



**10 Archer Street  
Carlisle WA 6101**

9 October 2020

Email adjudication@accc.gov.au

Dear Sirs,

**Submission in response to Mitsubishi Motors Australian Limited (MMAL)  
exclusive dealing notification RN100000433.**

I refer to the above notification by MMAL.

I am the franchisee for Ultra Tune Carlisle WA since February 2020.

We work as independent mechanic (not dealer) and have 4 Mechanics employed to carry out the work of general servicing in the industry.

I object to MMAL's notification as it will have a negative impact on consumer choice and is not of public benefit by preventing independent servicing workshops (like mine) from servicing their vehicles.

If their notification is accepted, other new vehicle manufacturer's will follow suit and thereby lessening competition and servicing choice for customers.

- Concentration of manufacturer marketing power for an extended period.
- Monopoly on the first 10 years of servicing for a vehicle, dealer may raise prices for repairs & parts. Lower customer service standards further. Less choice.

Customer misunderstanding / confusion of warranty and service requirements.

- Customer are likely to only hear "10-year warranty if servicing done by dealer".
- The warranty does not provide any substantial benefit above the existing Australia consumer law.
- Encourage an attitude of fear (amongst customers) of losing a 10-year warranty. Which does not really offer any substantial benefit to the customer.

The proposal does not improve the quality of vehicle servicing to customers (due to MMAL exercising significantly greater control over its Dealer and services centres").

- We provide independent & cheaper servicing.
- We provide a choice in customer service

- We offer the customer choice of more expensive genuine parts or cheaper but equivalent quality aftermarket parts.
- Currently most of my customers tell me that when they purchase a new car, they will no longer be able to bring the car to an independent workshop until the end of the warranty period. I have many well-educated and well-informed clients that are all under the impression that a new car means dealer only servicing for the next four to five years.

Mitsubishi states that there is a public benefit because under the Notified Warranty, cars are serviced with a “high degree of care and skill” beyond the high degree of care and skill ordinarily provided by independent service providers. Not true – our services are delivered with care and skill and our customers have protections under consumer guarantees. We provide a warranty on our service and parts. Independent service providers are impartial when it comes to defects diagnosed during servicing and will advise consumers to return their vehicle to the dealership to remedy the defect.

The consumer is asked to surrender their right to use an independent repairer for what are quite dubious benefits. The warranty documentation gives a great deal of room to reject most warranty claims

The limited Life Warranty can be interpreted to exempt any mechanical component that falls under the regular service schedule including any powertrain or driveline component after 20000 kms or 12 months, should it fail.

This point alone gives Mitsubishi a reason to reject warranty for the failure of any serviceable component after 12mths/20k, or in real terms, after the 1<sup>st</sup> 15000 km service.

The consumer will pay more for scheduled servicing, will pay more for car branded parts and will not receive any warranty benefits beyond their rights under the ACL

We look forward to this submission assisting with the rights of individuals to have their choice who does their car servicing.

Kind regards



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