

## Notification of resale price maintenance

Lodged by:

Graco Australia Pty Ltd

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## Notification of resale price maintenance

### Notifying party

#### 1 Provide details of the notifying party, including:

##### 1.1 Name, address (registered office), telephone number, and ACN

Graco Australia Pty Ltd

Suite 17, 2 Enterprise Drive, Bundoora, Victoria 3083, Australia

+ 61 3 9468 8500

ACN: 115 048 827

##### 1.2 Contact person's name, telephone number, and email address

Carolyn Oddie

Partner

Allens

+61 [REDACTED]  
[REDACTED]

##### 1.3 Description of business activities

Graco Inc. is a global manufacturer of fluid handling solutions and products, that includes high-quality, premium paint sprayers with industry leading technology and features, headquartered in Minnesota, the United States of America.

In Australia, Graco Inc's products are imported by its wholly owned subsidiary Graco Australia Pty Ltd (**Graco**) that sells the products through a range of around 200 distributors.

##### 1.4 email address for service of documents in Australia

carolyn.oddie@allens.com.au

### Details of the notified conduct

#### 2 Notified conduct

2.1 The notified conduct is for resale price maintenance within the meaning of section 48 of the *Competition and Consumer Act 2010* (Cth) (the **CCA**).

#### 3 Provide details of the notified conduct including:

##### 3.1 a description of the notified conduct

Graco is seeking to require its distributors to advertise its airless and air assisted paint sprayers ranging from entry-level to professional trade products (**Paint Sprayers**) at or above a minimum advertised price (**MAP**) set by Graco. The conduct would apply to existing and future products in this category. A list of the current airless and air assisted paint sprayers supplied by Graco in Australia is set out in Schedule 1.

The MAP will apply to all advertising, including online and in print. However, it will *not* apply to

(a) any in-store merchandising, quotes, contracts;

- (b) secure internet sites that are not viewable by the public and that are used to conduct business-to-business transactions; and
- (c) items in internet “shopping carts” after the customer places the product in the cart by clicking “order,” “add to cart” or a similar command.

The MAP policy will permit advertising that offers to match competitor's prices or states "Call for Price", as long as it does not suggest that the product is being sold below the MAP.

The MAP policy will also require that bundled promotions featuring Graco products be advertised at or above the cumulative MAP. Coupons, rebates, gift cards and other incentives or rewards may not be used to discount the advertised price below the MAP.

Graco proposes to implement the MAP policy described above (**Notified Conduct**) by issuing a policy to the distributors notifying them of a requirement that any Graco distributors in Australia must not advertise below the MAP specified by Graco. As part of the annual distribution agreement renewal process, this policy will be incorporated into the new distributor agreement for the relevant Graco distributor. Graco may alter MAP prices, policies, promotions and product coverage, which will be communicated on the Graco Partner Portal before taking effect.

**3.2 any relevant documents detailing the terms of the notified conduct**

A copy of the proposed policy setting out the terms of the Notified Conduct is attached at **Confidential Schedule 4**.

**3.3 the rationale for the notified conduct**

Please refer to Annexure A.

**3.4 any time period relevant to the notified conduct.**

The Notified Conduct will not commence until the ACCC completes its assessment of this notification. The Notified Conduct will be ongoing if the notification is allowed to stand.

**4 Provide documents submitted to the notifying party's board or prepared by or for the notifying party's senior management for purposes of assessing or making a decision in relation to the notified conduct and any minutes or record of the decision made.**

N/A.

**5 Provide the names and/or a description of the persons or classes of persons who may be directly impacted by the notified conduct (including targets in collective bargaining or boycott conduct) and detail how or why they might be impacted.**

The classes of persons who may be directly impacted by the Notified Conduct include distributors and end-users of the Paint Sprayers.

Graco's distributors fall into the following categories:

- (a) Authorised – Distributors that have the lowest discount structure and limited access to product categories as they meet the minimum level of objective criteria of Graco's distributor program.
- (b) Specialised – Distributors that have a better discount structure and access to more product categories than Authorised distributors as they meet certain objective requirements of Graco's distributor program.
- (c) Advanced – Distributors that have the highest discount structure as they meet certain objective criteria of Graco's distributor program.

The objective criteria incorporated into Graco's distributor program include, but are not limited to, stocking commitments for product and parts; maintaining technical capabilities necessary to commission, sell and service products; and attainment of certain turnover requirements for products.

The names and contact details of Graco's distributors are provided at **Confidential Schedule 5**.

The Notified Conduct will positively impact on Graco distributors' ability to compete through differentiated service offerings. Full-service distributors will be able to obtain a viable margin on the Paint Sprayers and allow them to more confidently invest in retail services that are valued by customers. Distributors will be able to provide a greater range of products, offer a more comprehensive service to customers and innovate in their service offerings.

End-users of Graco products fall into the following categories:

- (a) **DIY (Do it Yourself):** Homeowners, hobbyists, etc. who are not professional painters as they are not using Graco equipment in a trade or business for profit.
- (b) **Semi-professional:** Tradespersons and small builders who offer painting as a part of their overall service portfolio and spray or apply a lower volume of paint annually.
- (c) **Trade/Contractors:** Professional painters whose business is entirely or primarily focused on painting, and who buy a higher volume of paint on an annual basis.

The Notified Conduct will facilitate an enhanced level of support for each type of end-user provided by full service Graco distributors. End-users will also have a wider range of products available and more distributors to purchase from. As a result, end-users will be more effectively matched with the most appropriate product for their use. The Notified Conduct would not adversely impact the price at which end-users pay for Graco products as they will be able to negotiate a better price directly with Graco distributors at the point of sale under the MAP policy.

## Market information and concentration

### 6 Describe the products and/or services, and the geographic areas, supplied by the notifying parties. Identify all products and services in which two or more parties to the notified conduct overlap (compete with each other) or have a vertical relationship (e.g. supplier-customer).

#### 6.1 Products supplied by Graco.

Graco categorises its products into three main segments:

- (a) **industrial**, which includes equipment and solutions for moving and applying paints, coatings, sealants, adhesives and other fluids. Industries served include automotive and vehicle assembly and components production, wood and metal products, rail, marine, aerospace, farm, construction, bus, recreational vehicles and various other industries.
- (b) **process**, which includes pumps, valves, meters and accessories to move and dispense chemicals, oil and natural gas, water, wastewater, petroleum, food, lubricants and other fluids. Industries served include food and beverage, dairy, oil and natural gas, pharmaceutical, cosmetics, semiconductor, electronics, wastewater, mining, fast oil change facilities, service garages, fleet service centers, automobile dealerships and industrial lubrication applications; and
- (c) **contractor**, which includes sprayers that apply paint to walls and other structures, with product models for users ranging from do-it-yourself homeowners to professional painting contractors. Contractor equipment also includes sprayers that apply texture to walls and

ceilings, highly viscous coatings to roofs, and markings on roads, parking lots, athletic fields and floors.

Relevantly, the Paint Sprayers the subject of the notification fall within the contractor segment.

Further details about the products supplied by Graco can be found on its website:

<https://www.graco.com/au/en.html>

## 6.2 Geographic areas supplied by Graco

Graco supplies the Paint Sprayers to selected distributors across Australia. Graco currently has 266 distributors offering Graco products across Australia, a breakdown by state and distributor type is set out below.

Category	Authorised	Specialised	Advanced	Total
NSW	44	11	17	72
VIC	36	4	23	63
QLD	40	5	22	67
WA	28	5	3	36
SA	5	1	8	14
TAS	4	1	1	6
NT	4	1	0	5
ACT	1	1	1	3

## 7 Describe the relevant industry or industries. Where relevant, describe the sales process, the supply chains of any products or services involved, and the manufacturing process.

The relevant industry is the paint application industry, which includes both traditional means of applying paints and coatings (i.e., by hand using a brush or a roller) and mechanical means of applying paints and coatings (i.e., by using mechanical paint sprayers).

Graco products are manufactured in the United States and then packaged and shipped to Graco Australia's warehouse in Australia (provided and managed by a third party logistics provider). Upon Graco Australia's receipt of a purchase order from a distributor/store, Graco Australia's third party logistics provider will ship product directly to the distributor/store. Once goods are in stores, there are a series of product training events, demonstrations and sales training events conducted throughout the store network to upskill the staff and ensure they are able to provide the correct product to best meet the application needs of the customer.

## 8 In respect of the overlapping products and/or services identified, provide estimated market shares for each of the parties where readily available.

