AP Eagers bid leaves regulator ‘concerned’

The AP Eagers acquisition proposal of Automotive Holdings Group has raised questions about market fairness with the Australian Competition and Consumer Commission.

The ACCC says “preliminary concerns” about the $2.3 billion combined entity’s 12% coverage of the new car retail market could impact competition in the Newcastle/Hunter Valley region of NSW.

The ACCC says the deal is “unlikely to substantially lessen” competition for Melbourne, Brisbane, Sydney or even nationally, but the fact both AP Eagers and AHG would operate 46% of new car dealership sites in the Hunter region is problematic.

The proposal would mean of the 10 most popular brands on sale in the region, AP Eagers and AHG would run 54% of those franchised dealership sites, selling brands including Toyota, Hyundai, Mazda, Mitsubishi, Ford, Kia, Volkswagen and Nissan.

“Local consumers generally don’t travel beyond the Newcastle/Hunter Valley region to buy new cars, and it is difficult to find out the final price for a car without visiting a dealership,” she explains.

One anonymous industry source tells AutoTalk the way consumers research and buy new cars in today’s connected market, means competition is not limited in the Newcastle/Hunter region.

The sources say a number of Canberra associates have travelled as far as Melbourne to buy a new car and another has even bought one in Sydney, despite being based in Melbourne.

Even AutoTalk’s editor has bought a new Subaru from Cowra Motors in rural NSW, some seven hours away.

“The internet has made Australia a small place and if the deal is good enough people will travel,” the source says.

“If there was a good deal in Gosford or Port Macquarie they would make the trip,” they explain, understanding the regulator.

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Ford, Chrysler genius dies

Lee Iacocca, the man who designed the Mustang back in 1963, has died, aged 94.

Iacocca created the world’s most popular sports car, whose legacy lives on today and Chrysler still exists because he saved it from bankruptcy in the 1980s. He was also responsible for the people-mover (aka minivan), and was also known as a first-class car salesman.

Iacocca was known for a fiery tongue loaded with a no-nonsense brashness which cut through mediocrity and corporate wish-wash. This made him the perfect president of the Ford Motor Company and chief executive of Chrysler for nearly a quarter of a century.

But his automotive career lasted half a century.

Iacocca famously said in a 1990 Chrysler commercial: “America is getting an inferiority complex about Japan. Two cars come off the same assembly line in in the same American plant, a Japanese nameplate goes on one and an American”.

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EasyCars integration with Facebook Marketplace

Learn more

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AutoTalk acknowledges the support of our foundation sponsors:
Road Standards legislation delayed ... again

The Department of Infrastructure and Regional Development has put forward legislation to delay the introduction of the Road Vehicle Standards amendments bill until July 1, 2020.

The department has raised concerns about the computer infrastructure’s preparedness for a substantial and complex series of technical regulatory changes which were proposed to take effect from early December this year.

DIRD’s computer system, it says in an explanatory memorandum published today (July 4) will be required to sync with state and territory governments’ own systems to account for all new and used vehicles imported into Australia.

Discussions with the Australian Automotive Dealer Association suggest, but don’t officially confirm, the delay is welcomed in order to properly bed-down the substantial changes set to radically change the framework of vehicle importation, approval, registration, monitoring and monetisation.

The Australian Imported Motor Vehicle Industry Association (AIMVIA) says it, along with the heavy transport association, appreciates minister Michael McCormack’s department doing its due diligence on a bill which could drastically affect livelihoods and business prospects.

“For independent importers, this has wide-ranging implications as businesses both large and small now adjust to the revised timeline,” AIMVIA says in a statement.

“Whilst disappointing for our members and stakeholders, it vital that the new system is suitably robust in order to ensure a smooth transition to the new legislation,” it adds.

“AIMVIA will continue to engage with relevant ministers and DIRD staff to ensure that the impact of these delays to our industry is kept to a minimum, and that vehicle manufacturers and their distributors do not use the delay as a means of gaining commercial advantage,” the association explains.

Concerns were also raised about the amount of work required by the transport and supply chain industry and the federal government to implement the legislation within the allocated timeline.

The Heavy Vehicle Industry Australia (HVIA) requested the delay, and chief executive Todd Hacking says the legislation has significant ramifications for the heavy vehicle industry.

“HVIA now calls for bipartisan support for the measure, to allow industry and government to continue to work together to achieve the desired outcome,” Hacking says.

“The additional time will give industry and the department time to work through the remaining issues to ensure the implementation is successful.”

AIMVIA told AutoTalk the new Environmental Vehicle category will allow a number of electric and hybrid vehicles to enter the Australian market at price points that are more attainable for average Australians.

“A proposed amendment to the legislation by senator Tim Storer would have further enhanced this process, and AIMVIA encourages both major political parties to reconsider their environmental credentials in light of their reluctance to support this amendment,” the association says.

“The government has taken steps to ensure that vehicle manufacturers can no longer ‘game the system’ by

Continued on page 8
Call of duty for Kia-Fujitsu alliance

Kia Australia is understood to be in early discussions with United States defence contractors regarding its innovative software design for integrated police vehicle systems. 

AutoTalk has learned the Australian Defence Force has connected the Korean brand’s local operations with undisclosed US defence contractors impressed by the Stinger highway patrol vehicles’ ergonomic touchscreen operation system designed Down Under.

The software system, which allows officers to engage sirens, lights, radio dispatch and license plate detection and more, also means the removal of bulky, dangerous brackets and hardware which poses a risk to officers in a crash or pursuit situation.

This computer-aided dispatch system could mean military vehicles do the same and pose less risk to occupants of Joint Light Tactical Vehicles (JLTV) which are replacing the aging Humvee, armoured personnel carriers and others.

Kia Australia national fleet manager Chris Forbes, says the health and safety factor could have benefits to the military, but says the idea is only in early discussions.

“We’ve only had phone conversations at this stage, but it’s a very good indicator when these companies, which need to be aware of the latest technology, start getting in contact,” he says.

The interface allows police to access computer databases with the same ease Uber drivers touch to accept jobs, but Forbes says there are wider potential applications.

“The system can be installed into any of our vehicles, of course, and with the high quality and accuracy it offers, there are many other government, military, law enforcement and emergency services fleets which could implement a similar system,” he explains.

Kia Australia is already well under way supplying new Stingers to Queensland, Northern Territory, Western Australian and Tasmanian police for highway patrol duties, with the new interface to rollout soon thereafter.

“We identified the level of systems redundancy within the current [highway patrol] vehicle fit-out and were excited to work with Fujitsu to push for a higher degree of integration of law enforcement systems within the Stinger,” Forbes says.

Fujitsu writes what’s called “middleware”, which is also described as plumbing, basically connecting software that acts as a bridge between an operating system like Kia’s or police databases and applications like the Stinger’s infotainment screen.

But Forbes says there’s even more cool functionality coming from the partnership, including integrating Fujitsu’s biometrics scanners into the police networks.

“One biometric scanner could replace the need for four or five logins,” he adds.
Moreland City Council is running two fuel cell Toyota Mirai as part of a two-month fleet trial.

Moreland says the trial will continue the council's commitment to reducing its emissions footprint with 14 Nissan Leaf EVs already racking up the kilometres and a network of fast-chargers installed across the municipality.

In 2013 Moreland installed Victoria's first electric vehicle rapid charge station in partnership with the Victorian government, which is entirely free to use, as well as the well-publicised pioneering effort to replace its fleet of diesel garbage trucks with fuel cell versions, powered by on-site produced renewable hydrogen.

The Mirai trial is mayor councillor Natalie Abboud's latest attempt to curb the council’s emissions footprint.

She says a resource-responsible path to a zero-emissions transport future will likely see battery electric vehicles fill much of the personal transport space, and fuel cell electric vehicles much of the commercial and public transport space.

As well as the Nissan Leaf fleet and 10 charging stations within council bounds, on-site charging from JetCharge and dedicated parking spaces are available to encourage staff use.

“Council sees battery electric and fuel cell electric vehicles filling specific roles in a zero-emissions transport future and supports them as equally important technologies,” the council adds.

The municipality was the first in Australia to adopt a “Fossil Fuel Divestment” process in 2015 and began investigating “options for renewable hydrogen generation for transport in Moreland” in 2016. It later announced it was planning a small pilot project fleet of hydrogen fuel cell garbage trucks as part of a collaboration with IVECO (CNH Industries), hydrogen technology suppliers H2U and a series of other companies.

