



Issue #3 - 2009

6 March, 2009

## *Response to industry concerns*

### **Six off-site sales now permitted each year**

As a result of productive discussions between the motor vehicle sales industry and the VSA, the number of off-site sales permitted for any licensed dealer has been increased to six per year from two every six months.

A dealer licence has multiple provisions related to a specific place of business. An "off-site" is anywhere other than the dealer's licensed premises, and the dealer must apply for permission and pay a fee of \$75 per day.

Exceptions are made for situations where a vehicle is at a remote location for promotional purposes only and no sales activity takes place. Other unique cases include auto shows, which must be licensed. Discounts are available on a group basis if all paperwork involving every dealer participant is presented at the same time.

Regulations concerning off-site sales can be found on the VSA website, Dealer Directive #2. The Internet link for the VSA Off-Site Sale Policy is <http://www.mvsabc.com/offsitesales.htm>

#### **"Buyer Beware" - no place in law**

Recently, the VSA disciplined two dealers who sold unsafe vehicles to the public. Details can be found under "NEWS" at the VSA website. The administrative assessments imposed in each case totalled \$20,000 as well as total restitution to the customers and various costs associated with the investigations. One of these companies is no longer in business.

Evidence in each case demonstrated that misleading information was given to the customers and that the dealers knew the vehicles in question were problematic. In fact, both vehicles were subsequently ordered off the road by B.C. Inspectors.

In each of these cases, when the consumer returned requesting a refund, they were told "buyer beware."

Dealers must be advised that phrases such as "buyer beware", "as is" or "caveat emptor" have no place in law.

This protection to the seller has effectively disappeared. In 1980, the Supreme Court of Canada commented that "buyer beware" had little impact on the sale of goods. The B.C. Sale of Goods Act, the Business Practices and Consumer Protection Act and other statutes and regulations clearly demonstrate that in response to a consumer allegation of deception or misrepresentation, the onus of proof resides with the seller.

In fact, those who dig in their heels and proclaim "buyer beware" demonstrate that they don't know the law and, as a result raise questions about their competence, if not their integrity.