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ACCC

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To Whom it May Concern

I am writing as an interested party, being an independent automotive workshop in Queensland, opposing the intention of Mitsubishi Motors Australia Limited to introduce a 10 year / 200000km warranty on new Mitsubishi vehicles.

The intention to provide consumers a 10 year warranty is valid, only if the consumer has their new vehicle serviced exclusively by a MMAL agent for the life of that warranty.

This poses the following issues for me as an independent repairer and also for the automotive industry as a whole, including repairers and suppliers.

1. It removes the consumers choice on who they use to service or repair their motor vehicle as well as removing the choice for supply of parts for the service and repair of that vehicle
2. It greatly reduces industry competition between the dealer network and independent / franchise repairers, with adverse effects for the consumer
3. By negating the automotive aftermarket access to service or repair in the warranty period, dealer accountability is greatly reduced, and the consumer is denied the independent advice and experience that the aftermarket repairers provide when servicing and repairing vehicles.
4. If this proposal is approved, it sets a precedent for all manufacturers to follow suit, greatly reducing access to these vehicles for the automotive aftermarket, hampering growth in this sector and taking away competition.
5. The approval of the program will only work for those consumers within a reasonable radius of the dealer network. Those consumers in regional or remote areas without reasonable access to the dealer network and rely heavily on independent repairers in their local regions will be unfairly disadvantaged should it be approved

There are many facets to this proposal that create issues and hamper the fair and reasonable competition the consumer has come to expect. If the proposal is to be successful, the consumer needs to have the right to choice of repairer for the full duration of the warranty, and any ambiguities need to be ironed out and the terms and conditions simplified.

The current warranty terms and conditions from MMAL, could argue that the warranty on any serviceable components is only for 12mths/20000kms based on the following clause from there 5 year warranty or 10 year extended warranty T&Cs

LIMITED LIFE WARRANTY ITEMS (12 Months from date of first registration or 20,000 km)

Some components in your vehicle are subject to normal wear and tear. The use of your vehicle can influence the life of these components. The following components are covered for 12 months or 20,000 km, whichever comes first

- Any component subject to regular servicing

As well as the list that is mentioned following the above dot point, This point can quite easily be interpreted to exempt any mechanical component that falls under the regular service schedule including any powertrain or driveline component after 20000kms or 12 months, should it fail. This point alone gives MMAL an “out” for the failure of any serviceable component after 12mths/20k, or in real terms, after the 1st 15000km service.

It would be sincerely appreciated if the ACCC could take a very close look at the proposal from MMAL and either deny the approval of such a scheme or if approved, must include that the consumer has the choice of repairer to service and maintain their vehicle - either dealer, franchise or Independent repairer – for the term of the warranty and the life of the vehicle. It would also be appreciated if consideration to any ambiguities as a result of fine clauses in any new car warranties, that the consumer more than likely is not aware of, be reduced or more clearly defined or explained to the consumer.

Yours Sincerely

Craig Baills

Director

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