



ADVOCACY WORKING GROUP
MARKET STUDIES PROJECT

MARKET STUDIES INFORMATION STORE

SECTOR

CAR RETAILING AND REPAIRS

UPDATED: MARCH 2020

Information Store

Jurisdiction:	Australia											
Sector:	Automotive											
Market:	New car retailing	Range of Possible Outcomes										
End Date:	14 December 2017											
Duration:	A year and a half											
Source of idea for study:	Self initiated – refer to page 18 of linked report for rationale	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
Outcome: (check all relevant boxes)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reason for study (what were the underlying problems?):	New car retailing industry market study 2016-17: In 2016-17, the ACCC conducted a market study of the new car retailing industry. The study was initiated in response to the ACCC receiving a high volume of complaints from consumers about defects with vehicles, covering a broad spectrum of manufacturers. The study focused on present and emerging competition and consumer issues in the industry. The final report found that aftermarket services are less competitive due to car manufacturers and dealers controlling access to technical information and consumer misunderstanding about warranty and service requirements. Recommendations included enhancements to the Australian Competition Law to address uncertainties and application of consumer guarantees.											
Link to report:	https://www.accc.gov.au/system/files/New%20car%20retailing%20industry%20final%20report_0.pdf											
Remarks (if any):	N/A											

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Jurisdiction:	Sweden											
Sector:	Car Retailing and Repairs											
Market:	Repairs	Range of Possible Outcomes										
End Date:	Feb 12, 2018											
Duration:	9 months Further studies are Ongoing (Feb 2018)											
Source of idea for study:	Government commissioned inquiry											
Outcome (tick relevant columns):		Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reason for study (what were the problems)?	General concerns and monitoring of markets. Important consumer market.											
Link to report:	http://www.konkurrensverket.se/globalassets/publikationer/rapporter/rapport_2018-1.pdf see also http://www.konkurrensverket.se/globalassets/publikationer/uppdagsforskning/forsk-rapport_2016-5.pdf											

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Car Retailing and Repairs

Jurisdiction:	Croatia											
Market:	Motorcycles and scooters	Range of Possible Outcomes										
End Date:	27 October 2014	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
Duration:	Up to one year											
Source of idea for study:	Own initiative.											
Outcome (tick relevant columns):		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Reason for study (what were the problems)?	To define the situation on the market.											
Link to report:												

Jurisdiction:	Turkey											
Market:	Motor Vehicles	Range of Possible Outcomes										
End Date:	May 2014	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
Duration:	3 Years											
Source of idea for study:	Board Decision											
Outcome (tick relevant columns):		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reason for study (what were the problems)?	The study was conducted to see whether the targets set by the regulation: Motor Vehicles Block Exemption No: 2005/4 was reached or not and to understand its effects on the market. As European Commission made a clear difference between the markets of distribution of motor vehicles and for the distribution of spare parts and the provision of repair and maintenance services under its recent regulation (COMMISSION REGULATION No 461/2010 of 27 May 2010), Turkish Competition Authority aimed to find out whether it goes same with Turkish market or not.											
Link to report:	Full Report (In Turkish): http://www.rekabet.gov.tr/File/?path=ROOT%2f1%2fDocuments%2fSekt%C3%B6r+Raporu%2fmotorlutasityeni.pdf											

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Jurisdiction:	Norway											
Market:	Car warranty	Range of Possible Outcomes										
End Date:	2013	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
Duration:												
Source of idea for study:	Tips and concerns raised with the NCA											
Outcome (tick relevant columns):		✓	<input type="checkbox"/>	<input type="checkbox"/>	✓	✓	✓	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reason for study (what were the problems)?		The report “Your car - your choice of auto repair shop” revealed that vague and misleading warranty terms created uncertainty among car owners, and restricted competition in the market. Warranties with conditions for the car owner having repairs and maintenance carried out within the authorized repair networks of the car manufactures may be caught by the Competition Act Section 10, first paragraph (EEA agreement Art. 53 (1)). The NCA had a twofold aim in conducting this market investigation. Firstly, to inform the consumers of their rights of a free choice of repair shop and secondly, to inform car manufacturers/importers about warranties that potentially could be in conflict with the Competition Act. During the market investigation, the NCA had meetings with several players in the automotive industry. As result of this review, the majority of the car manufacturers/importers have changed their warranty conditions to be in accordance with the competition law.										
Link to report:		http://www.konkurransetilsynet.no/globalassets/filer/publikasjoner/rapporter/rapport_om_bilgaranti-.pdf (in Norwegian)										

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Jurisdiction:	Bulgaria	Range of Possible Outcomes										
Market:	<ul style="list-style-type: none"> - Distribution of new motor vehicles - After-sales (repair and maintenance) services - Distribution of genuine spare parts 											
End Date:	December 2012											
Duration:	1 year 6 months											
Source of idea for study:	Media publications.	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
Outcome (tick relevant columns):		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reason for study (what were the problems)?	<p>Availability of data on potential problems for competition in the distribution of motor vehicles, spare parts and repair services.</p> <p>The national markets for new motor vehicles, genuine spare parts and after-sales services were found to be sufficiently competitive with low levels of concentration within the supply chain and infrequent occasions of anticompetitive practices affecting a limited share of the market. In particular the inquiry identified a few occasions of exclusive supply obligations for new vehicles and spare parts, misuse of warranties and quantitative criteria for access to service networks. The inquiry also identified individual occasions of resale price maintenance and restrictions on active sales outside the authorized dealer territory.</p> <p>Results:</p> <p>Based on the findings of the inquiry the CPC initiated two separate proceedings against members of the distribution networks for new vehicles and after-sales services of the HYUNDAI and SEAT brands.</p>											
Link to report:	<p>Decision (in Bulgarian):</p> <p>http://reg.cpc.bg/Decision.aspx?DecID=300034960</p>											

