

August 2021

Dear MIWA Member

**Competition Commission Guidelines for Competition in the Automotive Industry - Aftermarket**

In May 2021 we communicated information on the Competition Commission Guidelines and this was followed up by a series of Q & A sessions nationally. We undertook to collate all the questions and answers received from our MIWA members during these sessions and share them on one consolidated document. Subsequent to that we have received further questions and revised the document again. This is definitely a dynamic document that needs to be refreshed and referred to from time to time. Please scan again to ensure you are comfortable with all processes.

Should you have any further questions please do not hesitate to send them to [pieter.niemand@rmi.org.za](mailto:pieter.niemand@rmi.org.za)

**Can any workshop carry out in-warranty services as per the guidelines or just RMI and MIWA workshops?**

- Any workshop may carry out the work. It is not exclusively confined to MIWA members although we are encouraging consumers to select MIWA accredited workshops.

**What may a workshop do if a customer misses a service and then comes to a MIWA workshop at the next service?**

- Workshop may go ahead and complete the service and the customer must pay for the service.

**Do workshops have to pay a licence fee to each manufacturer for the pass through system?**

- MIWA is working with R2RSA to obtain more clarity.

**If a vehicle has its service recorded on its key, how will workshops go about accessing the information on the key?**

- Unfortunately at this current stage this is a grey area that MIWA is investigating. MIWA will engage through R2RSA with diagnostic tool manufacturers and OEM's in this regard.

**Comment was made during presentation that Haynes Pro will detail the EXACT service schedule for every vehicle on our roads and workshops can use that schedule. Is this correct?**

- Haynes Pro have acknowledged this will be the case. Other platforms such as Autodata will provide similar information. MIWA will continue to provide information in this regard.

**If a fault is detected on inspection during a routine service, and this is outside of the specified serviced schedule such that it requires urgent attention, what protocol should be followed? Do we report this to the manufacturer or customer?**

- We suggest that the customer is informed thereof immediately. Back up photographs and other material to be used to back up the findings

**Will workshops get access to coding on vehicles? Example SCN coding for Mercedes Benz?**

- The Guidelines make provision for OEM's to provide technical information to ISP's if required.
- MIWA will through R2RSA will approach the OEM's and Competition's Commission to get clarity going forward.
- For security related issues OEM's may accredit certain ISP dealers.

**Will the parts be the same price as offered to the franchise dealerships?**

- Where it is required that "Original" parts need to be sourced, these will be subject to the supply chain of the OEM concerned and their approved dealer network.

**Will the OEM's provide training?**

- Although there is provision for this in the guidelines there is still no certainty or specific details at this point in time.

**Will workshops be able to access VIN Numbers?**

- A "Vehicle digital service record" (VDSR) system has been developed for MIWA members which will be available to all workshops. This will provide a record of all service details on a digital platform wherein VIN numbers are also recorded.

**If an oil filter is found to be defective and causes consequential damage to the engine, who will be liable for the damage caused - Supplier or Workshop?**

- The manufacturers of aftermarket parts carry a warrantee, provided the parts were fitted correctly and the correct application is adhered to.
- If sub-standard parts or lubricants are used, then the responsibility rests with the workshop to compensate the customer.

**The fact that any repair workshop (no controls or standards) can carry out the work can potentially be problematic.**

- The guidelines are not applicable to only a certain group of ISP's. All stakeholders have been included.
- MIWA members should, with as much information and assistance as possible, perform services as per the OEM's requirements.
- Members will have full support from MIWA.
- The fact that all workshops are allowed to service these vehicles is of no concern to MIWA as these workshops, will be held individually liable.
- It is up to MIWA and all MIWA members to educate and inform the consumer why the services of an accredited MIWA workshop are preferable.

**Can a customer have his vehicle's air conditioner serviced at an ISP as this does not fall under a scheduled service?**

- Should the AC require servicing as part of the scheduled service requirements, then a qualified AC Service workshop may perform the service.
- If there is a fault, under warranty, it should go back to the selling dealer.

