From: Ultra Tune Malvern East <malverneast@ultratune.com.au>

Sent: Friday, 9 October 2020 5:51 PM

To: Adjudication

Subject: Mitsubishi Submission

Categories: Submission

To whom it may concern,

Re: Submission in response to Mitsubishi Motors Australia Limited (MMAL) exclusive dealing notification RN100000433.

I refer to the above notification by Mitsubishi Motors Australia Limited.

I am an Ultra Tune franchisee and have been for the past 8 years at Malvern East & Huntingdale (which has recently closed) in Victoria and I am currently looking to open another Ultra Tune centre. I employ 5 staff and we pride ourselves on delivery the highest standard of work to our very valuable customers. I am very passionate about my business and the customers and their cars.

I do not support the notion contained in MMAL's notification which places servicing conditions onto consumers' for them to be eligible for a 10 year warranty on their new vehicles.

The most important issue with this is that there is no freedom of choice to the consumer!

If their notification is accepted, other new vehicle manufacturers will follow suit and thereby lessening competition and servicing choice for customers.

- Concentraction of manufacturer marketing power for an extended period.
- Monopoly on the first 10 years of servicing for a vehicle, dealer may raise prices for repairs & parts. Lower customer service standards further. Less choice.

Customer misunderstanding / confusion of warranty and service requirements.

- Open to abuse of power by dealer when selling/promoting their vehicles. Not all information regarding their warranty may be brought to the attention of consumer.
- Customer are likely to only hear "10 year warranty if servicing done by dealer".
- Customers may incorrectly believe that they need to have repairs done at a dealer.
- The warranty does not provide any substantial benefit above the existing Australia consumer law.
- Customers are unable to properly compare the benefits of aftermarket servicing against maintaining their 10 year warrenty as MMAL have not provided service pricing. Already 9/10 have car serviced by dealer while under warranty.
- Encourage anattitude of fear (amongst customers) of losing a 10 year warranty. Which does not really offer any substantial benefit to the customer.

I also want to point out what effect this may have on the aftermarket parts industry and the distributors of this ie Repco & Burson. We offer our customers a <u>choice</u> of the more expensive genuine parts or more affordable quality aftermarket parts that meet manufacturers recommendation.

What about consumers that are travelling around the country towing their caravans with their Mitsubishi (Grey Nomands and the like). Do they have to plan their trips around being in towns/cities where there is a Mitsubishi dealer (or authorised workshop) to have their car serviced, what a huge inconvenience it will be for these consumers.

If a consumer is not happy with the service or price that they are receiving from their Mitsubishi dealer, they will then be forced to travel to another Mitsubishi dealer and this will be a waste of consumers valuable time.

If Mitsubishi are concerned about the level of care and skill provided by the independent workshops then why would they not provide the access to repair and servicing data and information. It would show that they are sincere and genuinely concerned about the consumer.

In closing, I think that this request should be denied, as the snowball effect on all of the independent and aftermarket businesses in the Automotive industry in Australia will be placed in an unfair disadvantage, not to mention the other manufacturers that will follow this.

Please do not allow this to happen and effect small family businesses just like mine and allow the consumer to choice where they have their car serviced.

Thank you for taking the time to read my opinions

Leonard Batkilin Very worried Ultra Tune franchisee



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