

# SIMI Annual Report



2020-2021





Published by IFP Media Tel: +353 1 709 6900 Email: [info@ifpmedia.com](mailto:info@ifpmedia.com) Web: [www.ifpmedia.com](http://www.ifpmedia.com)



# Annual Report 2020-2021

## CONTENTS

<b>4</b>	About SIMI: Mission Statement
<b>5</b>	Look Back
<b>9</b>	Membership Services
<b>10</b>	SIMI Management Board
<b>11</b>	SIMI NEC 2020-2021
<b>14</b>	President's Report
<b>16</b>	Director General's Report
<b>18</b>	SIMI Executives
<b>19</b>	Membership by Numbers
<b>20</b>	Training
<b>21</b>	Consumer Complaints Service
<b>23</b>	Human Resource Management Service
<b>24</b>	Priorities by Sector



# Mission Statement

SIMI is the national representative body for the Motor Industry in Ireland and is dedicated to:

- Driving a business environment that supports Industry growth
- Implementing consistently high standards among members
- Delivering quality information and added-value services to members
- Communicating effectively with members and being the voice of the Motor Industry

# LOOK BACK

## 2020



### Motor Industry Appoints New SIMI President

Gillian Fanning, Marketing Director of automotive distributor Serfac Limited, Dublin, was elected President of the Society of the Irish Motor Industry. Gillian is the first female President of SIMI in the Society's 98-year history.

### Return to Business Guidelines



Return to Business Standard Operating Guidelines were issued to assist members in their preparation for returning to work and the reopening of service and repair on May 18.

### Drive Greener

The **Drive Greener Campaign** strove to increase awareness of the different types of car technologies available and to support customers on their car purchasing journey by providing impartial information that will help them to understand the types of car choices available and how they suit their own driving needs. [www.simi.ie/drivegreener](http://www.simi.ie/drivegreener)

Driving Irish Motoring into a Cleaner, Greener Future

Drive Greener Drive Greener

Search Now



<https://youtu.be/rLNFXQcSgDA>



<https://youtu.be/gD2fqA2MtYg>



<https://youtu.be/6OldzzP-QoA>



<https://youtu.be/4zdPpvdoeol>

## New 202 Registration brings some hope



## BUDGET 2021 CAMPAIGN TO REDUCE VRT



# 2021

### Covid restrictions

Under Level 5 COVID restrictions, vehicle sales were not classed as "essential retail". Showrooms had to remain closed to the public. Vehicle servicing and repair, NCT and CVRT continued to be classed as essential retail outlets undertaking essential services.



### New logo for VRO

SIMI Vehicle Recovery Operators (VRO) section launched a new logo to all members in the Recovery sector. The new logo and branding will further help to promote the professionalism of the VRO members and the highest standards of excellence that they deliver.





## Cost of buying used cars from UK



In February, RTE Business Editor, Will Goodbody spoke with: Dermot Donegan, Revenue's Head of VAT Legislation and Policy; Emma Mitchell, Operations Director, SIMI; and Enda Conefrey, Dealer Principal at Bradys on the cost of buying used cars from the UK.

## SIMI campaign for re-opening



## Apprenticeships



Apprentice social media campaign launched to the public and guidance pack issued for members.



The new SIMI VHI Employee Assistance Programme was introduced.

## Promotion of careers in the Motor Industry



SIMI participated in the virtual CAREER PATH EXPO in March.

## 'Ready To Re-Open' Campaign



The 'Ready To Re-Open' campaign was strongly supported by members, who helped to communicate the message through their own social media channels and websites. Infographics and a series of videos clearly demonstrated we can operate in a low-risk environment:

- 'SIMI Retailers are ready to open'
- 'Customer's Journey to buying a car'
- 'Click and Collect: Minimum movement of people with transactions outdoors'

## Video: Click and Collect



## Virtual Memorial Service



As we were unable to hold our Service in the traditional way due to COVID-19, the Society held a virtual Memorial Service to remember all family, friends and colleagues who have passed throughout the year. Our President, Gillian Fanning, addressed the members prior to the service which was led by Father John Brickley of Kilcock Parish Church, Co. Kildare on Wednesday, April 14.

## Webinars



Numerous webinars, meetings and training courses have been held virtually over the past 12 months.



May 17: The Motor Industry fully opened for business.



# Membership Services



SIMI provides a wide variety of business services and cost-saving schemes to members.

## Services to members:

- › Information and advice on VAT, VRT and other Motor Industry taxation issues
- › Advice on all issues in relation to staff management, recruitment, disciplinary procedures, employee handbooks, safety statements
- › Legal advice on issues in relation to the handling and resolving of customer complaints
- › Vehicle invoice order form books for retail and trade sales
- › Vehicle statistical service
- › Regular communication online, by email, e-news, bi-monthly magazine and through our website and our members' portal on issues affecting the Motor Industry
- › National and local seminars and conferences which also give you the opportunity to network with other Industry professionals
- › Industry-specific training courses

## Cost Savings:

- › Motor Trade Group Insurance Programme
- › Group Credit Card/Merchant Services Scheme
- › BeepBeep.ie which also includes the Car History Check programme

## SIMI Representing You:

- › Access to Government through the Society to voice the opinions of the Industry
- › Representing the different sectoral interests through dedicated committees
- › Lobbying on behalf of the Industry to create a better economic and legislative climate for Member businesses

# SIMI Management Board



**Gillian Fanning**  
President



**Antonia Hendron**  
Deputy President



**Jonathan Meade**  
Honorary Treasurer



**Gabriel Keane**  
Immediate Past  
President



**Paddy Magee**  
Chairman Importers'/  
Distributors'  
Committee



**Gavin Hydes**  
Franchise Committee  
& Past President



**Gerard O'Farrell**  
Importers'/Distributors'  
Committee & Past  
President



**Noel Doran**  
Chairman, Independent  
Retailers' (Service)  
Committee



**Liam Denning**  
Chairman, VBRS  
Committee



**James Hennessy**  
Chairman, Independent  
Retailers' (Sales)  
Committee



**Mark Woods**  
Petrol/Oil Companies'  
Sector



**Brian Cooke**  
Director General

# SIMI National Executive Council 2020-2021

## HONORARY OFFICERS

### PRESIDENT

**Gillian Fanning**  
Serfac Limited  
Hilary House  
Belgard Road  
Tallaght  
Dublin 24

### DEPUTY PRESIDENT

**Antonia Hendron**  
M50 Truck & Van Centre  
Northern Cross Business  
Park  
North Road  
Dublin 11

### IMMEDIATE PAST

#### PRESIDENT SIMI

**Gabriel Keane**  
Kia Liffey Valley  
Gabriel Keane Motors  
Limited  
Liffey Valley  
Dublin 22

### HONORARY TREASURER

**Mr Jonathan Meade**  
Hutton & Meade Hyundai  
Unit 600 Northwest  
Business Park  
Ballycoolin  
Blanchardstown  
Dublin 15

## VEHICLE IMPORTERS'/DISTRIBUTORS' SECTION

### CHAIRMAN VEHICLE IMPORTERS'/DISTRIBUTORS' COMMITTEE

**Patrick McGee**  
Renault Group Ireland  
Block 4 Dundrum Town  
Centre  
Sandyford Road, Dundrum  
Dublin 16

### Steve Tormey

Toyota Ireland  
Toyota House  
Killeen Road  
Dublin 12

### Kevin Davidson

BMW Group Ireland  
Swift Square  
Santry Demesne  
Dublin 9

### John Manning

Henry Ford & Son Ltd  
Elm Court  
Boreenmanna Road  
Cork

### Stephen Gleeson

Hyundai Cars Ireland  
Hyundai House  
John F Kennedy Drive  
Naas Rd  
Dublin 12

