



NAMA NEWS DECEMBER 2018

Dear Colleagues,

Energy Saving Trust used EV training

Last week NAMA members and customers were invited to attend the Energy Saving Trust training on used electric and plug-in vehicles. The training event took place at Fleet Auction Group in Coalville. It was an opportunity to get an insight into electric vehicles and how they should be handled. A round up of key points can be found in this month's news.

NAMA Grading Appraiser Courses

A reminder that we have dates available at Stephenson College for our Appraiser Courses. If you would like to book a space, please contact Susan Munslow on 01788 538 304.

PR and monthly newsletter

It was discussed at the latest NAMA executive meeting that we wanted to include more of our members 'good news stories' in the monthly newsletter, as well as sending regular press releases to trade contacts on key areas affecting your business. We would be particularly interested in reports from your business that might include record sales week's, sales with interesting vehicles or vendors, employee achievements, charity events or anything you would like to share with your fellow NAMA members or the wider automotive industry. Please email any stories you want included in the newsletter by the 20th of each month to our press officer rupal.rawal@rmif.co.uk

NAMA Convention and AGM 2019

A reminder that the 2019 AGM is to be held at Pine Cliffs Resort, Algarve, Portugal on 17 and 18 May. Formal invites will be sent out shortly.

If you would like to be involved in the initiatives above or have any further queries, please let us know on 01788 538336 or email louise.wallis@rmif.co.uk.

Finally, on behalf of everyone NAMA, I would like to wish you all a very Merry Christmas and a Happy New Year! We look forward to working with you all in 2019!

Louise Wallis
Head of NAMA

AUCTION MARKET CONTINUES UPWARD TREND IN NOVEMBER

It is encouraging to see that the wholesale used car market remained buoyant in November, with first time conversion rates falling by just -2.6% to 79.4% which is broadly in line with last year.

The report published today shows in November:

- Petrol cars converted at a slightly better rate than diesel for the first time since March. Petrol conversion fell by -1.5% to 80% from last month, and diesel fell by -3.7% to 78.9%, but was still 0.9% up on last November
- There remains a significant gap between the average sale price of petrol and diesel cars at £4,130 for petrol and £7,501 for diesel
- The first time premium was up by £103 on the same period last year
- Average mileage increased by over 2,000 miles compared to November 2017
- Alternative fuel vehicles made up only 1.4% of the total volume of cars sold

Overall, it has been a positive year for the used car market, with data so far this month indicating that the trend is due to continue into the Christmas period.

Reports show that auction halls have been busy with buyers bidding competitively across all market sectors.

It is expected that dealers will now turn their attention to building stock up for the New Year, where historically there are fewer fresh entries and prices firm up.

“NAMA is optimistic that demand and prices in the used market will remain high for the remainder of 2018 and into the New Year.

The full NAMA Car Auction report is available on request.

ENERGY SAVING TRUST USED EV TRAINING

Last week NAMA members and customers were invited to attend the Energy Saving Trust training on used electric and plug-in vehicles. The training event took place at Fleet Auction Group in Coalville.

It was an opportunity to get an insight into electric vehicles and how they should be handled.

Key points from the training session included:

- UK road transport NOx emissions are primarily from diesel cars and vans
- London T Charge and ULEZ – Interim T Charge was introduced in October 2017, older vehicles (manufactured before 2005) are charged an additional £10 when entering the congestion zone. This will be replaced by ULEZ in April 2019 and October 2020 for HGV's
- At the moment, Birmingham, Leeds, Nottingham, Derby and Southampton all have plans for clean air zones to be implemented by 2020

- The Road to Zero - UK Government's strategy to deliver a zero emission future for road transport. Launched in July 2018. Ambition for all new cars and vans to be effectively zero emission by 2040
- 2030 Targets - At least 50%, and as many as 70%, of new car sales to be ultra-low emission and up to 40% of new van sales to be ultra-low emission
- 2040 Targets - To end the sale of new conventional petrol and diesel cars and vans. For the majority of new cars and vans sold to be 100% zero-emission. For all new cars and vans to have significant zero-emission capability
- Installing infrastructure - Ground mounted are 30% more expensive to install than wall mounted [as is the hardware]. Ground mounted units require civils works and greater disruption. Close to the power supply is key! Units connected to the nearest fuse board with capacity, or the origin of the supply [usually where the meters are]
- Domestic charging - Electric Vehicle Homecharge Scheme. For householders who own, lease or have primary use of an eligible EV. Up to 75% (capped at £500 inc. VAT) of the cost of one chargepoint and its installation. Tethered or socket? 3.7 or 7 kW
- Destination charging - Increasingly provided by operators of car parks, supermarkets and hotels e.g. IKEA, Aldi, Lidl, Tesco, Marstons. Can be encouraged through planning rules and enforced through development applications. Tesla has partnered with hotels, chains etc to provide this.

