



Beware of marketing companies !

Sales blitzes by out-of-town "experts"

Special sales events conducted by a team of outsiders may create a minefield of problems for the dealer or dealers employing them. These visitors describe themselves in various ways: event planners, consultants, advertising coordinators, marketing professionals and marketing company representatives.

Their misrepresentation often begins by implying that they have a work permit from Immigration Canada which does not require them to be licensed, and enhancing that untruth by stating that they do not need a valid salesperson licence from the VSA. Instead, they show the dealers who hire them meaningless course certificates from here and elsewhere.

B.C. dealerships who hire these companies are risking their motor dealer licences. The law requires that anyone engaged in direct customer contact must have a VSA Salesperson Licence and dealers are responsible for seeing that all their sales staff are licensed. Only properly licensed salespeople can engage in the coordination of advertising for an event, the training of sales staff and consumer-related activity.

Here are some helpful tips:

- A dealership that plans to use a marketing company, must ensure that all licensing requirements are forwarded to the VSA Licensing Department three weeks prior to the event.
- A dealer should always seek clarification from the VSA before accepting any licensing advice from a marketing company.
- If VSA criteria, including licensing, are properly addressed, a conditional licence may be issued for each salesperson. A copy will be faxed to the dealership to confirm that the named salespeople can work the sales event.

Many of these "blitz" specialists routinely employ illegal practices, such as misleading advertising, "bait and switch" and grossly inflating prices on the eve of an event, in order to claim dramatic reductions.

Finally, once the sales team leaves town, the dealer remains solely responsible for anything that went wrong, including violations of the law, licensing and customer complaints.

New consumer videos on the VSA website

A new series of videos, demonstrating how a young consumer negotiates with a recommended and trusted dealership, has just been posted to the VSA website. The new postings add to a growing library of VSA consumer videos. The first group of crisp, short and informative videos pointed out the dangers of not dealing with licensed dealers and salespeople, and the frequently problematic activities of "curbers."

About the new videos, Doug Longhurst, the VSA's Director of Consumer Services and Professional Development, said: "Our goal was to model a transaction that went right, because the consumer was responsible and informed. We hope consumers will follow this model, which also reinforces why they should buy a car from a professional, licensed dealership."

Unlicensed new hires remain a problem

Before anyone can start working in vehicle sales, the name of the individual must be registered with the VSA in the form of a salesperson licence application. Once a complete application with all the necessary documentation is received, the 45-day conditional licence will be issued, a period during which the compulsory Salesperson Certification Course has to be completed. Please note that the applicant needs to pass the Salesperson Certification Course prior to the 45-day deadline or the applicant will no longer be able to be employed as a motor vehicle salesperson.

A concern has been a tendency of some dealers to try out new people in the showroom using words such as hosting, hospitality, training or shadowing to describe what they do, formalizing licensing procedures only after the individual demonstrates worth. If there is customer contact in pursuit of sales, a Salesperson Licence is required.

Licensing procedures are outlined in detail along with the necessary application forms and are available on the VSA web site, http://www.mvsabc.com/application_package.htm