

COMPLAINT NUMBER	18/016
AWAP	18/001
COMPLAINANT	Mitsubishi Motors New Zealand
ADVERTISER	Great Lake Motor Distributors Limited
ADVERTISEMENT	Great Lake Motor Distributors Limited Facebook and Television
DATE OF MEETING	26 February 2018
OUTCOME	Upheld, in part; Settled, in part

SUMMARY

Advertisement 1

The television advertisement for the SsangYong G4 Rexton, appeared on the SsangYong Facebook page, the SsangYong website, the RextonG4 website and on mainstream television including SkySport 1. The advertisement included many features relating to the G4 Rexton as well as using a badge which included five stars and said “FIVE YEAR, 150,000 kms FACTORY WARRANTY, PLUS ROADSIDE ASSIST. G4 Rexton. Class leading warranty.”

Advertisement 2

The post on the SsangYong Facebook page on 13 November 2017 which included a picture of the G4 Rexton said, in part: “The G4 Rexton – with a five year/150,000km factory-backed warranty – no other automotive brand in New Zealand offers such a new vehicle pledge... read more here: <http://www.automotivenews.co.nz/.../ssangyong-rexton-tops-suv...>” The information included in the post had been abridged from an industry article published by the Automotive News.

The Complainant, Mitsubishi Motors New Zealand, said the claims that SsangYong had a “class leading warranty” and “no other automotive brand in New Zealand offers such a new vehicle pledge” were misleading comparative claims and were unable to be substantiated.

The Advertiser said key factors in purchasing a new vehicle are the factory backed warranty terms and the transferability of a warranty. The Advertiser argued “the Rexton clearly has the class leading warranty as no other manufacturer has a five year / 150,000 fully transferrable factory warranty in this market segment... Our evidence for the class leading warranty is proven by sheer common-sense.”

The Advertiser also amended some of its advertisements to reflect the warranty was fully transferrable and removed the Facebook post subject to complaint.

The Panel said the ‘class leading warranty’ claim was misleading as most consumers would interpret it to mean that the G4 Rexton warranty was generally superior overall to all other vehicle warranties in that class.

As the Advertiser had not provided adequate substantiation to support the likely consumer takeout of the claim, the Panel said it was likely to mislead the consumer, in breach of Principle 3 and Rule 2 of the Code of Ethics, and Principle 1 and Guideline 1(a) of the Code for Comparative Advertising. The Panel ruled this part of the complaint was Upheld.

The Panel noted the Advertiser had removed the Facebook post subject to complaint and, noting the self-regulatory action of the Advertiser, ruled this part of the complaint was Settled.

The Panel ruled the complaint was Upheld, in part and Settled, in part.

Please note this headnote does not form part of the Decision.

PROCEDURE

The Chair ruled to deal with the matter by “adjudication with attendance of the parties” pursuant to Rule 3 of the Complaints Procedures of the Advertising Standards Complaints Board. This system is designed to resolve disputes between competitors, and a Panel was appointed.

THE PANEL

Chair – R. Anderson, Chair of the Advertising Standards Complaints Board.

Co-panelists – C. Magee (Alternate Public Member of the Advertising Standards Complaints Board) and N. Keats (Alternate Industry Member of the Advertising Standards Complaints Appeals Board).

THE PARTIES

The Complainant, Mitsubishi Motors New Zealand: represented by MinterEllisonRuddWatts, written submission by Oliver Meech, Partner and Nigel Smith, Senior Solicitor. Oral submissions presented by Oliver Meech and Maddy Pears, Solicitor.

The Advertiser, Great Lake Motor Distributors Limited (GLMD): Written submissions by Warren Willmot, Sales and Marketing GLMD. Oral submissions presented Warren Willmot and Darran Keeling, Branch Manager, Hutt SsangYong and LDV.

PANEL DECISION

The Chair directed the Panel to consider the advertisement with reference to Principle 3 and Rule 2 of the Code of Ethics and Principle 1 and Guideline 1(a) of the Code for Comparative Advertising.

Basic Principle 3 of the Code of Ethics requires that no advertisement is misleading or deceptive or likely to mislead or deceive the consumer.

Rule 2 of the Code of Ethics required the Complaints Board to consider whether the advertisement contained any statement or visual presentation or created an overall impression which directly or by implication, omission, ambiguity or exaggerated claim was misleading or deceptive, was likely to deceive or mislead the consumer, makes false and

misleading representation, abuses the trust of the consumer or exploits his/her lack of experience or knowledge. (Obvious hyperbole, identifiable as such, is not considered to be misleading).

Principle 1 of the Code for Comparative Advertising required that comparisons in advertising should not mislead or deceive or be likely to mislead or deceive consumers. (Obvious hyperbole, identifiable as such, is not considered misleading).

Guideline 1(a) of the Code for Comparative Advertising requires that comparative elements are accurate and informative and offer a product or service on its positive merits.

The Advertisements

The Panel confirmed the advertisements before it were for the SsangYong G4 Rexton SUV:

Advertisement 1

The television advertisement for the SsangYong G4 Rexton, appeared on the SsangYong Facebook page, the SsangYong website, the Rexton G4 website and on mainstream television including Sky Sport 1. The advertisement included many features relating to the G4 Rexton as well as using a badge which included five stars and said "FIVE YEAR, 150,000 kms FACTORY WARRANTY, PLUS ROADSIDE ASSIST. G4 Rexton. CLASS LEADING WARRANTY."

Advertisement 2

The post on the SsangYong Facebook page on 13 November 2017 which included a picture of the G4 Rexton said, in part: "The G4 Rexton – with a five year/150,000km factory-backed warranty – no other automotive brand in New Zealand offers such a new vehicle pledge... read more here: <http://www.automotivenews.co.nz/.../ssangyong-rexton-tops-suv...>" The information included in the post had been abridged from an industry article published by the Automotive News.

The Panel confirmed that both the television advertisement and the content of the Facebook post content before it met the definition of advertisements for the purposes of the Advertising Codes of Practice and noted jurisdiction was not disputed by either party.

Complainant's Submission

The Complainant was concerned the Advertiser's television and Facebook advertisements claimed that the SsangYong Rexton G4 warranty was a '*class leading warranty*' and "The G4 Rexton – with a five year/150,000km factory-backed warranty – *no other automotive brand in New Zealand offers such a new-vehicle pledge.*"

"Class leading warranty"

The Complainant was concerned the television advertisement for the SsangYong Rexton G4 claimed it came with a '*class leading warranty*' which was inaccurate and unable to be substantiated.

