



THE TRUTH ABOUT

# NEW CAR SERVICING

A WORKSHOP GUIDE TO EXPLAINING THE FACTS

An initiative of the Australian Automotive Aftermarket Association



## TO SERVICE OR NOT: MAINTAINING VEHICLES UNDER WARRANTY

The Australian Competition and Consumer Commission (ACCC) have recently provided updated information regarding consumer rights and servicing cars under warranty. This information is consistent with previous guidance that the Australian Consumer Laws (ACL) gives car owners a guaranteed level of protection for vehicles they buy and that this guarantee applies regardless of any other warranty offered by a vehicle manufacturer.

**Furthermore, there is NO REQUIREMENT under the Australian Consumer Law (ACL) for a vehicle to be serviced by an authorised dealer in order for the consumer guarantees to apply.**



### SO WHAT DO I TELL TO MY CUSTOMER?

As an independent workshop owner, you may sometimes be asked by a customer or vehicle owner if they'll be voiding their new car warranty if you service their car.

The answer depends on whether the warranty is offered by the manufacturer or if it's an aftermarket extended warranty plan offered by the dealer. The difference is outlined on the opposite pages.

In the case of a manufacturers warranty (and provided you service the vehicle in accordance with any specified requirements), you can confidently assure your customer that;

***Their manufacturer's warranty will remain valid and so will their protection under the Consumer Guarantees Regime.***

# WHICH WARRANTY IS WHICH ?

## WARRANTIES OFFERED BY VEHICLE MANUFACTURERS

In addition to the consumer guarantees under the ACL, vehicle manufacturers and dealers often offer manufacturer's warranties.

A manufacturer's warranty is a promise to the consumer that the vehicle will be free from defects for a certain period of time and that any defects will entitle the consumer to a repair or other compensation.

Note: If the manufacturer's warranty states that the vehicle can only be serviced by an authorised dealer, this may raise concerns under the Competition and Consumer Act (2010) and you are encouraged to report this activity immediately to the ACCC.

### Essential Workshop Practice

If your workshop is to perform new car servicing, it's important that you abide by minimum essential requirements:

- **Use quality spare parts from reputable suppliers**
- **Service in accordance with manufacturers instructions**
- **Staff are trained, supervised and qualified**
- **Fluids and lubricants meet manufacturers specifications**

Provided you (as an independent) service the vehicle in accordance with these requirements, the manufacturer's warranty will remain valid.

### Extended warranties offered by dealers

Dealers sometimes offer their own 'extended' warranties on new vehicles. These usually kick in at the completion of the manufacturer's warranty. Although these warranties **CANNOT REPLACE** the manufacturer's warranty or the consumer guarantees, imposing conditions maybe permissible. If there are exclusive requirements in a dealer's warranty, an independent repairer may void the warranty if they service the vehicle. Many workshop owners offer their own extended warranties or instead choose to educate the customer on the many pitfalls that may be associated with them.

## CAN I STAMP THE LOG BOOK?

The logbook in some vehicles includes a box which indicates that it should be stamped by an 'authorised dealer'. The ACCC have confirmed that even if a logbook is labelled in this way, an independent repairer may sign or stamp the relevant page of the customer's service logbook (once they have completed the service) without it affecting the manufacturer's warranty, provided any other requirements, like the ones mentioned above, are met (i.e. the service is carried about by qualified staff etc).

## ADDITIONAL ASSISTANCE

The AAAA encourages aftermarket workshops to utilise our customisable FAQ sheets to help explain the facts to your customer. These can be downloaded from the Choice of Repairer website [www.choiceofrepairer.com.au](http://www.choiceofrepairer.com.au)

We also recommend that workshops keep abreast of the relevant Australian Consumer Laws, the different types of warranties on offer and the rights and obligations of each.

For more information, contact the ACCC Small business helpline on 1300 302 021 or visit [www.accc.gov.au](http://www.accc.gov.au).

## JOIN THE CHOICE OF REPAIRER CAMPAIGN

The “Choice of Repairer” initiative is an information campaign designed to help protect consumer choice and advocate for effective competition in the automotive aftermarket.

If you believe in full and open competition in the vehicle repair, servicing and replacement parts sector we urge you to register your support for the Choice of Repairer initiative. To do this simply follow these three steps:

- **log on to our website [www.choiceofrepairer.com.au](http://www.choiceofrepairer.com.au)**
- **enter your company name and contact details in the section marked “Join the Choice of Repairer Campaign”**
- **Download the Choice of Repairer logo and include this on your website and marketing material.**

Once you have registered your support we will keep you updated on the progress of the campaign.



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