

driving style |

A name that's trusted

Vincar has been around for 22 years due in no small part to the trust and goodwill it has developed with its customers. **By Samuel Ee**

TO say the parallel import trade has been hurt by the contracting COE quota is like saying that the euro-zone is facing some financial trouble. With premiums for a certificate of entitlement rising to more than the list price of a common Japanese grey import just two years ago, the parallel import industry has undergone a major shakeup.

Like the number of certificates of entitlement available, the number of PI players has shrunk significantly. But a handful of parallel importers have survived, and one or two have even managed to soar to greater heights. Like Vincent Tan, the managing director of VinCar.

Today, the VinCar showroom at the Alexcior is the only parallel importer left in this industrial building on Alexandra Road, with its sprawling ground floor premises displaying a long line of high-end European models.

Mr Tan, 48, is an old hand in the car trade. A self-confessed car lover, he still has fond memories of the first car he ever bought, a blue 1980 Mitsubishi Lancer.

This interest in autos led him to first start selling used cars in 1987 with a partner. Two years later, he branched out on his own under the VinCar name at the Concorde Shopping Centre. That shopfront is still there today, along with another at the AML Automobile Megamart in Ubi. The latter was opened in 1999 where Mr Tan decided to enter the parallel import scene.

"We started the PI business while retaining the used car business," the mild-mannered businessman recalls. "The market was less regulated then and I sensed an opportunity, so we started with mainly Japanese models from Toyota and Honda."

That was the start of the boom years for the PI trade, from 2002 to 2004. Back then, VinCar was selling over 100 cars a month. However, the party came to an end when there was a crackdown on industry hijinks. This was followed by the financial crisis in 2008, with the COE quota cuts close behind.

Today, all the small PI players have disappeared. When once there were as many as 100 such companies three years ago, today Mr Tan estimates "not more than 10 serious players".

So how did VinCar thrive?

"We are very honest in our dealings. We deliver what we promise, so whatever price we have quoted, even if the COE premium goes up, we have to deliver the car if we want to win the customer's trust," he says.

Another is aftersales service.

He adds: "We have taken care of aftersales up to this day. We are looking at the long term."

He points to his regular customers and those who have supported him with their repeat business.

"We have a lot because we have been in the market for 22 years since our used car days and we have a lot of goodwill," says Mr Tan.

One measure which has helped VinCar stay afloat has been the shift from Japanese models to Continental cars.

When once 90 per cent of his sales were Japanese makes, with the remainder being European brands, today it is the exact opposite, with most of the grey imports coming from premium makes.

"The bulk of our new car business is Continental,"



ARTHUR LEE

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Vincent Tan, managing director of VinCar

says Mr Tan. "When the yen and COE are high, Japanese car prices are also high, so people prefer Continental cars, especially with the euro's lower exchange rate."

But how does a parallel importer like VinCar compete against an authorised distributor, which has extensive sales and aftersales infrastructure as well as the strong backing of the principal?

The answer is price.

"Our prices are lower by 15 to 20 per cent and we offer different specifications," says Mr Tan.

Is this because of the undervaluing which some parallel importers have been convicted by the authorities for?

"Our OMVs (open market values) are on par with the agent or higher," says Mr Tan. "It's up to the consumer to

judge whether we are above board or not."

Looking ahead, the father of two whose wife helps out in the business with the admin and marketing, believes the next two to three years will continue to be a difficult period for the PI trade.

But he declares: "The fittest will survive."

Bringing interesting new models to the market early will also help. But ultimately, he says it is the reputation that he has built up that will help him stay ahead in this tough market.

"For VinCar, we have a long history in the market and a strong branding. This will help us to continue earning our customers' trust and confidence."

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