Graco is not aware of any independent market share data available for the supply of paint applicator equipment in Australia. There are many suppliers which sell paint applicators that are white labelled imports. It is therefore difficult for Graco to reliably estimate its share of supply in this segment. Nonetheless, Graco estimates that its products account for approximately 30-40% of spray equipment products in Australia, with Wagner/Titan being Graco's closest competitors. Please see **Schedule 2** for a list of alternative suppliers that are active in the same segment as Graco and their products which have comparable functionalities as the Paint Sprayers.

- 9 Describe the factors that would limit or prevent any ability for the parties involved to raise prices, reduce quality or choice, reduce innovation, or coordinate rather than compete vigorously. For example, describe: existing competitors, likely entry by new competitors, any countervailing power of customers and/or suppliers, any other relevant factors.**

The market for the supply of paint applicator equipment is highly competitive with many competitors providing both traditional equipment and spray equipment. Please see **Schedule 2** for a list of alternative suppliers that are active in the same segment as Graco.

Many of the manufacturers listed at Schedule 2 are ranged in well-known retailers such as Bunnings Warehouse and Total Tools, covering a wide range of price points varying from \$45 for the Ozito 400W Power Paint Spray Gun to \$15,939 for the Graco GH 300 Petrol Hydraulic Driven Airless Paint Sprayer Range, serving a range of customers from DIY customers to contractors. Given the presence of a wide range of alternative suppliers, Graco has the incentive to set the MAP of the Paint Sprayers at a competitive level. This is because if the MAP is set at a level above market price, the end-users can easily switch to cheaper paint sprayers from alternative suppliers or more affordable traditional hand painting equipment such as brushes and the distributors will be able to stock alternative, lower priced options.

In addition, Graco has also seen an increase in the number of new suppliers of white labelled imported paint applicator equipment that share similar designs to those of established companies. These new entrants are likely to inject greater price competition in the market, further limiting Graco's ability to price its products above market.

Finally, Graco's main distributors (such as Dulux, Inspirations Paint, Watty/Hempel, Phillro Industries, Go Industrial, Paint Access, Mitre 10, Haymes Paint, Sprayworld, Airblast Australia, Crowies Paints, Sydney Tools, A1 Roadlines, Tradegear and Paint-n-Colour) can exercise significant countervailing power for example, by choosing to stock alternative products.

#### **Public benefit**

- 10 Describe the benefits to the public that are likely to result from the notified conduct. Provide information, data, documents or other evidence relevant to the ACCC's assessment of the public benefits.**

Please refer to Annexure A.

#### **Public detriment (including likely competitive effects)**

- 11 Describe any detriments to the public that are likely to result from the notified conduct, including those likely to result from any lessening of competition. Provide information, data, documents, or other evidence relevant to the ACCC's assessment of the detriments.**

Please refer to Annexure A.

**Contact details of relevant market participants**

- 12 Identify and/or provide names and, where possible, contact details (phone number and email address) for likely interested parties, such as actual or potential competitors, customers and suppliers, trade or industry associations and regulators.**

The names and contact details of likely interested parties are provided at **Confidential Schedule 6**.

**Any other information**

- 13 Provide any other information you consider relevant to the ACCC's assessment of the notified conduct.**

Please refer to Annexure A.

## Declaration

Declaration by notifying party

Authorised persons of the notifying party must complete the following declaration.

The undersigned declare that, to the best of their knowledge and belief, the information given in response to questions in this form is true, correct and complete, that complete copies of documents required by this form have been supplied, that all estimates are identified as such and are their best estimates of the underlying facts, and that all the opinions expressed are sincere.

The undersigned are aware that giving false or misleading information is a serious offence and are aware of the provisions of sections 137.1 and 149.1 of the Criminal Code (Cth).



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Signature of authorised person

Solicitor on behalf of the Notifying Party

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Office held

Carolyn Oddie

This 21<sup>st</sup> day of March 2023

*Note: If the Notifying Party is a corporation, state the position occupied in the corporation by the person signing. If signed by a solicitor on behalf of the Notifying Party, this fact must be stated.*



## Annexure A: Supporting information, data and documents

### 1 Overview of Graco

Graco Inc. is a global manufacturer of fluid handling solutions and products, that include high-quality, premium paint sprayers with industry leading technology and features, headquartered in Minnesota, the United States of America.

Graco Inc. is known for manufacturing high-quality, premium paint sprayers with the most advanced technology and features in the industry. Graco Inc. continually invests more into research and development (*R&D*) than its competitors to develop this industry-leading technology and quality. Over the last five years, Graco Inc. has invested an average of 4.1% of its sales into R&D every year, which based on publicly available information, is more than double the R&D investments of other manufacturers (as a percentage of their sales during the same period).<sup>1</sup>

Graco Inc's brand promise is built on three pillars:

- (a) **Innovation** – Leading with technologically-advanced features, pioneering design, high performance and unparalleled reliability;
- (b) **Quality** – Graco's customers invest in high-quality products built to last for years of reliable service; and
- (c) **A+ Service** – Graco is guided by a mindset of integrity and a customer service view centered on relationships, not transactions.

Graco Australia Pty Ltd (ACN 084 438 522) (**Graco**) is a wholly owned subsidiary of Graco Inc. and an importer and wholesaler of a wide range of Graco branded pumps, sprayers and other fluid handling equipment including airless paint sprayers. Graco has around 200 distributors in Australia.

### 2 Significant retail services required for Graco paint sprayers

In order to deliver on Graco's brand promises and provide best-in-class, leading technology, quality and performance, Graco requires its distributors to provide significant pre- and post-sales support to end users. This is especially the case for Graco paint sprayers that are the subject of this notification – they are complex and differentiated from traditional painting products such as rollers and brushes. The multitude of features and the complexity of technology available with Graco's products require a high level of training and marketing in selling these products. For example, the ProConnect® pump replacement system requires demonstrations to show how to properly change and remount the pump to avoid damage to the machine. The BlueLink® Job & Sprayer Management App is also new to paint sprayers and users are not familiar with the benefits it can bring their business. Without the proper training and demonstrations, customers will struggle to appreciate these features and the complexity of technology available, and may cause damage due to incorrect usage of the machine.

Graco is seeking to encourage paint contractors to convert from traditional painting methods to spray equipment to increase painting efficiency. By substituting brushes / rollers with paint sprayers, paint contractors spend less time on a job and have the ability to increase the number of jobs they can complete. The process of converting contractors from hand painting to sprayers requires a significant number of demonstrations and training. This increases costs for both Graco and its distributors as compared to businesses that sell products without demonstrations and training. Training and development of staff is ongoing to ensure that staff have the significant amount of knowledge they need to sell Graco equipment properly. Product demonstrations are

<sup>1</sup> This information is gathered from the annual reports (Form 10-k) filed with the U.S. Securities Exchange Commission during the five year period of 2017 – 2021 by the following Graco peers: ITW, Carlisle, Dover, Enovis (formerly Colfax), IDEX, Nordson, Watts Water Technologies, and Flowserve.

necessary to ensure that customers are more familiar with the significant benefits obtained from paint spray equipment and offers these customers greater choice and the information necessary to select the most suitable product.

Furthermore, Graco paint sprayers require regular service and maintenance. The majority of the maintenance can be performed by the end users after they have been properly and professionally trained by a Graco distributor. For more advanced service and repairs, the end user can bring the sprayer to an authorised Graco distributor who will perform the needed services and repairs. All authorised Graco distributors are required to provide service for end-users, and maintain active service centres and staff including Graco-certified technical specialists to fulfill this requirement. This requirement has a significant positive impact on the end-user experience but requires substantial investment by distributors to maintain these operations.

More detailed comparisons between Graco's paint sprayer products and those of other suppliers are set out in section 5 below.

### 3 'Free riding' adversely impacts the viability of Graco's distribution model

Graco's technology is developed in-house, and Graco maintains full-time engineering, marketing, training and customer service teams to advance the development of their products, and provide new solutions to the paint industry. Graco's professional network of distributors have provided years of training and demonstrations and have been a key driver in the adoption of paint spray equipment in the industry. Due to the complexity around Graco's paint sprayers and the need for significant demonstration and after sales services, Graco needs to ensure that its distributors are incentivised to provide these retail services by maintaining a sustainable margin on Graco products.

Graco is concerned that there are many instances where full-service distributors invest a substantial amount of time and effort with a paint contractor, educating them about the product and its features, only to have the contractor find the product advertised online for less and subsequently purchase the product from a distributor offering a discount but that may not invest in sufficient training. For full-service distributors, their pricing needs to cover the costs of training, demonstration and service provided to customers, services that are not always provided by other distributors that focused on online sales.

