

# AAAA WELCOMES ACCC ACTION ON KIA CAPPED PRICE SERVICING

On February 23 the Australian Competition and Consumer Commission (ACCC) announced that it had taken enforcement action against KIA Motors Australia relating to its capped price servicing offer to consumers. Refer page 11 of this issue of AAAM to read the full media release.

The AAAA has for some time been concerned with the increasing prevalence of these service programs in the Australian market and in particular their lack of transparency to the consumer. Following a detailed review of a number of capped price service offers from car companies, we identified a range of concerns with the compliance of many of these programs and we formally wrote to the ACCC in June last year. We followed this up with a second submission specifically on KIA Motors following the launch of its seven-year warranty and capped price service plan in September last year.

While the ACCC case against KIA specifically relates to the variable pricing aspect of its (so called) "capped price" offer, we believe this ACCC action is designed to send a strong signal to the entire car industry to ensure that its service offers fully comply with Australian Consumer Law. The final part of the release states *The ACCC now intends to review other capped price service offers made to consumers by vehicle manufacturers to assess whether any similar issues arise.*

The majority of mechanical workshops in Australia are small family owned businesses competing against multinational car companies with huge marketing budgets which makes for a very difficult competitive environment, so we need to ensure that the car industry is playing by the rules. As such we will continue to monitor and investigate all of these service offers and we will raise any concerns we have with the appropriate authorities.



**BOB PATTISON**  
President



**STUART CHARITY**  
Executive Director

# THE COUNTDOWN TO THE AUSTRALIAN AUTO AFTERMARKET EXPO IS ON!

The Australian Auto Aftermarket Expo returns to the Melbourne Exhibition Centre from April 16-18 with the nation's most comprehensive exhibition of vehicle repair and servicing equipment, replacement parts, tools and accessories. Co-located with the Collision Repair Expo visitors will be able to check out a combined total of 450 exhibits over five acres of display space which will be the largest automotive trade event ever held in this country.

The automotive industry in Australia is undergoing unprecedented change driven by economic factors, the complexity of the car parc, changes in vehicle and information technology, changes in industry dynamics as well as the changing capabilities and needs of our workforce and customers.

With this in mind, a strong focus in our event planning is on ensuring that Expo visitors are able to experience the latest innovative products and services in our industry as well as high quality education and networking opportunities.

We will once again be offering a comprehensive free seminar program featuring an outstanding line up of top domestic and international speakers covering the issues that matter to your business.



A total of nine sessions will be held over the Friday and Saturday on topics including Vehicle Data Sharing and Telematics, Modern Testing Techniques, How to Raise Prices Without Losing Your Customers and Using Social Media to Strengthen your Business. Refer to the Expo website [www.aftermarketexpo.com.au](http://www.aftermarketexpo.com.au) for the full schedule of seminar session times and topics.

For people considering travelling from interstate to attend the Expo we have negotiated preferential rates on a huge range of hotels and serviced apartments within easy walking distance to the Melbourne Exhibition Centre through our accommodation provider Ozaccom.

Accommodation options and pricing can be viewed through a live and interactive booking page linked to the Expo website.

The Expo provides a one-in-two-year opportunity to see a showcase of all major brands in our industry under one roof and to network with 13,000 automotive trade professionals over three action packed days.

Registration for the Expo, seminar program is free of charge to all trade visitors making the Expo an event that you can't afford to miss.

We look forward to welcoming you to "Marvellous Melbourne" in April.

Visit the Expo website at [www.aftermarketexpo.com.au](http://www.aftermarketexpo.com.au) for more information

