

# 35 YEARS ... 5,000 MEMBERS!

## UCDA NOW 5,000 MEMBERS STRONG

This month the UCDA achieved a milestone. We reached 5,000 members!

When the UCDA's first Executive Director, Bob Beattie, and 7 other used car dealers got together at a restaurant in 1984 to discuss how they could unite the used car industry in the face of proposed changes to rules governing used vehicle sales, they could not have foreseen what their creation would grow to become in the future.

The UCDA became the first non-profit organization in Canada established to represent the needs of dealers who sell used vehicles. The early years focused on lobbying efforts with government, aimed at making government aware of the concerns of an industry that was often ignored, or worse, sneered upon. It was for good reason that the Association's mission statement was and remains, "To enhance the image of the industry".

The UCDA grew rapidly. The single most important factor in our early growth was the introduction of a phone-in lien search for members, to by-pass what was at the time a very cumbersome government phone service.

The early lien search has surpassed everyone's wildest dreams, having now grown into the largest online vehicle information search portal in Canada, [www.ucdashares.com](http://www.ucdashares.com).

Member services have always been the priority of the UCDA. The better the services ... the more likely a member will renew year after year. Keeping members was a favourite mantra of Bob Beattie.

In the 1990s, used car dealers needed an insurance program and today Baird MacGregor Insurance Brokers remains the UCDA's only insurance brokerage. Today more than 1,600 members enjoy rate stability and a unique annual claims free rebate.

A few years later, we added our NAPA parts program, which each year provides more than a million dollars in rebates to members. Throw in an affordable health plan and a credit card merchant discount program and the value of a \$200 annual membership is pretty clear.

The auto industry has changed a lot in the past 35 years. We have seen industry self management (OMVIC), and completely overhauled regulation with the *Motor Vehicle Dealers Act, 2002*.

The industry has seen mandatory disclosure requirements, mandatory education requirements, and some of the strictest advertising regulations in Canada.

Through it all, the UCDA has played a significant role in the development of Ontario's auto industry. And we'll be here as the industry undergoes even more significant changes in today's digital world.

With this in mind, you and all members now have exclusive access to list vehicles for sale on your vehicle listing site: [ontariocars.ca](http://ontariocars.ca)

We would not be where we are without the strong support of members ... and now there are 5,000 of you.

Congratulations and "Thank You" from all of us at the UCDA!

## The Uber of Insurance Relief Should Give Lessors a Lyft

Since the disruptors of the people moving business entered the scene, lessors have wondered about their exposure for lessor's liability on vehicles used by drivers for companies like Uber and Lyft.

Leasing companies enjoy a cap on liability exposure of a maximum \$1,000,000 for any loss or damage from personal injury resulting from the use of one of their leased vehicles.

It was an open question whether such a cap applied to leased vehicles used for ridesharing services.

That question was answered when the provincial government's Bill 107 (*Getting Ontario Moving Act, 2019*) received Royal Assent on June 6.

The Act extends the liability cap as long as the parties are "dealing with each other at arm's length".

This is a huge relief for commercial auto lessors whose leased vehicles could be used by ridesharing companies.

## What Employers Need To Know 2019

It can be really hard for today's employers to keep track of all the expectations placed upon them by the provincial government.

Courtesy of Littler LLP (Labour & Employment Law Solutions,) we have a neat summary, all in one place, of the high points.

Covering expectations, training, posters, handouts, representative and committee requirements (depending on number of employees) ... it's all here.

The publication, can be found at:

<https://tinyurl.com/y62fzskw>

It covers Employment Standards, Workplace Safety, Violence and Harassment, Disability and Accessibility, Pay Equity, Hazardous Materials (WHMIS) and Smoke Free postings.

It is all current as of 2019, which is useful as the ground keeps shifting for Ontario's Employers.

## Ford Thief

From the wacky news files comes this story reported on by media out of Detroit.

While theft is no laughing matter, and this story would not have as much impact if this guy was stealing tires and so forth off of say Hondas or Chryslers, but this was a Ford and his name is:

Henry Ford!

He is presently a fugitive at large.

