



# Warning over

**As the industry counts the cost of the summer's flooding and clean-up operation, experts warn of water-damaged cars hitting the market, reports Andrew Charman**

**C**AR DEALERS ARE among those mopping up and counting the cost following the recent flooding disasters that hit Yorkshire and the North East, the Severn Valley, Mid-Wales, West and East Midlands. Several dealers were among the 7,000 businesses estimated to have been affected by the disaster, some actually flooded out while others saw their business hit by customers being unable to travel through flood-hit regions.

One of the most severely affected dealerships was Pentagon Toyota in Rotherham, South Yorkshire. As soon as staff became aware that the River Rother was about to burst its banks at

the end of June they worked to save as much as possible, including putting customers' cars that were in for service up on ramps and removing personal items.

Staff worked until police insisted they leave, but despite these efforts many cars were written off when the centre was hit by several feet of floodwater. Pentagon made immediate efforts to contact owners to alert them to the situation and enable them to submit insurance claims, though these efforts were made more difficult by the fact that the computer server linking all four of Pentagon's Yorkshire outlets was located on the ground floor of the Rotherham branch.

Toyota managing director Miguel Fonseca found himself organising assistance to the centre while on the launch of the new Lexus LS

600h in Berlin. While many new cars on the centre's forecourt were written off, Fonseca said that this was not the major concern.

'The most important thing is to support our centres in South Yorkshire so that they are able to provide a service for our customers,' he said.

'I know the issues have been discussed with the dealerships and everything possible is being done. We are particularly concerned about customers whose vehicles were at the Pentagon Rotherham Centre for servicing or who were expecting vehicles to be delivered.'

Two weeks later many more dealerships were hit in the West Midlands and Cotswolds - and not just those that were actually flooded. Gloucester Saab escaped the flooding that devastated the town, but still suffered simply because customers were unable to reach the centre. 'We had to cancel the diary for a week,' said sales manager Daniel Jordan. 'We lost a week's worth of takings.'

The Retail Motor Industry Federation (RMIF) urged its members caught up in the flooding to contact it for advice.





# flood-hit cars

Alec Murray, non-executive director of the RMIF commented: 'We are urging RMIF members to contact the Member Helpline if they are having trouble making a claim with their insurance company, or other similar problems resulting from the flooding.'

'Our legal service provider, also free to members, can offer further assistance.'

Some dealerships discovered a silver lining to the flood emergency, experiencing an upturn in servicing work as customers brought in flood-damaged cars for repair.

Again, at Gloucester Saab, Daniel Jordan said that the centre had already dealt with several customers requesting inspections of flood-damaged cars, but added: 'They were all total losses due to the contaminated water.'

While he thought that some business might be generated from these cars being replaced, he added that customers were waiting on insurance claims. Meanwhile the thousands of vehicles submerged in the floodwater brought a warning to the industry from leading auction house Manheim, which predicted that many of these

vehicles would likely come into the used market in the coming weeks.

Manheim warned that dealers who did not carry out a comprehensive vehicle appraisal on every customer part-exchange could be stuck with flood damaged cars and expensive repair bills.

'Many cars will be insurance write-offs, but we know that some less-damaged vehicles are already being offered as part exchanges against new and used vehicle sales,' explained Alan Cureton, Manheim's dealer sales director. 'We urge dealer staff to be extra vigilant when valuing these part-exchanges rather than risking a mistake that could cost them dearly.'

Cureton also recommended that dealers re-assess any vehicles that were appraised in deals done prior to the floods, but where the new car hasn't yet been delivered to ensure they are also not affected.

He said that it should be easy to spot the tell-tale signs of flood damage, such as condensation on windows, damp spare wheel wells, electrical problems or even service packs that looked as if they had been drenched.



Flooding has damaged thousands of cars