

Our Ref: WELDCLASS RPM Your Ref: RPN10000454

30 October 2018

Mr. David Hatfield Adjudication Australian Competition and Consumer Commission 23 Marcus Clarke Street Canberra ACT 2601

Email to: adjudication@accc.gov.au

Dear Adjudicator

RPN10000454 - Weldclass - Submission

We refer to your letter of 14 October 2019 inviting submissions from interested parties to comment on the above notification, RPN10000454 filed by JWL Marketing Pty Ltd trading as Weldclass Welding Products (*Applicant*).

A. OUR BACKGROUND

We are Welding Guns of Australia Pty Ltd trading as UNI-MIG Welding, a company incorporated since 31 October 1979, and having established the welding equipment supply business since 1985.

Our business is to design, develop and supply by wholesale a comprehensive range of MIG, TIG, Arc, Plasma cutting and Spot welding machines which utilize the latest technology and service for the Australian market. We have four warehouses and service centres located in Sydney, Melbourne, Brisbane and Perth, and supply throughout Australia.

B. OUR SUBMISSIONS

We have reviewed the Redacted Version of the Notification of Proposed Resale Price Maintenance (RPM) to the ACCC dated 4 October 2019 and make comments in this submission which either refute the submissions made by the Applicant and/or provide an alternative view. Based on our general and specific comments below, we submit that the RPM shall have no likely benefit to the public or that any likely benefit will not outweigh the likely detriment to the public from the RPM, and that the likely public benefits listed in Section 11 cannot be supported.

C. OUR GENERAL COMMENTS

The intended RPM has anti-competitive consequences

Suppliers such as ourselves and other suppliers of welding Machines and plasma cutters, whether in the premium product range or lower end range, compete for retail space to market and showcase our

BY EMAIL

products, and to stock our product ranges. Because the market has many competing products and is very competitive, the battle for floor space is a highly competitive process. All suppliers of welding machines are seeking to have point of sale and display stands in the retail space of customers, involving point of sale materials, face to face training, relevant information and product videos. Therefore, we are required to offer additional benefits to the retailer, including training and education, pre and post-sales support to end users, price benefits on other products such as accessories, favourable payment terms, and marketing and branding support.

For example, we offer training to our distributors regarding our welding machine range. It is an essential part of sales and marketing when selling power tools such as welding machines. This is an expected and standard cost when introducing new products to the market and is required of the existing market as part of the expected service. For the Applicant to claim that they cannot afford to properly train distributors unless RPM is allowed, reflects more as poor business decision rather than anything unique to them or their new product range.

The influence of the Applicant within the market is not insignificant. While its current market share within the welding machine and cutting machines may be small, it may leverage off its goodwill, reputation and relationships within the welding consumables market to bring to bear significant influence within the welding machine and plasma cutting market.

The Applicant does not have an innovative product to differentiate itself from its competitors to convince the distributors to stock their product. The Applicant's proposal to fix sale prices is to ensure that they can inflate sale prices to differentiate themselves from its competitors. By the Applicant offering to guarantee price margins for retailers then it incentivises the retailers to stock their product on the promise of higher margins.

This in turn, will force other competing products to be discontinued, as retail stock space and floor space is limited due to physical restraints and cost in retail, particularly for smaller dealers. The consequence of allowing RPM under this Notification will be for other suppliers to follow suit with their own RPM model rather than investing in the above benefits as mentioned. This will be to the detriment of the retailers as suppliers will place more reliance on RPM as a tool for convincing dealers to stock their product. Ultimately, this will also be to the detriment of the end user as prices for welding machines and plasma cutters will increase.

RPM will be used mainly to seek greater profit for the distributors

The main goal for the Applicant in utilising RPM is to obtain new distributors by promising them greater and more reliable profits. This in turn will incentivise distributors to drop existing suppliers in favour of the Applicant. This is anti-competitive and does not allow for an equal playing field amongst competitors within the welding machine industry.

The Weldclass Products are not Innovative or High End

The Applicant claims that its new welding machines and plasma cutting machines have high end specifications and are new and innovative. We are familiar with their new products and do not consider

any of their products having high end specifications or innovative. The features on their products are available on all competitor machines such as UNIMIG, CIGWELD, WIA, LINCOLN and BOSSWELD.

For example, we refer to the attached product brochure where on page 3 it states:

"After years of painstaking research and product R&D WeldForce is raising the bar!

Just to name a few... rear cable straps, long 3m power leads, clear & simple controls in your language and big soft carry bags that actually fit your leads back in!"

The Applicant states their R&D has led to the development of rear cable straps, and long 3m power leads. The AS/NZ standard AS60974.1 (2006) states the minimum length to be 2 metres and ours are 2.5 metres in length. The addition of an extra 500mm more cable is not R&D. Additionally, the big soft carry bags are not new as most suppliers sell machines in carry bags and we ship the products in the carry bags which fit all of the components within the bags.

Weldclass' service delivery is not innovative nor unique

We refer to page 37 of the Notification which details the Applicant's customer delivery system. We also have developed such a CRM and ordering system and it is not innovative or unique to our industry. These processes are now standard requirements to effectively engage with end users, process orders, deal with distributors, market products and deliver goods.

The Weldclass Products are not designed by Weldclass

The Weldclass products are designed and manufactured by a China based supplier who supplies to the Applicant as an importer to Australia. The only aspect of design is superficial and relates to the branding and packaging of the products. Typically, as Weldclass is likely to have done, Australian suppliers attend international product trade shows in China and elsewhere to identify suitable products to import to Australia. They then enter into exclusive importing and distribution agreements with the manufacturer. Typically, the only expenditure and investment, as with all Australian suppliers importing new welding equipment, is for branding and labelling, and testing for compliance with Australian Standards.

It is pertinent to refer to their own words on page 46 of the Notification which states "Weldclass is not privy to the manufacturing process per se." This indicates that Weldclass is not involved in design as any designer would have knowledge as to how the product is manufactured and the process of doing so. We would suggest that the Applicant provide you with evidence of their design and research work and the expenditure of doing so.

The RPM will not change end user behaviour regarding research of product

From our own experience, end users research welding machine products based on several factors such as budget, brand loyalty, previous history of products, and feature and benefits, suitability and availability. While there is significant availability of information to end users regarding suitable use for specific products if a buyer chooses to buy based on budget and price, they will ignore advices and information. The Instructions for suitable use and strict conditions on warranty will more likely influence end users to use the welding machine equipment for suitable application.

RPM will not promote higher standards of service or expertise

By the introduction of RPM, it will have the effect of having other competitor products dropped (as discussed above) and/or diverting the limited resources of the distributor to focus on the service to the Applicant's products to the detriment of the other suppliers and products. The net effect being that there is a public detriment as safety and suitability of product will be compromised.

Additionally, there is no guarantee that a distributor may use the additional margin from RPM to invest in pre and post-sales support. Within the industry we are already imposing such obligations, and we manage these aspects based on the business competency of the retailer. If there are recalcitrant dealers, they will need to be actively managed and RPM (as a financial incentive) is no incentive or tool to change behaviour and in actual fact reliance on RPM will distract a supplier from using more direct and effective methods to manage performance and to change culture.

D. OUR SPECIFIC COMMENTS ON CLAIMS MADE IN THE NOTIFICATION

In order of document, we make the following comments in relation to the specific statements made in the Notification:

Section 3.1, page 8 - Weldclass will market its welders and plasma cutters to a niche market who require quality products with innovative features and who desire premium service.

We dispute that this is a niche market as we all supply premium welders and plasma cutters with innovative features for the market. However, we do not seek exemption from Government regulation to aid our sales and marketing efforts.

Section 3.1, page 8-9 - Weldclass researched and gained an understanding of Resale Price Maintenance (RPM) several months prior to launching its new machines and decided early on to pursue this course of action as it was well aligned to our strategy to compete on quality of product, expertise and full pre and post service levels for customers.

As suppliers of welding and cutting machines, we all undertake the exercise of considering our necessary cost to import and supply premium products, and to provide expertise with full pre- and post-service levels. There is nothing unique about this approach or the products.

Section 3.2, page 10 - Weldclass wishes to appoint bricks and mortar Distributors throughout Australia, who are willing to become full-service specialist welding product suppliers and ...

Weldclass are not unique in appointing "bricks and mortars" distributors or dealers. We are all seeking to do the same. We also note that Weldclass is prevalent in supplying products by online methods such as using past platforms like eWelders. Like other suppliers, all of their products are readily available to be purchased online.

Section 3.2, page 12, paragraphs a to f – features of assistance and resources to distributors

We also provide this support to dealers as do other competing suppliers in the market. The support is not unique.

Section 3.3. page 13 - Weldclass has committed substantial research and development funding and time to the development of its Cutforce and Weldforce products and wishes to protect that investment by providing to the Australian public a premium product which is not currently widely available together with premium service, not also generally available. Price competition does not permit this level of service on a consistent basis

This statement in not accurate and is disrespectful to us and all our competitors. We all offer a premium product and premium service. As mentioned above, Weldclass are supplying a ready-made Chinese manufactured ranges of welding machine that are technically no different to other welding and plasma cutting machines currently in the market. As stated above, their products and or features are not innovative.

