Using MSRP in Advertising Part 2: Additional concerns for RVs

Why has the VSA determined that there is no MSRP for U.S. RVs sold in Canada?

Determining an accurate Canadian MSRP for RVs imported from the U.S. is not possible. Due to constantly changing foreign exchange rates, the advertised Canadian MSRP could be based on the U.S. MSRP in many ways, none of which would be known to the buyer:

- On the date of the purchase by the dealer
- On the date of the import into Canada
- On the date of the advertising
- Based on some blended exchange rate controlled by the dealer

Because the Canadian price is being determined by the dealer and not by the manufacturer, by definition, it can no longer be a Manufacturer's Suggested Retail Price. It is now a dealer price. This does not include RVs manufactured in Canada for which there is an MSRP in Canadian dollars.

If I cannot use MSRP for U.S. RVs, what are my options?

To avoid misrepresentation, it would more be accurate to determine a <u>dealer list price</u> for every unit based on a consistent definition for your dealership. Your definition, and the calculation for every unit, should be available to consumers and to the VSA. The list price should not change, even if exchange rates change, once it has been calculated and posted.

Can I use a list price in an ad?

Showing your dealer list price in an ad as a reference amount is permitted. But remember, any stated or implied savings claims based on your list price would be valid <u>only if you have sold a substantial number of vehicles</u> at that price.

Part 1 - Using MSRP: A Caution • Coming soon: Part 3 - Sample ads

VSA Appoints New Manager of Compliance and Investigations

Norm Felix, formerly with ICBC, was recently selected to replace Daryl Dunn as the VSA's Manager of Compliance and Investigations. The appointment follows Daryl's request to move from his role for the last six years as department manager to Compliance Officer for Vancouver Island.

With 30 years of service at ICBC, Norm served in a number of capacities. In his most recent role, he had operational and policy oversight for the BC vehicle registry and provincial vehicle licensing. Norm was also the vehicle registration and licensing business lead for the recent implementation of ICBC's new point-of-sale transaction system. Earlier duties included time as a Commercial Claims Examiner and as the Senior Information Officer in the Information and Privacy Department.

Norm stated, "I plan to continue the VSA's open access and early problem-solving approach." Norm can be reached at norm@mvsabc.com if you would like to introduce yourself of welcome him.

Daryl Dunn, Compliance Officer for Vancouver Island, can be reached at daryl@mvsabc.com or 250-218-8425.

Vehicle Sales Authority

The VSA is an independent, non-profit agency that oversees the retail sales of personal-use motor vehicles in British Columbia. Please send your questions and comments to communications@mvsabc.com