Says deputy chief Aaron Garcia: "So Henry Ford, he's stealing GPS units out of vehicles, he's stealing tires, he's robbing these cars, ... it's almost like a disgrace to the Ford Motor Company."

Meanwhile, if you see Henry Ford jacking a Ford, there is a reward for his capture:

<https://tinyurl.com/yxc522kg>

## Consumers Vote "No" On Data Sharing

While we can't speak to the science behind it, or the questions, or how they were asked, it is interesting what consumers say when they are asked about data.

83% say no to selling their data.

The short answer seems to be, when they are asked, consumers don't want their personal data monetized or shared with third parties.

Dealers, Manufacturers, Advertisers, Web Sites and other stakeholders would be wise to pay attention.

Based on a survey of 1,403 current car shoppers by Autolist, 83% think no one should be allowed to sell their data.

70% think they should control (and own) the data that their own vehicle creates.

53% feel that laws are not properly addressing vehicle data, privacy or were not aware of the issue at all.

<https://tinyurl.com/y6hbrwm6>

## Odometer Bonus

Most dealers know about the famous cancellation law in the *Motor Vehicle Dealers Act*. It allows a consumer the right to cancel ... no questions asked, no deductions, no appeal ... within 90 days of delivery of a purchased or leased vehicle, if the dealer fails to declare or properly describe on the contract, any of the listed items which relate to odometer, rental, police or emergency vehicle, branding, make, model or model year.

Most dealers understand that if they make a mistake on the bill of sale and record an odometer reading that is lower than the true reading, the customer has the right to cancel.

But, what if the reading you record on the odometer section of your contract states the reading is HIGHER than the true reading on the vehicle? In other words, your customer gets an odometer bonus!

This is an interesting question, because we all know (or we assume) the general intent of the law is to prevent consumers having vehicles forced on them that have higher kms (or miles) than is declared on the bill of sale. But what does the law actually say?

Section 50 of the General Regulations to the MVDA contains the 90 day cancellation rights available to any consumer (ie. non-dealer) on purchase or lease.

With respect to the odometer:

<https://tinyurl.com/y3x4qaa4>

Cancellation of contracts for non-disclosure

50. (1) For the purposes of section 30 (2) of the Act, if a registered motor vehicle dealer entered into a contract under which another person, who was not a registered motor vehicle dealer, purchased or leased a motor vehicle from the dealer, the person may cancel the contract if,

(a) the dealer has not accurately disclosed, in the contract, the information required under any of paragraphs 3, 7, 17 and 23 of section 42;

(4) A disclosure of a distance required under paragraph 3 or 4 of section 42 shall be deemed to be accurate if it is within the lesser of 5 per cent or 1,000 kilometres of the correct distance required to be disclosed. O. Reg. 333/08, s. 50 (4).

(5) A person may not cancel a contract under subsection (1) more than 90 days after actually receiving the motor vehicle. O. Reg. 333/08, s. 50 (5).

The Section makes no distinction between errors that are lower than the true reading or higher, it focuses simply on accuracy and the requirement to declare on the contract the "correct distance".

Despite what might seem logical, even if your customer gets an "odometer bonus" by taking delivery of a vehicle with lower actual kilometers than the contract promised them, they may still exercise the right to cancel.

## Compliance Quiz

- OMVIC's Discipline Committee must be made up of at least 5 people, at least one of whom,
  - is not employed by a dealer trade association
  - is not, and never has been, a registered dealer or salesperson,
  - is not a shareholder of a dealer
  - all of the above.
- Speaking of Discipline, if a Panel is convened to hear a case, it must have at least 3 people, one of whom can never have been:
  - a lawyer
  - a lion tamer
  - a dealer or salesperson in Ontario
  - a dealer or salesperson anywhere
  - a paralegal
- The parties to a proceeding before OMVIC Discipline can only ever be OMVIC and the Registrant.

**True or False?**

- The *Motor Vehicle Dealers Act* and Regulations do not mention "daily rental" disclosure.

**True or False?**

- The Motor Vehicle Dealers Compensation Fund is required to make certain information about claims public. Which of the following is NOT required?
  - The total number of claims allowed
  - The name of the person making the claim
  - The name of the dealer about whom the claim was made
  - The total number of claims denied
  - In cases where a claim was allowed, how much was paid.

