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16 October 2017

Mr Neville Matthew
General Manager
Consumer Product Safety Branch
Australia Competition and Consumer Commission

By email: takata@acc.gov.au

Dear Mr Matthew

Honda Australia Motorcycle & Power Equipment Pty Ltd (Honda MPE) submission in response to Draft Compulsory Recall Notice

We refer to your email of 21 September 2017 attaching the draft recall notice for a compulsory recall of motor vehicles with Takata airbag inflators (**Draft Recall Notice**).

Honda MPE provides this submission in response to the Draft Recall Notice.

1. Introduction

As the ACCC will be aware – including from its dealings to date with representatives of Honda MPE's parent company, Honda Australia, regarding this issue - Honda places the safety of its customers as our highest priority. As a result, as described in this submission, Honda MPE has already made extensive endeavours to replace every Affected Takata Airbag Inflator as soon as possible, in accordance with directions from Honda Motor based, in turn, on the approach adopted by US National Highway Traffic Safety Administration (**NHTSA**).

The only motorcycles supplied in Australia by Honda MPE that were fitted with Affected Takata Airbag Inflators (indeed, the **only** motorcycles supplied in Australia by **any** importer or manufacturer that have been fitted with an airbag of any type) is the model GL1800 'Goldwing'.

The Goldwing is a unique motorcycle: its size and other features mean that it is acquired virtually only by enthusiasts for that model, and usually as a collection piece. Goldwings are most commonly used for weekend touring, and are rarely – if ever – used for day to day commuting.



It follows that not only are motorcycles an entirely different type of consumer good to motor cars (as discussed below), but that Goldwings are a unique type of motorcycle.

Honda MPE's primary submission, therefore, is that motorcycles (that is, for relevant purposes, Goldwings) should be specifically excluded from the definition of "Vehicle" in any (compulsory) recall notice issued under section 123 of the Australian Consumer Law.

First and foremost, this is because, in Honda MPE's submission, the circumstance required by sub-section 123(4) has not arisen with respect to motorcycles. Alternatively, having regard to the extensive previous and ongoing endeavours made by Honda MPE to replace Affected Takata Airbag Inflators in the motorcycles it has supplied, and the substantial and disproportionate financial burden that compliance with the Draft Recall Notice would impose upon it having regard to the very small numbers involved, Honda MPE (being the sole supplier in Australia of motorcycles fitted with any kind of airbag) should be excluded from the operation of any (final) Recall Notice (**Recall Notice**).

Honda MPE's secondary (and alternative) submission is that the terms of Recall Notice should have regard to the voluntary recalls already being implemented by Honda MPE, such that the Recall Notice either:

- should not, in the case of Honda MPE, include certain measures;
- should provide for a mechanism by which the ACCC is able to deem certain actions already undertaken by Honda MPE to amount to compliance with relevant requirements of the Recall Notice; and/or
- should provide for a mechanism by which the ACCC is able to exempt Honda MPE (as the sole supplier in Australia of a very limited number of motorcycles fitted with airbags) from particular requirements of the Recall Notice.

2. Confidentiality

This version of this submission has been amended to delete information that is confidential to Honda MPE.

3. Primary submission – (1) Motorcycles should not be included in any Recall Notice

The Minister's power to issue a recall notice in respect of "consumer goods of a particular kind" arises under section 122 of the Australian Consumer Law (**ACL**) only when all of the criteria in paragraphs 122(1)(a)–(c) are satisfied. Each of those criteria are expressed to be referable to "such goods", namely, the specified "consumer goods of a particular kind". In the case of the goods relevantly supplied by Honda MPE (ie, model GL1800 Goldwing motorcycles fitted with Affected Takata Airbag Inflators), it is not in issue that the criteria in paragraphs (a) and (b) are satisfied. However, Honda MPE disagrees that the criterion in paragraph (c) has been met with respect to (any) motorcycles.

In Honda MPE's submission, motorcycles are consumer goods of a kind that is different to motor cars. Honda MPE further submits that, as the sole supplier in Australia of a motorcycle that is fitted with an airbag (and therefore the only possible supplier of motorcycles with Affected Takata Airbag Inflators), it has in fact taken satisfactory action to prevent those goods from causing injury to any person, and that there are no grounds upon which the Minister could reasonably conclude otherwise.

The phrase "consumer goods of a particular kind" is not defined in either the ACL or in the Competition and Consumer Act. However, in Honda MPE's submission, it is clear that motorcycles and motor cars are not the same "kind" of good.