Section 3.3, page 13 - The minimum price model will enable our distributors to have the confidence to invest in infrastructure, floor space, additional training and pre-and post-customer service. That is, full customer service is to be provided which is generally not available in the discount tool stores and online welder/cutter market, which encourages and supports less service and low levels of expertise and advice to customers

This statement is currently not true as the Applicant currently supplies Weldclass machines to Trade Tools, Home Timber & Hardware, Thrifty-Link Hardware, Tool Store, Welding Equipment Sales & Service, Milton Hardware & Mowers, Industrial Replacements, National Welding, Metro Welder Services, Arc-I (Facebook advertising), United Tools Townsville as well as in the buying group catalogues of Tradesmart and Australian Industrial Supplies (AIS) All of these distributors currently advertise Weldclass products online. The premise that the Applicant is or will only supply specialized welding stores is untrue, as illustrated by its supply to multiple hardware and tool stores as well as large industry supply groups which are predominantly made up of these stores.

Section 3.3, page 13 - Our experience, observing the welding and cutting machine (welders) market has led Weldclass to the realization that in many cases the public has been sold a machine which is not suitable for the purpose or is over/under specified for the intended purpose

While we regularly educate our dealers and their staff in relation to our products, as a wholesale supplier we cannot regulate how practically a retailer will sell our equipment and so as to ensure the machine properly suits the need of an end-user - please refer to our comments above in relation to buyer behaviour and considerations. However, in our experience, if a customer has bought a machine that is not fit for purpose they will complain, and the retail store diverts him to us or solves the problem. In the last 34 years we can only think of this happening on a handful of occasions and our industry would not be unique to this problem.

Section 3.3, page 14 - The "price discounting" culture that is rife in the welder/cutter market segment, due to the abundance of brands and products

There is price discounting because of the very competitive market however this is good for the consumer as it keeps price low. However as stated above the competitive market also drives suppliers to offer dealers and end-users non-price benefits.

Section 3.3, page 14 -The significant market shift over the last decade of small & large tool stores, hardware stores and other general industrial supply outlets entering the welding space and providing cheap products without having product knowledge.

There has been no significant shift in the past decade. These issues have existed since the inception of tool and hardware stores.

Section 3.3, page 14 - The entry of online retailers into the market, providing cheap products without product knowledge, any hands-on knowledge or attempt to match a product to a customer

This is not accurate, for example, as eWelders (which had been one of the industry's largest online dealers) had provided over the phone technical support by a qualified welding tradesman who originally worked for Cigweld as well as Welding Guns of Australia. In relation to our products, they referred customers back to us when they cannot not answer a specific question.

Section 3.3, page 14 - Prior to this shift the welding market was predominately serviced by bricks and mortar welding specialists (retailers whose core product range and cutting). Refer Attachment 5 -- Interview. The introduction of such non-welding focused retailers to the welding market has meant that staff with little or no welding experience, knowledge or training are providing advice and selling specialized welding machines and cutters to the public.

This is not accurate, as in the past and as it is now, most staff in these stores were not qualified tradesmen, engineers or metallurgist. They are mostly retail trained staff with their knowledge being passed from one employee to the other.

Section 3.3, page 14 - The significant growth of the non-professional welding market (the tradesman (builder) and home handy person market) over the last decade or two. A welding machine which once cost thousands of dollars, now only costs a few hundred dollars for the same application. This affordability shift has fostered a significant & growing non-professional welding market of end users who are often untrained, in experienced and who usually have very little welding knowledge. Weldclass products are predominantly used by these non-professional welders.

We do agree to this observation which is why we invest significant time and expense in training and support to dealers and end-users. The matter of whether welding machine use should be regulated is a separate issue.

Section 3.3, page 14/15 - Consequently, discounting has becomes the primary focus of many resellers to win the sale to the detriment of the consumer and consequently the consumer may get poor advice, may not get a fit-for-purpose product; may not receive a product demonstration, may not receive any product training, may not receive reliable after-sales support/ trouble shooting; and, may only receive a limited warranty

Discounting is widespread and is a sign of a healthy competitive market which is good for the consumer. In our experience the business that was providing poor advice, service and operating on low margins would quickly loose its customers and go out of business. This is not unique to the welding industry.

Section 3.3.1, page 15 - we believe that over the next few years, there is a very real likelihood of many existing full-service specialist welding retailers closing as they get pushed out of the market by persistent free riding and discount retailers. Alternatively, they may be forced to become low-service retailers.

The demise of bricks and mortar dealers is largely due to the rise of online retailing and online purchasing habits. This is no different to what is happening amongst the grocery stores or other large department store retailers. It is not because they are being pushed out by free riding and discount retailers. If anything, the solution to access expertise and information may be an online solution to account for changing consumer habits.

Section 3.3.2, page 16 - As a direct result of price pressures and competition, there has been a lack of investment by major welding machine and cutter suppliers in the development of products and also in the improvement of their distributors in terms of skilling and sales staff training and in-store point of sale material which has been and will continue to be to the overall detriment of the public.

This statement is not true. UNIMIG alone has released five new welding and cutting machines this year. As mentioned above it is untrue for the Applicant to state that they are making a major investment in welding machine development and technology. It is the overseas manufacturers who are making all the investment and developing the new machines that are available to the Australian Market. Our supplier Jasic has invested largely in a new R&D company based in Europe developing new machines and software and will invest further before the end of 2020.

Section 3.3.2, page 16 - Price competition and discounting potentially rewards manufacturers and distributors of potentially inferior products over better quality product to the detriment of some bricks and mortar distributors as well as being a detriment to the consumer's welfare.

This statement is incorrect. In our experience, the supplier of poor-quality products will go out of business. You should also note that all welding machines sold in Australia must comply with the relevant and stringent Australian Standards and indeed the small low-cost machines are highly regulated as declared electrical articles.

Section 3.3.4, page 17 - The free rider problem is an economic concept and is an example of a market failure that occurs when people/customers are benefiting from resources, goods, or services that they do not pay for and where the customer subsequently purchases the product from a discount tool store or online retailer after using the services of a specialist full• service operator, who has much higher overheads.

Free Riding is not a phenomenon new to any industry or exclusive to the welding industry, nor exclusive to Weldclass products. The problem is faced by all suppliers of branded products, including ourselves. The retail industry generally faces this challenge because of the use of the internet to compare prices. This is evidenced in the comments on page 20 of the Notification which states in relation to free riding "...That's in power tools, that's in welding, that's in anything."

Section 3.3.4, page 19 - Free riding contributes to the demise of full-service welding and cutting specialist and/or causes them to leave the market. Consequently, customers could suffer from not having the correct or available information to make an informed choice of product and to assist them use the product and provide advice after the purchase.

The main reason specialist dealers go out of business is due to their lack of understanding of their overheads, poor management, low profit margin and poor service. In addition, they lack understanding as how to utilize online marketing and sales to complement their business.

Section 3.3.5, page 21 - Weldclass is aware that some of its distributors focus predominantly on undercutting other distributors on price rather than providing retail services. This has led to a situation where those distributors who spend time and effort in providing expertise, advice and demonstrations to customers often do not get the sales, as the customers ultimately purchase products at discounted prices from other distributors

The issue of price competition amongst distributors is not only limited to the welding machine industry and it is the commercial consequence of consumers being able to choose how they purchase and from where they purchase. Our focus is not to be concerned about price but to actively appoint quality distributors who will focus on pre and post-sales support as demanded of us.

Section 3.3.6, page 22/23 - Increased specialization and knowledge, encourages further innovation, research and development from the manufacturer/wholesaler due to the ability to produce a premium product and receive a reasonable return.

As stated above, the Applicant is not developing, designing or innovating new products but acquiring existing product from an overseas manufacturer and rebadging the products.

Section 3.3.6, page 23 - A greater range of products will be available for consumers as the Distributor will be required to stock a range of products and display them in an orderly logical, customer friendly way.

Most dealers including all the tool stores already stock a large range of welding equipment. You only need to visit large tool store chains such as Total Tools, Sydney Tools and Trade Tools to see the large investment in stock of different competing models.

Section 3.3.6, page 23 -It will allow each product to have extensive point-of-sale material attached and available to the distributor, setting out the features, specifications and fitness for use/application.

We and other suppliers have good quality point of sale material readily available for all welding machine products and this is not unique to Weldclass. As mentioned above, we are all competing for our POS material to be installed into dealer premises.

Section 3.3.6, page 23 - It will enable Weldclass to provide a much stronger warranty and replacement service for our customers;

This should be an irrelevant consideration. The strength of warranty is dependent on the existing resources of a supplier, and fundamentally by the confidence (usually by testing and supporting manufacturers indemnity) of the supplier in the quality of the product. This should not be a specific cost or investment issue. As stated above, Weldclass is not the manufacturer of the new products.

Section 3.3.6, page 23 - Promotes competition based on expertise and the quality of service both before and after the sale

We disagree that this will occur. As stated above, there is already significant competition for provision of expertise and quality of service. The RPM may cause suppliers to re-focus on using profit margins as an incentive to purchase product and therefore pricing again will be the main focus.

Section 3.3.6, page 23 - The customer's welfare becomes of paramount importance rather than the level of discounting, having paramount importance

We, as with most suppliers within the industry will focus on product safety and our objective is to supply the best welding products to suit the customer's needs.