## Identity Theft ... Fake Buyers ... Dealer Charge Backs

The UCDA has seen a significant increase in dealers having demands made by lenders to pay for deals that have been funded based on fake ID, false documents, and embellished employment information. The last 3 demands we've seen range from \$47,000 to \$500,000.

### Who's Job is it to Verify that the Customer Information is Accurate?

The auto industry wants instant approval for car loans and the lenders want efficient data handling and processing. So, we now have instant "Auto Approve". Problem solved ... except when it all goes wrong!

### Lenders Say... "It's Your Job"

The lenders say that the dealer stands "in the shoes of the lender" so verification is **your** job. The dealer sees the customer and receives their information.

The lender gets the dealer's paper work weeks after the deal is funded and trusts the dealer has done their "due diligence". The contract between the lender and the dealer contains a "total recourse" clause and thus the demand for their losses.

### Dealers Say ... "We Are Not The Police For The Lenders, We Are Not Trained To Spot Identity Theft"

What is reasonable "due diligence" by the dealer? What should you have to do with the customer to satisfy the lenders that you are complying with the contract you signed with them? Unfortunately, the contracts don't spell out what "**your job**" is.

- How many pieces of ID do you get?
- Do you phone the employer to confirm employment details and salary?
- Do you call landlords to confirm how long the customer has lived there or get proof of home ownership?

***There is a real disconnect here, and the UCDA would like to hear from you ...Who's Job is Verification?***

Please send your response to [r.pierce@ucda.org](mailto:r.pierce@ucda.org).

## Telus Is Coming ...

Soon, the UCDA and Telus will be announcing a new member service. For the first time a leading phone company will be offering special UCDA rates for business mobile phone and tablet plans and line charges. These new rates are very attractive ... details coming soon.

## Quiz Answers

### 1. The answer is (d), all of the above.

For the purposes of subsection 17 (3) of the Act, a discipline committee and an appeals committee shall each consist of at least five members, at least one of whom has never been,

- (a) a registrant, a former registrant or a person registered at any time under the Motor Vehicle Dealers Act;
- (b) a shareholder, officer, director or employee of a person described in clause (a); or
- (c) an officer, director or employee of a trade association that represents registrants or the interests of registrants. O. Reg. 332/08, s. 10 (1).

### 2. The answer is (c).

At least one of the members of the panel must never have been,

- (i) a registrant, a former registrant or a person registered at any time under the *Motor Vehicle Dealers Act*, or
- (ii) A shareholder, officer, director or employee of a person described in sub clause (i). O. Reg. 332/08, s. 14 (4).

### 3. The answer is False. The Discipline Committee can decide to add a party.

The parties to a proceeding before the discipline committee are,

- (a) the registrant who is the subject of the proceeding;
- (b) the administrative authority, if any; and
- (c) any other person that the committee adds as a party. O. Reg. 332/08, s. 15.

### 4. The answer is True. This is a trick question, so consider yourself correct, even if you answered "False"! The words "daily rental" are not used anywhere in the MVDA, which uses the phrase "leased on a daily basis". However, it means the same thing.

If any of the following is true of the vehicle, a statement to the effect that the vehicle was previously, i. leased on a daily basis, unless the vehicle was subsequently owned by a person who was not registered as a motor vehicle dealer under the *Motor Vehicle Dealers Act* or the *Motor Vehicle Dealers Act, 2002*,

### 5. The answer is (b), unless that person consents to the publication of their name.

# Live Chat on Ontariocars.ca

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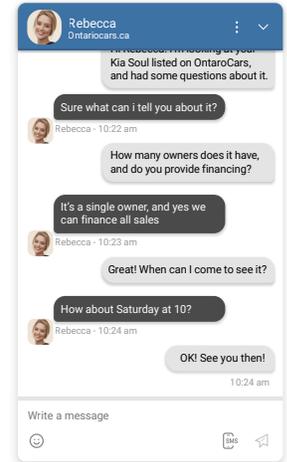
## Why do I need chat?

