

# Your Kugas are worthless!

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Shocked Ford owners are being told that their Kugas are worthless, as the global motoring giant scrambles to calm the storm over burning cars that has plunged it into a public relations disaster.



Image via MyBroadband

Kuga owners said they were turned away when they tried to trade in their cars for other Ford models, with dealers either refusing or reluctant to give owners trade-in values.

Since December 2015, when Reshall Jimmy burnt to death in his 1.6-litre EcoBoost Ford Kuga in Wilderness in the Western Cape, 51 Kugas have caught alight across South Africa. Two more have caught fire in Swaziland and Botswana.

Ford is now facing a flood of criticism, questioning why it was so slow to act after having ordered a recall in the US after just 11 cars had ignited.

East London Kuga owner Praneet Khandoo told the *Sunday Times* this week he was shocked when he attempted to trade in his 1.6-litre EcoBoost Kuga, whose cooling system was replaced in October, only to be told by Eastern Cape Motors that he would get nothing for it.

"It's clear they have no faith in their own fix for the problem. The salesman said he was told they could offer me nothing for

the car. He doubted there was another dealer who could give me a quote either."

Khandoo, who has complained to the National Consumer Commission, said he was paying insurance on a vehicle worth "zilch". "What happens if I am in an accident? Will the insurance pay out for something that's not worth anything?"

On Friday, a sales representative at Ford Eagle in Johannesburg said while they would do a trade-in, their advice was not to bring a Kuga in until the "media storm" had passed. "It's just not worth it. The Kuga has been killed. Every day its price continues to drop through the floor," said the agent, who asked not to be named.

Three other dealerships would not give quotes over the phone and asked that the vehicle be brought in for a "special" evaluation.

"This car is not something we can take a chance on," said a sales assistant from Ford Silver Lakes in Pretoria. He said AutoBid had said a good price to offer for the bottom-of-the-range 1.6-litre EcoBoost was R70,000.

Nissan Melrose general manager Donovan Lotter said they would not accept a Kuga as a trade-in. "It doesn't matter what Kuga and whether the parts have been replaced. The risk is just too great."

Hatfield VW Braamfontein usedcar manager Kobus Brill, who evaluated a Kuga on Thursday, said vehicle auctioneers AutoBid valued a 2014 1.6-litre EcoBoost Kuga Titanium all-wheel-drive automatic at R129,000 - "that is R167,000 less than what an essentially good car is actually worth".

An AutoBid pricing agent, who spoke on agreement of anonymity, said they had priced all Kugas at 50% of what they were worth – "even the top-of-the-range Kugas. People are terrified of these cars".

Ford's safety recall of 4,556 1.6-litre EcoBoost Kugas, announced last Monday, has extended beyond South Africa. Two more have caught fire in Swaziland and Botswana, and reports said 100 Kugas were being recalled in Namibia and 30 in Botswana.

The carmaker failed to respond to questions on the Kuga's loss of value or recalls in the rest of Africa.

Ford spokesman Rella Bernardes said: "We will listen carefully to our 1.6-litre Kuga customers' concerns and reassure them that the affected vehicles are safe to drive. With this safety action and proper maintenance of the engine coolant system, including using the approved coolant at the required concentration level, the vehicles are safe to drive. However, every Ford customer has our assurance that each individual case will be dealt with on its merits, and customers will be treated fairly at all times".

Tinashe Mhizha, service manager of Carson Auto, which sells Fords in Swaziland, said they were recalling all 10 Kugas they had sold and other models not affected by the recall. "We have to. We can't risk people's lives."

Ford dealerships, auctioneers and other dealers, asked by the *Sunday Times* what they would offer for a trade-in on a 1.6-litre EcoBoost Kuga, either refused to accept a trade-in or offered nearly R100,000 less than values given in dealer guides.

The safety recall came after the National Consumer Commission attacked Ford's delayed response to a "critical safety issue". Ford says a faulty cooling system is to blame for the spate of engine fires, and will replace components under the recall.

In the fire which killed Jimmy, his family, police and private forensic investigators believe an electrical fault is to blame. Several other Kuga owners say their fires were also caused by same fault.

The manufacturer insists the fires affect only the 1.6-litre EcoBoost Kuga but this week *The Times* newspaper revealed other models were affected, including the 1.5-litre EcoBoost, which replaced the 1.6-litre model.

Consumer commission spokesman Trevor Hattingh said: "We have been told by Ford only the 1.6-litre EcoBoost is affected, but from the complaints we have received, other models seem to be affected. What would be concerning is if Ford has been told about these models but have not told us. We would want to know why they have not spoken about these other fires."

Consumer protection lawyer Janusz Luterek said in general contempt shown to consumers usually came not so much from retailers, but from manufacturers, among whom he singled out cellphone companies. "Retailers in general are far more compliant with the Consumer Protection Act and often react quickly."

He said Ford's behaviour and responses to the Kuga matter were horrendous, "and definitely would not have been accepted in the US".

"This is the first time that such inappropriate behaviour on an official company-policy type level has really emerged in South Africa and it's worrying. The disdain that we have seen usually comes from manufacturers who produce large volumes of products, as in the electronic and cellphone company sectors."

"They simply have no systems in place to deal with the high volume of complaints, especially the cellphone companies, who treat customers as the problem. If you are a customer with cellphone companies in South Africa and have a problem you are on your own."

Asked why Ford South Africa only ordered a recall after 39 cars had combusted when there was a recall in the US after 11 cars had caught alight, Ford South Africa CEO Jeff Nemeth said: "We can only act on the data that we have." On whether Ford should have responded more quickly, Nemeth said: "In hindsight, yes, it seems like we should have acted quicker."

Swaziland fire victim Bongani Dlamini said he and his family had barely escaped their Kuga. "I was travelling up a hill when the car lost power. As I stopped there were flames everywhere. I got my children and wife out just in time. What makes me angry is that Ford South Africa refused to help me," he said.

"They asked for photographs of the damage and said, 'Sorry, the damage is too bad.' They were not prepared to send a fire inspector. Their response was 'Don't bother us, go to your insurance.'"

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