Section 3.3.6, page 23 - it is a real attempt to ensure that the customer purchases a product best suited for their application and needs;

All suppliers within the industry are attempting to make sure the customer gets what they need. Weldclass is leaning on the incorrect assumption that all end users do not know what they wish to purchase or what is required for their specific job. As a supplier we post significant online information to be made available to end users. From our own google analytical data, online research of welding product

performance, reviews and specifications is significant. Additionally, end users may contact the nominated dealers to seek additional advice.

Section 3.3.6, page 23 - Allows distributors to be fully trained and permits the reseller to spend time discussing the customer requirements, assessing the customer's needs, demonstrating the product if required, training the customer, and providing after sales services;

We, like the majority of resellers (such as CIGWELD, LINCOLN, BOSSWELD, WIA) already run training days for distributors and offer in store training to regional customers to demonstrate new and existing products. UNIMIG and other wholesalers also provide demonstrations on how to use products directly to the end users themselves on what may be considered a more complex technology in the welding machine. The current offerings from Weldclass are not considered complex enough to warrant demonstration or excessive training. Weldclass is not offering anything unique nor do their products require it to be so.

Section 3.3.6, page 23 - Price competition can lead to poor advice being provided to consumers who may purchase products that are not suitable for the consumers use. (Refer below distributor comments) Our proposed minimum price policy will assist in providing full-service distributors to overcome this market failure, with respect to our products.

We disagree that price competition will lead to poor advice. Price competition is good for the consumer. Full service distributors already exist regardless of a pricing policy implemented by the Applicant. As mentioned above due to the highly competitive nature of the product, suppliers will compete with each other to ensure that such distributors stock their product, and which entails offering product training, support and expertise.

Section 3.3.6, page 23 - Welding machines and cutters are complex and technical machines. There is a vast array of variables depending on the type of welding process and application, with dozens of machine settings, material types, and power supply factors together with the introduction of electronic and digitized machines. Sale of these machines does require specialized advice. The public will be best served with full-service retailers

Welding in general can be complex hence the reason we supply fully comprehensive manuals with all of our welding and cutting products to assist the end user with any questions they may have relating to the product itself and with any trouble shooting requirements. This is not a unique issue for Weldclass. Full service distributors already currently exist to assist buyers. RPM will not address advice issues where buyers choose to buy online. Online services will be the solution for these types of buyers.

Page 25, Comments on Untrained Salespersons

Untrained salespeople are a problem throughout the retail industry and is not unique to the welding industry. While best efforts to train distributors and their staff are made, there may be some untrained or poorly trained staff providing incorrect advice. Offering potential better margins to dealers through RPM will not solve this problem, as dealers will always seek to maximise their profits or find it difficult to find good staff within the retail industry. We attempt to address this deficiency and of the complexity of welding equipment by ensuring that we supply fully comprehensive manuals with all of our welding and cutting products to assist the end user with any questions they may have relating to the product itself and with any trouble shooting requirements. We also advertise on our packaging what the machines are capable of welding as do our competitors its common practice to do so as it is one of the main selling features on all our products as to what processes the machine can do and what it can weld.

Page 25 - Comments on Safety - I mean, you're talking safety. People welding platforms and things that aren't necessarily certified or ticketed, you're putting lives in danger with either falling objects or people falling off parts that are just impurely bonded together, structurally together.

Safety issues are not unique to the welding industry and are an issue within the building supply business. For example, the purchase of a nail gun, chain saw or electrical fixtures.

Page 26 – Comments on Online Buying - "I am continually having customers come in with products bought online that are either incorrect for the application or with a problem wanting me to help them out or needing parts to actually be able to use the product. Needless to say, I find this quite annoying and ultimately the end user pays the price due to our lack of support and interest in stocking a product with zero margin.

It is important to note that the Applicant chooses to sell to online dealers as it currently does so. In any case, the problem, is not caused by the lack of physical and specialised dealers but the trend for end users to acquire online.

Page 27, Comments on training - The answer to that is yes. You asked the question before, have I done any welding? Quite frankly, I'm too scared to be doing any welding because it's a complicated business, and if you haven't got the training, you can end up buying a machine that is totally useless to you, doesn't do the job, and on top of that, you've probably got some pretty serious or potential serious OH&S issues if you're not being trained by somebody to use that machine properly. It's just not as simple as a supermarket cash and carry. You do need the training on that product, in my view.

The intent on providing suitable expertise in relation to welding is not straightforward and cannot be accomplished by just training staff. To train and qualify someone in welding & fabricating takes 4 years minimum studying at TAFE as well as on the job as part of an apprenticeship. To what level do they intend to train a retail staff member in the art of welding so they can make the right decision on advising anyone purchasing a machine and are they qualified to teach anyone welding. Weldclass do not appear to be a Registered Training Organization certified by the government to offer any training to anyone on welding processes.

Section 5, page 28 - These wholesalers may be impacted, because we will be competing on the basis of the quality of our products, full service customer experience involving expert advice to customers, full product range being available over a wide geographic area in Australia, greater before and after sales service and increased warranty conditions.

All the wholesalers listed here already compete on these terms. UNIMIG has four warehouses in capital cities where we supply stock from to distributors more warehouses than any other wholesaler, we have an electrical service technician in each centre dedicated to repairing only our products, we have four qualified Boilermaker/Welders with two certified up to AS1796 that conduct demonstrations on products, provide advice and offer solutions to end users and distributors that need assistance. We offer extended warranty on our machines with customers that register their product with us online.

It is our understanding that at present Weldclass have invested in one service technician based in Tamworth in regional NSW. It is also our understanding they use third party logistics to dispatch most of the orders from Sydney and Perth. It will be important to understand as to how they will invest in future support resources which will be at least required in the major capital cities.

Section 5, page 28 - Accordingly, our competitors may be impacted if they wish to compete on the basis of customer service, product knowledge, expertise, staff training, service and warranty. Weldclass seeks to bring to the market a more sophisticated quality product and a different type of competition.

This is incorrect. We already compete on these factors. The reality is that Weldclass are new to the welding machine market as their primary business has been the welding consumable market. Therefore, they are seeking to strive for the factors they mention that established suppliers already have the resources to currently offer.

Section 5, page 28 - The Weldclass RPM model could result in other competitors adopting a more services-based offering rather than focusing on cheapest is best for the customer.

We do not focus on being the cheapest, but rather supplying the best products in the market backed by the best service. We assume other suppliers do as well, and as mentioned above we compete on many factors.

Section 5, page 29 - Our Distributor Agreement does not limit a distributor's product range and leaves it completely open for them to stock any products from any supplier, they wish. Price competition will continue with respect to another wholesaler's good.

In effect they are comfortable to allow price competition in the consumables market however the investment in education and training is equally important in this market to ensure suitable use and safety.

Section 5, page 29 - Further our Distributors will not be granted exclusive territories under the minimum price policy and accordingly our distributors can compete on quality of service provided to end users over a wide geographic area.

This is unlikely to allow competition as the dealers are limited by physical geography. The only competition will be for online purchasing for which dealers cannot compete for service quality and support.

Section 6, page 30 – RPM will not apply to consumable products

As above, in effect they are comfortable to allow price competition in the consumables market however the investment in education, information and training is equally important in this consumable market to ensure suitable use and safety.

Section 6.1, page 30 - We have elected to only propose retail price maintenance on welders and cutters for following reasons: Welding machines and plasma cutting machines are significantly more complex and technical than general welding products. The broad range of processes (GMAW, FCAW, MMA, DC TIG, AC/DC TIG, Plasma Cutting, etc.) coupled with the vast array of variables within each process, different applications, dozens of machine settings1 material type, consumable options, power supply factors, welding environment conditions, etc. makes understanding each machine difficult for distributors and end-users alike. This has been further amplified in recent years where there has been a significant shift to more electronic and digitized machines that offer an even greater array of options and functions for considerations

The broad range of processes have been around for a very long time. MMA dates to the late 1800's, GMAW was patented in 1930, GTAW in 1940. What I am highlighting here is the processes have been

around for a very long time. Technologies improve but the principles remain the same. The shift to the digital machine they refer to is the Inverter Welding Machines, which nowadays are industry standard. The inverter welder has been in the market since the early 1980's. The distributors that sell these machines and the end users that buy them know the products and what they need. There will always be someone new to any product that needs assistance with using it, no different to buying a new TV all products come with user manuals as well as online and telephone assistance.

Section 6.1, page 31 - Improvements in technology and consequent decreases in manufacturing costs have also enabled, in recent times, the production of low-cost welding and plasma cutting machines to flood the market, particularly from overseas. This has made welding and plasma cutting an attractive solution to a huge market of non-professionals who traditionally did not regard these processes as something that was achievable by them.

There are no welding machines manufactured in Australia anymore. The majority are now manufactured in Asia and Europe. The Asian machines are cheaper to purchase than the European just like if you were to buy a European car vs an Asian made car as we don't manufacture cars in Australia anymore either. What this has done is made welding & cutting affordable to a market of people who can afford to buy a welding machine. Most are professional but the market also caters to the DIY market as does every other power tool company on the planet. The rise in DIY and affordable hardware has made weekend renovations appealing to people who are not just looking to weld a gate.

