



SIMI Annual Report  
2015-2016





# Annual Report

## 2015-2016

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# Mission Statement

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**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



## New Registrations April 2015 Vs April 2016 (YTD)

	New Car Sales	<b>↑ 26%</b>
	Light Goods Vehicles	<b>↑ 29%</b>
	Heavy Goods Vehicles	<b>↑ 57%</b>
	Car Hire	<b>↑ 18%</b>
	Used Car Imports	<b>↑ 18%</b>

## Government Revenue from the Motor Industry in 2015

Government Revenue on Car Sales 2015



**€1.19 BILLION**



Total Revenue Generated by the Motorist

**€5.4 BILLION**

for the Exchequer in 2015

	
USED CAR (IMPORTS)	NEW CARS
<b>€143.95 MILLION</b>	<b>€1046.13 BILLION</b>
<b>↓ 13.2%</b>	<b>↑ 30.9%</b>

Government Revenue on Car Sales Q1 2016



**€752 MILLION**

Employment



**40,600**

People working in the Motor Industry IQ4 2015, Ref:ES01

	
USED CAR (IMPORTS)	NEW CARS
<b>€44.7 MILLION</b>	<b>€707.8 MILLION</b>
<b>↑ 7%</b>	<b>↑ 33%</b>

Government Revenue First quarter of 2016

Employment in the Motor at the end of 2015 (CSO Q4 2015)

# SIMI Irish Motor Industry Awards

**The SIMI Irish Motor Industry Awards, in partnership with sponsor Bank of Ireland Finance, were held at a glittering ceremony at the DoubleTree by Hilton Hotel, Dublin on Thursday, February 18. The accolades were announced by RTE presenter Des Cahill, to a packed attendance of over 700 guests from all sectors of the Motor Industry.**

The awards, now in their sixth year, honoured those businesses that have demonstrated excellence and best practice in their Industry over the last 12 months. Open to all sectors of the Irish Motor Industry, nine award categories in total were presented by Mark Boggan, President of the SIMI and Pat Creed, Managing Director of Bank of Ireland Finance. Backed by the SIMI, the official voice of the Motor Industry in Ireland, the awards are held in partnership with Bank of Ireland Finance. Pat Creed, Managing Director of Bank of Ireland Finance (BIF) commented: "Bank of Ireland Finance is delighted to continue its partnership with the Society of the Irish Motor Industry to recognise outstanding achievement and excellence within the Industry. BIF is the leading provider of funding to the Irish Motor Industry through tied relationships with 14 Manufacturers/Distributors, which account for in excess of 50% of the total Industry".

Alan Nolan, Director General of the SIMI, said: "This is the sixth year of the SIMI Motor Industry Awards and each year they have continued to grow in both entries and categories. This year's entries have really raised the bar in terms of both standards and quality. It is great to see our members continuing to develop and improve their businesses. The SIMI Irish Motor Industry Awards in partnership with Bank of Ireland Finance is deserved recognition for the companies that are shortlisted, an extra special occasion for those who win the overall accolade and, above all, a night of celebration for the Motor Industry."

## Award winners



Mike Finlay, Director, Finlay Motor Company; Pat Creed, Managing Director, Bank of Ireland Finance; Mark Boggan, President, SIMI; Gary Finlay, Director, Finlay Motor Company; and Brian Cooke, Deputy Director General, SIMI.



Vincent Murphy, Head of Business, Joe Duffy BMW; Pat Creed, Managing Director, Bank of Ireland Finance; Mark Boggan, President, SIMI; Dan McGarry, Parts Manager, Joe Duffy BMW; and Brian Cooke, Deputy Director General, SIMI.



Stephen Ferriter, Managing Director, Truck Services; Pat Creed, Managing Director, Bank of Ireland Finance; David Ferriter, Sales Executive, Truck Services; Brian Cooke, Deputy Director General, SIMI; and Mark Boggan, President, SIMI.



Mark Boggan, President, SIMI; Kevin Egan, Managing Director Kevin Egan Cars; Mark Walsh, Kevin Egan Cars; Pat Creed, Managing Director, Bank of Ireland Finance; Irene Armstrong, Kevin Egan Cars; and Brian Cooke, Deputy Director General, SIMI.



# Highlights of the Year



Pat Creed, Managing Director, Bank of Ireland Finance; Mark Murphy, Mark Murphy Motors (Kilkenny); Brian Cooke, Deputy Director General, SIMI; and Mark Boggan, President, SIMI.



Pat Creed, Managing Director, Bank of Ireland Finance; Liam Twomey, Director, Red Abbey Motors; Mark Boggan, President, SIMI; and Brian Cooke, Deputy Director General, SIMI.



Cora Sherwood, Irish Towing Services; Pat Creed, Managing Director, Bank of Ireland Finance; Alan Sherwood, Irish Towing Services; Brian Cooke, Deputy Director General, SIMI; and Mark Boggan, President, SIMI.



George Tohill, Parts For Cars; Gary Murphy, Parts For Cars; Pat Creed, Managing Director, Bank of Ireland Finance; Derek Tohill, Parts For Cars; Conor Parsons, Parts For Cars; and Mark Boggan, President, SIMI.



Frank Byrnes, Director, Frank Byrnes Autobody Repairs Ltd; Pat Creed, Managing Director, Bank of Ireland Finance; Peter Daly, Synergy Vehicle Refinishing Solutions Ireland Ltd; Brian Cooke, Deputy Director General, SIMI; and Mark Boggan, President, SIMI.



Promotion of Apprenticeships

SIMI HAS ENGAGED WITH SOLAS ON PROPOSALS TO CHANGE ASPECTS OF THE APPRENTICESHIP SYSTEM AND HAS ALSO WORKED ON ATTRACTING MORE HIGH CALIBRE CANDIDATES INTO THE VARIOUS INDUSTRY APPRENTICESHIP PROGRAMMES. EARLIER IN 2016, SIMI LAUNCHED ITS NEW APPRENTICESHIP VIDEO CLIP DESIGNED FOR USE AT CAREER EVENTS AND IN SECOND LEVEL SCHOOLS TO HIGHLIGHT THE EXCELLENT CAREER OPPORTUNITIES IN OUR SECTOR.



The SIMI/Done Deal Motor Industry Quarterly Review predicted that new car sales would hit 150K in 2016 as 161 car sales increased by 33% for January 2016. Pictured at the launch of the Review are: Brendan Howlin TD, the then Minister for Public Expenditure and Reform who launched the Motor Industry Review ; Mark Boggan, President of the SIMI; Economist and author of the Review, Jim Power; and Cathal Cremen, Commercial Manager of DoneDeal's Motor Section.

## SIMI Irish Motor Industry Awards/Annual Dinner

THE MOOD WAS OPTIMISTIC AT THE SIMI ANNUAL DINNER WHICH WAS HELD IN FEBRUARY 2016.