To request a copy of the course presentation, please email our Press Officer Rupal Rawal on rupal.rawal@rmif.co.uk

NAMA PARLIAMENTARY ENGAGEMENT PROGRAMME

This year NAMA has launched a Parliamentary Engagement Programme where we are arranging for local MPs to visit motor auctions.

The aim of the scheme is to encourage parliamentary engagement and raise awareness of the significant contribution that motor auctions make to the economy of the UK. It is also an opportunity for MPs to obtain a better understanding of how auction houses are operated, the significance of the site to the local area, and the employment and business opportunities available in the sector.

We are actively engaging with government on the following policy issues which could be discussed with your local MP at these site visits:

- **Interchange Fee Regulations**
The removal of the 50p cap on transaction fees has resulted in a dramatic rise in the cost of taking payments. Also, earlier this year, the Government banned the right for businesses to apply surcharges and to not allow businesses to offset the additional cost. NAMA's findings suggest the combination of these changes will cost the motor auction industry almost £1.8 million a year.

- **Diesel**

Current government policy on diesel and clean air is confusing. It is important that clear and consistent policies are outlined to give auction customers certainty when buying and selling vehicles.

- **Brexit**

It is important for businesses including motor auctions, that the UK gets the best possible deal from the Brexit negotiations. Engagement with government is key to this and will help to ensure the sector remains buoyant.

If you are interested in hosting your local MP in 2019, please contact Louise Wallis on louise.wallis@rmif.co.uk

MODEST -3.0% DECLINE FOR NOVEMBER UK NEW CAR MARKET

The UK new car market declined by a modest -3.0% in November with some 158,639 units registered, according to figures released by the SMMT. Stalling consumer confidence, supply delays due to implementation of the new WLTP emissions test and model replacement all combined to affect overall sales.

Reflecting recent trends, demand for petrol and alternatively fuelled vehicles (AFVs) rose 3.5% and 24.6% respectively, but failed to offset a -16.7% fall for diesel cars. While fleet and private registrations fell in turn by -0.7% and -6.4%, business sales rose 8.6%, though the latter makes up only 3.1% of the market.

Year to date, more than 2.2 million buyers have taken advantage of an increasingly diverse range of models, including ever-more zero and low emission vehicles as manufacturers continue investing in technologies to produce the cleanest vehicles ever made. The market was down -6.9% on the first 11 months of 2017, but is in line with industry expectations given current challenging conditions.

BEST SELLERS

NOVEMBER 2018			YEAR-TO-DATE		
①	Ford Fiesta	5,193	①	Ford Fiesta	90,173
②	Volkswagen Golf	4,678	②	Volkswagen Golf	60,605
③	Mercedes-Benz A-Class	4,104	③	Vauxhall Corsa	48,651
④	Nissan Qashqai	3,195	④	Nissan Qashqai	47,937
⑤	MINI	3,170	⑤	Ford Focus	46,573
⑥	Volkswagen Polo	3,115	⑥	MINI	40,254
⑦	Ford Focus	3,068	⑦	Volkswagen Polo	40,221
⑧	Vauxhall Mokka X	2,778	⑧	Mercedes-Benz A-Class	39,243
⑨	Kia Sportage	2,731	⑨	Ford Kuga	37,752
⑩	Vauxhall Corsa	2,594	⑩	Kia Sportage	34,069

November	Total	Diesel	Petrol	AFV	Private	Fleet	Business
2018	158,639	51,429	96,441	10,769	69,355	84,431	4,853
2017	163,541	61,752	93,143	8,646	74,063	85,010	4,468
% change	-3.0%	-16.7%	3.5%	24.6%	-6.4%	-0.7%	8.6%
Mkt share '18		32.4%	60.8%	6.8%	43.7%	53.2%	3.1%
Mkt share '17		37.8%	57.0%	5.3%	45.3%	52.0%	2.7%

Year-to-date	Total	Diesel	Petrol	AFV	Private	Fleet	Business
2018	2,223,058	707,702	1,382,981	132,375	997,663	1,138,976	86,419
2017	2,388,144	1,008,323	1,271,312	108,509	1,066,943	1,228,976	92,225
% change	-6.9%	-29.8%	8.8%	22.0%	-6.5%	-7.3%	-6.3%
Mkt share '18		31.8%	62.2%	6.0%	44.9%	51.2%	3.9%
Mkt share '17		42.2%	53.2%	4.5%	44.7%	51.5%	3.9%

Image source: SMMT

BEN BALL RAISES £102K TO SUPPORT THE PEOPLE OF THE UK AUTOMOTIVE INDUSTRY

This year's Ben Ball raises £102,000 to support the people of the UK automotive industry

Hundreds of people from the automotive world gathered in London last week and helped raise £102,000 for Ben at its annual Christmas ball.

