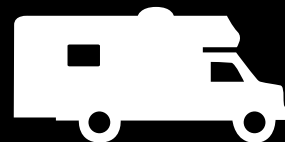




Vehicle Sales Authority
of British Columbia

Strategic Business Plan

For Fiscal Years
2014-15 to 2016-17





Message to the Minister from the Chair and President

February 21, 2014

Honourable Suzanne Anton, Q.C.
Attorney General and Minister of Justice

On behalf of the Board of Directors, the Registrar, the management and staff of the Vehicle Sales Authority of British Columbia (VSA), it is a privilege to present our Strategic Business Plan for the fiscal years 2014-15 to 2016-17.

Originally established as the Motor Dealer Council of British Columbia, the VSA was formed in 2004 as a delegated administrative authority to legislatively and administratively regulate the motor dealer industry by delivering public services for consumers and administering the *Motor Dealer Act* and the *Business Practices and Consumer Protection Act*, as it relates to the retail sale of motor vehicles.

This three year plan supports our mission to build confidence in the motor vehicle sales marketplace through consumer and industry education, meaningful stakeholder engagement and compliance with the Acts. The plan also reinforces our ongoing commitment to accountability and fairness in all our operations, including financial performance.

Past performance, the current operating environment and significant future risks have been considered in the development of this plan and the performance targets have been set based on a realistic assessment of our financial and human resource capacity.

Sincerely yours,

Graeme Roberts
Chair

Jay Chambers
President



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1. Corporate Overview

The Vehicle Sales Authority of British Columbia (VSA) is a regulatory agency authorized by the provincial government to administer and enforce the *Motor Dealer Act* and portions of the *Business Practices and Consumer Protection Act*, as it relates to the sale of personal-use motor vehicles.

As a not-for-profit organization, the VSA is led by an eleven-member Board of Directors of vehicle sales industry representatives, government appointees and members of the general public. Incorporated under the Society Act of B.C. in July 2003 as the Motor Dealer Council of British Columbia, the agency operates under a delegation agreement with the provincial government.

Vision

A professional motor vehicle sales industry serving responsible consumers

Mission

Continuing to build a successful motor vehicle sales marketplace through education and compliance

Values

INTEGRITY

RESPECT

TEAMWORK

EXEMPLARY SERVICE

ACCOUNTABILITY

Government Expectations

Responsibility for Consumer Protection

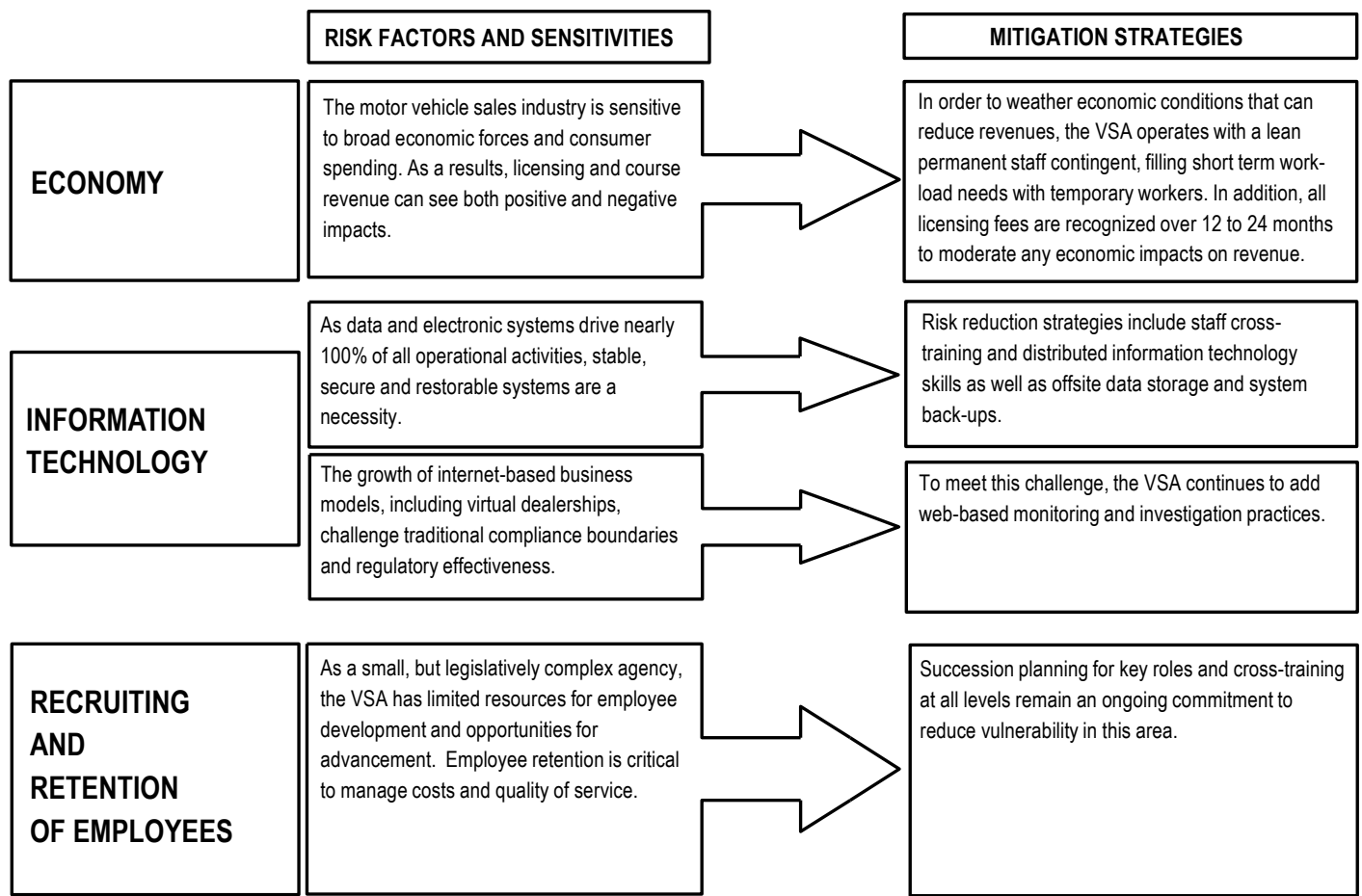
The primary responsibility of the VSA is to maintain and enhance consumer protection and public confidence in the motor vehicle sales industry.