The Complainant submitted that "for GLMD's '*class leading warranty*' statement to be correct, it would have to be the case that the warranty offered by GLMD was superior to Mitsubishi's Diamond Advantage warranty" when the Mitsubishi's Diamond Advantage warranty "applies to all Mitsubishi vehicles and includes the Pajero and the Pajero Sport" which, the Complainant said, belong to the same class as the SsangYong Rexton G4.

The Complainant said it considers that the statement “class leading warranty” is misleading because “the Diamond Advantage warranty is objectively superior to GLMD’s warranty in that class in accordance with the analysis of warranties provided... At best, GLMD’s statements compares only two features, the 150,000km limit and transferable five-year term. This ignores the 10 year 160,000km Powertrain warranty offered by Mitsubishi.”

Further, the Complainant said the “class leading warranty” claim implied “that the Rexton G4’s warranty is ahead of (or at least equal to the best of) all other warranties offered for vehicles of the same class. It is, by nature, a comparative claim” and “the information that GLMD has provided to the Board in response to the complaint falls well short of the sort of analysis that a responsible advertiser would have to substantiate a comparative claim to a ‘class leading warranty’.”

The Complainant was of the view the Advertiser did not offer “any reliable, let alone sufficient, evidence to persuade the Board that MMNZ’s Diamond Advantage 10 year 160,000km powertrain warranty can be ignored. The Rexton G4 5 year transferable warranty is not better than, nor is it as good as, MMNZ’s Diamond Advantage warranty. As a result, the Rexton G4’s warranty is not a ‘class leading warranty’.”

The Complainant also noted that Advertiser had amended some executions of its Rexton G4 advertising to remove the “class leading warranty” claim and replace it with “fully transferable 5 year warranty”.

“...no other automotive brand in New Zealand offers such a new-vehicle pledge.”

The Complainant was concerned the Facebook post on 13 November 2017 which promoted the SsangYong Rexton G4 claimed “the G4 Rexton – with a five year/150,000km factory-backed warranty – *no other automotive brand in New Zealand offers such a new-vehicle pledge*”. The Complainant said the claim was inaccurate and unable to be substantiated.

The Complainant said the statement was misleading because the “Mitsubishi Diamond Advantage warranty is objectively superior to GLMD’s warranty in that class in accordance with the analysis of warranties provided above. At best, GLMD’s statements compares only two features, the 150,000km limit and transferable five year term. This ignores the 10 year 160,000km Powertrain warranty offered by Mitsubishi.”

The Complainant noted that Advertiser had removed the Facebook post.

Advertiser’s Submission

The Advertiser submitted the claims challenged in the complaint were not misleading and provided the following information to support this view.

The Advertiser said a key factor in purchasing a new vehicle includes the factory backed warranty terms and the transferability of a warranty. The Advertiser said, in part: “Customers want peace of mind that during their ownership period, should anything go wrong with the vehicle, the factory warranty is there to rectify the fault. For subsequent owners, having a factory warranty on a vehicle is valuable, and adds significant resale value. Resale value of a vehicle is hugely important to buyers.”

The Advertiser said, in part: “we approached the Motor Industry Association (MIA) and the New Zealand Transport Agency (NZTA) to provide some factual data on how long private owners hold onto their new vehicles on average from new. Their analysis looked at NZ new cars purchased, starting from the date the cars went into the 1st owner’s names and the date the ownership changed out. What this data shows clearly is that new car owners typically own their vehicle from new for 3.06 years across the industry... Most consumers

would agree a new vehicle warranty which is transferable is of more value than one which expires when the first owner sells the vehicle.”

The Advertiser also said, in part: “the claim we have made in our Rexton G4 advertising, is that the Rexton G4 has ‘a class leading warranty’... For example, Volkswagen Commercials have a 250,000km warranty. Some of the heavy vehicle brands have even larger warranties, and it is well known that MG has a 6 year unlimited km transferrable warranty on its GS model (small SUV). If Mitsubishi are viewing “Best Warranty” in length of term, some brands like Mercedes Benz offer up to a 12 year body (anti corrosion) warranty. It could be argued that Honda New Zealand offers the best warranty for an entire vehicle range. Every Honda vehicle has a five year, unlimited km transferrable warranty. However, Honda do not have a vehicle in the same class as Rexton (Large SUV), hence our claim only relates to the Rexton’s class.”

The Advertiser said it had amended some of its of advertisements to reflect the warranty is fully transferrable and have temporarily removed the reference to “class leading” and the Facebook post “including the content and statements from ‘automotivenews.co.nz’, an independent industry website.”

The Advertiser said the Facebook post which referred to the SsangYong Rexton G4 claimed “the G4 Rexton – with a five year/150,000km factory-backed warranty – *no other automotive brand in New Zealand offers such a new-vehicle pledge*” was a verbatim quote linking back to the www.automotivenews.co.nz website. The Advertiser said, in part: “obviously, the author/journalist believes the Rexton Warranty was best in class. The author is a senior motoring journalist, who had previously spent over twenty years as the editor of automotive at the New Zealand Herald. We cannot change any of the author’s material.”

The Advertiser argued “the Rexton clearly has the class leading warranty as no other manufacturer has a five year / 150,000 fully transferrable factory warranty in this market segment... Our evidence for the class leading warranty is proven by sheer common-sense, as commentated on by at least one senior journalist and hopefully soon Autocar magazine.”

Panel Discussion

The Panel read all the relevant correspondence regarding the present matter, viewed copies of the advertisements and noted the Complainant’s concerns that the Advertiser made misleading and unsubstantiated comparative claims in its advertising.

The Panel confirmed its role was to consider the advertisements, and the claims made from the perspective of their likely audience. It then had to consider whether the information provided to it, when taken at face value, went far enough to substantiate the claims made in the advertisements. It also noted that the onus fell on the Advertiser to substantiate the claims in the advertisement.

Precedents

The Complaints Board noted previous Decisions of the Complaints and Appeal Boards (09/700 and 16/178 Appeal 16/014) where it was established the nature of the comparison needed to be clear for consumers.

Decision 09/700 considered whether the statement: “When it comes to car safety, follow the leader” was misleading. That Decision was Upheld as the Advertiser only “referred to one factor, ESP [Electronic Stability Program], and it did not substantiate the likely consumer take out from the advertisement which, in the Complaints Board’s view, was that Hyundai was the **leading brand for car safety overall** (emphasis added).”