AutoTalk understands the garbage truck project may not be completed, but that the council is doubling down on its promise to pursue its renewable energy and emission-free goals.

Toyota Australia’s advanced technology vehicles manager Matt MacLeod says: “Moreland City Council [members] are strong advocates of zero emissions solutions and we look forward to seeing how they use the in-demand Mirai.”

Toyota Australia’s $7.4 million hydrogen education and refuelling centre in Altona is also heavily into the construction phase to repurpose the defunct manufacturing plant, and is set to open in December and be “fully operational by late 2020”.

The Victorian government is developing a Hydrogen Investment Program (HIP) to understand the long-term viability of what’s referred to as a “hydrogen economy”.

According to the Hazer Group, cited by the Victorian government’s (HIP) statements, global hydrogen production in 2014 was worth the equivalent of $132 billion dollars courtesy of 64 billion tonnes produced – just as Hyundai was introducing the world’s first mass-produced fuel cell vehicle.

The investment programme’s submissions intake which closed in February, aims to provide funding for hydrogen research, trials, pilots and demonstrations in order to develop “a strong base of industry knowledge, skills and seed funding”.

Energy Networks Australia, which says its members “provide energy to almost every household and business in Australia”, claims to have already tipped significant funding into hydrogen, and notes its potential use as a commercial fuel.

“More than $150m has been allocated towards hydrogen research, development and pilot projects,” ENA chief executive Andrew Dillon says in a statement.

“There is also a significant amount of work addressing the role of hydrogen as a transport fuel which is not covered in our submission [to the Hydrogen Investment Program],” he says.

“Victoria has a unique advantage to produce hydrogen from both renewable and fossil fuel resources, and to export this,” Dillon continues.

“We are supportive of the Victorian government developing a strategy and implementing policy to identify the opportunities hydrogen can create for the state,” he adds.

Moreland council tells AutoTalk it has lodged a submission to the Victorian Hydrogen Investment Program which is currently in a discussion period. A funding round will open again later this year which Moreland says it intends to apply for.

Meanwhile, a source tells us the stillborn Moreland fuel cell garbage truck project, which was discontinued due to “unsuitable commercial terms”, has not been dropped despite setbacks, because “the reasons we embarked on the original project have not changed”.

Andrew Dillon, Energy Networks Australia

Moreland: a seasoned alt-fuel fleet
The finest automotive businesses in Victoria were revealed on June 22 at a gala dinner event in Melbourne.

AutoTalk was hosted by the Victorian Automobile Chamber of Commerce which rewarded 36 businesses and their people at the VACC Industry Awards.

Award categories include mechanical repair, auto electrical, recycling, body repair, engine reconditioning, farm machinery, heavy vehicle repair, new and used car, motorcycle and commercial vehicle dealers, service station and convenience stores, aftermarket and retail, towing and tyre dealers.

MC’d by The Price Is Right and Channel Seven host Larry Emdur, the event was the result of eight judges assessing entries based on business management, workplace practices, customer service and marketing and communication.

The VACC industry awards are recognised as the highest honour a Victorian automotive business can achieve, and includes special stand-out awards for “best business woman in automotive” and “young entrepreneur of the year” added in 2019.

VACC chief executive officer Geoff Gwilym says it’s important to recognise the wide variety of innovators, experts and hard-working groups that keep the industry humming.

“It is a huge accolade to be named the best in Victoria and these businesses have all proved themselves worthy of that title.

“The VACC industry awards have been very well supported this year, proving that they are valued by industry and recognised by consumers,” Gwilym adds.

“VACC congratulates all of the winners in the 2019 VACC industry awards and recommends them to Victorian motorists. Remember to look for the famous orange VACC sign: The mark of the industry professional.”

Award sponsors included MTAA Super, Bosch Service, Denso, Commonwealth Bank Australia, Caravan Industry Victoria, Carsales and Bikesales.

The winners were:

Best Aftermarket & Retail Business (Small)
- Piranha Off Road Products

Best Aftermarket & Retail Business (Large)
- Bond Batteries

Best Auto Electrical (Small)
- Cranbourne Auto Electrical & Mechanical

Best Auto Electrical (Large)
- Lonsdale Street Auto Electrics

Best Auto Recycler
- First Auto Parts Plus

Best Body Repairer – Passenger Vehicle (Small)
- Essendon Panels

Best Body Repairer – Passenger Vehicle (Large)
- Lyons Body Works

Best Business Woman in Automotive
- Michelle Ferbrache, Essendon Panels

Best Commercial Vehicle Body Repairer
- CBARoyans Melbourne

Best Commercial Vehicle Dealer (Large)
- 3 Point Motors Mercedes-Benz

Best Commercial Vehicle Manufacturer
- Norden Body Works
Best Engine Reconditioner (Small category)
- Head Stud Development

Best Engine Reconditioner (Large)
- HM GEM Engines

Best Farm Machinery Dealer (Large)
- Agpower & Transport

Best Heavy Towing (HTT) Operator – Statewide
- Complete Body Craft

Best Mechanical – Light Engines (motorcycle, powered engines & marine) (Large)
- A1 Motorcycles

Best Mechanical – Heavy Vehicle
- Hallam Truck Centre

Best Mechanical Light Vehicle – Metro New Car Dealer
- Mornington Mitsubishi & Isuzu Ute

Best Mechanical Light Vehicle – Metro (Small)
- Allpoint Automotive

Best Mechanical Light Vehicle – Metro (Large)
- BM Tech

Best Mechanical Light Vehicle – Regional (Small)
- Sandhurst Automotive

Best new car dealer: Carworks - Ballarat Renault

Best used car dealer: Ballarat Car Sales

Best large commercial dealer: 3 Point Motors Mercedes-Benz

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Kangaroos may be Australia’s forward-only national animal emblem but they cause thousands of car crashes every year and cost us dearly.

Skippy causes more than 7000 insurance claims for motorists every year due to collisions, causing $28 million in damage, and according to 2015 RACV figures, more than 75,000 motorists lodged car damage claims, including about one in 14 involving an animal; almost 5500 claims.

Roughly 15% of vehicles claimed for as a result of clobbering a kanga are written off, to the tune of over 1000 cars annually.

Self-proclaimed insurance disruptor Huddle has developed an insurance product called “kanga cover”, which claims to be the first optionalable product of its kind in the Australian insurance market.

Designed around the company’s “roo report” which uses 2016-17 information from a series of kangaroo strikes and their subsequent claims, kanga cover can be added to a comprehensive insurance policy to pay for the repair of a vehicle and potentially help drivers “avoid paying an excess after accidentally hitting an animal”.

Huddle chief executive Jonathan Buck says the problem with comprehensive car insurance is that despite covering the damage cost in most cases, drivers are virtually always deemed at-fault.

“The majority of insurance brands including Huddle place the driver at fault, with an excess to pay when you claim,” he says.

“We recognise that there’s often very little a driver can do to avoid colliding with a kangaroo that jumps out, and... our members have also told us they think the industry norm of charging an excess in these events is wrong,” Buck explains.

A red kangaroo can weigh up to 85kg and an eastern grey can scale in at 65kg, with the average cost of striking either of our most common forward-only fauna a hefty $4000, Huddle says.

Even with most cases of kangaroo strikes being covered by comprehensive insurance policies, Huddle suggests the majority of brands require the driver to pay an excess to fix vehicle damage.

The concern for motorists is their ignorance about their own insurance policy. Huddle suggests most Australians don’t understand what their insurance policy does and doesn’t cover them for – more than half (59%) think a kangaroo strike is covered in their comprehensive car insurance. Only 80% of this group realise they’ll be paying an excess.

Kanga cover means a driver would not be expected to pay an excess fee on their first claim for accidentally hitting an animal.

“By launching kanga cover, we have made it possible for the first time in Australia, for drivers to avoid having to pay an excess when they collide with an animal, up to once per year,” Buck says.

Suncorp Insurance tells AutoTalk it and subsidiary insurance brands do provide cover for kangaroo strikes, but confirms there is a cost.

“In instances like this [a kangaroo strike], the excess would apply regardless of fault,” a spokesperson says.

“All Suncorp comprehensive motor insurance policies – including GIO, AAMI, Apia, Bingle and Suncorp Insurance brands - provide cover for loss or damage caused by a collision with or by an animal, including kangaroos,” they explain.

While there are a number of effective aftermarket products to help ward against or limit the risk of an animal or kangaroo collision, they still don’t have much weight when it comes to policy discounts.

“We don’t currently offer any discounts or incentives to customers who fit devices such as Shu Roo noise deterrents to their vehicles,” Suncorp continues.