Pictured at the SIMI Annual Dinner: Nora and Mark Boggan, President, SIMI.





# Budget 2016



## National Retailers Conference



The SIMI Annual Retailers Conference took place Tuesday, November 10, 2015 in Kildare.



Bobby Kerr- Special Guest speaker at the SIMI Annual Retailers Conference.



CON DALTON OUR MEMBERSHIP AND EVENTS MANAGER, CELEBRATED 45 YEARS WORKING IN SIMI IN SEPTEMBER 2015.

## VTN Conference

THE VEHICLE TESTING NETWORK CONFERENCE TOOK PLACE NOVEMBER 9, 2015



VTN Chairman Willie O'Brien and SIMI President Mark Boggan at the SIMI VTN Conference on Monday November 9, 2016.



Mark Boggan, SIMI President, Niall Murphy and Kieran Marshall, AIB Finance & Leasing; and Jim Power Conference Speaker.

## Highlights of the Year



WEXFORD'S MARK BOGGAN WAS ANNOUNCED AS NEW PRESIDENT OF THE SOCIETY OF THE IRISH MOTOR INDUSTRY IN MAY 2015.

THERE HAS BEEN A SIGNIFICANT CHANGE IN SEASONALITY OF CAR REGISTRATIONS WHICH HAS MOVED FROM 86% OF THE MARKET REGISTERED IN THE FIRST SIX MONTHS OF THE YEAR AND 14% IN THE SECOND, AS RECENTLY AS 2011, TO A REBALANCED 66% IN THE FIRST HALF AND 34% IN THE SECOND HALF IN 2015



## SIMI/DoneDeal Q2 Report 2015



SIMI/DONEDEAL Q2 REPORT INDICATED STRONG JULY "152" SALES DRIVING NEW CAR REGISTRATIONS TO ALMOST 110,000

Pictured (above left): Cathal Cremen, Commercial Manager of DoneDeal's Motor Section; Mark Boggan, President of the SIMI; Damien English, T.D., the then Minister of State at the Departments of Education and Skills & the Department of Jobs, Enterprise and Innovation who launched the Q2 Report; and Economist and author of the report, Jim Power. Minister English commented; "The Motor Industry plays a key role in providing employment across the country in both rural and urban areas. I am greatly encouraged by the growth in employment across the Industry in the last year and in particular I am delighted at the Motor Industry's commitment to employing and training young people via the Apprenticeship system".

## Women@SIMI - June 2015



TOP FEMALE MOTOR INDUSTRY PROFESSIONALS GATHERED FOR THE WOMEN@SIMI EVENT IN JUNE 2015.

Pictured are Mary Kennedy - Master of Ceremonies; Rowena Dooley, Dealer Principal of Dooley Motors and Honorary Treasurer SIMI; Mark Boggan, President SIMI and Dealer Principal Hugh Boggan Motors; Mary O'Rourke, retired politician and former Fianna Fáil Minister; Pat Creed, Managing Director, Bank of Ireland Finance; Louise Phelan - Vice President of Global Operations Europe, Middle East and Africa for Pay Pal; and Gráinne Cronin, first female pilot with Aer Lingus.



## Management Board 2015-2016



**MARK BOGGAN**  
President



**ALAN GREENE**  
Deputy President



**ROWENA DOOLEY**  
Honorary Treasurer



**JAMES BROOKS**  
Immediate Past President



**JAMES MCCARTHY**  
Chairman Importers'/  
Distributors' Committee



**GAVIN HYDES**  
Chairman Franchise  
Committee



**GILLIAN FANNING**  
Chairman Wholesalers'  
Committee



**KEVIN EGAN**  
Chairman, Independent  
Retailers' (Sales) Committee



**NOEL DORAN**  
Chairman, Independent  
Retailers' (Service)  
Committee



**LIAM DENNING**  
Chairman VBRS  
Committee



**MARK PEARD**  
Petrol/Oil Companies'  
Sector



**ALAN NOLAN**  
Director General



# SIMI National Executive Council

## HONORARY OFFICERS

### President

**Mark Boggan**

Hugh Boggan Motors Ltd  
Newtown Road  
Wexford

### Deputy President

**Alan Greene**

Origo  
Magna Drive  
Magna Business Park  
Citywest  
Dublin 24

### Honorary Treasurer

**Rowena Dooley**

Dooley Motors  
Sleaty Roundabout  
Carlow

### Immediate Past President

**James Brooks**

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

## VEHICLE IMPORTERS'/ DISTRIBUTORS' SECTION

### Chairman Vehicle Importers'/ Distributors' Committee

**James McCarthy**

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

**Steve Tormey**

Toyota Ireland  
Toyota House  
Killeen Road  
Dublin 12

**Ciarán McMahon**

Henry Ford & Son Ltd  
Elm Court  
Boreenmanna Road  
Cork

**Ciaran Kinahan**

Motor Distributors Ltd  
Naas Road  
Dublin 12

**Lars Himmer**

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

**Stephen Gleeson**

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

**Paulo Alves**

BMW Group Ireland  
Swift Square  
Santry Demesne  
Santry  
Dublin 9

**Des Cannon**

Gowan Distributors  
Gowan House  
Naas Rd  
Dublin 12

**Dave Sheeran**

General Motors Ireland Ltd  
Fern Road  
Sandyford Business Estate  
Dublin 18

## WHOLESALE'S SECTION

### Chairman Wholesalers' 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

**Fergus Murphy**

Hella Ireland Ltd  
Unit 6.1 Woodford Business  
Park  
Santry  
Dublin 17

**Greg Howard**

B & R Howard Ltd  
Unit 37 Baldoyle Industrial  
Estate  
Dublin 13

**Paul Warren**

Strongline Autoparts  
Units B9 - B11, South City  
Business Centre  
Whitestown Way  
Tallaght, Dublin 24

## RETAILERS' SECTION

### Chairman Franchise Committee

#### Gavin Hydes

Joe Duffy Motor Group  
Exit 5 M50  
North Road  
Dublin 11

### Chairman Independent Retailers' (Sales) Committee

#### Kevin Egan

Kevin Egan Cars Ltd  
Carroroe  
Sligo

### Chairman Independent Retailers' (service) Committee

#### Noel Doran

Robertstown Motors  
Ashbourne  
Co. Meath

### Carlow

#### 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

### Padraig Brady

Brady's Arva Ltd  
Main St  
Arva  
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

#### Jonathan Meade

Hutton & Meade  
Unit 600  
Northwest Business Park  
Ballycoolin, Blanchardstown  
Dublin 15

#### Gerry Caffrey

Past President  
Gerry Caffrey Motors  
106 terenure Road North  
Terenure  
Dublin 6W