Similarly, Decision 16/178 Appeal 16/014 considered the claim “New Zealand’s best value mid-size SUV”. In that Decision, the Appeal Board agreed that in order to support the unqualified claim that the Ssangyong Korando SUV was ‘New Zealand’s best value mid-size SUV’, the Advertiser would need to provide specific evidence. The Appeal Board Decision said, in part: “This evidence could include information about all the other mid-size SUVs available in New Zealand, and how the Ssangyong Korando was **relatively better value overall** (emphasis added).”

Advertisement 1: ‘class leading warranty’

The Panel noted the Complainant’s concerns the claim the SsangYong Rexton G4 had a ‘class leading warranty’ was unable to be substantiated and likely to mislead consumers.

The Panel confirmed that ‘class’ in ‘class leading warranty’ referred to the size of the vehicle and confirmed this was a ‘D-segment’, ‘large SUV’ or ‘SUV under \$70,000’. The Panel, with agreement from the Parties, confirmed the Mitsubishi Pajero Exceed and the SsangYong Rexton G4 were in the same vehicle class.

The Panel said the statement “class leading warranty” was an absolute, comparative claim which required substantiation.

The Panel considered the arguments presented by both parties in relation to the likely consumer takeout of the claim “class leading warranty.”

The Panel noted the Complainant’s interpretation that consumers would consider “class leading warranty” meant the warranty was best in that class of vehicle, across all elements in comparison with all other vehicle warranties.

The Panel noted the Advertiser’s interpretation that consumers would consider “class leading” meant the warranty was best in terms of transferability of the warranty between owners because that was the most valuable component of a warranty to consumers purchasing a new vehicle, based on the trend of new car ownership and their resale value.

The Panel said the likely consumer takeout of the claim that the SsangYong Rexton G4 had a “class leading warranty” was that the warranty was generally superior overall in comparison with other warranties in the same vehicle class. The transferability of the warranty would not necessarily be the only or most significant feature that consumers would look at when deciding which warranty is generally superior overall.

The Panel said there was no qualification in the advertisement, or reference as to the source of the claim, which informed the consumer that the transferability of the warranty was the main component which the Advertiser considered elevated the warranty to “class leading”. The Panel said without the qualification and due to a lack of adequate substantiation to support the likely consumer takeout, the claim that SsangYong Rexton G4 had a “class leading warranty” was likely to mislead consumers.

Therefore the Panel said the ‘class leading warranty’ claim created an overall impression that was likely to mislead the consumer and the comparison made in the advertisement was likely to mislead or deceive the consumer. The Panel said the advertisement was in breach of Principle 3 and Rule 2 of the Code of Ethics and Principle 1 and Guideline 1(a) of the Code for Comparative Advertising and ruled this part of the complaint was Upheld.

Advertisement 2

The Panel noted the Complainant's concerns about the SsangYong Rexton G4 warranty on the Facebook page which was a quote from Autocar News and said, in part: "no other automotive brand in New Zealand offers such a new vehicle pledge" was unsubstantiated and misleading.

The Panel noted the Advertiser had removed the post subject to complaint and, noting the self-regulatory action of the Advertiser in removing the post, the Panel ruled this part of the complaint was Settled.

Summary

The Panel said the 'class leading warranty' claim was misleading as most consumers would interpret it to mean it was generally superior overall in comparison with all other vehicle warranties in that class of vehicle.

As the Advertiser had not provided adequate substantiation to support the likely consumer takeout of the claim, the Panel said it was likely to mislead the consumer, in breach of Principle 3 and Rule 2 of the Code of Ethics and Principle 1 and Guideline 1(a) of the Code for Comparative Advertising. The Panel ruled this part of the complaint was Upheld.

The Panel noted the Advertiser had removed the Facebook post subject to complaint and, noting the self-regulatory action of the Advertiser, ruled this part of the complaint was Settled.

The Panel ruled the complaint was Upheld, in part and Settled, in part.

Decision: Complaint **Upheld, in part; Settled, in part**

DESCRIPTION OF ADVERTISEMENTS

Advertisement 1

The television advertisement for the SsangYong G4 Rexton, appeared on the SsangYong Facebook page, the SsangYong website, the RextonG4 website and on mainstream television including SkySport 1. The advertisement included many features relating to the G4 Rexton as well as using a badge which included five stars and said "FIVE YEAR, 150,000 kms FACTORY WARRANTY, PLUS ROADSIDE ASSIST. G4 Rexton. Class leading warranty."

Advertisement 2

The post on the SsangYong Facebook page on 13 November 2017 which included a picture of the G4 Rexton said, in part: "The G4 Rexton – with a five year/150,000km factory-backed warranty – no other automotive brand in New Zealand offers such a new vehicle pledge... read more here: <http://www.automotivenews.co.nz/.../ssangyong-rexton-tops-suv...>" The information included in the post had been abridged from an industry article published by the Automotive News.

COMPLAINT FROM MINTERELLISONRUDDWATTS ON BEHALF OF MITSUBISHI MOTORS

1. We act for Mitsubishi Motors New Zealand Limited (**Mitsubishi**).

2. This letter details a complaint that Mitsubishi wishes to lodge with the Advertising Standards Complaints Board (**ASCB**) regarding certain advertisements placed by Great Lake Motor Distributors Limited (**GLMD**).
3. GLMD is the New Zealand importer and advertiser of SsangYong vehicles in New Zealand. GLMD has, in television adverts and on Facebook, advertised the SsangYong Rexton G4 model (the **Rexton**) as coming with a “Class Leading warranty” and that “no other automotive brand in New Zealand offers such a new-vehicle pledge”.
4. Mitsubishi considers this statement in advertising to be inaccurate and misleading, and therefore in breach of:
 - (a) the Advertising Code of Ethics; and
 - (b) the Code for Comparative Advertising.
5. This complaint will address:
 - (a) Mitsubishi’s Diamond Advantage warranty, which Mitsubishi confidently describes as the best new car warranty in New Zealand – a claim which Mitsubishi can substantiate;
 - (b) by way of comparison, GLMD’s Rexton G4 warranty;
 - (c) a description of GLMD’s advertising, known to Mitsubishi, that the Rexton G4 warranty is “Class Leading”; and
 - (d) Mitsubishi’s correspondence to date with GLMD regarding this issue.