Section 6.1, page 31 - In recent times a huge number of hardware, tool & general industrial supply distributors have entered or significantly expanded their offering to the welding machine and plasma cutting machine market. Broadly speaking, these outlets have a poor understanding of welding and plasma cutting processes compared to traditional welding-specialist distributors. Weldclass sells to many of these hardware, tool & general industrial supply stores. We have continued to assist these retail outlets to improve their display range, knowledge and service on welding products. We see RPM on welding and cutting machines fitting in perfectly with our existing support strategy & retail friendly offerings to this market sector.

This seems incongruent with their plans to develop boutique dealers as the Applicant's current practice is to supply to these tool and general hardware suppliers as listed previously above. Weldclass supplies machines to these customers who apparently have no understanding in their view of how to sell their product to the end user. All suppliers of welding machines provide the same support to these outlets whether they are Hardware based or not. All wholesalers offer display stands that are labelled and well maintained. Any current failure to ensure standards of expertise and training are reached by distributors is a failure of implementation and commitment to resources rather than a need for capital investment by the distributor or lack of support required by RPM.

Section 6.1, page 31 - The combination of all the above factors has, in general terms, led to end users being presented with the challenge of coming to terms with a complex product, with a growing number of product alternatives from inexperienced/poorly educated distributors. The net result of this is an increasingly higher risk of the end user being sold a product that is either not fit-for-purpose and/or not the best solution for their application. Unfortunately, often the distributor or end-user may unnecessarily accept a compromised solution because they are simply unaware of the ideal solution or how to match it to the application.

Our website results would present a different conclusion our customers do plenty of research on products before they purchase a welding machine – our products are equivalent in complexity. The other thing that Weldclass are not mentioning is the end users' budget. Quite often a machine is bought to suit a customer's budget and is not always the best way to purchase a machine. However, it is not the

distributors place to refuse to sell a product to someone with a limited budget who wishes to purchase a specific product.

Section 6.1, page 31/32 - This contrasts with other general welding accessories and products (i.e. standard consumables, accessories, spare parts and safety apparel) which are, in the main, easier to understand, meaning it is not as difficult for a distributor or end user to identify the appropriate product. Consequently, we are not applying for RPM for our general welding products range.

This is not a correct statement as there are many general welding products such as torches that lookalike with similar parts, MMA electrodes have different purposes and not all of them can be used in all positions, Tungsten electrodes weld different materials however they all look the same. Weldclass are playing on the fact that the ACCC will not know the specifics of any of these products or their technical aspects that differ them and make them specialized. Information, support and training is equally as important for these products.

Section 6.1, page 32 - Weldclass welding and plasma cutting machines, for which retail price maintenance is sought, are not unique in terms of the main function they perform, and accordingly have been retail priced competitively to other brands on the market

This statement confirms our submissions that the products are not in any way innovative or unique. Additionally, Weldclass do not advertise their retail pricing on any of their distributor websites. It is all Price on Application, so the end user must call for a price and have to battle through the sharp sales tactics of the salesperson fielding the price query.

Section 6.1, page 32 - What does set them apart, is the effective combination of so many innovative functions & features, (including features exclusive to Weldclass machines) designed specifically for Australian welders and, designed to accommodate non-professional welders as well as professionals. Extensive market research and R & D has been invested in our product range to ensure that the combination of features for each model is appropriate and beneficial for typical applications in our market.

As submitted above, there is no innovation in relation to these products or features of the products. The Applicant has not undertaken any R&D and they have simply acquired products from a welding show in China and bought 10 ready-made machine models and rebranded them.

Section 6.1, page 32/33 - Our aim is to provide welders and cutters at a similar price to other brands, however with many more features & functions than other brands, especially features which are valued by Australian welders and features which make welding easier for non-professionals.

Every wholesaler has a range for Trade professional and DIY. Welding is a skill that is perfected over time and after proper technique is taught to the person attempting to use the product. Their welding machines are no easier to use than any other wholesalers and it is misleading to say they are easier to use.

Section 6.1, page 33 - Attachment 12 shows that our products are often on the cheaper end of the scale when compared to other competitive products however our products have much higher specifications and features than our competitors' comparable products

This is their own subjective and bias opinion of their own product based on their limited experience, not the market's opinion. Their product has been in the market in small numbers for 6 months. We disagree with their opinion. UNIMIG has had welding machines in the market for 34 Years, CIGWELD is also 34 years. Lincoln Electric has been doing it for 100 years.

Section 6.1, page 33 - Innovation is expensive to create and expensive to maintain on a continuing basis. Consequently, it is important for both the supplier and distributor to be able to maintain reasonable profit margins.

Weldclass are not contributing to the innovation of welding equipment. They are a wholesaler of welding products not a designer or manufacturer.

Section 6.1, page 33, Comments - "Yeah, I mean, I was looking at the other one, the...had one of them before,-before, but that was a 140 or something, and I was surprised. I thought the 140 would be quite a compact machine, but it was bigger. I asked, like... that was something that appealed to me, the size of it (Weldclass machine). I can stick a small wire in it, and the weight goes down a bit. The small welder, I don't need to have such a heavy machine around.

They are referring here to an example of an end user who would have had a transformer-based machine prior to buying an inverter. The inverter machines are generally three times lighter than the transformer machines. All wholesalers have offered both styles of machines over the years and most still do. It's the end user's choice to decide which they prefer to buy based on their own reasoning.

Section 6.1, page 33, Comments - "So, uh... yeah, so the compactness is what pretty much swayed me from the UniMig." "Yeah, that seems to be pretty. . yeah, the one I had before, I had a 180 UniMig before and it was quite heavy. I actually got rid of it because it was just too heavy for what / needed"

There is no mention as to which model is being compared. Here they are possibly referring to our KMM180 Transformer based machine that was DIY and very affordable and extremely popular with our distributors. Cheaper to manufacture due to its design and being transformer based it weighed 25kg. We discontinued this machine in 2016 so this research possibly refers to machines that have been discontinued.

Section 6.1, page 34 - Weldclass recognized from market research that the Australian market does a lot of on-site welding and therefore we aimed to innovate our Weldforce machines to become lightweight, compact and portable, which is reflected in our current product range and is, in our opinion a benefit to our end users.

The Applicant did not make or innovate this change, the inverter machines are lighter due to their internal components making the machine lighter. Weldclass did not perform any innovation they simply bought an overseas model that met their marketing approach.

Section 6.1, page 34, Comments - Michael: "Hot start and arc force. The way that it ramps up when you first go to take off, so that way the stick doesn't stick badly is what I've found really, good.

Ours and other wholesaler's machines do this too. It is a standard feature and may reflect the lack of knowledge of the user of alternative products.

Section 6.1, page 34, Comments - Weldclass: "Excellent. That's good. That's very interesting because that is an innovative feature that we added to that machine, which is unique. Most machines in the market at that level don't have adjustable hot start and arc

This is a false and misleading claim as other brands have this feature on some of their machines such as the Lincoln Invertec, Everlast Power TIG 210 as well as our own UNIMIG ARC 400.

Section 6.1, page 35, Comments - "It does exactly what I want it to do, because the reason I bought it was because of the arc welder with it as well, MIG and arc. So, I normally carry both around, and this is going to utilize just the one welder. And the reason buying it is the size of it. I like the size of it. Not too big.

He is talking about a multi process inverter which we all sell. The Applicant has only illustrated that they have marketed this product well to the end user.

Section 6.1, page 35, Comments -Weldclass: "Yes. We've done a lot of innovation to our machines to suit the Australian market. Things like the portability . We know a lot of Aussie welders are often out on-site. Have you noticed any other innovation with the machine that you like, any of the features?

There has been no innovation by the Applicant. Most suppliers offer a portable machine, it is a matter of how it is marketed.

Section 6.1, page 36, Comments - Weldclass: Absolutely. That's interesting, because our feedback before we designed the machines was that Aussie welders like the standard knobs, rather than the other, which makes it difficult.

While this may have been a subjective view of a user regarding the use of knobs, the reality is that they have acquired a ready-made product that may have suited their marketing and/or research.

Section 6.1, page 36, Comments - Weldclass: "Exactly. That's great to see that the R&D and innovation is flowing over to your benefit. That's great.

As above, the R&D and innovation claim by the Applicant is false.

Section 6.1, page 36, - Further distinctive innovations include the easy-to-understand instructions & marketing collateral (e.g. fact sheets, operating instruction, User Manuals, machine panel Reference Chart Stickers, and point of sale material provided to distributors (See Attachment 13) which are designed to make it as clear and simple as possible to match the correct model to the appropriate applications, and for the end user to easily understand and effectively use the machine to enjoy its full benefits.

These features are not distinctive innovations. Every wholesaler has manuals, POS material, catalogues, reference charts, stickers etc. Weldclass did not invent any of these they have simply copied what the rest of us do as its common in our industry.

Section 6.1, page 36, - Weldclass has developed the machines to enable a 'plug & play' service to the end user. This means that most likely, everything relating to the machine (excluding consumables & gas) has been provided in the box so that the consumer is more likely to be able to begin welding right away. Many other brands of machines do not offer this, and the end user is often frustrated when they set up the machine out of the box and cannot weld because they are missing applicable items such as: drive rollers, Mig tips, plasma air fitting plug for power cord, etc.

