Model:	Porsche Taycan Turbo S
Price (as tested):	£138,826
Engine:	Twin electric motors
Power:	Up to 750bhp
Torque:	1,050Nm
Max speed:	161mph
0-60mph:	2.6 seconds
MPG:	N/A
Emissions (CO ₂):	0g/km

TARGET BUYERS:

Those looking for the ultimate performance saloon that just happens to be electric

THE RIVALS:

Tesla Model S, BMW M5, Mercedes E63 AMG.

KEY SELLING POINTS:

- 1. Impossibly quick acceleration.
- 2. Super-fast charging system.
- 3. Famous Porsche build quality and luxurious interior.

DEAL CLINCHER:

The fastest and most luxurious EV on the market right now.

amount of space, although headroom isn’t huge on account of the sloping roofline. However, the lower screen in the centre console, which has the climate control plus shortcuts for options such as satellite navigation and audio, looks a bit sparse, with lots of unused screen space. Meanwhile, the graphics used throughout are dark and basic. Furthermore, the standard steering wheel felt at odds with the car. It’s thin-rimmed and wrapped in an Alcantara-like Race-Tex material, feeling more like something out of a track-ready sports car. For our money, it would be better to opt for the optional leather version, although this does require the fantastic Race-Tex sports seats to be switched for leather too – so bear that in mind.

What’s the spec like?

While the ‘entry-level’ 4S starts at £83,367 and the Turbo starts at £115,858, we’ve been testing the Turbo S, which starts at £138,826. Our test car had a few choice options that took it over £150k. This is a six-figure car, but fortunately Porsche has given it a six-figure spec list. Standard equipment on the Turbo S includes adaptive air suspension, 21-inch ‘Mission E Design’ alloy wheels, carbon exterior inserts, LED matrix

headlights, two-zone climate control, parking pre-climatisation and battery pre-conditioning, adaptive sports seats, heated front and rear seats and various safety systems. What do the press think? Car Magazine said: ‘The Taycan is an incredible technical achievement. It does the things we all enjoy about driving – accelerating, braking, going around corners – with supreme alacrity, and features a massive well of capability largely untapped by normal driving.’ What do we think? Let’s be frank, at the best part of £140,000, the Taycan Turbo S is not a car you buy with any sort of consideration for your bank account’s wellbeing. Even the base model is a good few grand more than an equivalent Tesla Model S. However, if the best is all that will do, then this electric Porsche is all that will do. It looks like a spaceship, sounds like a spaceship and accelerates like one, too. It handles like a sports car but emits no harmful gases, and you can fit three of your mates and their luggage inside to boot. If you can look past the price, there really are few downsides.

HOT STUFF

Hyundai
i30N

Volkswagen
Golf GTI TCR

Ford
Focus ST

Honda
Civic Type R

With increasingly tight emissions regulations and spiralling developing costs, are the days of the hot hatch numbered?
Not at all! We put four of the latest models to the test...



‘The Civic Type R may be the old-timer of the group, but it doesn’t need to be put out to pasture just yet.’

Going by the motoring news, you’d think that manufacturers were only interested in SUVs and electric cars. Of course, it’s easy to understand why there’s such a penchant for these types of cars, and people were snapping them up across the country thick and fast before sales slumped because of the lockdown, while interest in battery-powered cars has been ever-increasing.

But that’s not to say traditionally popular types of vehicle such as the hot hatch are history – far from it. In fact, some exceptionally good models have hit the scene to take on long-standing rivals, and we put four examples to the test before the pandemic struck. Up first, the Ford Focus ST. One of the latest arrivals, it reclaims an iconic name that has long been held in high esteem by motoring enthusiasts. This latest one, with more power than before and featuring some clever chassis tech, is a serious competitor.



by **DARREN CASSEY**
@darrencassey

Honda’s Civic Type R may be the old-timer of the group, but this is one hot hatch that doesn’t need to be put out to pasture just yet. It remains one of the very sharpest in the business, while those wild looks epitomise what people think of when they imagine hot hatches.

Up next is Hyundai’s i30N. Many laughed at the thought of the South Korean brand creating a Golf GTI competitor, but when the design entered reality people stopped laughing and took notice. We’ll see how the N gets on in this competition.

Focus gets fast-Ford-favourite Recaro seats



And finally, there’s the Volkswagen Golf GTI TCR. Technically the ‘old’ Golf now, since the new Mk 8 has arrived, the TCR is a last-hurrah in celebration of the Mk 7.5 GTI. Taking inspiration from the firm’s involvement in motorsport, it’s packed with dynamic features. But can it cope here? That’s what we’re finding out.

The tight, winding roads of south Wales are perfectly matched to the cars. The Hyundai i30N feels particularly alive; we’ve got the Performance Pack version, which means 271bhp from a 2.0-litre turbocharged petrol engine is fired to the front wheels, while a sports exhaust means the accompanying soundtrack is noticeably fruity. It’s one of the most anti-social-sounding cars here, in fact.

In contrast, the GTI TCR is more muted. Volkswagen’s performance Golf has always been an understated affair and, despite its black decals and look-at-me red paint, it’s largely the same here. The exhaust note can’t match the i30N’s



THE KNOWLEDGE

FORD FOCUS ST

Price (from):	£32,510
Engine:	2.3-litre petrol turbo
Power:	276bhp
Torque:	420Nm
Max speed:	155mph
0-60mph:	5.7 seconds
MPG:	34.4
Emissions (CO ₂):	179g/km

HONDA CIVIC TYPE R

Price (from):	£32,320
Engine:	2.0-litre petrol turbo
Power:	315bhp
Torque:	400Nm
Max speed:	169mph
0-60mph:	5.8 seconds
MPG:	33.2
Emissions (CO ₂):	178g/km

HYUNDAI i30N PERFORMANCE

Price (from):	£29,810
Engine:	2.0-litre petrol turbo
Power:	271bhp
Torque:	353Nm
Max speed:	155mph
0-60mph:	6.1 seconds
MPG:	34.0
Emissions (CO ₂):	188g/km

VW GOLF GTI TCR

Price (from):	£34,135
Engine:	2.0-litre petrol turbo
Power:	286bhp
Torque:	280Nm
Max speed:	155mph
0-60mph:	5.6 seconds
MPG:	36.7
Emissions (CO ₂):	177g/km

for character, but thanks to 286bhp from the Golf’s 2.0-litre turbocharged petrol it can out-punch in terms of outright power. It’s electric to drive in the dry and – in typical fashion – when the Welsh roads turn wet it’s downright amazing.

But then so is the Focus ST. Wherever the Hyundai and Golf go, the plucky Ford is right behind, snapping at their heels and urging them to go faster. We’ve got more engine capacity than the others here – up to 2.3 litres – and effectively a detuned version of the unit packed into the previous-generation Focus RS. Yet outright power clips in underneath both the Hyundai and the Volkswagen at 276bhp. However, a clever differential and grippy tyres mean that, even in the wet, the Focus ST is an absolute riot.

But when it comes to connection, the Type R and the i30N are top of the list. Both feature a snappy gearshift (the Honda edges it in this department) and both have a genuine sense of connection between driver and machine – as corny as that sounds.

The 2.0-litre petrol in the Honda feels beyond

punchy, singing to the rev line and longing to be held in a gear for as much time as possible.

The Hyundai matches it for engine capacity, although its 271 horses lag somewhat behind the Type R’s 315.

We’d argue that the Hyundai sounds the better of the two here, with an exhaust note that never fails to raise a smile. The crackles and pops it gives out are as childish as you like, but for a car such as this they’re on the money.

An outright winner? Now that’s a tricky thing. In truth, you wouldn’t be upset with the keys to any of the cars here – the Golf is arguably the best day-to-day hot hatch, while the Civic and i30N both feel the most focused of the bunch. But if you want a combination of all of those things, then it’s got to be the Ford.

The Focus manages to be useable, approachable and practical too, yet when the mood takes, it can switch into all-out attack mode at a moment’s notice. It’s very accomplished, not just in terms of hot hatches but performance cars in general. Well done, Ford. [CO]



What way to go with a warranty?

So I'm the new kid in town finding my feet and learning what works and what doesn't, what's legal and what isn't. When it comes to customer warranties, what's the best option?

I know I don't have to supply a warranty, but what is the benefit if I do? Is it just peace of mind for the customer? Will a warranty realistically pay out for things which should be covered under the CRA2015 as if it's fair wear and tear it won't be covered and I'll have them screaming down the phone at me? Or does it set a false safety bubble for the customer? I just don't want to waste money if I supply a three- or six-month warranty only to have to pay out for claims because they aren't covered.

I know another option is the self administered route as offered by Lawgistics. As a new trader would this be the right way to go from the start? Set up an initial warranty pot of £1,000 and add £100 for each car sold? Realistically, it sounds like a good option but it would be nice to get some feedback from the guys who have gone down this route. Doing this, does it mean I can potentially deal with a claim that would have been covered by the CRA2015 as a warranty claim? Meaning I still have my one opportunity to rectify any future issues?

I could initially try the paid warranty route and see how it goes when a claim arises. If self-administered is going to save me money in the long run then maybe that's the way to start?

Feel free to tell me I'm an idiot if I've missed something obvious!

JobDone

Picture of the month



With the team successfully working from home, the time has come for us to vacate Car Dealer Towers for a few months. As part of the pack-down process, however, our head of video Nigel Swan seemed just a tad suspicious as he 'helped' one of our flat-screen TVs off the wall. (Sorry, Nige...)

A very broad question to answer, as a lot of dealers do things totally different. Many factors differ, from how far away do you sell your cars, locally or nationally? Do you have a great support network like a mechanic, spark, general all-rounder etc?

Return-to-base cover like we offer is great if you're selling locally and someone has an ABS light come on, for example. We can have it fixed and back with them normally within 24 hours, often the same day, then fixing faults becomes

almost a secondary advert for your business when their mate down the road is still fighting with the big supermarket to even look at their car fault.

For us, everything is in-house. We control the fix, we control the parts spend and nip any issues in the bud straight away before a snowball turns into an avalanche, as these things often end up doing.

You don't have to have your own technician in-house. You can do as we did at first and have a local mobile guy come and look at faults.

Justina3

Customers expect some form of warranty for sure. It's a question they will ask you every time.

Depends on the approach to warranty and how it's explained. We all have to admit that when someone sells a used car and we buy it to resell there is going to be a problem of some sorts to fix before we sell it. So our rule here is FIX it before it's sold. We don't get warranty claims then. Life at that point is easier.

Self-administered is the way to go from a cost point of view and it helps you remain in control, but you have to know how to handle the situation when or if it arises. A third-party warranty will say no to just about everything and then the call comes back to you anyway. Hard choices though because unless you have a workshop it's expensive all way round. Golden three secrets: prep, prep, prep before sale.

David Horgan

Top tweets

As dealerships begin to open, customers have been trickling back in, slowly but surely.

Here's what people have been saying on Twitter...



@beaton_bruce

Still closed in Scotland! Contacts tell me they want to buy cars from a mix of end of contract and a fear of public transport. Pent-up demand from people who just want to treat themselves #noholidays #moresavings



@FamousAfroJay

I've had a big uptake all the way through lockdown.



@MOKrasa

Bit of action but not enough to pay wages etc this month if it carries on....



@MarshallGroup

WE ARE OPEN. (Marshall #Volvo #WelwynGardenCity).