Mitsubishi’s Diamond Advantage warranty

6. Mitsubishi takes pride in its claim that its Diamond Advantage warranty in New Zealand is New Zealand’s best new vehicle warranty, across all classes of vehicles in New Zealand.
7. The full terms and conditions of Mitsubishi’s Diamond Advantage warranty are **enclosed** with this letter, and are available online (at <https://www.mmnz.co.nz/warranty/terms-and-conditions/>). In summary, MMNZ offers:
 - (a) a ‘bumper-to-bumper’ warranty for the first 5 years or 130,000km (whichever occurs first) – pursuant to warranty terms and conditions, this is transferrable to a new owner within the first 3 years;
 - (b) a 10 year or 160,000km (whichever occurs first) Powertrain warranty; and
 - (c) a 5 year free roadside assistance package offered through New Zealand’s premium roadside assistance provider the AA;
8. Mitsubishi takes its claim that it has the best new car warranty in New Zealand seriously. As part of that, Mitsubishi regularly undertakes an assessment of competitors’ warranty offerings in the market to satisfy itself that the statement it

makes to the market, that Mitsubishi provides the best new car warranty in New Zealand, remains accurate and capable of substantiation.

9. A table summarising Mitsubishi's most recent assessment of competitor warranty offerings is set out in the schedule to this letter.
10. As can be seen from the details in the table, Mitsubishi is the only brand to offer, without additional payment, a 5 year new car warranty with a 10 year Powertrain warranty. While some brands have higher kilometre ranges on their new vehicle warranties, no other brand comes close to offering a free 10 year warranty which covers all driveline components.
11. Mitsubishi's Powertrain warranty covers the major internal mechanical components being the engine, transmission/transaxle, 4 wheel drive transfer case, propeller shaft, drive shafts and axels, and differentials – in short, all main components of the vehicle's propulsion system. These are typically a vehicle's largest and most expensive components – and equivalently can be the most expensive parts to repair or replace.
12. Mitsubishi offers the Diamond Advantage warranty across the full range of new Mitsubishi vehicles.

Warranty offered by GLMD

13. GLMD has recently begun to market a Rexton G4 model in New Zealand. It is advertised as coming with a 5 year/150,000km warranty.
14. The full terms and conditions of the Rexton G4 warranty do not appear to be available publicly or online. The Rexton G4 warranty states in advertising that it comes with a 5 year/150,000km warranty, and that it also provides 5 years roadside assistance. Mitsubishi understands from correspondence with GLMD that the warranty is transferrable (though we have not been able to discern that fact from publicly available material).
15. The Rexton G4 warranty does not provide anything objectively close to the 10 year/160,000km Powertrain warranty offered by Mitsubishi, which is the cornerstone of Mitsubishi's claim that it has the best new car warranty in New Zealand.
16. It is hard to further assess the Rexton G4 warranty by GLMD, given that the precise terms and conditions of the warranty are not publicly available.

Misleading statements in advertising by GLMD

17. GLMD has released a television advertisement which, among other things, makes the claim that the Rexton G4 warranty provided with the Rexton G4 is a "Class Leading warranty". The video has played as advertising on television (this has been viewed on Sky Sport 1 television on 12 December 2017), and is also available at the SsangYong NZ Facebook page at www.facebook.com/ssangyongnz (we **enclose** a USB containing a copy of this advertisement).
18. GLMD also has made Facebook posts on its Facebook page, above, stating "The G4 Rexton – with a five year/150,000km factory-backed warranty – no other automotive brand in New Zealand offers such a new-vehicle pledge". A copy of that Facebook post is **enclosed** with this letter.

19. The television advertisement and Facebook video use the phrase “Class Leading warranty”. Mitsubishi’s Diamond Advantage warranty applies to all Mitsubishi vehicles. The Mitsubishi vehicle range includes the Pajero and the Pajero Sport, which (according to the Motor Industry Association and VFACTS segmentation data), belong to the same class as the Rexton G4. For GLMD’s “Class Leading warranty” statement to be correct, it would have to be the case that the warranty offered by GLMD was superior to Mitsubishi’s Diamond Advantage warranty.
20. Mitsubishi considers that the statements “Class Leading warranty” and “no other automotive brand in New Zealand offers such a new-vehicle pledge” made by GLMD are inaccurate and not able to be substantiated. Mitsubishi considers the Diamond Advantage warranty is objectively superior to GLMD’s warranty in that class in accordance with the analysis of warranties provided above. At best, GLMD’s statements compares only two features, the 150,000km limit and transferable five year term. This ignores the 10 year 160,000km Powertrain warranty offered by Mitsubishi.
21. Mitsubishi believes that GLMD’s advertising for the Rexton G4 warranty is in breach of:
 - (a) the Advertising Code of Ethics, namely Rule 2 – Truthful Presentation, which requires that advertisements not contain any statement which directly misleads or is deceptive or is likely to deceive or mislead consumers; and
 - (b) the Code for Comparative Advertising, namely Principle 1 which requires that comparative elements should be accurate and not mislead or deceive or be likely to mislead or deceive consumers.
22. The market for new vehicle sales is highly competitive. Competition for this consumer spend ought to be on a level playing field. That requires that advertisers be able to substantiate their claims. Mitsubishi refers, for example, to
 - (a) Complaint Number 16/178: regarding GLMD’s advert that it is Korando SUV was “New Zealand’s best value mid-size SUV”. This complaint upheld in appeal to the Appeal Board, Appeal Number 16/014, as GLMD was not able to substantiate their claim; and
 - (b) Complaint number 16/187: regarding GLMD’s advertising that the SsangYong Actyon Sport Ute had a 4-star KNCAP safety rating, which was upheld (in respect of website advertising) as GLMD was not able to substantiate the claim.

Correspondence between Mitsubishi and GLMD to date

23. On 6 December 2017, MinterEllisonRuddWatts, solicitors for Mitsubishi, sent a letter to GLMD advising that it considered GLMD’s statement that the Rexton warranty was a “Class Leading warranty” was incorrect given the superior terms of Mitsubishi’s Diamond Advantage warranty. Mitsubishi requested that GLMD immediately cease and desist from representing or making similar representations as to its warranties.
24. In a further letter on 15 December 2017, MinterEllisonRuddWatts repeated its request to GLMD.

25. In an email dated 15 December 2017, Mr Rick Cooper of GLMD responded to Mitsubishi's two letters. In that email he advised that GLMD's warranty is transferrable and that Mitsubishi's is not (which, as stated above is not correct; Mitsubishi's warranty is transferrable up until the end of the first 3 years).
26. Copies of the above correspondence are **enclosed** with this letter.