This 'free riding' behaviour by a small number of Graco sellers has a direct and adverse impact on the viability of Graco's distribution model in Australia and on smaller distributors. It disincentivises distributors from making the necessary investment in retail services because in many cases, full-service distributors are forced to match the price of discounting sellers notwithstanding their investment in retail services. This inhibits full service distributors' ability to invest in their businesses and provide the end user with the high level service Graco expects of its distributors. Graco is also concerned that it disadvantages its smaller distributors – who often offer a full service despite this being a proportionately bigger undertaking for them – from continuing to distribute Graco products.

Graco receives frequent correspondence from its full-service distributors citing examples of other distributors advertising below list price and being forced to match those excessively low prices. For example:

- (a) In [CONFIDENTIAL] 2022 Graco received a letter from one of its exclusive distributors, [CONFIDENTIAL] expressing its concerns about the online competitive space and how the severe online discounting has led to lost sales, accusations of price gouging, and lost margin, all of which inhibit [CONFIDENTIAL] ability to invest in and sustainably grow its business. Examples cited include [CONFIDENTIAL] advertising 30% off spray equipment, [CONFIDENTIAL] advertising 35% off list [CONFIDENTIAL] and

[CONFIDENTIAL] advertising significant discounts on new product releases [CONFIDENTIAL] which immediately devalues the new technology.

- (b) In [CONFIDENTIAL] 2022, Graco received [CONFIDENTIAL] additional examples of the issue with [CONFIDENTIAL] all advertising significant discounts to list price.
- (c) Graco has also received correspondence concerning aggressive online pricing for Graco spray tips (which are the most sold accessory for sprayers), from its [CONFIDENTIAL] distributor, [CONFIDENTIAL] which heavily invests in the category through training and service centres. This has led [CONFIDENTIAL] to decrease its in-store pricing to match the discounted online pricing. [CONFIDENTIAL] expects this will result in a significant loss in margin per year.

Furthermore, Graco is concerned that the reduced retail services resulting from the free riding behaviour could adversely impact the end user, the adoption of better painting techniques and Graco's reputation. Graco has made significant investment in sales training for distributors. The Graco Partner Portal also allows distributors to search for literature and instruction manuals and connect with Graco 24 hours a day, seven days a week.

Graco provides in person sales training to its distributors, as well as service and repair training and expects distributors to maintain service centres with Graco-certified technical specialist staff. Training is typically provided on a store-by-store basis in small groups of three to 10 students during which Graco's trainers operate the equipment and demonstrate proper use of the equipment, discuss features and how best to sell the product. Graco also trains distributors on how to use various systems and tools, including the Graco Partner Portal, how to process warranty claims, where to find product manuals, etc. For more experienced distributors, Graco also conducts a series of highly technical service and repair training that can last as long as three days. Graco supports a paint store network of over 500 stores in Australia, each with 4-5 key personnel that require the necessary training. To ensure staff can sell Graco products correctly, Graco is training over 2000 people per year, with training being provided multiple times throughout the year and staff turnover further increasing the amount of training required. By way of example, attached at **Schedule 3** is a program outline for a two-day training that Graco runs for distributors. In the last year, Graco ran around ten different training sessions of this program based on this program outline. The distributors in turn train end-users on how to choose the right product and how to use it safely and effectively. This demonstrates Graco's recognition of the importance of high-quality retail services to the success of its distribution model.

If a sale is made to an untrained contractor who is converting from hand painting to spray painting equipment, he or she may not be able to realise the significant benefits associated with the Graco sprayer. This is because distributors that sell online only may not have the ability to train end users about the use and maintenance of Graco products. Any misuse of Graco products could lead to significant loss of productivity during troubleshooting. Loss of business for the contractor would also discourage the broader adoption of a more efficient spray-painting technique and damage Graco's brand.

In addition, discounting distributors are often selling online and delivering products outside of their serviceable geography (i.e., the geographic area within which the distributor can effectively sell, provide training on, and service Graco products). This can adversely impact on customer experience when end-users are not able to find and receive the product training and/or service they need in their geographic area. This also negatively impacts Graco's brand.

#### 4 Rationale for the proposed minimum advertised price policy

Graco is seeking to support the necessary and high quality level of retail services provided by its distributors to its customers. Severe online discounting has led to lost sales for full service distributors and a reduction in the quality of service provided to customers.

In order to ensure that the necessary level of retail services can be offered to end users, Graco Inc. has implemented and maintained minimum advertised price policies in North America on a variety of product lines over many years. Graco Inc. has found such policies to be effective in preventing the “race to the bottom” in pricing that leads to the problems described above while preserving price competition at the point of sale. These policies have also allowed Graco Inc. to maintain a sustainable margin for distributors to invest in the appropriate training, demonstrations and safety procedures.

As mentioned above, it is very important that Graco's distributors have the resources to demonstrate equipment and train end-users on how to properly use the equipment effectively and crucially, to avoid property damage and injury to themselves and others.

Graco has considered whether, as an alternative, it could offer online videos or tutorials for use by end users in place of in person training. Graco considers that while online videos and tutorials often have their place in product demonstrations (and they are already used by Graco), they are not a suitable substitution. This is because there are many variables in spray applications that need to be accounted for in any given training session, such as material (the paint type), type of spray machine (small, medium, large), type of substrate they are spraying (roof, door, walls, ceilings etc.), and the level of experience of the painter/ applicator (beginner, advanced). In person training allows distributors the flexibility to demonstrate on site at the customer's location or in a show room, to use the exact equipment that the customer is considering purchasing and the material they wish to spray. Distributors can also discuss these variables with the customers and train them to understand that differences that these variables might make to product efficacy and safety. Graco considers that the nuance needed is not practically achieved through video or online tutorials.

Based on Graco Inc's experience in the US, Graco wishes to implement a similar MAP policy that requires its distributors to advertise its paint sprayers at or above a set price (the **Notified Conduct**). The purpose of this policy is to have an advertised price at a sufficient level across Australia to protect full-service distributors from being forced to match steeply discounted pricing of distributors that do not factor in appropriate costs.

Under the proposed MAP policy, Graco does not seek to control the pricing at which its distributors actually sell Graco products. Distributors would be free (as they are now) to set and negotiate pricing at their sole and absolute discretion. The MAP policy would not apply to in-store merchandising, quotes, contracts, Internet “shopping carts” where the customer places the product in the cart by clicking “order,” “add to cart” or a similar command, or to secure Internet sites that are not viewable by the public and that are used to conduct business-to-business transactions. Distributors may continue to discount Graco products through individual negotiations.

#### 5 Products under the proposed MAP policy

Graco considers that its Paint Sprayers are best in class with technology, quality and performance that are superior to other suppliers (such as those set out in **Schedule 2**). By way of example, one of the Graco products that will be covered by the MAP policy is the recently launched 390 PC Cordless Airless Paint Sprayer, the industry's first cordless high-performance paint sprayer. The 390 PC is the highest performance, most powerful, lightest weight cordless

professional paint sprayer ever built. This sprayer includes a wide range of features set out below that are unique to Graco which require significant pre-sale demonstration and post-sale support:

- (a) **Endurance™ piston pump** - lasts 2X longer than the next leading brand and features the QuikAccess™ intake valve for faster cleaning

This piston pump technology is unique and its use results in money and time savings for painters. The proper use of the piston pump requires highly technical training for painters to fully understand the benefits. However, this training needs to be delivered in a way which avoids it being perceived as 'just another pump' and ensures it is used correctly.

- (b) **ProConnect® pump replacement system** – allows for fast, on-the-job pump replacements to eliminate costly downtime

The ProConnect replacement system is a key feature that Graco is known for. Demonstration on the use of swapping out the pump with ease is important because it enables painters to minimise downtime in the field. This provides them with labour and cost savings. If it is not used properly, these benefits may not eventuate.

- (c) **RAC X low pressure switch tip** - allows the contractor to paint at low pressures to extend battery time, reduce overspray and ensure the longest tip life

It is important to understand the intricacies of spray tips, including: the different types of spray tips; the numbering system; matching gun and manifold filters; what jobs they are used for; the paints that they are best suited to; how to set correct spray pressure; and also knowing when the spray tips are worn out. Spray tips are commonly misunderstood items in airless and air assisted spray systems. The spray tip and its sprayed finish reflects on the quality of the complete spray system and the Graco brand. Therefore, it is important that distributors are effectively trained on spray tips so that they can provide appropriate advice to customers. The training assists them to ask the right questions and supply the customer with the right tips for the job and paint being used. Training for end-users is just as critical so that they understand how to set up the spray tip correctly in their sprayer and understand why they need to use certain tip sizes with different coatings and applications. Customer service requires ongoing training to ensure that the correct advice is provided on the phone and by service technicians.