### Ronan Flood

Kia Motors Ireland  
Unit A8, Calmount Park  
Calmount Road  
Dublin 12

### James Brooks

Past President SIMI  
Opel Ireland  
Gowan House  
Naas Road  
Dublin 12

### James McCarthy

Nissan Ireland  
Cedar House  
Park West Business Park  
Nangor Road, Dublin 12

### Tom Fleming

Volkswagen Group Ireland Ltd  
Block C Liffey Valley Office  
Campus, Liffey Valley, Dublin 22

### David Thomas

Volvo Cars Ireland  
Killakee House  
The Square, Tallaght  
Dublin 24

### Ciaran Kinahan/Siobhan Shaw

Motor Distributors Ltd  
Naas Road, Dublin 12

### Des Cannon

Gowan Distributors  
Gowan House, Naas Rd,  
Dublin 12

## WHOLESALE'S SECTION

### CHAIRPERSON WHOLESALE'S COMMITTEE

**Gillian Fanning**  
Serfac Limited  
Hilary House  
Belgard Road,  
Dublin 24

### Alan Lyons

Auto Diesel Electric  
Dartmouth Industrial  
Centre  
Kylemore Road, Dublin 12

### Louis O'Hanlon

National Autoparts  
Camac Close, Emmet Rd  
Inchicore, Dublin 8

### Mr Hugh Brady

Tech Plus Ltd  
Unit E9, South City Business  
Park  
Tallaght, Dublin 24

### Niall Murray

Tractamotors Ltd  
Dublin Road  
Cavan, Co Cavan

### Seamus Moore

Somora Motor Parts Limited  
Unit 32  
Lavery Avenue  
Park West Industrial Park  
Nangor Road  
Dublin 12

### Tom Dennigan

Continental Tyre Group  
Limited  
Clyde Lodge  
15 Clyde Road  
Dublin 4

### Mr Terry Knox

CD Group Ireland Ltd  
31 B-E Rosemount Park  
Drive  
Ballycoolin Road  
Dublin 11

## RETAILERS' SECTION

### CHAIRMAN INDEPENDENT RETAILERS' (SERVICE) COMMITTEE

**Noel Doran**  
Robertstown Motors  
Ashbourne, Co Meath

Stillorgan Road  
Mount Merrion, Co Dublin

### CARLOW

**Rowena Dooley**  
Dooley Motors Ltd  
Sleaty Roundabout, Carlow

### CHAIRMAN INDEPENDENT RETAILERS' (SALES) COMMITTEE

**James Hennessy**  
James Hennessy Motors

**Mr Michael Howard**  
High Precision Motors  
Products Ltd  
Dublin Road  
Tullow, Co Carlow

### CAVAN

**Cathal O'Reilly**  
Auto Tech Bodyshop Ltd  
Unit 1 Poles Business Park  
Poles, Co Cavan

### Tómas Brady

Brady's Cavan  
Dublin Road  
Cavan, Co Cavan

### CORK

**Gerard O'Sullivan**  
Ardfallen Motor Care  
Ballycurreen Industrial  
Estate  
Kinsale Road, Co Cork

### Martin Condon

Cavanagh's of Charleville  
Limerick Road  
Charleville, Co Cork

**DUBLIN****Ken Carey**

Carroll & Kinsella Motors Ltd  
Rock Road  
Blackrock, Co. Dublin

**Gerry Caffrey**

Gerry Caffrey Motors Ltd  
106/112 Terenure Rd. North  
Dublin 6W

**Michael Grant**

Michael Grant Renault  
153-155 Harold's Cross Rd,  
Rathmines, Dublin 6W, Co.  
Dublin, D6W HP44

**Andrew Dempsey**

Naas Road Autos  
Frank Fahy Centre  
Nass Road, Dublin 12

**Loughlin Murphy**

Toyota Sandyford  
40 Heather Road  
Sandyford Industrial Estate  
Dublin 18

**Daniel Sheerin**

Kingstown Motors  
Lower Kilmacud Road  
Stillorgan, Co Dublin

**DONEGAL****Lawrence Harrigan**

Highland Motors  
Mountain Top  
Letterkenny, Co Donegal

**KILDARE****Hugh Pitt**

Sheehy Motors Naas  
Newbridge Road  
Naas, Co Kildare

**GALWAY****James McCormack**

Western Motors  
Ballybrit, Galway

**Tony Burke**

Tony Burke Motors  
Ballybrit, Galway

**LAOIS/OFFALY****Clive Adams**

John Adams Car Sales  
Ballymacken  
Portlaoise, Co Laois

**Gay Lawton**

Lawton & Foley Motors  
Dublin Road  
Edenderry, Co Offaly

**LONGFORD/WESTMEATH****Frank Kane**

Longford Motors  
Strokestown Road  
Longford

**LOUTH****Noel Stewart/ Donal**

**Waters**  
Blackstone Motors  
New Grange Business Park  
Donore Road  
Drogheda  
Co Louth

**MEATH****Marie Proudfoot**

Nobber Motors  
Nobber, Co Meath

**Mr Jim Quinn**

Quinn Crash Repairs Ltd  
Bellinter  
Navan  
Co Meath

**MONAGHAN****Peter Marron**

Marron's Garage  
Monaghan Road  
Castleblaney, Co Monaghan

**MAYO****Kevin Connolly**

Kevin Connolly Car Sales  
Dublin Road  
Ballina, Co Mayo

**ROSCOMMON****Tom Rafferty**

Blueprint Autos  
Golf Links Rd  
Ballypheasan  
Roscommon

**SLIGO****Kevin Egan**

Kevin Egan Cars Ltd  
Carroroe, Sligo

**TIPPERARY****Gerry Pierser**

Pierser Motors Ltd  
Limerick Road,  
Tipperary Town

**WEXFORD****Mark Boggan**

Hugh Boggan Mortors  
Carriglawn  
Newtown Road  
Co Wexford

**VEHICLE BODY REPAIRERS' SECTION****CHAIRMAN VBRS COMMITTEE****Liam Denning**

Dennings Cars  
Bellavista  
Spawell  
Tallaght, Dublin 24

**Nigel Pratt**

Pratt's Autobody Shop Ltd  
Hacketstown Road  
Bennekerry  
Co. Carlow

**VEHICLE RECOVERY OPERATORS' SECTION****Derek Beahan**

Derek Beahan Ltd  
Rear 90-98 Emmet Road  
Inchicore  
Dublin 8

**Jim O' Sullivan**

J&S Motor Repair/ Meath  
Recovery  
Navan  
Co. Meath

**CHAIRMAN HGV DISTRIBUTORS' COMMITTEE****Bruce Archer**

DAF Distributors  
Baldoonell Business Park  
Dublin 22

**VEHICLE TESTERS' SECTION****William O'Brien**

William O'Brien Motors  
Unit G1, Croke Park

Industrial Estate

Portland Street, Dublin 1

**SPECIALIST TRADE REPAIRERS' SECTION****Paschal Quinn**

Galway Windscreen Centre  
Liosban Industrial Estate  
Tuam Road  
Galway

**Adrian O'Dwyer**

AAA Mobile Windscreens  
Unit W1A Togher Business  
Park  
Newhall, Naas  
Co Kildare