Core Business Functions

The VSA's administrative functions are as follows:

- Registration and licensing of dealers and salespeople in the motor vehicle sales industry by a Registrar of Motor Dealers
- Inspection and investigation of Motor Dealers for compliance with the *Motor Dealer Act* and its regulations, and other consumer protection statutes on behalf of the Registrar
- Provision of information and assistance, including the voluntary and impartial mediation of disputes, to consumers and Motor Dealers regarding their rights and responsibilities under the Act and any other applicable consumer protection statutes
- Consumer education initiatives that provide information verbally, in printed materials, and via the internet, to raise consumer awareness of their rights and responsibilities when purchasing or leasing vehicles
- Motor vehicle sales industry education initiatives that provide information to help ensure a fair marketplace and to inform licensees and applicants about the requirements of licensees
- Administration of the Motor Dealer Customer Compensation Fund pursuant to the Act.

2. Risk Management





3. Goals, Strategies and Performance Measures

Confidence in the Motor Vehicle Sales Marketplace

Informed & Educated Marketplace

Stakeholder Engagement

Compliant Marketplace

Accountability & Fairness

Stakeholders

Informed & Educated Marketplace	Stakeholder Engagement	Compliant Marketplace	Accountability & Fairness	Confidence in the Marketplace
A marketplace where both the public and motor vehicle industry are informed of their rights and obligations during the purchase and sale of a motor vehicle	Maintain confidence in the VSA with all stakeholders	A marketplace where motor vehicle transactions are completed in an open and transparent manner	Operate the VSA in a fair and fiscally responsible way while fulfilling our mandate	A marketplace where the public overwhelmingly chooses licensed motor dealers rather than other sources for vehicle purchases

Goal 1: Informed & Educated Marketplace

A marketplace where both the public and motor vehicle industry are informed of their rights and obligations during the purchase and sale of a motor vehicle

- Enhance existing strategies for public awareness, including partnerships with industry and other consumer agencies
- Increased visibility of the VSA in the marketplace
- Continue existing licensee certification and continuing education programs

Performance Measures	2013-2014 Targets Met	2014-2015 Targets	2015-2016 Targets	2016-2017 Targets
1. Enhanced communications strategies	Enhanced industry tools, including 20 Bulletins	Public and consumer tools enhanced	Overall enhanced effort sustained	TBD
2. VSA dealer decal licence with logo	Established	Implement	Maintain	Maintain
3. Website unique views and visitors: Industry Consumer	7.5% Combined	+10% +25%	+5% +5%	+5% +5%
4. Favourable participant satisfaction ratings of learning offerings	91.2%	90% or above	90% or above	90% or above

Performance Measure Descriptions

1. Enhance the current communications strategies as measured by:

Year 1: A sustained level of effective external consumer activities, interactive online assistance and consumer-oriented communication partnerships

Year 2: The evaluation, modification and continuation of all effective industry and consumer communication activities

2. Develop and implement a plan for the use of the VSA logo by licensed dealers

3. Increase website traffic by consumers and industry through quality permanent content and weekly updates for both audiences

4. Maintain quality certification and professional development programs with favourable participant evaluations of 90% or higher



