

Ensuring Quality, Service and Safety

17 April 2018

AHVRA Member Update – April 2018

Dear AHVRA Member,

Thank you for your support throughout 2017 and please find herewith your April 2018 AHVRA update.

We are pleased to report that most of your fellow members are off to a good start to the New Year with good work flow and expected reasonable returns.

All Members are financially up-to-date and our valued Sponsors / Suppliers are all expected to renew their AHVRA Sponsor / Supplier status. We remind you to please continue to support the Suppliers that support your organisation. We extend a warm welcome to our new Partner Supplier: Superior Radiator Services.

WOHVR (Written Off Heavy Vehicle Register) Report

The Committee recently attended Parliament and met with Transport Minister, The Hon. Melinda Pavey, MP and Minister, The Hon. Ray Williams, MP, for a discussion and update. As has been reported previously, the WOHVR Legislation was passed through Parliament last November and is now with Transport NSW for final amendments to the Regulations, prior to introduction, expected by mid-year.

PARTS SUPPLY

Concern has been expressed around the supply of new parts, to cater for the increased workload when the WOHVR is implemented. It is estimated that as much as 40-50% of Heavy Vehicles currently written off will become repair propositions. Hence, a demand for cabs, front end parts and Near Side doors is expected. At present, discussions are being held with suppliers.

The Committee will work towards resolving the situation where vehicles could be off the road for weeks at a time, tying up capital space and causing customer dissatisfaction.

A meeting was held with Hino Parts Manager, Mr Kirk Harrison, in relation to the possibility of potential supply problems. It was agreed to keep him informed as soon as AHVRA have confirmation of a date for the implementation of the WOHVR.

Representatives from other brands will be contacted prior to the implementation of the WOHVR.

STAMPING OF NEW CHASSIS

Another item discussed with the Ministers, was the current refusal by RMS to allow the stamping of a new chassis with the original Vin Number. They only allow a new allotted number and this causes the vehicle to be greatly devalued, especially at a future time of sale. So generally, an Insurance company writes the vehicle off, rather than have it repaired, even though it may be a commercially viable repair. There is then no recourse back against the Insurer.

How does this affect the Heavy Vehicle Repairer?

Many rails have been fitted to Heavy Vehicles, which may not have had any number re-attached. With the introduction of the WOHVR, it should be noted that vehicles (trucks) of 3.5 tonne, will be included in the WOHVR and described as a Heavy Vehicle. These will be entering your shops in greatly increased numbers (some 11,000 new vehicles coming on the road every year). It is not in anyone's interest to write these vehicles off.



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The Minister agreed the situation was unacceptable and enquired if AHVRA could obtain additional support from the Insurance Companies.

Subsequently, a meeting has been held with representatives of the Insurers and a letter of support is expected very soon, which will be sent to the Ministers.

DISALLOWANCE OF CERTAIN WORK

Legal clarification is being sought about the legal liabilities and obligations of a repairer who does not carry out certain work, which has been disallowed by an Insurance Assessor, or agreed to be paid for, whilst knowing in their professional capacity, critical components could be damaged and require further dismantling and crack testing for the vehicle to be considered roadworthy.

The question here would be, if the dismantling and crack testing is disallowed by the Insurance Assessor and there is a subsequent accident, will the repairer be held responsible under the repairer's duty of care?

If the above is the case, the costs could be staggering.

Comment:

A repairer could refuse to carry out the work and therefore be released from any future liability. The customer may go to another repairer who is prepared to take the risk, however, neither options are practical solutions.

Recent Reported Events:

Instances have been reported where Assessors are not allowing the dismantling and crack testing of critical mechanical components. There are also reports of the disallowance of testing on Heavy Vehicles where the vehicle has been driven by the consumer during the time of between the cost of repair estimate and coming in for repair.

Clarification and advice will be presented once available as a matter of priority.

AHVRA WEB SITE

Our website has been down recently and is in the process of being updated and rebuilt. It is expected to be finalised by the end of the month.

The website is the billboard for the AHVRA and is vital to attract new members and Sponsors /Suppliers, whilst promoting their businesses and keeping Members informed.



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BOOMING TRUCK SALES

*Extract from Prime Mover Magazine – Posted Thursday, 5th April 2018

http://www.primemovermag.com.au/news/article/booming-truck-sales-for-q1-2018



The first three months of 2018 saw record, or near record, new truck sales that have come together to produce a new first quarter Heavy Vehicle mark in Australia, according to the Truck Industry Council (TIC).

Year-to-date: a total of **8 675** trucks and vans have been delivered in Australia – an increase of 1 517 vehicles (21.2%) over this time last year.

It also eclipses the **all-time sales record** set in the first quarter of 2008 by 408 vehicles (a 4.9 % increase), where 8 267 trucks were sold in January to March.

Looking at the month of **March 2018**, in isolation, Year – to date Heavy Vehicles were delivered to customers, an increase of 485 trucks (16.4 %) over March 2017.

The leader of this growth has been at the heavy end of the market, with both heavy and medium duty sectors showing strong growth, up 37.1 % and 28.3 % respectively, at the end of the first quarter.

The heavy-duty truck segment was up again in March, with a total of 1 174 units delivered, up 19.8 % – or 194 trucks, on March 2017. The first quarter result was even better, with 2 903 units sold.