**CO-OPTED MEMBERS****Sue O'Neill, ITIA**

**Paddy Murphy,**  
Advance Tyre  
**Michael Fennell,**  
IMI, Irish Region

**Brian Merrigan, IFHA**

**Paul Redmond, CRCI**  
**Morgan McAndrew, VLAJ**  
**Jerry Kiersey,**  
Green Tiger Express

**PETROL/OIL COMPANIES' SECTION****Mark Woods**

Maxol Limited  
3 Custom House Plaza  
IFSC  
Dublin 1

**Jonathan Diver**

Circle K Ireland  
Beech Hill Office Campus  
Clonskeagh,  
Dublin 4

**TRUSTEES****Tom Noonan**

**Gaetano Forte**  
**Tom Murphy**



**RETAILERS - CENTRE CHAIRMEN****CORK**

**Bob Clarke**  
Bandon Motors  
Clonakilty  
Co Cork

**KERRY**

**David Randles**  
Manor West Reail Park  
Tralee  
Co Kerry

**LIMERICK**

**Noel Kearney**  
Singland Motors  
Dublin Road  
Castletroy, Co Limerick

**Frank Hogan**

Frank Hogan Ltd  
Dublin Road, Limerick

**LOUTH**

**Nicky Smith**  
Smiths of Drogheda  
North Road  
Drogheda, Co Louth

**WESTMEATH/  
LONGFORD**

**Ed Tyrrell**  
Grange Motors (Mullingar)  
Ltd  
Lough Sheever Corporate  
Park  
Mullingar, Co Westmeath

**MEATH**

**John Malone**  
Malones Garage  
Whistlemount  
Kells Road  
Navan  
Co Meath

**OFFALY**

**Keith Colton**  
Colton Motors  
Clara Road  
Tullamore  
Co Offaly

**TIPPERARY**

**Eugene Ryan**  
Donal Ryan Motor Group  
Limerick Road  
Nenagh  
Co Tipperary

**WATERFORD**

**David Dickenson**  
Waterford Motor Village  
Waterford Business Park  
Cork Road  
Waterford

# President's Report



This past year has been challenging for everyone – a year dominated by uncertainty and anxiety as well as continuous COVID-19 restrictions and rolling lockdowns. The ongoing global pandemic has taken its toll on our personal and professional lives from both a physical and psychological perspective and I would like to take this opportunity to offer my sincere condolences to the families and friends of those who have lost loved ones to the virus.

Our Industry has helped to keep the country moving throughout this period, playing an important role in assisting emergency and other essential services, and I commend the collective efforts of our members in helping to prevent the transmission of COVID-19 in their workplaces for both employees and customers.

Over the past year, SIMI has continued to reinforce the message that our showrooms can operate safely. The large size of dealerships, the low average footfall, the ability to do business on a strict appointment-only basis and the option of displaying cars outside lends itself to social distancing and safe retailing. Car sales is a very low-risk activity but offers a high return to the State in terms of employment and Revenue – a message that we continually stress to policy-makers.

As a result of SIMI's lobbying efforts last year, our members were allowed to open before any other retail sector and we also secured the inclusion of sales, servicing and vehicle testing as essential outlets in Phase 4 of the COVID restrictions. However, while the early re-opening allowed for some recovery in sales, the impact of the pandemic meant that registrations finished 25% down versus 2019.

We have been faced with a number of significant challenges over the last year: Brexit, taxation and climate change, although these issues have been overshadowed somewhat by the pandemic. The Government's 2021 Budget was extremely disappointing, with an increase in VRT impacting on the price of a new car in the context of an already depressed new car market and difficult trading economic environment. While SIMI and our members made strong economic and financial arguments to Government Departments, key decision makers and special advisors, the proposed taxation changes echo those being made across Europe in an attempt to change consumer vehicle purchasing behaviour. There is no doubt that we will be operating in a difficult business and political environment over coming years, with the Government sending a clear message that they have serious plans for climate change and that they are directly focused on our sector.

As suppliers of EVs, this does have the potential to generate considerable business opportunities for the industry. However, a multi-pronged approach is required to meet emissions targets and to significantly accelerate both the new and used electric vehicle market. While the Industry is responsible for supplying the vehicles, the Government must play their part in terms of putting in place the incentives and charging infrastructure required.

In order to achieve our climate change objectives, we must create an environment that will enable both business and consumer car buyers to make behavioural changes and invest in new and newer vehicles. While the Industry welcomes the move, the pace of change needs to be planned to cause the least disruption to employment and the economic prosperity of the sector. To help achieve these objectives, the SIMI Management Board has established a Climate Action Group (a Management Board sub-committee). This group has developed Terms of Reference and is now planning for the changes that will take place. Part of our work involves consulting the expertise of external partners in global transport management, behavioural analysis and data modelling, and we are currently preparing submissions to the Climate Action Consultation, the upcoming Tax Strategy Group Paper and this year's Budget.

The wider SIMI team continues to serve members remotely, through providing expert advice and services, while continuing to work with Government Departments on a range of issues. Our Human Resources team has assisted members in understanding the various pandemic employment schemes and challenges to the change

in working conditions brought to the fore over the past 15 months. Our Training Department has also adapted to provide online training courses so that members can continue to upskill their staff. While the delivery of our advisory service to members continues uninterrupted, our meetings have moved to a virtual platform.

What's become evident throughout this pandemic is just how quickly businesses have adapted to changing circumstances. Companies have innovated in finding new solutions, new channels to bring offerings to market and new ways to build value for themselves and their customers. The use of digital platforms during lockdowns has helped to accelerate our Industry into the digital space and online media has provided an important shop window for customers looking to buy a new or used car. Remote working and virtual methods have allowed us to continue to communicate and our members' continued investment in digital platforms will enhance their product offerings and sales functions in the months ahead.

The Society has also successfully utilised a range of digital platforms, developing and implementing national communications campaigns on social media (Facebook, Instagram, Twitter, LinkedIn, YouTube and Google). Our 'Drive greener' campaign strives to increase awareness of the different types of car technologies available and to support customers on their car purchasing journey by providing impartial information that will help them to understand the types of car choices available and how they suit their own driving needs. Providing appealing content for digital channels and social media advertising allows us to reach our target audiences and drive them towards engagement with our dedicated website, [www.simi.ie/drivegreener](http://www.simi.ie/drivegreener).

High profile social media campaigns were also created to communicate our re-opening in May last year and to reassure consumers that our members were following COVID safety guidelines. The 'Ready to re-open' campaign earlier this year was strongly supported, with members helping to get the message out through a variety of assets from our media pack via their own social media channels and websites. The creation of infographics and our series of videos, 'SIMI Retailers are ready to open', 'Customer's journey to buying a car', and 'Click and collect: minimum movement of people with transactions outdoors', all clearly demonstrated that we can operate in a low-risk environment.

A series of national radio advertising campaigns supported our social media campaigns, while our public relations activity continuously reinforced these messages via press releases and communications throughout the course of the year - all of which received significant coverage in both online and print media and were broadcast by both national and local media outlets.

May 17 has finally seen vehicle showrooms fully re-open their doors to customers and, with pent-up savings being released back into the economy and the vaccine programme now well underway, we can hopefully look forward to a busy and profitable year with reduced anxiety and a move towards more certainty over the coming months.

Continue to stay safe.

*Gillian Fanning*

**Gillian Fanning**  
President, SIMI

# Director General's Report



The 12 months since the last Annual Report have been hugely difficult, both for business and for society. The COVID-19 Pandemic alone was perhaps the most challenging issue many of us have experienced. For our sector, we had WLTP, a new VRT system and Brexit also thrown into the mix. Yet, with all these issues, the Irish Motor Industry has risen to the challenge and we can now look forward to the next year with cautious optimism.

