

BULLETIN

Body Repair Division



Reference No: BRD03-17

Date issued: 02/03/2017

BRD Tackles IAG on Release of their New Terms of Authority (TOR) Document Released 1st March 2017

Dear BRD Member,

VACCs' Body Repair Division (BRD) Executive Committee are extremely concerned with the terms and conditions documented in the IAG Terms of Authority (TOA) released Tuesday the 1st March 2017. [Refer to the attached file by clicking here.](#)

We have asked IAG as a sign of good faith to remove the TOA from the market immediately to enable VACC/AMBRA (Australian Motor Body Repairers Association) and IAG to resolve any differences about the standard form contract and to begin negotiations in good faith. By way of explanation our concerns include, but are not limited to:

- IAG has all or most of the bargaining power relating to the transactions.
- Whether the TOA was prepared by IAG before any discussions relating to these transactions occurred between the parties.
- By releasing it before providing it to VACC and AMBRA and its members without an opportunity to consider the TOA in an open and transparent manner, we say IAG have in all probability failed to give small business operators adequate opportunity to negotiate the terms of the contract.

To press the point, while VACC has no issue with IAG requesting access to invoices that repairers supply in regards to work undertaken, we are extremely concerned that by any repairers accepting the new TOA, IAG is aiming for open access to repairers accounts with suppliers. Repairers accounts with their parts suppliers should be considered commercially confidential information, including their repairs trading terms and discounts.

In short, members feel they are being forced into accepting unfair terms, are being bullied into this agreement and individual businesses are being threatened with a 'take it or leave it' approach by IAG.

VACC and AMBRA seek reason and fairness and respectfully have asked for IAG to remove the TOA from the market and begin a dialogue with us immediately with the aim to resolve the matter to the mutual benefit of all parties involved.

In this context, VACC recommends that all members exercise caution, in accepting the new TOA, and if you have concerns, send an email outlining these concerns to:

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Please feel free to copy me in on the email if you feel comfortable doing that.

Yours sincerely

John Guest

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