



Annual Report 2014–2015



Annual Report
2014-2015





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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



AVG Co2 OF NEW CARS

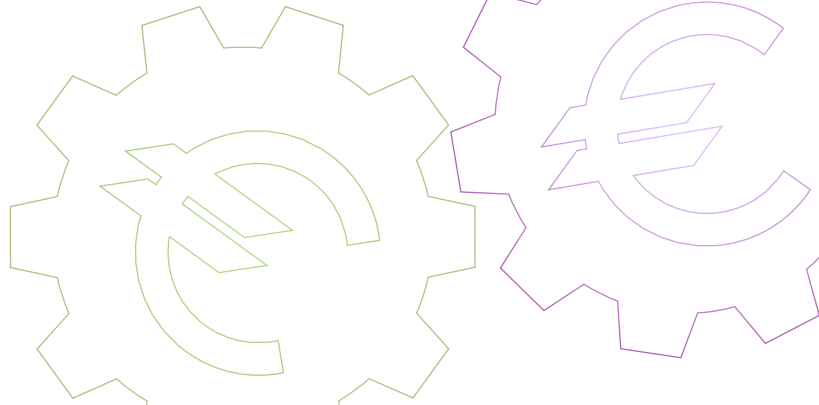


AVG CO2 OF USED IMPORTS

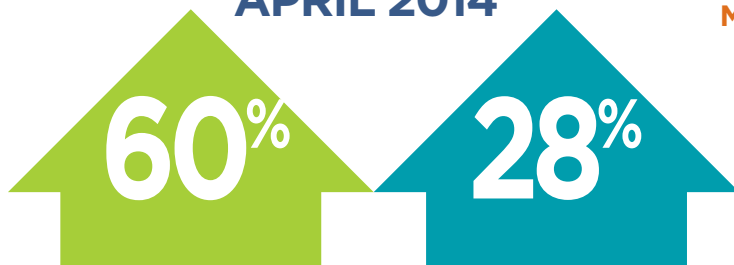
**THE IRISH MOTOR INDUSTRY -
A CORE CONTRIBUTOR TO IRELAND'S RECOVERY**

TAXATION

THE MOTOR INDUSTRY GENERATED **€5 BILLION**
FOR THE EXCHEQUER IN 2014.



**YTD REGISTRATIONS AS OF
30TH APRIL 2015 V 30TH
APRIL 2014**



NEW HGV REGISTRATIONS



**EMPLOYMENT IN THE INDUSTRY
AT THE END OF 2014 (CSO)**

41,900 PEOPLE WORK IN THE
MOTOR INDUSTRY SHOWING AN INCREASE
OF 4,500 FOR THE YEAR.



INCREASE OF **27%** IN APPRENTICES EMPLOYED IN
THE MOTOR INDUSTRY FROM 2013 TO 2014.

SIMI Irish Motor Industry Awards

IN PARTNERSHIP WITH

Bank of Ireland

Finance



Alan Nolan, Director General of the SIMI.



Pat Creed, Managing Director of sponsors, Bank of Ireland Finance.



MC for the event, RTE presenter Des Cahill.



Brian Cooke, Deputy Director General of the SIMI.



Noel Stewart, Director, Blackstone Motors; James Brooks, SIMI President; Pat Creed, Managing Director, Bank of Ireland Finance; and Donal Waters, Director, Blackstone Motors.



James Brooks, SIMI President; Donal Waters, Director, Blackstone Motors; Pat Creed, Managing Director, Bank of Ireland Finance; and Noel Stewart, Director, Blackstone Motors.



Niall Nolan, Director, Nolan Motors; James Brooks, SIMI President; Michael Nolan, Director, Nolan Motors; and Pat Creed, Managing Director, Bank of Ireland Finance.



Eoin McGuinness, Director, Auto Assure; James Brooks, SIMI President; Adrian Sherman, Director, Auto Assure; and Pat Creed, Managing Director, Bank of Ireland Finance.



Highlights of the Year



James Brooks, SIMI President; Gregg Moore and Ian O'Brien, Directors, Green Auto Service; and Pat Creed, Managing Director, Bank of Ireland Finance.



James Brooks, SIMI President; Nigel Pratt, Proprietor, Pratt's Auto Bodyshop Ltd; and Pat Creed, Managing Director, Bank of Ireland Finance.



James Brooks, SIMI President; Andrew Bushe, G. Bushe Motors; and Pat Creed, Managing Director, Bank of Ireland Finance.



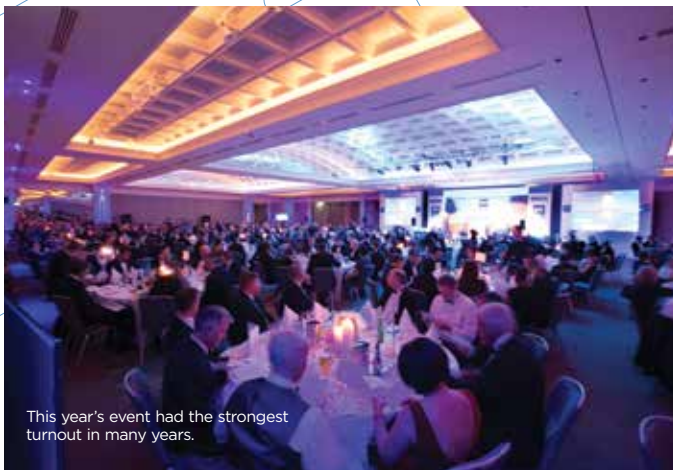
Pat Creed, Managing Director, Bank of Ireland Finance; Robert Prole, Founder, Contact After Retirement; and James Brooks, SIMI President.

