



**Australian
Competition &
Consumer
Commission**

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Our Ref: C2013/148
Contact Officer: Gina D'Ettorre
Contact Phone: 03 9290 1483

2 May 2013

Sent by email

Dear Sir/Madam

Royal Automobile Club of Queensland applications for authorisation A91358 & A91359 – draft determination

The Australian Competition and Consumer Commission (the ACCC) has issued a draft determination in respect of the applications for authorisation lodged by Royal Automobile Club of Queensland (RACQ) on 20 February 2013.

RACQ is seeking to enhance its RACQ Approved Repairers Network by including a requirement that all RACQ Approved Repairers offer a standard express warranty for repair services to RACQ members. Where further repairs are required that are covered by that express warranty, the RACQ member may require another RACQ Approved Repairer to undertake those repairs. Where that occurs, the RACQ member will not be charged for the repair, instead the RACQ Approved Repairer undertaking the warranty repair will charge the RACQ Approved Repairer who did the original repair and gave the express warranty, at a fixed labour cost.

The arrangements relate to mechanical repairs rather than smash repairs.

To achieve the above, RACQ is seeking authorisation to enter into an agreement with RACQ Approved Repairers that will fix and maintain the labour charge that each RACQ Approved Repairer will charge other RACQ Approved Repairers for repair work done to honour a warranty given by the original RACQ Approved Repairer to an RACQ Member.

RACQ also seeks authorisation on behalf of RACQ Approved Repairers to refuse to provide to non-RACQ members:

- i) the express warranty involving reciprocal repairs
- ii) warranty repair services at no charge and
- iii) warranty repair services at no charge where the original repairs were not performed by another RACQ Approved Repairer.

Draft determination

A full copy of the applications for authorisation and the ACCC's draft determination are available on the ACCC's website <www.accc.gov.au/AuthorisationsRegister>. Alternatively, you can contact Gina D'Ettorre on 03 9290 1483 to obtain a hard copy of the documents.

For the reasons set out in its draft determination, the ACCC proposes to grant authorisation for five years.

Next steps

Once the ACCC issues a draft determination, the Applicant or any interested party may make a written submission and/or request that the ACCC convene a 'pre-decision conference'.

If you wish to make a submission in response to the ACCC's draft determination, please lodge your submission by **Thursday, 16 May 2013**.

A pre-decision conference provides the opportunity for interested parties to make oral submissions in relation to the draft determination. Conferences are conducted informally and while legal or professional advisers are able to attend they are not entitled to participate in the discussion.

If you wish the ACCC to hold a pre-decision conference in relation to the draft determination you must notify the ACCC in writing by **Thursday, 16 May 2013**.

The ACCC will consider any submissions it receives, including any oral submissions made should a pre-decision conference be called, and will then release a final determination in relation to these applications.

Please see the ACCC's publication [Authorisation process - the basics](#) for a summary of the authorisation process and how to make a submission to the ACCC.

Submissions will be placed on the ACCC's public register subject to any request for exclusion. Please see the ACCC's publication [Guidelines for excluding information from the public register](#).

Timetable

The ACCC will continue to progress its assessment of the application in a timely manner. An updated indicative timetable is set out below for your information.

20 February 2013	Lodgement of application and supporting submission.
28 February 2013	Public consultation process begins.
21 March 2013	Closing date for submissions from interested parties.
4 April 2013	Applicant responds to issues raised in the public consultation process.

2 May 2013	Draft determination.
May 2013	Public consultation on draft determination including any conference if called.
June 2013	Final determination.

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 me on 02 6243 1266 or at david.hatfield@accc.gov.au, or Gina D'Ettorre on 03 9290 1483 or at gina.dettorre@accc.gov.au.

Yours sincerely



David Hatfield
Director
Adjudication Branch