

USED CAR DEALERS ASSOCIATION OF ONTARIO

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# ontariocars.ca

## SYNDICATION WITH TRADER.CA

UCDA Members with Trader.ca accounts no longer need to pay syndication fees to have their vehicles listed on Ontariocars.ca. The UCDA has entered into an agreement with Trader to cover the cost of syndication fees for members with Trader accounts who wish to syndicate their Trader vehicle listings to [Ontariocars.ca](http://Ontariocars.ca).

Members who list inventory themselves through the Ontariocars.ca app, can also now have those listings pushed to Trader.ca at no charge.

Two more reasons for you to get your vehicles onto Ontariocars.ca as soon as you can!

As a member of the UCDA, Ontariocars.ca is your site. More than 1,700 of your fellow members already list nearly 70,000 vehicles on Ontariocars.ca. The site remains free to list vehicles through the end of 2018. Members will **NEVER** pay for vehicles put on the site before the end of this year.

Since the beginning of the year, we've pursued an aggressive Search Engine Optimization (SEO) strategy which is now proving to be fruitful. Searches for specific vehicle models are now typically ranking on the first page of Google searches.

This strategy will continue into the busy Fall car buying season.

In addition to digital marketing campaigns, we've been running traffic report sponsorship tags through the Spring and Summer.

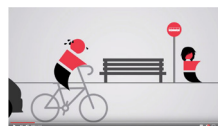
These spots were joined by 30 second radio ads which began September 10th. We think you'll like the new, catchy Ontariocars.ca jingle that will attract attention and quickly become recognizable to listeners.

Familiarity with a memorable tune will help "brand" the site name and we're confident will bring more prospective car shoppers to Ontariocars.ca.

You can listen to two versions of the jingle here:

<https://tinyurl.com/yad5vtzy><https://tinyurl.com/yachcop7>

We're also running the following short animated clips on Facebook and Instagram and as pre-rolls on YouTube. Watch them here:

<https://tinyurl.com/y9zx3fjb><https://tinyurl.com/y93wm9gg><https://tinyurl.com/yc5dvxn>

Ontariocars.ca is taking off! Don't be left behind!

If you're still not registered with Ontariocars.ca, email [support@ontariocars.ca](mailto:support@ontariocars.ca) to find out how to get started.

### Extended Warranty Update

The UCDA regularly updates the list of extended warranty companies that have satisfied the UCDA that their warranties are fully insured by a licensed Ontario insurer.

A recent addition to our list is Canada General Warranty Inc.

Each of the companies listed below have provided the UCDA with a copy of its insurance agreement, along with a written undertaking by the insurer to notify the UCDA in the event that the coverage is cancelled or changes are made. The UCDA asks the recognized warranty companies to have insurers provide annual updates to us, confirming that insurance remains in place.

#### Verified Insured Warranty Companies

After receiving updates from insurers, here is the current alphabetical list of warranty companies, updated on August 1, 2018, that have met our requirements for insurance recognition.

- AMT Warranty Corp. of Canada, ULC 1-888-668-4360
- Canada General Warranty Inc. 1-866-320-8975
- Coast to Coast Services 1-800-387-0119
- Cornerstone United Warranty (XtraRide and AutoXtra) 1-800-774-9992
- Coverage One Warranty 1-866-988-1642
- First Canadian Protection 1-800-381-2580
- Global Warranty 1-800-265-1519
- INDS Canada Warranty 1-800-995-0290
- Lubrico Warranty 1-800-668-3331
- NationWide Auto Warranty 1-888-674-8549
- Peoples Choice Warranty 1-888-284-2356
- Specialty Administrative Services, LLC 1-888-668-4360
- Sym-Tech i-Select Coverage 1-800-363-5796

#### This List

The UCDA does not endorse any specific warranty company or product, but strongly recommends that members only offer warranties that are insured by a licensed Ontario insurer.

#### MVDA Regulations

*The Motor Vehicle Dealers Act, 2002* prohibits dealers from offering third party warranties to their customers unless:

- The warranty is insured by a licensed Ontario insurer; or
- The warranty company has posted a \$500,000 irrevocable letter of credit to the Compensation Fund

OMVIC also lists the companies it recognizes in each category on its website:

<https://tinyurl.com/yaczkjaz>

The UCDA considers full insurance coverage to be the best form of protection to adequately shield consumers and dealers in the event that a warranty provider fails to honour its obligations. A letter of credit can quickly be used up, which could then leave the dealer that sold a failed warranty on the hook for consumer claims.