SIMI Annual Dinner

Over 600 guests attended the SIMI Annual Dinner, the highest attendance in a decade.



Susan and Kieran Burke; Susan and James Brooks; and Olive and Tony Brooks.



This year's event had the strongest turnout in many years.



Motoring legend Rosemary Smyth; Liz O'Donnell, Chair, Road Safety Authority (RSA); and Moyagh Murdock, CEO, RSA.



Noreen Fitzpatrick, Programme Support Manager, Skillnets; Dermott Jewell, Consumers' Association of Ireland; and Margaret O'Shea, Training Manager, SIMI.

Highlights of the Year

National Retailers Conference

“In Recovery”, the SIMI National Retailers Conference focused on the challenges presented by increased activity in the market. The day’s highlight was the presentation from Mark Pollack, whose compelling personal story brought the Conference to an inspiring conclusion.



Guest speaker, Mark Pollock, Collaboration Catalyst and Explorer whose compelling personal story brought the Conference to a moving and inspiring conclusion.



Conference Chairman Gavin Hydes, Joe Duffy Motor Group welcoming Conference Speaker Steve Hopewell, ASE Automotive Solutions, UK.



Con Dalton, Manager Membership & Events, SIMI; Craig Redford, Martec Europe; Alan Nolan, Director General, SIMI; and Derek Dunne, CDK Global.



An exhibition of products and services from Ireland’s leading Aftermarket suppliers.



Con Dalton, Manager Membership and Events; Mark Boggan, Deputy President, SIMI; Barry Moylan, East Coast Car Parts; and, Emma Mitchell, Operations Manager, SIMI.



At the SIMI Trade Expo: Con Dalton, Manager Membership and Events; Mark Boggan, Deputy President, SIMI; Emma Mitchell, Operations Manager, SIMI; and Alan Greene, Chairman Wholesalers’ Committee, SIMI.

VTN Conference

The Vehicle Testers Conference drew strong attendance from across the sector, and the attendance and presentations from the RSA provided key insight for testers as to how the commercial vehicle business will operate into the future.



James Brooks, President, SIMI, addressing the Vehicle Testers AGM.



Charlie Rogers, Director VTN/SIMI; Denise Barry, Director of Standards and Enforcement RSA; James Brooks, President, SIMI; Ada Mulvihill, RSA; and Yvonne Sliney, VTN Executive, SIMI.

Contact After Retirement celebrates 10th anniversary

Contact After Retirement (CAR), the group of former motor and allied industry personnel who meet together for social outings in order to keep up contacts post-retirement, celebrated their tenth anniversary.



Pictured at the CAR Annual Lunch: Alan Nolan, Director General, SIMI; Victor Sweeney; Peter Lynch; Peter Murphy; and Paschal Kennedy.

IMCTGA marks centenary

The Irish Motor & Cycle Trades Golfing Association (IMCTGA) celebrated 100 years in existence in 2014 with a range of commemorative events including the Palmer Tyre Cup and the Goff Memorial Cup both held at the K Club last September.



IMCTGA President, George Harbourne, winner of the Goff Memorial Cup being presented with the trophy by IMCTGA Secretary, Con Dalton.

10

142 scores big success

The success of the dual registration period continued into 2014. In the year immediately preceding its introduction (2012), just 17% of the year's new car registrations occurred in the second half of the year, while the first year of the dual system saw this increase to 28%. The second half of 2014 experienced a further increase in the second half of the year, with '142' accounting for 32% of new car registrations.



Minister Brendan Howlin; Mayor of Wexford, George Lawlor; SIMI Director, Tom Cullen; Margo Doyle, Slaney View Motors; John O'Rourke, Ferrybank Motors; and Mark Boggan, Hugh Boggan Motors.

Vehicle Body Repairers (VBRs)

The Certified Steel Standard (CSS) was first introduced in 2013 for all vehicle body repairers who undertake structural repairs. The voluntary standard has been embraced by repairers and is fast becoming adopted as the standard of best practice within the Industry.

At the time of issuing last year's Annual Report, 45 CSS Repairers had already achieved the standard, and this has now grown to 66 companies currently certified. The communication strategy for CSS is to: educate the market (consumers, insurance companies and the Industry) to a point where they are predisposed to consider CSS for vehicle body repairs; build the brand by teaching customers/stakeholders the value of the CSS standard; stimulate acquisition (through online media); and build and manage relationships (through good service and dialogue).



Last year promotion of the CSS standard commenced with the publication of advertisements in newspaper supplements such as *the Irish Independent*, *Sunday Business Post*, *RTÉ GAA Championship Guide*, *Irish Farmers Monthly*, and *Veterinary Ireland Journal*. An online presence of CSS is carried through banner advertisements on the Distilled Media network of websites such as daft.ie, rent.ie, property.ie, and adverts.ie. This promotion of CSS has continued in 2015. However, it is important to note that those who have achieved CSS also play an important role in helping to promote the standard by carrying the CSS logo on their websites and business documentation, as well as by advising their customers on the high quality of repair standard that they offer.