CORONAVIRUS

We must keep smiling – and main dealers need to auction part-exes

We had a van MOT today and the guys there do MOTs for a local VW main dealer. He said the VW dealer has opened but is running on a skeleton staff...only one person per department: one in sales, one in the workshop and one in the office. Not sure if buying a brand-new car is the top of people's priorities at the moment and there's probably some heavy discounting on the way.

Nevillec

Why not? A lot of families have had their holidays cancelled, have been sitting at home on full or nearly full pay and not been out spending. I can't remember who said it from one of James's excellent podcasts: 'For every possible negative there is a flip side positive'. I like that thinking – makes you feel upbeat. When you're feeling upbeat you make things happen in business.

Justina3

Good point, Justina3. Personally we have had lots more inquiries in the last week. Spoke to our warranty rep today and he said business is picking up, which is a good sign. He has about 60 accounts/dealers on his books.

Nevillec

Agree. Most franchises I deal with are upbeat. The trouble, is they will struggle to supply what they sell, already slow new lead times getting worse due to problems elsewhere. A lot of these customers will get talked into late used cars and no doubt this will increase the scramble for stock. I expect franchises to start keeping swappers and retailing brands other than their own, and possibly extending the age of these too. Don't expect a nice choice of cars to buy at auction this summer...

awc1000

Chaps, I meant let's keep smiling. No one wants to talk to a salesman who is on a cliff's edge. I never said it was going to be easy.

Justina3

Main dealers need to open up for us independent used car and van dealers (if I can say, not being greedy). We need them to get their part-exchanges into auctions so there can be some fresh stock, as we are soon going to run out of quality stock. They can easily run these large franchises or supermarkets – just need to control it a bit better and serve people by appointment to limit customers in their showrooms, not reduce staff too low.

A&S

How are you spending your Bounce Back Loan?

So, who's taken advantage? We will be going for the full £50k. We have a plan to do something with it that will hopefully help expand the business into the camper rental market. First 12 months with no repayments and 2.5 per cent after that, it seemed rude not to. Worst-case scenario, if it doesn't work we pay the money back.

MrC

A bargain and good news if you need it, and cheaper than a stocking loan. The downside to retailers being the inevitable price increase at the block with what will surely be an influx of extra funded buyers. It's been quite funny seeing the amount of trade asking for and being offered lumpy cars and quality watches on the better Facebook trade group page!

Awc1000

Camper rentals is something I have wanted to do for a while. £50k only gets us two kitted-out vans and insurance for a year.

MrC

Go for it MrC. I once rented a pitch off a guy who was retiring. He had a camper van hire business which he had built up over the years. He had about 50 of them, owned the pitch and a small block of flats... in central London!

Trade vet

Good idea. I would get a few people who are outdoorsy via Instagram and offer them a free weekend/midweek deal in exchange for promotion like maybe SAS: Who Dares Wins contestants or such like (even better if the celeb version will do for free) – the bookings will fly in.

Rory RSC

CAR SALES MEMES

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



When you go back to work, but all your colleagues are still on furlough



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

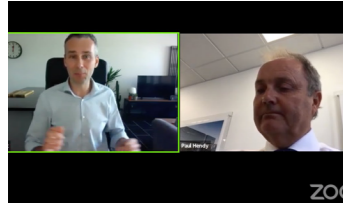
More and more of our readers are joining the debate – and it couldn't be

easier to get involved! Sign up to our forum at CarDealerMagazine.co.uk/forum

Car Dealer Magazine reserves the right to edit comments

Industry views

Our staff have been incredible through the lockdown



HENDY Group owner Paul Hendy praised his team on Car Dealer Live, saying: 'They've been brilliant, they've been amazing, and worked incredibly hard to put us in as good a position as we possibly could be as we seek to now emerge from hibernation.'

During the period, it has had four workshops open looking after NHS and care workers, predominantly around commercial vehicles.

It also ramped up online activity, particularly with used cars and commercial vehicles, taking a number of reservations and deposits and starting to do home deliveries within the previous two to three weeks, now managing 30 a day.

Physical dealerships remain a 'vital link' as sales go online



CHAIRMAN of SsangYong UK Jim Tyrrell said he was 'famously sceptical' of online car retailing but believes a hybrid process is likely to become the norm.

He said: 'I still think dealers are a vital link in this equation and I don't see, certainly for us, any potential that we will move away from the traditional route of dealers selling the cars.'

Managing director of the brand in the UK Nick Laird added: 'There's a full range of solutions out there and I do expect them to accelerate but I don't expect them to become the dominant part of the market.'



'I'm sorry, no disrespect ... There are other dealers and there's Tom Hartley'

TOM Hartley, the supercar dealer who has recently released a book on his life, revealed how he manages his day and the secrets to success on Car Dealer Live.

Although he respected rivals, he stated: 'I'm sorry, no disrespect ... There are other dealers and there's Tom Hartley.' A typical day starts at 6.30am, making a cup of coffee for his wife and himself, checking emails at 7am then straight into the showroom at 8am to await the sales manager and go through the

plan for the day. However, when we chatted to Tom, he'd been emailing the Far East at 4am.

And as he told interviewer James Baggott, there's no real structure otherwise – he had no idea where he might be or what he might be doing at 2pm or 3pm.

'Whatever presents itself in the world or the country that needs me to be there to do the deal, that's where I'll be,' he said.

Pendragon boss tells of regret at sale of dealers in USA



PENDRAGON CEO Bill Berman would never have sold the dealer group's US businesses if he'd been in charge at the time and would never have supported the sale.

He said: 'In 2017, when they announced they were going to close the US operations, I think if I was on the board at that time I would have strongly and aggressively advised against that.'

'Those are great assets, they produce at a very high level. Jaguar Land Rover is an amazing brand in the US – a premium-luxury brand and the locations we had were unreplicable.'

Clicks and bricks is here to stay, says Eden's Graeme Potts



GRAEME Potts, who has been CEO at Reg Vardy, group MD of RAC, and MD of Inchcape's Europe and Latin American businesses, established Eden Motor Group in 2008.

Asked about whether the motor trade would change, he said: 'Putting it bluntly. I'm an unreconstructed clicks and bricks man and I remain so.'

'The combination of clicks and bricks is here to stay.'

Potts said he believed that those buyers who didn't want to see their car before delivery or collection were in a tiny minority and would continue to be so.

Pandemic price movements are 'by no means seismic'



CAP HPI told Car Dealer Magazine that a two to five per cent fall in prices has been seen in cars older than five years – but it won't be moving prices of newer cars yet.

Derren Martin, head of valuations UK at Cap HPI, said: 'The previous five years have seen an average drop of four per cent during April and May at the five-year-old age point, and last year witnessed a 6.3 per cent drop.'

'The movements we are currently seeing in the middle of this pandemic are by no means seismic. We are reflecting the data as volumes slowly increase.'

Trevor Finn visits Big Motoring World's new prep centre



BIG Motoring World boss Peter Waddell revealed on Car Dealer Live that he has had talks with Pendragon's ex-CEO Trevor Finn.

Finn recently announced in a statement on LinkedIn that he was pursuing a used car project in the UK, and Waddell confirmed that Finn had been to visit his new Carzam preparation centre in Peterborough.

Waddell said: 'He came to Peterborough last week. He's a wonderful man. He's done a great job.'

'He actually admitted to me last week that while he was at Pendragon he did a big survey on our company because he couldn't believe how strong and good we were doing.'

We won't rush to open fully, says TrustFord boss



CEO and chairman of dealer group TrustFord Stuart Foulds warned that the industry needs to wait to see how the market is after dealers return to work and that he would be opening stores progressively in response to demand.

He said: 'Let's get back to work and see what happens before we make any knee-jerk reactions, rather than making a decision in advance which could make a negative impact on our business.'

'We're going to open progressively. We're keeping some smaller ones shut for the time being just to see what the flavour of the business is actually going to be like.'

'First job will be to deliver all of the cars that had been sold but were locked up during lockdown.'

Business as usual through lockdown for Alexanders Prestige



THE owner of luxury car dealer Alexanders Prestige and Harvey Cooper Cars, Andrew North, appeared on Car Dealer Live on June 1, when dealers in England were officially able to reopen, and said he was 'amazingly happy' to see the gates open again.

However, he said it didn't feel a lot different to before, as the Boroughbridge business had been trading online since a few weeks after lockdown and delivering cars.

He said the showroom and workshop were large enough to ensure social distancing wasn't a problem, a lot of staff had their own offices, and the company had been getting all the correct sanitisation and gloves, as well as sorting out anti-Covid training for the staff.

Electric car market won't be buoyant, says Amari



AMARI Supercars owner Sheikh Amari is far from convinced that the market for electric cars will take off in the near future.

Speaking about manufacturers' plans to introduce electric cars, he told host James Batchelor: 'They're not saying they're going to do away with the petrol cars – that's very important. And yes, they'll stop producing petrol cars if they do go 100 per cent electric, but my personal view is that I don't think the electric car market will be a buoyant market.'

During the show, he also paid tribute to his wife Saba, a director of the business – who even made a brief cameo during the broadcast! 'She is the backbone. She's fantastic,' said Amari.

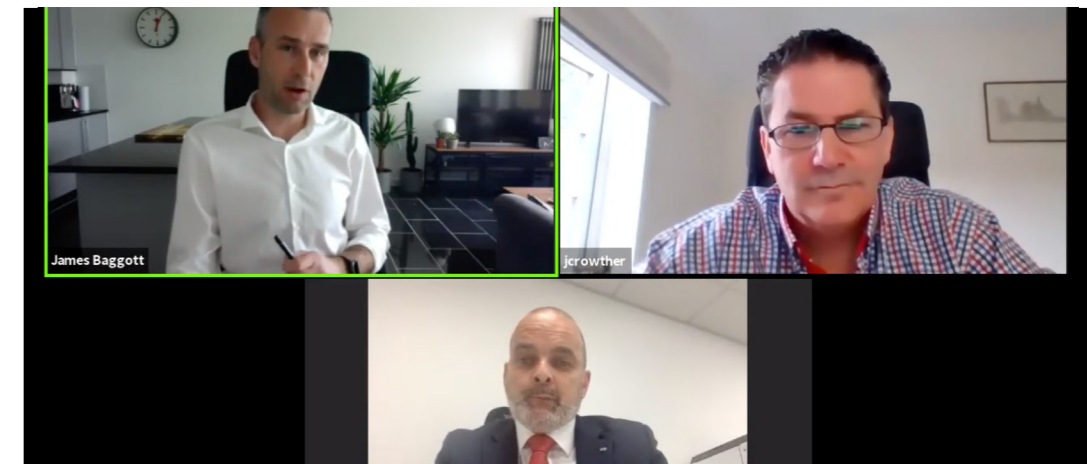
London dealers will benefit most from public transport fears



THE north-west of England is unlikely to benefit as much from used car buyers swapping public transport for used cars as much as other areas, reckons Chorley Group sales and marketing director Adam Turner.

He said: 'The north-west probably won't benefit quite as much as some areas. Obviously if you're a London-based dealer I'd be rubbing my hands right now because no-one is going to want to get the Tube and everyone is going to want an electric vehicle, so I think they're going to have a really good time.'

He acknowledged that there was pent-up demand, and said they were hoping it could be sustained.



Dealerships can be safer than supermarkets when it comes to Covid-19, say Marshall execs

MARSHALL Motor Group's executive team were keen to open the doors of their dealerships as soon as possible, knowing they could supply a safe environment reasonably easily.

On Car Dealer Live, James Baggott asked whether it was painful not being able to open showrooms when supermarkets were still allowed to operate.