When I addressed the AGM last May, our sector had just come out of lockdown ahead of other non-essential sectors, and we had hoped that the worst was behind us. However, despite a relatively positive 202 registration period, we were to suffer two further lockdowns, firstly in October and November, and then again from the start of January until the middle of May. In a rollercoaster of a year, SIMI members did however remain fully open for service, repair and vehicle testing.

As with many other sectors, 2020 proved to be a very difficult year for the Irish Motor Industry. New car sales, already hampered in recent years due to Brexit, were down a further 25% to below 90,000 new cars, numbers last seen during the last recession. New Light Commercial Vehicle registrations in 2020 saw a decrease of 14.2% on 2019, down to 21,732, while new Heavy Commercial Vehicle registrations saw a 22% reduction.

The dramatic deterioration in the public health situation in the run up to Christmas saw the re-introduction of Level 5 COVID restrictions in January and the closure of showrooms to the public. While dealerships remained open for service, repair and testing, and played an important role in assisting the emergency and essential services, the closure of showrooms had the potential to be a body blow to the Industry in the key selling period for new cars. However, strong pre-orders coming into the New Year, the reduced VAT rate in January and February and the ability of the Industry to provide both online shopping and a click and deliver service, mitigated somewhat against the full impact of the pandemic in the first four months of 2021. The re-opening of showrooms announced by Government for the middle of May was a massive boost for the Industry, and we can be positive about vehicle sales, both new and used, in the weeks and months ahead. It is expected that pent-up demand, allied with the increase in personal savings, will see a strong return by customers to showrooms.

January 2021 also saw the ending of the UK's Brexit transition period. The signing of a trade agreement with the EU only happened very late in December and while it did provide for customs free trade in many sectors, including new cars, the nature of the deal agreed meant that many products could not avail of zero rate customs, including used imported cars not manufactured in the UK. It had been long indicated that the Northern Ireland protocol, which provides for frictionless trade on the island of Ireland, would mean that GB-sourced imports would not be able to avail of the margin scheme; however, the agreement reached meant that most used imports would also be subject to excise duty. This has been somewhat mitigated by the implementation, in a practical manner, of the Returned Goods Relief provisions for cars up to three years by Revenue. The unilateral decision by the UK to ignore the Protocol for margin vehicles sourced in GB and entering Northern Ireland has the potential to give NI retailers an unfair advantage selling those cars to ROI customers. This is subject to discussions at EU level and, whatever the outcome of these talks, under no circumstances should NI retailers be allowed gain an unfair tax advantage over SIMI members; Revenue are supportive of us on this issue.

Budget 2021 was disappointing for the Industry, and a missed opportunity for Government. Even at the height of the pandemic, the changes to VRT saw increases in the tax take on family cars. While SIMI supported an expanded band structure with the lowest VRT rate reduced to 7%, the new bands were set too low and the corresponding rates too high. If Government had supported the SIMI's view and reduced average VRT with the expanded band structure, they had the potential to increase the sale of new low emitting cars, replacing Euro



3 and 4 cars in the fleet, and reducing emissions overall in conjunction with the roll-out of electric vehicles in the years ahead. On a positive note, despite the fall in new car sales so far this year, both electric vehicles and PHEVs are increasing in market share, and with more models and supply coming on stream as the year progresses, it is anticipated that this growth will continue, with EV sales expected to be close to 10,000 by year end. In this context, it is vital that the SEAI grant scheme is sufficiently funded to support EVs at least up to 2025.

The Climate Action Plan will be updated in the coming months. While the targets outlined for private transport previously were disproportionate, it is important to highlight that the Motor Industry will not be found wanting in driving down emissions from vehicles, cars and commercial. The Government and the Industry need to work together to create a business environment that will deliver the maximum number of zero emission vehicles (ZEVs) and low emission vehicles (LEVs) as soon as is practicable. This means understanding customers' individual needs; different customers, personal and corporate, will have different experiences and timeframes in their move to zero-emitting vehicles. We need to have an incentive-based approach that supports new lower emitting cars, more carrot and less stick. The SIMI Board have set up a Climate Action Sub-Committee to look at this issue, and have allocated resources to undertake expert analysis.

During the last year, members have accessed SIMI services more than ever, in particular in relation to HR and IR-related issues, including the various Government Subsidy Schemes. Going to press, the SIMI National Labour Committee has agreed in principle a new National Craft Wage Agreement, subject to ratification by the SIMI Board and NEC. In addition, Brexit has seen increased use of our taxation advice since the start of the year and SIMI has helped many members who have had difficulties logistically in importing vehicles and parts. Our training service moved many courses online at the start of the pandemic, which reduced the cost of training to members while maintaining its high level of quality. There has also been an increase in technical upskilling training, particularly in relation to electric and hybrid vehicle technology, as the Industry prepares itself for the new EVs coming on stream in the years ahead. SIMI is grateful to Skillnet Ireland for their ongoing support of SIMI training. The various shutdowns also meant that a number of end of series vehicles were reaching the end of their derogation periods; SIMI managed to secure the extension of a number of derogations with the support of the RSA.

In signing off, I think it is important to acknowledge that it has been a sad year for many members, with the loss of family, colleagues and friends. During this difficult time, SIMI members have shown their resilience and their commitment to their staff, their customers and their communities, for which you should be very proud. Hopefully, the end of the pandemic is in sight. I wish SIMI members and their families the best for the year ahead.

*Brian Cooke*

**Brian Cooke**

Director General, SIMI

# SIMI Executives



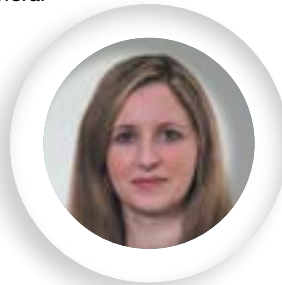
**Brian Cooke**  
Director General



**Tom Cullen**  
Deputy Director General



**Emma Mitchell**  
Operations Director & Company Secretary



**Teresa Noone**  
Communications Director



**Charlie Rogers**  
Director, Commercial Vehicle Sector & VTN



**Margaret O'Shea**  
HR & Training Manager



**Maeve Dowdall**  
Office Manager & Events



**Yvonne Slincy**  
Senior Accounts Manager



**Seamus McCormack**  
Membership Manager



**Jane O'Sullivan**  
Communications & Events Executive



**Teresa Fagan**  
Human Resources Officer



**Colin Walsh**  
Industrial Relations & Compliance Manager



**Sabrina Forsyth**  
Research & Information Executive



**Roisin Tuohy**  
Customer Service Officer

# Membership by Numbers in 2020



# Please note the membership numbers do not reflect that a company could operate in more than one sector.

**TOTAL: 1,166**



# SIMI Training



**MARGARET O'SHEA**  
HR & TRAINING MANAGER

As the full impact of COVID-19 on all aspects of our business and society began to take effect in early 2020, it was clear that conventional methods of delivering SIMI training would have to be adapted if we were to continue to meet the needs of our members, while at the same time complying with restrictions around travel, gatherings, social distancing etc.

Skillnet Ireland acted speedily in the roll-out to the Skillnet Networks of a range of additional financial supports, expert advice and encouragement to meet these challenges. Their support in respect of the COVID-19 Response Grant was central to the relative ease with which we were able to offer in the short term, during April, May and June, a range of free webinars on key topics. These topics included business continuity, financial planning, employee relations and preparation for recovery, and were welcomed by many members and their staff.