**Has a list of approved parts manufacturers been identified for service related parts as mentioned earlier, i.e. Filters, Spark Plugs, Brakes, Belts, etc.?**

- Only "Non-Original" Parts of traceable origin, manufactured by an Original Component Parts Manufacturer where a warranty is applicable should be fitted at any time.
- These parts should only be sourced from reputable TEPA component parts suppliers.

**In future will warranty companies require their customers to use only accredited ISP's or will the legislation change on this?**

- The principle of free trade allows for the entity or person paying to select whom they choose to contract with.
- MIWA has excellent relationships with all insurance companies and all of them support MIWA accredited membership workshops as part of their panel.
- This arrangement will remain after 1 July 2021.

**Does MIWA have a help line should workshops have certain issue that need clarification regarding the Guidelines?**

- Members are welcome to engage with the MIWA regions as per this Link [Contact Us - MIWA South Africa](#)

**Some OEM Dealers have stopped giving ISP's discount on parts to try and combat the impact of the Guidelines. Is this in contravention of the rules laid out by the Competition Commission?**

- The Guidelines do not address this specifically
- No known law is contravened by this.

**How will the RMI assist with Non-Compliant workshops as there has to be an agreed standard?**

- The RMI upholds that only the correct standards and practices should be applicable in the industry and continues to promote this at all levels.

**Will the dealerships make their special tools available for purchasing?**

- The Guidelines makes provision for the OEM's to make available special tools at their discretion to ISP's.

**Who pays for an out-of-warranty service on the vehicle?**

- The customer is responsible for this payment.

**How do we get on the panels of the Dealers?**

- MIWA will continue through R2RSA to work out how our members may work in partnership or how they may gain access to the security information and systems.

**Do brake pads and discs fall under service and maintenance?**

- Yes.

**Will the dealers be obliged to sell the diagnostic tool and equipment?**

- No they are not obliged to do so however as per the Guidelines they will be encouraged to do so.

**Will a clutch replacement fall under maintenance?**

- Any clutch problems for new vehicles (within the warranty period) should be referred to the OEM dealers.

**For vehicles that have been sold prior the 1<sup>st</sup> of July 2021, will the Guidelines apply**

- Yes
- All vehicles sold prior to, or after 1<sup>st</sup> July 2021 that have not been sold with embedded service/maintenance plans can be serviced under warranty.

**If there is a complaint that emerges after a vehicle has been serviced by the aftermarket workshop, where should this complaint be channelled?**

- Members may approach MIWA for advice.

**Is it correct to assume that the technician for the ISP should be a qualified mechanic?**

- Yes

**Will the workshops be able to use OEM logos?**

- No, these are the OEM copyright and cannot be displayed or marketed without express permission.

**How will the OEM'S react to the Guidelines?**

- The OEM's will naturally deploy a defensive strategy, to which the MIWA members must engage internally to develop a positive offensive strategy, for the benefit of all MIWA members.

**Will you be able to advertise that you can service all vehicles?**

- Yes you may advertise that you can service multiple brands of vehicles.
- You may not state that you are an OEM branded Specialist. However, you may use the phrase we specialise in a brand of vehicles.

**Since we cannot repair a defect, what do we do if a part defect renders the vehicle not driveable?**

- You are required to bring it to the attention of the customer
- The customer will have to approach the dealer network, who will then make arrangements for the warranty repair to be done.
- Do not attempt to do any warranty repairs while that vehicle is still under warranty.

**What is the process going to be to enable access to OEM training and information?**

- The Guidelines require the OEM's to provide, training, information and tooling.
- The generic diagnostic tools that you use will suffice for setting and resetting certain services.
- If special tools are required, the OEM dealer is expected to sell the tools, or provide the details of a company that manufactures the tools on their behalf.
- MIWA will through R2RSA approach OEM's in the USA and in Europe., These OEM's will be requested to establish the ISP websites in SA, allowing us access to technical data, diagnostic information etc.

**What happens if you need dealer specific information that is not available in the aftermarket? Is the OEM dealer obliged to give us the information?**

- In terms of the Guidelines, they are. Should they not comply, the issue can be raised with MIWA directly, who will assist you to approach the Competition Commission.

**What is the difference between an ISP and aftermarket repairer?**

- There is no difference. The Guidelines used the acronym ISP (independent service provider) also known as an aftermarket workshop in the motor industry as a whole, so it's exactly the same thing.