Suncorp also advises new car buyers to not get too hung-up with discounts when they option or pay extra for collision avoidance features like autonomous emergency braking. Namely, because those systems aren’t robustly proven for fast-moving oddly-shaped kangaroos appearing out of nowhere.

“Generally, manufacturers wouldn’t engage with insurers until their technology has been well-tested with proven results,” they reveal.

“So, while we’re not participating in any research with manufacturers, we understand some technology suppliers, as well as some manufacturers, have actively tested AEB and other systems with kangaroos in Australia, and we look forward to seeing their findings and how this may benefit our customers,” Suncorp reveals.

Of the 7800 claims made per year for animal-related collisions, 90% are caused by or involve kangaroos, including 45% in New South Wales, 26% in Victoria and 12% in Queensland.

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Tools down for auto awards

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<table>
<thead>
<tr>
<th>Category</th>
<th>Winner</th>
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<tbody>
<tr>
<td>Best Mechanical Light Vehicle – Regional (Large)</td>
<td>Echuca Service Centre &amp; 4X4</td>
</tr>
<tr>
<td>Best Metro Accident (allocated) Towing Operator</td>
<td>Sheen Group Towing</td>
</tr>
<tr>
<td>Best Motorcycle Dealer (Large)</td>
<td>A1 Motorcycles</td>
</tr>
<tr>
<td>Best New Car Dealer</td>
<td>Carworks – Ballarat Renault</td>
</tr>
<tr>
<td>Best Parts/Component Manufacturer</td>
<td>Piranha Off Road Products</td>
</tr>
<tr>
<td>Best Regional Accident Towing Operator</td>
<td>Geelong Accident Towing &amp; Recovery Centre</td>
</tr>
<tr>
<td>Best Restoration Project Body, Mechanical, Overall</td>
<td>Catocraft Automotive</td>
</tr>
<tr>
<td>Best Service Station &amp; Convenience Store (Small)</td>
<td>Caltex Star Mart Albert Park</td>
</tr>
<tr>
<td>Best Trade Towing Operator - State-wide</td>
<td>Code 12 Towing</td>
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<tr>
<td>Best Tyre Dealer</td>
<td>Tyrepower Werribee</td>
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<tr>
<td>Best Used Car Dealer (Small)</td>
<td>Ballarat Car Sales</td>
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<td>Best Used Car Dealer (Large)</td>
<td>3 Point Motors Mercedes-Benz</td>
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Road Standards legislation delayed ... again

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Blocking independent importers but also not genuinely supplying a model to the Australian market, AIMVIA revealed.

“Manufacturers now have three months [down from 18 months] from the time a new model is released overseas to supply it to the Australian market. Failure to do so means that enthusiasts can then apply for the model to become eligible for independent importation,” it says.

The Specialist and Enthusiast Vehicle Scheme (SEVs) in its current form will be phased out over the next two years, with a heavily revised SEVS replacing it.

“Crucially, the new scheme allows model variants to be independently imported if they haven’t been sold in Australia by the manufacturer, granting access to a plethora of new vehicles that have never been seen on Austral-ian roads,” AIMVIA says.

“Likewise, eligibility for import means that new models only need to meet one out six new SEVS criteria rather than the previous two-out-of-four arrangement.”

The net result of these changes and others means there are a number of exciting new opportunities for car enthusiasts and the small businesses that supply these vehicles to the Australian market, AIMVIA says.

For the first time, rare and exotic vehicles can be complied with Australian Design Rules without the need for conversion to right-hand drive, setting the scene for hypercars such as the Bugatti Chiron to be registered for road use.

Classic car lovers can benefit from the new “25-year rule” allowing any vehicle manufactured more than 25 years ago to be imported, enabling a number of collectible vehicles from the 1990s to soon land.

The department of infrastructure, transport, cities and regional development had been working towards an implementation date of December 10.

HVIA has been working to prepare potentially impacted members including manufacturers who hold an approval under the motor vehicle standards act for vehicles, a component or a sub-assembly.

“HVIA has been an active participant in the consultation group for the implementation of the legislation,” Hacking says.

“I think the catalyst for this decision was the invitation from HVIA for three representatives of the department to meet with people from industry at the Brisbane Truck Show.

“Meeting with affected people on the ground seemed to bring home the magnitude of the work required to get the RVSA legislation up and running,” Hacking adds.

![Best woman in automotive: Michelle Ferbrache, Essendon Panels](image.jpg)
Tyred of running rings?

The tyre sector is entirely its own beast within the automotive industry, employing countless thousands, worth billions and literally the stuff that keeps Australia and its economy rolling.

At the dealership level it’s a difficult business prospect to handle. Do you invest the resources into storing bulky, dirty stock for what is an infrequent add-on to the usual service schedule? Why bother when the chain tyre retailer down the road has everything and could save you the space and time to run your own in-house service? But then there’s customer experience and their irreplaceable time – your one-stop-shop tyre service could improve convenience for them.

It’s a conundrum bearing down on the franchised automotive retailer and the wider service and repair workshop networks more broadly, which begs the question of whether the tyre retail network is prepared for disruption.

Travis Osborne is adamant his Mobile Tyre Shop (MTS) business, named because it does exactly what it says on the packaging, is the disruptor everybody didn’t realise they always needed.

He says everybody hates the grudge purchase of tyres, because of the time impost, the cost, the importance and fundamental safety aspects of their existence, but brings an opportunity for OEMs, consumers and dealers alike.

“A lot of dealers have their own equipment, but many dealers say tyres are too hard, margins are too low and it’s costly to store sizes waiting for someone to buy them,” he begins.

Standing in an ordinary concrete-walled commercial building in Mulgrave in Melbourne’s east, Osborne says the business is gaining such strong traction in the industry because overheads are minimal and MTS saves both the consumer and business time and money.

It’s become such an in-demand service, they’ve about to relocate to even bigger premises.

“We don’t hold stock like a typical tyre shop and that means we can be completely agnostic on brand,” Osborne reveals, which again simplified his business model away from the complexity and restriction of franchising.

“We simply send out a purchase order to the brand and the delivery is made within a couple of hours, or we get the very earliest deliveries by 7.30am each day – which we’ve specifically had to put in place – or one of our vans will pick up the stock directly and complete the job,” he explains.

“Or we’ll simply swing buy a Beau-repairs en route to the customer, our team arrive in full uniform with a professional, completely self-contained tyre workshop on wheels,” he adds.

Mobile Tyre Shop gains the advantage of being “agile”, as Osborne describes, without being anchored to a single fixed location hoping for customers to come in the door.

The business doesn’t market itself as an emergency puncture or call- out service, but that’s still part of the job. It also means dealers don’t have to risk a customer’s vehicle being trucked or driven on the road to the local tyre retailer.

Dealers can bill their customer directly without waiting for tyres to be delivered or adding further delay to the time-poor customer.

Dealers paying technicians solid wages but don’t do tyres often can get more cars in the workshop space taken up by tyre equipment and stock sitting in the corner.

MTS uses Renault Masters capable of holding up to 24 tyres and perform six jobs per van, anywhere. They return to the office depot for a clean, to stock up, drivers to take a break and head back out.

Osborne and sales/marketing general manager Jamie Cartwright know first-hand all about the agony dealers face regarding franchising, the latter who brings personal experience from his time managing at Essendon Renault and with Peter Warren Automotive prior.

Osborne’s time as a Gloria Jeans coffee franchisor means he’s also fanatical about presentation, so MTS is a regular necessity for performance brands, dealers and customers for track day experiences.

Eighteen million tyres are sold each year, with 50% of the market sold by the top five brands, Bob Jane T-Marts, Bridgestone, Good-year, Kmart and Tyrepower.

L-R: Travis Osborne, CEO, Jamie Cartwright, general manager sales

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Tyred of running rings?

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So, when Osborne says he could have 400 vans in the fleet and still barely scratch the surface, he’s not joking.

“The whole model is driven by knowing exactly where your next customer is and what they need, and because each driver is essentially running their own van as an effective store manager, we source skilled drivers at a premium and keep every van in immaculate condition so we can go into Zagame’s or an executive’s carpark on Collins St and not look out of place,” Osborne attests.

Pointing a row of Bridgestone Dueler all-terrains ready to go on a fleet of Ford Rangers destined for mining work, and another 850 wheels being prepared for a German luxury brand, he says the pressure felt by tyre retailers doesn’t exist.