Commercial director Jon Head was quick to answer, commenting: 'I think we can actually do a better job than supermarkets.'

Head added that the new setup was 'different', saying: 'We didn't get any time off during the period, in fact we probably worked harder than ever, so coming back into the dealership environment is different because it's a new norm.'

'The structure of the business now, how it's laid out, is completely different. It's a different feel. What is pleasing is how the staff are approaching it. The staff we've got here are energised and genuinely pleased to be back at work.'

COMMISSION

Misselling of finance is seen as next PPI scandal

Ambulance-chasing lawyers are using the alleged non-disclosure of finance commission as a way to target car dealers in what is being billed as 'the next PPI scandal'.

Nona Bowkis, legal adviser at Lawgistics, told Car Dealer Live that they had received a number of letters about commission on car finance not being disclosed to customers.

Dealers are being sent legal letters questioning whether they clearly told customers that they would be receiving a commission from finance providers at the point of sale.

Solicitors are also questioning whether salespeople advised their customers to choose a particular finance provider knowing they would make more money from the deal.

Law firms are circling car dealers in the hope of claiming compensation for customers and have been sending letters threatening legal action.

Experts at Lawgistics have warned this could cause serious problems for car dealers as they're forced to fight individual cases.

Bowkis said: 'What they're looking for is the written element. Have you put it in the paperwork that there is a commission element of that finance agreement?'

'Although it's obvious to everybody, unless it's in the paperwork, that gives the ambulance-chasers a chance to have a look at that. What they're also questioning is around the DiC [Difference in Charges] commission and asking why did you give your customer that deal?'

She added: 'I've got one now where the customer was refused Santander and MotoNovo, and he's gone somewhere else sub-prime.'

'Now they [his solicitors] are saying that they must have got a higher



commission and that's why they chose to give the customer that deal. No – it was because they got refused by the other two and they wanted the car. But that's the sort of things they're looking at.

'They want to know: Did you tell that customer to get that deal because it was better for you as a dealer?'

Bowkis told James Baggott on Car Dealer Live that the obligation falls with the dealer who sold the finance and therefore they will be responsible for compensation.

Jason Williams, a former trading standards officer who now works for Lawgistics, also appeared on the show, and said that how much compensation car dealers would be liable for was still unknown.

'They're presumably going to have to compensate the consumer somehow but how is that gauged?'

'I think it'll be huge. I think it'll be as big as PPI. It's very easy to say to someone "I wasn't told the commission for this, that and the other. I was missold".'

'I can see it being very easy for the ambulance-chasers to latch on to. I can see it mushrooming into something quite substantial.'

At the time of the broadcast on June 5, Williams was working on a case that happened in February this year, while Bowkis had one from a car sold in January. Both car dealers received letters from solicitors.

She added: 'That's how quickly they're moving. We're used to PPI, we had PPI cases from 22 years ago. These are all quite new deals. There's nothing historical, it's happening right now.'

So far there are no results, so the success of dealers in these cases is unknown. However, Bowkis said: 'Dealers should be talking to their compliance companies to make sure they've got it right, but once there's a complaint we can certainly look at it.'

See the Car Dealer Live broadcast in full by clicking on the image or via <https://youtu.be/zRzeKa7yaMQ>

For the latest on all automotive matters including finance, see our website at cardealermagazine.co.uk

PERMISSIONS Dealerships struck off FCA register



EIGHT dealerships have had their Financial Conduct Authority permissions cancelled.

They were included in the regulator's latest list of businesses to be struck off, removing their ability to offer consumer credit.

It means they can no longer sell vehicles on finance so are effectively limited to cash-only sales. Any stocking facility with a finance house is withdrawn as well. They were:

- Global Remarketing Ltd, of Lanark Road, Braidwood, Carluke, South Lanarkshire
- Dunstable Car Centre, of West Street, Dunstable
- Nicholas Anderton, trading as Little Gems Cars, of Charlton Road, Andover
- Jarnail Singh Basran, trading as Horseley Fields Motors (no address given)
- Clacton Car Sales Ltd, of St John's Road, Clacton-on-Sea
- HMS Cars Ltd, of High Street, Edgware
- Oldham Van Centre Ltd, of Vanguard Business Park, Hamilton Street, Oldham
- RL Cars – Rob Collier, trading as RL Cars (no address given)

The FCA was unable to give addresses for Jarnail Singh Basran or RL Cars as they were sole traders.



A monthly look at the world of automotive finance and marketing

What you need to do – and NOT do – as showrooms start to reopen

What a whirlwind the past few weeks and months have been! If we go back to the start of January 2020, we could never have foreseen what has happened. As I write this, I should be on my way to London for a weekend away, including a trip to Wembley to watch England play in their first game of the Euro 2020 tournament. Instead, I'll be having a weekend inside.

Like I say, a lot has changed, and I don't think anyone could have foreseen how this year has panned out. Thankfully, some positive changes are happening, and of course motor dealers are starting to open!

I have spoken to a number of dealers recently who are extremely busy and some that are just coming back and getting the cogs turning again. So, I thought I would give some insight into what I'm seeing and provide some key dos and don'ts from my perspective.

Customers have been waiting in anticipation to buy a vehicle, so there will be pent-up demand, whether that's because they were always going to buy at some point and the boredom has brought their purchase forward, while others aren't as keen about travelling on public transport, so they have decided to change their means of commuting.

Throughout the lockdown, some of you have still been able to sell some cars and saved substantial amounts, from business rates, software (Auto Trader, etc), utilities, etc. I have even been told by one dealer that May 2020 could go down as the most profitable month he has ever had. If you are one of these traders, please invest the money wisely or save it, as again it is hard to know what is around the corner.

Meanwhile, other car dealers may have had a much tougher time over the past three months – for instance, those of you that have not been able

to work at all and have still had a lot of overheads to fulfil. If you fall into this bracket, you may be trying to get business in quick and contemplating dropping prices for a quick sale. Please don't be too hasty to take on price reductions though, as it could end up being counter-productive, especially while vehicles seem to be going for a premium at the auctions.

Currently the market looks to be back and buoyant, but this could change. So now is the time to stand out!

Look at optimising the customer experience and be the best you can be. What I mean is, do not cut corners/ costs, work to the same great levels of preparation that you did before lockdown, make sure you are the most professional dealer that customers can buy from, and ask them to recommend you, share you on Facebook, etc.

Another area I would investigate or keep developing would be digital transformation – your prospective customers have spent the past three months purchasing online and become quite accustomed to buying digitally.

So, like the car dealer who had a great May, if you slicken your online selling process and tools, you could be in a similar situation. For example, implement personalised videos or live video calls so prospective customers can see the vehicle and ask more detailed questions in the moment, add two-way digital messaging (chat bots or personalised), full online buying process (distance selling), and the logistics of delivery (distance/non-distance selling) then you too could benefit if there is another lockdown.

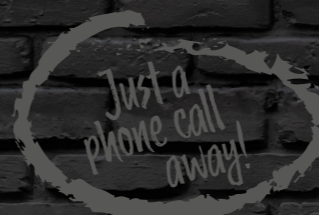
Finally don't forget finance products. Most people will still need finance to buy their new car, and the demand within the motor finance market seems to be rising, so even if you are just making people aware that you can provide finance, you are in with a chance of capturing that lead.

'Throughout the lockdown, some of you have still been able to sell some cars and saved substantial amounts.'



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

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Speaking out

JAMES BAGGOTT

Against our better judgment, we let the CEO have his say each month

Where do car dealerships fit into a digital sales future?

Pundits love to predict the death of the dealership. I don't mean in a choke hold, although that's probably what it feels like with the relationship with some manufacturers and dealers rather strained at the moment. No, what I'm talking about is the crisis causing many buyers' interest in online shopping for cars to pique and every man and his dog now suggesting that dealerships' days are numbered.

Usually, those calls come from someone with a vested interest in wanting dealers to diminish, but more often than not it's based on conjecture, not fact. So in the time-honoured tradition of column writing, I'm going to add to that crystal ball gazing and give you my opinion.

The world is slowly starting to reopen with a new set of rules in place for pretty much everything. You can't touch this, you can't stand there, you can't do that – for people who are used to doing what they want, when they want, these strange, draconian, but much-needed new rules are something we're willing to play by if it means we can go back to some sense of normality.

It's amazing how quickly you get used to things. When everything is taken away from you, it soon becomes obvious what you didn't need before. Takeaways, meals out, gym memberships, everyone has reassessed their lives and decluttered.

The hard part will be turning it all back on again. With so many people now used to not spending on things they've realised they never really needed, there are large parts of the economy that will struggle to regain ground. Attitudes have been changed, habits broken, and for some industries, retailers and businesses that will be enough to see them disappear for good.

While some things will never go back to 'normal' – and no one really knows what that is any more – other things will change forever. The digitisation of pretty much everything has accelerated at such a pace that some firms are completely unrecognisable to what they were just a few months back.

Pubs have flipped their walk-in watering holes to takeaway tankard filling stations, restaurants are embracing home delivery and online shopping has infiltrated every corner of everybody's lives to the point where going to the shops feels abnormal.

The same has happened in car dealerships. Thrown the lockdown lifeline of online sales and home deliveries, car dealerships rushed to implement at least reserve online functions on their websites. Others went the whole hog and accelerated

plans to implement full end-to-end car purchases online. Web design companies such as GForces reported record inquiry levels during April – the height of the lockdown when dealer bosses were plotting how to make the most of the desperate situation. And while the motor trade has looked sceptically at online car sales for years, the pandemic was the jump-start it needed to gain traction.

Quickly, car dealers realised that customers did actually like shopping online. In fact, many actually preferred it – and importantly still do now. Most dealer bosses I spoke to who implemented a digital dealership strategy during the lockdown reported to me positive sales success – one small franchised dealer sold 20 cars online in the first week his system went live.

But now, as dealerships reopen, the real tough decisions need to be made. For dealers that haven't brought in an online car sales function, do they still need to? And for those that have, how does it fit in with a business set up for walk-in customers and face-to-

face sales? In my opinion, it's only going to increase in importance. I don't know about you, but I'm not keen

on desperately running back out there and visiting the shops. I hated shopping at the best of times, and now the excuse to do it all at home, the simplicity and satisfaction of ordering it on your phone and then someone dropping it off at your front door will never get old. And every day that passes with social distancing measures still in place, customers get more used to shopping at home for everything, including cars.

So, back to my question of where does the dealership fit into all this? Well, while its role might be different, I don't see it being any less important. No longer is it a theatre of fear for some customers who hate to haggle, but with transactions completed online it can become a luxury experience.

Dealerships could become places customers want to visit at the end of their car purchase to collect their new wheels in style. Done correctly, that first interaction with a showroom could be an enjoyable and pleasurable experience that would be far more likely to entice them back for other services in the future.

I'm not saying all customers will buy online, but increasing numbers will. And working out where your dealership fits into that new blended sales model, and importantly where your staff slot in, will be on every dealer's mind as this pandemic unfolds. Dealerships aren't dead, they're just changing.

'Quickly, car dealers realised that customers actually like shopping online.'



James Baggott is the founder of Car Dealer Magazine and chief executive officer of parent company @BaizeGroup, an automotive services provider. He now spends most of his time on Twitter @CarDealerEd and annoying the rest of us.



Big Mike

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

An ode to the 'proper' Special Edition...



I don't know about you, but with work on its proverbial I've spent the past few weeks living a simpler life than normal. I've sold a few cars, mostly to folk who have needed rather than wanted one, but apart from that I've been the quietest I've ever been since I started pushing tin back when Pontius was still a pilot.