#### Michael Tynan

Michael Tynan Motors  
Newlands Cross  
Dublin 22

#### Tom Murphy

Murphy & Gunn Ltd  
Rathgar Ave, Rathgar  
Dublin 6

#### Joe Clarke

Westbrook Motors  
23/24 Parkgate Street  
Dublin 8

### 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

#### Pat Keogh

Pat Keogh Car Sales  
Ballybrittas  
Portlaoise  
Co Laois

#### Richard Downey

Downey's Auto Stop  
Dublin Road, Portlaoise  
Co Laois

### Kilkenny

#### Seamus Farrell

Railway Garage  
Castlecomer  
Co Kilkenny

### Longford/ Westmeath

#### Frank Kane

Longford Motors  
Strokestown Road  
Longford

### Louth

#### Derek Holcroft

Holcroft Motors  
Matthews Lane  
Donore Road  
Drogheda  
Co Louth

### Meath

#### Marie Proudfoot

Nobber Motors  
Nobber  
Co Meath

### Monaghan

#### John Bogue

John Bogue (Monaghan)  
Ltd  
Dublin Road  
Monaghan

#### Gerry Mullin

Gerry Mullin Car & Van  
Rental  
North Road  
Monaghan

### Mayo

#### Kevin Connolly

Kevin Connolly Car Sales  
Dublin Road  
Ballina  
Co Mayo

### Roscommon

#### Tom Raftery

Motorpark Athlone  
Monksland  
Athlone  
Co Roscommon

### Tipperary

#### Gerry Pierse

Pierse Motors Ltd  
Limerick Road  
Tipperary Town

### Wexford

#### Cormac O'Leary

O'Learys Garage  
Dublin Road  
Enniscorthy  
Co Wexford

### Wicklow

#### Des Fitzpatrick

Fitzpatrick Motors  
Dublin Road  
Bray  
Co Wicklow

#### John Linnane

John Linnane Motors  
Tighes Avenue  
Rathnew  
Co Wicklow

#### Denis Carter

Avon Motors  
Savilles Cross  
Rathdrum  
Co Wicklow

#### Mick Humby Jnr

Vartry Garage Kia  
Blainroe  
Co Wicklow

## VEHICLE BODY REPAIRERS' SECTION

### Chairman VBRS Committee

#### Liam Denning

Dennings Car  
Bellavista  
Spawell  
Tallaght, Dublin 24

#### Nigel Pratt

Pratt's Auto Bodyshop  
Hacketstown Road  
Bennekerry  
Co Carlow

#### Darren Caldwell

T.D. Caldwell Ltd  
Unit 15, Mullaghboy  
Industrial Estate  
Athboy Road  
Navan  
Co Meath

## HGV DISTRIBUTORS' SECTION

### Chairman HGV Distributors' Committee

**Bruce Archer**  
DAF Distributors  
Naas Road  
Clondalkin  
Dublin 22

## VEHICLE TESTERS' COMMITTEE

### Chairman Vehicle Testers' Committee

**William O'Brien**  
William O'Brien Motors  
Unit G1, Croke Park Industrial Estate  
Portland Street North, N.C. Road  
Dublin 1

## SPECIALIST TRADE REPAIRERS' SECTION

**John Ryan**  
Autoglaze Ltd  
39 / 41 Crumlin Road  
Dolphins Barn  
Dublin 12

## PETROL/OIL COMPANIES' SECTION

**Mark Peard**  
Topaz Energy Ltd  
Topaz House  
Beech Hill  
Clonskeagh  
Dublin 4

**Dermot O'Toole**  
Maxol Limited  
3 Custom House Plaza  
IFSC  
Dublin 1

## Retailers - Centre Chairmen

### Carlow

**Ray Flynn**  
Flynn's Garage  
Dublin Road  
Tullow  
Co Carlow

### Cork

**Robert Cogan**  
Cogan's Garage Ltd  
Cork Road  
Carrigaline  
Co Cork

### Sean Browne

Newmarket Motor Works  
Main Street  
Newmarket  
Co Cork

### Bob Clarke

Bandon Motors  
Clonakilty  
Co Cork

### Galway

**Tony Barbour**  
Higgins Motorpark  
Motorpark  
Headford Road  
Galway

### Kerry

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

### Kilkenny

**Kevin Morrissey**  
Kevin Morrissey Motors  
Smithlands Retail Park  
Waterford Road  
Co Kilkenny

### 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**  
Daewoo Waterford t/a  
Chevrolet Waterford  
Waterford Business Park  
Cork Road  
Waterford

### Wicklow

**Colin Watchorn**  
Newcastle Garage Ltd  
Newcastle  
Co Wicklow



# President's Report

As I look back on my term as President, what a successful year it has been for the Motor Industry. In 2015, we experienced a year of strong recovery which saw new car sales increase by 30%, light commercials by 42% and HGVs by 9%, moving us a step closer to more normal levels of business. Used car sales are up 10% while other sectors, such as our bodyshop and VTN members, have also seen improvements in their businesses. However, the parts and fuel sectors remain challenging.

The positive momentum has continued into the first few months of 2016, with all indicators showing a marked improvement. The prospects for the remainder of 2016 remain positive and expectations are that 162 registrations will make a significant contribution to a strong sales performance for the year overall. Consumer confidence is at its highest in 10 years. With improvements in employment and the availability of finance, consumers now feel they are in a better position to change their vehicles, be that privately or commercially. The strong pick-up in consumer and business confidence manifested itself in this year's January sales figures, with new car sales reaching almost 40,000 units, the highest recorded monthly sales since 2008.

For the first four months of 2016, new car registrations are up 26% (93,240) on the same period last year (73,970). Light Commercial Vehicles (LCV) show an increase of 29% (15,730), providing a true indicator of the strength of our economy and indicating that the tradespeople of Ireland are starting to spend again. Heavy Commercial Vehicles (HGV) are also up 57% (1,380) on the same period last year.

Economist Jim Power, author of the SIMI/DoneDeal Motor Industry Review, has forecast in the first quarterly review of 2016 that new car registrations look capable of expanding by around 25% to exceed 156,000 this year. Already, we have seen all counties recording strong growth in car sales and in the first quarter of 2016, VAT and VRT receipts for new and used cars totalled €752.4 million. This was 31.4% ahead of the first quarter of 2015. Car sales continue to make an increasing contribution to Government coffers, and that contribution has the potential to reach €1.3 billion in returns to the Exchequer from new car sales by the end of 2016, if the predicted forecasted sales figure of 156,000 is reached.