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Jurisdiction:	France	Range of Possible Outcomes										
Market:	Competition in the vehicle repair and maintenance sector and the spare parts manufacturing and distribution sector											
End Date:	October 2012	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
Duration:	14 months											
Source of idea for study:	Internal											
Outcome (tick relevant columns):		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reason for study (what were the problems)?	<p>The prices for maintenance and repair services as well as spare parts have increased in France well above both the inflation rate and the levels observed elsewhere in Europe.</p> <p>The Autorité identified regulatory or behavioural factors that may limit the intensity of competition in the automotive after-sales sector:</p> <ul style="list-style-type: none"> -the protection provided by French IP law on so-called “visible” car spare parts, -the scarcity of spare parts for newer models within the independent distribution network, -the lack of access for independent repairers to the full range of technical information made available to authorized repairers, -the fact that some manufacturers’ warranty terms discourage consumers from turning to an independent repairer during the warranty period, -the use throughout the sector of recommended retail prices and its impact on the intensity of competition between manufacturers’ and independent channels. <p>Among other recommendations, the survey suggested the law be amended by introducing a "repair clause" which would remove the IP protection in respect of “visible” spare parts destined for repairs. In order to take into account the current economic difficulties faced by the car industry, this legal restriction would be removed gradually and in a controlled manner per family of spare parts.</p>											
Link to report:	<p>Press release in English: http://www.autoritedelaconcurrence.fr/user/standard.php?id_rub=418&id_article=1985</p> <p>Full opinion in English http://www.autoritedelaconcurrence.fr/doc/12a21_EN.pdf</p>											

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Jurisdiction:	Sweden											
Market:	Aftermarkets for cars - warranties	Range of Possible Outcomes										
End Date:	March 2010	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	Limited Problems Found
Duration:	4 months											
Source of idea for study:	Own initiative after receiving consumer complaints and enquiries											
Outcome (tick relevant columns):		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	✓
Reason for study (what were the problems)?		The SCA regularly received complaints or inquiries about aftermarkets for cars, including complaints about extended warranties which only cover repairs by manufacturers' authorised repair shops. The study examined which offers from suppliers of new private cars regarding guarantees and other services that include a requirement that servicing must be carried out by repair shops authorized by the supplier concerned.										
Link to report:		http://www.konkurrensverket.se/globalassets/aktuellt/nyheter/las-rapporten-garantivillkor-vid-nybilsforsaljning-5439kb.pdf (in Swedish with English summary)										

Jurisdiction:	Denmark	Range of Possible Outcomes										
Market:	Motor vehicles repair and maintenance services											
End Date:	16 June 2009	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
Duration:	9 and a half months											
Source of idea for study:	<ul style="list-style-type: none">ComplaintsHope to identify agreements/abuse that could lead to competition cases											
Outcome (tick relevant columns):		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reason for study (what were the problems)?		<ul style="list-style-type: none">Competition concerns for the repair market.Brand specific markets for authorised networks of repairers – have high markets shares.Consumer habits were not promoting competition in this market.										
Link to report:												

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Jurisdiction:	Czech Republic	Range of Possible Outcomes										
Market:	Distribution and repairs of Motor vehicles											
End Date:	February 2008	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
Duration:	20 months											
Source of idea for study:	Consumers, governmental bodies, own initiative											
Outcome (tick relevant columns):		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reason for study (what were the problems)?	<ul style="list-style-type: none"> • Relatively high prices • Suspicion of RPM • Insight into the characteristics of services and the circumstances in which the motor vehicles were sold. 											
Link to report:												

Jurisdiction:	Estonia	Range of Possible Outcomes										
Market:	Distribution of New Motor Vehicles											
End Date:	2008	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
Duration:	3 months											
Source of idea for study:	Publicly available information, information from market participants											
Outcome (tick relevant columns):		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Reason for study (what were the problems)?	RPM suspicion.											
Link to report:												

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Jurisdiction:	Czech Republic											
Market:	Car Retailing and after sales market	Range of Possible Outcomes										
End Date:	December 2007	Competition Enforcement Consumer Enforcement Consumer Education Business Education Voluntary Business Compliance Voluntary Business Action Recommendations to Government for Changes in the Law Recommendations to Government to Change Market Structure Recommendations for Changes to Government Policy Referral to Third Parties No Problems Found	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Duration:	13 months											
Source of idea for study:												
Outcome (tick relevant columns):		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reason for study (what were the problems)?	Complaints raised by market participants concerning operation of regulation (EC) No. 1400/2002 concerning motor vehicle distribution and servicing.											
Link to report:	http://www.compet.cz/fileadmin/user_upload/Sekce HS/Distribution and repairs of motor vehicles.pdf											