- (d) **SmartTip™ spray tip technology** - delivers the industry's best finish at the lowest airless spray pressure

This technology is highly technical and unique, requiring training that is delivered in a simple way to the customer. This technology offers significant maintenance and paint savings, provides a better working environment for the applicator and a superior sprayed finish. Hands on demonstrations are vital for painters to test the product and to understand the difference with other tips in the market.

- (e) **DeWalt® FlexVolt® batteries** - a contractor-trusted brand licensed exclusively to Graco in the paint sprayer industry

Globally, battery technology is growing rapidly and is important for its environmentally friendly benefits. Graco is the first company to market a battery powered product which is cutting edge technology in the painting industry. Being a battery product, it does not require a petrol engine and avoids potentially dangerous exhaust fumes.

- (f) **Advantage™ drive** - the industry's longest lasting drive, featuring hardened steel gears to provide extremely quiet operation and a lifetime warranty.

A lifetime warranty requires Graco to ensure that ongoing long-term support and service is maintained for customers. This is done through the distributor network.

Other Graco Paint Sprayers set out in Schedule 1 also include a number of market leading features, including:

- (g) **Endurance™ Vortex® MaxLife® Piston Pump** - provides superior pump life, breakthrough Vortex rotating rod technology, lasts 6X longer between repacks with innovative MaxLife technology, oversized passages for high velocity flow to rotate piston for even wear, and ability to repack pump in minutes with new QuikPak® cartridge repair system

The technology in the Endurance Pump is highly advanced and without training, people are unable to understand its operation and the importance of extending the working life of the pump. Without an understanding of the significant benefits, customers may see these products as the same as other less advanced pumps.

- (h) **SmartControl® 4.0 with ProGuard™ Protection System** – provides precision pressure control, lowest dead band at any pressure delivers a consistent spray fan without pressure fluctuation, ProGuard prevents electrical damage from extreme job site power conditions, WatchDog™ Pump Protection System automatically prevents pump damage if material supply is too low

Diaphragm pumps can have up to 500 psi of dead band (pressure fluctuation). However, Graco piston pumps with SmartControl 4.0 can be as low as 50psi, making them ideal for the broadest of applications, from spraying a roof to spraying kitchen cabinetry. Smart control 4.0 training and awareness is important to ensure that customers are aware of the benefits of these pumps and to understand the misconceptions of piston pumps.

- (i) **BlueLink® Job & Sprayer Management App** – Allows contractors to streamline their business, track every sprayer (exact location and hourly productivity), know their job progress (on demand productivity facts and reporting from anywhere), and maximises up time (contractors can set maintenance schedules, alerts and job site notes)

BlueLink provides a plethora of features and information available to the painter and can be overwhelming to a new user. Training guides distributors through key features and benefits to ensure that they understand the substantial benefits that the app provides. The BlueLink app requires a proper, organised training session with the distributors and painters so that they can get the most from it.

- (j) **QuikReel™ Hose Management System** – provides easy hose management, can deploy and rewind up to 90 metres (300 feet) of hose in seconds, no twisting, kinking or coiling, allows contractors to use only the hose they need – the rest stays on the reel

- (k) **MaxPower Motor and Advantage Drive™** - Allows contractors to get more work done, has proven performance for all painting applications, high-torque brush-less design, longest lasting drive, hardened steel gears provide extremely quiet operation, lifetime warranty on motor and drive train

Noise pollution is always an issue on site. A quiet running sprayer provides a quality solution for the end-user.

- (l) **ProConnect 2 Pump Replacement System** - eliminates costly downtime, contractors can exchange pump in minutes, pin-less design needs no tools

Demonstration of this feature is most effective. Painters are often surprised to see how easy it is to remove and replace a worn out pump. Pumps only start leaking when they are being used and this usually occurs in the middle of a job. Service centres normally take 3 - 6 days to repair these pumps. As such, an easily replaced pump minimises downtime for painters.

- (m) **FastFlush™ 2 System** – makes fast cleaning now even faster, contractors can clean the pump 6X faster using ½ the water, high-velocity fluid flow delivered with 60% higher motor speed

This system is environmentally friendly with less waste and saves time/labour for the painter. The technology behind this requires demonstration and training. Painters on site are often demanded to produce less waste and this feature offers a solution to this.

- (n) **Durable Filtration** - Easy Out™ filter provides easy maintenance and less clogging, crushproof inlet strainer stands up to harsh impacts to maintain even flow

The filtration system is often neglected and unknown on an airless spray system. Few people understand the benefit of an Easy Out filter over other filter systems as it removes the rubbish and contains it to avoid the need for flushing out. Training assists in highlighting the filtration system and avoiding issues on the job.

- (o) **Contractor PC™ Spray Gun** – provides all-day comfort and control, the lightest weight gun in its class, up to 50% lighter trigger pull force, E-Z Fit™ adjustable trigger length, complete gun rebuild in seconds with ProConnect cartridge

This is a well-known product in the market with a light trigger pull that reduces arm fatigue and supports long-term use. This product contains many features that require training and demonstrations to ensure that painters are aware of the technological features available to them and that they can use it appropriately to obtain its benefits.

- (p) **Additional Features** - heavy duty prime valve, rugged, durable cart design.

Many of the new features that Graco develops and implements on its products provide significant savings in cost, labour, time on site and improve the working environment for painters. Graco's market leading features are in-built into the products. Graco believes training the distributor network on these complex features is essential to being able to provide the best sales and service advice. This ensures that end-users are supplied with appropriate information to make informed purchasing choices and to use the products appropriately and effectively.

## 6 Public benefits

### 6.1 Increased supply of retail services and reduce free riding across all distributors

Graco considers that the Notified Conduct will encourage distributors to invest in their service offering to a greater degree and subsequently offer a superior all-round service to end-users.

As mentioned before, Graco's airless paint sprayers are complex and have a number of features that set them apart from the competition. The implementation of the Notified Conduct will ensure distributors can obtain a viable margin on the products to continue their investment in the product category and maintain and expand their service capabilities, sales teams, marketing capabilities, training capabilities and stocking commitments. For example, Graco distributors must maintain active service centres and Graco-certified technical specialist staff. This requirement has a significant impact on the end-user experience and as such, requires substantial investment to maintain these operations.

Graco intends to monitor the effectiveness of sales and service staff and will likely expand minimum requirements to emphasise training, demonstrations and sales support further if it is able to adopt the proposed MAP policy. In other countries that lack the same capabilities of training, demonstrations and servicing, most contractors are still using traditional paint equipment. Graco expects to use these measures to enhance the supply of retail services and subsequent customer experience.

Furthermore, the product lines covered by the proposed MAP policy fall within Graco's contractor segment which includes users ranging from do-it-yourself homeowners to professional painting contractors. Graco considers customers in these segments are most likely to benefit from the enhanced retail services resulting from the MAP policy and the improved efficiency from switching to high performing Graco paint sprayers as opposed to traditional rollers and brushes. The growth of the do-it-yourself segment has also heightened the need for greater sales and service support from distributors. The non-professional segment often consists of untrained and inexperienced customers who rely heavily on the demonstrations provided by sales staff as well as post-sales service. Providing customers with more trained staff will assist the non-professional segment and provide greater choice for these customers.

In addition, given their popularity, the product lines covered by the proposed MAP policy often suffer from the most significant discounting. In this regard, the MAP policy will ensure its full-service distributors will be able to obtain a substantiable overall margin on these high volume Graco products to deliver the required retail services to end users. Sustainable margins will also encourage smaller distributors to better compete with larger distributors nationally and expand their service capabilities.

## **6.2 Encouraging innovation in retail services**

By reducing the extent of advertising price competition between Graco distributors through the MAP policy, distributors will be encouraged to compete on retail services to the benefit of end-users without losing the ability to discount for customers in store.

The Notified Conduct will encourage competition in relation to sales support, service support, product knowledge, training, demonstrations, trade shows and repairs. Competing on these services will likely result in better overall services offered to customers. The end-users will be able to receive retail services valuable to them and this is likely to result in greater competition on the basis of service between distributors.