SIMI Skillnet is funded by member companies and the Training Networks Programme, an initiative of Skillnets Ltd. funded from the National Training Fund through the Department of Education and Skills.



Trainees on the Fast Track Vehicle Sales Training course: Mark Twohig, CAB Motors; Hugh McBrien, McBrien Motors; Tim Kerrisk, McElligotts Garage; Raj Lyons, Motorpark Athlone; Tracy Milea, Barlo Motor Group; Michael Piggot, Carroll and Kinsella Motors; Dillon Burke, Tony Burke Motors; Kevin Maye, M50 Truck and Van Centre



The top table at the December NEC meeting.

Management Board 2014-2015



James Brooks
President



Mark Broggan
Deputy President



Rowena Dooley
Honorary Treasurer



Paul Linders
Immediate
Past President



James McCarthy
Chairman Vehicle Importers/
Distributors Committee



Gavin Hydes
Chairman Franchise
Committee



Alan Greene
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 Section



Alan Nolan
Director General

SIMI National Executive Council

HONORARY OFFICERS

President

James Brooks
Kia Motors Ireland
Unit A8 Calmount Park
Calmount Rd
Dublin 12

Deputy President

Mark Boggan
Hugh Boggan Motors Ltd
Newtown Road
Wexford

Honorary Treasurer

Rowena Dooley
Dooley Motors
Sleaty Roundabout
Carlow

Immediate Past President SIMI

Paul Linders
Linders of Chapelizod
Chapelizod
Dublin 20

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 / Michael Nugent

BMW Group Ireland
Swift Square
Santry Demesne
Santry
Dublin 9

Adrian Yeates

Volvo Car Ireland Limited
Killakee House, The Square
Tallaght
Dublin 24.

Dave Sheeran

General Motors Ireland Ltd
Fern Road
Sandyford Business Estate
Dublin 18

WHOLESALE'S SECTION

Chairman Wholesalers' Committee

Alan Greene
Origo
Magna Drive
Magna Business Park
Citywest
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

Brian Fanning

Serfac Limited
Hilary House
Belgard Road
Dublin 24

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

Seamus Moore

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

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' (Sales) 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
Main St
Arva
Co Cavan

Cork

Gerard O'Sullivan

Ardfallen Motor Care
Ballycurreen Industrial
Estate, Kinsale Road
Co Cork

Dublin

Jonathan Meade

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

Gerry Caffrey

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

Kilkenny

Seamus Farrell

Railway Garage
Castlecomer
Co Kilkenny

Longford/Westmeath

Frank Kane

Longford Motors
Strokestown Road
Longford

Louth

Eamonn McCartan

Rice & Roddy
Newry Road
Dundalk, Co 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

Michelle Rowley

Cassidy Motors
Sligo Road
Charlestown, Co Mayo

Kevin Connolly

Kevin Connolly Car Sales
Dublin Road
Ballina, Co Mayo

Tipperary

Gerry Pierse

Pierse Motors Ltd
Limerick Road
Tipperary Town

Brian Mordaunt Jnr

Mordaunt Ltd
Davis Road
Clonmel, Co Tipperary

Wexford

Cormac O'Leary

O'Learys Garage
Dublin Road
Enniscorthy
Co Wexford

VEHICLE BODY REPAIRERS' SECTION

Chairman VBRS Committee

Liam Denning

Dennings Cars
Bellavista
Spawell
Tallaght, Dublin 24

Darren Caldwell

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

Frank Byrnes

Frank Byrnes Autobody
Repairs Ltd.
Unit 12, Glenascaul Business
Park
Oranmore
Co Galway

HGV DISTRIBUTORS' SECTION

Chairman HGV Distributors' Committee

Bruce Archer

DAF Distributors
Naas Road
Clondalkin
Dublin 22
Vehicle Testers' Committee

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 Bard
Dublin 12

Wayne Harmon
Naas Gearbox Centre
"The Ballroom"
Millbrook
Naas
Co Kildare

VEHICLE RECOVERY OPERATORS' SECTION

Chairman VRO Committee

Eamon Kelly
Kelly Towing
Sharavogue
Kilmacanogue
Co Wicklow

PETROL/OIL COMPANIES' SECTION

Des Duffy
Maxol Limited
3 Custom House Plaza
IFSC
Dublin 1

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

CO-OPTED MEMBERS

Paddy Murphy
Advance Tyre Co

Michael Fennell
IMI, Irish Region

Kevin Farrell
I.T.I.A.

Paul Redmond, CRCI

Michael Hegarty, VLA

Dermot Eagney
Chairman BEN

TRUSTEES

Eugene Cranley
Brian Murphy
Tom Noonan

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

Donegal
Daniel McGinity
DMG Motors
Clan Road
Donegal Town
Co Donegal

Galway
Tony Barbour
Higgins Motorpark
Motorpark
Headford Road
Galway

Kerry
David Randles
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 year as President, I think we need to view the last 12 months in the context of where we have come from:

- 2012, when the Industry was in the midst of a deep crisis and seriously concerned about a review of VRT because of the State's need to find extra taxes from any source to fund our bail-out borrowings;
- 2013, when despite sales dropping and the cumulative effects of six years of deep recession we still employed 37,000 people; and,
- 2014, when finally green shoots became visible and we started to hear more talk of recruitment rather than of redundancy.