**Will we have access to software updates as and when these are updated at OEM dealerships?**

- Access to these files and the tools that you have in your workshop should be available as part of your original purchase agreement.

**Does gearbox service, cambelt replacement etc. fall under the service work that we are permitted to carry out?**

- Yes

**How will we know if there is a bulletin outstanding specific to the scheduled service?**

- Bulletins are the responsibility of the OEM.
- HaynesPro or Autodata, receive all the service bulletins that are released in Europe. These are updated virtually on a daily basis.

**For warranty purposes, do we need to keep old parts from the services we carry out?**

- Yes, all parts must be returned to the customer and only be disposed of at their request

**How will an OEM dealer react to other OEM dealers servicing the same make of vehicle?**

- The Guidelines work in our favour as well as for the OEM. The OEM dealers can service any car.
- In fact, some dealers have opened aftermarket workshops to accommodate this. The Guidelines also have allowed for this.

**Will an aftermarket scanner be approved?**

- Yes, the Guidelines do not make mention that the scanner must be an OEM scanner. This will generally be used to reset the service interval and any scanner should suffice.
- Dealerships will be expected to provide ISP's with technical information to purchase along with component and diagnostic information.

**Is most coding long coding which can be done online?**

- In America they have ISP websites from which information is available on subscription and are download through J2534.

**What star rating is required to carry out the service?**

- Any MIWA member may carry out these services. It is the consumer's choice to make a selection. There is full confidence that MIWA accredited workshops will conduct the work correctly.

**Will we be able to do service/maintenance insurance claims for the first year or only the dealers?**

- Firstly, no repairs should be done as these will be covered under the warranty and need to be done by the OEM dealer.
- Once the vehicle warranty expires ISP's may carry out repairs at the customer's expense.

**How will this information be communicated to customers? Advertisements, centrally controlled or business specific?**

- For the past year MIWA has been communicating with the consumer and this education will continue. You can also play a valuable role in championing our cause.

**Most of our customers bring cheap parts, should we use them or not?**

- No, or you will be responsible if anything goes wrong.

**Will it also be for motorcycles or only motor vehicles?**

- The Guidelines cover all motor vehicles two wheeled or more

**If there is no maintenance plan on the vehicle, can the workshop repair any other issue noted during the service? i.e water pump leaking, etc.**

- While the vehicle is under warranty you will not do any repairs to any component. This can only be done once the warranty has expired.

**What if a customer acknowledges that they know they will forfeit their warranty should they provide you with, non-original/sub-standard parts that they have provided?**

- If customers bring their own parts, it is advisable to avoid fitting these parts as discussed above.

**What is the minimum administrative criteria that workshops should have in record keeping?**

- Information required is the
  - odometer,
  - VIN number,
  - vehicle registration number,
  - engine number,
  - Parts that are being used.

- Lubricants
- File the job card,
- stamp the service
- Keep an electronic copy.

**Would we be able to do repairs on vehicles under warranty on parts not covered by the warranty, eg. Brakes pads and disc, and suspension?**

- Repairs are not to be done under warranty at all
- Service and maintenance work on brakes, and suspension, etc. may be done during the warranty period at the customer's expense

**With regards to the number of hours billed you mentioned these should be similar to those charged by an OEM dealer. How do we know what these hours are?**

- HaynesPro software which has an hour time rating for all car makes in their system. Autodata also has similar dealer labour rates and times.

**Is there a quality policy with product identification and traceability that we can adapt to in our business?**

- In terms of the CPA it is a requirement to invoice only the specific part numbers for the products supplied and fitted, as agreed to (Listed) on the initial JOB Card (contract) with the customer
- If you used a GUD filter for example, you will put that part number and if it's an oil, you name the brand and the spec for official record keeping.

**Is R2R compulsory to every workshop that is RMI?**

- No

**Can we advertise with the R2R logo?**

- We would prefer you to advertise with the MIWA logo as being the link to R2R
- You can however brand your workshops with the logo if you so wish.
- A R500 donation per workshop to use the R2R logo will be required.

Kind regards



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MIWA National Director