



news

Motor  
Vehicle Sales Authority  
of British Columbia

FOR IMMEDIATE RELEASE

## Dealer licence cancelled and heavy penalties for selling unsafe rebuilt vehicle

(SURREY, B.C., 5 October, 2009) - The Registrar of Motor Dealers has cancelled the dealer licence of Crown Auto Body and Auto Sales Ltd. of Surrey for selling a 2005 Toyota Prius it had rebuilt and had represented to a consumer as roadworthy when it was unsafe for the road. The dealer was also found to have misrepresented the vehicle's odometer reading.

Crown was also charged an "administrative assessment" of \$20,000, all costs of the investigation and ordered to make full restitution of the \$17,000 purchase price and taxes to the consumer.

"Administrative Assessments" are penalties under the province's Business Practices and Consumer Protection Act.

After purchasing the Prius the customers moved to Ontario where the vehicle failed that province's structural inspection. It was found that Crown's structural repairs were inadequate and hidden behind the rear bumper and by decorative internal mouldings. As Crown was the rebuilder, it was found to have known about the inadequacy of those repairs and that it had hidden those repairs from view. The dealer had also presented the consumers with documents indicating the Prius had passed both a B.C. Private Vehicle Inspection (PVI) and a Structural Integrity Assessment (SIA); tests conducted by a private repair shop.

Crown said that after the repairs, the Prius's electronic odometer read about 40,000 km. When they sold the vehicle, they said they relied on an invoice from ICBC for the odometer reading. The customer was later informed by a Toyota dealer that the Prius's service records showed the vehicle had travelled some 114,000 kilometres before the car came into Crown's possession.

The customers filed a complaint with the Motor Vehicle Sales Authority of B.C. (VSA) and, with the cooperation of ICBC, an investigation ensued. Evidence from both an Ontario and a B.C. collision repair expert noted that the repair work by Crown Auto Body was structurally inadequate and the vehicle was unsafe. Deputy Registrar Ian Christman heard evidence from all parties and ultimately concluded that "the motor dealer committed a deliberate deceptive act or practice."

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Christman assessed the monetary penalties and costs and cancelled the dealer licence. In his 25-page judgement, he said:

*"It is my view that a monetary penalty is simply insufficient to provide the necessary level of assurance that Crown will not again sell an unsafe motor vehicle or misrepresent a motor vehicle as safe when it is not...I must also consider the public interest in ensuring that only safe vehicles are sold by motor dealers, or if they are unsafe, that consumers are made aware of that fact. B.C. motor dealers have a statutory duty to so inform consumers. As shown by this case, the public interest goes beyond British Columbia as a motor vehicle can be moved from place-to-place and is often owned by many people during its operational life."*

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