Goal 2: Stakeholder Engagement

Maintain confidence in the VSA with all stakeholders

- Engage in projects and initiatives that advance stakeholder confidence in the VSA

Performance Measures	2013-2014	2014-2015	2015-2016 Targets	2016-2017 Targets
Industry Stakeholder Satisfaction: Salesperson* Dealer*	57% 48%		TBD TBD	
Public Enquiry and Complainant Satisfaction		Baseline		TBD

*Top 3 Box rating of 8, 9 or 10 on a ten point scale in a 2014 Ipsos Reid Customer Satisfaction Survey

Performance Measure Description

1. Level of dealer, salesperson and industry association satisfaction and confidence in the VSA
2. Level of public, complainant and claimant confidence in the VSA

Goal 3: Compliant Marketplace

A marketplace where motor vehicle transactions are completed in an open and transparent manner

- Continue to have trained and knowledgeable salespeople
- Implement a continuing education program
- Continue to monitor dealers to ensure compliance

Performance Measures	2013-2014 Targets	2014-2015 Targets	2015-2016 Targets	2016-2017 Targets
1. % new salespeople compliant at 45 days	95%	100%	100%	100%
2. % of participants in continuing education as required	100%	100%	100%	100%
3. % of dealers visited every two years	100%	100%	100%	100%

Performance Measure Description

1. Percentage of new salespeople compliant with education requirements after 45 days of employment in BC
2. Percentage of existing salespeople completing required continuing education after five years of being licensed
3. Percentage of dealers will be visited every two years to initiate proactive compliance action and strategies, if needed

Goal 4: Accountability and Fairness

Operate the VSA in a fair and fiscally responsible way while fulfilling our mandate

- Effectively manage operating expenses
- Maintain a professional and engaged staff
- Provide exemplary service to licensees and the public

Performance Measures	2013-2014	2014-2015 Targets	2015-2016 Targets	2016-2017 Targets
1. Meet the financial objectives set by the board	Forecast to exceed budget	On Budget	On Budget	On Budget
2. Employee engagement		Baseline		TBD
3. VSA service Satisfaction	(see goal 2)			

Performance Measure Description

1. Meet the financial objectives as set by the board and government, including net income projections as well as all accounting and government audit requirements
2. Employee engagement as measured by survey
3. Licensee and public satisfaction in VSA service as measured by survey

Goal 5: Confidence in the Motor Vehicle Sales Marketplace

Increase the confidence of the buying public in the regulated vehicle sales marketplace

- Enhance consumer and licensee education
- Ensure industry compliance

Performance Measures	2013-2014	2014-2015 Target	2015-2016 Target	2016-2017 Target
Survey of public confidence in the motor vehicle sales industry	67%*		+5%	

*67% of recent vehicle buyers in BC reported a score of seven or above in a ten point scale in the 2013 Ipsos Reid Public Confidence Survey

Performance Measure Description

A marketplace where the public overwhelmingly chooses licensed motor dealers rather than other sources for vehicle purchases due to confidence.



4. Financial Outlook

	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
	Actual	Forecast	Budget	Target	Target
LICENSE FEE REVENUE					
Dealer Licensing	2,251,551	2,207,505	2,185,278	2,185,278	2,185,278
Salesperson Licensing	1,186,475	1,144,787	1,161,750	1,161,750	1,161,750
Total Licensing Revenue	3,438,026	3,352,291	3,347,028	3,347,028	3,347,028
OTHER REVENUE					
Admin Fees, Recoveries & Interest	303,816	287,100	262,968	264,000	264,000
Course Fees	861,635	898,179	716,648	720,000	760,000
Total Other Revenue	1,165,452	1,185,279	979,616	984,000	1,024,000
TOTAL REVENUE	4,603,478	4,537,571	4,326,644	4,331,028	4,371,028
EXPENSES					
Salaries and Benefits	2,673,368	2,753,712	2,700,401	2,754,409	2,809,497
Operating Expenses	1,569,953	1,395,223	1,398,318	1,317,454	1,318,418
TOTAL OPERATING EXPENSE	4,243,321	4,148,934	4,098,719	4,071,863	4,127,915
OPERATING EXCESS (DEFICIENCY)	360,157	388,636	227,925	259,165	243,113
Capital Asset Fund	(145,381)	(165,346)	(110,181)	(109,087)	(103,616)
Net Consumer Awareness Fund	(57,405)	(53,326)	(62,000)	(55,000)	(55,000)
Total Amortization & Fund Activity	(202,787)	(218,672)	(172,181)	(164,087)	(158,616)
TOTAL EXCESS (DEFICIENCY)	157,371	169,964	55,743	95,078	84,497



5. Contact Information

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Phone: 604-575-7256 or toll free 1-866-400-3529

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