This is not innovative and is essentially a packaging of equipment and accessories. We all do this too within reason, as you cannot accommodate to every requirement that an end user may need for their specific job. For example, not having the drive roller and MIG tips that come with a machine. Machines come with a standard drive roller and tip, usually denoted by the power rating of the machine. If we were to supply every available drive roller and MIG tip with each machine the cost of the product would greatly

increase, and we would not be price competitive. Also, some end users may not want the extra pieces as they do not require them. The plug for the power cord is fitted to all machines where it is legally permitted for us to do so. There are laws about fitting plugs to machines with varying power requirements that can only be done after the customer has bought the machine and a qualified electrician is brought in to fit it to the requirement. The "plug and play" concept may cause products and accessories not for suitable for purpose which is contrary to the Applicant's stated goals.

Section 6.1, page 37 - The key differentiator in the Weldclass offering compared to other competitors is the combination of resources and training provided to the distributors to ensure that they match the ideal product solution to the end user's application as well as providing machine training and troubleshooting advice.

This is not unique as all suppliers as we all offer training to our distributors, website and physical resources as well as provide on -site demonstrations of welding products.

Section 6.1, page 37 - This is further evidenced as follows: We have designed and built a fully customized in-house software application that is focused on customer-service benefits with the recent release of our new range of welding & plasma cutting machines. We have invested in excess of plus countless hours of in- house staff time over the past 12 months to engineer this innovative system. It allows our customer-oriented processes to be extremely efficient by Relaying our end-user requests to our nearest distributor of our machines; Answering end...user and distributor technical queries and problem solving about the machines including providing fast and accurate solutions to technical questions; and Processing warranty claims and repairs.

This system is not unique, and we all utilize our own internal software applications. We perform all the same functions as stated above.

Section 6.2, page 38 - Briefly, where a warranty issue involves user error, we will provide additional training & upskilling to the customer or our distributor at no charge. Details of the specific warranty terms for each WeldForce and Cutforce Product is detailed in the Operators Manual for each Product and is set out in Attachment 7.

We already offer this service as do other wholesalers of welding equipment.

Section 6.3, page 38 – Distributor Training

This is not unique, we already run in house training on our machines and regional on-site training at customer stores on our products, we also do live demonstrations of our products for end users. Simply training a distributor on the use of their machine does not prevent the end user from buying the incorrect tool for the job.

Section 6.3, page 39 - Our face-to-face contact with our distributors exceeds our competitors in both frequency and quality of visits

This is subjective and bias opinion and cannot be verified.

Section 6.3, page 39 - Weldclass has also now produced and released a comprehensive and innovative series of training videos, which will be made available to our distributors.

These videos are just standard feature videos and give a basic run down on the machine features. We have been doing these for the last five years freely available on YouTube to anyone. They are in no way a training tool to educate anyone on how to use a machine.

Section 6.3, page 39 -We can only continue to invest large resources in making these facilities and resources available if we can guarantee a reasonable return on the sale of our products

This statement is untrue. Regardless, the Applicant would need to undertake these processes as a matter of business and growth requirements, as do all suppliers of welding equipment are required to do.

Section 6.4, page 40 - The Weldclass welding and plasma cutting machines are sourced from suppliers who have signed exclusivity agreements with JWL Marketing Pty Ltd not to sell the Weldforce and Cutforce product range to any other party in Australia.

This statement is not true. The products the subject of the Notification may be acquired from numerous suppliers located in China and are readily available.

Section 6.5, page 40 (Australian Market) - The market we are seeking to penetrate in Australia, is a niche sector of the market, being customers who need and appreciate a quality machine, value for money, expert advice, quality service both before and after the sale and a quality warranty offering.

There is nothing unique or niche about this market. All welding machine suppliers in Australia target this market.

Section 6.5, page 42 - The welder and cutting market has many players and is extremely competitive, with no one supplier dominating the market.

We agree with this statement and consider this is a positive aspect for consumers as there is a great range of products available to the consumer.

Section 6.5, page 43 - We currently have approximately active distributors and hope that we would be able to attract many of these distributors to sell our new product range with a minimum price, in each State and Territory of Australia.

We currently supply to these distributors and the vast majority of these distributors are already selling ours and other wholesalers' machines quite happily. Weldclass are not offering anything new to these distributors. The effect of the RPM will be to push out the Applicant's competitor products which will mean less choice for the consumer and less price competition.

Section 6.6, page 43 - We did this to provide the end user with a 'value for money" product (our product being highly featured) compared to our competitors comparable products.... Significantly we note that our pricing is middle of the range, compared to our competitors and in our opinion our products have more features than our competitors.

These statements are subjective and bias opinion of the Applicant and figures can be easily manipulated and selectively included to support any conclusion. We disagree with these statements.

Section 7.2, page 45 - Weldclass wholesales its products to the market through an extensive network of distributors throughout each State and Territory in Australia. Weldclass have wholesale distribution centres located in Sydney NSW and Perth WA, with its head office located in Tamworth NSW, 2340

This statement is possibly misleading. To our knowledge the Applicant uses third party logistics in Perth and Sydney with their only warehouse/service Centre in Tamworth.

Section 7.4, page 46 - Weldclass is not privy to the detail of the manufacturing process per se', as we are not the manufacturer of these products. Weldclass are the exclusive importer to Australia of these products from the Manufacturer.

This statement confirms that they have no input to the manufacturing of their products, however they previously state that they have innovated the features and design of the machines for the Australian Market.

Section 7.4, page 46 - Our manufacturers listen to our research and incorporate new features and specifications into the products that they produce exclusively for Weldclass.

Its standard practice for a wholesaler to instruct a manufacturer to add or subtract features to these machines to make them more or less price competitive. The process to do so is a matter of cost.

Section 7.4, page 46/47 - Significantly, we do require our manufacturers to Test every machine before it leaves the factory. That is every machine is weld test before being packed in the box.

This is called quality control and all reputable manufacturers undertake this testing on every product prior to delivery.

Section 8, page 47 -Without RPM, we will be forced to restrict the number of distributors who have access to our machines which will significantly limit sales and choice for end consumers. Refer Section 9.6. This is principally because of the very high cost of our service-based strategy, which is designed to be customer focused.

We strongly disagree with this statement. This will not limit sales and choice as there are currently 22 brands selling the same or similar equipment as Weldclass as identified by Weldclass on page 42 of this Notification. The Applicant using RPM to seek a competitive advantage over its competitors by funding product support programs which its competitors already do.

Section 9.1, page 48 - Weldclass could introduce its range of welding machines and plasma cutters into the Australian market by selling direct to end users.

The main reason why the Applicant would not sell directly to end-users is that it upsets their current distributors who sell their spare parts and consumables. These distributors would all drop them instantly because the action to compete with them directly is disrespectful to their business and the support they have shown to the Applicant. This is the main reason why they would not do this.

Section 9.1, page 48 - Weldclass, because of our market size, is unable to provide the personnel, the level of service particularly face to face service, customer demonstrations, availability of local stock, after sales service and customer satisfaction, that is available from an Australia wide reseller/distribution network

This is a problem commonly faced by all wholesalers of welding machines. Therefore, distributor networks are established, and we focus on training, supporting and developing high quality distributors.

Section 9.2, page 49 - RPM will however allow our distributors to advertise our new product range online without fear of price competition from other distributors

This has serious consequences for customers as they will be required to pay more for a product without any additional benefits for doing so. It also signals to other suppliers that it may be acceptable to artificially inflate prices to consumers without consequence.

Section 9.3, page 49 - In our view, this will result in very few (if any) distributors wishing to accept a Distribution Agreement which requires them to apply a minimum pricing policy when other distributors are not bound to this policy, due to the ability of the non-RPM distributors being able to "free ride" from the RPM bound distributors and also the ability of the non-bound RPM distributors to discount their products without providing customer services both before and after.

They are restricting the distributors from being able to freely manage their stock levels as they are not able to conduct stock sales events on Weldclass products or match a price on a comparable machine. This has detrimental effect on sales to distributors by other wholesalers who rely on the ability of distributors to free up stock to acquire new products. This will have an anti-competitive effect.

Section 9.4, page 50 - RPM will force distributors to compete on quality of product, expertise, advice, availability of product and quality of service both before and after the sale. Without RPM there would otherwise be an under investment in these key areas to the detriment of the public.

We disagree with this statement. Distributors already compete on these factors and it is up to the wholesaler to support these efforts with incentive programs so that they will stock their product – this is called active management which requires commitment by wholesalers but when done effectively creates significant business success. RPM will only encourage retailers to sell lower cost machines into the market to suit people's budgets where they cannot afford a Weldclass machine that is never on sale.

Section 9.4, page 51, - Comments - Weldclass: "Yep. Exactly. Last of all, our current situation with how we're rolling out these welding machines right now where we don't have immunity to conduct RPM, what is your thoughts on the banning of online or the restriction of online presentation and the way that we're being selective about our distributors? Do you see a benefit in us being awarded RPM so that we can be less restrictive?

"I believe that would be very much good for the whole industry, not just for yourself but the whole industry."

