
From: Ultra Tune Geebung <geebung@ultratune.com.au>
Sent: Thursday, 8 October 2020 2:00 PM
To: Adjudication
Subject: Response to MMAL exclusive dealing notification RN100000433

Categories: Submission

To whom it may concern,

Re: Submission in response to Mitsubishi Motors Australia Limited (MMAL) exclusive dealing notification RN100000433.

I refer to the above notification by Mitsubishi Motors Australia Limited.

I am an Ultratune franchisee and have been an independent repairer at Geebung in Brisbane, since 2006. I employ 5 staff at Ultratune Geebung and I pride myself on running a very high standard business in terms of service and repair and also customer service.

Prior to joining Ultratune in 2006, I worked for Mitsubishi for 27 years. I was an apprentice, Mechanic, Master Technician then Service Manager for 11 years, during which time I was awarded State and National Service Manager of the year by MMAL.

We service a lot of Mitsubishi vehicles through my business and in my family, we all drive Mitsubishi vehicles. I know them to be well made and reliable. I applaud Mitsubishi for taking the bold step towards a 10 year warranty which I think speaks volumes about their own faith in their vehicles.

I do not however, support the notion contained in MMAL's notification which places servicing conditions onto consumers' eligibility for the complete 10 year warranty for their new vehicles.

The issue is one of freedom of choice.

Ultratune and other independent repairers offer options to Dealer service all around the Country. Many people choose to have their vehicles serviced at the Dealer but there are just as many who for their own reasons, will not go back for Dealer service. I offer a quality alternative to the Dealership experience, using quality parts and fluids at a very competitive price. People should not be penalised for taking the independent repairer option. Should the notification be approved there is every likelihood other manufacturers will then follow suit. This would have a catastrophic effect on independent repairers like Ultratune.

The irony in this notification is that up to this point, MMAL has happily honoured warranty on their non - Dealer serviced vehicles, providing they have been serviced as the Manufacturer sets out, using parts and fluids that meet or exceed the Manufacturer's specifications. They will continue to do this in support of the 5 year warranty but for some reason find our operation inadequate going forward into second 5 year period.

I am concerned that if this notification is accepted it will create a monopoly during the 10 warranty service period, where the Dealers could increase prices or not be concerned if customer service standards fall, because the customers are tethered to the Dealership by the warranty conditions.

I am also concerned that all that the customers will hear is "10 years warranty" at the point of sale, without realising the complete implications of the conditions. To warrant the vehicle MMAL will have to consider normal wear and tear of components which will often fail within the 10 year period. It has been my experience that customers are often unaware that certain things may not be covered as time passes, because they have not completely understood the terms and conditions of the warranty. There is often confusion and disappointment and even anger, when failures occur, when people find out that despite loyal Dealer service, for many years, things are

not covered as they thought they were. This becomes the customer's problem but encourages disgruntlement with the vehicle and the Dealer. I get this now, with the current new car warranties and this is often a reason for customers to abandon the Dealer and come to me for a superior service experience.

To conclude, I state again that I cannot support the **MMAL exclusive dealing notification RN100000433** for the reasons stated above. I respectfully implore you not to approve this notification.

Yours sincerely,

John Winch
Franchisee
ULTRATUNE GEEBUNG



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