For most of us, the Industry really turned a corner, psychologically, in July last year. In the middle of summer, 18,700 units gave us the best July ever, following a very positive first six months. And I think, at this stage, even those who were against the new registration system when it was being proposed now accept that a shift from 18% in the second half of 2012 to 34% last year is significant progress in rebalancing the annual sales pattern in our Industry. There was, and continues to be, a danger that we are still too seasonal, but the second registration plate now gives us a second chance. Clearly, the two registration plates are working as we had hoped and, thankfully, are here to stay. I believe that the dual registration plate system is one that the Industry and SIMI got right. I want to acknowledge the efforts from all of the organisations who got involved in making the changeover possible, who worked to understand the issue and who ensured that a better system was developed and rolled-out. I think in future years we will be asking ourselves how we survived without it.

The first four months of 2015 saw continued growth in car sales, with new car registrations exceeding 70,000, almost the same number as for the full year in 2013. Light commercial vehicles, are up over 50% on the same period last year, an indication that the tradespeople of Ireland are back working and that people are starting to spend again. The HGV Market started slowly this year for a variety of reasons, including the impact of the implementation of the new approval processes which slowed down registrations. It does appear, due to the Society's efforts with the Road Safety Authority (RSA), Revenue and the NSAI, that the backlog arising has been sorted, and I hope Heavy Goods Retailers will experience some uplift as the year progresses. This work, with the Industry working in conjunction with State Bodies, shows what can be achieved when there is meaningful engagement between the relevant stakeholders.

The effectiveness of this kind of joint approach is further demonstrated by the work undertaken between the VTN members and the RSA on the roll-out of the new

Commercial Vehicle Testing System. Another example of constructive engagement is in the area of end-of-life vehicles where the Society has developed a solution that will deliver for the Industry, for the Department of Environment and for Ireland, with the establishment of ELVES, the Industry's end-of-life vehicle project, which focuses on delivering on the EU targets for Ireland. The new company has already been established and set in operation by SIMI, on behalf of the Industry. This key project would not have been possible without a supportive relationship with the Department of the Environment and I would commend it for its support of the ELVES project. While we may have the wind in our sails again, our Industry still faces many challenges. We need to strengthen the balance sheets that have weakened in recent years. Profit is not a dirty word and we need to ensure that selling new cars becomes every bit as profitable as selling used cars, and that our commercials and our workshop businesses do the same. I believe that we must also strongly promote the importance of our Industry and its contribution to both the economic growth of the State and to the Exchequer. We cannot sit back and leave it to those who are anti-business, anti-wealth-creation and anti-investment to drive the national agenda, while at the same time relying on the taxes we generate to drive that agenda. The Quarterly Economic Reviews published by the Society in partnership with Done Deal and written by Economist Jim Power, mark an important step as they allow us to produce a snapshot of our Industry each quarter and the supporting surveys allow members to share their views, thereby influencing the message that we wish to get across to the general public and decisionmakers. The latest Review reports that we employ in excess of 41,000 people in towns and villages across this Island and we collected almost €1 billion in tax on car sales last year. In total, we collected over €5 Billion for State coffers from all motoring sources last year. It is clear that our Industry is a core contributor to the economic recovery of this country. One of the key issues for our members is standards. Over the past year, we have seen our Vehicle Body Repair members embrace the opportunity to raise the standard of structural repairs in Ireland through the creation of the CSS standard, now into its third year. CSS provides reassurance that the vehicle body repairer undertakes to repair vehicles using suitable repair methods, appropriate equipment, competent personnel and quality materials. I mentioned the new Commercial Vehicle Testing System above; the last 18 months saw 147 of 147 Testing Companies approved for a new 10-Year Licence. This is based on the Industry's willingness not only to embrace change but to drive it, and to make the levels of investment necessary to deliver state-of-the-art and best practice testing. Here again, the VTN Testers have embraced the principles of the CITA Standard.

CITA is the International Authority for the development of Standards in vehicle testing and their Standard is in effect “best international practice”. The professionalism and commitment of the RSA in delivering a superb Commercial Vehicle Testing system for the future, which is second to none in Europe, must be commended in this regard.

The RSA continues to strive to reduce road deaths and to ensure that the vehicles on our roads are safe to use. And while RSA’s strong campaigns continue to save lives we must recognise that the condition of many cars on our roads and, indeed, the roads themselves must be a cause for concern. In this regard, the National Car Test (NCT) plays a hugely important role in improving road safety in Ireland. It should be noted however, that over half of cars tested (nearly 700,000) failed the NCT last year and they are just the cars that were due their test. While I applaud the work of the RSA, the Gardaí, the NCT and our VTN members in the test centres around the country for raising standards, we do still have a long way to go. Ultimately, this is about saving lives and it is something myself and Mark Boggan, my Deputy President, agreed on in April last year: this is a project that we in the Motor Industry are willing and anxious to support. Yes, we have new vehicles, vehicles with all the latest up-to-date safety features, but we have an obligation to do something with regard to the safety of older cars on our roads. We are committed to working together with the RSA on safety projects specifically, where we can help directly. Initially, initiatives such as making it illegal to sell tyres below a minimum tread depth, or requiring that a used car should have a new, full NCT Cert at the point of being sold, are projects that we would like to see happening.