Contact Jim Hamilton at [j.hamilton@ucda.org](mailto:j.hamilton@ucda.org) if you'd like more information.

### Up In Smoke - Pot And Your Employment Contract

Many dealers have written employment contracts and codes of conduct policies governing their employees. For those that don't ... why don't you?

Properly drafted contracts can save you multiple headaches and are well worth the time and money to have a lawyer create one for you. They can outline the entitlements, obligations and restrictions on both parties. It helps employees and employers clarify and set the parameters for their working relationship.

Some of the more common terms included are:

- Changes to the employee's contract of employment in such areas as remuneration, duties and job title. Unless terms are clearly set out, changes to the essential terms could result in claims of constructive dismissal if the employee refuses the changes
- Commission and salary
- Use of dealer vehicles and other machinery
- Amount of reasonable notice that the employee is entitled to in the event that the employer terminates the employee
- Conduct in areas such as use of alcohol, harassment, bullying, personal hygiene, dress code and the like
- Soliciting by the employee of the employer's customers after the period of employment
- Use by the employee of the employer's confidential information during and after employment.

With the coming legalization of marijuana, pot now enters the social environment to take a place not unlike alcohol in our daily lives. Codes of conduct and employment contracts will need to be amended to address the new reality ... the new normal if you like.

You may wish to review your contracts and codes with your advisors. If these already address alcohol use, as many do with respect to work hours and operation of vehicles or machinery, see if pot use can be worked into those guidelines.

Remember legalization takes effect in Ontario on October 17, 2018!

## Diamond In The Rough

Media reports suggest you may want to pay careful attention next time you are hiking through fields and glens enjoying the great outdoors.

If you were walking in Texas earlier this year, you might have come across a long lost Shelby Mustang prototype from 1967 ... the so called "little red" GT500 in fact.

Long believed to have been crushed, it was actually found rusting and missing most of its parts in a field at a ranch in Texas.

The experimental vehicle was loaned by Ford to Mr. Shelby for testing of performance parts.

It turns out after its time spent testing, the vehicle was returned back to "stock" and sent to a dealer in Colorado, who sold it to a Vietnam veteran. He, in turn, sold it to a second owner in Wyoming, who eventually moved, with the car, to Texas.

By then, the vehicle was not operating and had many parts stolen off of it (the car was missing its fenders, hood, engine and transmission) before it was dragged to the Texas property of the owner's cousin, where it sat up until this year.

With only one other comparable vehicle coming up for auction about five years ago, this vehicle, restored, could see bidding start at almost 2 million dollars!

This vehicle was located and recovered by Craig Jackson, CEO of the famous Barrett-Jackson collector car auctions.

## Certification Course Classes

Here's a list of upcoming OMVIC certification course classes:

- Wednesday, October 17th – London
- Monday, October 22nd
- Thursday, November 1st
- Wednesday, November 7th

Classes are taught by UCDA trainers and held at Wye Management's training facility, 55 Wings Road, Unit 1, in Woodbridge unless otherwise noted.

### Wye Management – Basic Sales Techniques Class

Two Wye Management Basic Sales Training courses have been scheduled during the Fall. Students taking the in-class Certification course, receive a discounted rate for the sales training course. These courses are also offered at Wye Management's training facility.

- Monday, October 1st
- Monday, November 5th

For more information or to register for a class, contact Michelle at [m.prince@ucda.org](mailto:m.prince@ucda.org), or Val at [v.maclean@ucda.org](mailto:v.maclean@ucda.org).

## Compliance Quiz

1. A customer calls and asks about a car for sale. The salesperson confirms it is available. The customer asks the price and is told \$5,999. The customer attends the lot only to find the asking price is actually \$6,999. The salesperson could be charged by OMVIC for:
  - (a). Failing to ensure all in pricing
  - (b). Talking about pricing over the phone
  - (c). Committing an unfair business practice
  - (d). Unregistered sales activity
  - (e). Being untruthful as to pricing
2. A dealer wants to run a promotion promising a free case of beer to any new car buyer who has turned 19 years of age in the year they buy a car from them. While the LCBO may have something to say about it, what grounds would OMVIC have to take action to stop such an ad?
  - (a). Beer is bad for you
  - (b). The ad is not decent
  - (c). Doug Ford says you have to pay at least a buck a beer
  - (d). It discriminates against non-drinkers
  - (e). There are no grounds to stop such an ad
3. Two dealers make a deal. The car being sold has one body panel that has been replaced, but the selling dealer does not write that on the bill of sale. He has breached the Act.

