BULLETINIndustry Divisions



Reference No: stock shortages/mm-2-21 **Date issued:** 15/02/2021

Dealer Stock shortages - Federal Government action survey

Good day to all Franchise Dealer and Independent Used Vehicle Traders.

VACC surveyed members in July 2020 to identify on how the COVID-19 pandemic had created supply issues for its Franchise Dealer members. Those results were quite concerning and reflected that much stock was being diverted away from Victorian dealers and that delays for consumer delivery were ranging from 2-6 months.

VACC provided this information to the Australian government with relation to supply chain issues and at the time to put the case to government for enhanced dealer inclusion in government supported relief packages.

What is the current issue of concern for dealers?

In February 2021, VACC Franchise Dealer members are advising that stock shortages caused by supply chain issues is now at drastic levels with some dealers / brands advising they are down to display level stock only. This has ongoing impacts for the dealership model and for other aftermarket industry participants who depend on dealerships as a source of business.

What is VACC doing to address this issue?

As a result of further VACC member feedback and concern, VACC has met with the Department of Industry who has requested a snapshot of supply chain issues the Franchise Dealer sector is currently experiencing.

Who should participate in this survey?

VACC would request that members of its New and Used Car, Motorcycle, Commercial Vehicle and Farm Machinery Dealer sectors participate in the two minute survey. You can take the survey here.

The survey will close 5pm Friday, 19 February 2021.

What are the next steps?

The Australian Government is very keen to be informed of outcomes from this survey and acts on the findings.

VACC will liaise further with the Australian Government and other industry stakeholders in a bid to alleviate the pressures being caused at the import and distribution level.

Your data is important in painting the picture for government from a retail operations level.

The data will be made available to members once it has been analysed.

Thank you for participating.

Michael McKenna MBA Industry Policy Advisor Industry Divisions

VACC Level 7 | 464 St Kilda Road | Melbourne Vic 3004

P: 03 9829 1280 | M: 0418 822 939 | F: 03 9867 1795 | W: vacc.com.au