While this is a very positive news story, and a much-needed boost for our Industry, the years ahead are not without their own challenges for individual members. Recovery for the Industry has been a steady process although some counties and sectors are seeing more of an uplift than others. I am mindful that many retailers are still finding market conditions challenging and are facing a range of issues from profitability and legacy debt concerns to the funding of stock for both new and used cars. This funding challenge, where used car stocks are not



moving, is creating cashflow problems for retailers that may impact on their ability to trade effectively, and has the potential to impact on new car sales. The knock-on effect of increased car sales will take some time to filter into some other sectors in the Industry.

The issue of climate change is one that we all have experienced recently with the procession of storms and floods over this winter and it is an issue that is going to bring increased focus on our Industry in the years ahead. Last year's UN COP21 Climate Change Conference also highlighted the challenges facing Ireland in reducing our CO<sub>2</sub> emissions by 40% before 2030.

After agriculture, the second highest sector in terms of CO<sub>2</sub> emissions in Ireland is our own sector, Transport, with levels increasing as a result of the growing population and the surge in activity in our economy. We have also seen the very tough CO<sub>2</sub> targets for new vehicles placed on the Industry by the EU and the decision to move from the current CO<sub>2</sub> emission figures to a system based on Real Driving Emissions. These will be far more stringent and are likely to significantly change the CO<sub>2</sub> emission values for vehicles compared to current figures.

But these are challenges that our Industry can meet. And clearly the only way that Ireland can achieve our environmental targets is through the technology and vehicles that our Industry can deliver. We are the potential solution for the environment, not the cause of its problems and we believe that our Industry must be a key stakeholder in the development of the State's environmental strategies for the transport sector. We can be proud of our Industry. We are a key player in the economic growth of this country. The Motor Industry is an employer of some significance, currently employing a workforce in excess of 40,000, over a broad geographical spread, with people employed in every town throughout every county in Ireland and we are continuing to create jobs. In a recent survey our members were asked about the potential of new job creation for 2016 and the response was overwhelmingly positive with the prospect of an additional 3,500 jobs to be created this year. An increase in the labour market brings about its own challenges. The recruitment in particular of qualified technical staff is of concern, with many of our skilled workforce having emigrated during the downturn. It is vital for our Industry's recovery that we continue to invest in our people's development and upskilling for the future. In this regard, I would like to recognise Skillnets. Skillnets is funded from the National Training Fund through the Department of Education and Skills, it actively supports and works with businesses in Ireland to address current and future skill needs. Since 2013, over 500 employees from SIMI Member companies have been able to increase their skills and competencies by attending subsidised SIMI

Skillnet courses tailored specifically for the Motor Industry and, this year, SIMI aims to train another 300.

It is encouraging to see that the recruitment of young apprentices into the Industry has continued to remain steady with a 26% increase in the intake for 2015 and, so far this year, the intake figures for apprentices in 2016 are in line with last year. As an Industry it is important that we continue to support the apprentice programme by encouraging and developing young talent, as we saw last year the Industry continued to excel at the World Skills Competition.

Our Industry is a huge contributor to the Exchequer, last year's VRT and VAT take from new and used cars totalled €1.2 billion and the overall tax revenue collected in our sector amounted to €5.4 billion. It is something that is often overlooked; we are a key sector in the funding of this country.

As such a key stakeholder, the Motor Industry has an important part to play in helping to promote safety on our roads. From the vehicles we sell, to the repairs we undertake, to the parts we fit and the vehicles we test, we all carry a duty of care for those who travel in these vehicles. It is important to acknowledge and support the work of the Road Safety Authority (RSA) and the progress it has made since its establishment in late 2006. The Society is committed to working closely with it on a range of road safety initiatives on behalf of the various sectors we represent. Last year, Ireland recorded the second lowest number of road deaths since records began in 1959. These figures show that there were 158 fatal collisions, which resulted in 165 fatalities on Irish roads. This represents 21 fewer fatal collisions, and 28 fewer deaths when compared to 2014. There is still a huge amount of work to be done to minimise road deaths, however SIMI's ethos in relation to road safety remains a major pillar of the Society's activities. When we talk in numbers it's easy to forget the people who have died and the lives that have been changed forever. The Society recognises the importance of our working relationship with the RSA and is committed to assisting the Authority in any way possible to help reduce deaths on our roads.

As 2016 is the year of centenary of the Easter Rising, I think it's opportune to reflect on the history of our own Society which has been in existence since 1922, with the formal adoption of the name Society of the Irish Motor Industry in 1968. Over that period of almost 100 years, even though the number of cars owned at that time was small in comparison to today's numbers, many of the same issues, such as tax and the cost of motoring, that were contentious then, remain so today. I am proud to be part of a Society with such a strong history, a Society that is a symbol of professionalism and credibility. I am proud to be part of an Industry that is passionate about what we do and the service we deliver to our customers. An Industry which is still motoring after several challenging years. I am proud to be an employer and a major contributor to my country's economy.

And SIMI is more than just a badge of professionalism, apart from the tangible benefits, it offers support to members on a wide range of business issues. To me, it is the voice of our Motor Industry community and I, for one, feel privileged to have been elected to serve my community. SIMI provides the Motor Industry with an identity and a voice. While sometimes not all members may be in agreement on the best course of action for the sector, it is your involvement that can help shape and provide the momentum to help improve the Motor Industry's future. And to me, that is the key role of SIMI, to ensure as far as it can, that the business environment for members is as good and as stable as it can be into the future, without shocks or serious negatives. In the past, SIMI has delivered the low rate of VAT on repairs and servicing, testing of Light Commercials annually, the VAT Margin Scheme changeover, Scrappage Schemes and the dual registration system as well as the development of Industry Standards such as VTN and CSS.

I mentioned earlier that the Industry is facing a very difficult environmental challenge that will see the VRT and Road Tax systems change again. This cannot be allowed to seriously damage our sector, as occurred in 2008. We will also face the increasingly negative environmental view of private cars. It is SIMI's challenge to ensure that the reality is understood; the biggest contribution to reducing CO<sub>2</sub> will be from the cleaner technologies that our Industry can continue to deliver in the years ahead. Currently, hybrids and electric vehicles are to the fore of this clean technology and there will be other new technologies. New technologies are expensive but are essential, if we are to deliver on our CO<sub>2</sub> targets. We believe that it is hugely important for the state to commit to strongly supporting these technologies as a priority for a considerable number of years ahead.

I believe that the next few years will be challenging times for the Industry, and it is crucial for all our businesses that our national organisation, SIMI, can develop and deliver strategies to ensure a stable future for our Industry. So I would just say to members, this is about the future of your business, if you are not currently active in SIMI, I would encourage you to get involved by attending local and sector meetings and to work with the organisation to deliver a better future for you.

Finally, I would like to thank the members of SIMI for allowing me this opportunity and honour to serve as your President.

*Mark Boggan*

President, SIMI.