Final comments

27. Mitsubishi requests an adjudication of this matter, as – given correspondence to date – it is unlikely that Mitsubishi will be able to resolve it with GLMD.
28. If you have any queries we and Mitsubishi would be happy to assist. Please contact either of the writers.

APPLICABLE ADVERTISING CODES OF PRACTICE

Code of Ethics

Basic Principle 3: No advertisement should be misleading or deceptive or likely to mislead or deceive the consumer.

Rule 2: Truthful Presentation - Advertisements should not contain any statement or visual presentation or create an overall impression which directly or by implication, omission, ambiguity or exaggerated claim is misleading or deceptive, is likely to deceive or mislead the consumer, makes false and misleading representation, abuses the trust of the consumer or exploits his/her lack of experience or knowledge. (Obvious hyperbole, identifiable as such, is not considered to be misleading).

Code for Comparative Advertising

Principle 1: Comparisons in advertising should not mislead or deceive or be likely to mislead or deceive consumers. (Obvious hyperbole, identifiable as such, is not considered misleading).

Guideline 1(a): Comparative elements should be accurate and informative and should offer a product or service on its positive merits.

RESPONSE FROM ADVERTISER, GREAT LAKE MOTOR DISTRIBUTORS LTD

Mitsubishi Motors NZ's (MMNZ) complaint to the Advertising Standards Authority regarding claims around "Best Value Warranties" is surprising yet at the same time, not unexpected. Great Lake Motor Distributors Ltd has been attacked by MMNZ previously; some of our new vehicle products have Mitsubishi engines. MMNZ have served us legal declarations demanding we cannot use the word "Mitsubishi" on any of our brochures, advertising, email correspondence, and any written document anywhere, despite the fact the engines are plainly stamped Mitsubishi with their logo, and highly visibly under the bonnet of our G10 Petrol van. They would rather us mislead customers and not allow us to disclose the supply arrangement their overseas office has with one of our factories. We are very surprised

Mitsubishi still advertise their “10 Year Warranty” as the “Best New Vehicle Warranty”. The following pages will examine some of the facts and comparisons of SsangYong, Mitsubishi warranties and other brands warranties as examples, for your board to assess.

What New Vehicle Customers value in a Warranty we agree with Mitsubishi that a major factor in a new vehicle purchase includes the factory backed warranty terms. Customers want peace of mind that during their ownership period, should anything go wrong with the vehicle, the factory warranty is there to rectify the fault. For subsequent owners, having a factory warranty on a vehicle is valuable, and adds significant resale value. Resale value of a vehicle is hugely important to buyers.

In support of this, we approached the Motor Industry Association (MIA) and the New Zealand Transport Agency (NZTA) to provide some factual data on how long private owners hold onto their new vehicles on average from new. Their analysis looked at NZ New cars purchased starting from the date the cars went into the 1st owners names and the date the ownership changed out. The following summary of year by acquisition is as follows:

LENGTH OF OWNERSHIP OF NEW CARS IN FIRST OWNERS' NAMES			
OWNER_TYPE	YEAR ACQUIRED	AVERAGE OWNERSHIP PERIOD IN MONTHS	AVERAGE OWNERSHIP PERIOD IN YEARS
	2009	44	3.7
	2010	41	3.4
	2011	37	3.1
	2012	33	2.8
	2013	28	2.3
Total Average New Vehicle Ownership for buyers who first bought new nearly 10 years ago		3.06 Years	

Data supplied by NZTA & MIA on Wednesday 20th December 2017.



What this data shows clearly is that new car owners typically own their vehicle from new for 3.06 years across the industry. Sure there is a bell curve, with some customers having their vehicles for a short amount of time, and some at the other end who own for longer, but these are at the extreme ends. Most consumers would agree a new vehicle warranty which is transferable is of more value than one which expires when the first owner sells the vehicle. The claim we have made in our Rexton G4 advertising, is that the Rexton G4 has the “a class leading warranty”. In point 6 of MinterEllisonRuddWattsletter to the ASA they state “Mitsubishi takes pride in its claim that its Diamond Advantage warranty in New Zealand is New Zealand’s best new vehicle warranty across all classes of vehicle in New Zealand” – a claim we strongly dispute. The complainant has provided a table of comparison of other warranties. However, they have failed to include details on many brands and classes of vehicle. For example, Volkswagen Commercials have a 250,000km warranty. Some of the heavy vehicle brands have even larger warranties, and it is well known that MG has a 6 year unlimited km transferrable warranty on its GS model (small SUV). If Mitsubishi are viewing “Best Warranty” in length of term, some brands like Mercedes Benz offer up to a 12 year body (anti corrosion) warranty. It could be argued that Honda New Zealand offers the best warranty for an entire vehicle range. Every Honda vehicle has a five year, unlimited km transferrable warranty. However, Honda do not have a vehicle in the same class as Rexton (Large SUV), hence our claim only relates to the Rexton’s class.

Key Differences between MMNZ's warranty and the Rexton G4 Warranty

MMNZ Warranty is only transferrable for the first three years or 130,000kms. This warranty is backed by the global factory.

- The extension of the MMNZ Warranty is not automatically in place, 2 separate inspections must occur before the extended powertrain warranty is activated by MMNZ. These extensions are only provided by the local distribution arm of Mitsubishi.
 - MMNZ clearly states all scheduled maintenance services must have been completed by an authorised Mitsubishi Motors service outlet.
 - MMNZ's extended non-transferrable Powertrain warranty excludes many major components such as water pump, turbo charger, driveshaft, suspension and steering components so clearly it doesn't cover the entire powertrain.
 - Rexton G4 Warranty is fully transferrable to subsequent owners and lasts for 5 years or 150,000kms. It is a full bumper to bumper global factory warranty.
 - Servicing on Rexton G4 can be carried out by any MTA Accredited garage, and the warranty will still be in place as long as: A) The servicing is completed in accordance to the manufacturers recommendations. B) Correct oils and fluids are used, only genuine service parts are used. C) Clear records are kept and the service handbook is filled out.

A Scenario

Let's look at a critical common component of a vehicle – a turbo charger. Generally speaking Turbo charger replacement can cost anywhere from \$2000 to \$6000.

Customer one is the first owner of a Mitsubishi Pajero Exceed Diesel Turbo. The vehicle is four years old and has travelled 135,000kms. The turbo fails. The turbo replacement is not covered under Mitsubishi's warranty. A quick call to Andrew Simms Mitsubishi in New Market revealed that the cost of labour would be \$800 + GST and a new turbo would be in excess of \$3000 + GST.