The money was raised during the Ben Ball, which took place at Grosvenor House on Park Lane, goes towards helping Ben continue its vital work supporting people from the automotive industry who face some of life's toughest challenges.

Around 700 guests were hosted by Ben's Chief Executive Zara Ross and President, Peter Johnson, for an evening of entertainment which included internationally acclaimed artists BJÖRN AGAIN performing the greatest hits of ABBA to the packed ballroom.

Zara Ross, Ben's Chief Executive, said: "The Ben Ball is our most important event of the year. This is not only because it allows us to raise vital funds so we can continue to provide life-changing support for our automotive colleagues, but it also gives us an opportunity to further develop relationships with the industry. It also demonstrates how we work with businesses to support their people, the lifeblood of our industry.

"Thank you to everyone who has made this year's Ben Ball so successful, we greatly appreciate your generous donations and support, all funds raised will help us to support our industry colleagues in need. I look forward to seeing you at the Ball next year."

During the evening it was announced that Ben's 2018 Industry Leader Challenge raised an impressive £215,755. The Lookers 'Electric Charge' involved Andy Bruce, CEO of vehicle retailer Lookers, and his team driving across the UK and Ireland in electric vehicles visiting every one of the company's dealerships.

Andy passed on the Industry Leader Challenge baton to three senior industry leaders: Volvo Car UK's Managing Director, Jon Wakefield; Tim Tozer, CEO of Allianz Partners UK and Ireland and Darren Guiver, Managing Director of Group 1 Automotive. All three will now take on the 2019 challenge of human endeavour to raise money for Ben – they will be cycling 166 miles down the Thames from source to sea on a self-propelled water bike.

These three individuals represent the three main industry sectors that Ben is focused on – vehicle brands, vehicle retail and 'aftermarket, service and repair' sectors. Ben will be releasing more news about next year's Industry Leader Challenge over the coming months.

Speaking about this year's challenge, Andy said: "We had so much fun taking part alongside so many Lookers colleagues, and at the same time managed to raise a significant sum of money that will help change the lives of people in our industry. Now that I have passed on the baton I hope our ILC successors enjoy it as much as we did and raise even more funds for a worthwhile cause. Please support them and give what you can."

The total amount raised at the Ball on the evening was aided by a live auction that included a bevy of prizes generously donated by companies within the industry. The highest earner was a Volvo XC40 T4 SUV which achieved a winning bid of £44,000, followed by the Monte Carlo road rally prize which raised £22,000 and the Cowes Week Regatta Race trip courtesy of Sunsail which raised £3,800.

The Ben Ball is the organisation's flagship fundraising event and Christmas Ball for the automotive industry, which highlights the vital work that Ben does. The event is a highlight of the automotive industry calendar and has been running since 1906, only stopping during the two world war periods.

HYUNDAI TUCSON IS CROWNED UK'S FASTEST SELLING USED CAR

- 2015 Hyundai Tucson took an average of 19 days to sell in October
- 9 of the top 10 fastest selling cars powered by diesel
- i-Control users enjoy 55% improvement on stock turn in October 2018

The Hyundai Tucson reigned supreme in October with the 2015 diesel manual variant claiming the crown as the UK's fastest selling used car, taking an average of just 19 days to leave forecourts.

The Tucson, which was this year's winner of Best Car for Long Distances at the Auto Trader New Car Awards, was not the only Hyundai to make the top 10 with the 2017 Hyundai i800 (diesel automatic) taking third place and 2015 Hyundai i30 (diesel semi-automatic) in seventh. The top three was rounded off by Hyundai's subsidiary, Kia, making an appearance in the number two spot with the 2015 Kia Sorento (diesel automatic).