In the longer term, the SIMI Skillnet Steering Group worked with our training providers to convert existing classroom-based events into interactive and cost-effective eLearning and distance learning solutions. We began to deliver these courses to members in early July and later, when restrictions allowed and, subject to strict guidelines and processes being put in place, we were also able to offer the practical Technical Upskilling that cannot be delivered remotely to groups of limited-sized classes.

The response from SIMI members to new online learning has been overwhelmingly positive, though many trainees indicate that they do miss the interaction and networking that goes on within the classroom setting. During 2020, more than 350 member companies availed of in excess of 60 SIMI Skillnet subsidised courses and other SIMI training events, with over 600 trainees participating in either online courses or the practical technical upskilling training.

The SIMI Skillnet Training Plan for 2021 is ongoing. The range of courses offered is based on the results of the Training Needs Analysis Survey carried out at the end of 2020 and also reflects the feedback from SIMI Sector Committees as to current and future training needs. In considering the Industry's training needs, there has been a significant growth in the number of Technical Upskilling courses offered for those involved in the service and repair of hybrid and electric vehicles, as well as an increase in the number of sales courses focused on Selling in the Digital Environment, Customer Service and Customer Retention, Aftersales Profitability, Parts Management and training for Service Advisors. The grant that SIMI received from Skillnet Ireland enables us to offer these courses to members at a significantly reduced cost.

In addition to the training delivered as part of the SIMI Skillnet programme, SIMI also provides members with specialised training on VAT and VRT, and continues to offer SIMI Consumer Credit CPD training modules tailored specifically for the retail Motor Industry that meet the Minimum Competency requirements of the Central Bank for formal CPD training hours.



# Consumer Complaints Service



**ROISIN TUOHY**  
CUSTOMER SERVICE OFFICER

The SIMI Consumer Complaints Service is a free service offered to members and their customers with the objective of resolving complaints without recourse to expensive and time-consuming legal proceedings. The terms and conditions of the SIMI Order Form advises customers to refer their complaints to the SIMI if the matter cannot be resolved directly with the garage, provided the complaint falls within the scope of the consumer complaints service.

While the primary purpose of the Consumer Complaints Service is to help member companies resolve customer complaints, it also represents for members a comparative measurement of customer service. The COVID-19 pandemic which began in early 2020 affected every facet of our lives and work, and the Consumer Complaints Service was no different. SIMI members' businesses were closed, excepting emergency work, from March 27, 2020 until May 18, 2020. Throughout the year at varying times, the industry was impacted by travel limits and restriction to click and collect/delivery sales. Therefore, the figures below are much lower than previous years and delays regularly occurred with resolution. The figures in 2020 represent an anomalous year and it is worth noting, before proceeding any further, that the data extrapolated may not be useful for purposes of comparison with the preceding and successive years.

It also should be noted that the Society itself had to restructure its way of working. For the first time, the complaints service moved from a paper-based system to an online one. While postal complaints continue to be facilitated, complaint data is now stored in a secure online system. Tribunal meetings also moved online. In the absence of a full-time presence in the office, we introduced a Live Chat facility on the SIMI website which proved to be a valuable tool in managing general queries.

383 formal complaints were received by the Society in 2020 which represented a 32% decrease on the 2019 figures of 560, reflective of the slowdown in transactions due to the pandemic. Of the 383 complaints, 26% were outside the scope of the service compared to 31% in 2019. Of these outside-scope complaints, 46% related to new vehicle warranties, 26% were related to non-member garages or lapsed members, and 12% related to time frame outside the scope. Commercial vehicles made up 10%, and the remaining 6% were miscellaneous (the complainant not actually being a customer of the garage concerned, for example) or the complainant was referred to a more suitable avenue (insurance, personal injury).

The amount of complaints formally registered saw a 26% decrease with a total of 284 compared to 385 in 2019. 61% of complaints registered were resolved through the initial mediation process, the same as in 2019. The average length of time to bring a complaint to a resolution was 64 days which compared to 52 days the previous year. 11% of complaints were closed due to no engagement from the customer following the initial complaint. 28% of complaints were resolved through the Standards Tribunal compared to 29% in 2019. The type of complaints registered are summarised as follows:

- 75% related to the condition of the vehicles sold (mechanical and electrical defects), repaired or serviced by members, warranty disputes or customer service issues involving members. This is equal to the 75% recorded in 2019.
- 12% related to alleged misrepresentation of pricing, documentation, finance, etc. This compares to 16% recorded in 2019.
- Change of ownership (i.e., logbook issues) rose markedly to 7%, from 4% in 2019 and 3% the previous two years. This could be attributed to the disruption caused by COVID-19 and the associated working structures.
- 6% related to refund of deposits which increased from 5% in 2019.

The Tribunal is chaired by an Independent Arbitrator and includes industry representatives and a leading Consumer advocate. The Tribunal noted with concern that a high percentage of complaints registered related to the condition of the vehicle sold and must once again stress the importance for members to understand that you must be able to stand over anything you say about the condition of the vehicle, documentation, its age, number of previous owners, recorded mileage, whether it was involved in a crash, whether it was rented or leased or used for taxi work, etc. Remember your company or firm will be liable for any statement you make. You could also be liable to prosecution in the case of a serious misrepresentation.

While the overall volume of complaints reduced in 2020, this can be seen as an anomaly caused by the pandemic. Although only seven complaints were processed in May, 40 were processed in August, which gives an insight into what the year may have looked like in more normal circumstances. As always, the Tribunal encourages members to continue their efforts in approaching complaints with a quick positive reaction as in many cases a simple explanatory letter from the garage can often bring a complaint to a resolution, removing the need for the matter to go before the Tribunal. Such a straightforward approach can, on many occasions, save a lot of time and effort for those involved and, in addition, may result in members retaining more satisfied customers.

# Human Resource Management Service



**TERESA FAGAN**  
HUMAN RESOURCES  
OFFICER



**COLIN WALSH**  
INDUSTRIAL RELATIONS &  
COMPLIANCE MANAGER

The SIMI HR Management Service provides support to member companies with employment law and HR advice, representation in employment cases and industrial relations support in union negotiations or trade disputes. Never has the need for clear HR advice been more necessary than in the context of COVID-19 and the Government restrictions that forced member companies to make critical decisions that directly impacted their employees on such a large scale. The HR service provided information throughout the pandemic on topics such as the Temporary Wage Subsidy Scheme (TWSS), the Employment Wage Subsidy Scheme (EWSS), the Pandemic Unemployment Payment (PUP) and the Return to Work Safely Protocol. The service was utilised by the majority of member companies to assist in informing and balancing their decision-making on these assistance programmes and protocols against their various obligations under employment law.

The employment landscape in the Motor Industry in Ireland is undergoing radical change through rising standards and increased legislative obligations. Employers are required under legislation to put in place procedures and policies to deal with a wide variety of issues such as disciplinary action, dismissal, grievances, health, safety and welfare, terms of employment, dignity and work, pensions, protected disclosures, equality law and much more. These responsibilities have increased the burden on employers. However, given the size of many Dealerships, the burden of employing a full-time HR manager is too great.

Access to the SIMI HR Management Service is included as part of membership and members are encouraged to fully utilise the service. The HR service aims to:

- Assist and advise members in complying with equality legislation, from advertising a role within the company through the entire recruitment process.
- Advise on recruitment, induction, performance review, training-needs assessment, retention, succession planning, redundancies, grievance and disciplinary procedures.
- Advise and provide draft contracts and company handbooks to comply with terms of employment legislation.
- Review all HR practices on an ongoing basis.
- Provide guidance on any employment matter that might arise.
- Provide representation at the Workplace Relations Commission (WRC).
- Assist at union negotiations or trade disputes.