Customer two is the first owner (or even subsequent owner) of a SsangYong G4 Rexton Diesel Turbo. The vehicle is four years old too, and has travelled the same amount of kms as the Pajero – 135,000kms. The turbo fails. The turbo replacement is fully covered under SsangYong's warranty, with no charge to the owner.

This is why the SsangYong Warranty is class leading, and why the Mitsubishi Warranty is not the "Best new vehicle warranty across all vehicle classes" The word "Best" in the context of Mitsubishi's claim's is an adjective. The Cambridge Dictionary defines the word "Best" when used as an "adjective" as: Of the highest quality, or being the most suitable, pleasing, or effective type of thing or person: "Being the most suitable" is subjective, as obviously what will be suitable to one person, is not necessarily the most suitable to another.

COMPLAINANT COMMENT ON ADVERTISER SUBMISSION

1. We write on behalf of Mitsubishi Motors New Zealand Limited (**Mitsubishi** or **MMNZ**) with points in reply to the response of Great Lake Motor Distributors Limited (**GLMD**) in its response document dated 19 January 2018.

Some executions of the advertising have been amended

2. From MMNZ's monitoring:
 - (a) It appears that GLMD has amended some executions of its Rexton G4 advertising to remove the "class leading warranty" claim and replace it with "fully transferable 5 year warranty" (MMNZ does not take issue with the latter claim). For example, SsangYong New Zealand's Facebook advertising has been amended in this way
 - (b) (<https://www.facebook.com/SsangYongNZ/videos/1735978673090595/>). Assertions that "no other automotive brand in New Zealand offers such a new-vehicle pledge" appear to have been removed.
 - (c) What appears to be the original "G4 Rexton 30sec Web" TVC advertisement featuring the "class leading warranty" claim, however, does continue to feature (linked via YouTube) on a Ssangyong website dedicated to promoting the Rexton G4 (<https://www.g4rextion.co.nz/intro/>).
3. It would, therefore, assist MMNZ and, we expect, the Board if GLMD would confirm which forms of its advertising have been amended to remove the "class leading warranty" claim, from when, and which have not.

The issue for the Board's determination

4. The "Foreword" to GLMD's response characterises MMNZ's complaint as a complaint "regarding claims around 'Best Value Warranties'". That is not an accurate summary.
5. MMNZ's complaint concerns GLMD's claim, in any form of advertising, that the Rexton G4 comes with a "class leading warranty".
6. The issue for the Board's determination is whether that statement is accurate or, as MMNZ maintains, inaccurate, misleading or deceptive or likely to mislead or deceive the consumer, in breach of the Code of Ethics (Basic Principle 3 and Rule 2) and/or the Code for Comparative Advertising (Principle 1 and Guideline 1(a)).
7. It is for GLMD to substantiate its claim.
8. On the plain wording of GLMD's claim to a "class leading warranty" for the Rexton G4, the natural meaning and implication of the claim is that the Rexton G4's warranty is ahead of (or at least equal to the best of) all other warranties offered for vehicles of the same class. It is, by nature, a comparative claim.
9. In the case of the Rexton G4, the relevant class is sports utility vehicles (SUVs), and GLMD does not dispute that the class includes the Mitsubishi Pajero and Pajero Sport. Both the Pajero and the Pajero Sport come with Mitsubishi's Diamond Advantage warranty. MMNZ maintains that the Diamond Advantage warranty is, when analysed objectively, better than the Rexton G4's warranty. Further, MMNZ maintains that the information that GLMD has provided to the Board in response to the complaint falls well

short of the sort of analysis that a responsible advertiser would have to substantiate a comparative claim to a “class leading warranty”.

10. GLMD’s observations about Mitsubishi’s claim, however, that the Diamond Advantage warranty is New Zealand’s best new car warranty, are irrelevant to this complaint.
11. MMNZ has, in any event, provided (as information supporting its 22 December 2017 letter of complaint) the sort of cross-market analysis that it relies on in substantiation of its claim. MMNZ also notes that the Diamond Advantage warranty has been in–market in New Zealand since 2009, promoted consistently as New Zealand’s best new car warranty, and to date there have been no competitor or consumer complaint challenging the validity of that claim.

Is the Rexton G4’s warranty “class leading”?

12. In making a “class leading warranty” claim, the onus is on GLMD to demonstrate that its warranty offering is better than (or at least equally as good as) MMNZ’s (refer, for example, ASA Appeal Number 16/014 - Ssangyong Korando, “*New Zealand’s best value mid-size SUV*” – the onus is on the advertiser to provide evidence).
13. With GLMD having provided “Ssangyong NZ warranty information” in response to the complaint, some further comparison is possible. As summarised below, both warranties have a number of features, conditions and exclusions.

Mitsubishi - Diamond Advantage	GLMD – Rexton G4 warranty
<i>Warranty Period</i>	
<i>Bumper-to-bumper:</i> 5 years or 130,000kms	<i>Batteries, clutch & brake discs:</i> 2 years or 40,000kms
<i>Powertrain:</i> 10 years or 160,000kms	<i>Bumper-to-bumper (excl above):</i> 5 years or 150,000kms <i>Paint</i> 6 Year or unlimited kms.
<i>Transferability</i>	
Bumper-to-bumper warranty transferable within first 3 years (excl. paint, panel and trim) Powertrain warranty is not transferable	Transferable for first 5 years.
<i>Components covered</i>	
<i>Bumper-to-bumper</i>	<i>Bumper-to-bumper</i>

No exclusions	Excludes batteries, clutch & brake discs
<p><i>Powertrain</i></p> <p>The major internal mechanical components that comprise the engine, gearbox, transfer box and differentials.</p> <p>It includes the engine block and its internal components such as crankshaft, pistons and rings, bearings, con-rods, camshafts, rocker arms, balance shafts and oil pumps, cylinder head and valves. For the gearbox / transmission / differential it includes the case, gears, torque converter, bearings, wet clutch packs, viscous control units and integrated Electronic Control Units.</p>	
<i>Conditions/Exclusions</i>	
<p>Conditions:</p> <ul style="list-style-type: none"> - Maintained/operated in accordance with Service Plan and manufacturer recommendations - Not misused or neglected - Not previously deregistered 	<p>Conditions:</p> <ul style="list-style-type: none"> - Maintained/operated in accordance with manufacturer recommendations - Not misused or neglected - Vehicle not altered by changing manufacturer's specifications - Not used for competitions/racing/record attempts/off-road use
<p>Exclusions:</p> <ul style="list-style-type: none"> - Damage caused by accident, collision, fire, flood, chemicals, industrial fall-out, hail, salt, sand, stones, or environmental elements - Damage from fuels, lubricants, fluids and parts not approved by Mitsubishi Motors NZ - Repairs or replacements necessary as a result of wear and tear such as but not limited to clutches, drive belts, exhaust 	<p>Exclusions:</p> <ul style="list-style-type: none"> - Damage from unavoidable natural disasters, fire, collision, theft, corrosion (from sand, salt, chemicals, hail, stones etc.) - Damage from use of fuel, lubricant, fluids and parts not approved and recommended by manufacturer - Repair or replacement resulting from normal wear and tear - Engine repairs including cleaning or adjustment of spark plugs, valve clearances, drive belts, fuel systems;