Before I finish my term as your President, I want to thank my team in Kia Ireland and our dealer network for the support and encouragement they have given me, which allowed me to undertake the Presidency. And, finally, I also want to thank the team in Pembroke Street, who are dedicated to delivering for members and watching out for our interests. Together, we look forward to rebuilding our Industry and to ensuring that the Motor Industry continues to be recognised as one of the key pillars that is helping our country return to strong economic growth. Thank you very much for bestowing on me the honour of being your President.

James Brooks

President, SIMI.



Director General's Report

As we know, the recession in our Industry began in mid-year 2008 and, similarly, we can probably mark the start-point of our recovery as mid-year 2014. Driven by the second number plate in July, the second six months delivered 34% of the year's registrations with 30,600 new cars, very close to the 33,000 total for the second half of 2007, which had seen an overall market of 188,000. Last year finished at 96,000, the best year since the recession began, which was 30% up on the year before.

And the recovery has continued in the first Quarter of 2015 with new car registrations again running close to 30% up. Light Commercial Vehicle registrations show even more buoyancy with a 42% increase at the end of last year followed by a 59% increase in Quarter 1 of this year, reflecting increased activity in the economy generally.

Despite the obvious signs of recovery in the economy, the HGV Sector has seen slower progress with a 16% increase in registrations last year but with a decrease of almost 15% in the first Quarter of 2015. Potential explanations for this include: Type Approval delays, slower uptake/delivery on Euro6 vehicles, de-mothballing of HGVs that were decommissioned during the recession, some migration to LGV from the smaller HGVs, as well as (at least according to the haulage sector) perhaps some re-flagging of fleets in other EU member states.

The Society's Quarterly Economic Reports were launched last year, in association with Done Deal, and they have provided us with a snapshot of the health of the Industry as well as the Irish Economy four times during the year. It has also allowed us to locate and develop new data sources, particularly in relation to dealers' sales of used cars. Last September, Economist Jim Power predicted a new car market in excess of 120,000 for this year and, although the Industry's own projections were at a more modest level, it does now appear that he was very accurate. His outlook for the Irish Economy and for the Motor Industry during 2015 and 2016 is very positive overall and the better-availability of finance, in conjunction with stronger consumer confidence, are hugely important factors for the Sector. He confirmed that last year the Industry collected just on €1 billion in VRT and VAT from car sales alone with the State collecting over €5 billion in total from all motoring taxes. Employment in the Industry rose again last year to over 41,000 and looks likely to reach 44,000 by the end of this year.

In used cars, the picture is also better with used car sales last year up by 17% on 2013 and Trade-ins purchased by Motor Dealers up by 13% over the year. This trend has continued in the first Quarter of this year with used car sales up by 18% and the level of trade-ins purchased up by 15% over Q1 in 2014. Imported Used cars saw an increase of 7% last year but, impacted by the strength of Sterling, they showed a decrease of 4% in the first Quarter of this year. Profitability remains a key challenge and concern for members, according to the Q1 Members' Survey, with 58% of members confirming improved profitability in used cars in a market where 75% experienced an increase in volume. The picture in New Car sales is similar with 61% of new car dealers indicating improved profitability compared to 83% who had experienced an increase in sales volume. The Aftermarket has also shown improved activity with vehicle servicing volumes up for 73% of members while profitability, again a little behind the activity levels, better in 60% of member companies. The Parts business has also seen volume up in 73% of companies with profitability better in 58%. Vehicle Body Repair businesses have seen a much slower recovery because the national car fleet is continuing to age. The number of cars of an age where they are likely to be repaired by a professional business, remains below 500,000 compared to 1,000,000 such cars in 2008. Only 46% of bodyshop members report an increased volume of business with only 39% experiencing an improvement in profitability. Although we have begun to see the benefits of the recovery, clearly our Industry still has a long way to go before it reaches more normal levels of activity and profitability across all sectors of the Industry. But the expectations of members for further progress remain strongly positive with 77% upbeat about the business-outlook for their own Company and 83% positive about the outlook for the Motor Industry in the year ahead. During the past year we have had a number of very successful events, including:

- the National Conferences for Dealers and VTN Tester Members;
- the first Women@SIMI Day; and
- the hugely competitive and well-attended Industry Awards held in conjunction with Bank of Ireland at the Annual Dinner, which was the best attended in nearly a decade.

For the first time since the recession started, we have seen

SIMI membership began to increase again. And it has been a busy year on members' projects, from the development and launch of the Industry's End of Life Vehicle Company, ELVES, to the achievement by all 147 VTN Testers of the new 10-Year Appointment under the RSA. The new registration system delivered 34% of last year's registrations in the second half of the year compared to only 18% in 2012 and hopefully this percentage can be improved on further. Type Approval changes, Petrol Contamination, Advertising Finance, the Black Economy, VAT fraud, Commercial Vehicle Road Tax changes, NCT issues, Apprenticeship review, Consumer Dispute Resolution changes and further statistical developments have also been on the Society's agenda with the various Government Agencies over the year.

At last year's AGM, our President James Brooks highlighted Road Safety as a key focus for SIMI going forward. During the year, the Society has raised this issue at a number of high level meetings: with the RSA; with other State Agencies, such as the HSA; in the Insurance Sector; and with a number of Local Authorities. This is a long-term project for the Industry which will be driven forward in the coming year by incoming President Mark Boggan and will be supported by a specific cross-sector Road Safety Committee in setting some achievable goals for the project. 2014 was the year in which we began to move out of the dark recession years. It also marks the beginning of new challenges for our Industry as market growth drives increased demand for staff, training, funding and, of course, market share in an increasingly competitive marketplace. These are, however, problems that we would have welcomed two or three years ago. As our recent survey confirms, having survived so many bad years, members remain very upbeat about the future for the Industry and the outlook for their own businesses in the years ahead.

Alan Nolan

Director General



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
PR and Marketing Manager



Maeve Dowdall
Office Manager



Yvonne Sliney
Accounts &
VTN Executive



Seamus McCormack
Membership Services'
Executive



Teresa Fagan
Information &
Statistics Officer



Orla Nolan
Customer
Services' Officer



Jane O'Sullivan
Operations Support
Executive



Sabrina Forsyth
Administration



Charlie Rogers
VTN Consultant

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

Membership by numbers in 2014



SIMI Skillnets Programme & SIMI Training

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. Since 2013, SIMI has been successful in applying on behalf of our members to be part of the Skillnets Training Network Programme.

The funding and support received from Skillnets allows SIMI to assist members and their staff in addressing current and future training needs. On an ongoing basis, 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.

A key advantage of the Skillnets 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 can cost up to 30% less than normal. In 2014, approximately 200 trainees from over 100 member companies availed of SIMI Skillnets training courses and, as part of the Skillnets Programme, we were also able to provide free access to job-seekers to attend industry-specific courses.

Courses run as part of the SIMI Skillnets programme include, Technical Up-skilling, Customer Service, Consumer Law, Management Development and Sales and Aftersales Training. Our target for 2015 is to significantly increase the number of member companies and trainees availing of the Skillnet Programme.

SIMI courses dealing with essential topics such as VAT and VRT, and SIMI Consumer Credit CPD training, continue to be provided to members on a regular basis.

Margaret O'Shea,

HR and Training Manager, SIMI



Analysis of Complaints 2014

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 obliges 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 their customer complaints, it also represents for Members a comparative measurement of customer service.

During 2014 the Complaints Department introduced a call log for the first time to monitor volume of calls relating to the Consumer Complaints Service. An estimated total of 3,144 calls were received by the SIMI Complaints Department which included initial contacts re: problems with dealers/garages, the majority of which were resolved between the parties without recourse to the formal process. The calls also included contacts from members for advice, general consumer queries and registered complaint updates.

471 formal complaints were processed by the Society which represented a 23% increase on 2013. Of the 471 complaints, 34% were outside the scope of the service compared to 47% in 2013. This decrease is most likely due to the new in-scope checklist introduced on the online complaint form in early 2014. Of those complaints outside scope, 56% related to new vehicle warranties and 44% were related to non-member garages or lapsed members. The number of complaints formally registered for resolution saw a 29% increase over last year, with a total of 312, compared to 242 in 2013 and when compared to the total for 2012 this represents a 43% increase in two years.

56% of complaints registered were resolved through the initial mediation process compared to 57% in 2013. In the third quarter of 2014, reminder courtesy calls and letters were introduced to encourage Companies to respond within the 10-day response period. This may have resulted in the slight increase in the number of complaints being resolved through the initial mediation stage of the Complaints Process as opposed to the Tribunal.

The balance, 44% of complaints, were issued recommendations by the Standards Tribunal compared to 43% in 2013.

The type of complaints registered are summarised as follows:

- 41% related to the condition of the vehicles sold (mechanical and electrical defects), repaired or serviced. This compares to 58% recorded in 2013.
- 29% related to alleged misrepresentation of pricing, documentation, finance, etc. This compares to 30% recorded in 2013.
- 17% related to the vehicle documentation provided at the point of sale. This compares to 8% recorded in 2013.
- 23% related to Companies Repair Ability compared to 13% in 2013.

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 stressed that members need to be aware 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.

The Tribunal reminds members that, in many of the cases they dealt with, a quick positive reaction or simple explanatory letter from the Garage would often have resolved the customer's complaint without it having to go to 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.

Orla Nolan,

Customer Services' Officer



Priorities by Sector

COMMERCIAL VEHICLE SECTOR

The Commercial Vehicle market continues to grow at a significant pace. The new light commercial vehicle sales figures show a market that surpasses 50% growth. This is a clear indicator that the growth within the economy is reflected in LCV sales and, particularly, in the small van market. The Heavy Commercial sales have been slightly behind the early market predictions. This is largely due to registration challenges as a result of EU Type Approval procedures. The process has led to large numbers of vehicle being registered later than anticipated. The SIMI, through stakeholder working groups, has lobbied successfully on several projects that were delivered in 2015. The extension of the 42t derogation and the 46t weight limit extension were two such achievements. There are important stakeholder negotiations in 2015 with regard to Road Pricing for Heavy Goods Vehicles and a reduction in Commercial Road Tax, coupled with a potential move to Gross Vehicle Weight. The predictions for the next 12 months in this sector are very strong, based on the continued growth in the economy.

COMMERCIAL VEHICLE TESTERS

The Commercial Vehicle Roadworthiness Act 2012 established a new legal framework for Commercial Vehicle Roadworthiness Testing in Ireland and effectively reforms the Commercial Vehicle Roadworthiness system. It also marks the official transfer of the functions that were previously the responsibility of the Local Authorities, in relation to commercial roadworthiness testing, to the RSA. Some further relevant Statutory Instruments (S.I.s) were put in place, including S.I. 107 of 2013 which commenced on March 27, 2013, putting in place a two-year transition period for existing test centres to enable them to go through an application process to gain a new 10-year Authorisation from the RSA. This formal process required all current test centres to be authorised by the RSA by March 2015. Existing test centres had to show that they were compliant with the current equipment and premises guidelines for test centres and also had to satisfy RSA "fit and proper person" guidelines including financial, tax clearance and insurance requirements. Following a lot of hard work by SIMI and the VTN Committee, all of our member test centres were Authorised by the deadline date of March 27, 2015, and can now look forward to another 10 years of commercial vehicle testing within the Motor Industry. The new Authorisation expiry date is March 18, 2024. Since the start of the scheme in the early eighties, SIMI have now been effectively representing the testing sector for 30 years. The Testing Scheme will now operate under the RSA's CVRT brand, with the VTN Logo designating those Test Centres who are members of SIMI. At our AGM last November, it was decided that the VTN and SIMI subscriptions should be amalgamated into one SIMI/VTN rate. Any VTN Members who are not currently also members of SIMI will be assisted through the formal SIMI membership application process and this initiative is currently underway. Of course, we must continue to plan for the future and, although the RSA have acknowledged the huge work that has been done by SIMI/VTN over the past two years in transitioning from the old system to the new one, there is still much to do in making sure that the highest quality standards are achieved and maintained. It would be nice to think that we could get ourselves to a level where renewal of our

Authorisations in 2024 would be almost a given. Achieving that will depend on delivering a quality, consistent service working closely with the RSA as our partners. Right through the Upgrade/Transition Programme SIMI has consistently confirmed our agreed approach with the RSA - that every Test Centre prepared to make the commitment and investment necessary to reach the required standards would get through the system and would be appointed. It is great to see that this has been the reality and, in fact, every single Test Centre has made the investment and has been authorised by the RSA, as had been agreed.

FRANCHISE RETAILERS

For the Franchise Dealer sector, retail business is going through a period of growth. Feedback from the Sector has been really positive with sustained growth over the past 12 months in both new and used car sales and increased demand in Aftersales, all of which has resulted in a positive outlook towards the rest of the year. The franchise model is certainly in a better place than it has been for some time. However, while the numbers reflect a return to growth within the franchise network, there is an acute awareness of the challenges and underlying issues facing the sector. Profitability in an expanding market remains a key concern for dealers. However, growth in the economy and strong economic indicators bode well for the next couple of years and with economic projections showing a positive outlook for both Europe and Ireland; the franchise sector should see sustained growth over the next few years. Certainly the increased availability of retail finance, coupled with a less austere Budget last Autumn, which encouraged improved consumer spending have helped to kickstart the Franchise Sector. With strong demand anticipated for the new registration period in July, 2015, there is a strong sense that the welcome recovery for the Industry is well underway.

INDEPENDENT SECTOR

For a number of years, the SIMI Independent Retailers' Committee has been structured as a single Committee, representing both sales and service. Following consultations and discussions with Independent Garage members from both sales and service businesses, the Independent Sector will continue as a single sector but with two subcommittees; one focused on sales and one on service. Members in the sector are experiencing a number of issues with NCT that are impacting on business including; the ability to get a timely NCT booking due to capacity issues within the NCT and also the consistency of NCT tests. The Shadow Economy continues to have a major impact on legitimate business. 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.

PETROL/OIL SECTOR

It was important for the Sector that excise duty on fuel was not affected in Budget 2015 and this had a positive effect on fuel distribution and sales. This, coupled with the Government's decision to accede to the Industry's call for the introduction of a 30-day deferral of Excise Duty on Mineral Oil, have benefited the Sector over the last 12 months. The ongoing challenge of ensuring that customers are protected from the illegal activities

of criminal gangs has been high on the agenda of the Fuel Industry. Operational data generated from the ROMI system continues to provide cases for Revenue compliance interventions and the Industry is continuing to work closely with the State agencies to protect the consumer. Petrol Contamination issues were also a particular focus for a period during the year.

VEHICLE MANUFACTURERS

The recovery in new vehicle sales has obviously had a positive impact on the Sector over the past year. Some progress has been made in relation to developing more detailed statistics in areas such as business and fleet sales. As agreed following the Department of the Environment's PRI Review, the SIMI established the new ELV Company, ELVES, on behalf of Vehicle Importers/Manufacturers. The first two Executives have been in place in ELVES since late last year and a full Shredder Trial was undertaken and completed. Work is continuing on the process of developing the Industry's Compliance Scheme for End of Life Vehicles. A review of Commercial Vehicle Road Tax by Government, Type Approval changes, particularly in relation to conversions from M1 to N1 vehicles, and the requirements of advertising standards for consumer finance are ongoing issues for Distributor members.