“Fifteen years ago there were about seven sizes of tyre and you had nearly everyone covered, now, we’ve got 7000 SKUs on our system,” he explains.

The logistics of the on-demand mobile tyre fitting service couldn’t be simpler, to the point of asking how it didn’t take off 10 years ago.

A list of jobs are live on the driver’s tablet and/or smartphone, 10 mins before a job is due to start they phone the customer saying they’re nearly there, and as soon as he finishes a job, a message notifies them of the next customer.

The vans are immaculately presented, and Osborne is unashamed to admit carries on from his coffee days, they’re fitted out by light commercial racking, cabinetry and storage operation RXI based out of Tullamarine, with an entirely self-sufficient onboard power system fed by dual 12-volt batteries to run Corghi air compressors, balancer, aligner and tyre changer.

The MTS fleet leaves its metro office depot in the morning and doesn’t usually return until the end of the day, and apart from a small team of locally employed call centre staff taking orders, the fact 75% of tyres are shopped for online – the same as buying new cars – the business can employ without having unnecessary costs.

The Kmart-Continental deal worth $350 million last year had all the hallmarks of an Uber-style level of competition, but Osborne says the alliance doesn’t keep him up at night.

One could surmise a Kmart mobile tyre fleet runs the risk of cannibalising its store networks by double-paying store staff to run a mobile workshop, while large unpredictable overheads continue to chew at turnover. Osborne says the big guys don’t have same scale and agility, which equals convenience, as MTS.

That appeal saw the business pitched on Shark Tank a few years ago, to which two of the show’s investors agreed to a deal with Osborne. Only the deal fell through. The investors said it was because Osborne didn’t pass a so-called due diligence test after the show, because he claims to have received a better offer shortly after the show aired.

Clearly Osborne knows what he’s doing if he’s got support of the major tyre OEMs – including Continental itself – and isn’t scared by the established brawn of Kmart.

“The tyre van isn’t the focus of their business and the job they pay a store employee to go out and do, we could do in 10 minutes without leaving a workshop down one person for an hour,” he says confidently.

“By the time customers have seen their van parked at the store, they’re already there; their business model, regardless of money, won’t work going mobile – our guys are always out and occasionally come back in, not the other way around,” Osborne explains.

“We won’t buy a tyre from Bridgestone or whoever until the customer has bought them, so we don’t have to hold thousands of tyres, waiting for them to sell, and wait to get screwed by a landlord on rent every year,” he adds.

Cartwright says the model is a win for both consumers, and fleet managers and their respective organisations which are constantly watching the expense generated by company vehicle assets.

“A fleet can have 10 or 20 different sets of tyres needing changing, but can’t get those vehicles all into a store or dealership to change them,” he says.

“We can change them where they sit, on weekends, before or after business hours, which means no downtime for those vehicles,” Cartwright smiles.

“Our business is about solving tyre problems, not creating them,” he adds.

MTS also sponsors the Garry Rogers motorsport Renault Meganes and almost every week an MTS van or two can be seen in the pits at Phillip Island or Sandown doing tyre changes for drive days with the likes of Zagame and brands like Aston Martin, Lamborghini and Audi.

“Someone was taking six sets of tyres back to a tyre store and bringing them back the next day,” Osborne says.

In 48 hours after his Shark Tank debut, back when he was working out of a shed with two vans and three drivers including himself, Osborne says he received 700 phone calls for his services. He claims it broke his website because 13,000 people tried to use the website at once.

“We know what we’re doing and will not compromise on our service by getting too big, too fast,” he concludes.
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Much of what makes buyers nervous about purchasing a used car is the condition of everything they can’t see in listing photos. That’s why independent inspections are valued by buyers, as the inspection report is a transparent proof of condition – that’s more than paint-deep.

Some brands and models also carry undeserved reputations for average reliability. An inspection report by a reputable 3rd party such as RedBook Inspect, helps deliver peace of mind and presents fact over hearsay.

Attaching RedBook inspections to listings also helps interstate buyers confidently submit an enquiry on the stock item — safe in the knowledge that the stock item is in good working order — and purchase sight unseen.

3) Justify advertised prices

RBI inspections pay for themselves. Vehicles with RBI inspections command higher prices.

Whether its high kilometres or vehicle condition, buyers will always look for a negotiating angle to obtain a cheaper price. Independent reports such as those delivered by RedBook Inspect, put sales teams in control and give them the knowledge required to negotiate from a position of strength.

For example, a RedBook Inspect report can help you justify a price premium – and maintain positive margins through negotiations – or transparently explain why the stock item is priced below market.

4) Increase conversion of local and interstate enquiries

RBI inspected vehicles receive over 150% more interstate leads* than similar vehicles.

Attaching RedBook inspections to listings also helps country and interstate buyers confidently submit an enquiry on the stock item — safe in the knowledge that the stock item is in good working order — and purchase sight unseen.

RedBook Inspect also helps dealers to quickly and easily value interstate trade-ins, and eliminate guesswork.

Simply send a RedBook Inspector to evaluate the prospect’s trade-in, receive the comprehensive digital report and determine a trade-in price to send to the vehicle owner. All in all, RedBook Inspect helps deliver a seamless interstate trade-in process.
RedBook Inspect delivers business improvements

Continued from page 11

transaction for buyers and dealers alike.

5) Buyer satisfaction and loyalty

Buyer satisfaction — through trouble-free ownership experiences — can translate to repeat business opportunities, increased word of mouth and social media advocacy, in addition to reducing warranty claims that drag down profitability. All these factors can combine to grow positive sentiment around the dealer.

Tangible performance improvement

Having our stock of over 200 prestige vehicles “RedBook Inspected and Certified” over the past year has become an integral component of our online advertising, which has dramatically improved lead quality, retained margins and opened up more opportunities to sell to and trade from country and interstate customers.

The RedBook management team have actively supported the service and ensured our sales team are trained to leverage-off the advantage we have in market when fielding carsales leads and on the showroom floor.

Are you a dealer buying cars around Australia?

If it is stock that you’re looking to buy, you can book a Redbook inspection report to help you with that too.

The comprehensive report will not only save dealers’ time and money but also gives them greater confidence in the condition of the car — wherever it may be located in Australia.

How it works

A RedBook specialist mechanic visits the dealer and performs the inspection in the yard. The dealer will then receive a digital report detailing the safety, integrity and condition of the stock item, which can be published to the applicable stock listing on carsales — via AutoGate — or made available on request to interested buyers.

Get started today

There are two easy ways to start reaping the benefits of RedBook Inspect.

If you already advertise with carsales, book a RedBook inspection report seamlessly via AutoGate.

Otherwise, head to the RedBook Inspect website for more information.

When Skippy strikes back

Continued from page 7

Only 8% of roo run-ins happen in WA, 3% in SA, 2% each in the Northern Territory and ACT, and just 1% in Tassie.

September 26 is recognised as the most kangaroo-prone day for collision claims, followed by July 14, August 21 and 26, while insurance company AAMI has said winter months, with longer stretches of dark hours, mean we’re on the roads more often when animals are out.

But it’s not just financial and material damage caused by kangaroo strikes that takes a toll on motorists.

“Colliding with an animal is a frightening and traumatic experience, especially if the animal is injured or killed, and can result in serious damage or injury,” an AAMI spokesperson says.

The likelihood of hitting kangaroos is increasing as metro city bounds continue to encroach outward into rural areas, with sightings on the rise.

High risk metro areas like Queanbeyan, NSW report 2620 roo sightings, 3064 in Roxburgh Park and 3754 in Doreen in VIC, while another 2325 in Cessnock West and 2850 in Mudgee, NSW are also alarmingly common for Skippy cameos.

Huddle will donate $1 to the Kangaroo Protection Co-operative from every kanga cover option purchased, in order to help injured kangaroos recover.

Ford, Chrysler genius dies

Continued from page 1

nameplate on the other – people prefer the Japanese version,” he said.

“Our cars are every bit as good as the Japanese … we’ve got more airbags, more antlock brakes, more powertrain protection, more cars under 10,000 bucks, we’ve got more performance cars, more four-wheel drives and more turbos,” Iacocca said proudly.

Dubbed the “Detroit Comeback Kid” in 1983 by Time magazine, Iacocca was voted by the American people as more admired in 1986 than the Pope and second only to president Ronald Reagan.

Iacocca developed and built the Mustang with just $45 million, what he described as an “unheard of low amount” for the time.

Holden and General Motors, by comparison, developed the VE Commodore with a $1 billion budget in the early-mid 2000s.

