

12 October 2020

Email adjudication@accc.gov.au

Dear Sirs,

Submission in response to Mitsubishi Motors Australian Limited (MMAL) exclusive dealing notification RN100000433.

I refer to the above notification by MMAL.

I am the franchisee for Ultra Tune Seaford since 2009

I have been in the motor trade for over thirty years, The majority of this time have been in independent workshops. For a number of years I have worked in dealership and for a couple of year work in R&D for a manufacture. And from my experience I believe dealers are driven to keep there customer at there dealer, and not customer service. And I feel strongly that if MMAL was to be allowed to do this then this would soon be followed by other dealer groups that would then when they have a strangle hold, and would have no reason to even try to provide a good customer experience. The customers then would have no choose but to either loose there warranty or become enslaved to the dealer network. I also believe there prices of parts will rise (which in the last 10 years have started to come down and be more competitive).

I object to MMAL's notification as it will have an negative impact on consumer choice and is not of public benefit by preventing independent servicing workshops (like mine) from servicing their vehicles.

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

Concentration 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 warranty as MMAL have not provided service pricing. Already 9/10 have car serviced by dealer while under warranty.

Encourage an attitude of fear (amongst customers) of losing a 10 year warranty. Which does not really offer any substantial benefit to the customer.

The proposal does not improve the quality of vehicle servicing to customers (due to MMAL exercising significantly greater control over its Dealer and services centres”).

We provide independent & cheaper servicing.

We provide better customer service. Many leave dealers because of bad customer service.

Manufacturer undue influence on dealer.

We offer the customer choice of more expensive genuine parts or cheaper but equivalent quality after market parts.

With thanks

Scott Thornton

Ultra Tune Seaford

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