
From: Joelene Bugeja [REDACTED]
Sent: Wednesday, 7 October 2020 4:22 PM
To: Adjudication
Subject: RN10000433– Mitsubishi Motors Australia Limited – submission

Categories: Submission

To whom it may concern,

We are writing this submission in relation to the proposal by MMAL to offer a complimentary 10-year warranty to their customers who exclusively service their new Mitsubishi vehicle with an MMAL dealer or service centre.

We oppose this proposal on the following grounds:

- This will clearly affect competition by inhibiting the ability of independent service centres to service these vehicles. MMAL's main competition for servicing their vehicles are independent service centres and by putting a condition on their warranty that the vehicles **must** be serviced by a MMAL dealer or service centre they are excluding/denying competition. Currently to qualify for the 5 year warranty, vehicles may be serviced by any service centre. Under the proposal if the customer wants to qualify for the 10 year warranty all the vehicles servicing must be done by a MMAL dealer or service centre therefore eliminating the competition of independent service centres for the first 5 years as well as the second 5 years.
- The benefit of competition is felt by the consumer - ie. in lower prices and better service. By excluding the ability of independent service centres to service the vehicles MMAL will be able to charge whatever they like to the consumer as they have no competition. Especially during these pandemic times the ability for consumers to be able to save money is paramount and this proposal denies this ability.
- In essence MMAL are trying to create a monopoly in that they alone are able to service their vehicles for customers to be able to qualify for their 10 year warranty. As long as a vehicle is serviced according to the log book any service centre should be able to complete this service and the consumer still be eligible for the new car warranty.
- Their argument that the consumer is still able to have their vehicle serviced by any service centre and is under no contractual obligation to have the vehicle serviced by MMAL dealer or service centre may be factually correct but this is not the reality. Many of our customers are not aware that independent service centres can log book service their vehicle without voiding their warranty as this information is not provided to them by dealers.

Should this proposal be accepted this will have a direct effect on competition from independent service centres by denying them their ability to service MMAL vehicles without the consumer losing their warranty. Please deny this proposal as it will clearly have an effect on decreasing competition and ultimately be detrimental to Australian consumers.

Thank you for your time.

Kind Regards,

Joelene Bugeja
Southern Service Centre