True or False?

4. The same dealer does not disclose that the vehicle was previously registered in Quebec eight years ago. Is this a violation of the Act?
5. A dealer was convicted of an offence related to the sale of a car and ordered by the court to pay the customer \$1,000. The customer did not get his money from the dealer so the Compensation Fund paid him. Can the fund go after the dealer for the \$1,000?
  - (a). No, the customer has to go after the dealer in court
  - (b). The customer is a judgment creditor and can take enforcement action against the dealer
  - (c). The Fund can only go after amounts over \$3,000
  - (d). Yes, the Fund paid it on behalf of the dealer and can pursue the dealer now
  - (e). Only if the dealer can afford it

## OMVIC Is Not A Court

This may not seem so obvious to many dealers. After all OMVIC controls your registration - it registers you as a dealer, takes your fees when you renew, raps your knuckles if you make mistakes and administers the laws that apply to dealers every day, from a regulatory point of view.

But OMVIC is not a court. Nor does it want to be.

Sometimes consumer complaints are too complex or disagreements too intense for UCDA mediation or OMVIC complaint resolution to help solve them.

Such cases might go to court for the simple reason that the parties can't agree on whether it's day or night, never mind who's going to fix the transmission!

Judges have a few advantages over the UCDA and OMVIC.

First, they can hear witnesses. They get the whole unfiltered story and can assess the credibility of everyone involved.

Second, they can view documents in the proper context. This relates to hearing from witnesses and is a huge advantage.

Third, a judge can order people to do things.

Despite this, dealers often seem intimidated when they have a consumer complaint about what OMVIC might "make them do". This should not be a factor in the dealer's decision making process, OMVIC is there to try to help smooth out disagreements, but it cannot and should not try to dictate or order results from dealers any more than it would order or dictate to consumers.

Here is what OMVIC is empowered by law to do when receiving a consumer complaint. It may:

1. Request, in writing, information/documents from a dealer with respect to a complaint and must explain the nature of the complaint;
2. Attempt to mediate or resolve the complaint;
3. Give the registrant a written warning;
4. Require further educational courses to be taken;
5. Refer the matter to the discipline committee;
6. Refer the matter for revocation of registration;
7. Take further action as OMVIC considers appropriate.

Dealers are well advised to try to settle matters without the need to go to court, and use the help the UCDA and OMVIC offer. Court proceedings can be needlessly stressful and time-consuming.

## Quiz Answers

1. **The answer is (e).**  
*Disclosure and marketing*  
4. (1) A registrant shall be clear and truthful in describing the features, benefits and prices connected with the motor vehicles in which the registrant trades and in explaining the products, services, programs and prices connected with those vehicles. O. Reg. 332/08, s. 4 (1).
2. **The answer is (b).**  
Given the negative associations with drinking and driving, especially amongst the young, the following section of OMVIC's Code of Ethics could be applied.  
*Disclosure and marketing*  
4. (2) A registrant shall ensure that all representations, including advertising, made by or on behalf of the registrant in connection with trading in motor vehicles, are legal, decent, ethical and truthful. O. Reg. 332/08, s. 4 (2).
3. **The answer is False.**  
*Disclosure of information in contracts of sale and lease*  
5. A registered motor vehicle dealer who enters into a contract to sell or lease a motor vehicle to a person who is also a registered motor vehicle dealer shall ensure that the following information is disclosed in the contract:  
12. If the vehicle has two or more adjacent panels that are not bumper panels and that have been replaced, a statement to that effect.
4. **The answer is No.**  
*Disclosure of information in contracts of sale and lease*  
5. A registered motor vehicle dealer who enters into a contract to sell or lease a motor vehicle to a person who is also a registered motor vehicle dealer shall ensure that the following information is disclosed in the contract:  
19. If the vehicle previously received treatment in a jurisdiction other than Ontario that was equivalent to having had a permit issued under section 7 of the Highway Traffic Act ... to cover at least the seven previous consecutive years.
5. **The answer is (d).**  
*Liability of registrants to Fund*  
87. A registered motor vehicle dealer is required to reimburse the Fund for a claim paid to a customer of the dealer if,  
(a) the claim arose from a trade in connection with which a court convicted the dealer of an offence and ordered the dealer to pay compensation or make restitution to the customer;