As a result, I've been up and down Memory Lane more times than I care to imagine, and it led me to remembering some of the things we used to do in this industry when the chips were down.

Back then, the idea of government-backed incentives to buy cars you plugged in at the mains were unthinkable, and instead we would entice punters over the threshold with something altogether more simple: the Special Edition – which I deliberately write as a proper noun.

The Special Edition was something that every dealer couldn't wait to get his hands on, whether it was straight from the factory or something cooked up at the port of entry, where a barely trained monkey was given an angle grinder and told to cut a hole in the roof of a brand-new Proton so that an aftermarket sunroof could be bunged in.

This often led to a wet neck or a suspiciously stained interior for the second or third owner once the rubber surround had started to perish and the damn thing leaked, but who cared? You had side stripes, mud flaps and (often damp) Special Edition floor mats, while if you were lucky you were also given that holy grail of dealer-fit accessories: the Blaupunkt radio-cassette. If you couldn't get a handshake by throwing one of those into the deal for nothing, you were either a rubbish salesman or the customer wasn't worth the time of day. In my case obviously the latter.

Then there were the names. Often monosyllabic and cheery, you'd dress up something as drab as a Vauxhall Nova Merit (and believe me, that was as drab as a car got circa 1989) with a moniker that made it sound as exciting as the prospect as the pubs reopening next month. 'Swing', 'Breeze' and 'Trip', the last one of which was probably what the marketing guru was on when it was invented, after snorting last month's Special Edition bonus up their left nostril.

Sometimes, though, they got it wrong. The Nissan Micra Wave, for example, obviously never made it past the translation filter. Or perhaps it did, but it just had a power output of 750 watts and went 'ping' when you opened the doors.

Or how about the Proton Black Knight, which sounds like something cooked up by Monty Python rather than an import centre at Tilbury Docks. (The non-Monty Python holy grail Blaupunkt radio was, of course, included.) Perhaps it proclaimed 'tis but a scratch' at you if you knocked the bumper off in a car park, or came out with 'I've had worse' as the MOT tester chalked up its underside for welding repairs at its 10th MOT. I know that if I had one today, it would sport a 'None Shall Pass' bumper sticker on the rear, as I'd find it too hard to resist.

Then there was the Citroen Saxo Open Scandal, which sounded like it was named after a politician caught in flagrante with a Boy Scout. As angle grinder actions go, this one went the whole hog. The entire roof was removed and replaced with a sliding piece of canvas to open up further opportunities for leaks. Luckily, the seat trim was so vile and abstract in a way that only the French could muster that you couldn't actually tell whether it was stained or not, which was a massive help when it came to resale. 'No sir, that's not

a stain – it's art.' I was dealer principal at a Citroen franchise back when the Open Scandal was the news of the moment, and I remember it being offered in three colours – metallic blue, metallic green and a pretty hideous egg-yolk yellow, which was the one used on all the marketing material. The rumour was that Citroen had built too many Saxos in this shade and nobody in Europe wanted them, so the roofs were cut open and an entire life of body flex and wet passengers was the result.

Then there was the properly weird Saxo Bic, which was cooked up in conjunction with the razor and ballpoint pen manufacturer and finished in the same orangey yellow as its trademark products. It looked cack on a biro, let alone on a full-sized car.

My absolute favourite Special Edition of all time, though, pre-dated the silly Saxos by a few years and again was one that I was charged with selling new. I even had one as a company car for a while as I thought it was that cool.

We're talking here about the Fiat Panda Italia '90 – a vehicle as iconic as Gazza's crying spree or Stuart Pearce's missed penalty.

As well as the World Cup logo being stitched into the seats, the Italia '90 featured red and green side stripes and the funkiest feature of all – hub caps that were decorated as footballs.

Truth be told, I'm not such a fan of 'the beautiful game', as I prefer the one whose balls would make for a very bumpy ride if reinvented as wheels, but I adore the concept – and if I had to name my favourite Special Edition of all time, then the Italia '90 would be it. Partly because it's so cool it hurts, and partly because it reminds me of a time when I had hair, a smaller waistline and didn't puff and pant at the sheer effort of getting out of bed in the morning.

So could the current tumbleweed blowing across forecourts be

enough for a new wave of Special Editions, and for the Tilbury Docks angle grinder monkeys to be let out of their cage once again?

Sadly, I don't believe so. Yes, if you look at what some of the car makers are up to, the Special Edition does still exist, but the creativity just isn't there – whether that's car manufacturer caution, a lack of demand from buyers or a shortage of trained angle grinder monkeys. I don't know, but it appears that if you want a Special Edition today then regardless of which manufacturer you choose to spend your money with, you'll walk away with a 'Black Edition'.

This thing of wonder, whether it's a Ford Fiesta, Datsun Qashqai, Smart ForTwo or Land Rover Discovery, will come with all of the following: black paint, black leather seats, black bumpers, black dashboard inserts, black wheels, and black floor mats with 'Black Edition' written on them.

It's about as imaginative as a tax return (well, not mine, to be fair) yet at the same time seems to be tailored to a market of car buyers who seem to like the idea of having a car whose wheels look filthy the minute you drive it out of the showroom.

If there's one thing that I despise on a car, it's black wheels. Who wants a top-of-the-range BMW 5 Series that looks like a battered Escort with missing hubcaps after all? It baffles me, it really does.

So, as far as I'm concerned, the Black Edition can go jump in the sea and if car

makers want to get more cheerful customers over the threshold they should start being more creative.

How about the Toyota Yaris Tokyo 202? to represent the indecisive mood of the moment as regards the Olympics, or the Corsa Clap for Carers with a jaunty rainbow on the tailgate?

I'm wasted in this job, I tell you.

Who is Big Mike? Well, that would be telling. What we can say is he's had more than 40 years

in the car trade so has probably forgotten more about it than we're likely to know.



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Casting an experienced eye on the wide and challenging world of motor sales

It's been crazily busy – but just how sustainable is this level of business?

I just want to say to anyone who reads this article who has been directly affected by the tragedy of coronavirus, that this article in no way marginalises the complete horror of this global pandemic. It is merely an attempt to discuss the impact of Covid-19 through the lens of the retail motor industry.

When the chief sub-editor John or commander-in-chief James ask me for an article, they normally have it in short order as there is something already percolating in my head, but not this month. Not only have I had no time as a result of one of the craziest month-long trading periods I have witnessed in 20 years in the job, but I am loath to talk about how busy it is for fear of upsetting the car gods and thus bringing about its unwelcome end.

At the point of lockdown, I'm not sure anyone saw this level of business waiting for us when we reopened. Sure, we thought there might be a bit of pent-up demand and people out there looking for a bargain, but not to the point where we are seeing cars achieve thousands over CAP at auction already.

By the time we reached mid-April, we had started developing a delivery and click-and-collect programme and some of our earliest deals as a group were surprising; two S65 saloons, an AMG GT R, pictured, G63 and countless smaller AMG models. Perhaps unsurprisingly the aspirational Mercedes buyers were not out there, but what was unexpected was how many expensive cars we sold and at strong retail prices.

While that was encouraging, we had no idea just how many buyers would be out in force by the time people started returning to the showroom. There appears to be a number of factors that are affecting our inquiry rate:

- There are buyers with financially sound businesses who have taken Bounce Back Loans as a cheap form of car credit. Interest-free car finance is normally manufacturer-led and only for a very short time and certainly not seen in the independent sector unless paired with unrealistic retail prices.
- Consumers have nothing to spend their savings on. You cannot go out, you cannot go on holiday, savings are attracting pitiful interest rates, what else is there to do apart from buy a car? I think there is definitely a

carpe diem attitude among some members of the general public; I had a septuagenarian tell me last week that he had recently lost his wife and as he couldn't book any cruises he was going to treat himself to an SLC.

- Public transport is being advised against unless absolutely necessary. Ironically, with people either furloughed or being asked to work from home where possible, car usage is extremely low when compared with the same point last year, but clearly nobody wants to be without a reliable car in the event of an emergency.

- Dealers in England have been helped by the difference in lockdown approach in Wales and Scotland. Frustratingly for the dealers operating in those countries, dealers in England have seen strong levels of inquiry from those areas.

But how sustainable is this level of business?

Most obviously, the short-term future for the motor trade is directly related to outcomes related to the pandemic.

Furlough payments are going to start being reduced, which might bring about more job losses to add to those announced by many in the retail and airline sectors, so it is hard to see this wave of positivity carrying on indefinitely.

Many experts forecast a second wave of the virus at the advent of a return to some type of normality, and I get a sense from this government that there is no appetite for a second lockdown.

The first lockdown gave the government time to prepare Nightingale hospitals and educate the public on social distancing and health policies.

If there is a new spike in infections, the country (in theory) is better placed to deal with it.

Clearly, this would have a negative impact on trading, but quite how catastrophic it would be would depend if outbreaks were contained regionally or spread nationally.

It is hard not to spiral into a vortex of negativity when thinking about the future, but it is important to think positively and hope that the current levels of business are sustained.

There are a number of Covid vaccine trials ongoing across the world and it is possible that some studies will yield results as early as the end of June. If – and I accept it is a big if – one of these research groups gleans positive results, there will be some renewed confidence that these times will end.

'It is hard not to spiral into a vortex of negativity when thinking about the future, but it is important to think positively.'



THE ROAD TO RECOVERY NEED NOT BE A LONG ONE

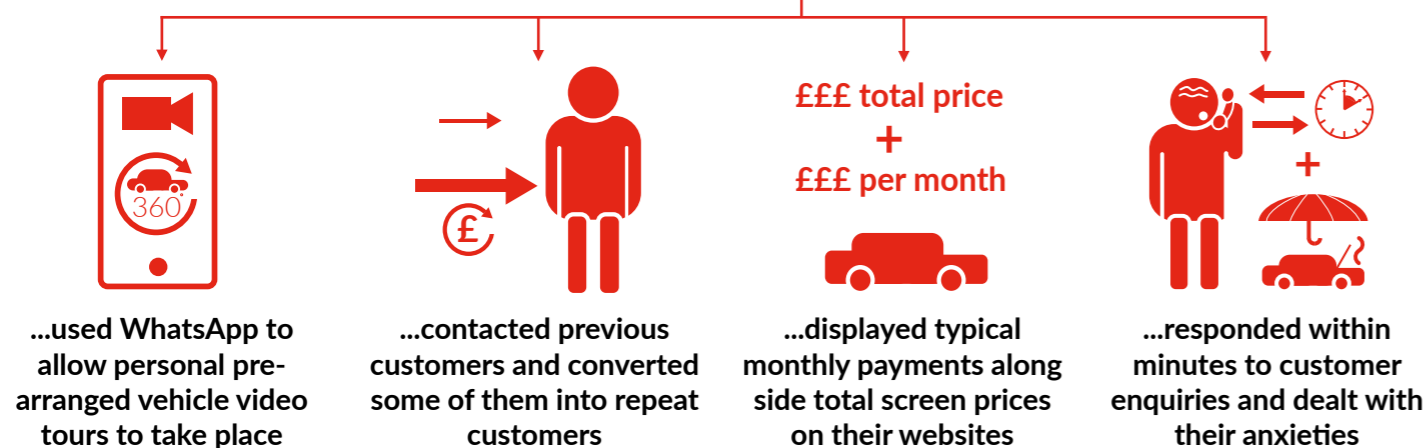
Enough doom and gloom. In this article, I want to share with you how, working in partnership with our dealers, many have had success with their sales despite the lockdown. By choosing to partner with Autoguard Warranties your dealership will also benefit from higher profitability and business success.

