



Credit Check Practices

Recent Consumer Complaints Prompt Reminder

The VSA has received complaints that some motor dealers are running credit checks on potential buyers without obtaining their consent first. This is considered an offence. A motor dealer is required, by law, to have authorization before conducting a credit check.

Running a credit check without a consumer's consent is a breach of Part 6 of the *Business Practices and Consumer Protection Act (BPCPA)*. It is also an offence to obtain credit information for purposes not authorized by the Act.

In addition, the *BPCPA* states that a motor dealer must be able to produce the evidence that authorization has been given. Dealers need to make sure that the request for consent is displayed in a clear and understandable manner.

NOTE: Jurisdiction over Part 6 of the *BPCPA* lies with Consumer Protection BC, not the VSA. However, if there are reports of improper practices, the Registrar can review a motor dealer's business practices as part of a licensing review.

Used Vehicle Buying Concerns and Solutions Highlighted in *Vancouver Sun* Article

A recent ICBC survey reports that among those who are unlikely to purchase a used vehicle, 81% said not knowing the vehicle's history is a concern. The survey also found that more than 25% of respondents were not aware of the cost-effective tools available to learn more about the history of a vehicle. In the article by Blair Qualey, President of the New Car Dealers Association, it was noted that buying from a vehicle dealer licensed by the Motor Vehicle Sales Authority can give you additional peace of mind.

Full article available here:

<http://www.vancouversun.com/facts+before+buying+used/7452314/story.html>

New Hire Process at Carson Automotive Group Aids Salesperson Licensing

With three stores on the mainland and six on Vancouver Island, the Carson Automotive Group has implemented a new process to ensure timely salesperson licensing. Dave Michnik, Director of Sales, noted, "In the spirit of having our Sales Managers do what they do best - coaching and selling vehicles - our HR department came up with a real time saver for the team."

The simple procedure has the new employee complete a one page New Employee Notification, which is forwarded to Human Resources. The HR department then takes over the process, ensuring that the licence application is completed and submitted as required.

This new approach has proved extremely effective. Since the implementation of the process, the VSA Licensing Department has seen a real difference in salesperson licensing compliance at all nine dealerships.

If you're interested in developing a similar process, please contact Kim in Licensing at 604-575-7084. The VSA Licensing staff welcomes the opportunity to work with dealership payroll and human resources staff, including visiting dealerships when practical.