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Decision No.

AK 81/92

Reference No.

MVD 110/92

IN THE MATTER

of the Motor
Vehicle Dealers
Act 1975

AND

IN THE MATTER

of a dispute

BETWEEN

[REDACTED]

Purchaser

AND

[REDACTED]

Dealer

BEFORE THE AUCKLAND MOTOR VEHICLE DISPUTES TRIBUNAL

Mr H.T.D. Knight Chairman
Mr R.G. Lewis Member
Mr A.E. Enting Member

HEARING at AUCKLAND on the 16th day of July 1992

UNIVERSITY OF CANTERBURY

2 SEP 1992

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APPEARANCES

Miss [REDACTED] in person
Mr [REDACTED] for the dealer

DECISION

This dispute arose out of the sale and purchase of a vehicle which had been imported second hand from Japan.

It was incorrectly described as a 1980 vehicle when it should have been shown as a 1982 vehicle. The licensee accepted that because the vehicle had been misrepresented to his firm it had been also misrepresented to the purchaser.

The Tribunal accepts that the misrepresentation arose as a result of passing on information previously received from another source.

The sole issue before the Tribunal was therefore the difference in value. The purchaser produced a valuation which was a pre-accident valuation, the vehicle having unfortunately been involved in an accident. It was purchased for \$3,500 and the pre-accident value was \$2,800 and it would have been at that

time that the error in the vehicle's year was first ascertained.

The purchaser sought the sum of \$700.

The matter however is not quite as simple as dealing with a pre-accident value on a vehicle and a difference in value type of valuation.

The licensee referred the Tribunal to the New Zealand Indentical page 62 and made the following submissions :

1. There was no change in model for some years.
2. The vehicle was traded to the licensee in January and the papers had not arrived at the time of this transaction.
3. The year is not as important in older stock.
4. The overall condition of the vehicle is the basis upon which the price had been assessed by his firm and is normally assessed in the market place rather than the actual year.
5. There was actually not a difference of two years but thirteen months between the registration of the vehicle.

He stated that he had rung another licensee and had been unable to pick up a written valuation but it was his opinion that the difference in value would not exceed \$300.

The Tribunal has considered the evidence before it and has applied to the issue its experience in hearing these cases for a period of over 15 years. It has also applied the experience of two of its members in the industry which stretches for a period of several decades.

The Tribunal is of the opinion that in this particular case an appropriate amount to award for compensation would be the sum of \$500.

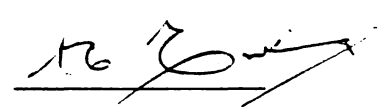
There will therefore be an order that the licensee should pay to the purchaser the sum of \$500.

DATED at AUCKLAND this 25th day of August 1992



H T D Knight
Chairman

R G Lewis
Member



A E Enting
Member