Regionally, the workhorses of the used car market, namely SUVs and hatchbacks, dominated the list with SUVs claiming victory in East England (2015 Land Rover Discovery Sport - diesel automatic – 24 days), North West (2015 Renault Captur - diesel automatic – 11 days), Scotland (2016 Ford Kuga - diesel manual – 15 days), South (2015 Hyundai Tucson - diesel manual – 10 days), South East (2015 Vauxhall Mokka - diesel manual – 14 days), South West

(2015 Ford Kuga - diesel manual – 33 days) and Yorkshire (2014 Nissan Qashqai - diesel manual – 17 days).

Hot on their heels were the ever popular hatchbacks ascending to the throne in the East Midlands (2015 Mercedes-Benz A Class - diesel manual – 24 days), North East (2016 Volkswagen Polo - petrol manual – 23 days), Northern Ireland (2015 Ford Focus - petrol manual – 34 days), Wales (2016 Volkswagen Polo - petrol manual – 30 days) and the West Midlands (2016 Mercedes-Benz A Class - diesel manual – 24 days).

Karolina Edwards-Smajda, Auto Trader’s Director of Commercial Products, said: “SUVs continue to be the dominant force in the UK’s used car market. They are consistently in the top three searches of body types on Auto Trader and have been the fastest selling used car more than any other body type in 2018. Our research shows that the most successful retailers are those that are able to turn their stock quickly; as such 4x4s represent a solid investment for retailers looking to maximise profits through fast turning stock.”

Hitting targets will always be determined by how quickly a retailer can turn their stock around and using data is the key to speeding it up. Users of i-Control, Auto Trader’s data management solution, took an average of just 28 days to sell a car in October, compared to a market average of 64 - 55% faster than those that don’t use the data management tool.

The UK’s Top 10 Fastest Selling Used Cars in October 2018:

Rank	Description	Average Days to Sell	Average Retail Price
1	2015 Hyundai Tucson SUV Diesel Manual	19	£14,132
2	2015 Kia Sorento SUV Diesel Automatic	19	£21,369
3	2017 Hyundai i800 MPV Diesel Automatic	19	£15,836
4	2015 Renault Kadjar SUV Diesel Manual	19	£12,841
5	2016 Mazda CX-5 SUV Diesel Manual	20	£16,859
6	2015 Mercedes-Benz GLC-Class SUV Diesel Automatic	20	£26,912
7	2015 Hyundai i30 Hatchback Diesel Semi-Automatic	20	£9,371
8	2016 Mercedes-Benz GLC Class SUV Diesel Automatic	20	£28,563
9	2016 Audi Q5 SUV Diesel Automatic	21	£27,744
10	2012 Peugeot 207 Hatchback Petrol Manual		

Source: Auto Trader

Retail

- YTD 2.22m new cars registered and the November market down by -3.0%. Given the challenging headwinds and uncertainty faced throughout the year, it remains in line with the forecast of 2.38m (-6.5%)
- Activity indicates franchised dealers saw an increase on October 2018 stock levels, bringing volume in line with November 2017 whilst supermarket stock levels were up both MoM and YoY
- Smaller Vehicles saw an increase vs. last year, with Supermini seeing the largest increase at 4 days. Conversely, larger vehicles sold quicker, as did prestige and convertibles
- Volumes decreased for diesel models while days in stock shortened by 3 days. Petrol vehicles days in stock increased by 3 days as volumes and views both increased
- Franchised dealers saw an increase on October 2018 stock levels, bringing volume in line with November 2017
- Independent dealers stock levels remained static month-on-month but slightly up year-on-year
- Supermarket stock levels are higher than both last month and last year
- Stock turn in November 2018 for Franchised and Independent dealers was broadly in line with last year
- Whilst in line with last year, there was significant improvement with Supermarket sales month-on-month

Wholesale

- The wholesale volumes fall in line with seasonal expectations. In turn, the average selling price increased by 1% month-on-month to £6,305
- Diesel wholesale prices declined marginally by -2.8% from October while petrol eased by -0.5% in October; with minor average combined overall variance from £7,530 in October to £7,531 in November
- One in ten admit to buying lower grade stock than they normally would, while 15% have been fast-tracking vehicle preparation to facilitate quicker stock turnover
- Just over 50% of the dealers agreed with the statement 'demand is currently outstripping supply in the used car market'
- Wholesale volumes fall in line with seasonal expectations. In turn, the average selling price increased by 1% month-on-month to £6,305, while average vehicle mileage held steady at 62,414
- Dealer Auction reported that average vehicle prices were up year-on-year to £5,028.
- Supply was a major focus for retailers in November, with many choosing to widen their stock profile to increase buying opportunities
- Despite pressures in the new car market and the much-discussed consumer uncertainty caused by Brexit, dealers remain cautiously optimistic about the months ahead

