



## Motorcycle and Moped Dealer Advisory Committee – April 16, 2008

### Summary Report

The VSA Board of Directors and Management established Advisory Committees to represent unique industry segments and to effectively carry out its mandate. The purpose of the advisory committees is to provide the VSA Board and management with ongoing advice, commentary on issues and recommendations on the Authority’s activities.

The first Motorcycle and Moped Dealer Advisory Committee meeting was held April 16, 2008, at the VSA office with a VSA Board member acting as Chair, and the VSA President/Registrar and senior management in attendance:

The committee is set up to have seven members, currently 6, selected through a public process conducted by VSA management, with province-wide representation as a goal. Committee members represent a cross-section of their industry segment through their individual industry backgrounds, skills and experience, gender, type of dealership and interest in serving.

Initial appointments to the committee are for a one-year term. Following the first year, three committee members will be asked to serve a three-year term, two members will be asked to serve a two-year term and two members will be asked to serve a one-year term. Committee members who serve less than a three-year term will be eligible to serve one additional term.

#### Motorcycle and Moped Dealer Advisory Committee members are:

<b>Lenard Hall</b>	Harley in Prince George	Prince George
<b>Simon Holt</b>	Spunky’s Motorcycle Shop Ltd.	Parksville
<b>Chuck Pawlechko</b>	Cranbrook Power Sports Ltd.	Cranbrook
<b>Marq Smith</b>	Western Powersports	Langley
<b>Michael Stevulak</b>	Scooter Underground	Victoria
<b>Gordon World</b>	E-Cycle Electric Vehicles	Vancouver

At the first meeting, members of the committee enumerated a list of issues they felt needed to be understood and addressed by the VSA to make the Authority more successful.

Following the meeting, an outline of issues discussed with their recommendations and decisions were recorded in their meeting minutes (a summary of the discussion).

Following approval of the minutes by the members of the committee, a report was prepared and circulated to the VSA Board of Directors. The Chair of the Committee (VSA Board Member Edd Crooks) made a verbal report to the Board of Directors at their May 30, 2008, meeting.

The content of the report follows. It is a précis of the principal issues and concerns raised by the committee members. The remarks in *italics* that follow each issue reflect actions taken or being actively considered by management.

## **Summary of Issues and VSA response** - Motorcycle and Moped Dealer Advisory Committee:

### **Licensing concerns**

- Some auto dealers are selling motorcycles using inexperienced repair facilities to evaluate motorcycle safety or condition

*Licensing staff are reviewing the repair facility and/or repair agreement requirements in the Motor Dealer Act.*

- Some motorcycle and scooter dealerships have seasonal, part-time and accessory-only employees

*Licensing staff are not recommending any changes to the current licensing framework or requirements, but can help clarify which employees do not need to be licensed*

### **Compliance concerns**

- Imported vehicles may have ground-off serial #s
- Motorcycle histories are not available on CarProof and other research sources
- Curbing, sales of imported bikes by off-road dealerships, unregistered consignment sales and sales by repair shops are all sources of concern

*Compliance staff will be using the information from the committee regarding improper motorcycle sales practices to review current policies and procedures*

### **Fees**

- The fees for motorcycle dealerships, off-site sales and the courses were questioned and discussed

*A two-tier structure for motorcycle dealerships was recently implemented to respond to this concern and no increase or changes in fees were made this fiscal year. Fees are reviewed annually as part of the budgeting process and a review of fees for other professions is underway.*

### **Legislation Review and other ongoing issues**

- All auctions should be licensed

*This suggestion was included in changes already sent to Victoria*

- There should be a standard industry purchase agreement (use Michael Mason for now)

*A VSA/Industry committee is working on a standard contract*

- The \$2,000 damage declaration

*The Legislation Review committee couldn't agree to any change in the current regulation. The VSA believes the Business Practices and Consumer Protection Act (BPCPA) creates a full-disclosure environment where a dealer must by law use due diligence, including an inspection to determine prior accidents and then must disclose all details to the purchaser prior to the completion of any sale.*

### **Concerns that need additional changes in legislation or are beyond VSA scope**

- All dealers and any motor vehicle, electric or gas, should be licensed. Companies like Costco, Canadian Tire and MAC that sell electric vehicles should be licensed. (If it has a motor, it needs a licence.)

*The VSA staff will look into whether these vehicles are captured by the Motor Dealer Act and what steps can be taken with the current legislation.*

- Canadian Tire and other provincial inspection sites may not have the ability to inspect motorcycles for roadworthiness.

*Staff has determined that motorcycle inspections must be completed by a person qualified in motorcycle mechanical repair – Superintendent's Authorization Order #10/89. Any infraction of the above should be directed to the Commercial Vehicle Safety and Enforcement Branch. See Notice # 3-2007 May 17, 2007. Staff will recommend issuing a Bulletin to the industry.*

- Motorcycles brought across the border from the US may be unsafe as BC does not require a safety check

### **ICBC issues**

- Dealer plates and instruction on their proper use are different than for other motor vehicle dealers
- A standard waiver for a test ride is needed
- ICBC is selling salvage vehicles to body shops
- Safety check and declarations are required, but unsafe and damaged cycles are often repaired in body shops, sold to the public on used car lots, used as trade-ins, with no rebuilt stickers attached. VSA staff will be providing ICBC official with this information.

### **VSA benefits**

*The President explained that the value of a licence is largely determined by the conduct of the people who hold it. The goal is a respected industry serving an informed and confident public. The VSA will continue to do all it can to help motorcycle and moped dealers become more professional, and, at the end of the day, it is the people in the industry who will create value, not the VSA.*

*Committee members were asked what each of them is doing to help the industry's reputation. Were they advising consumers that they were licensed? Are they explaining what it means to be licensed? Are they abiding by the legal and ethical expectations of the industry?*

The VSA was created by industry to help the industry become more professional. It is up to industry members to use this opportunity to earn the respect of the public.