This is very much a leading question as any response would be affirmative to the lifting of any sales restrictions imposed on a distributor. Also, from our review, Weldclass have not imposed any significant restriction on online selling as they are currently marketed online but without pricing.

Section 9.5, page 51 - This is our current mode of operation. We only allow our welding and plasma machines to be sold to a selected and limited number of distributors who cannot sell on-line. This option, in our opinion considerably restricts public availability and choice, however it is our only reasonable option, unless RPM is approved.

This is not completely accurate. The Applicant does sell online as products are advertised online by stores and consumers will contact the store (wherever located) and acquire the product by telephone order and payment by EFT. This is the same as transacting online. The introduction of RPM will only encourage dealers to sell online more profligately and will lessen the likelihood that suitable products will be sold to the end user.

Section 9.5, page 51 - As Weldclass does not currently have RPM, we cannot control minimum market pricing. It is inevitable that without RPM, the behaviour's that are rife in the welding/cutting machine market will also negatively affect Weldclass machines such as Free riding; Intra-brand discounting......

These are challenges for all wholesalers, and it is not exclusive to the Applicant.

Section 9.5, page 52 - Threaten the viability of future research, development and innovation by Weldclass on machines.

As stated above, the Applicant does not innovate or design products, it is merely a buyer of products from an overseas manufacturer.

Section 9.6 – page 53 - For example, being one of the largest and respected tool stores in Brisbane, is very keen to stock and sell our machines, however they have declined due to our Restricted Online Advertising policy (below).

Who is Weldclass referring to it should be made public as they may be already supplying to this business?

Section 9.7, page 54/55 - (Restricted Online Advertising Policy)

A restricted online advertising policy is per se, not a detrimental factor. Such a policy can ensure that information disseminated to the public is true and accurate and assists with ensuring product is sold in accordance with specifications and suitability.

Section 9.8, page 56/57 - We know this is correct as we are currently providing premium service levels, training, distributorship audits etc. as would apply if RPM is approved and the cost is significant....... We have been prepared to absorb this cost to ensure that our distributors and our systems are able to provide the premium service levels we are proposing and a net public benefit. Should Weldclass not be permitted to operate an RPM policy, we may be forced to cease providing our premium service levels, training and after sales advice, which is likely to be a detriment to our distributors and the public

These statements are incorrect. The Applicant does not have the current resources to provide premium levels of support as to our knowledge it operates out of a single Centre based in Tamworth. We have invested significantly more in infrastructure to support dealers. The Applicant is seeking RPM to give them an unfair advantage against its competitors to fund programs already being conducted by its competitors at significant cost and risk. Every supplier is required to invest heavily in maintaining high service levels.

Section 10.1, page 57 - Whilst the Weldclass products are specialized and have a number of unique innovative features, they are not per se' unique and a customer considering purchasing any Weldclass welder and/or cutter will also have a large number of other manufacturers' offerings available to them as well.

This supports our submi	ission that the Ap	oplicant's produ	ucts are not inno	vative or unique
If you wish to contact us	s in relation to th	is submission,	you may contact	Daniel Hughes at
	or telephone at			

Respectfully submitted by Welding Guns of Australia Pty Ltd

Peter Nelson

Managing Director

A: 112 Christina Rd Villawood NSW 2163

Introducing...



WeldForce
by Weldclass

CutForce by Weldclass

A new range...
...from a trusted
Force in welding!

Issued February 2019







A Little Bit About Us...

Where we came from

It started over 35 years ago, in Tamworth (regional NSW), with a small sales van and an Aussie with a passion for helping his fellow metal fabricators succeed. This family-owned business grew to become Weldclass - now one of the leading lights in the Welding and metal-fabrication supply market. Time moves on, but our passion for helping others remains unchanged.

Our Products

From helmets and welding safety products to abrasives, consumables and of course, welding machines.... Weldclass products are used successfully by welders right across the country. They are the mainstay of professionals in engineering workshops, mine sites, manufacturing plants, farm sheds and building sites.

Weldclass products have been used to repair stockyards, build pipelines, repair machinery, construct infrastructure....and maybe even built your house or shed!

The WeldForce range was born from our decades of experience with welding machines and intimate familiarity with the needs, challenges and frustrations that Aussie welder's face every day.

Sure, our products are built to survive the rigours of the fabricator's life, but we like to think that what makes Weldclass different is the extra time we put into getting the product right for you.

We really enjoy delivering unexpected solutions. While many of our products look familiar and similar to others...there are quite a few that perform above and beyond, or provide solutions that save you hassle & time.

The WeldForce family is no exception.

After years of painstaking research and product R&D WeldForce is raising the bar! Just to name a few... rear cable straps, long 3m power leads, clear & simple controls in your language and big soft carry bags that actually fit your leads back in!

Customer Driven Innovation

Our regular customers have been with us for years not just because of our products but because of the time, care and energy we put into our customer service. Our products are designed to work every time in all conditions but if you have any problems, issues or suggestions with any of our range, we want to hear from you. Listening to our customers is what we do best and that's what has kept us going and growing for over 35 years.

For the customer. By the customer. Because we would not be here without You.



Selection

WEL	DING	Input Plug Size	Min Generator Size	MIG	MIG Max Steel Thickness	Sti
	WF-135S	10A	7kVA			~
Noting The Control of	WF-140ST	10A	7kVA			✓
Nation 1	WF-180ST	15A	8kVA			✓
Webfage	WF-201T AC/DC	15A	8kVA			\
heles I	WF-160MST	10A	7kVA	✓	6mm	~
Neface (C)	WF-180MST	10A	8kVA	✓	8mm	~
Nasfage 1	WF-200MST	15A	8kVA	✓	10mm	~
Refugs	WF-205MST	15A	8kVA	///	10mm	\
Media re	WF-255MST	15A	13kVA	///	12mm	✓
CUT	TING	Input Plua	Min	Flat Plate	Perforated	Recomn
CUI	TING	Input Plug Size	Generator Size	Cutting	Perforated Plate Cutting	Mild:
Cutarge	CF-40P	15A	8kVA	√ √	√ √	20n

n Guide



ck	Stick Max Electrode Size	DCTIG	AC/DCTIG	Materials	Typical Applications
	3.2mm	×		Mild Steel Stainless Steel Cast Iron	Hobbyist Light Onsite maintenance
√	3.2mm	√		Mild Steel Stainless Steel Cast Iron	Onsite maintenance
✓	4.0mm	✓		Mild Steel Stainless Steel Cast Iron	Onsite maintenance
✓	4.0mm	/ / /	///	Mild Steel Stainless Steel Cast Iron Aluminium Copper, Titanium	Onsite maintenance Aluminium Repairs Professional Sheet Metal Fabrication
	3.2mm	✓		Mild Steel Stainless Steel Cast Iron Aluminium	Hobbyist Light Onsite maintenance
/	3.2mm	✓		Mild Steel Stainless Steel Cast Iron Aluminium	Light Onsite maintenance Light Fabrication
/	4.0mm	✓		Mild Steel Stainless Steel Cast Iron Aluminium	Light Onsite maintenance Light Fabrication Rural Maintenance & Fencing
✓	4.0mm	√ √		Mild Steel Stainless Steel Cast Iron Aluminium	Light Onsite maintenance Professional Light Fabrication Rural Maintenance & Fencing Construction Automotive Repairs
>	4.0mm	√ √		Mild Steel Stainless Steel Cast Iron Aluminium	Professional Medium Fabrication Rural Workshops Automotive Repairs
nended	Stick Max Electrode	Min Air Co		Materials	Typical Applications
steel nm	Size 25mm	120 l/mir Free Air (FAD) at 75p (Typically	(4.5cfm) Delivery osi pressure	Mild Steel Stainless Steel Cast Iron Aluminium Copper	Onsite Maintenance & Demolition Medium Fabrication Rural Workshop & Maintenance Constructwion & Demolition Automotive



WF-160msT





















Takes 1kg or 5kg Spools



Digital Readouts



Compact, Robust & Lightweight



Generator Compatible Min 7kva Ideal 8kva



12 Month Warranty*

Includes:







Earth Lead 3m



Options:



TIG Torch



Gas Regulator

*Standard warranty 6 months, with 6 months extension if registered at www.weldclass.com.au

Part No.	Description
WF-06127	WF-160MST Package
3-TTU2917V/4	TIG Torch #17 (150A) 4m
4-AR1	Gas Regulator

Specifications

Description	Details
Dimensions (incl. handle)	395L x 165W x 290H mm
Standard	AS 60974.1
Power Supply	240V 1-Phase
Power Factor	0.83
Output Cable Terminals	10-25 (Standard)
Protection Class	IP21
MIG	
Welding Current / Voltage Output	40A/15V - 160A/22V
Duty Cycle (40 °C)	160A @ 20% 130A @ 60% 100A @ 100%
Wire Sizes / Capacity	0.6, 0.8, 0.9mm
Stick (MMA) & TIG	
Welding Current Output	30A – 140A
Duty Cycle	140A @ 20%
MMA Electrode Size / Capacity	1.6 – 3.2mm
TIG Tungsten Electrode Size / Capacity	1.6mm

More info



Weldforce WF-160MST	Otl Yes	ner No
✓ 160A @ 20% Output		
✓ MIG, Stick & Lift-TIG		
✓ LCD Displays		
 Lightweight & Compact (9kg) 		
✓ 3m Leads		
 Drive Rollers for 0.8/0.9mm Gas & Gasless 		