# Priorities by Sector

## COMMERCIAL VEHICLE TESTING NETWORK (VTN) 2020-2021



After the first general COVID lockdown at the end of March 2020, SIMI and the RSA immediately discussed and put plans in place to ensure the continued operation of CVR Testing as an essential service, in order to ensure the ongoing roadworthiness of commercial vehicles during the course of the COVID Pandemic. In particular, Test Centre Operators stepped up to the mark in relation to introducing comprehensive measures to meet public health guidelines. Test due dates were extended in order to facilitate Operators and a huge amount of administrative work was undertaken by all involved to ensure the smoothest possible continued operation of the system. Although COVID has obviously caused major disruption across all sectors of the business community and society at large, the main focus of the VTN Committee and our members going forward is the preparation for the improvements necessary to ensure renewal of authorisations in March 2024. As outlined at our last VTN Test Operators Conference, the RSA commissioned Bearing Point to carry out a Strategic Review of the current CVR system and they subsequently recommended that the current system should remain for a further ten years from 2024-2034, with a series of significant improvements required. One of the core areas identified in the review of the system was that there should be standardisation and uniformity across all CVR Test facilities. Notwithstanding the disruption due to restrictions relating to the

pandemic, the AA completed an updated survey of premises and equipment of current Operators during the past year with a view to the RSA publishing an updated version of the Premises & Equipment Guidelines reflecting the detailed improvements that they wish to see implemented by current Operators as outlined in the Strategic Review. The RSA are still working on this updated version of Premises & Equipment Guidelines to date and are trying to ensure that they are as future-proofed for Test Centre Operators as possible. There are a number of changes in relation to equipment proposed at EC level including, for example, the introduction of OBD diagnostics to the test system for 2023 and also proposed changes in relation to emissions testing. Some Operators will have to plan for significant updating of their facilities to meet the improvements as outlined in the Review. It is important, therefore, that we try and establish for everyone the changes necessary so that they can correctly assess the viability of remaining in the system given the likely investment required going forward. To that end, we have recommended that anyone carrying out alterations to premises or equipment in advance of the new updated guidelines being published should contact the RSA before doing so. We have also put forward to the RSA that we will need to look at the timelines that were originally outlined in the Review, given the disruption that has inevitably been caused by the pandemic. Hopefully, we can now see light at the end of that particular tunnel and will be able to move ahead positively in the coming year and help members to further prepare for the next authorisation period as appropriate.

## COMMERCIAL VEHICLE SECTOR 2020-2021

Thankfully, the Government recognised the crucial position of the Commercial Vehicle Sector in providing back up in relation to the many applications that commercial vehicles are used for daily in providing essential services across society and in the face of the COVID Pandemic. Our Commercial Vehicle Dealers have been keeping the wheels turning over the past twelve months and like everybody hoping that we can all look forward to better times ahead. It is essential that the ongoing roadworthiness of vehicles is maintained at all times, with servicing and maintenance of vehicles an intrinsic part of this regime. Therefore, over the last twelve months, the aftersales side of the business has been busy for Commercial Vehicle Dealers, as supply lines and essential services were maintained throughout the country. In relation to the sales end of the business, the first lockdown in Q2 of 2020 had a stark effect on new registrations of both LCV and HCV vehicles. 2020 LCV registrations were 21,732 units for the year, down 3,604 (14.22%) units on 2019 annual figures. Although sales saw a strong recovery as lockdown restrictions eased a little in the second half of 2020, the market couldn't possibly recover from the full lockdown situation in Q2 when the pandemic first hit. 2020 HCV registrations followed a similar pattern with 2,066 registrations for the year, down 593 (-22.3%) on 2019 annual figures. Again, the effect of the full lockdown in Q2 of 2020 was stark. The Bus & Coach Sector has been particularly badly hit as one would expect with the general curtailment of hospitality services. This sector saw a 70%



decline in registrations from approx. 445 in new registrations in 2019 to a mere 130 units in 2020. Although a niche sector, it is an important one and shows how badly COVID has impacted on the hospitality sector.

Despite all of this, as general lockdown restrictions have eased from time to time over the past twelve months, vehicle registrations have tended to recover steadily. The recovery in new registrations has continued into 2021 and obviously Distributors are hoping for a further recovery in the market as we move through the current year. The past year has seen the replacement of the main Type Approval Directive EC 2007/46 by the new EU Type Approval Regulation EU 2018/858. This came into force throughout the EU on September 1, 2020. Motor vehicle standards are set out in EU legislation and, as such, Ireland has no discretion to vary this. However, there are some areas such as National Small Series Type Approval (NSSTA) and National Individual Type Approval (IVA), where some domestic discretion does exist. A new Statutory Instrument which sets down a number of standards that are allowed as alternatives to (EU) 2018/858 and takes into account the practicalities of obtaining an NSSTA or IVA in Ireland also came into force, S.I. 556 of 2020. In the meantime, the slower movement of stock compounded the problem of various EC Directives affecting the specification of vehicles and the RSA and the Department of Transport significantly supported the sector in relation to end of series vehicles.

Also, of note for the sector was that the Department of Transport has launched an Alternatively Fuelled HCV Purchase Grant Scheme. We know that driving the decarbonisation of the commercial vehicle sector and especially heavy road haulage will require an unprecedented transformation, massive investment in infrastructure and a clear focus in the coming years.

Regardless of how ambitious our Industry is, we cannot make the radical and unprecedented shift to alternatively fuelled, low emission commercial vehicles without the right policies and infrastructure in place and we will continue to have ongoing discussions with the Climate Change Unit in the Department of Transport and all relevant Stakeholders in how we can best achieve these aims. The Commercial Vehicle Distributors Committee continued to pursue a number of issues during the year including trying to overcome domestic difficulties such as significant delays in getting new vehicles registered. Some of these problems have no doubt been caused by disruption in the public sector due to COVID restrictions, Brexit and the provision of normal back up services. As ever, we have tried to sort out these problems for members as quickly as possible. Looking ahead, key priorities are the whole Green Agenda and the challenge for Commercial Vehicle Manufacturers moving towards carbon neutral road transport. The raw facts of the matter are that in 2020 diesel still dominated EU truck registrations making up 96.5% of new registrations. So, while Commercial Vehicle Manufacturers are working hard to develop and deliver various alternatively fuelled vehicles, they are some way behind the Car Manufacturers in this regard. At the end of 2020, Europe's truck manufacturers made history when they agreed that, by 2040, all new trucks sold have to be fossil-free to reach carbon neutrality by 2050.

## ELECTROMOBILITY EXECUTIVE

The Electromobility Group was established in 2015 to collectively manage the transition to alternative fuel technologies. At the time, there was very little collective thinking in this area. The group has been very successful in overcoming this issue by virtue of the stakeholders that collaborate on this team. The OEMs, Franchise

Retailers, Fuel Distributors, Government Departments, the Road Safety Authority, the SEAL, eCars and technical specialists all contribute to the objectives. The current basket of incentives that are available for Battery Electric Vehicles and Hybrid Technology are some of the best incentives in Europe. This group are influential in deciding on and delivering successful campaigns to achieve the continuation of these incentives. They also influence the strategic development of the infrastructure and the development of advertising and social media content to promote alternative fuel technology. The group have been credited with many successful campaigns and the future development of this sector will be influenced by the thinking and drive of this creative and delivery-driven assembly.

