**The practice of Pre Registering a Sale (Pre RDA)**

The manufacturing and distributing companies in Australia recently engaged and may still engage, in a practice called "Pre RDA", the acronym meaning the notification to franchisor that a vehicle is sold, but prior to registration. The RDA refers to Retail Delivery Advice. The advice is given by individual dealers/franchisees and is intended to trigger the warranty and ownership commencement of a particular passenger or commercial vehicle.

Dealers were under pressure to achieve monthly new targets and the effect of the Pre RDA was to make the manufacturer franchisor 'count' the vehicle as sold in a specific month even though it had not been and in 99 percent not even registered. These vehicles may well continue to sit in an individual dealer yard for some months after it has been counted as sold. As I understand this practice was widely known to dealers AND franchisors. The effects of this practice are numerous:

1) As the warranty has been 'triggered' an unsuspecting retail or fleet customer may well purchase the vehicle thinking they had the full warranty period to run, when in fact the warranty has been reduced one, two or three months...sometimes more.

2) The roadside assistance cover provided by manufacturers is also triggered by the Retail Delivery Advice and is also artificially shortened.

3) The reporting to the ABS and others is inaccurate and misleading.

How common was or is the practice in the industry? How many customers have been affected? Did franchisors and franchisees collude to gain a commercial advantage? What were customers told regarding the truncated warranty?