WF-180mst



MIG Gas/Gasless







Gas Regulator

Drive Rollers for: 0.8/0.9 Steel 0.8/0.9 Gasless







Max MIG Capacity





Takes 1kg or 5kg Spools



Digital Readouts



Compact, Robust & Lightweight



Generator Compatible Min 8kva Ideal 10kva



Robust Drive System



2 Year Warranty*

Includes:



MIG Torch 3m H/Duty BZL25



Earth Lead 3m





Stick Lead 3m

Options:



*Standard warranty 12 months, with 12 months extension if registered at www.weldclass.com.au

Part No.	Description
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Dimensions (incl. handle)	395L x 165W x 290H mm
Standard	AS 60974.1
Power Supply	240V 1-Phase
Power Factor	0.83
Output Cable Terminals	10-25 (Standard)
Protection Class	IP21
MIG	
Welding Current / Voltage Output	40A/16.5V - 180A/23V
Duty Cycle (40 °C)	180A @ 10% 144A @ 60% 108A @ 100%
Wire Sizes / Capacity	0.6, 0.8, 0.9mm
Stick (MMA) & TIG	
Welding Current Output	30A – 160A
Duty Cycle	160A @ 10%
MMA Electrode Size / Capacity	1.6 - 2.4mm
TIG Tungsten Electrode Size / Capacity	1.6, 2.4mm

More info



Comparison					
W	eldforce WF-180MST	Oth Yes	ner No		
~	180A Output				
~	MIG, Stick & Lift-TIG				
~	LCD Displays				
~	Super Compact & Lightweight (8.5kg)				
~	H/Duty MIG Torch BZL 25 (230A) 3m				
~	3m Earth & Stick Leads				
~	2 year warranty				
~	2-stage Gas-Saving Regulator				
~	Drive Rollers for 0.8/0.9mm Gas & Gasless				



WF-200MST











200A@25% **Max MIG Output**











Takes 5kg or 15kg Spools



Digital Readouts



Compact, Robust & Lightweight



Inductance Control



Spool Gun Ready



Generator Compatible Min 8kva Ideal 10kva



Robust Drive System



Warranty*

Includes:





Gas Regulator



Earth Lead 4m H/Duty



Earth Lead 4m H/Duty



Drive Rollers for: 0.8/0.9 Steel 0.8/0.9 Gasless

Options:



TIG Torch w/remote



*Standard warranty 12 months, with 12 months extension if registered at www.weldclass.com.au

Part No.	Description
WF-06129	WF-200MST Package
WC-06202	Spool Gun BZL15 4m
3-TTU2917V/4	TIG Torch #17 (150A) 4m
WC-06235	T100 Welding Trolley

Specifications

Description	Details
Dimensions (incl. handle)	550L x 220W x 420H mm
Weight (Power Source)	17.4 kg
Standard	AS 60974.1
Power Supply	240V 1-Phase
Power Factor	0.83
Output Cable Terminals	35-50 (large)
Protection Class	IP21
MIG	
Welding Current / Voltage Output	40A/15V - 160A/22V
Duty Cycle (40 °C)	200A @ 25% 160A @ 60% 120A @ 100%
Wire Sizes / Capacity	0.6, 0.8, 0.9, 1.0mm
Stick (MMA) & TIG	
Welding Current Output	30A – 170A
Duty Cycle	170A @ 25%
MMA Electrode Size / Capacity	1.6 – 4.0mm
TIG Tungsten Electrode Size / Capacity	1.6, 2.4mm

More info



Weldforce WF-200MST	Otl Yes	ner No
	ies	NO
✓ 200A @ 25% Output		
✓ Takes 200mm/5kg AND 300mm/15kg Spools		
✓ MIG, Stick & Lift-TIG		
✓ LCD Displays		
 Lightweight & Compact (13kg) 		
 4m H/Duty MIG Torch BZL 25 (230A) 		
✓ 4m Earth & Stick Leads		
 Drive Rollers for 0.8/0.9mm Gas & Gasless 		
✓ Spool Gun Option		
 Inductance Adjustment for precise arc control 		
✓ 2-stage Gas-Saving Regulator		







WF-205MST

PFC - DIGITAL - SYNERGIC

































20+ Pre-set Programs





Geared Wire Drive System



Takes 1kg or 5kg Spools



Spool Gun Ready











*Standard warranty 2 years, with 1 year extension if registered at www.weldclass.com.au

Advanced Controls Include:

- ✓ MIG adjustments: Pre/Post Gas, Soft-Start, Burnback, Spot & Stitch
- ✓ Stick adjustments: Hot-Start, Arc-Force
- ▼ TIG adjustments: Post Gas, Slope-Up

Part No.	Description
WF-06166	WF-205MST Standard Package
WC-06203	Spool Gun BZL25 (230A) 8m
WC-06234	TIG Torch #17 (150A) 4m Remote
WC-06235	T100 Welding Trolley

Includes:



Stick Lead 4m



Gas Regulator Drive Rollers for:



Carry Bag Cable Strap

Large

0.8/0.9 Steel 0.8/0.9 Gasless 1.0/1.2 Aluminium



Long 3m

Options:



Specifications



TIG Torch w/remote control



Power Lead

Description	Details
Dimensions (incl. handle)	550L x 215W x 415H mm
Weight (Power Source)	17kg
Standard	AS 60974.1
Power Supply	240V 1-Phase
Power Factor	0.99
Output Cable Terminals	35-50 (Large)
MIG	
Welding Current / Voltage Output	40A/16V - 200A/24V
Duty Cycle	200A @ 30% 145A @ 60% 110A @ 100%
Wire Sizes / Capacity	0.6, 0.8, 0.9, 1.0mm
Stick (MMA)	
Welding Current Output	10 – 200A
Duty Cycle	200A @ 25%
MMA Electrode Size / Capacity	1.6 – 4.0mm
TIG	
Welding Current Output	10 – 200A
Duty Cycle	200A @ 35%
Tungsten Electrode Size / Capacity	1.6 – 2.4mm

Benefits of PFC (Power Factor Correction):

- ✓ Increased efficiency & reduced power draw
- ✓ Higher duty cycle
- → Extension lead friendly up to 100m
- ✓ Ideal for Generator use
- Compensates for input power fluctuations

More info



Weldforce WF-205MST	Otl Yes	ner No
	res	140
→ PFCTechnology		
MIG, Stick & Lift-TIG		
 200A @ 30% Output (MIG) 		
 20+ Synergic MIG Programs 		
✓ Job Memory/Recall		
 LCD displays 		
 Advanced Controls (see above) 		
 4m BZL 25 (230A) Torch 		
 3 Drive rollers (see above) 		
 Geared Drive System 		
 2-stage Gas-Saving Regulator 		
✓ Large Carry Bag		
✓ Rear Cable Strap		
 Long 3m Power Input Lead 		
✓ IP23 Protection Rating		



WF-255_{MST}

PFC - DIGITAL - SYNERGIC





STICK







Max MIG Output



















Job Save Store custom settings for up to 20 jobs.



Geared 4-Roll Wire Drive System



Takes 5kg or 15kg Spools



Spool Gun Ready





Generator Friendly



Optional Remote-Control TIG Torch



Stress-Tested



3 Year Warranty*

*Standard warranty 2 years, with 1 year extension if registered at www.weldclass.com.au

**15 Amp plug ted for commissioning purposes only. To obtain full output, 32 Amp plug should be installed by the user.

Advanced Controls Include:

- ✓ MIG adjustments: Pre/Post Gas, Soft-Start, Burnback, Spot & Stitch
- Stick adjustments: Hot-Start, Arc-Force
- ▼ TIG adjustments: Post Gas, Slope-Up

Part No.	Description
WF-06167	WF-255MST Standard Package
WC-06203	Spool Gun BZL25 (230A) 8m
WC-06234	TIG Torch #17 (150A) 4m Remote
WC-06235	T100 Welding Trolley

Options:

Includes:

MIG Torch 4m

H/Duty

Stick Lead 4m H/Duty

Earth Lead 4m



Spool Gun



TIG Torch w/ remote control

Gas Regulator

Drive Rollers for:

1.0/1.2 Aluminium

0.8/0.9 Steel 0.8/0.9 Gasless



Cable

Strap

Long 3m Power Lead

Benefits of PFC (Power Factor Correction):

- ✓ Increased efficiency & reduced power draw
- ✓ Higher duty cycle
- → Extension lead friendly up to 100m
- ✓ Ideal for Generator use
- Compensates for input power fluctuations

Specifications

Description	Details
Dimensions (incl. handle)	L680 x W250 x H480 mm
Weight (Power Source)	26 kg
Standard	AS 60974.1
Power Supply	240V 1-Phase
Power Factor	0.99
Output Cable Terminals	35-50 (Large)
MIG*	
Welding Current / Voltage Output	10A/16V - 250A/26.5V
Duty Cycle	250A @ 35% 195A @ 60% 150A @ 100%
Wire Sizes / Capacity	0.6, 0.8, 0.9, 1.0, 1.2mm
Stick (MMA)*	
Welding Current Output	10 – 250A
Duty Cycle	250A @ 30%
MMA Electrode Size / Capacity	1.6 – 4.0mm
TIG*	
Welding Current Output	10 – 250A
Duty Cycle	250A @ 35%
	1.6 – 2.4mm

