



Australian
Competition &
Consumer
Commission

Faxed 27/6/05.
SC

Our Ref: C2005/1040
Your Ref: 141780771
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27 July 2005

Mr Ayman Guirguis
Partner
Blake Dawson Waldron
Level 39
101 Collins Street
Melbourne VIC 3001

By facsimile: (03) 9679 3111

Dear Mr Guirguis

Notification N40887 lodged by Iveco Trucks Australia Ltd (Iveco Australia)

I refer to the above third line forcing notification lodged with the Australian Competition and Consumer Commission (the ACCC) on 27 June 2005. The notification has been placed on the ACCC's public register.

You describe the notified conduct as follows:

Iveco Australia proposes to offer a *DrivePLUS* Warranty to purchasers of new Iveco branded trucks on the condition that the purchaser agrees to have repair and maintenance services and any work required to be completed as part of the *DrivePLUS* Warranty carried out by an authorised Iveco Australia dealer or by another repairer approved by Iveco Australia using genuine Iveco parts and components (unless Iveco Australia gives its prior written consent that such work may be carried out by another repairer or individual).

In your letter of 8 July 2005 you confirm that that the notified conduct will not affect the ability of purchasers of Iveco branded trucks to choose to have their vehicles serviced by non-dealers with no impact on the new vehicle warranty, provided that the servicing is performed by qualified staff, according to the manufacturer's specifications and using genuine or appropriate quality parts where required.



I understand from your letter of 8 July 2005, however, that the condition of the *DrivePLUS* Warranty also applies within the new vehicle warranty period. That is, if a purchaser chooses to have maintenance services carried out by a non-Iveco Australia dealer within the new vehicle warranty period, the purchaser may lose the benefits of the *DrivePLUS* Warranty although the purchaser will retain the benefits of the new vehicle warranty.

The ACCC considers it important that the terms of the *DrivePLUS* Warranty, including the condition of the *DrivePLUS* Warranty also applying within the new vehicle warranty period, be fully and clearly disclosed to consumers.

Legal immunity conferred by the notification came into force on 11 July 2005. On the basis of the information that you have provided, it is not intended that further action be taken in this matter at this stage.

As with any notification, please note that the ACCC may act to remove the immunity afforded by this notification at a later stage if it is satisfied that the likely benefit to the public from the conduct will not outweigh the likely detriment to the public from the conduct.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Sharon Clancy on (02) 6243 1217.

Yours sincerely



David Hatfield
A/g General Manager
Adjudication Branch