

BULLETIN

All Members



Reference No: AM 04-18

Date issued: 15/02/2018

Are you having franchising issues? VACC launches on-line tool to assist members

Dear Member

Members are aware that VACC has lobbied for the introduction of an automotive retail-specific franchise code as far back as the Franchising Code Review (aka Wein Review) in 2013^[1].

VACC continues to advocate for an industry code that recognises the level of investment motor industry dealers make when acquiring a franchise and the sophisticated nature of dealerships compared to other franchise businesses.

What is VACC doing to support its franchise members?

VACC continues to support its franchise dealer members who are in dispute (or on the verge of) with their franchisor. VACC has had recent success with such disputes in the Victorian Small Business Commission (VSBC) or with the Office of the Franchising Mediation Adviser (OFMA).

VACC has invested heavily in the past 12 months in the professional development of its Industry Policy Department; this includes consulting the Franchise Code Reviewer Mr Allan Wein, completing tailored Franchising Code courses with members of the Victorian Bar Association and attending VSBC or OFMA mediations.

VACC has also developed an online tool known as 'VACC Franchise Code Assist'. You can access VACC franchise Code Assist [by taking this link](#).

What is VACC Franchise Code Assist?

VACC Franchise Code Assist is an on-line tool that will enable franchisees to advise key VACC personnel of the nature of any franchisee-franchisor dispute and gather important evidence to assist members in settlement of disputes. It can also assist members in the management of their franchise relationships.

The purpose of VACC Franchise Code Assist is to provide an efficient, low cost and effective pathway to dispute resolution services for members. It also has an added purpose of capturing all information involved in a franchisee-franchisor dispute. For example, these disputes could be in the form of non-renewal or termination of agreements, unilateral alteration to PMA's, unfair contract terms or unreasonable pressure from franchisors with regards to cyber cars.

The tool identifies whether both parties are adhering to their obligations under the current Franchising Code. VACC intends to test the suitability and adaptability of the current Franchising Code as applied to automotive retail businesses. The tool will also assist VACC in its advocacy with the ACCC and government.

VACC Franchise Code Assist is a free service to VACC franchisee members.

How will Franchise Code Assist operate?

VACC Franchise Code Assist will initially act as an Internal Dispute Report (IDR) tool. Once VACC has conferred with the member, based upon criteria in a predetermined series of processes mandated by the Franchising Code, VACC members will then decide whether to escalate the IDR to other dispute settlement processes.

The nature of the franchise dispute as provided to Franchise Code Assist and the identity of the franchisor will be included in communications to the ACCC. This will only be done with member approval. VACC has also provided its national body, MTAA, with access to VACC Franchise Code Assist with a view to rolling this tool out nationally. MTAA will consult with the ACCC regarding the VACC Franchise Code Assist initiative.

Is Franchise Code Assist legal advice?

Definitely not.

It is important to note that VACC Franchise Code Assist it is not legal advice, members should be aware that VACC is now in a unique position to provide practical franchise code advice and support where a franchise dispute exists, leading to potential action via the VSBC, OFMA or recommend appropriate legal practitioners.

VACC is happy to meet with any Dealer Principal or Dealer Council group to discuss how VACC Franchise Code Assist can support your dealership. Please feel free to call me directly to discuss.

Regards



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