At face value, the lockdown should have terminated all used car sales. Instead, what we saw across our network of over 1,500 dealerships, was the retention of at least 25% of pre-pandemic sales. Below are just a few examples of how our dealers achieved this.



Rob Dockerill - CEO of Autoguard Warranties Ltd

Many of our dealers...



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especially for used vehicle dealers and are delivered throughout the year by a leading automotive consultancy.

For example, in our last two complimentary webinars we had over fifty dealers join each one. They were shown many different ways that they could increase their profits during the lockdown. With many more planned for the rest of 2020, there has never been a better time to register with the Autoguard Academy.

The best bit is that you don't even need to be an Autoguard Warranties customer to benefit from these educational events. Simply contact Autoguard Warranties, via enquiries@autoguardwarranties.com to register your interest in future webinar events.

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11 things every car dealer boss needs to concentrate on as they get to grips with restarting



Car dealers in England returned to their showrooms and opened their doors once again on June 1 – but what should bosses be concentrating on?

The motor trade is likely to have changed considerably and this won't be a case of picking up from where they left off. Car Dealer Magazine has asked the experts what they think car dealer bosses should be concentrating on as they go back to work to cope with the adapting market.

From used car prices and changing legislation to planning for a digital future, what should they be considering? Here's what our experts told us.

1. Beware of rejections as they could be coming

'Dealers need to be vigilant, act diligently and stay alert themselves,' said Joel Combes, Lawgistics sales and marketing director.

'Since lockdown restrictions have been relaxed, it is clear that the consumer is as keen to buy as the dealer is to sell and there is a definite positive atmosphere in the trade. However, we are already seeing a spike in the number of cases from consumers seeking rejection of their car or demanding some alternative form of compensation.'

'Dealers must qualify customers correctly, document pre-delivery inspections, and make sure all paperwork is completed and any agreements are signed.'

2. Be prepared for the pent-up demand

Auto Trader's Marc Thornborough said: 'The reopening of showrooms in England marks a very

important step in the road to recovery, and with an average 1.7m visits to our marketplace every day, there's clearly pent-up consumer demand.'

'However, there's also a limited supply of vehicles for sale in the market, so don't be tempted to drop your prices to entice car buyers – there's simply no need to do so.'

You also need to start concentrating on other crucial areas of your business, like the workshop.

Zeus Capital analyst Mike Allen added: 'Build up capacity in aftersales, as there appears to be a lot of pent-up demand.'

3. Don't rush to change used car prices

'Now dealers are fully open, the consumers will come back. Therefore, don't rush to move the retail pricing downwards on your websites and forecourts,' said Rupert Pontin of Cazana.

'Hold firm and use daily retail-based pricing insight to understand the trends and maximise margin. Remember, too, that you may not be able to replace the car you have on sale today, as auctions are not yet up to speed and demand may outstrip supply.'

That's a view echoed by Cap HPI.

The firm's Derren Martin said: 'The market is likely to be volatile in the short term, with prices potentially moving in either direction before they settle down. Use Live valuations.'

4. Don't forget your digital future

'Don't let being back in the building detract you from the digital future your customers want,' said Steve Fowler, editor-in-chief of Auto Express.

'There's definitely a place for dealers in our bold new future, but it has to be as part of an even greater digital sales model.'

Karl Werner, deputy chief executive at MotoNovo, agreed, adding: 'Short-term survival

'Creating an engaging digital car-buying experience, getting leaner and closer to their customers' needs should all be on the agenda.'

may be a priority, but the shift to online buying and the lingering Covid-19 situation have changed the entire retailing landscape.

'Dealers need to reinvent their model. Creating an engaging digital car-buying experience, getting leaner and closer to their customers' needs should all be on the agenda.'

Lance Boseley, of JewelUltra, added: 'The way people purchase cars was already changing and the lockdown will speed up that process. Customers will expect, if not to purchase cars online, to be able to communicate with the dealers remotely.'

'Virtual test drives and remote service videos will become normal.'

'The only dealers that survive will be the ones that adapt and do it quickly.'

'Before the lockdown there was some room for error; now there isn't.'

5. Being prepared to make BIG changes

'Breaking a business model that has worked feels uncomfortable, where people know their roles and where results have been financially sound, and isn't easy,' said finance firm Mann Island's boss John Hughes.

'This can be especially true if the business leadership has been in place for some time and where, frankly, change can seem scary and risky.'

'A deep, profound change – the type that can make a real difference, rather than simply tinkering – often means making uncomfortable decisions. However, avoiding the change that you know deep down ought to be made can have a cost – it can be the road to a terminal decline.'

6. Put the customer at the heart of what you do

'Ensure your team is aligned to the expectations and needs of the customer,' said Ali May-Khalil, boss of Sentience Automotive Solutions.

'Take your time and put the customer at the heart of the process. Work with them to find a solution, facilitate the sale, and use all available methods to do so – from telephone, Zoom to WhatsApp. Create a great experience, one based on transparency and trust, that helps the customer to buy.'

7. Bring staff back when you need them

'I seem to be having quite a few conversations currently where the accounts and back office teams are really struggling to keep up with the processing,' said UHY Hacker Young accountant Paul Daly.

'Understandably, the operators are reluctant to unfurlough too many in case the demand isn't there, but I guess the main thing is to ensure the operator responds appropriately if they have genuine concerns in this area.'

'If they get too far behind, it can be a real challenge to sort out and very costly to the business.'

8. Get the Covid-19 matters right... and the basics

'Get all the Covid matters right, but also make sure that your sales staff are on top of the everyday important issues, such as providing 14-day return paperwork if the sale could be deemed a distance sale,' said Nona Bowkis, a solicitor at Lawgistics.

'You do not want to inadvertently give a customer free rein to return a vehicle in six months' time.'

'Get the pre-delivery documentation in order to help protect against unreasonable rejections, keep details of who is test-driving your vehicles to avoid picking up liability for speeding fines, and be sure your general sales paperwork is all in order so that the ambulance-chasers do not come after you.'

9. Make sure that your policies are socially distant-compliant

'Make sure your processes align with your social distancing policy,' says Automotive Compliance director Paul Speakman.

'Review and understand where there are

potential coronavirus hotspots, to reduce the risk of exposure inherent in traditional paper-based processes.'

'Consider how you make this contactless and can substantiate and give evidence of compliance, from finance suitability to purchase decision and handover.'

10. Educate the customer on the benefits of upsales

'Now, more than ever, car buyers will be more price-sensitive, with many seeing their income reduced during the past couple of months, so paying an additional cost for a warranty maybe seen as unnecessary,' said WMS Group's Malcolm McIntosh.

'Dealers need to educate the customer of the real value of the warranty and the protection it provides. The cost is significant, but the cost of a mechanical or electrical failure could be even more expensive.'

11. Make sure you're covered

'Insurers will expect automotive businesses to be compliant with legal obligations, including the duties of the Health and Safety at Work Act 1974, to protect the health, safety and welfare of their employees and others affected by their operations,' said Leon Bosch at insurance firm Gallaghers.

'Indeed, in the present climate the duties owed to employees and others are enhanced. All activities must only be undertaken in line with the current guidance issued by HM Government.'

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Advice.

DISTANCE SELLING

What's the difference between 'click and collect' and 'reserve and collect'?

Dealerships in England are now able to welcome customers back into their showrooms – but that doesn't mean all future sales will be done that way.

For some, the convenience of buying online will still be appealing, or they might not feel comfortable visiting a dealership yet.

However, when customers buy online there are two choices for dealers: deliver vehicles or set up a collection procedure.

When it comes to the latter, there are two more choices: 'click and collect' or 'reserve and collect'. And while they might sound like the same thing, there's a key difference, and that's how they relate to the laws surrounding distance selling.

Lawgistics legal adviser Nona Bowkis explained: 'The difference between the two collection options comes down to when the deposit is taken. If the customer places a deposit online or over the phone, they have entered into the contract prior to seeing the vehicle.

That is then likely to be considered a distance

sale, which means the customer must be given the correct paperwork and a 14-day "change your mind" option. If the dealer fails to provide all the

'If a deposit is placed online or over the phone, the customer has entered into the contract prior to seeing the vehicle.'

correct paperwork, the change-your-mind period is extended by a year.

If dealers go for a "reserve and collect"-style model – or what some have called a "no deposit click and collect" model – the customer does not make any payment at the time the appointment is booked. As such, they only pay and enter into the contract after they've been to the premises and viewed the car, so this is unlikely to be a distance sale, meaning none of the distance sale paperwork will need to be provided and no 14-

day return policy needs to be offered. If dealers want the security of taking a deposit before booking an appointment for a customer to collect their vehicle, they will need to provide the correct 14-day return paperwork and be prepared to refund the customer the amount paid minus any deduction for usage over whatever mileage the dealer puts on the paperwork. I suggest 20 miles is reasonable.

'The dealer will need to put on the paperwork that the customer is responsible for delivering the car back and covering the cost of doing so in the event of seeking a refund, otherwise the customer can add insult to injury and force the dealer to collect.'

Bowkis recommends that dealers opt for 'reserve and collect' if they want to avoid the 14-day distance selling return policy, but in either case suggests providing a video meeting to virtually show the customer around the car and prepare finance documents. This will help to minimise contact with the customer on arrival.

Information here is correct at the time of publication but in the current climate may change at any time.

For the latest updates, visit our website at cardealermagazine.co.uk and gov.uk/coronavirus

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Shedding staff – the road no one wants to go down but might be inevitable

The furlough scheme has proved to be a lifeline for many businesses – avoiding the need to make jobs redundant immediately once work dried up and car showrooms were ordered to close as a consequence of the ongoing coronavirus crisis.

However, with work unlikely to return immediately, many dealers will be facing redundancies, with dealer groups already warning of mass job cuts.

It's something no company ever wants to do, but with the choice of keeping a business afloat or making staff redundant, it's one many might have to make.

With the help of Kiril Moskovchuk, legal adviser at [Lawgistics](#), here's everything you need to know about redundancies...

Are redundancies the right decision?

This is one that's obviously down to individual circumstances. However, with reduced demand likely, they are inevitable.

Moskovchuk said: 'The furlough scheme certainly prevented mass job losses for the time being, but when the scheme ends it is doubtful there will be enough business to maintain the staffing levels as they were before the lockdown.'

How do you select people to be made redundant?

The key thing to note here is that you need to select the job roles that are redundant, and not the people themselves initially. It is something that might be difficult to do – especially if you have a small team.

These job roles should be placed in a redundancy pool, and then there is something

known as the 'redundancy matrix' to work out which employees should be selected.

Essentially this is criteria, which could include job performance, their disciplinary record and qualifications, to work out which employees will be made redundant. Workers affected should be consulted throughout this.

Moskovchuk gave an example: 'A garage, say, has three mechanics but there is only enough work for just two. However, if one of the mechanics is persistently underperforming, then all three mechanics should still be placed in redundancy pool and the performance should be one of the selection criteria for redundancy.'

If there is just one person in a job role, there is obviously no need to have a 'matrix', but the steps of identifying jobs that are redundant still remain the same.

What are the next steps for redundancies?

Once an employer has identified the redundant jobs, they then need to announce to those potentially affected that their jobs are under threat – explaining the reason, the redundancy pools and the criteria set out. At this stage, no jobs are redundant, and no single person will definitely be made redundant.

