

# MEDIA RELEASE

Friday, 27 June 2008

## CONSUMERS LAUNCH NATIONAL DAY OF ACTION AGAINST MOTOR FINANCE WIZARD

Consumer Action Law Centre is leading a campaign against unfair practices of motor car traders. Almost a quarter of all Consumer Action's complaints about motor car traders and related finance over the last 12 months relate to one business – Motor Finance Wizard. Motor Finance Wizard, and its related finance company, Kwik Finance operate from two locations in Melbourne – Dandenong and Maidstone, but also in Sydney and Brisbane.

“The number of complaints about this one business is astounding” said Consumer Action Director – Policy & Campaigns Gerard Brody. “And their tactics are even worse – they blatantly take advantage of vulnerable people”.

Consumer Action has pointed to a number of sales tactics of Motor Finance Wizard that it considers are unfair:

- Sales targeting towards low-income and vulnerable consumers, aimed at ‘ex-bankrupts’, ‘the unemployed’ and ‘pensioners’
- Dramatically inflating the costs of vehicles and marketing as ‘interest-free’
- Forcing consumers to purchase expensive warranties
- Specifying only one car in the yard that is available to a buyer, often after keeping them waiting for hours.

“It appears that Motor Finance Wizard's business model, with its related finance provider, Kwik Finance, has been structured to evade consumer protection laws, such as the Uniform Consumer Credit Code” said Mr Brody. “As such, we have begun a ‘direct action’ campaign, by being present outside Motor Finance Wizard dealerships”.

MFW does approve credit to some desperate borrowers, but there is a cost. The inflated prices can be equivalent to paying well over 50% interest and many consumers can't afford to pay.

Consumer Action along with other consumer advocates are holding a ‘Say NO to the wizard day’ on **28 June 2008** from **11am**. In Melbourne, the action will focus on the Dandenong dealership. Advocates will be informing consumers in Dandenong about the practices of Motor Finance Wizard.

Consumer Action want Motor Finance Wizard to:

- comply with the Uniform Consumer Credit Code
- stop hiding finance costs in the cost of the car and disclose interest and fees appropriately
- adequately assess borrowers' ability to pay.

**Contact: Gerard Brody, Director – Policy & Campaigns 03 9670 5088 or 0415 223 211**

**Consumer Action Law Centre**  
Level 7, 459 Little Collins Street  
Melbourne Victoria 3000

Telephone 03 9670 5088  
Facsimile 03 9629 6898

[campaigns@consumeraction.org.au](mailto:campaigns@consumeraction.org.au)  
[www.consumeraction.org.au](http://www.consumeraction.org.au)

**Saturday 28<sup>th</sup> National Day 11am-3pm**

- Motor Finance Wizard- Dandenong: 105 Lonsdale Rd, Dandenong VIC
- Motor Finance Wizard- St Marys: 97 Glossop Rd, St Marys NSW
- Motor Finance Wizard- 499 Gypie Rd, Kedron QLD



**Say NO  
to the Wizard**

**Contact: Gerard Brody, Director – Policy & Campaigns 03 9670 5088 or 0415 223 211**

**Consumer Action Law Centre**  
Level 7, 459 Little Collins Street  
Melbourne Victoria 3000

Telephone 03 9670 5088  
Facsimile 03 9629 6898

[campaigns@consumeraction.org.au](mailto:campaigns@consumeraction.org.au)  
[www.consumeraction.org.au](http://www.consumeraction.org.au)