# Director General's Report



The 12 months since last year's AGM have been a story of continuing growth out of recession and into a more normal trading environment. Indeed this year, 2016 is in many ways 'post-recession' as it marks the first year of normal-level registrations, which SIMI estimates at between 7% and 8% of the National Car Parc of two million cars. By the end of 2015 New Car registrations had reached just on 125,000, up 29.8% on the previous year, and for the first four months of 2016 have been running at an increase of 25.6% over the same period in 2014. This would suggest an out-turn in the region of 150,000 new car registrations for 2016 which would make it a 'normal year' in registration terms.

Commercial vehicle registrations have also seen significant growth. At the end of 2015, the new Light Commercial Vehicle (LCV) registrations were 41.7% up on 2014, while the figures to the end of April 2016 show an increase of 29.4% compared to the same period in 2015. Heavy Commercial (HGV) registrations, had a lower growth rate of 10.1% to the end of 2015, but have increased in the first four months of 2016 by 56.5% compared to the same period, up to the end of April, in 2015.

The other big impact on new car registrations has been the change in seasonality which has moved from 86% of the market being registered in the first six months of the year and 14% in the second, as recently as 2011, to a rebalanced 66% in the first half and 34% in the second half last year. It remains to be seen whether this rebalancing will continue with a further increase in the second period this year perhaps moving toward a 60% - 40% split.

The Society's Quarterly Economic Reports, in association with Done Deal, compiled by Jim Power have highlighted strong economic indicators over the year ahead, which should see further growth in business for the Industry. Member Surveys undertaken as part of the Reports have

indicated that the growth in business has been strong across all sectors including used vehicle sales and in vehicle servicing and parts. Although the Vehicle Body Repair Sector has seen some improvement, growth in terms of both volume and profitability has been fairly modest, according to members in the sector. New statistical streams aimed at more accurately understanding the used car market in the professional Motor Industry have also been developed over the past years which provide data on sales in and out of dealerships in each county. We hope that this data will be developed further in the coming year to enable us to see increases or decreases in dealer used car stocks levels over the year, to help dealers better understand the trends in the used car marketplace.

Vehicle Tester members have also seen test volumes continue to grow as commercial fleets have increased both in terms of size and activity while enforcement by the RSA has also continued to increase. The VTN Network has also been focused on the implementation of increasingly stricter supervision and administration regimes all of which have greatly increased public perception and confidence in relation to the effectiveness and professionalism of the commercial vehicle testing regime.

Employment in the sector has increased right across the Industry in line with increased activity and now stands at 40,600 compared to 50,000 at peak in 2007. Recent member surveys have confirmed the feedback we had received from many individual members that 78% of members are anticipating a skills shortage. 55% of members see this skills shortage impacting most in relation to Qualified Technical Staff and Apprentices. Over this period SIMI has been engaged with Solas on the proposals to change aspects of the Apprenticeship system and has also been working on attracting more and



better candidates into the various Industry Apprenticeship Programmes. Earlier this year, we launched our new Apprenticeship video clip designed for use at career events and in second level schools to highlight the excellent career opportunities in our Sector.

The Society's focus on Road Safety as a key objective saw us involved in a review of NCT Testing as well as consultations on a range of issues concerned with the condition of vehicles on the road; including vehicle servicing frequency by car owners, assurance for consumers in respect of service and repair standards, windscreens and enforcement on substandard and worn tyres. Following on from this, a new penalty point offence in respect of faulty tyres on cars was introduced and a joint RSA (Road Safety Authority) and SIMI campaign against part-worn tyres has been running in the media. A similar campaign highlighting car owners' responsibilities to keep their cars properly maintained is also planned.

The past year has seen a very strong focus on vehicle emissions which included revelations of incorrect emission figures, and reports from the UK and Germany showing that cars produce much higher levels of emissions in real use than on tests. In October 2015, SIMI appeared at a Joint Oireachtas Committee hearing to answer questions on emissions and the implications for consumers. Ireland has also signed up to the legally binding COP21 Climate Change targets that will see us having to deliver a 40% reduction in CO<sub>2</sub> in the years ahead. At EU level, the current emissions test will be replaced by RDE/WLTP Real Driving Emissions testing in 2018 and this will change the CO<sub>2</sub> figures on which both VRT and Road Tax are based. Discussions on how this might impact on taxation have already commenced here in Ireland. In Dublin, proposals on traffic, including removal of cars from certain streets, have been made by both Dublin City Council and the National Transport Authority. SIMI has responded very strongly but constructively to these proposals. A number of European cities including Paris and London have also been considering whether to impose additional charges or restrictions on diesel vehicles. All of these are key strategic issues for the Society and our Members, as they will impact on the future shape of our Industry, and will be a major focus of Government policy going forward.

With all of the good news and strong registrations in the Sector, it is important to note that retailer members around the country have been raising concerns that the pressure

for volume in this recovery phase, has been squeezing margins to the degree that dealers with hugely increased turnover and risk are actually achieving very meagre returns. The Franchise Committee has commissioned a profitability review by an independent accountancy consultant and will be holding a series of profitability clinics, focused on the real costs of doing business in the sector and the potential risk of overtrading.

Two other issues remain to cast a potential shadow of concern for the Industry; the political situation, post-election, in Ireland and the potential impact of Brexit, should the UK referendum deliver that outcome. At the time of going to print, we have seen the formation of a new government and the appointment of Ministers. More than anything else, we need stability in our sector to continue the growth in economic activity that we have seen over the past couple of years. We need a Budget delivered that does not negatively impact on our sector, on taxation in relation to vehicles, or indeed on the disposable income of consumers. Although, in the longer term, Brexit may produce some economic benefits as well as negatives for Ireland, some of these negatives are potentially serious including the return of a border with Northern Ireland and a two-year period of negotiation prior to a UK departure from the EU. A two-year period of uncertainty and potential instability could have a huge impact on our sector. Of course, all of these concerns may turn out like the worries about Y2K but this is something that we need to watch very carefully.

Even with all of these issues, the fact remains that the past year has been one where the process of recovery has brought us out of recession to more normal levels of activity for the first time in eight years. As we look forward, concerns about unstable government and Brexit notwithstanding, the economic outlook is for continuing strong growth in business activity. The past 12 months have been very good overall for our Industry and hopefully the year ahead can build on this foundation and deliver more and better and more profitable business for a reasonable period into the future.