## PETROL/OIL SECTOR

The petrol/oil company sector continues to play a key role in the Irish economy, not just in the product it sells but also in the tax it generates for the Exchequer, in the region of €3bn annually, and in the local employment and economic activity resulting from over 1,700 retail sites in the State, employing in the region of 13,000 people countrywide. Fuel taxation is very high in Ireland, with over 50% of the retail price of fuel returned to Irish Revenue. Budget 2021, and the increase in carbon taxes, only adds to this taxation burden and further increases have been signalled annually up until 2030. The importance of the national network of filling stations to mobility in Ireland was highlighted during the COVID-19 crisis, with fuel stations included as an essential service and playing a vital role in keeping emergency services moving. The Biofuels Obligation Scheme requires that suppliers of mineral oil ensure that 12.359% (by volume) of the motor fuel they place on the market in Ireland is produced from renewable sources, such as bioethanol and biodiesel. This obligation was increased in 2020. It was previously 11.111%.

## FRANCHISE RETAILERS

2020 will be remembered for the pandemic which brought a huge challenge for Franchise Retailers. In addition to the lockdowns, fears over residual values, and keeping employees and customers safe, the Franchise sector also had to handle the effects of Brexit and the potential for a hard Brexit at the end of 2020.

The first quarter had thankfully passed by the time the true effects of the pandemic began to hit and the country went into a complete lockdown. The sector had built considerable levels of used stock and the fear was that the value of this stock would depreciate rapidly. Fortunately, the Industry was successful in bringing forward the date of opening for garages and on May 18, 2020, the retailers opened. The UK market did not have the normal dampening effect on used car values as the levels of UK imports dropped significantly due to travel bans. Used car values in the Irish market hardened with Irish consumers keen to upgrade their vehicles with additional savings due to lockdowns.

While the demand for used cars remained strong for the remainder of 2020 even with enforced lockdowns, the New Car Market declined to 88,000 passenger cars, similar to the recessionary results of 2010 to 2012. Without achieving a number of derogations of existing stock, the outcome could have been devastating for New Car Manufacturers.

The underlying economic indicators up to 2020 would suggest that the Motor Industry should be performing very well. However, that is not the case and, with global profit margins for franchise retailers being threatened by a range of challenges, the Irish Franchise Retailer is faced with significant tests over the coming years.

The high levels of used imports up to this point had led to both trade and private purchasing increasing to levels beyond 100,000 vehicles, something that had not been seen previously. Prior to this, the age of

used imports was six-to-nine years but this transformed as consumers began opting for nearly new imports. This behavioural change led to the displacement of a third of the new car market. The increase in the used imports also had a negative effect on the residual value of Irish stock and valuing a used car was dependant on what the UK equivalent was costing to import.

Consumer confidence and sentiment also remained extremely cautious for the year and while the secondhand market performed well, as did the aftermarket, the need for a buoyant new car market has become a major issue. The Finance Market was also very strong and PCP Finance, as well as Hire Purchase products, reflected the strong performance of retail sales generally. With low interest rates and competitive pricing, the strength of the financial offers that are available to customers should continue into 2021.

One of the major challenges for the market moving forward is the Climate Change Agenda. We all welcome the move away from fossil fuels to alternative sources but, if this is not managed correctly, it will have a devastating affect on the motor retail landscape. This requires strong leadership and policy decisions that allow for a seamless transition to alternative options. For an Industry where the cost of the product is so high, the decisions that are made by Governments can have a devastating influence on the sustainability of a business when transitional change can be equally as effective without the dramatic outcome. While we understand that a move away from internal combustion engines is a clear objective for all stakeholders, the move is not a simple one and requires detailed planning to produce a model that allows customers to make environmental choices in a transitional manner rather than forcing changes that won't achieve the required outcome. This will be the biggest challenge for all stakeholders but if the policy decisions are not

aligned with international best practice, the end result will fall short of our emission objectives and lead to the closure of many sustainable franchise businesses. This is seismic change that must be managed correctly. In that way, we all benefit, including the planet. The partnership approach adopted by our Electromobility Executive is key to achieving our common goals of a reduction in greenhouse emission and a move to alternative fuel technology. We welcome the debate about these and other issues, which are also potential opportunities for growth and job creation in our sector.

The introduction of a NOx charge on used imports was a key fiscal project delivered by the executive. These changes could not have happened without the collective bargaining and support of the regional franchise retailers. It is vitally important that the ethos of "one voice" continues to be the mantra for SIMI and its collective membership. Without that, the potential for successful participation with Government and influential stakeholders is diminished.

The introduction of WLTP testing and new VRT emission bands had been postponed but the mandatory introduction of this new regime in Budget 2021 signalled the intention of Government Taxation Policy with significant increase in the VRT bands, particularly for specific segments of the market – a clear indication of the Government's policy to move consumers away from internal combustion engine technology. The recent pandemic will change the way in which we do business. Many of our franchises have made the move to digital platforms and contactless selling. Our focus will be on protecting the staff and ensuring that they are motivated to deal with the challenges ahead. As we go through this period of significant change, we need to be clear about our direction and the need to innovate and develop change that can benefit our sector and allow us to thrive through the next decade – our customers will expect nothing less.

## INDEPENDENT SECTOR

COVID-19 and the restrictions associated with the pandemic coupled with the complexity of importing used vehicles from the UK and NI has created an extremely difficult trading environment for independent member companies. Workshops in the initial lockdown were only permitted to carry out emergency repairs. However, for the majority of the periods of restriction, vehicle repairs have been classed as essential services. The Independent Retailers Committee are very active in highlighting the obstacles independent members face and in working towards addressing these issues through the committee. Rogue operators and the shadow economy remain a priority for the committee. While the complexities associated with Brexit have created additional burdens for independent members which can't be overlooked, it has assisted in moving towards a level playing field as those same burdens are now unavoidable for rogue traders. Work in conjunction with all sectors of the Industry to improve the Autosure programme to bring about licensing within the Industry continues with much progress being made. It is primarily designed for safety and standards. However, as an additional consequence, this initiative should also serve to strengthen the sector and address the shadow economy from a repair perspective. In reaction to the restrictions on non-essential retail affecting vehicle sales and travel, many retailers have already begun the move to digital platforms and distance selling. It is important for businesses carrying out distance selling to contact the SIMI for guidance on the requirements surrounding these contracts. Attracting and retaining apprentice technicians is a key focus for our sector. The Apprentice Steering Group is continuously working on all ways in which the Industry can attract and retain technicians. Training in EV/hybrid technology is identified as crucial over the

coming years. This is being provided through SIMI Skillnet and will also be developed through the Autosure programme.

The changeover to the WLTP-based VRT and Road Tax systems in itself was a large event for our sector in 2021 but was overshadowed by the pandemic and Brexit. Much work was carried out by independent members in preparing for the changeover and the implications it would have on their business. The SIMI carried out extensive consultation in advance of the changeover which led to less issues arising when the change took place.

