



28<sup>th</sup> September, 2020.

ACCC  
23 Marcus Clarke Street  
Canberra ACT 2601  
adjudication@accc.gov.au

Dear Sir/Madam,

**RE: MITSUBISHI MOTORS AUSTRALIA LIMITED – EXCLUSIVE DEALING NOTIFICATION RN1000043 – INTERESTED PARTY CONSULTATION**

As a campaigner for the improvement of consumer protection laws by way of the introduction of Motor Vehicle Lemon Laws for Australia, I wish to applaud Mitsubishi. They have raised the benchmark in the New Car Retailing Industry with their proposed 10 year/200,000 kilometre (whichever comes first) warranty. By announcing this warranty, in my opinion Mitsubishi have reached the reasonable reliability and durability expectations many consumers have for when they have purchased a brand new car costing tens of thousands of dollars.

In regards to Mitsubishi making their warranty conditional, I believe this will restrict consumer freedoms to choose with whom, in what or where they deal if wanting to benefit from a 10 year /200,000 kilometre warranty because:

- Some consumers may not want to service their vehicle through a MMAL service centre because of price or for other reasons eg: a poor service experience with an approved MMAL centre.
- Some consumers reside in remote areas and may not be able to easily and/or may not be able to access MMAL approved service centres.
- In the event that a consumer has purchased a Mitsubishi vehicle to benefit from the 10 year/200,000 kilometre warranty, and while travelling in a remote region had a breakdown and/or their vehicle required servicing where a MMAL servicing centre was not available, then their warranty would be voided at no fault of their own.

In section 1.6 of Mitsubishi's Exclusive Dealing Notification they state:

*"At the time that MMAL introduced its current Warranty, it considered that the Warranty was competitive. However, since the introduction MMAL's five year Warranty, a number of competitors have begun offering warranties of comparable length, and some have begun offering longer warranties. For example, Kia Motors Australia Pty Ltd currently offers a seven year / unlimited kilometres warranty across its range of vehicles."*

If the intent of the Exclusive Dealing Notification is that Mitsubishi wish to be more competitive, then they may be limiting potential new vehicle and spare part sales by placing this condition on their proposed 10 year/200,000 kilometre warranty. If Mitsubishi removed this condition, then not only would they be more competitive in those remote regions where they are up against manufacturers with 7 year/unlimited kilometre warranties but they would also have more opportunities to expand sales of their genuine parts to independent service centres in those regions.

In summary Lemon Laws 4 Aus supports Mitsubishi's 10 year/200,000 kilometre warranty but does not support their Exclusive Dealing condition.

Regards



Connie Cicchini

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