*Alan Nolan*

Director General, SIMI

# Executives



**ALAN NOLAN**  
Director General



**BRIAN COOKE**  
Deputy Director General



**TOM CULLEN**  
Director



**CON DALTON**  
Manager Membership &  
Events



**MARGARET O'SHEA**  
HR & Training  
Manager



**EMMA MITCHELL**  
Operations Manager



**TERESA NOONE**  
Marketing & PR Manager



**CHARLIE ROGERS**  
VTN Director



**MAEVE DOWDALL**  
Office Manager



**YVONNE SLANEY**  
Senior Accounts Executive



**SEAMUS MCCORMACK**  
Membership Services'  
Executive



**TERESA FAGAN**  
Information &  
Statistics Officer



**JANE O'SULLIVAN**  
Operations Support  
Executive



**COLIN WALSH**  
Customer Services' Officer



**SABRINA FORSYTH**  
Information & Statistics/  
Administration



**JENNIFER MCGUINNESS**  
Receptionist

## Membership Services

### The focus of Membership Services is:

- » to increase awareness and promotion of SIMI services among members;
- » to enhance engagement with our members and strengthen relationships; and,
- » to further develop the SIMI value proposition to members.

## Services to members

- |  |                                      |
|--|--------------------------------------|
| • Tax advice   | • Local centre meetings              |
| • Legal advice   | • Regional meetings                  |
| • HR advice  | • Tailored industry courses          |
| • Representation at Labour Court   | • Awards                             |
| • Access to beepbeep.ie<br>vehicle statistics, regular and ad hoc<br>stats for Members | • Annual dinner                      |
| • Magazine   | • CSS                                |
| • Newsletter   | • Autosure                           |
| • Social media   | • Sectoral representation            |
| • Media representation   | • Representation at Government level |
| • Consumer complaints service  | • Representation at European level   |
| • Order forms  | • Car History Check                  |
| • Updates on new legislation,<br>data protection etc                                   | • Golf                               |
| • Garage insurance scheme  | • BEN                                |
| • Credit card scheme   | • Networking opportunities           |
| • Face-to-face contact   | • Women@simi                         |
|  | • End of Life Vehicles               |
|  | • Quarterly Economic Report          |



# Membership by numbers in 2015



# SIMI Skillnet Programme & SIMI Training



For the third year in succession SIMI was successful in its application to Skillnets Ltd for funding to support and subsidise training courses for SIMI members. Skillnets is an enterprise-led support body dedicated to the promotion and facilitation of enterprise training and is funded through the Department of Education and Skills.

Member companies are encouraged to become directly involved in the identification and development of training needs and skills requirements that will improve the competitiveness of businesses within the motor sector. Towards the end of each year members are asked to complete an on-line each Training Needs Analysis Survey, which helps form the basis of the SIMI Skillnet training plan to be delivered the following year aimed at addressing current and future training needs. During the year a Steering Group, made up of members from a number of different sectors within the industry oversees and directs the content and delivery of the SIMI Skillnet programme. A key advantage of the Skillnet programme is that it actively supports the development of courses that are directly aligned to member companies' needs and strategies. Training fees for courses delivered through the SIMI Skillnets programme may cost up to 30% less than they normally would.

In 2015, approximately 300 trainees from over 100 member companies availed of SIMI Skillnets training courses and

we were also able to provide free access to job-seekers to attend industry specific courses.

Courses offered in 2015/2016 as part of the SIMI Skillnet programme include a range of Technical Up-skilling courses, Customer Service training, training workshops on Consumer Law and Employment Legislation, Management Development programmes for Owner Managers, General Managers, Sales and Aftersales Managers and as the market begins to pick up, a greater number of courses for new and experienced Vehicle Sales Staff.

Our target for 2016 is to significantly increase the number of member companies and trainees availing of the SIMI Skillnet Programme and to secure funding for 2017.

Alongside the Skillnet programme, the SIMI Training Department provides members with a number of courses dealing with essential Motor Industry topics such as VAT and VRT, and the annual SIMI Consumer Credit CPD programme, initiated in 2007, continues to provide members with access to industry-relevant CPD courses that meet the Minimum Competency requirements of the Central Bank.

*Margaret O'Shea*

HR and Training Manager, SIMI

# Review of SIMI Consumer Complaints 2015

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 encourages customers to refer their complaints to 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 to resolve customer complaints it can also be of assistance to Members in relation to developing and improving their customer focus. In 2015, 292 formal complaints were recorded by the Society, which represented a 62% decrease from 2014 (471). Of the 292 complaints, 12% were outside the scope of the service compared to 34% in 2014. This decrease for the second year running is most likely due to the in-scope checklist introduced on the online complaint form in early 2014 giving customers' greater clarity on the scope of the service. Of those outside-scope complaints, 47% related to new vehicle warranties, 41% were related to non-member garages or lapsed members and 12% related to time frame. When those outside the scope are excluded, the number of complaints formally registered, were 17% down, with a total of 258 in 2015 compared to 312 in 2014.

52% of the complaints registered were resolved through the initial mediation process compared to 56% in 2014. In the third quarter of 2014, Reminder Calls, Emails and Letters were introduced to encourage Companies to respond within the 10-day response period. The average length of time to resolve complaints in 2015 was 81 days.

48% of complaints were resolved through decisions of the Standards Tribunal compared to 44% in 2014.

The type of complaints registered are summarised as follows:

- 76% related to the Condition of the Vehicle sold (mechanical and electrical defects), repaired or serviced. This compares to 51% recorded in 2014.
- 13% related to Alleged Misrepresentation of pricing, documentation, finance, etc. This compares to 29% recorded in 2014.
- 7% related to alleged conditions regarding the Previous History of the Vehicle. This compares to 16% recorded in 2014.
- 4% related to Refund of Deposit which remained at the same percentage as 2013 and 2014.

The Tribunal, which operates independently of SIMI, is chaired by an Independent Chairman and includes Industry and Consumer Representatives.



The Tribunal noted with concern that a high percentage of the complaints registered related to the Condition of the Vehicle Sold, and stressed the importance, for members, to understand that they need to be able to stand over everything that they say about the condition of the vehicle they are selling, documentation, its age, number of previous owners, service history, recorded mileage, whether it was involved in a crash, whether it was a rental car or had been used as a taxi etc. A professional vehicle sales business will always be liable for any inaccurate statement that it makes in seeking to sell a car, van etc. In extreme cases, the inaccuracies may be interpreted as serious misrepresentation with even more serious consequences including potential prosecution.

The Tribunal also wished to remind members that in many of the cases they dealt with, a quick positive reaction or, in some cases, even an accurate and constructive explanatory letter from the Garage would often have resolved the customer's complaint, without it having to go for decision to the Tribunal. Such a proactive approach to consumer complaints can often save time, effort and stress for those involved and deliver agreed resolutions which can assist members in retaining more satisfied customers.

During the first half of 2016 the SIMI Consumer Complaints Service has been engaged in the process of applying to the Competition and Consumer Protection Commission to become registered as an Alternative Dispute Resolution Entity (ADR) under S.I. No. 343/2015. When this process is, we hope, successfully completed, it will create obligations for members to provide Consumers with the name and website of the SIMI ADR entity in the following ways:

1. on the Member's own Website (where one exists),
2. in the General Terms and Conditions of Sales or Service Contracts, such as the SIMI Order Form which will be amended to contain the required details.
3. in writing to a consumer who has submitted a complaint directly to the member that could not be settled, specifying whether the member will make use of the ADR entity to settle the complaint.

