
From: [REDACTED]
To: Mahony, Andrew
Cc: Lee, Steven
Subject: RE: MMAL exclusive dealing notification submission [SEC=OFFICIAL]

Hello. I would like to lodge my concerns with regards to 'exclusive dealing notification: N10000534'. As a vehicle mechanic that has worked most of my career for two vehicle manufacturers including manufacturer aligned dealerships, allowing this type of trading would be to the detriment of mechanical repairs shops and consumers alike. I worked for several years in the warranty department of a large automotive manufacturer and I know firsthand the methods and tactics that were explored to deny some warranty claims.

Some of the clauses in the fine print of this proposal will allow MMA to deny legitimate warranty claims. Effectively allowing MMA to reserve the right to deny any warranty claim if the owner has had work done at any mechanical business other than a MMA affiliated workshop in 10 years, for anything. I would even question that MMA have enough of a dealership network footprint across Australia, to make it "easy" for every customer to attend their "nearest" dealer for servicing/repairs. It would seem that if an owner lives outside a major capital city they could be severely inconvenienced by excessive travel times to get to a MMA dealer. For example, if an owner of a 4x4 Mitsubishi Pajero lived in Birdsville (SW QLD) they would have to drive 7 hours and 42 minutes north to their nearest dealership in Mount Isa (or almost the equivalent of Melbourne to Adelaide). This is not acceptable.

One thing this proposal does effectively, is to "lock in" consumers to paying exorbitant dealership parts and labour prices for servicing and "up sell" items. Customers no doubt will be reminded that if a mechanical workshop other than a MMA franchise works on their vehicle that any subsequent warranty claims may be denied (and they will), effectively holding an owner to ransom.

Given the current economic climate, our government should be taking proactive steps to nurture and protect the many small mechanical repair businesses that are struggling and will be for many years to come. Approving this type of dealing will certainly jeopardise these livelihoods and may potentially have flow on affects that could see a decline in skilled trades in this country.

Allowing this type of trading is almost completely opposite to some laws in the USA which require manufacturers to share information and updates with non-dealership mechanical repairers. This allows a better and safer service to consumers, who enjoy the ability to shop around for a competitive price when having their vehicle serviced or repaired. This was also done to protect the mechanical repair businesses, aftermarket parts businesses, supplier chains, aftermarket parts retail stores and consumers alike. I hope serious consideration to the ramifications of this request being granted are accessed and denied accordingly.

Thank you very much for your time Andrew.

Kindest Regards,

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