- As new car supply returns to the market, we expect to see wholesale volume increase from January, although demand for the ready-to-retail stock is likely to remain high

Funding

- Wholesale stock funding remained steady across the board, with the average cost per unit increasing 2% to £7,881 from October
- Average holding days Increased marginally with November at 61 days – three days more than experienced in November 2017
- The average age of funded units increased to 6.0 years from 5.9 years in the same period last year whereas mileage increased from 59,791 to 61,177
- Half of the dealers responding said they used a wholesale finance package or Stocking Plan versus 38% who opt to use their own capital
- Nine in ten dealers say they use more than one source of funding, with wholesale finance and own capital dominating the options chosen

Dealers

- The Market Overview Survey cited 29% of dealers report margin pressures and 74% cited the current demand for used vehicle stock either the same or worsening compared to 2017. Whereas over half [53%] reported a decline in physical footfall
- The Market Overview Survey indicated dealers* support the data indicating the strength of the used vehicle market, with 71% reporting decrease or no change in average stock volumes. One in three cited an increase in new car consignment stock
- 29% of dealers* responding to the Market Overview Survey indicated sourcing stock will toughen whereas 45% cite no change and 32% are positive about the economy in the months ahead as we enter 2019

NAMA MEMBERS IN THE NEWS

BCA focuses on commercial vehicle sector with new appointment

BCA has appointed Jon Gilbert as Business Development Director Commercial Vehicles, with a brief to develop BCA's end-to-end strategy in the CV sector and enhance processes around the wider customer experience for commercial vehicles at BCA.

He brings a wealth of experience to the position gained in the vehicle leasing and telematics sectors. Prior to joining BCA, in 2014 he held the role of Operations Director for Vanarama and was Group Director, Customer Services for telematics supplier Masternaut from 2012 to 2014. Gilbert has also held senior management positions with ING/Alphabet and LloydsTSBAutolease.

Full Press Release: <https://bit.ly/2rHjk9o>

OVER £34,000 RAISED FOR CHILDREN'S HOSPICE

Shoreham Vehicle Auctions (SVA) has raised £34,000 for The Chestnut Tree House children's hospice during its 2018 annual vehicle auctions.

In the process, the independent auction house has surpassed the £130,000 fundraising milestone since its inaugural auction for the children's charity in 2011 – thanks to the south coast motor trade.

This year, SVA hosted two auctions and received support from the region's motor trade with donations from Yeomans Group, Tates Group, Caffyns Group, Dinnages, Frosts4cars, Harwoods, Newton Honda, Dees Croydon, Southern Motor Group and Vanfair Ltd. Support was also received from Enterprise Rent-A-Car and NextGear Capital Ltd. More than 24 cars were donated to the auctions, with five coming direct from the general public.

Alongside the grand total, more than 14 hours of day care and 15 hours use of the hydrotherapy pool at Chestnut Tree House were pledged during the two auctions.

Full Press Release: <https://bit.ly/2PkH6lh>

Aston Barclay adopts Amazon Alexa for auction searches

Aston Barclay has employed the services of Amazon's Alexa voice recognition platform to share details of its auction programme to buyers in what it claims is a 'sector first'.

Alexa will respond to buyers each time they say 'Alexa flash briefing' by automatically announcing the auction activity at Chelmsford, Prees Heath, Westbury, Leeds and Donington Park over the next 24-hour period.

Aston Barclay believes the innovation is a first in the remarketing industry.

Full Press Release: <https://bit.ly/2rLiCba>

Matthew Davock appointed Manheim's director of commercial vehicles

Manheim has promoted Matthew Davock into the role of director of commercial vehicles from his previous role as head of LCV.

Davock who has been with Cox Automotive for over 20 years, will be replacing James Davis who has moved to the role of customer insight and strategy director for commercial vehicles.

Manheim's managing director, Peter Bell, said: "Matthew has shown exceptional skills in his role as Head of LCV, and together he and James have strived to achieve Manheim's position as the clear market-leader."

Joining from school to work with Manheim's Haydock auction centre, Davock worked his way up to join the National CV team as head of LCV in 2014.

Full Press Release: <https://bit.ly/2QEFDvx>

2019 DATES FOR YOUR DIARY

NAMA AGM 2019

17 - 18 May

Pine Cliffs Resort, Algarve, Portugal

NAMA National Executive

Tuesday 22 January

Tuesday 2 April

Tuesday 9 July

Tuesday 15 October

201 Great Portland Street

NAMA Grading Working Group

TBC