



Registrar's Decisions Upheld by BC Supreme Court

Separate rulings released by the BC Supreme Court upheld \$25,000 in administrative penalties and full restitution for both consumers.

The [first decision](#) concerned [Crown Autobody and Auto Sales Ltd.](#) The Registrar found that Crown committed several deceptive acts under the *Business Practices and Consumer Protection Act* (BPCPA). They misrepresented a rebuilt vehicle as roadworthy, telling the consumers that the vehicle passed two required BC safety inspections. The evidence from two collision repair experts showed the vehicle's structural integrity was not properly repaired (including only spot welds) and not safe. Additionally, the dealer misrepresented the number of kilometers on the vehicle. For these violations, the Registrar ordered:

- A full refund to the consumers of the purchase price and any costs
- A \$20,000 administrative penalty against the dealership
- A \$2,000 penalty against the dealer principal as a salesperson
- Payment of over \$2,000 in investigation and hearing costs
- Crown's motor dealer licence to be revoked

The [second ruling](#) involved [Windmill Auto Sales & Detailing](#). Once again, the Registrar found the dealer was deceptive by misrepresenting the amount of damage done to a vehicle, stating it had \$1,800 instead of \$6,200 in damages. It was concluded that this was a deliberate deceptive act, as documents confirm that the dealer knew the vehicle had over \$2,000 in prior damage. The Registrar ordered:

- A full refund to the consumers of the purchase price and any costs
- An administrative penalty against the dealership of \$2,500
- A \$500 penalty against the dealer principal as a salesperson
- Payment of nearly \$2,000 in investigation and hearing costs

The Court agreed with the Registrar that a full refund in this case was reasonable due to the unique facts.

In making their decisions to uphold the Registrar, the Court reaffirmed that:

- The *BPCPA* is consumer protection legislation that places a reverse onus of proof on a supplier of goods in a consumer transaction.
- There is a positive duty imposed on car dealers to ensure that the required disclosure representations are true. The Court said a dealer may not solely rely on what a prior owner says or what is written on an invoice when taking a vehicle into inventory.
- A deceptive act or practice need not be intentional and may arise even if the supplier has an honest belief in the accuracy of the information relayed to the consumer.
- It is incumbent upon a party that operates within a regulated industry to develop at least a basic understanding of the regulatory regime, including its obligations under the regime, as well as the obligations, and the authority, of the regulator.

In one judicial review, the Court confirmed that the Registrar's decisions met "the standard of justification, intelligibility and transparency." In the other, "that there was a reasoned, rational and sound basis for all of [the Registrar's orders]."

Note: A few years after the Registrar's decision against Crown, the [Registrar denied issuing a motor dealer licence](#) to the father of the Crown principal as, in the Registrar's view, it was an attempt to bypass the Registrar's orders.