## VEHICLE MANUFACTURERS/ DISTRIBUTORS

The last 12 months brought unique and significant challenges to the Industry. The impact of the COVID-19 pandemic lockdowns and restrictions were reflected in a constrained new car market in 2020, that saw new car sales fall to 88,000, 25% down on 2019. While nearly all non-essential retail remained closed until July, the Motor Industry was successful in bringing forward the date of re-opening for garages in May, which was down to the efforts and investment by the Distributors and their Franchise networks in ensuring that business could operate in a low-risk environment. This re-opening of showrooms allowed for a lead-in time to the July registration plate and, while sales were below pre-pandemic levels, there was still an active new car market. The beginning of 2021 saw another surge in COVID-19 cases, which meant showrooms were closed from early January, which is the most critical time for new car sales. However, the ability to operate on a "Click and Collect" basis for pre-orders and a "Click and Deliver" basis for new sales offered a lifeline for new car sales. These restrictions were finally relaxed in May 2021. Another negative result of COVID was the expiry of a number of EU end-of-series regulations, which

had the potential to leave some brands with large numbers of unregistered stock. However, the practical and realistic approach taken by the RSA in their discussions with SIMI, led to extensions to these regulations, which was vital for some Vehicle Manufacturers. The level of used imports in the first registration market remained disproportionately high, and continued to be a drag on new car sales during 2020. The beginning of 2021 saw the implementation of a new Trade Agreement between the EU and UK; however, this did not prevent delays in the transport of new cars and parts in the early part of 2021, due to increased paperwork and port congestion. It is expected however, that this trade agreement will ultimately increase the cost of, and make it more difficult to import, used cars from GB into Ireland, and this should help re-balance the first registration market in favour of new cars. One of the continuing major challenges for the new car market is the climate change agenda. Vehicle Manufacturers are making huge investments in both electric vehicle and lower-emitting ICE vehicles. However, there is a fear that Governments will move in an unsustainable fashion without taking account of availability and cost of vehicles. It is vital that the transition to zero emission vehicles is implemented on a planned and phased approach, otherwise it could undermine the new car market and ultimately be counter-productive in reducing emissions. Current taxation policy, especially high VRT levels, have led to an increase in the average age of the car parc and motorists, instead of trading up, are holding onto their cars for longer or choosing a used import. In addition, the reduction, and in some cases the removal, of incentives for EVs and PHEVs is only adding to the cost of purchasing low-emitting vehicles, which will inevitably reduce sales. Budget 2021 saw the move in VRT to a WLTP basis; this saw a significant change to the VRT structure with the widening of the



VRT bands to 20 bands ranging from 7% to 37%. The effect of this change was to increase the cost of many family cars, which can only dampen demand for new cars. With emissions from new cars reducing every year, a VRT decrease could have seen an increase in the sales of newer, low-emitting cars over the next few years, and this is a missed opportunity for Government 2021 also saw another unplanned, cliff-edge ending to the PHEV incentives. This short-termism is only damaging for business.

**VEHICLE RECOVERY OPERATORS SECTOR**



The Recovery sector has faced a very challenging year with the impact of COVID-19 having a major detrimental effect on the volume of traffic right across the country in both urban and rural areas. While the sector was deemed by the Government as an essential service and operated throughout all of the lockdowns, it has remained a very difficult environment for members to operate in. A major cause of concern for Recovery members was the carrying of passengers in the cab with vehicle drivers because of the pandemic and the nature of recovery operations by the roadside. The priority and onus for all SIMI VRO operators was the safety and wellbeing of staff at all times. While unfortunately the 2020 Vehicle Recovery Operators National Conference could not take

place because of the pandemic, the VRO sector continues to focus on the promotion of the professionalism of the sector to the general SIMI membership and to the motorist at large. A new SIMI VRO logo was commissioned and it was circulated to all VRO members for use on their various social media outlets, websites and their company vehicles. The logo was promoted and highlighted to the general membership through the various SIMI communication portals. The sector also commissioned a new digital media video which enabled members to connect and promote their recovery business to current and potential new customers. The video was available for use on their websites and social media platforms.

**VEHICLE BODY REPAIRERS SECTOR**



As expected, the VBRS Sector have faced a challenging year with the obvious effects of the pandemic affecting all levels of operations. As traffic levels have ebbed and flowed with the inevitable restrictions coming into play due to COVID, it has been hard for crash repairers to predict business levels with less cars on the road inevitably leading to less repairs over some of the lockdown periods. Feed into that the implications of Brexit for the supply of the kind of specialised parts that this sector needs to repair crashed vehicles and the inevitable delays as new customs import procedures have come into play for parts sourced ex UK (as many RHD parts are), and it is easy to see how hard this sector has had to work to maintain good customer service and deliver on customers' expectations over the past 12 months. After a shaky

start to this year, thankfully parts supply would seem to be improving again to more normal levels as importers become more familiar with the various hurdles they have encountered due to these new import procedures. So the sector is hoping for better times ahead as 2021 progresses and COVID restrictions are gradually eased back. Another Brexit-related issue that came up for the sector during the year was the certification of technicians in relation to working on F-Gas/Air Conditioning systems. The EPA organised a recertification programme that enabled technicians that held a UK-based certification to recertify under the Irish system so that they could operate legally in Ireland after Brexit. SIMI has continued to run courses for the VBRS Sector, including annual update training for Audatex estimating systems, hybrid and electric vehicles and ADAS systems. Considering the ever-growing market share of hybrid and electric vehicles, and the very real challenges presented by these new technologies, everybody throughout the Motor Industry needs to understand the best practice to work on these vehicles safely and SIMI have run a series of courses specifically for the VBRS Sector in this regard and will continue to do so throughout 2021. The Committee also reviewed the CSS Standard for 2021 with minimal changes except to make EV training advisory for 2021 with a view to making it Mandatory for 2022 as these vehicles become ever more popular. A Virtual CSS Auditing system was also deployed by our independent auditing company, NMU Auditing and Inspection Services, in order to take account of current COVID restrictions. SIMI also wrote to and called on the insurance industry to support the Vehicle Body Repair Sector in these difficult times brought about by COVID as it is crucial, given the dominant position that the insurance industry has in controlling work flows in our sector, that they recognise professional repairers



must be allowed an adequate return on investment and every support possible so they can plan for the future with confidence.

## WINDSCREEN REPLACEMENT SECTOR

With significantly reduced vehicles on the road due to lockdowns and home-working, the replacement rate for windscreens has been significantly reduced so it has been a very difficult trading environment.

The Windscreen Replacement sector continues to focus on the importance of standards and the potential benefit of recognised qualifications and training for operators and operatives. Qualifications and accreditation support the ongoing needs of employee development. It will be necessary to benchmark minimum competency standards for existing operatives within the sector. We also need to provide new and better training with accreditation/qualification systems for new entrants into this growth area. The potential to develop continuous professional development for all operatives in this segment, as well as a return to normal business, are the priorities for this group.

## WHOLESALE SECTOR

2020 and 2021 have been years like no other, with the COVID-19 Pandemic requiring companies in the wholesale sector to change their ways of doing business. As well as lockdowns and restrictions, there has also been the added concern of how to operate safely and protect employees and customers. In addition, Brexit has impacted significantly on supply chains, delivery of parts and costs, with the sector having to adjust their supply chains and delivery times to accommodate new rules and regulations.

A number of meetings were held via conference call for the Parts Wholesalers throughout the year

and the sector has been well-represented at management level by Chairperson, Gillian Fanning. SIMI, along with Gillian, has participated in a number of FIGIEFA meetings throughout the year, representing the Irish sector at a European level and engaging with ITGs and aftermarket organisations across different countries. Together with FIGIEFA, there has also been ongoing engagement with Irish and EU politicians, and the Road Safety Authority, to promote the interests of the Irish aftermarket. The key issues for the sector are: changes to distribution channels and consolidation in the global aftermarket; the COVID-19 crisis (supply chain management, NCT centres closed etc.); ongoing Brexit issues; Motor Vehicle Block Exemption Regulation; remote access to in-vehicle data and access to data through the 'Right to Connect' campaign, which provides for open and transparent sharing of vehicle data. Insurance costs also continue to be an issue.

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The Society of the Irish Motor Industry  
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Registration Number 374T  
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