Distributors will also be encouraged to invest in better on-site facilities such as displays etc for customers to compete with other Graco dealers on non-price terms. A practical outcome of this is that customers will also be able to try before they buy and interact with in-store displays that assist their purchasing decisions. In addition, distributors may also look to stock a more complete range of Graco products as a point of non-price differentiation. The greater availability of Graco products will benefit customers by providing greater choice. Differentiated service offerings may also benefit consumers of spray equipment and support contractors by encouraging and facilitating their conversion to spray equipment and subsequently improving their painting efficiencies.

## **6.3 Encouraging innovation in products**

Offering distributors a stable margin will not only encourage them to range more Graco products and subsequently enhance product variety, it will also assist Graco in launching innovative products more effectively. Currently, product launches are undermined by heavy discounting – in Graco's experience, distributors are less supportive of new product launches that involve significant investment in staff training if they are unable to obtain a viable margin. This impacts the effectiveness of campaigns when new products are launched, damaging the necessary promotion of Graco's new technologies and innovations.

New products often come with innovative patented technology. These innovations require distributor training so that distributors have good knowledge about the features and uses of the product and can discuss this with end-users. When there is significant distributor discount activity, there is less 'buy in' from distributors with new product launches and distributors are less receptive to receiving the necessary training needed to be successful with the product. This



ultimately goes against the Graco Distributor model of having trained qualified distributors who can sell Graco products for specific applications to tradespeople that are appropriate to their particular requirements.

Graco relies heavily on these product launches to educate the market and customers about the benefits of the products and their unique features. Graco believes that the Notified Conduct will assist with product launches and if distributors are able to maintain sufficient margin, they will be incentivised to continue to invest in training and the conversion of painters from more traditional methods.

## 7 Public detriments

Graco does not consider there to be any significant public detriment arising from the Notified Conduct. Graco has considered comments that the ACCC has made in past notifications regarding possible detriments relating to resale price maintenance and seeks to address these below.

### 7.1 Limited reduction in intra-brand price competition

Unlike the Tooltechnic notification, the Notified Conduct does not eliminate intra-brand competition. The Notified Conduct only sets **minimum advertised prices** and does not prevent distributors from selling Paint Sprayers at a price below that price. This means that while there will be a minimum advertised price for the Paint Sprayers, distributors remain able to compete on price terms in-store/during the online check out process. In addition, end-users of Graco products will still be able to negotiate a discount below the MAP with its preferred distributor or shop around to obtain a better price through another distributor. The ACCC in its review of Stanley Black & Decker's notification considered that a MAP policy can impede a supplier's ability to compete through a differentiated advertised price. While Graco accepts that a MAP policy may reduce intra-brand advertised price competition, it submits that any such reduction in competition is limited and further mitigated by the enhanced retail services and greater product and service innovations set out above.

### 7.2 Consumers will not pay an above market price.

The ACCC in assessing Weldclass' RPM notification expressed the view that consumers are likely to face higher prices for the notified products. Graco does not consider that customers will pay above the market price. This is because Graco does not have the incentive to set the minimum advertised price of the Paint Sprayers above market price. As set out in **Schedule 2**, there are numerous suppliers of alternative products in the industry. If Graco attempts to set the MAP above competitive levels, end-users are easily able to switch to alternative brands resulting in distributors de-ranging Graco products.

As seen in North America, Graco Inc's prices have followed a normal price increase following the introduction of the MAP policies. These price increases have been linked to inflation and rise of material costs, amounting to net price increases of 3-4% per year with the exception of 2022 where prices were increased in response to significant inflationary pressures and cost increases.

In addition, Graco has no plans to alter its wholesale margins for the Paint Sprayers. As such, the Notified Conduct will not affect distributors' ability to continue to discount Graco products in store or through the checkout process. It is Graco's view that the implementation of the Notified Conduct will not result in public detriments that flow from customers paying above market price for Paint Sprayers.

**7.3 Price competition will remain between Graco and alternative suppliers of paint sprayer products**

The ACCC in its review of Stanley Black & Decker's notification considered that a MAP policy can result in suppliers of competing products increasing their prices in response to the increase in the price of the notified products. Graco does not consider this situation is likely to arise as a result of its notification. The advertised price of Paint Sprayers alone will not sufficiently incentivise other market participants to unilaterally increase their respective prices as they will be constrained by the availability of alternative products at different price points (in addition to the Paint Sprayers which can be discounted at points of sale).

Furthermore, the countervailing power exercised by large distributors such as Phillro Industries and Dulux will also ensure that inter-brand price competition is maintained. Graco has also seen an increase in the number of alternative suppliers that are white labelling paint sprayers and selling online for a significant discount. These alternative suppliers will restrict Graco's ability to set the MAP above a competitive level.

Examples include, but are not limited to, airless paint sprayers manufactured by Rongpeng (Zhejiang province, China) and sold through Mitre10 stores in Australia (see photos below and [products here](#)).



Both of these Rongpeng units are sold for significantly less than Graco equivalent products. For example, the unit on the left is being sold for \$550 - 600 which competes against the Graco Project Painter Plus which is valued at RRP \$699 - 750. The unit on the right is being sold for \$1108 whereas the Graco 395PC has an RRP of \$3700 - \$4000.

Examples also include airless sprayers manufactured by [Ningbo Dino-Power Machinery Co. Ltd.](#)

Ningbo (also known as DP Airless) make a large range of units that are very similar to Graco units.

A list of the products can be found on their website: <https://www.dpairless.com/products/piston-pump-airless-paint-sprayers>.



**X24 X28 Electric Airless Sprayer** **Similar To 495 595 For Contractors**

**X** NINGBO DINO-POWER MACHINERY CO.,LTD  
DINO-POWER DEDICATED IN PAINTING

CE ETL ISO BSCI dp@dpairless.com +86 18858210064

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You are here: Home > Electric Airless paint sprayer

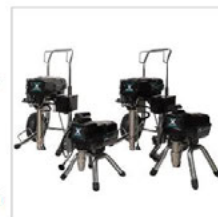
**Electric Airless paint sprayer**

★★★★☆ 4.2/5 - (113 votes) [Request A Quote](#)

**what's PISTON PUMP ELECTRIC AIRLESS PAINT SPRAYER**

A piston pump Electric Airless paint sprayer is electric high pressure paint sprayer machine, which has many components including a piston, V packings, and spray valves. The piston moves up creating a vacuum to suck up the paint into a chamber, the fluid section, and piston down to push the paint into a high-pressure hose.

The V- packings create a seal to prevent pressure losses during the painting operation. Professional electric airless paint sprayers use self-adjusting V-packings to prevent premature wear and the need for repairs. Check valves, or ball and seat valves, direct the flow of painting material from the fluid section of the pump to the hose. This prevents the paint from being pumped back through the pick-up tube



welcome to visit below sites for all our electric airless sprayer machines.



**X32 Pro Electric Powered Airless Paint Sprayer 3.2L**

Motor power: 2600W 2800W Max. tip size: 0.031" 0.035"  
Max. pressure: 227bar/3300psi Flow rate: 3.2L/min 4.0L/min

X32 are electric powered airless paint sprayers for professional contractors. Mid-size professional machine with hand-carry design. Designed for interior and exterior buildings wall painting. it's similar to 695 pump, but more portable compared to Hi cart design. Ideal for all kinds of the...

The table below shows a comparison of DP Airless products against similar Graco products. These products are evidently sold at a significant discount which further restricts Graco's ability to set uncompetitive prices.