More info



		Oth	ner
W	eldforce WF-255MST	Yes	No
>	PFC Technology		
~	MIG, Stick & Lift-TIG		
~	250A @ 35% Output (MIG)		
~	20+ Synergic MIG Programs		
~	Job Memory/Recall		
~	LCD displays		
~	Advanced Controls (see above)		
~	Compact & Portable (26kg)		
~	4m MIG Torch		
~	3 Drive roller sets (see above)		
~	4-Roll, Geared Drive System		
~	2-stage Gas-Saving Regulator		
	Power Plug Fitted (15A)		
~	Large Carry Bag		
	Rear Cable Strap		
~	Long 3m Power Input Lead		
	IP23 Protection Rating		



WF-135s













Compact, Robust & Lightweight



Automatic Hot Start & Arc Force



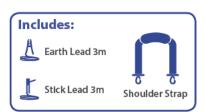
Generator Compatible Min 7kva Ideal 8kva



12 Month Warranty*

*Standard warranty 6 months, with 6 months extension if registered at www.weldclass.com.au

Part No.	Description	
WF-06169	WF-135S Package	



Specifications

Description	Details
Dimensions (incl. handle)	290L x W135 x H270 mm
Standard	AS 60974.1
Power Supply	240V 1-Phase
Power Factor	0.83
Open Circuit Voltage	58V
Output Cable Terminals	10-25 (Standard)
Protection Class	IP21
Welding Current Output	30A – 140A
Duty Cycle	140A @ 20% 100A @ 60%
Electrode Size / Capacity	1.6 – 3.2mm



Weldforce WF-135S	Otl Yes	ner No
✓ 140A @ 20% Output		
 Very Lightweight & Compact (3.8kg) 		
✓ 3m Earth & Work Leads		

Stick / TIG



WF-140sT















Compact, Robust & Lightweight



LCD Digital Meter



Adjustable **Hot Start &** Arc Force





IP23 Protection



Generator Friendly





3 Year Warranty*



Earth Lead 4m	Large Carry Bag
Stick Lead 4m	Shoulder Strap
Long 3m Power Lead	Cable Strap
Options:	
TIG Torch	Gas Regulator

Specifications

Description	Details
Dimensions (incl. handle)	290L x W135 x H270 mm
Standard	AS 60974.1
Power Supply	240V 1-Phase
Power Factor	0.65
Open Circuit Voltage	xxV (VRD on xxV)
Output Cable Terminals	10-25 (Standard)
Welding Current Output	10A – 140A
Duty Cycle (MMA)	140A @ 15% 70A @ 60% 55A @ 100%
MMA Electrode Size / Capacity	1.6 – 3.2mm
TIG Tungsten Electrode Size / Capacity	1.6mm

*Standard warranty 2 years, with 1 year extension if registered at www.weldclass.com.au

Part No.	Description
WF-06170	WF-140ST Package
3-TTU2917V/4	TIG Torch #17 (150A) 4m
4-AR1	Gas Regulator

More info



Companison					
Weldforce WF-140ST		Other Yes No			
~	LCD Display				
~	140A Output				
~	Adjustable Hot-Start & Arc-Force				
~	Super Compact & Lightweight (4kg)				
~	4m Leads				
~	Rear Cable Strap				
~	3 Year Warranty				
~	Large Carry Bag				
~	Long 3m Power Input Lead				
~	IP23 Protection Rating				



WF-180sT

















Compact, Robust & Lightweight



LCD Digital Meter









Generator Friendly









Earth Lead 4m



Large Carry Bag



Stick Lead 4m



Shoulder Strap



Long 3m Power Lead



Cable Strap

Options:



TIG Torch



Gas Regulator

Specifications

Description	Details
Dimensions (incl. handle)	290L x W135 x H270 mm
Standard	AS 60974.1
Power Supply	240V 1-Phase
Power Factor	0.65
Open Circuit Voltage	xxV (VRD on xxV)
Output Cable Terminals	35-50 (large)
Welding Current Output	10A – 140A
Duty Cycle (MMA)	180A @ 15% 90A @ 60% 70A @ 100%
MMA Electrode Size / Capacity	1.6 – 3.2mm
TIG Tungsten Electrode Size / Capacity	1.6 - 2.4mm

*Standard warranty 2 years, with 1 year extension if registered at www.weldclass.com.au

Part No.	Description
WF-06171	WF-180ST Package
3-TTU2917V/4	TIG Torch #17 (150A) 4m
4-AR1	Gas Regulator

More info



Comparison					
Weldforce WF-180ST		Other Yes No			
~	LCD Display				
~	180A Output				
~	Adjustable Hot-Start & Arc-Force				
~	Super Compact & Lightweight (4kg)				
~	4m Leads				
~	Rear Cable Strap				
~	3 Year Warranty				
~	Large Carry Bag				
~	Long 3m Power Input Lead				
~	IP23 Protection Rating				
~	Large 35-50 Cable Connections				

Stick / TIG



WF-201T AC/DC



















Compact, Robust & Lightweight



LCD Digital Controls



HF or Lift Arc Ignition



Pulse Frequency & Width Controls



Slope Up/Down & Post/Pre Gas Controls



AC Square-wave & Balance Controls



IP23 Protection



Generator Friendly



Part No.

WF-06172

WC-06236

WC-06235

Stress-Tested

3 Year Warranty*



Optional Foot Control







Gas Regulator



Cable Strap





Large



Long 3m Power Lead



Parts Kit &





Shoulder Strap

Tungstens (1.6, 2.4, 3.2mm)



Foot Controller



More info

Comparison

*Standard warranty 2 years, with 1 year extension if registered at www.weldclass.com.au

WF-201T Package

T100 Welding Trolley

Foot Controller

Description



w	Weldforce WF-20T AC/DC		Other Yes No	
~	LCD Display			
~	Super Compact & Lightweight (4kg)			
~	200A @ 30% Output			
~	4m TIG Torch with Remote Control			
~	4m Earth & Stick Leads			
~	Rear Cable Strap			
~	3 year warranty			
~	Large Carry Bag			
~	Long 3m Power Input Lead			
~	IP23 Protection Rating			
~	Advanced Controls (see above)			

Specifications

Description	Details
Dimensions (incl. handle)	460L x W150 x H310 mm
Standard	AS 60974.1
Power Supply	240V 1-Phase
Power Factor	0.70
Open Circuit Voltage	xxV (VRD on xxV)
Output Cable Terminals	35-50 (large)
Welding Current Output	10A – 140A
Duty Cycle (AC TIG)	200A @ 30% 155A @ 60% 120A @ 100%
TIG Tungsten Electrode Size / Capacity	1.6 - 3.2mm
MMA Electrode Size / Capacity	1.6 – 4.0mm



CF-40P











Plasma Torch 6m with Torch Parts Kit



Air Regulator with filter & Nitto air fitting



Shoulder Strap

Carry Case

Large



Earth Lead 4m



Cable Strap



Long 3m Power Lead



Trolley

Requires:

Air Compressor Min 120L/min (4.5cfm) Free Air Delivery

Specifications

Description	Details			
Dimensions (incl. handle)	Dimensions (incl. handle) 520L x W150 x H310 mm			
Standard				
Power Supply				
Power Factor	0.70			
Current Output	20A – 40A			
Duty Cycle	40A @ 30% 30A @ 60%			
Cut Capacity	High Quality Cut	Max Recommended	Severance (Poor Quality Cut)	
Mild Steel	<16mm	<20mm	<25mm	
Stainless Steel	<16mm	<20mm	<25mm	
Aluminium	<12mm	<16mm		
Copper	<8mm	<12mm		











Compact, Robust & Lightweight



High Quality Plasma Torch



Reliable Pilot Arc Ignition



Protection Superior resistance





Intelligent Protection & Warning System



Stress-Tested



3 Year Warranty*



Perforated Plate/ Expanded Mesh Cutting Mode

High Quality Plasma Torch Torch quality and design is the 'make or break' of any plasma machine!

- Designed in Europe
- Maximum cutting capacity
- Longer consumables wear life & reduced running cost
- Reduces machine & torch malfunctions
- Maximum torch life
- Euro-style quick-connection

*Standard warranty 2 years, with 1 year extension if registered at www.weldclass.com.au

Part No.	Description
WF-06175	CF-40P Package
WC-06235	T100 Welding Trolley

More info



_	<u> </u>		
۲.	utforce CF-40P	Other	
C	attorce CF-40P	Yes	No
~	40A @ 30% Output		
~	Super Compact & Lightweight (7.5kg)		
~	6m High-Quality Torch		
~	'Euro' style torch connection		
>	4m Earth Lead		
~	Rear Cable Strap		
~	3 Year Warranty		
~	Warning System prevents costly torch damage		
~	Perforated / Expanded Mesh Cutting Mode		
~	Large Carry Bag		
~	Long 3m Power Input Lead		
~	IP23 Protection Rating		
~	Torch Parts Kit Included		







www.weldclass.com.au

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Your WeldForce Distributor: