

Buying a used vehicle shouldn't be a gamble

- **13% (more than one in every ten) of used car buyers have been deceived or misled**
- **Average cost to buyers is \$3200**

4 August 2009: A Veda Auto study of Australian used car buyers revealed **13%** had either themselves (or someone in their family) made an unpleasant discovery about their car's history after purchase. The reported loss in value or unexpected repairs as a result, is estimated to cost buyers an average **\$3,200**.

A number of consumers who had been uninformed at the time of purchase, discovered their pre-owned vehicles had been:

- Involved in undisclosed significant accidents, requiring expensive repairs;
- Written off and subsequently repaired;
- Poorly maintained, resulting in safety issues and subsequent repairs.

"Consumers just don't have the right information and it has cost Australian used car buyers **\$800 million** over the past five years," said David Scognamiglio, Head of Veda Auto.

"Consumers should have more access to information when buying a pre-owned car," said Mr Scognamiglio. "Buying a used car should not be a gamble, regardless of whether it's bought from a car yard, private sale or online."

"Critical information about a car's history exists within Government and various industry sectors. Improved collaboration on access to data about a car will help give Australian consumers the ability to make decisions with confidence when buying used cars," said Mr Scognamiglio.

"Veda Auto would like to work with Government to develop a national system that provides comprehensive vehicle information for consumers that reaches across state borders. This



needs to include non-personal information, but critical automotive information such as odometer readings, the previous use of vehicle and the number of owners a vehicle has had.”

The results of the study were released by automotive data bureau, Veda Auto, after a nationally representative online survey* of Australian consumers between 2 July and 9 July, 2009.

Other reported scams include: selling cars online that don't exist or have been re-birthed, using a fictitious Vehicle Identification Number (VIN) or a VIN that doesn't match the vehicle offered for sale.

The Veda Auto survey follows Victorian court hearings in February 2009 on large-scale organised fraud using fake Vehicle Identification Numbers to obtain \$12 million in finance.

“Comprehensive used vehicle information is available in most advanced countries including the United States, United Kingdom and New Zealand and should be made available to Australians,” added Mr Scognamiglio.

“These scams can be stopped - there is information available that will increase the transparency of a car's history and provide assurance as to it's condition and true ownership”, concluded Mr Scognamiglio.

Other Report Findings:

- There are an estimated **2 million used cars purchased in Australia every year**;
- People in **Tasmania (16%) and Victoria (15%) were most likely to be** a victim of fraud or deceit followed by WA (14%) QLD (13%); SA (11%) and NSW (10%);
- Additionally, **people aged 18-25 were most likely** to report being a victim or having a family member fall victim to fraud or deceit (15%) as opposed to those aged 56+ (10%).

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About Veda Auto www.vedaauto.com. Veda Auto is a business division of Veda Advantage Information Services and Solutions Limited ABN 26 000 602 862. Veda Auto delivers vehicle information solutions to Motor Dealers, Insurance, Finance companies and Consumers. Veda Auto aims to reduce fraud and improve transparency in the sale and purchase of second hand vehicles in Australia, to the benefit of both businesses and consumers alike. Veda Auto sources data from the National Vehicle Information System (NVIS) and Government databases to compile the most comprehensive report on the history of a motor vehicle.

The National Vehicle Information System (NVIS) holds information on millions of vehicles that have been registered in Australia. It is the only comprehensive vehicle history database in operation in Australia. The NVIS is maintained and operated by Veda Advantage Ltd, the owner of Australia's leading consumer and commercial credit information bureau.

***About Veda Auto Research.** The Veda Auto study was a nationally represented survey conducted online between 2 July and 9 July, 2009. The sample included more than 1,000 people, balanced between gender and above the age of 18.

About Veda Advantage

Veda Advantage has been at the forefront of the information industry for many decades. Issues such as privacy, data security, fraud and business intelligence are part of our commercial landscape. Veda Advantage holds the country's largest database of credit files for more than 14.5 million credit-active Australians. The vast majority of applications for credit in Australia are checked against the files held by Veda Advantage – providing businesses with the information and knowledge to assist them in making informed decision in customer acquisition and credit risk management.

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