DP Airless	Graco			
Model	Flow Rate	Tip Size	RRP (Approx)	Category
X9	1.5lpm	0.019	\$290-\$350	DIY
ProX19	1.4lpm	0.019	\$1,500	DIY
X32	3.2lpm	0.031	\$1500-\$1750	Trade
695PC	3.6lpm	0.31	\$6,600	Trade
DP-X6	1.4lpm	0.017	\$250-\$300	DIY
Magnum X7	1.2lpm	0.017	\$999	DIY
X24/ X28	2.4lpm	0.023	\$1000-\$1250	Trade
495PC	2.3lpm	0.025	\$4,750	Trade
X51L	5.1lpm	0.037	\$2500-2750	Trade/ Large
1095PC	4.5lpm	0.035	\$9,000	Trade/Large

Further examples include a variety of other airless sprayers manufactured in China and sold on eBay in Australia (see below):


Copies of Graco Magnum X5 which has an RRP of \$927 + GST:

[1200W Airless Paint Sprayer Gun Hose DIY Home Wall Painting Machine 3200PSI](#)


People who viewed this item also viewed



Graco Magnum TrueAirless X7 Airless Paint...  
AU \$758.90  
AU \$779.90 + AU \$44.76 postage




VEVOR Stand Airless Paint Sprayer Electric Paint...  
AU \$245.99  
+ AU \$1,000.00 postage



450W 800ML Electric Spray Paint Sprayer Home Co...  
AU \$100.00  
+ AU \$60.00 postage

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**1200W AIRLESS PAINT SPRAYER**

EXTENSION WAND BONUS  
7.5M HOSE

GoInau-mall

**1200W Airless Paint Sprayer Gun Hose DIY Home Wall Painting Machine 3200PSI**

Condition: Brand New

Quantity:  2 available / 1 sold

Price: **AU \$289.39**

[4 payments of AU \\$72.35 with Afterpay](#)

[Buy It Now](#)

[Add to cart](#)


[Add to Watchlist](#)

**Returns accepted**


Postage: May not post to United States. Read item description or contact seller for postage options. | [See details](#)  
Located in: Melbourne, Australia

Delivery: Varies

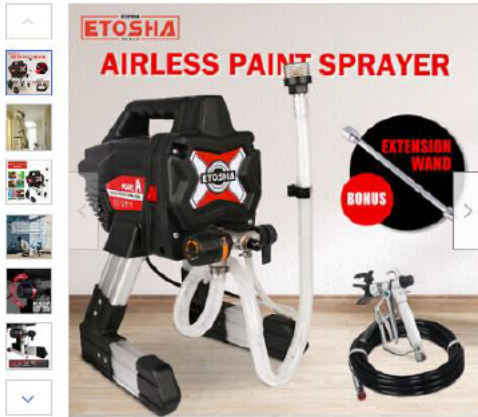
Returns: 30-day refund | Buyer pays for return postage | [See details](#)

Payments: 

[Afterpay](#) 4 payments of AU \$72.35 | [Learn more](#)

 Have one to sell? Sell It yourself

[ETOSHA Airless Paint Sprayer 3200 PSI 2.3L/Min Portable Spray Gun 8M Hose 1200W](#)



**ETOSHA Airless Paint Sprayer 3200 PSI 2.3L/Min Portable Spray Gun 8M Hose 1200W**  
 USE CODE "ETOSHA20" for \$309/ 1 Year Warranty/ 24H Send

Condition: Brand New

Quantity:  3 available  
 16 sold / [See feedback](#)

Price: **AU \$329.00**

Buy now, pay later available

[Buy It Now](#)

[Add to cart](#)

Best Offer:

[Make offer](#)

[Add to Watchlist](#)

**Free postage and returns**

Sent from Australia

16 watchers

Postage: **FREE** Standard postage | [See details](#)  
 Located in: Sydney, Australia

Delivery: Estimated between Tue, 13 Dec and Fri, 16 Dec 📍

Returns: 30-day refund | Seller pays for return postage | [See details](#)

Payments: [PayPal](#) [G Pay](#) [VISA](#) [MasterCard](#) [Apple Pay](#)

[Afterpay](#) 4 payments of AU \$82.25 | [Learn more](#)

[Zip](#) Nothing to pay today | [Learn more](#)

Have one to sell? Sell it yourself

[3 HP 3500 PSI AIRLESS PAINT SPRAYER 3 L/M 15 M HOSE SPRAY GUN WAND 5/17 5/19](#)



**3 HP 3500 PSI AIRLESS PAINT SPRAYER 3 L/M 15 M HOSE SPRAY GUN WAND 5/17 5/19**

Condition: Brand New

Quantity:  More than 10 available / [119 sold](#)

Price: **AU \$429.00**

4 payments of AU \$107.25  
 with Afterpay

[Buy It Now](#)

[Add to cart](#)

[Add to Watchlist](#)

**119 sold**

Returns accepted

131 watchers

Postage: [May not post to United States. Read item description or contact seller for postage options.](#) | [See details](#)  
 Located in: AUSTRALIA, Australia

Delivery: Varies

Returns: 30-day refund | Buyer pays for return postage | [See details](#)





Payments: [PayPal](#) [G Pay](#) [VISA](#) [MasterCard](#) [Apple Pay](#)

[Afterpay](#) 4 payments of AU \$107.25 | [Learn more](#)

Copy of Graco 490PC which has an RRP of \$4340 + GST:

[PRO 888 5 HP 3500 PSI AIRLESS PAINT SPRAYER SPRAY GUN 2 wand 5/15 /17/ 19 6/21](#)

People who viewed this item also viewed

 <p>Graco Magnum TrueAirless X7 Airless Paint... <b>AU \$758.90</b> <small>AU \$779.99 + AU \$44.76 postage</small></p>	 <p>Graco Magnum TrueAirless X5 Airless Paint Spray... <b>AU \$567.86</b> <small>AU \$589.79 + AU \$30.65 postage</small></p>	 <p>Graco Magnum X7 Airless Paint Sprayer (262805) <b>AU \$577.81</b> <small>+ AU \$103.67 postage</small></p>	 <p>Graco TC Pro Cordless Airless Paint Sprayer 17N16... <b>AU \$666.72</b> <small>Free postage</small></p>
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SAVE UP TO 15% WHEN YOU BUY MORE



PRO 888 5 HP 3500 PSI AIRLESS PAINT SPRAYER SPRAY GUN 2 wand 5/15 /17/ 19 6/21

Condition: Brand New

Bulk savings:

Buy 1 AU \$699.00 each	Buy 2 AU \$664.05 each
Buy 3 AU \$629.10 each	
4 or more for AU \$594.15 each	

Quantity:  More than 10 available / **80 sold**

Price: **AU \$699.00 each**  
May be available

[Buy It Now](#)  
[Add to cart](#)  
[Add to Watchlist](#)

**80 sold** Returns accepted 134 watchers

#### 7.4 Product choices will not reduce

The ACCC in assessing Weldclass' RPM notification considered that the notified conduct may cause distributors to favour products that are subject to RPM (due to a potentially higher profit margin) and de-range other competing products. In Graco's view, this is not a phenomenon that is likely to occur with paint sprayers as a result of Graco's proposed MAP policy. Any product-ranging decisions made by distributors will continue to be influenced by the quality of the products offered by Graco as compared with its competition and each distributor's capacity to deliver the required retail services to support their chosen range of Graco products.

Even if a distributor chooses to range more Graco products as a result of the MAP policy, Graco expects most distributors to continue to stock competing brands to keep up with demand for a variety of products as has been the case in North America.

### Schedule 1 – Paint Sprayers

The MAP conduct will apply to existing and future airless and air assisted paint sprayers ranging from entry-level to professional trade products supplied by Graco in Australia. Set out below is a list of the current Graco products of this type.

