
From: Robert Williams [REDACTED]
Sent: Sunday, 20 September 2020 3:32 PM
To: Adjudication
Subject: RN10000433– Mitsubishi Motors Australia Limited – submission

Categories: Submission

Dear ACCC

I'd like to express my concern about the proposal by MMA to make the extended warranty on their vehicles conditional on the servicing being carried out by franchised dealers. The grounds for my concern are:

- (1) It does not allow other service companies to compete. If all main dealers adopted this practice it would severely impact the business of independent mechanics — and thus reduce competition.
- (2) As a result of reduced competition customers would probably be charged an even higher premium than is currently the case (and often significant) — in addition customers would need to pay the premium price for 10 years, whereas currently it is likely that many customers would switch to lower cost servicing as the car ages.
- (3) It seems likely that a lot of owners would not maintain strict scheduled servicing for ten years — especially buyers of second hand vehicles, so may find that they are not covered when a problem occurs.
- (4) Service schedules often include items that are not necessary to maintain the vehicle in good running order. An example being the cabin filter, that can be purchased for a few dollars from third party suppliers and easily changed by the customer — without any impact on safety or the longevity of the vehicle. Over ten years of scheduled servicing the price paid for such items could be significant.

I hope that you will not approve this proposal in its current form.

Regards
Robert Williams