Iacocca died from Parkinson’s Disease complications.
A helping hand for diagnosing diesels

Guiding automotive technicians on testing, diagnostics, service and repair on the common rail diesel system (CRD) is all part of Diesel Help Australia.

The programme is run by Bundaberg-based Clinton Brett and recently grew to New Zealand in June with courses in Auckland and Christchurch. The Auckland event took place at the Unitec Institute of Technology (Mt Albert campus) and Christchurch at the Southern Institute of Technology.

Brett is a qualified heavy diesel mechanic and diesel fuel injection specialist with over 25 years’ experience in the field and delivers his training courses in TAFEs and universities all over Australia.

He is also a technical writer for the Automotive Technician, Australian Workshop Manager and Australian Diesel Mechanic Magazine.

The theory and practical training courses offer guidance for mechanics who might encounter diesel issues such as fault codes, starting problems, driveability issues or smoke issues.

“I demonstrate the testing of major components without a scan tool whilst they remain bolted to the engine. “Injectors, pumps, rails and low pressure supply can remain in place to reduce time and unnecessary expense of replacing them. We diagnose to repair, not replace to diagnose,” Brett says.

For the last three years he has been invited as the guest diesel presenter at the Australian Automotive Aftermarket Association Expo.

As well as training courses, Brett also runs an over the phone diesel diagnostic support service for automotive technicians. It has more than 160 members in Australia and last week had its first New Zealand member join up.

Brett says his courses about assisting automotive technicians “with a simple laymen’s term explanation” of how to test, diagnose, service and repair the common rail diesel system.

“I share valuable techniques I have been using since working on my first common rail in the late 90’s and have been applied to both the old-style diesels up to the latest models.

Brett says he is “most definitely” seeing a knowledge gap around diesel diagnostics and this is driving demand for his programme.

“It’s not just industry experience. As a diesel specialist for 30 years, I see daily confusion from some of the industry’s best when diagnosing diesels.

“I’m talking about both really talented petrol and diesel mechanics. The diesel trade has been the slowest to adapt to the electronic society.

“And then we have to deal with egos – bloody big ones at that. I myself claim not to know everything.

When I cannot work out a fault myself, I consult with colleagues before going further.

“Unfortunately, some wait until it’s all too late and spend plenty of time on the job and charge the customer for their own inexperience,” Brett says.

“I educate them on diagnosing using sight, smell, sound, feel and taste. Yes, you can taste a poor running diesel.

“The diesel is a thermal combustion engine and one major mistake petrol and gasoline technicians make, is they apply the same operation principles such as ‘rich and lean’. At the end of the training, the tech’s responses are, ‘Clint, I am far more confident now when it comes to my next diesel encounter’.”

Brett says the rising ute market is part of the reason why demand is growing for more specialist skills around the common rail diesel system.

“I don’t believe we have peaked in Australia yet and New Zealand is beginning to see major faults caused by incorrect servicing, driving habits and these are stopping them in their track.

“Most of my early CRD work was on European vans, trucks and passenger vehicles. In 2005, at the Gold Coast where my original diesel fuel injection business was, we had the largest population of CRD and we’d average three to five CRD diagnosis per day.”

Go to dieselhelp.com.au for more information. ■
SEA Electric goes global

Australian automotive electric technology company SEA Electric is expanding its modular battery power-train systems for commercial vehicles to a global audience.

The company recently established its own site in Los Angeles and appointed its first US-based employees to guide new products and future projects through US certification and distribution.

SEA Electric managing director Tony Fairweather says establishing a US presence was a logical step forward for the company, given the size of the market and its demand for EVs.

“We see a lot of opportunities in the states, it’s an extremely large commercial vehicle market with a strong interest in sustainability – the US is an important part of our growth plans. “The country’s high urbanisation and sprawling cities also provide conditions where EVs can deliver operators a lot of efficiency gains, not to mention the obvious environmental benefits,” Fairweather says.

SEA Electric is also entering the European market, opening in Vienna. Its vehicles were on show at the Brisbane Truck Show in May and at California’s Advanced Clean Transportation (ACT) expo in April, and also presented at the Australasian Fleet Management Association, talking to corporates procurement teams, fleet managers, local councils and organisations keen to lower, offset or neutralise their emissions.

“Feedback in the United States to our SEA Electric technology from both government and private buyers has been extremely positive, with several customers already placing orders,” Fairweather says.

The SEA-Drive powered vehicles are ideal for urban and metropolitan back-to-base distribution applications, where they can be conveniently charged off-peak overnight, and ready to go again the next morning, he says.

SEA Electric sources batteries from China and motors from Canada, and is also working on electric trucks in New Zealand where it will soon be producing EV vans.

The company has quickly developed a strong reputation for developing electric propulsion drivetrains for a range of common truck platforms – to the point where they developed Isuzu Australia’s electric truck concepts.

SEA Electric New Zealand general manager Stephen Fairweather is leading the brand’s expansion there – and finding a ready market.

Continued on page 15
SEA Electric goes global

Continued from page 14

“Our system’s designed to fit into a standard rigid chassis. So, we don’t mind what brand of truck it is,” he explains.

The vehicles are very configurable, with batteries ranging from 70kWh to 216kWh on offer.

How far will a SEA Electric unit go? That depends on the size of the vehicle and the configuration the user chooses.

The small delivery trucks will go 200–260km on a charge, and the rubbish trucks a similar distance – though with the addition of a considerable number of bin uplifts.

The vans’ range can be as high as 350km and suit back-to-base supply chain operations.

SEA Electric regional director Mark Cameron told the AFMA fleet conference in May, that with the energy density of its better power packs increasing 56% in roughly the last two years, the company wants to remind clients at home and abroad it is not an original equipment manufacturer.

“We’re not an assembler or OEM, we’re a supplier to OEMs for growing and expanding their electric commercial vehicle offerings to market,” he says.

SEA has established a strong business relationship with OEMs who have metropolitan applications for their vehicles, such as the IVECO ACCO, as well as Isuzu, Hino, Mercedes-Benz, Dennis Eagle and Cameron says in the US the Ford F59 large van platform is also undergoing homologation.

Cameron adds that the Dandenong-based business, which received Victorian government funding last year to open an additional assembly facility in the LaTrobe Valley, expects to expand its output to 2500 modular units per year by 2021 – just 18 months away.

“Factors had to come into alignment in Australia to make electric vehicles viable, and when I say viable, I mean the incremental cost payback period; so the cost payback period between diesel and electric businesses would accept in order to invest,” Cameron explains.

“We found between two and four years payback period was what many transport operators would accept,” he says.

Cameron describes SEA as an automotive technology company, whose proprietary system the Sea Drive is modular, so it suits most vehicle platforms aforementioned.

The company has offices in southeast Asia, has landed substantially in New Zealand, and is now taking on the States, with an international patent protecting its technology.

“This is not something that’s going to come in future, this is technology working today with many customers already, it’s not coming, it’s here,” Cameron concludes.
Telstra says automotive manufacturers who want to connect their vehicles in the future in pursuit of autonomy will need to work together. Speaking to AutoTalk for the launch of the connected vehicle trials program in partnership with Lexus, VicRoads and the Transport Accident Commission, Telstra group executive for networks and IT, Nikos Katinakis, says carmakers like Tesla can’t stay rogue forever.

He agrees with University of New South Wales artificial intelligence professor Toby Walsh, who has told AutoTalk previously that carmakers, including Tesla, will eventually have to collaborate in developing a mature autonomous vehicle network as regulatory systems are put in place. In fact, Katinakis says it’s irrefutable.

“When companies diverge and start creating their own technology, that’s when things start going wrong, so absolutely, they have to collaborate,” he says.

“There needs to be cross-collaboration and the good thing about these programs is V2X (vehicle to infrastructure) is a standard,” Katinakis explains.

“As long as people and companies come together around these standards, we’re all okay.”

Katinakis says troubleshooting future problems and faults in the autonomy sector within automotive, has largely already begun with the rise of smartphones, tablets and human-operated devices.

“We already have smartphones everywhere, they’re in cars, very fast-moving cars, even Formula One cars, and they work – meaning the technology is fast enough to manage handovers between towers, the latency is low enough to manage this kind of speed.

“So, when something happens, we already have a lot of technology to troubleshoot this device and understand why it’s dropping out or what the problem may be; embed this in a car and it’s much the same thing, except the communication between cars is much faster,” Katinakis continues.

He agrees that the beta testing phase of smartphones and connectivity has already been done in the last 20 years.