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The medium duty segment posted solid sales in March, with a total of 742 trucks delivered, up 34or 189 units, over March 2017. To the end of the first quarter, a total of 1 768 medium duty trucks have been delivered, up by 28.3 % (390 trucks) over 2017 first quarter sales.

Light duty truck sales (those trucks with a gross vehicle mass between 3,500 kg and 8,000 kg) have been performing well for the past couple of years. Sales in 2018 at the "little end" of the market remain solid. March saw sales total 994 units, up 7.7 % (71 trucks) over March 2017. At the end of the first quarter of 2018, sales are ahead of the same period last year by 10.3 %, up 241 truck sales.

MVP BUSINESS SOLUTIONS CONFERENCE



CT specific Training Generates Positive Vibes

When it comes to information about improving repair productivity and profitability, there tends to be plenty available for light vehicle repairers, but very little aimed at Commercial Transport (CT) repairers. However, PPG is busy correcting the situation, beginning with the recent running of a special CT Green Belt Training program which proved hugely successful with AHVRA members. Held in Sydney over three very full days, this CT focused Conference attracted over 50 attendees, which represents a very high proportion of the CT repairer network from across the country.

"The seminar was hosted by PPG's MVP team (a network of Specialist Consultants who work closely with repairers to boost business performance) and was all about delivering the very latest information to local CT repairers." (Greg Tunks, MVP Manager ANZ)

"We have done plenty of work with CT repairers across the region and we were looking for ways to provide even better support for their businesses. Through PPG's Global MVP network, I heard about a special CT Green Belt Training Program which our colleagues in the US had just introduced. I took the opportunity to do the course in the US and I knew straight away that the content would be perfect for local repairers, particularly our FleetPool Network members.



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Conference content was delivered in an easy to understand format and covered a range of thought provoking topics, including: strategic thinking; measuring and reducing repair cycle-time; lean methodologies; implementing change; and much, much more. The ultimate aim was to give attendees effective tools to use in their own workplace, to achieve maximum results.

"It was very encouraging to see that virtually all the attendees were AHVRA members", says Richard Nathan. "There was a very positive vibe throughout the event and I have to congratulate PPG on bringing this level of support to the local industry. Getting that number of CT repairers together for three days, speaks volumes about the interest there is amongst repairers to make positive changes. The presenter was great and the specialised CT content made it very relevant for us as Heavy Vehicle Repairers."

Importantly, the effects of this CT Green Belt Training program will continue to be felt well into the future, as the local PPG MVP team will use the specialist concepts to support local repairers on a day-to-day basis.

The MVP Program is delivered by a team of seven MVP consultants located across the region and is available as part of PPG's comprehensive support package. Its focus is on helping customers to improve performance across the full spectrum of business activities to enhance profitability. For more information, contact your PPG Representative or PPG's Customer Service hotline 13 24 24 (Aust) or 0800 320 320 (NZ).

Until next time...

Yours sincerely,

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Sponsor / Supplier Additions



AHVRA MEMBERS call Aerobolt direct for special Member prices.



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PartsCheck Expands into Truck Industry

PartsCheck are proud to announce that we have expanded the successful online parts sourcing platform to incorporate the truck and trailer industry. PartsCheck is the tool that is used by many Australian repairers and suppliers to make their businesses more efficient and streamlined. Using PartsCheck saves you and your staff hours each week when sourcing parts, entering data and tracking orders.

If you are a truck repairer, you too can now enjoy the same benefits of this free service and connect to your suppliers and other businesses seamlessly through this simple to use online tool. For suppliers, you will now have the opportunity to increase the number of quotes coming through as well as marketing your business to a wider audience.

PartsCheck has a dedicated team working behind the scenes, integrating the requirements of the truck industry into this already successful application. Steve Blissett, who joined the team last year, brings his 22 years of experience in the heavy commercial industry: "Over the next few years it is expected that there will be an increase in the number of heavy vehicles on the road. With the popularity of supermarket home deliveries and the introduction of Amazon to Australia, there is also predicted to be a spike in light trucks and large van sales, increasing the demand on truck repairers."

We have a growing number of repairers and suppliers on board simplifying the parts sourcing and quoting process. Visit <u>http://www.partscheck.com.au</u> to see how PartsCheck can help streamline your business.





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Hydrosteer – a company committed to quality and customer satisfaction achieves re certification of ISO 9001 to the latest standard

Established in June 1981 from humble beginnings, Hydrosteer has grown to become a vital link between Australia and New Zealand's heavy vehicle manufacturing, maintenance and repair industries, and is now recognised in Australia and New Zealand as the leader in heavy truck steering technology and become the focal point for information relating to heavy truck steering.

Our ongoing commitment to quality has seen Hydrosteer awarded re-certification of the latest ISO 9001: 2015 Quality System making Hydrosteer the only accredited steering business in our industry and we are also current AS4801 safety system certified.

Hydrosteer has the widest range of parts available and most knowledgeable staff in our industry in conjunction with product development and manufacturing processes, Hydrosteer ensures all of our customers benefit.

Hydrosteer represents some of the leading component manufacturers in the steering industry with companies such as R.H. Sheppard Power Steering, Z.F./ Bosch Steering Systems, LuKFahrzeug-Hydraulik, Douglas Autotech, AYD Steering and suspension parts and others.

For all steering enquiries please call 1300 010 338 or visit www.hydrosteer.com.au