Following this is what's known as the start of the consultation period, where an employer should consider alternatives to redundancies, listen to proposals from workers and ensure that those at risk are kept in the loop.

For small-scale redundancies, there is no set minimum period, although rules are more detailed for companies that are making at least 20 employees redundant. Moskovchuk added that the process should be 'fair and meaningful'.

Decisions should only be made once the consultation period is over.

What notice and pay do I have to give to those being made redundant?

Once a decision has been made, the notice length will vary depending on employment contract and statutory minimums.

'The key thing to note is you need to select the job roles that are redundant, not the people themselves initially.'

These are at least a week's notice for those employees who have been at the company for between a month and two years, a week's notice for each year they've been employed (up to 12 years), and 12 weeks' notice if employed for 12 years or more. Pay could be given in lieu of notice, though.

Next comes the payment, which includes the redundancy payment (statutory or contractual), as well as payments for accrued but unused holiday and notice pay. It will vary massively depending on the person's job and the time served.

Employees will get half a week's pay for every full year they were under 22, a week's pay for full years when they were aged between 22 and 41, and a week and a half's pay for each full year when aged 41 and older.

Weekly pay is capped at £538, and the maximum statutory pay is £16,140. The length of service is also capped at 20 years. Exemptions will apply.

Can an employee be made redundant while they are furloughed?

Yes, the procedure of making someone redundant can be carried out if someone is furloughed.

However, Moskovchuk added: 'But if the employee is actually made redundant in the middle of the furlough, not at the end of it, this may be open to a challenge.' (See below.)

What happens if the correct procedures aren't followed?

Redundant workers may take a claim to an

employment tribunal if the correct steps weren't adhered to.

Moskovchuk says that this is particularly true regarding whether redundancies were 'necessary' and also to determine whether workers were 'unfairly selected'.

Typically, an employee needs two years of experience to make a claim, although that isn't always the case.

Lawgistics used this example: 'For example, a sales assistant may argue that she has a chronic health condition, which makes her

vulnerable to the coronavirus. She was selected for redundancy because she raised a concern about implementation of social distancing in the workplace.

'Here we may have two grounds – discrimination and health and safety – when a claim may be brought regardless of the length of service.

'In view of the pandemic, the tribunal may show leniency when an employee did not manage to bring a claim within the prescribed time limits.'

Making redeployed furloughed workers redundant again

Dealerships are being forced to make some tough decisions as they plan for the future, and with an uncertain level of revenue they may no longer be able to keep all of their staff.

Redundancy isn't an easy issue at the best of times, and at the start of the pandemic some businesses made jobs redundant before the furloughing scheme was brought in.

However, if an employee's job was made redundant on or after February 28, 2020, their employer was legally entitled to re-employ them and put them on furlough, aka the Coronavirus Job Retention Scheme. It should be noted, though, that the government said that an employer could only claim for furloughed workers who were employed on March 19, 2020 and who were on that employer's PAYE payroll on or before

that day. It was always hoped, of course, that the furloughed staff would eventually be able to come off furlough and resume work. Unfortunately, though, it's possible that won't be the case for everyone, so what can an employer do about making them redundant again?

Lawgistics legal adviser Kiril Moskovchuk told us: 'Those employees who were redeployed and put on furlough may pose a tricky problem.

'If they were simply taken back, then dismissal/resignation would very likely have been superseded and their employment will be on the terms as they were before.

'This means that the employment will be continuing and the redeployed employees will have to be dismissed at the end of furlough, which may be subject to the fairness test, if two years of continuous service has been

accumulated. The employers should have been careful to offer a temporary contract for the duration of the furlough only. It is possible that the expiry of furlough will be deemed as "some other substantial reason", making dismissal fair in the circumstances. Following the normal redundancy process will be a safer option.

'If the employee is on furlough, the employer may still go through the redundancy process. The employer will have plenty of time to consult with the employees.'

He added: 'I would recommend that the notice terminating employment should be given to expire at or shortly before the end of furlough.

'This will ensure that the notice pay can be reclaimed through the furlough scheme and the employee cannot argue that redundancy was premature.'

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New site offers to help dealers through the coronavirus crisis

YOAUTO

W: yoauto.co.uk

Dealers can benefit from a year-long half-price deal from newly established online car sales website yoauto to help them through the coronavirus crisis - saving them up to £300 a month.

Yoauto's retail platform has been designed exclusively for car dealers, with an ethos it says is committed to supporting British automotive car dealers fairly and honestly - something its market research suggests many dealers in the UK feel is long overdue.

During the lockdown, yoauto.co.uk says it has reached more than a million active customers, and its advertised stock has been seen more than four million times on all its advertising platforms and created thousands of leads.

It is now offering an Early Adopter package to the first 1,000 dealers, giving them a 50 per cent discount over the first 12 months.

With a rapidly growing team, yoauto's platform is built around the latest business intelligence.

Why should dealers use the Nottinghamshire-based outfit, though? Co-founders Antony Johnson, Paul Matthews and Gary Skrzypkowski, who have a wealth of industry experience between them, highlight the following attractions of yoauto:

- Dedicated dealer landing pages
- Infinity pages - meaning no scrambling to be on the first page
- Direct calls and emails to dealers
- Personalised social media campaigns
- No price markers
- No sponsored ads
- No featured ads
- No gimmicks

'The aim of yoauto is to give dealers a fair and honest retail platform,' is their proud mantra.

So, just what are the trio's automotive credentials?

Antony was the project lead for the body engineering division of the new Range Rover Evoque and has been a consultant programme manager for automotive engineering and manufacturing companies for the past 10 years.

Paul has worked as a motor trader for 30 years ever since leaving school, owning several dealerships and supplying vehicles to the main dealers, while Gary helped design parts for Aston Martin and Mitsubishi.

And they had a clear vision when establishing



'The aim of yoauto is to give dealers a fair and honest retail platform.'

the company. 'Yoauto was started to provide dealers with a fair and honest retail platform, putting dealers first and giving them back control,' they told Car Dealer.

The bargain pricing strategy is as follows:

- 0 to 60 cars: £100 per month for Early Adopters (normally £200)
- 61 to 120 cars: £200 per month for Early Adopters (normally £400)
- 120+ cars: £300 per month for Early Adopters (normally £600)

All prices are ex-VAT, subject to a minimum six-month minimum term, and for one site. There is a 30-day notice cancellation period following the six-month term.

Yoauto is so confident that dealers will love it that as an added assurance it won't be taking any bank details or payment until July 1.

Stock details are loaded and updated automatically once dealers have signed up.

yoauto.co.uk

They are added to the yoauto.co.uk platform completely free of charge, allowing dealers to take advantage of the current advertising campaigns, which are focused on social media and Google.

Once the free period has ended, dealers are then given 14 days to provide their payment details - and they're under no obligation to continue if they decide not to take advantage of one of yoauto's great offers.

For more information email
contact@yoauto.co.uk or phone 0115 718 0488.



The statistics

/ SMMT SALES DATA /

SMMT
sales data
May/year to date



THE CORONAVIRUS EFFECT

Registrations drop by 88.9 per cent in May

New car registrations for May were down by 88.9 per cent with just 20,247 cars registered.

Some 163,477 fewer cars were registered compared with the same month last year – the lowest since May 1952, which saw 14,466 registrations. The overall market is now down 51.4 per cent in the first five months of 2020, at just over half a million registrations compared with more than one million at this point last year.

The Tesla Model 3 was again the best-selling car in May with 852 sold, followed by the Vauxhall Corsa (790) and Ford Fiesta (760).

In April, new car sales fell a whopping 97.3 per cent, with just 4,321 cars sold.

SMMT chief executive Mike Hawes said that after a second month of lockdown ‘and the inevitable yet devastating impact on the market’, the reopening of dealerships in England on June 1 was ‘a pivotal moment for the entire industry and the thousands of people whose jobs depend on it’.

He said: ‘Customers keen to trade up into the latest, cutting-edge new cars are now able to return to showrooms, and early reports suggest there is good business given the circumstances, although it is far too early to tell how demand will pan out over the coming weeks and months. Restarting this

market is a crucial first step in driving the recovery of Britain’s critical car manufacturers and supply chain, and to supporting the wider economy. Ensuring people have the confidence to invest in the latest vehicles will not only help them get on the move safely, but these new models will also help address some of the environmental challenges the UK faces in the long term.’

In May some businesses started back up by offering home deliveries and click-and-collect. This meant some could start registering and delivering cars sold in March and during the lockdown.

‘We started to deliver some cars in May but this was towards the end of the month and nowhere near what we would do normally,’ said one dealer boss.

The figures for April and May are largely irrelevant as they do not represent the state of the market – as the SMMT monthly registrations usually do. They simply tell us what we already knew – that car dealers were closed.

Ian Plummer, commercial director at Auto Trader, said: ‘With retailer forecourts across the UK shut for the duration of May, it comes as little surprise that we are low on new car registrations. Now that retailers in England have reopened, there’s huge opportunity for the industry to help kickstart the country’s wider economy.

The market was paused, not stopped, and now it’s clearly restarting.’

Karen Hilton, chief commercial officer at heycar, said: ‘There are loud calls for stimulus to drive the industry – such as scrappage schemes – as we move out of lockdown. To help guide customer confidence, it would be helpful if the government set out its position on future support for the industry. However, it will take time to agree the detail of this, which doesn’t help customers who want a car now or dealers who want to sell cars now.’

James Fairclough, CEO of AA Cars, said: ‘There is no guarantee that new car sales will recover straight away. Many people have either eaten into their savings due to reduced levels of income or still face significant uncertainty about their future job security, potentially putting the brakes on any decision to make a high-value purchase or a long-term financial commitment.’

Alex Buttle, director of Motorway.co.uk, said: ‘It’s unlikely we’ll see monthly new car sales as low as these again in our lifetime. The past two months of living on lockdown has given us an interesting insight into the future of car sales, used or old. The surge in buying and selling cars from home will likely result in a seismic shift in the way dealerships retail cars.’

Top 10

The cars sold under lockdown in May 2020

MODEL	REGS
Tesla Model 3	852
Vauxhall Corsa	790
Ford Fiesta	760
Mercedes-Benz A-Class	552
Ford Focus	502
Volvo XC40	464
BMW 1 Series	331
Mercedes-Benz GLC-Class	328
Ford Kuga	303
Mercedes-Benz E-Class	290

Petrol is still king – even though Tesla tops chart again

THE top-selling vehicle was once again the Tesla Model 3 – not only repeating its success of April but also building on it by shifting 852 units against 658 the month before.

Looking at the bigger picture for May, though, battery-electric vehicles only accounted for 2,424 of those 20,247 sales – a 12 per cent market share.

Way ahead and top of the fuel league, taking 55.1 per cent of the total sales at 11,150, were petrol vehicles.

They were followed by diesel cars at 17 per cent market share with 3,448 units shifted.

There were 825 plug-in hybrid electric vehicles registered and 651 hybrid-electric vehicles. Add

those to the battery-electric vehicle figure and you get 3,900 – 19.3 per cent market share – in that fuel sector.

Mild-hybrid electric vehicles, meanwhile, accounted for 1,749 sales, comprising 982 of the petrol variety and 767 diesel – a total of 8.6 per cent market share.