The penalties for failing to inform a consumer, if the business is adhering to a specific ADR system, are potentially quite serious (a possible fine of up to €4,000, or possible imprisonment of up to 12 months, or both). Clearly these are potentially extremely high penalties, and, it is hoped, only likely in extreme cases, nevertheless it will be vital for members adhering to the Service, when it is a registered ADR entity, to comply with the requirement to keep consumers informed. SIMI will be providing support for members in this regard as the registration process develops.



## Priorities by Sector

### COMMERCIAL VEHICLE SECTOR

The Commercial Vehicle market has continued to grow in line with the growth in the economy. At the end of 2015, new Light Commercial Vehicle (LCV) registrations were 41.7% up on 2014, while the figures to the end of April 2016 show an increase of 29.4% in LCV registrations compared to the same period in 2015. The obvious increase in commercial activity in the economy has been reflected in the LCV registrations, particularly in the small van market. Heavy Commercial (HGV) registrations were a little behind the rate of growth of the LCVs at the end of 2015 being 10.1% up on 2014. For the first four months of 2016, though, the HGV registrations were running 56.5% up on the same period, up to the end of April, in 2014. The year saw strong activity for SIMI, working on behalf of the sector, with significant Road Tax reductions for HGVs, without any compensating Road Tax increases being levied on other vehicles.

During the past year the Sector Committee worked on a range of key issues including: Statistics Segmentation, Approved Body Builders Scheme, VIN Number Changes, Vehicle Weights and Dimensions Legislations for 5 Axle Rigid vehicles and extension of the 46 tonne weight limit to Drawbar Combinations. ADAS Systems, Euro V1 implementation and Type Approval issues including the processing of IVA and NSSTA Approvals were also covered and there was a strong focus on the review of the Apprentice system and proposals for a SIMI Schools Programme.

Discussions in relation to the roll-out of new interpretations and requirements in respect of the registration and/or conversion of vehicles changing from M1 to N1, whether new or second-hand, have been ongoing as the State has been focused on a tighter definition of a vehicle that would qualify as an N. Although not finalised at the time of going to press, it is hoped that a sufficient transition period will be agreed to allow members to process vehicles in stock or on order and en route. The predictions for the next 12 months in this sector remain strong, subject to the economy continuing to grow as anticipated.

### COMMERCIAL VEHICLE TESTERS

During 2015, the RSA continued to work with the Society's Vehicle Testers Network (VTN) and with the individual Test Centre members to ensure that the quality and consistency of test process is at the highest possible level. In October the VTN Conference and AGM again attracted a full house with all VTN members represented in an attendance of over 160, which was addressed by the RSA on current and future strategic issues for the sector.

Bureau Veritas, which is engaged in supervising the VTN Network on behalf of the RSA, is due to start the 2016 LCV\HCV Lane check consistency programme shortly to assess the consistent operation of test lane equipment. This will be done by carrying out three successive tests on a Control Vehicle, on LCV and HCV Lanes. Lanes will be pre-booked and it is expected to take approximately 2 hours for the average two lane test centre.

As part of the ongoing supervision of the CVR Testing

Network, RSA have also been working with PWC to deliver a mystery/incognito shopping exercise as an additional method to enhance Quality Assurance for the customer in relation to the Commercial Vehicle Testing Service provided by the VTN/ CVRT Testing Network. The purpose of this research is to obtain customers' feedback on their experience of having their vehicle tested. The mystery shopping process will be managed in accordance with the Market Research Society Code of Conduct, which guarantees confidentiality and anonymity. Following ongoing discussions with the RSA in relation to issues arising with the CoVIS Network, SGS are working to update the CoVIS System with a new version of the ASA network software. This has already undergone in-house testing and is currently being piloted in a number of test centres. Pending the results of this pilot, it is intended that the upgrade will be deployed, out of hours, to all test centres on a phased basis commencing May 23, 2016. This upgrade is required in order to address a number of issues, raised by the VTN Committee or identified through CoVIS, whereby some test results were failing, intermittently, to be collected by CoVIS from Test Lane Equipment. Many of our equipment supplier members will welcome these issues finally being resolved.

A new VTN Management Supervision Course for test centres, which has been developed over recent months, as an update to one that was successfully run last year, will be delivered in the coming months.

A New Disciplinary Points system pilot scheme, commenced at the end of last year, and this trial period is due to continue until the end of the second quarter. The relevant VTN Sub Committee will, in the meantime, be continuing its consultations on this issue with the RSA over the coming weeks, highlighting issues of concern, in advance of the roll-out of the new system.

### FRANCHISE RETAILERS

For the Franchise Dealer sector, retail business has continued to improve and grow with new registrations, used car sales and after-market business all showing growth over last year. The Committee has discussed members' concerns regarding meagre profitability levels despite significant increases in the levels of business activity in dealerships in the current expanding market. The Committee has commissioned a cost per unit survey from an independent accountancy consultant with a view to providing profitability clinics for members during the summer/autumn. The significant impact on the market of the introduction of PCPs and the key considerations for dealers will also need to be covered.

Vehicle emission issues, compliance in respect of credit intermediaries and Data Protection were also discussed. NCT capacity and the need to obtain a better service for the professional trade have been raised and a review of the issues that need to be addressed in the apprenticeship review was carried out. Increased activity in seeking to attract more young people into the industry was identified as a priority and the new SIMI Apprenticeship video was warmly welcomed. Likely changes to the approval system for M1 to N1 Category

Vehicle conversions were also discussed and the Committee continued to support the Society's efforts with regard to Road Safety including the RSA review of servicing standards and the proposed campaign in respect of part-worn tyres. Proposed changes to the operation of the SIMI Customer Complaints Service, as a consequence of the Service being registered with the Competition and Consumer Agency as a Registered ADR (Alternative Disputes Resolution) Service under the EU Directive, were considered and as well as the related issue of the future approach on the role of Arbitration in relation to the Sales Order Forms. A very successful National Retailers Conference was held in November in Kilashee House Hotel, Naas.

### INDEPENDENT SECTOR

Over the past year, the SIMI Independent Retailers' Committee, although still structured as a single Committee, has operated with two sub-committees, one representing members involved in Vehicle Sales and the other focused on members whose main area of operation is Vehicle Servicing.

Members in the sector raised a number of issues and concerns with NCT that are impacting on business including: the ability to get a timely NCT booking due to capacity issues within the NCT; the consistency of NCT tests; and the need for a specific priority booking system for those in the professional Motor Industry. Other issues covered by the Committee included the development of the Apprenticeship system, Skillnets supported training programmes and used vehicle sales statistics.