<p>silencers, tyres, carpets, alloy wheel finishes or seat covers, unless a manufacturing defect is evident</p> <ul style="list-style-type: none"> - Maintenance services listed in vehicle's Service Plan Booklet - Normal service items (such as, but not limited to: lubricants, filters, brake linings and pads, bulbs, spark plugs, glow plugs, injectors, wheel alignments and wheel balancing) unless a manufacturing defect is evident - Accessories not part of the vehicle at the time of manufacture. - Maintenance and repairs performed other than by authorised Mitsubishi Motors service outlet - Indirect or consequential losses or expenses such as loss of use, damage to property or person or expenses for tolls, travel, hire and accommodation 	<p>normal replacement of spark plugs; decarbonisation except where due to defective parts</p> <ul style="list-style-type: none"> - Electrical repairs including adjustment of head lamps, bulb replacement, fuses, - Brake repairs including adjustment of brakes or pedals, replacement of lining/pads, brakes bleeding or flushing except where due to defective parts - Steering repairs including wheel balance, steering geometry or steering wheel adjustment - Tyre repairs including punctures or abnormal wear except where warranted by the manufacturer concerned - Materials including oil, lubricant, fuel, cleaning materials, fuel and air filter elements - Items of proprietary equipment nature are subject to respective manufacturer's own warranty conditions - Repair/adjustment performed by non-franchised agent or damage resulting from this (In case of unavoidable emergency an Agent concerned can submit a claim for the work involved which will be considered on merits) - Damage from towing in excess of manufacturer recommendations - Normal phenomena: such as noise, vibration or oil seepage which do not affect quality, function or performance
<i>Breakdown Assistance</i>	
5 years breakdown assistance	5 years breakdown assistance

14. The 'bumper-to-bumper' warranties offer similarly extensive cover for the same term (5 years), so in order to substantiate its claim GLMD needs to persuade the Board that

MMNZ's powertrain warranty (10 years / 160,000km, covering all major components of the drive train) should be ignored.

15. GLMD asserts that:

- (a) consumers (i.e. new car buyers) are unlikely to get any value from a 10 year warranty, because on the data GLMD has provided "new car owners typically own their vehicle from new for 3.06 years across the industry" (GLMD response, pg 5); and
- (b) "most consumers would agree" that a new vehicle warranty that is transferable is of more value than one that ends when the first owner sells the vehicle.

16. The information provided by GLMD falls well short of supporting either of those two key propositions:

- (a) The dataset behind the table "*Length of ownership of new cars in first owners' names*" (GLMD response, pg 4) is poorly explained and has not been made available. What the table appears to show, however, is not the average length of ownership by a first car owner, but the average length of ownership by first car owners who have disposed of their vehicle since acquiring it. In other words, the base data appears to be the average period of ownership between first registration and subsequent sale of a new vehicle. But if a new car owner has not yet sold the vehicle, they will not be accounted for in the dataset. The data will, therefore, seriously understate the true average period of new car ownership. It does not support the point that GLMD is trying to make, and as evidence in support of GLMD's first proposition, it is seriously deficient.
- (b) GLMD simply asserts that "consumers would agree" that 5 year transferability is of more value than the 10 year powertrain warranty, which is not transferable, and that a transferable warranty "adds significant resale value." It has not provided any evidence, either of consumer preferences or added resale values, to support either proposition.

MMNZ notes:

- GLMD's assertion that transferability of a warranty adds resale value is at odds with the (independent) reported comments of Automobile Association network support manager Phil Collings, who has said that the biggest factor determining a car's resale value is the popularity of its make and model (<https://www.stuff.co.nz/business/83760994/Brand-recognition-key-driver-of-resale-value> (September 2016)).
- Many second-hand vehicle dealerships will offer warranties on second-hand vehicles, depending on the age and condition of the vehicle etc. MMNZ dealerships do so routinely. MMNZ offers the following example:

If a customer comes into a dealership with a 2012 Outlander and decides to trade-in to purchase a 2018 Outlander, the dealer will then put the vehicle back on their yard to sell to the next customer. Depending on current promotions, vehicle condition, market conditions

etc. this used vehicle warranty can be between 6 months to 2 years. Meaning that the original owner could utilise Diamond Advantage for 5 years and the 2nd owner could then have up to an additional 2 years of warranty cover through a dealership.

- If transferability of a factor warranty has any value on re-sale, that is likely only to owners who choose to sell privately (e.g. on TradeMe). GLMD has provided no evidence to show what the additional value might be. It simply asserts, without evidence, that consumers value transferability. Any value of transferability of warranty is diminished where second-hand dealerships are offering their own warranty, as MMNZ dealerships commonly do.

Transferability is, in MMNZ's submission, irrelevant when comparing a 10 year warranty to a 5 year warranty.

Other points in reply

Foreword – MMNZ's previous issue with GLMD

17. The "Foreword" to GLMD's response refers to previous issues between GLMD and Mitsubishi. GLMD's description of that dispute is inaccurate and misleading.
18. GLMD had advertised an LDV van model, containing an open source Mitsubishi motor, describing the vehicle as a "Mitsubishi L300 auto" together with the statement "Mitsubishi and LDV have joined forces to produce the new G10 van". MMNZ objected to the fact that neither statement was accurate – it was not a "Mitsubishi L300" van, nor had MMNZ and LDV joined forces to produce it. MMNZ regarded GLMD's description of its own vehicle as misleading.