“It’s quite sophisticated, the ability to manage the reactions to the other car, so I think it’s this part of the technology that will require careful tuning around how it interacts with the human.

“If you get too many warnings for example, that could be distracting in itself, so it’s about finding a balance. Instead of having human to human, now you have machine to machine – so the next step in improvements is trying to make it even faster, to the point of being seamless – but the basic, core troubleshooting capabilities are already there – we know what’s going on,” he adds.

The two-year connected vehicle trial is one of many global exercises, but Katinakis says Australia’s tendency to be patient in the rollout of such a transformative technology will pay dividends.

“Compared to the rest of the world, Australia is actually very far ahead,” he says.

“We are quite advanced, and Telstra punches far above its weight, and globally it’s very well known what our companies can do and what our technological capabilities are.”

“Telstra’s list of global firsts, Asian firsts and Australian firsts, it’s a testament to how far advanced we are. Compared to the US, we – Australia and Telstra – have better coverage, with excellent, robust networks, especially if you compare speeds and feeds to the network,” he explains.

“Australia is also very well placed for autonomous vehicles because our base [network technology] is already quite solid,” Katinakis says.

The trial is currently operating on Telstra’s 4G network and will provide the data and practice needed to switch over to the impending 5G network. Katinakis says, with the new high-speed 5G network, which is vastly improved than its predecessor network, vehicles could become part of a subscription or package deal.

“If no use-case ever materialises, which is highly unlikely as we know, if
nothing else, it’s about cost-per-bit delivered, which in 5G is significantly less than 4G going back,” he explains.

“Because of all the low-latency characteristics, it allows for use cases like this where the monetisation is very different from the way we pay for connection now.

“It’s a very, very different domain.”

The 5G network promises extremely low latency, which is the millisecond delay between an instruction given to download or receive information and when that transfer of data actually begins. In 5G’s case, as little as four milliseconds could be as long as you wait. The technology is expected to be able to support vehicle-to-vehicle and V2X connectivity, and potentially wide-scale vehicular autonomy.

However, technology innovators, Katinakis suggests, need to be careful as they progress toward vehicle autonomy and connectivity.

“It’s about not pushing the envelope too far, causing damage, because they haven’t thought about all the possible outcomes,” he says.

“Ultimately, this technology is playing with human lives and thinking that machines can do everything today; it’s not good.

“We’re not there yet, and thinking something is ready when it hasn’t been tested slowly, progressively in more and more challenging environments, something is going to happen.”

Katinakis suggests companies like Tesla, as well as being innovative and disruptive to the automotive and pioneering an autonomous vehicle market, need to keep safety and regulations within their remit.

“For autonomous driving, every manufacturer has their own secret sauce and they can do whatever they want because it’s all contained within the car, but as the cars now begin to interact with their environment and with other cars, in the absence of standards, those cars may not be very nice to each other,” Katinakis concedes.

“Today, you can run Microsoft software on an Apple, and that’s exactly how everybody wins [in vehicle autonomy].”

While it might be easy to suggest carmaker brands work co-operatively in developing vehicle autonomy, the question for a telecommunications giant like Telstra, is whether it too can play nicely in the sandpit.

“As an industry, in telecommunications everything is standard-spaced, so 5G to 5G is standardised,” he says.

“An Optus phone or Optus car will work the same as a Telstra car or Telstra phone, it’s a standardised industry.”

When it comes to humans entering the new realm of autonomy and artificial intelligence more broadly, Katinakis says the evolution of machines requires “small steps”.

“In the beginning it’s all about helping the human by providing as much information as possible in order to make decisions, and as we go into AI making decisions, there are still many questions needing answers about the ethics, the choices, how we value and make judgements.”

“It’s important that we allow AI to evolve as we answer these questions, otherwise, we’ll be in a big mess.”

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AP Eagers bid leaves regulator ‘concerned’

Continued from page 1

tor’s concern for those who don’t have the resources to travel afar for a new car.

“Having said all that, there are also people who just want to purchase in their own area of residence,” he adds.

The ACCC says it is taking submissions to gather further accounts of “what effect this level of concentration would have on the size of discounts customers could obtain when buying new cars in the Newcastle/Hunter Valley region”.

AP Eagers says in a statement it believes the region’s automotive consumers will still have choice.

“Even in the few geographic areas where the activities of the two groups overlap, including Newcastle and the Hunter Valley, it is AP Eagers’ view that there will continue to be choice and competition,” it says.

“AP Eagers has worked closely with the ACCC to assist it with its inquiries, including providing significant information to the ACCC,” the company explains.

“AP Eagers has actively engaged with its stakeholders, including its manufacturing partners, who have been supportive of the transaction.”

AP Eagers will continue to assess its options to maximise the prospects of receiving merger authorisation for the transaction,” it adds.

Under the Competition and Consumer Act (2010), the ACCC has the power to consider applications for merger authorisation and may grant authorisation for a proposed merger if satisfied the arrangement is not going to “substantially lessen competition” or if the benefits to the consumer public outweigh the merger’s detriments.
Will the sales slide stop?

The end of the financial year has brought yet another cold, damp finish to 12 consecutive months of sagging dealer sales figures.

June’s reported sales figures, according to VFACTS data supplied by the Federal Chamber of Automotive Industries, allowed 9.6% compared with June 2018.

Passenger sales in June reached 33,864, an 18.5% decline over June 2018. SUV sales, remaining the most popular category, were also given a beating by 4.7%, and light commercials were 7% behind last year’s June efforts.

Making matters even more dire is the fact June’s reported sales figures continue 2019’s trend of every month being the worst result since 2017.

Every single state reported sales declines, with the exception of Tasmania – which sold exactly one more vehicle in June 2019 than in June last year – selling 2013 cars.

Top marks go to the top marques Toyota, Mazda and Hyundai for holding on to their top-three rankings, although all three reported June declines against last year, as did eight out of 10 manufacturer brands.

The only brands to show June improvements against 2018 were Mitsubishi in fourth with 8891 units up 7.5% market share, and Kia whose 6.1% market share in June was thanks to 7200 reported sales.

Year-to-date sales look bleak for Holden as it teeters on the edge of the top 10 brands, waiting to be overtaken by Subaru which managed 4615 June sales.

Holden only managed 4817 sales last month, a full 1400 sales behind ninth-placed Honda.

Top models look boringly familiar in the Hilux holding gold on 5396 sales (down 6.8% compared with June 2018), Ford Ranger clasping silver with 4851 sales (up 1.7%). Hyundai i30 scratching bronze on 3343 sales (down 5.8%), followed up a 17% slump in Corolla sales, 7.2% fewer Mazda CX-5s moved, and Mitsubishi’s Triton – formerly dominant in third place – down a massive 31.2%.

Kia Cerato had a ripper June, selling 14% better than 2018, but that was it for improvers, as Mazda 3 dropped nearly 24%, RAV7 fell 9% and the LandCruiser got bogged by 7.7% against June 2018 sales.

FCAI chief executive Tony Weber says state governments interfering with even more luxury vehicle taxes on top of the federal impost is just one force pushing back against new car retailers.

“The continuing incursion of Luxury Car Tax on a federal level, and now in some cases on a state level as well, is a major disincentive – it could just be the straw that breaks the camel’s back for the new car buyer,” he says.

Weber says dealers continue to weather the storm.

“Over the past six months we have seen various conditions and circumstances which adversely affected the market,” he explains.

