

## Lessons from the 2018 Consumer Complaints

### Just five issues created 45% of all VSA consumer contacts

Nearly one-half the 4,000 consumers who called, visited or emailed the VSA in 2018 alleged there was misrepresentation in their transaction regarding:

- The mechanical condition of the vehicle following the sale (19%)
- Credit financing disputes, including higher interest rates or a longer term than expected and the failure to disclose balloon payments (10%)
- The failure to accurately disclose prior vehicle damage (6%)
- Disputes over the return or the terms of a deposit (6%)
- Promised vehicle features found to be missing or incorrect (4%)

### 25% of consumer complaints resulted in an investigation

Over one-quarter of consumer contacts required an investigation, with one-third of the investigations resulting in consumer restitution and 13% in formal compliance action. Even when an investigation is closed without any consumer repayment or compliance action, valuable dealership time has been required to respond to the complaint. Dealerships with fewer consumer complaints may receive less frequent inspections due to the risk-based approach now in place.

### 50% of dealerships had no consumer complaints in 2018

Clearly, dealership practices can make a difference. Both the *Motor Dealer Act (MDA)* and the *Business Practices and Consumer Protection Act (BPCPA)* require truthful and transparent selling. Reducing consumer complaints can be as simple as providing clear and complete information about the vehicles you sell and the financing you provide. Carefully reviewing all documents and terms with a buyer is one way to avoid a VSA investigation and any compliance action that may result.

### Mechanical problems need not be grounds for an investigation

Selling a safe, but lower value, vehicle will not result in an investigation if accurate representations are made during a transaction. Failing to disclose the condition of a vehicle or overstating the quality and condition will result in an investigation because the *BPCPA* requires a business to stand behind the representations that are made.

## Mark Bakken Elected VSA Board Chair

The Board of Directors of the VSA recently elected Mark Bakken as chair. Mark has been the Chief Administrative Officer and City Manager at the Corporation of the Township of Langley since 1996. Mark was appointed to the board in 2018 as a public-at-large member.



The VSA is an independent, non-profit agency that oversees the retail sales of personal-use motor vehicles in British Columbia. Please send your questions and comments to [communications@mvsabc.com](mailto:communications@mvsabc.com)