Part Number	Part Description	Family Code	[CONFIDENTIAL]
<b>Hand Held DIY</b>			
26D521	TRUECOAT SPRAYER,360 AP/SA	FAMHHU	[CONFIDENTIAL]
26D522	TRUECOAT SPRAYER,360 DSP AP/SA	FAMHHU	[CONFIDENTIAL]
26D528	TRUECOAT SPRAYER,360 VSP,AP/SCA	FAMHHU	[CONFIDENTIAL]
<b>Hand Held - Trade</b>			
17M362	ULTRA SPRAYER,AC HH,240V	FAMHHU	[CONFIDENTIAL]
17N221	ULTRA SPRAYER,DC,HH,240V	FAMHHU	[CONFIDENTIAL]
17N225	ULTRAMAX DCHH SPRAYER,240V	FAMHHU	[CONFIDENTIAL]
<b>DIY</b>			
16Y391	TRUECOAT SPRAYER, 360,AP/SCA	FAMHHT	[CONFIDENTIAL]
16Y392	TRUECOAT SPRAYER, 360 DSP,AP/SCA	FAMHHT	[CONFIDENTIAL]
17F329	TRUECOAT SPRAYER, 360 VSP,AP/SCA	FAMHHT	[CONFIDENTIAL]
16W104	SPRAYER, TRUECOAT PLUS II, AC, 230V	FAMHHT	[CONFIDENTIAL]
16W119	MAGNUM SPRAYER,PPP,AC,230V AP/SCA	FAMMPP	[CONFIDENTIAL]
16N667	SPRAYER, TRUECOAT PRO-X II, AC, 230V	FAMHHT	[CONFIDENTIAL]
16W120	MAGNUM SPRAYER,X5,230V AP/SCA	FAMMAG	[CONFIDENTIAL]
16W121	MAGNUM SPRAYER, X7,230V AP/SCA	FAMMAG	[CONFIDENTIAL]
<b>Semi-Professional</b>			
17H203	MAGNUM SPRAYER,PROX17,STAND,230V SCA	FAMMAG	[CONFIDENTIAL]
17H214	GX SPRAYER, 19,STAND,230V CEE/ANZ	FAMULE	[CONFIDENTIAL]
17H210	MAGNUM SPRAYER,PROX19,CART,230V SCA	FAMMAG	[CONFIDENTIAL]
17H219	GX SPRAYER, 21,STAND,230V CEE/ANZ	FAMULE	[CONFIDENTIAL]
<b>Trade - Small</b>			
17C384	EXPRESS SPRAYER,190,230V,AP	FAMULS	[CONFIDENTIAL]
17C386	GRACO SPRAYER,390,PC,230V,CEE/ANZ,STAND	FAMULS	[CONFIDENTIAL]
17C387	GRACO SPRAYER,390,PC,230V CEE/AZ,ASIA,L	FAMULS	[CONFIDENTIAL]
17C388	GRACO SPRAYER,390,PC,230V CEE/AZ,ASIA,H	FAMULS	[CONFIDENTIAL]
<b>Trade-Midsize</b>			
17E881	ULTRAMAX SPRAYER,395,PC,PRO,ANZ 230V,STD	FAMULS	[CONFIDENTIAL]
17C395	SPRAYER, 490, PC, PRO, AP, MULTICORD, S	FAMULS	[CONFIDENTIAL]
25T882	SPRAYER, 390, STAND, CORDLESS, ANZ	FAMULS	[CONFIDENTIAL]
17E887	ULTRAMAX SPRAYER,490,PC,PRO,ANZ 230V,STD	FAMULS	[CONFIDENTIAL]
17C398	SPRAYER, 495, PC, PRO, STD, AP, MULTICO	FAMULS	[CONFIDENTIAL]

Part Number	Part Description	Family Code	[CONFIDENTIAL]
17E889	ULTRAMAX SPRAYER,495,PC,PRO,ANZ 230V,STD	FAMULS	[CONFIDENTIAL]
17E892	ULTRAMAX SPRAYER,495,PC,PRO,ANZ/KR 230V,HI	FAMULS	[CONFIDENTIAL]
17E891	ULTRAMAX SPRAYER,495,PC,PRO,ANZ 230V,LO	FAMULS	[CONFIDENTIAL]
17E896	ULTRAMAX SPRAYER,595,PC,PRO,ANZ 230V,HI	FAMULS	[CONFIDENTIAL]
17E897	ULTRAMAX SPRAYER,595,PC,PRO,LO,ANZ 230V,LO	FAMULS	[CONFIDENTIAL]
19Y424	ULTRAMAX SPRAYER,650,PC,PRO,AP,MULTICORD,H	FAMULS	[CONFIDENTIAL]
26C979	ULTRAMAX SPRAYER,650,PC,PRO,AP MULTI,LO	FAMULS	[CONFIDENTIAL]
<b>Trade-Large</b>			
16Y639	SPRAYER, 695, HI, AP, MULTICORD, PRO	FAMULL	[CONFIDENTIAL]
17E610	ULTRAMAX SPRAYER,695,LO,AP MULTI,STD	FAMULL	[CONFIDENTIAL]
17E613	ULTRAMAX SPRAYER,695,HI,AP MULTI,STD	FAMULL	[CONFIDENTIAL]
17E614	ULTRAMAX SPRAYER,695,PRO,HI,ANZ/KR	FAMULL	[CONFIDENTIAL]
17E616	ULTRAMAX SPRAYER,795,LO,AP MULTI,STD	FAMULL	[CONFIDENTIAL]
17E617	ULTRAMAX SPRAYER,795,HI,AP MULTI,STD	FAMULL	[CONFIDENTIAL]
16X881	SPRAYER, 1095, HI, AP MULTI, STD	FAMULL	[CONFIDENTIAL]
17E619	ULTRAMAX SPRAYER,795,HI,PRO,ANZ/KZ	FAMULL	[CONFIDENTIAL]
17E620	ULTRAMAX SPRAYER,1095,HI,AP MULTI,STD	FAMULL	[CONFIDENTIAL]
16Y832	SPRAYER, 1095, HI, AP MULTI, PRO	FAMULL	[CONFIDENTIAL]
17E621	ULTRAMAX SPRAYER,1095,HI,PRO,ANZ/KR	FAMULL	[CONFIDENTIAL]
17E623	ULTRA SPRAYER,1095,AP MULTI,IRONMAN	FAMULL	[CONFIDENTIAL]
17E657	MARK SPRAYER, V,HI,AP MULTI,STD	FAMTXT	[CONFIDENTIAL]
17E839	GMAX II 5900 SPRAYER, HD,STANDARD	FAMTXT	[CONFIDENTIAL]
16Y874	SPRAYER, MARK V, AP MULTI, IRONMAN	FAMTXT	[CONFIDENTIAL]
17E629	MARK SPRAYER, V,AP MULTI,IRONMAN	FAMTXT	[CONFIDENTIAL]
17E663	MARK SPRAYER, V,AP MULTI,PRO	FAMTXT	[CONFIDENTIAL]



Schedule 2 – Example products

Brand	Description	Example products that compete with the Paint Sprayers
<a href="#">Titan</a>	<p>Titan is a leading brand in spraying technology, manufacturing a full line of professional-grade sprayers for application with a variety of uses. Titan products include airless and air powered paint sprayers, fine finishing sprayers, sprayers for applying texture, roofing, corrosion control, insulation, protective coatings, and line strippers for sports fields and asphalt.</p>	<p>Titan Impact 400 Titan Impact 410 Titan Impact 440 Titan Impact 540 Titan Impact 640 Titan Impact 740 Titan Impact 840 Titan Impact 1040</p>
<a href="#">Wagner</a>	<p>Wagner is a market leader in advanced paint applicator equipment. It develops and markets a wide range of painting and decorating products used in home improvement, commercial painting and industrial fine finishing. Wagner products include paint sprayers, stain sprayers, disinfectant sprayers, heat guns, rollers, surface prep tools, spray tents and steamers.</p>	<p>Wagner ProSpray 3.2 Wagner ProSpray 3.21 Wagner ProSpray 3.23 Wagner ProSpray 3.25 Wagner ProSpray 3.31 Wagner ProSpray 3.39</p>
<p>TriTech</p>	<p>TriTech airless sprayers are manufactured by Aristospray, a US-based company which produces airless equipment and is part of a group of award-winning manufacturing companies. Trittech's product range includes airless sprayers, spray guns, reversible and flat</p>	<p><a href="#">TriTech T4 Stand Electric Airless Sprayer</a> <a href="#">TriTech T4 Lo-Boy Electric Airless Sprayer</a> <a href="#">T4 Hi-Boy Electric Airless Sprayer</a> <a href="#">TriTech T5 Stand Electric Airless Sprayer</a> <a href="#">TriTech T5 Hi-Boy Electric Airless Sprayer</a></p>

Brand	Description	Example products that compete with the Paint Sprayers
	tips, extension, adaptors, airless hoses, high pressure fittings and universal spray rollers.	<a href="#">TriTech T7 Hi-Boy Electric Airless Sprayer</a> <a href="#">TriTech T7 Lo-Boy Electric Airless Sprayer</a> <a href="#">TriTech T8 Lo-Boy Electric Airless Sprayer</a> <a href="#">TriTech T8 Hi-Boy Electric Airless Sprayer</a> <a href="#">TriTech T9 Hi-Boy Electric Airless Sprayer</a> <a href="#">TriTech T11 Hi-Boy Electric Airless Sprayer</a>
QTech	QTech is an exclusive Aristospray brand producing a range of airless and HVLP paint sprayers and turbines. QTech produces electric airless paint sprayers, spray guns, pressure gauges, adapters, safety guards, tip extensions, spray tips, roller heads, spray hoses and joiners, suction guns, turbine paint sprayers and gravity guns.	<a href="#">QTech QT190 Electric Airless Paint Sprayer</a>  QTech QT190 Plus QTech QT290 Carry QTech QT290 Carry Plus QTech QT550 QTech QT650
Spray Champ	The Spray Champ is a light weight DIY paint sprayer designed to spray paint, emulsions, top coats and most low-viscosity water-based coatings. The Spray Champ sprayer is available on Paint Access and Paint Spray Tool.	<a href="#">Spray Champ – DIY Airless Paint Sprayer</a>
<a href="#">Ozito</a>	Ozito provides a wide range of products marketed to the DIY market and sells a range of tools including garden tools, handheld power tools, benchtop power tools, air tools and automotive, pumps, paint products, spray guns	700W Airless Paint Sprayer (ASG-7000)