“These include a tightening of financial lending, environmental factors such as drought and flood, and a strongly contested federal election,” Weber adds.
## 2019 sales in June

### Top 10 Light Vehicles Under 25k

<table>
<thead>
<tr>
<th>Rank</th>
<th>Model</th>
<th>Sales</th>
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</thead>
<tbody>
<tr>
<td>1.</td>
<td>Hyundai Accent</td>
<td>1,308</td>
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<tr>
<td>2.</td>
<td>Toyota Yaris</td>
<td>896</td>
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<tr>
<td>3.</td>
<td>Mazda2</td>
<td>816</td>
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<tr>
<td>4.</td>
<td>Honda Jazz</td>
<td>795</td>
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<td>5.</td>
<td>Suzuki Swift</td>
<td>785</td>
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<tr>
<td>6.</td>
<td>Kia Rio</td>
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<tr>
<td>7.</td>
<td>Volkswagen Polo</td>
<td>620</td>
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<td>8.</td>
<td>MG MG3</td>
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<tr>
<td>9.</td>
<td>Suzuki Baleno</td>
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<td>10.</td>
<td>Renault Clio</td>
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</table>

### Top 10 Selling models for June

<table>
<thead>
<tr>
<th>Rank</th>
<th>Model</th>
<th>Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Toyota Hi-Lux</td>
<td>5,396</td>
</tr>
<tr>
<td>2.</td>
<td>Ford Ranger</td>
<td>4,851</td>
</tr>
<tr>
<td>3.</td>
<td>Hyundai i30</td>
<td>3,343</td>
</tr>
<tr>
<td>4.</td>
<td>Toyota Corolla</td>
<td>3,137</td>
</tr>
<tr>
<td>5.</td>
<td>Mazda CX-5</td>
<td>2,911</td>
</tr>
<tr>
<td>6.</td>
<td>Kia Cerato</td>
<td>2,832</td>
</tr>
<tr>
<td>7.</td>
<td>Toyota RAV4</td>
<td>2,449</td>
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<td>8.</td>
<td>Toyota Landcruiser</td>
<td>2,360</td>
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<tr>
<td>9.</td>
<td>Holden</td>
<td>2,306</td>
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<tr>
<td>10.</td>
<td>Ford</td>
<td>2,306</td>
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### Top 10 Brands

<table>
<thead>
<tr>
<th>Rank</th>
<th>Brand</th>
<th>Sales</th>
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</thead>
<tbody>
<tr>
<td>5.</td>
<td>Ford</td>
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<tr>
<td>6.</td>
<td>Kia</td>
<td>32,064</td>
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<td>7.</td>
<td>Volkswagen</td>
<td>26,184</td>
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<td>8.</td>
<td>Nissan</td>
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<td>9.</td>
<td>Holden</td>
<td>24,801</td>
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<tr>
<td>10.</td>
<td>Holden</td>
<td>24,517</td>
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Breath of fresh air

There’s irony in the conjecture sent Kia’s way in renaming the Cerato back in 2017-18, with the Ceed name not resonating much with Australians, and yet Cerato has interesting connections in line with this newer, badass side of the brand.

In very simple terms, the name Cerato means horn or horn-like, but it is also part of a family name of prehistoric lungfish dating back hundreds of millions of years. Unique Australian species exist which can live for as long as 100 years and are fascinating because they breathe through both a set of gills and a proper pair of lungs. They’re believed to be the last surviving links to when aquatic life became amphibian and eventually evolved to survive on terra firma.

But how the hell does that relate to the Cerato GT? Well, let’s start with the Cerato S, loaned from Kia Australia back-to-back with the GT over two weeks.

The brand has really honed-in on the affordable luxury concept, bringing really, really comfy leather electric seats and quiet, relaxed cabin ambience to the affordable luxury concept, bringing their respective market segments.

Since then, the Stinger has clearly stirred up emotions among the Kia product mob because getting stuck into driving the six-speed manual Cerato S gives you the impression they’re not mucking around.

With a kerb weight of just 1295kg, just 112kW at over 6000rpm and 192Nm at 4000 revs, the S isn’t going to be challenging much to 100km/h, but that doesn’t mean it’s dull – quite the opposite.

It’ll happily put some sparkle in your typical daily drive with plenty of controllable verve to be found in the light clutch pedal and almost-too-easy gear throws, and around lumpy backroads it’s not a back-breaker, nor a softly sprung couch potato. It’ll dart, stop, turn, flick, hold its line and boogie in all the right ways.

But if you really want to spice up your life (and fitting the baby seat multiple times to be point of becoming proficient will certainly make you dream about it), you’ll be opting for the GT.

Now, the Cerato GT is hardly some track toy you’d pit against a Golf R or i30N and bet the sheep station on. But if you’re sick and tired of the SUV nonsense monsters blocking every intersection and meandering between suburbs with owners pretending ride height enlarges their social prominence, and you want something that gorges on family cargo, is safe, reliable, economical (within rationality), but can also make you feel invigorated to go for a Sunday fang, then the GT wins.

Steering feel is a good balance between interestingly weighty and lightly maneuverable, while feeling the perfect diameter for both a hot or cold driving tempo. The tiller isn’t an overload of buttons, happily, but the radio controls and layout need a re-think.

To the same point, when I turn off lane-keeping assistance and the over-compliant lane-departure warning, it should never, ever come back on by default. Grouchy OCD satisfied, there’s so much to love and indeed desire, to the point of actually wanting a Cerato GT.

Especially with 265Nm available from a gnarly 1.6-litre four at just 1500 revs and 150kW beneath a 100%-throttle press-switch. No wonder V8s are dying out.

It’s the right size at 4.64m long and exactly 1.8m wide, with about 500 litres of boot space, and it remains sleek enough at just 1.44m high without getting too hulkish, which tends to happen when you add sporty bits.

Those bits include chunkier 225/40Z R18 Michelin Pilot Sport 4 rubber wrapping funky alloys (with super cool red centre highlights), and the GT body kit on all four sides.

But most importantly, as you pelt through corners, you’ll seldom notice the difference between “Smart” and “Sport” driving modes, except that when the dash display goes red, the shifts become more bitey, throttle becomes punchier and the exhaust – already rather barky – becomes even throatier. “Comfort” isn’t noticeably more comfortable than the other two; the Macpherson strut/multi-link front/rear suspension is definitely on the firm side. Those DSG gear changes in “Sport” can feel over enthusiastic to change aggressively, which doesn’t equal sporty. The whole package is a very good first crack at tipping enthusiasm into the Kia range, to which I applaud.

Cerato GT deserves some further work in comfort settings, because while it’s important to nail the sporty brief – which Kia has done well – an excellent sports sedan needs to be gentle when you just want to relax and cruise home, while always being ready for action.

It’s one thing to make a sports car and another to make a comfy family sedan. Cerato has found a way to tap its head and rub its belly. But it needs to decide if it’s going to stay forever an agile swimmer, or grow legs and draw breath.
Hybrids head off electrics – even diesel in one sector

Hybrids are gaining greater popularity in Australia. They’re way ahead of electrics (including plug-in hybrids or PHEVs), and also outgunning diesel in the passenger category (private and non-private), the latest VFACTs national figures show.

While still well behind petrol power in all sectors, hybrids have made huge inroads in the passenger and SUV categories.

For instance, June new car sales statistics show hybrids at 906 in the non-private passenger segment, up 168 on the same month last year (738) and nearly double that for year-to-date (6028 compared with 3893 in 2018).

In the same category, electrics and PHEVs were down nine on June 2018 with 40 recorded in June 2019 and year-to-date figures showing a 107 drop from 260 YTD 2018 to 153 YTD this year.

It’s a similar story in the private passenger market.

Here hybrids climb by nearly 100 to 524 for June 2019 compared with 425 in June 2018. YTD totals for this year show 3394 hybrids sold compared with 1944 for the same period last year – up 1450.

By comparison, electrics/PHEVs drop from 31 sold in June 2018 to 19 this past month, while they struggle to make much ground in the YTD analysis, going from 134 sold in 2018 to 163 YTD in 2019 – just 29 more.

Sales of diesel vehicles are declining in the passenger sector but still out-do electrics/PHEVS, while falling several hundred behind hybrids at 242 (private) and 610 (non-private) for June 2019. Big drops for diesel are shown in both monthly and YTD comparisons.

The tale continues to some extent in the SUV category.

Hybrid SUVs account for 610 (private) and 341 (non-private) for June 2019, both up considerably on June 2018, with YTD figures also well up. For example, private hybrids go from 356 YTD in 2018 to 1709 YTD this year – up 1353, and non-private hybrid SUVs go from 528 to 1268 – up 740 YTD.

Electric/PHEV SUVs go from 15 in June 2018 to 92 in June this year in the private segment and 28 to 49 in the non-private category. YTD figures show a rise in both private and non-private – from 69 to 352 and 202 to 602 respectively.

Diesel declines are also reflected in the SUV sector, both in month and YTD comparisons, with petrol powered vehicle sales also dropping there.

The only other sector to record electric/PHEV sales is the light commercial non-private area which fell from four to two in June comparisons and rose just two (five to seven) in YTD comparisons.

Perhaps some of the declines are reflective of the new vehicle market as a whole.

Releasing the June sales figures, the Federal Chamber of Automotive Industries (FCAI) says a 9.6% drop is shown in the Australian new vehicle market.

Sales for the month totalled 117,817 units, with YTD 2019 sales of 554,466 units.

FCAI chief executive Tony Weber says the June result reflects tough market conditions and highlights the sensitive nature of the new vehicle market.

