

4 Things You MUST Ask  
Your Parallel Importer  
Before Buying From Them

~~Vin's~~

**1. Are they importing the vehicles directly themselves, or are they buying the vehicles off other bigger dealers?**

There are many smaller parallel importers in Singapore that “buy off” from other bigger dealers, i.e. they do not have the capital to directly order the vehicles themselves. As such, these dealers become resellers of resellers, and because of that their margins are smaller and they tend to have to do extreme things in order to “close the deal”, like taking risk bets on COE direction, pretending to offer you loads of freebies that they cannot honour later on etc. If things don’t go their way, they usually come up with creative excuses to delay you, or they simply close and fold up. As such, there is definitely higher risk on the consumer’s part when you buy from these type of dealers.

However, for dealers that directly order from Japan, they usually have to order in bulk in order to enjoy a larger discount, and they usually have to commit a large amount of capital to pre-order the vehicles even before they receive orders from customers. And most of the time, these dealers have orders lined up in advance for a couple of months so that have a very steady inflow of vehicles.

It is recommended to buy from these kind of dealers because they are likely to be more committed to doing good business since they have large amounts of incoming stock that they need to sell, and they will not risk losing their reputation for it. Furthermore, due to the economies of scale that they enjoy, it is likely you can get a decent price for their vehicles.

**TIP:** Ask your parallel importer to prove that they import directly from Japan and the number of vehicles they have preordered. If they can show you a substantial number, then this will be a plus point for the dealer. At Vin’s Auto, we import our vehicles directly from Japan and at any one point we have at least 100 vehicles in pre-order. Ask us for proof and we will gladly show it to you.

## **2. Are they covering the warranty themselves or "outsourcing" it to others?**

First of all, it is very important to understand that parallel importers are nothing more than resellers. The vehicles all come from the same source – the Japanese factories, so essentially the product is the same thing no matter which dealer you buy from.

However, unlike vehicles from authorized agents, these imported vehicles do not come with warranty by the agents (since these vehicles do not come from the official channel). As such, the parallel importer has the responsibility to give you a warranty for the vehicle.

For importers without their own workshop, they have to "outsource" this warranty to other companies. By doing so, what they are doing is essentially "selling" you away to another company, because the new company that is covering the warranty will require you to do all servicing/maintenance/repair works with them. You will no longer have any contact with your importer, and hence there is incentive for them to perform "hit and run" services, since they won't be seeing you anymore.

For importers that cover the warranty themselves, they are more inclined to do good business with you since this is going to be a long term relationship (usually 3 years for the entire warranty period).

**TIP:** Ask your parallel importer about the warranty, whether it is in-house or outsourced. Furthermore, if it is in-house, check whether they really have their own workshop and whether they are well equipped to handle your vehicle. At Vin's Auto, we have our own workshop company, Vin's Motor Pte Ltd, that has been around for over 30 years, specializing in dealing with repairs and insurance claims.

**3. For vehicles that are "arriving", are they able to provide with you with the a) Chassis number, b) Engine number, c) Estimated day of arrival, of the vehicle?**

For dealers who directly import their vehicles from Japan, they would have gotten the chassis/engine number of the vehicle once the vehicle has been manufactured and ready to ship off. With that information, they would also have gotten the surrendered Bill of Lading (proof of shipment of vehicle), which will give them a very clear indication of the day of arrival of the vehicle. With the above information in hand, you can be more certain of the delivery of the vehicle.

**TIP:** Always ask your importer for the above information. If they are unable to provide you with it, please be wary, they could be selling you a vehicle without even having it (taking your deposits and then delaying your delivery of vehicle etc) At Vin's Auto, we include the chassis/engine number of the vehicle we are going to sell to you, depending on the COE package that you choose.

**4. What alternative payment options can they offer?**

As per MAS ruling, you can only take a bank loan of up to 50% (60% for vehicles with OMV less than \$20,000) and tenure of up to 5 years. However, there are other different payment options that can be explored, such as lease-and-buyback schemes, and more recently, under the Uber "Ignition 80" scheme, both allowing for lower initial downpayment. However, the dealers must have the necessary infrastructure ready for them to be able to explore these alternative options.

**TIP:** At Vin's Auto, under part of the Vin's Group of Companies, we have our own rental & leasing company, Vin's Car Rental, which is able to provide the "lease and buyback scheme". Under this scheme, you will need to only come up with an initial 10% of the car price, and can pay it off over 7 years!\* Alternatively, we are also able to hook you up with Uber (we are a preferred partner) such that you can get a 80% loan. Please feel free to contact us ([Tel: 64532121](tel:64532121), [email: vinsauto87@yahoo.com.sg](mailto:vinsauto87@yahoo.com.sg)) for more details!

\*terms and conditions apply