83% of consumers want online support when making an online transaction. Dealers have seen huge success using Live Chat services because of the following:

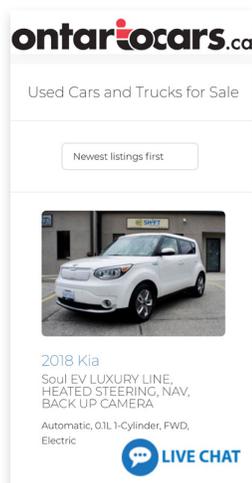
- Chat in real-time with real customers
- Customers would rather Chat than speak on the phone
- You set the Hours. Can be used 24/7 if desired

### Benefits of using live chat:

- Respond to customers at any time, from anywhere
- Immediately answer customer questions
- Keeps a transcript of every interaction



## It's FREE on OntarioCars.ca



1. Add Live Chat to OntarioCars.ca for FREE!
2. Users of Trader Chat can add Live Chat to OntarioCars.ca at no cost
3. Special discount is available for UCDA members to add Live Chat to other platforms including:
  - Your website and other vehicle listing sites
  - Your Google ads and Google my Business page
  - Facebook Messenger
  - Mobile Apps.

### Easy to Get Started

1. Just sign up and download the app for Free
2. Start chatting with your customers from OntarioCars.ca within 24hrs
3. Works on your phone, tablet, laptop or PC



## Live chat pricing

Package	Monthly Price
OntarioCars.ca Software Chat & Text (not backup)	No Charge
OntarioCars.ca Software Chat & Text + backup answers	\$99
UCDA Member Dealer website Chat & Text Pro 25	\$399
UCDA Member Dealer website Chat & Text Pro 50	\$499

Sign up today. Visit [www.ucda.org/chat](http://www.ucda.org/chat) or call the UCDA at 1-800-268-2598

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## Apple Business Chat

### What is it?

Customers can find your business and start conversations from Safari, Maps, Search and Siri.

### Benefits:

More than 50% of Canadian are using Apple devices these days. If your business offers a message option on a device that half the population uses, you gain a huge advantage over the competition. Apple Business Chats convert to leads at the highest rate of all – 89% conversion from chat to lead!

DEALERS GET  
**20+**  
MESSAGES ON  
APPLE BUSINESS  
CHAT PER MONTH



## Facebook Messenger & Marketplace

### What is it?

Facebook Messenger is a messaging app and platform available to both iOS and Android users. Businesses that have a Facebook page, can interact directly with their customers through this application for customers inquiring over both Facebook and Facebook Marketplace.

### Benefits:

Our Connect Platform allows dealers the ability to manage their Facebook conversations in one place as well as having a LivePerson Automotive agent to answer on the dealers' behalf when they are not available. Having the pre-Owned inventory on Marketplace usually bring an interesting amount of conversations directly on the VDP.



## Google My Business

### What is it?

In June 2014, Google launched Google My Business as a new way for business owners to have more control of what shows in the search results when someone searches a given business name.

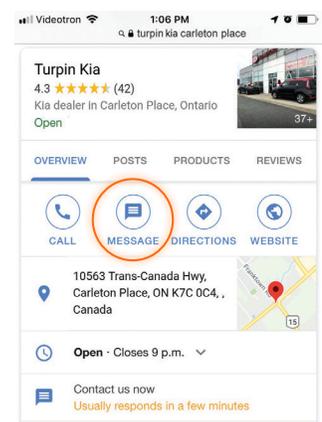
### Benefits:

This is a great source of digital traffic for dealer since client is sharing upfront their phone number. 14% of visitors who message about pricing discuss their down payment, wanting to know what down payment is needed, how down payments can be paid, and what price can be obtained with a given down payment. 11.5% of pricing requests are service-related

### User perspective:

When the customer clicks the "message" button, their texting application will open up and will prompt them to begin the conversation. Their conversation will then populate in the CONNECT platform, and either the dealer or the LivePerson Agent will be able to answer.

DEALERS GET  
**15+**  
MESSAGES PER  
MONTH ON GOOGLE  
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Sign up today. Visit [www.ucda.org/chat](http://www.ucda.org/chat) or call the UCDA at 1-800-268-2598