Marque	May 2020		May 2019		% change	Year-to-date (YTD)				
	2020	% market share	2019	% market share		2020	% market share	2019	% market share	% change
Abarth	56	0.28	185	0.10	-69.73	702	0.14	1,629	0.16	-56.91
Alfa Romeo	45	0.22	270	0.15	-83.33	706	0.14	1,533	0.15	-53.95
Alpine	3	0.01	14	0.01	-78.57	41	0.01	65	0.01	-36.92
Audi	1,501	7.41	12,591	6.85	-88.08	32,306	6.36	66,921	6.40	-51.73
Bentley	34	0.17	157	0.09	-78.34	429	0.08	718	0.07	-40.25
BMW	1,472	7.27	12,415	6.76	-88.14	35,945	7.07	70,036	6.70	-48.68
Chevrolet	0	0.00	12	0.01	0.00	0	0.00	16	0.00	0.00
Citroen	342	1.69	4,643	2.53	-92.63	9,550	1.88	25,407	2.43	-62.41
Dacia	269	1.33	2,647	1.44	-89.84	5,340	1.05	15,633	1.49	-65.84
DS	47	0.23	299	0.16	-84.28	765	0.15	1,480	0.14	-48.31
Fiat	276	1.36	2,497	1.36	-88.95	6,510	1.28	15,345	1.47	-57.58
Ford	2,111	10.43	19,892	10.83	-89.39	46,252	9.10	105,740	10.11	-56.26
Honda	195	0.96	2,828	1.54	-93.10	9,822	1.93	21,225	2.03	-53.72
Hyundai	241	1.19	6,868	3.74	-96.49	14,058	2.77	38,113	3.64	-63.11
Infiniti	0	0.00	33	0.02	0.00	0	0.00	163	0.02	0.00
Jaguar	476	2.35	2,909	1.58	-83.64	8,839	1.74	16,810	1.61	-47.42
Jeep	82	0.40	737	0.40	-88.87	1,095	0.22	2,655	0.25	-58.76
Kia	1,018	5.03	7,279	3.96	-86.01	23,469	4.62	44,705	4.27	-47.50
Land Rover	779	3.85	6,069	3.30	-87.16	20,933	4.12	35,597	3.40	-41.19
Lexus	136	0.67	943	0.51	-85.58	4,612	0.91	6,233	0.60	-26.01
Lotus	9	0.04	25	0.01	-64.00	43	0.01	79	0.01	-45.57
Maserati	10	0.05	80	0.04	-87.50	189	0.04	450	0.04	-58.00
Mazda	105	0.52	2,621	1.43	-95.99	7,282	1.43	17,712	1.69	-58.89
Mercedes-Benz	2,002	9.89	14,431	7.85	-86.13	36,114	7.11	78,043	7.46	-53.73
MG	177	0.87	1,212	0.66	-85.40	5,687	1.12	5,208	0.50	9.20
Mini	319	1.58	3,952	2.15	-91.93	13,355	2.63	24,588	2.35	-45.68
Mitsubishi	69	0.34	1,722	0.94	-95.99	3,937	0.77	8,301	0.79	-52.57
Nissan	556	2.75	7,754	4.22	-92.83	24,225	4.77	43,496	4.16	-44.31
Peugeot	1,040	5.14	6,115	3.33	-82.99	16,282	3.20	37,031	3.54	-56.03
Polestar	0	0.00	0	0.00	0.00	0	0.00	0	0.00	0.00
Porsche	235	1.16	1,599	0.87	-85.30	3,017	0.59	5,731	0.55	-47.36
Renault	597	2.95	3,728	2.03	-83.99	10,549	2.08	26,019	2.49	-59.46
Seat	343	1.69	5,471	2.98	-93.73	16,177	3.18	30,988	2.96	-47.80
Skoda	333	1.64	6,231	3.39	-94.66	17,840	3.51	33,903	3.24	-47.38
Smart	10	0.05	504	0.27	-98.02	280	0.06	2,620	0.25	-89.31
SsangYong	30	0.15	142	0.08	-78.87	510	0.10	967	0.09	-47.26
Subaru	8	0.04	138	0.08	-94.20	262	0.05	1,119	0.11	-76.59
Suzuki	100	0.49	3,171	1.73	-96.85	6,382	1.26	17,178	1.64	-62.85
Toyota	626	3.09	7,238	3.94	-91.35	27,651	5.44	45,286	4.33	-38.94
Vauxhall	1,152	5.69	13,461	7.33	-91.44	28,472	5.60	79,024	7.56	-63.97
Volkswagen	1,197	5.91	15,737	8.57	-92.39	46,502	9.15	90,417	8.65	-48.57
Volvo	1,167	5.76	4,554	2.48	-74.37	13,324	2.62	24,729	2.36	-46.12
Other British	40	0.20	230	0.13	-82.61	677	0.13	1,258	0.12	-46.18
Other imports	1,039	5.13	320	0.17	224.69	7,994	1.57	1,653	0.16	383.61
Total	20,247		183,724		-88.98	508,125	100	1,045,824		-51.41

Figures supplied by SMMT



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MAY 2020

Pandemic continues to take its toll on registrations



by **JOHN BOWMAN**
john@blackballmedia.co.uk

THE UK new light commercial vehicle market fell by 74.1 per cent in May as the nationwide coronavirus lockdown continued to hit registrations, according to the latest figures from the Society of Motor Manufacturers and Traders.

Some 7,541 vehicles were delivered in the month, the majority to fleets running food distribution, home delivery, utilities, broadband and emergency services operations.

With lockdown now accounting for more than two out of the first five months of the year, performance year-to-date has declined by 49.6 per cent. SMMT chief executive Mike Hawes said: 'While slightly better than April, these figures

are still extremely worrying. As more businesses reopen, we are seeing a gradual uptick in fleet renewal orders. However, restoring operator confidence to ensure they continue to invest in their fleets is the only way to get more of the latest, cleanest commercial vehicles on our roads.

'This will be critical not just to the economy but to the resumption of normality for business and society, which depends on this sector.'

Registrations of new commercial vehicles less than 3.5 tonnes

Figures supplied by SMMT

Marque	May 2020		May 2019		% change	Year-to-date figures				
	2020	% market share	2019	% market share		2020	% market share	2019	% market share	% change
Ford	2,007	26.61	8,883	30.48	-77.41	24,841	31.51	51,595	32.97	-51.85
Mercedes	1,394	18.49	2,988	10.25	-53.35	8,016	10.17	14,129	9.03	-43.27
Vauxhall	964	12.78	2,422	8.31	-60.20	8,021	10.17	13,020	8.32	-38.39
Peugeot	636	8.43	2,931	10.06	-78.30	7,910	10.03	14,873	9.50	-46.82
Volkswagen	625	8.29	3,691	12.67	-83.07	7,587	9.62	18,215	11.64	-58.35
Citroen	569	7.55	2,410	8.27	-76.39	6,208	7.87	12,037	7.69	-48.43
Nissan	237	3.14	1,075	3.69	-77.95	3,044	3.86	5,510	3.52	-44.75
Renault	229	3.04	1,352	4.64	-83.06	2,705	3.43	8,065	5.15	-66.46
Isuzu	184	2.44	313	1.07	-41.21	1,354	1.72	1,848	1.18	-26.73
Fiat	147	1.95	893	3.06	-83.54	2,096	2.66	4,217	2.69	-50.30
Iveco	118	1.56	208	0.71	-43.27	966	1.23	1,241	0.79	-22.16
MAN	108	1.43	216	0.74	-50.00	463	0.59	565	0.36	-18.05
Toyota	72	0.95	615	2.11	-88.29	2,467	3.13	3,755	2.40	-34.30
Mitsubishi	62	0.82	663	2.28	-90.65	1,558	1.98	5,253	3.36	-70.34
LDV	51	0.68	66	0.23	-22.73	286	0.36	203	0.13	40.89
Isuzu Trucks	48	0.64	61	0.21	-21.31	326	0.41	337	0.22	-3.26
Renault Trucks	41	0.54	128	0.44	-67.97	395	0.50	592	0.38	-33.28
Land Rover	25	0.33	145	0.50	-82.76	404	0.51	599	0.38	-32.55
SsangYong	19	0.25	60	0.21	-68.33	126	0.16	298	0.19	-57.72
Fuso	5	0.07	13	0.04	-61.54	62	0.08	82	0.05	-24.39
Hyundai	0	0.00	9	0.03	0.00	0	0.00	55	0.04	0.00
Total	7,541	100.00	29,142	100.00	-74.12	78,835	100.00	156,489	100.00	-49.62

Registrations of new commercial vehicles 3.5 tonnes to 6.0 tonnes

Figures supplied by SMMT

Marque	May 2020		May 2019		% change	Year-to-date figures				
	2020	% market share	2019	% market share		2020	% market share	2019	% market share	% change
Peugeot	26	27.66	216	35.06	-87.96	487	21.50	922	30.38	-47.18
Iveco	19	20.21	32	5.19	-40.63	63	2.78	244	8.04	-74.18
Mercedes	18	19.15	143	23.21	-87.41	631	27.86	695	22.90	-9.21
Fiat	14	14.89	169	27.44	-91.72	463	20.44	850	28.01	-45.53
Ford	12	12.77	3	0.49	300.00	438	19.34	84	2.77	421.43
Volkswagen	3	3.19	2	0.32	50.00	56	2.47	19	0.63	194.74
Citroen	1	1.06	27	4.38	-96.30	85	3.75	70	2.31	21.43
Renault	1	1.06	7	1.14	-85.71	3	0.13	35	1.15	-91.43
MAN	0	0.00	5	0.81	0.00	24	1.06	22	0.72	9.09
Other imports	0	0.00	0	0.00	0.00	10	0.44	0	0.00	0.00
Vauxhall	0	0.00	11	1.79	0.00	3	0.13	82	2.70	-96.34
Isuzu Trucks	0	0.00	1	0.16	0.00	2	0.09	8	0.26	-75.00
Renault Trucks	0	0.00	0	0.00	0.00	0	0.00	4	0.13	0.00
Total	94	100.00	616	100.00	-84.74	2,265	100.00	3,035	100.00	-25.37

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A safer workplace

Restrictions to manage Covid-19 are likely to present new challenges for dealerships returning to work, says **Leon Bosch**

Automotive businesses will need to consider how to ensure safe working conditions for their employees and ensure they continue to remain compliant with existing legal obligations.

These include the responsibility to protect the health, safety and welfare of their employees and others affected by their operations, under the Health and Safety at Work Act 1974.

Conducting a risk assessment

In order to demonstrate this duty of care has been fulfilled, employers must be able to evidence that the actions taken to control the risks to health, safety and welfare are reasonably practicable – in other words, that the balance between the benefits of risk reduction on the one hand outweigh the time, effort and cost of the control measures on the other.

To do this, they should ensure a risk assessment has been conducted.

The risk assessment should clearly show that on the balance of all considerations, the controls implemented reduce the risk as low as reasonably practical.

This evidence, in the form of a suitable and sufficient risk assessment, can be crucial in the defence of an insurance claim for personal injury or illness or intervention by the Health and Safety Executive or other regulatory authority.

How can a business ensure its risk assessment for working or returning to work during the Covid-19 pandemic is suitable and sufficient?

Gallagher provides insurance and risk management services to automotive businesses across the UK. A Gallagher risk management consultant can arrange a conference or video call to ascertain an understanding of your business and to establish context before undertaking an independent, professional review of your Covid-19 risk assessment against existing legislation, Covid-19 guidance and protocols.

Where the document is considered suitable and sufficient it will be validated by the health and safety consultant. The cost of this service will vary based on the complexity and number of documents that require reviewing. In the event that the Covid-19 risk assessment is not considered suitable or sufficient, the consultant will provide a brief, high-level summary of the areas requiring improvement.