GLMD's "Key differences" table

19. GLMD's "Key differences" table (GLMD response, pg 6) contrasts the transferability period of the two bumper-to-bumper warranties (3 years vs 5 years), but ignores the 10 year powertrain warranty.
20. GLMD asserts that two separate vehicle inspections must occur before the powertrain warranty is activated. That not correct. One vehicle inspection is require to validate the warranty extension.
21. GLMD states that servicing on the Rexton G4 can be carried out at any MTA accredited garage, and the warranty will remain in place (provided certain conditions are met), and contrasts this with the MMNZ Diamond Advantage warranty, which requires that scheduled maintenance is carried out by an authorised Mitsubishi Motors outlet. MMNZ notes that:
 - (a) GLMD's statement as to servicing is contradicted by:
 - (i) The "Ssangyong NZ warranty information" provided by GLMD, which states in several places that the warranty is operative "provided the vehicle is maintained in the warranty period as per the Ssangyong New Zealand recommendations", where servicing by Ssangyong Service Agents is recommended (see ROUTINE MAINTENANCE and YOUR RESPONSIBILITIES);

- (ii) the list of Ssangyong Service Agents on its NZ website (<http://www.ssangyong.co.nz/service>) – a list of 24 Service Agents nationwide (copy **enclosed**).

Neither the Ssangyong warranty terms nor the website state that servicing can be carried out at an MTA accredited garage.

Even if that was correct, MMNZ does not see it as an advantage of the Rexton G4 warranty. With MMNZ's extensive network of 55 dealerships nationwide (growing to 60 in 2018), Mitsubishi customers enjoy servicing options with factory-trained technicians right across New Zealand.

"A Scenario"

22. GLMD presents, on the final page of its response, a scenario where the Rexton G4 warranty would provide cover (turbo charger fails at 4 yrs/135,000 km) and the Diamond Advantage warranty would not.
23. A selection of one scenario, based on the relative inclusions/exclusions of the cover offered, is of little assistance to the Board. It is a simple thing to create a factual scenario that suits one set of warranty terms and not the other. For example:
- (a) **Scenario A:** The vehicle is 7 years old and has travelled 155,000kms; the piston rings fail. There would be cover under MMNZ's Diamond Advantage warranty but not for the Rexton G4.
 - (b) **Scenario B:** The vehicle is 3 years old and has travelled 20,000kms, and a defect is discovered in the brake discs. There would be cover under MMNZ's Diamond Advantage warranty but not for the Rexton G4.
 - (c) **Scenario C:** The vehicle is just over 5 years old and has travelled 50,000kms, and there is an issue with the transmission. There would be cover under MMNZ's Diamond Advantage warranty but not for the Rexton G4.
24. This sort of analysis does not assist GLMD.
25. GLMD has not offered any reliable, let alone sufficient, evidence to persuade the Board that MMNZ's Diamond Advantage 10 year 160,000km powertrain warranty can be ignored. The Rexton G4 5 year transferable warranty is not better than, nor is it as good as, MMNZ's Diamond Advantage warranty. As a result, the Rexton G4's warranty is not a "class leading warranty".

MMNZ looks forward to attending the Board's hearing of this complaint.

COMMENT FROM GREAT LAKE MOTOR DISTRIBUTORS IN RELATION TO COMPLAINTANTS RESPONSE

In reply to some of the points raised in the latest correspondence by MinterEllisonRuddWatts

1. Amendments of advertisements. This is correct, we have amended our advertising material to reflect the warranty is fully transferrable and have temporarily removed

the reference to “Class leading”. Pending the outcome of the Chair and Panels decision, we may decide to return to this statement.

2. In regards to the Facebook post mentioned by the complainant – while we have removed the post, the post itself including the content and statements are from “automotivenews.co.nz”, an independent industry website. We have no control over the journalism and statements made on this website, in fact the post was a ‘verbatim quote’ linking back through to the website. Obviously the author/journalist believes the Rexton Warranty was best in class. The author is a senior motoring journalist, who had previously spent over twenty years as the editor of automotive at the New Zealand Herald. We cannot change any of the authors material. In fact, we should probably reference this statement as a evidence of our class leading warranty.
3. As the “onus” is on us to prove we have the class leading warranty, we have requested NZ Autocar Magazine to compose an independent investigative article into new vehicle warranties. NZ Autocar is one of the oldest and most trusted publications in the industry. If/when it is published the Rexton has the best in class warranty, we will reference Autocar magazine in any advertising. At present however, the Rexton clearly has the class leading warranty as no other manufacturer has a five year / 150,000 fully transferrable factory warranty in this market segment.
4. The previous data supplied by NZTA, as pointed out by MinterEllison does only relate to the vehicles that were sold. This data was the direct response to our questions provided by the Senior Statistical Analyst at NZTA (Mr. Kheng Churn). To support our point that new vehicle owners generally change vehicles within the first few years (thus a 10 year non-transferrable powertrain warranty is of little value) NZTA have kindly provided the attached data table. This data shows ownership of Mitsubishi Pajero Exceed. It clearly shows the trend of customers trading / selling their new vehicle within the first few years. You can noticeably see only two Pajero customers held onto their vehicle for 9 years, and there was no data for any ownership longer than that period. Our own internal sales data for our own vehicles show SsangYong customers trade in their new vehicles about every three years. If it were common practice for most customers to hold onto new vehicles longer than five years, Mitsubishi and the rest of us in the automotive industry would have very different businesses and wouldn’t be selling as many vehicles.
5. In relation to the SsangYong warranty terms and the brakes/pads only being covered up to 40,000kms – this clause has been included to help mitigate issues arising if/when customers wear out these components early. Whether it is brake pads, discs or another component, if failure occurs because of manufacturing fault/defect, it should be replaced regardless. For example, if there is a flaw in the engine housing, it shouldn’t matter if the component is five minutes old or 50 years old – it is a manufacturing defect. Mitsubishi’s further examples like the transmission failing at 50,000kms/5 years or the brake discs at 40,00kms are nonsense. These items would be covered by both manufacturers regardless (consumer guarantees act, good faith etc). In the example of the piston rings, if you relate back to the Mitsubishi Pajero and the data provide by the NZTA, only 17 of 835 (2% that have held onto their vehicle for seven years as the first owner) customers would be valid to claim under their non-transferrable warranty terms.
6. GLMD strongly believes the Mitsubishi warranty is mis-leading. Attached are examples of 2nd buyers who are attempting to sell their 2nd hand Mitsubishi on Trademe, believing their 10 year warranty is transferrable.

Our evidence for the class leading warranty is proven by sheer common-sense, as commented on by at least one senior journalist and hopefully soon Autocar magazine. GLMD looks forward to discussion with the panel.