“Over the past six months we have seen various conditions and circumstances which adversely affected the market. These include a tightening of financial lending, environmental factors such as drought and flood, and a strongly contested federal election.

“In addition, the continuing incidence of Luxury Car Tax on a federal level, and now in some cases on a state level as well, is a major disincentive. It could just be the straw that breaks the camel’s back for the new car buyer.”

NEW VEHICLE SALES BY BUYER TYPE AND FUEL TYPE JUNE 2019

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<tr>
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Droughts, floods and the federal election are being linked to overall vehicle market declines.
June 4
Seasoned Mitsubishi dealers still brand’s best
Mitsubishi Australia has awarded its top dealers for 2019, many of whom are seasoned franchisees.

The Distinguished Dealer awards, which Mitsubishi says are one of the longest-running dealer recognition initiatives recurring since 1981, praised the tri-diamond brand’s best in sales, parts, service and customer experience.

June 5
Ranger arrows Hilux in soggy May
Ford has finally outsold Toyota in the Ranger versus Hilux ute arm wrestle for the first time in years.

Ranger 4×4 reported 3604 sales in May, topping the 3137 Toyota could manage in the same period, however, that’s where the sales domination ends, according to VFACTS sales data provided by the Federal Chamber of Automotive Industries.

June 6
Ford vs Ferrari legend coming to cinema near you
The epic true story of how Ford took on Ferrari at the Le Mans 24 hour race in the late 1960s is coming to the big screen.

The trailer for Ford v Ferrari has been released this week with Matt Damon playing the iconic Ford team owner Carroll Shelby, and Christian Bale as late British-American driver Ken Miles.

June 7
Regional Victorians the focus of road safety
Eight community discussions will be held across regional Victoria in a state government attempt to curb road crashes, but ANCAP says the vehicles need to change too.

The government’s plan comes as Victoria Police warn they will be targeting speeding in roadworks zones and distracted driving during the Queen’s Birthday long weekend.

The Andrews Government and Victoria Police have also pleaded with motorists to be vigilant in driving safely this weekend as 2019 road deaths climb to 143 deaths – the highest in five years and an increase of 62%.

June 11
Dealer outlook ‘less optimistic’ than last year
The Cox Automotive Dealer Sentiment Index survey says the franchised new car retail network is nervous about the future.

The survey of 115 dealers reveals the tightening of financial regulations since the conclusion of the banking royal commission has dampened enthusiasm among the automotive businesses.

June 12
Farewell to one of Britain’s greatest test drivers
Former Jaguar test driver and works racer Norman Dewis OBE has died at age 98.

Dewis is credited to developing the iconic D-type and the iconic E-type.

“Today is an enormously sad day for the Jaguar brand, Jaguar fans worldwide, and for me personally. He will be sorely missed,” Jaguar Land Rover chief executive officer Ralf Speth says.

June 14
Thousands of WA motorists still affected by faulty airbags
More than 62,000 faulty airbags need to be replaced in Western Australia, warns car manufacturers.

Federal Chamber of Automotive Industries (FCAI) chief executive Tony Weber says thousands of vehicles throughout Western Australia are still affected by the Takata airbag recall.

Owners of vehicles with faulty airbags that haven’t been fixed need to be aware of the danger to anybody who rides in their car – including themselves – and have these vehicles rectified immediately.

Continued on page 23
June 18

Court action considered against Victorian luxury tax
The Victorian government could find a lawsuit on its hands as a result of treasurer Tim Pallas’ duty tax on luxury vehicles over $100,000.

The Australian Automotive Dealer Association is currently assessing a legal challenge in the High Court to prevent the stamp duty increase which would add $14 or $18 to every $200 of value over $100,000 and $150,000 respectively.

June 19

LandCruiser V8 set for extinction
The era of V8-powered Toyota towing ability could be coming to an end.

A CarAdvice report suggests the next generation of Toyota LandCruiser is likely to see the iconic 4.6-litre petrol and 4.5-litre twin-turbo diesel V8 powerplant dropped in favour of V6 propulsion.

June 20

Korean brands power ahead as Euros falter
The latest JD Power survey reveals the power of Korean brands has grown in the bustling new car market.

The US-based Initial Quality Study of over 76,000 buyers or lessees has found only 13 brands have improved against 18 brands which have scored lower than 2018, derived from the first 90 days of new vehicle ownership.

June 21

Auto industry meets with legal counsel today
The Australian Automotive Dealer Association and Federal Chamber of Automotive Industries are meeting with their legal teams today in preparation to fight the Victorian government’s luxury vehicle tax.

The AADA says it is keeping its legal options open and has good advice, which suggests there could be constitutional grounds for a case against the Victorian (and Queensland) government which announced the tax on $100,000-plus vehicles in its state budget last month.

June 26

School holiday road safety campaign launches
The school holiday road safety campaign, Operation Cold Snap, officially launched on June 26.

Minister for police and correction services Mark Ryan and assistant commissioner Mike Keating met at Suncorp Stadium for the launch. Between June 29 and July 19, Queensland Primary School (QPS) will co-ordinate a state-wide traffic policing operation designed to improve road safety and reduce the number of fatal or serious injury traffic crashes.

School holidays means there is an increase in vehicle usage on Queensland roads.

Carnarvon Highway receives extra upgrades
The Carnarvon Highway is receiving a $7.28 million upgrade package.

Work began this week on the upgrade, between St George and Surat and between Injune and Rolleston.

Deputy prime minister and federal minister for infrastructure, transport and regional development Michael McCormack, says the Australian government invested $3.64 million to ensure enhancements continued to be delivered along the Carnarvon Highway.

June 4

Slow May sign of things to come?
New vehicle sales fell significantly year-on-year in May, a clear indication that the long-expected slowing of the market has arrived.

Total registrations for the month were down 13.5% (1910 units) on the same month in 2018.

The May 2019 result is stronger than the same month in 2016 but weaker than the month of May in the previous two record years.

June 10

McLaren sportscar comes with Auckland property
In North Auckland, an eight-hectare property is up for sale and comes with a treat – the property comes with an orange MP4-12C McLaren sportscar.

Designed and manufactured by McLaren Automotive, the McLaren 12C is powered by a McLaren M838T 3.8L twin-turbocharged V8 engine and has a maximum speed of about 333km.

June 12

Costco’s NZ arrival a ‘game changer’, includes fuel and tyres
A fuel station and a tyre centre are all part of the package for global bulk discount retailer Costco which has announced plans to enter New Zealand.

The US giant has worked with the New Zealand Retail Property Group and secured a site at Westgate in Auckland’s North West.

June 17

Ban of low safety rated cars discussed
A Ministry of Transport reference group has discussed the possibility of banning low safety rated cars from entering the fleet – though it appears the chance of any such move coming to reality is unlikely.

Radio New Zealand reported on the idea, pulled from a report by the Vehicle, Vehicle Standards and Certification Reference Group.

June 24

Thieves use unmarked tow trucks to steal cars
Police are investigating reports of thieves using unmarked tow trucks to steal cars off the street.

Thieves are pretending to be tow truck drivers as an undercover way to steal these vehicles, before dropping them off at wrecker yards.
Electric vehicle advocate and Australia’s Bachelor and Bachelorette TV series host Osher Gunsberg helped launch a new charger network for New South Wales eastern suburbs councils.

Gunsberg, who drives a Nissan Leaf and has an electric scooter, compered the June 5 launch of public on-street EV charging stations installed through the Randwick, Waverley and Woollahra councils in a first for NSW councils.

**June 19**

**South Australia to launch EV strategy**

The South Australian Liberal government is expected to soon reveal an electric vehicle strategy to reduce transport emissions and help grid flexibility.

It already has a low emission vehicles strategy for state roads which aims to remove or mitigate barriers to such vehicles and reduce greenhouse gas emissions, therefore accelerating low emission vehicle uptake.

**June 24**

**Fast charger added to NRMA network**

A new EV fast charger opened by the NRMA and Eurobodalla Shire Council at Batemans Bay Visitor Information Centre will help drive tourism to the South Coast.

The NRMA has committed $10 million to build one of Australia’s largest fast charging networks across New South Wales and the ACT.

**June 25**

**Year’s free EV charging trial**

In an Australian-first pilot project, Tropical North Queensland will soon host a free electric vehicle (EV) “road trip” trial with a network of EV charging stations at six popular tourist destinations.

The green light for the Queensland Government and RACQ pilot project, which will see AC charging stations installed across the tropical north for the year-long free trial, has been announced by state development, manufacturing, infrastructure and planning minister Cameron Dick.