Having a validated and successfully implemented Covid-19 risk assessment can enhance your mitigation and defensibility should a Covid-19 incident occur at your workplace.

Would you like to talk?

For more information, please get in touch with the Gallagher Automotive Team. Call 0800 612 2284 or email automotive_enquiries@ajg.com

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- Arrangements that are in place that they need to comply with to protect them
- Arrangements for welfare including food and drinks
- Cleaning arrangements to provide reassurance to them
- What to do if they feel unwell and suspect they may have Covid-19 – both if this occurs at home and while at work
- Ensure that they have a clear understanding of the criteria for returning to work, ie, timescales and lack of symptoms
- What to do if someone in their household is suspected of having Covid-19
- The importance of checking and maintaining emergency contact details

This note is not intended to give legal or financial advice, and, accordingly, it should not be relied upon for such. It should not be regarded as a comprehensive statement of the law and/or market practice in this area. In preparing this note we have relied on information sourced from third parties and we make no claims as to the completeness or accuracy of the information contained herein. It reflects our understanding as at 12/6/2020, but you will recognise that matters concerning Covid-19 are fast changing across the world. You should not act upon information in this bulletin nor determine not to act, without first seeking specific legal and/or specialist advice. Gallagher accepts no liability for any inaccuracy, omission or mistake in this note, nor will we be responsible for any loss which may be suffered as a result of any person relying on the information contained herein. No third party to whom this is passed can rely on it. Should you require advice about your specific insurance arrangements or specific claim circumstances, please get in touch with the Automotive Team at Gallagher. Arthur J. Gallagher Insurance Brokers Limited is authorised and regulated by the Financial Conduct Authority. Registered Office: Spectrum Building, 7th Floor, 55, Blythswood Street, Glasgow, G2 7AT. Registered in Scotland. Company Number: SC108909

Leon Bosch is the managing director of the automotive practice at commercial insurance broker and risk management specialist Gallagher.



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T: 0344 875 3480
E: customerservices@bca.com
Info: BCA's remarketing programmes deliver volume, choice and availability for buyers, and speed, efficiency and market-leading returns for sellers.

Automotive Ecommerce

GForces
W: gforces.co.uk
T: 01622 391904
Info: GForces delivers class-leading ecommerce solutions. We work with global vehicle manufacturers, the world's largest dealer groups and independent retailers around the planet.

Data

Real World Analytics
W: realworldanalytics.com
T: 0808 1890 617
E: auto@realworldanalytics.com
Info: We are a SaaS-based data analytics solution provider for multi-site dealers. Our business intelligence tools help customers make faster and better decisions.

Finance

Blue Motor Finance
W: blue.co.uk
T: 020 3005 9331
E: dealersupport@blue.co.uk
Info: Blue is transforming the car finance market, making car ownership simple and flexible and providing motor traders with access to essential finance.

Finance

Close Brothers Motor Finance
W: closenotmotorfinance.co.uk/
Info: Close Brothers Motor Finance are a specialist finance provider, working with over 8,000 dealer partners to offer flexible finance solutions for car, motorcycle and LCV customers.

Finance

First Response
W: firstresponsefinance.co.uk
T: 0115 946 6317
E: marketing@frfi.co.uk
Info: First Response is an award-winning UK finance company providing simple financial solutions. Get in touch and let us help increase your profits.

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Forza Finance
W: forzafinance.co.uk
T: 01245 245678
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HR & People Management

HR Manager
W: hrmanager.co.uk
T: 01480 455500
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Info: HR Manager is Lawgistics' new digital compliance portal designed to assist employers manage their legal obligations, responsibilities and duties.

Key Control

Keytracker
W: keytracker.com
T: 0121 559 9000
E: sales@keytracker.com
Info: Established in 1996 and based in the UK, Keytracker Ltd provide an extensive range of key and asset management systems for a wide range of businesses.

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Traka
W: traka-automotive.com
T: 0333 355 3726
E: automotive@traka.com
Info: Bespoke software and electronic key management cabinets to deliver the most effective solution to dealerships to manage their keys and vehicles.

Lead Management

GardX AD-Vantage
W: gardx.co.uk/gardx-ad-vantage
T: 01243 376426
E: goforaspin@gardx.co.uk
Info: The award-winning 360 service offers an engaging display of the vehicle while additionally presenting profitable F&I products to a consumer.

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iVendi
W: ivendi.com
T: 0330 229 0028
E: tellmemore@ivendi.com
Info: iVendi delivers a fully connected platform that engages consumers, converts buyers and manages transactions of vehicles online and in the showroom.

Legal & Compliance

Lawgistics
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T: 01480 455500
E: sales@lawgistics.co.uk
Info: The legal experts for the motor trade, giving advice and support to our industry for over 15 years. Not anti-consumer, just pro-trader.

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W: oncuecomms.com
T: 020 8125 3880
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Mobil™
W: mobil.co.uk
T: 0800 0857 420
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WeRecruit Auto
W: werecruitauto.co.uk
T: 01603 550041
Info: Permanent recruitment - here to assist businesses within the automotive sector find the best fit for their company in terms of skillset, experience and culture.

Trade Bodies

Ben
W: ben.org.uk
T: 0808 131 1333
Info: Ben is a not-for-profit organisation that partners with the automotive industry to provide support for life to its people and their families.

Vehicle Photography

Dealer 360
W: dealer360.co.uk
T: 01270 780855
E: nickyspratt@ukturntables.com
Info: UK makers of photo booths incorporating our turntables for car, van and motorcycle dealers. Our software controls turntable and cameras - a one-stop solution.

Vehicle Tracking

Meta Trak
W: metatrak.co.uk
T: 020 8867 2340
E: enquiries@metatrak.co.uk
Info: Total vehicle security. Clever tracking technology, advanced immobilisation, 24/7 monitoring and an easy-to-use app. Security. Connectivity. Peace of mind.

Warranty Providers

Autoprotect
W: autoprotect.co.uk
T: 01279 406888
E: sales@autoprotect.net
Info: AutoProtect offers a full portfolio of award-winning protection products, including GAP. We lead the market with an 'Excellent' rating on Trustpilot.

Warranty Providers

Car Care Plan
W: carcareplan.com
T: 0344 573 8000
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More Sales For You
W: Your website address
T: 020 8125 3880 (that's us!)
E: sales@blackballmedia.co.uk
Info: The Suppliers Guide lets dealers find the companies they need to help them with their business. Make sure you're here. Contact us via the above number.

Warranty Providers

Momentum Warranties
W: momentumwarranties.co.uk
T: 0330 445 0059
E: support@momentumwarranties.co.uk
Info: How long does your warranty company make you wait? We pay claims into your bank within 45 minutes. The most advanced warranty programme in the UK.

Warranty Providers

Warranty Administration Services
W: warrantyadmin.co.uk
T: 01522 515600
E: tellmemore@warrantyadmin.co.uk
Info: Unlock new profit and aftersales flexibility with Crystal Clear Warranty. Ideal for franchised dealers, groups and independents.

Warranty Providers

Warrantywise
W: warrantywise.co.uk/dealer
T: 0800 001 4551
E: dealers@warrantywise.co.uk
Info: Warrantywise sells over 100,000 warranties per year. Quentin Willson personally designed Warrantywise to be the UK's best used car warranty.

These Listings Work!

More Sales For You
W: Your website address
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E: sales@blackballmedia.co.uk
Info: The Suppliers Guide lets dealers find the companies they need to help them with their business. Make sure you're here. Contact us via the above number.

Warranty Providers

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T: 01844 293810
E: sales@wmsgroup.co.uk
Info: Open 24/7, we offer award-winning warranty products for FCA- and non-FCA-registered dealerships.

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Bluesky Interactive
W: blueskyinteractive.co.uk
T: 01926 651000
Info: Bluesky Interactive drive dealer websites and digital marketing forward thanks to game-changing innovation, the latest technology and our exceptional relationships with our clients.

Website Design & Digital Marketing

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W: haswent.com
T: 020 3920 7611
E: hello@haswent.com
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COVID-19 CORONAVIRUS

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Long-termers.

LATEST FROM THE FLEET...

Seat Tarraco

The coronavirus pandemic has seen the Tarraco parked up for many weeks, but thankfully it's back out and about again...



by JACK EVANS
@jackrober

The coronavirus pandemic has grounded fleets throughout the world, and the same has been the case with our long-term test vehicles. The Seat Tarraco, in particular, hasn't been able to put its excellent spaciousness, impressive refinement and surprising economy to use for some time as it's been parked up staying safe at home. Fortunately now though, as lockdown measures ease, it's making its presence known on the road again.

And if cars were able to display emotions, we reckon that the Tarraco would be wearing a big grin at being allowed back out again. The seven-seater is an ideal long-distance vehicle, but even for shorter trips around town it's accomplished. Surprisingly light steering makes smaller turns a doddle, while there's a good amount of visibility to help with low-speed manoeuvres too.

It even looks the part. We'd argue that the Tarraco could benefit from a few sporty exterior touches, but this is something that has been addressed by Seat via the recently announced FR and FR Sport trim levels. They bring 20-inch alloy wheels and a new bodykit, but while we'd quite happily add the latter to 'our' car, we think that larger wheels could put a dent in the Tarraco's excellent ride quality.

And as we storm towards July, we head ever-closer to the time when the Tarraco has to return to Seat. It's had a rather tumultuous time with us, that's for sure, and although we've not spent as much time behind the wheel as we would've liked, it's already made a lasting impression.

The practicality levels it offers only fall just short of van-like. Very few cars can gobble up a full-sized mountain bike without the need to remove the front wheel, but it's something the Tarraco can easily achieve. Then, when you're finished with its cavernous boot space, the seats are easily raised back up – and even the third row provides enough space for people to sit there comfortably over shorter journeys.

The 2.0-litre engine under the bonnet is more than up to the job of propelling the Tarraco up to speed in a good enough time. We'd be interested to see Cupra turn its attention to the Tarraco – a performance seven-seater SUV is always an interesting prospect – but when it comes to everyday duties, the 148bhp diesel is more



Our Tarraco doesn't look half bad, but we wouldn't say no to the sportier FR version...

THE KNOWLEDGE

Model:	Seat Tarraco Xcellence
Price (as tested):	£35,305
Engine:	2.0-litre turbocharged diesel
Power:	148bhp
Torque:	340Nm
0-60mph:	9.6 seconds
Top speed:	123mph
Fuel economy:	38.2mpg
Emissions:	146g/km CO ₂
Mileage:	8,600

THIS MONTH'S HIGHLIGHT:

Properly driving the Tarraco again after what has literally been months...

than capable. We've been seeing mpg figures consistently in the high 30s (when we've been allowed to drive it, that is), which makes it one of the best cars in the segment when it comes to fuel-sipping abilities. Would a hybrid version make sense? Certainly, a plug-in hybrid version could work, but given the diesel's all-round abilities it would be a tough sell indeed.

Is there anything we'd change about the Tarraco? Not particularly. As we've already mentioned, the styling could do with a small bump in drama (a colour other than white may help this too), but this really is a personal gripe. The slightly more powerful diesel with 188bhp could be a great addition too to give the car a little more zip off the line – again, only a small recommendation.

But for a car weighing in at just over £35,000 when loaded with kit, the Tarraco makes a great deal of sense as a family car. Certainly, it'd be high up on our list of recommendations if you're after a new seven-seater.






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