Brand	Description	Example products that compete with the Paint Sprayers
	and power cleaning equipment.	
<a href="#">Chicago Air</a>	Chicago Air manufactures a varying range of products including paint spray guns, air compressors, air hoses and air tool accessories, grinders, drills, blow guns, impact drivers and wrenches, sandblasters, sanders, staple guns, vacuum pumps and other accessories.	Chicago Air CB2200S Brushless 2200W Airless Paint Sprayer with 15m Hose Chicago Air C900AS 900W Airless Paint Sprayer with 15m Hose Chicago Air CKIT650 650W Airless Spray Gun Kit with 7.6m Hose
<a href="#">XU1</a>	XU1 power tools are manufactured by Ozito and are seen as more affordable entry-level products into the market, particularly for DIY customers. XU1's range of products include airless paint sprayers, cordless drills, hedge trimmers, sanders, blowers, multi-function tools, hammer drills, angle grinders, jigsaws, planers, air compressors, heat guns and other power tools.	XU1 1200W Airless Paint Spray Station
<a href="#">Rongpeng</a>	Zhejiang Rongpeng Air Tools CO.,LTD (Rongpeng) is a vertically integrated professional air tool manufacturer. Rongpeng focuses on industrial air nailing and stapling tools, high level paint spray guns and professional grade assembly air tools. Rongpeng is also the supplier of paint spray equipment that is white labelled locally by different brands.	Airless Paint Sprayer R8620/R8622 Airless Paint Sprayer R8623L/R8623NL Airless Paint Sprayer R8623/R8623N Airless Paint Sprayer R520 Airless Paint Sprayer R488/R488W Airless Paint Sprayer R455 Airless Paint Sprayer R450 Airless Paint Sprayer R475 Airless Paint Sprayer R470

Brand	Description	Example products that compete with the Paint Sprayers
<p>Ningbo Dino-Power Machinery Co, Ltd.  (also known as DP Airless)</p>	<p>Dino-Power is an airless paint sprayer brand that sells its products via the online retailer Alibaba. Dino-Power offers a product range including hydraulic airless sprayers, brushless orbital sanders, airless sprayers, road line marking machines, drywall sander and paint mixer, putty/plaster/cement sprayer, electrostatic coating equipment and electric HVLP sprayer guns.</p>	<p>X9 DIY Airless Paint Sprayer X32 Pro Electric Powered Airless Paint Sprayer 3.2L DP-X6 Portable Electric Airless Paint Sprayer 1.4L/Min X24 X28 Electric Airless Sprayer Similar To 495 595 For Contractors X51L Electric Airless Spray Painting Machine</p>
<p><a href="#">Rota Cota</a></p>	<p>Rota Cota is a heritage trade brand in paint accessories and a manufacturer of premium trade brushes and rollers. Rota Cota is part of the Dulux Group and services Australian and New Zealand markets. Rota Cota's products include brushes, paint rollers, roller cleaners, roller covers, brushes and paint roller cleaning products.</p>	<p>Rota Cota Contractor Paint Sprayer N5609303-UNIT</p>
<p><a href="#">Certa</a></p>	<p>Certa is an in-house brand run by online retailer Kogan. Certa products are sold exclusively on the Kogan and Dick Smith websites (run by Kogan) and include a range of tools, workshop equipment, garden products, outdoor and yard products, vehicle parts and accessories and most suitably an airless paint sprayer.</p>	<p>Certa 750W 3000psi Airless Paint Sprayer</p>
<p><a href="#">Atomex</a></p>	<p>Atomex products are imported by a company called AA Spray. The Atomex Brand is their own brand name for the range of units imported</p>	<p>Atomex HSP-10 Atomex GM-70G Petrol Airless Sprayer</p>

Brand	Description	Example products that compete with the Paint Sprayers
	from Rongpeng	<p>Atomex GM-20E Electric Airless Sprayer</p> <p>Atomex GM-60E Electric Airless Sprayer</p> <p>Atomex XM-30 Air Powered Airless Sprayer</p> <p>Atomex XM-45 Air Powered Airless Sprayer</p> <p>Atomex XM-\$\$ Air Powered Airless Sprayer</p> <p>Atomex XM-68 Air Powered Airless Sprayer</p>
Vevor	Vevor specialises in equipment and tools designed for both DIY and professional uses. Alongside airless paint sprayers, Vevor also produces power tools, air compressors, cooking equipment and industrial kitchen accessories, electrical equipment, and hardware.	<a href="#">Vevor Stand Airless Paint Sprayer Electric Paint Sprayer Machne 7/8HP 220V</a>
MPT	MPT produces a wide variety of tools and retails products on online retailers such as eBay, Shoppick and Alibaba. Alongside airless spray paint guns, MPT manufactures power tools such as drills, jack hammers, jigsaws, sanders, grinders, saws, and various hand tools including tape measures, screwdrivers, hammers and glue guns.	<a href="#">MPT Electric Airless Sprayer Air Spray Paint Gun 500 Watt Kit</a>
Etosha	The Etosha airless paint sprayer is available on online retailers such as Kogan, eBay, My Deal and Amazon.	<a href="#">Airless Paint Sprayer 1200W Electric Spay Gun Painting Machine DIY Home</a>
Shogun	Shogun's airless sprayer is available for purchase on online retail stores, including Kogan, eBay, Deals Direct and Crazy Sales.	<a href="#">1200W Airless Paint Sprayer Gun Sprayer</a>

Brand	Description	Example products that compete with the Paint Sprayers
	Shogun's product range also includes whipper snippers, tool kits, air compressors, high pressure washers, sanding machines, generators, and mops.	
UNIMAC	UNIMAC specialises in air tools, paint sprayers, wet & dry vacuums, sanders and other hardware products to DIY and professional trade markets.	<a href="#">UNIMAC 740W Electric Airless Paint Station – Portable High Pressure Sprayer Gun</a>
Navite	Navite is a professional manufacturer and exporter of spray guns. Navite's main customer markets are America, Europe and Australia. Navite produces air spray guns, airless paint sprayers, airless pumps, air units, motor repair tools and pneumatic tools.	<a href="#">Navite Airless Paint Sprayer NA420 (2800PSI-0.5HP) with Spraygun and 10m Hose (DIY Use)</a>
SCA	Supercheap Auto (SCA) is a retail business predominately specialising in automotive parts and accessories. In addition to its automotive-related product range, SCA has released an airless paint spray kit sold exclusively on the Supercheap Auto website.	<a href="#">SCA Airless Paint Sprayer</a>

**Schedule 3 – Training program outline**

[Attached as "RPM Notification - Schedule 3 - 2022 CED Service Repair Training Agenda Day 1 and 2.pdf"]

## CED Service Repair Training Agenda

### CED SRT Day 1 – Electric Units

Time	Location	Agenda
Welcome Session	Classroom	Welcome, Safety & Certification
	Classroom	Airless Spray Theory – Sales & Basics
	Classroom	HandHeld and DIY Sprayers
	Workshop	HandHeld & DIY Components ID
Morning Tea		
Morning Session	Classroom	Pump Lower Theory & Troubleshooting
	Workshop	Pump Component ID & Rebuild
Lunch		
Afternoon Session	Classroom	Electrical Theory of Operation
	Workshop	Electrical Testing & Troubleshooting
Closing Session	Classroom	Certification Worksheet Review + Q&A.

### CED SRT Day 2 – HVLP, Gas, AA, Triton & Merkur Units

Time	Location	Agenda
Welcome Session	Classroom	Welcome, Safety & Certification
	Classroom	HVLP Units, Smart Start, theory
	Classroom	Air Assisted Airless air side theory
	Workshop	HVLP and AA unit exercises
Morning Tea		
Morning Session	Classroom	Gas Unit board & clutch testing
	Workshop	Gas Unit testing exercises, clutch disassembly
Lunch		
Afternoon Session	Classroom	Triton theory
	Workshop	Triton unit exercises
Afternoon Tea		
Afternoon Session	Classroom	Merkur unit theory
	Workshop	Merkur exercises
Closing Session	Classroom	Certification Worksheet Review + Q&A