The Shadow Economy continues to have a major impact on legitimate business and the issue has been raised with Revenue and will continue to be an action point for the sector in the months ahead. The Autosure Programme was developed to differentiate the legitimate, professional trade from 'cowboy operators' and those in the Shadow Economy and, although participation in Autosure is still not yet widespread, the concept of the project has been given unanimous support by the Sector. The Independent Sector representatives were engaged in the review by TRL on behalf of the RSA on issues that might improve the safety of vehicles on our roads. The importance of having a mark of quality and reassurance in relation to vehicle servicing and repair was highlighted in these discussions and the Committee was strongly of the view that Autosure could provide the solution desired by the RSA if it is supported and developed by the Industry.

### 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 nearly 1,800 retail sites in the State. Fuel taxation is very high in Ireland, with over 50% of the retail price of fuel returned to Irish Revenue, and in this regard the Industry was relieved that no further fuel tax increases were imposed in Budget 2016. Revenue's fight against fuel laundering saw more success, with their Annual Report reporting: "During 2015, we (Revenue) carried out a nationwide testing programme to detect the use of laundered fuel. Over 500 premises were visited and in excess of 1,000

samples taken. We also conducted a project to determine the extent of non-compliance in business sectors involved in the sale, distribution and use of mineral oil. To date, 76 audits have yielded €2.7 million and a number of cases are being considered for prosecution."

### VEHICLE MANUFACTURERS/DISTRIBUTORS

The continued growth in new vehicle sales has had a positive impact on the Sector over the past year. Progress has also continued in relation to improving the SIMI statistical service, with plans to upgrade the system and a business case submission to Revenue to capture fleet and business data at registration. This development has been delayed somewhat by the focus of Revenue on new Electronic Certificates of Conformity which has required some major system changes and developments. A number of consultation meetings were organized where Revenue informed the Sector of the key features, challenges and timelines in relation to the changeover and obtained feedback from members regarding problems experienced or anticipated.

In accordance with the Department of the Environment's PRI Review, the SIMI ELV Company, ELVES, has continued to work on behalf of Vehicle Importers/Manufacturer members. The Department had been very satisfied by the Shredder Trial that was undertaken by ELVES and the organisation is continuing to work on the development of an efficient, best practice process for dealing with End of Life Vehicles and ensuring that Ireland is compliant with the requirements of the relevant EU Directive. Other issues on the agenda for Vehicle Manufacturers/Distributors included; Vehicle emissions and RDE/WLTP testing developments in Europe, Electric and Hybrid vehicles, Road Safety issues and Car of the Year.

### VEHICLE RECOVERY SECTOR

The Vehicle Recovery Sector has become very active again with well-attended meetings and a number of the key challenges on the Agenda for the sector. A specific VRO Newsletter was circulated and the Committee agreed a new standard for membership of the VRO Sector. This would include the requirement for operators to have their ropes/chains, winches and lifting equipment tested by an authorised engineering company on a yearly basis. This could be enforced by operators having to submit documentary proof of certification at the time of their annual CVRT. In addition to the SIMI logo, the Committee has developed a new VRO branding which consists of certificates and logos for the vehicles.

In total, 46 member companies have now met this SIMI VRO standard, with more at application stage.

New VRO branding of Certificates and Stickers have now been circulated to the qualifying members in the sector.

Other issues considered included: insurance cost increases; the interpretation of Waste Permit Regulations by different Local Authorities; and the Black Economy. The Sector met with the RSA on the issue of Standards and a discussion on future training needs has commenced. A VRO Sector award was included in this year's SIMI Motor Industry Awards in February and it is planned to hold SIMI/VRO AGM and information day during the year.

### WHOLESALE SECTOR

The Wholesaler Sector continues to be affected by the Shadow Economy, including illegitimate cross-border trade and the lack of enforcement on selling parts from 'white vans', ex-VAT, is still an issue for members. Increased activity in new car sales with subsequent trade-ins acquired by garages has been lifting business in the aftermarket and, generally, there was a sense of a more buoyant business environment. The Committee supports SIMI's Road Safety focus and supported the joint advertising campaign with RSA warning against buying Part Worn Tyres. The Sector also wished to support a proposed servicing campaign, again jointly with the RSA. The Committee wished to see further development of recognised standards in the sector such as Autosure and CSS, as they encourage customers to get their cars serviced/ repaired at legitimate, professional operators. The sector was concerned at increases in the cost of doing business such as increases in Insurance Costs and the potential for improving the available vehicle parc data was also considered. A new Chairperson, Gillian Fanning was elected and the Sector re-joined Figiefa after a number of years absence, which had been a cost reduction measure during the recession. The Committee Sector was represented in the RSA Consultation process on Standards in Repairs and Servicing and also input views into the development of the SIMI Apprenticeship careers video.

### WINDSCREEN REPLACEMENT SECTOR

The Windscreen 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, and ongoing needs in relation to Employee Development, as well as recruitment challenges for the Sector were under consideration. It will be necessary to benchmark minimum competency standard for existing operatives within the Windscreen sector while providing new and better training and accreditation/ qualification systems for new entrants into the windscreen sector. The potential to develop Continuous Learning

Programmes for all operatives in the sector should be considered particularly if this could be supported by the SIMI Skillnet funding. The current Solas review of Apprenticeship holds out the hope of that the sector might at some stage achieve designation as a new Apprenticeship area but this is likely to take some time to explore.

Recalibration of cameras following Windscreen Replacement with ADAS, Telematics and the quality of products used in the Sector were covered on the agenda during the year as well as a significant input into the Road Safety Working Group review of safety concerns in the area of windscreen replacement. As with the VBRS Sector, the collapse of Setanta Insurance Services, based in Malta, continues to be an issue for this sector with the issue surfacing again as a result of recent Court Decisions. SIMI Solicitors had written to the Receiver/ Administrator again seeking progress on payments for members, although this is still likely to be a slow and difficult process.

### VEHICLE BODY REPAIRERS SECTION

The Committee has continued to work on the development and roll-out of the CSS Standard. There are now 77 approved companies registered with CSS and the coverage is now truly national with only one county lacking the presence of a CSS repairer. The Sector was well represented in the SIMI Motor Industry Awards in February and members from the Sector also won the Unsung Hero Award for their work on behalf of charity.

A review of the current CSS Standard has been completed and updates made to the system. Training needs for the sector have been reviewed and input has been provided to the RSA on standards and the certification of repairs. As with the Windscreen Sector, the collapse of Setanta Insurance Services, based in Malta, continues to be an issue for this sector with the issue surfacing again as a result of recent Court Decisions. SIMI solicitors have written to the Receiver/ Administrator again seeking progress on payments for members, although this is still likely to be a slow and difficult process.



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