VEHICLE RECOVERY SECTOR

The Vehicle Recovery Sector held its first meeting in quite some time earlier this year. The well-attended meeting established some of the key challenges and issues facing the sector and undertook to commence a new phase of activity for the members in the sector. The process of establishing a new Committee is underway, while a schedule of key issues and the formulation of a strategy for the development of the Sector will be worked-on over forthcoming meetings.

WHOLESALE SECTOR

The Wholesaler Sector continues to be affected by the Shadow Economy, including illegitimate cross-border trade. The lack of enforcement on selling parts from 'white vans', ex-VAT, remains a major issue for members and is having a serious detrimental impact on the Sector. While an ageing car parc should, in theory, be good for the Independent aftermarket, it is apparent that less people are servicing and maintaining their vehicles. Programmes such as Autosure and CSS that encourage customers to get their cars serviced at legitimate professional operators are supported by the Sector. The Sector held a mini-trade show in Moran's Red Cow Hotel during the year and a very successful larger event, organised by Autobiz, was held subsequently with a very strong attendance.

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. The current Solas review of Apprenticeship holds out the hope of the potential designation of some new Apprenticeship areas, perhaps with a lesser time requirement for the time to be served. The Society's engagement with Solas under the review will explore whether progress may be possible in this regard. The collapse of Setanta Insurance Services, based in Malta, continues to be an issue for this sector with a number of members continuing to pursue outstanding payments, through the consumer protection provisions, although this may not be an easy process.

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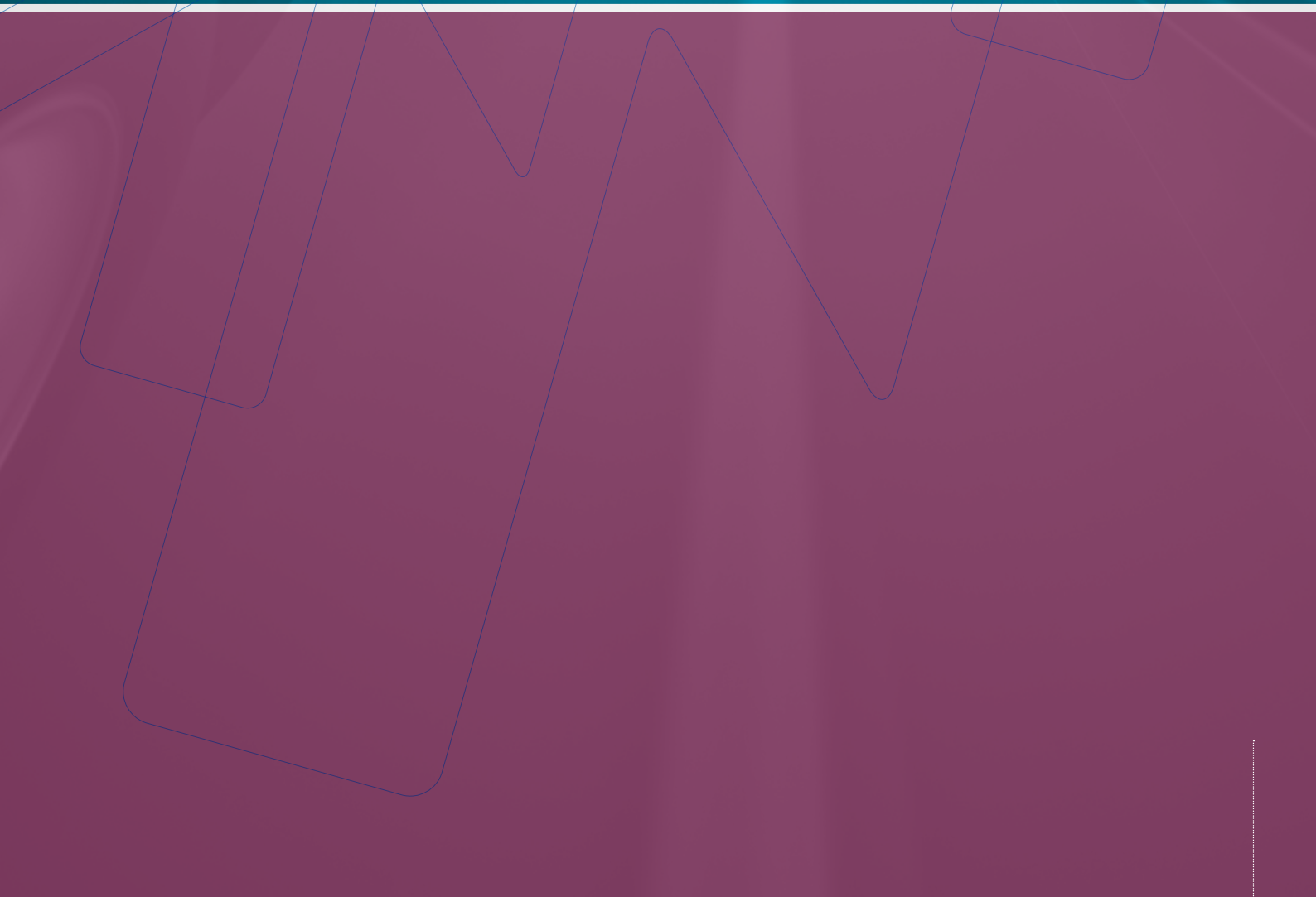
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