Whilst Honda MPE is not aware of any judicial consideration of the precise phrase, "consumer goods of a particular kind", this concept was the subject of consideration in a case in which the Federal Court of Australia was required to determine whether or not a particular good was or was not "of a

kind ordinarily acquired for personal, domestic or household use or consumption" (*Bunnings Group Limited v Laminex Group Limited*¹).

Determining whether goods are of the same "particular kind" requires an analysis of the essential character of each good. Cases considering the essential character of goods have predominantly concerned the tax jurisdiction. In reviewing such cases - which considered whether goods were of a kind ordinarily used for household purposes - the court in *Bunnings Group Limited* noted a judicial history of a two stage inquiry as to, first the genus of the goods in question and, second, whether the ordinary use of that good is domestic or not. The first limb of that inquiry goes to the words "goods of a kind" and entails the determination of the genus into which the goods should be characterised (*Diethelm Manufacturing Pty Ltd v FCT*²). The court in *Diethelm* noted that it had previously been found that this is a question of fact, to be decided upon an inspection of the goods, guided by common knowledge.

In applying the essential character test, it has been found, for example, that:

- fans, condensers and evaporators were "goods of a kind used as replacement components in passenger vehicles"³;
- vehicles used to manufacture mining explosives (as well as carrying passengers) were not "road vehicles of the kinds ordinarily used for the transport of persons"⁴) and
- "wash fountains" were not the same kind of good as "pedestal lavatory basins"⁵;

From these examples, some determinative criteria as to when goods are of the same or a different kind emerge, namely:

- the nature (including the composition and function), quality and adaptation of the goods;
- any relevant classification of the goods; and
- the actual end use of the goods.

In the case of motorcycles, a number of relevant observations can be made:

1. It is common practice, in Australia, for motorcycles to be classified separately from other motor vehicles; for example:
 - Standards Australia has various standards distinguishing motorcycles from other motor vehicles (eg, AS1638-2008, concerning alloy wheels for motor vehicles, does not apply to motorcycle wheels, whilst AS459.11-1999 standardises motorcycle engines, as distinct from motor vehicle engines);
 - The Department of Agriculture and Water Resources has separate biosecurity policies applicable to importation of motorcycles as opposed to "motor vehicles";
 - Schedule 3 of the Customs Tariff Act 1995 regulates the importation of "motor vehicles" and motorcycles as separate categories of goods; and
 - All Australian States and Territories classify motorcycles and "motor vehicles" separately for licensing and registration purposes.
2. Other than that they both have wheels (but not the same number) and engines, motorcycles and motor cars have little or nothing in common in terms of their design or dynamics. Fundamentally, motorcycles have a straddle seat and handlebars for steering and to house most other controls, whilst motor cars are four wheel vehicles which are operated by sitting in the vehicle in a bucket seat with restraints, (usually) enclosed by a

¹ [2006] FCA 682

² 116 ALR 420

³ *Air International Pty Ltd v Chief Executive Officer of Customs* (2002) 121 FCR 149

⁴ *ICI Australia Operations Pty Ltd v DCT* (SCV FC) BC8700421

⁵ *FCT v Newbound & Co Pty Ltd* (1952) 10 ATD 59

rollover protection structure, with the driver using a steering wheel to turn the vehicle and pedals to brake and accelerate.

3. The motor car and the motor cycle industries are almost entirely separate and distinct at the retail and distribution levels. Few, if any, dealers sell motor cars and motorcycles or, if they do, from the same premises. Only Suzuki, BMW and Honda import both motor cars and motorcycles, and they each conduct these businesses separately; in Honda's case, by independently managed and operated companies. This separation carries through to the peak representative body, the Federal Chamber of Automotive Industries, where there is a specific motorcycle group.

As indicated above, Honda MPE submits that there are no grounds upon which it could reasonably be concluded by the Minister that it has not taken satisfactory action to prevent the relevant goods (i.e. GL1800 motorcycles fitted with Affected Takata Airbag Inflators) from causing injury. In that regard, we refer to section 6 below.

Accordingly, Honda MPE's primary submission is that, for the reasons set out above, it is not open to the Minister, in accordance with section 122 of the ACL, to issue a recall notice with respect to any motorcycle, being a consumer good of a different kind to motor cars.

4. Primary submission – (2) Honda MPE should be excluded from the Recall Notice

In light of the very small number of motorcycles that Honda MPE has supplied that were fitted with Affected Takata Airbag Inflators, the steps that it has taken to date and the level of rectification that it has already achieved under voluntary recall, Honda MPE should not be subject to the Recall Notice.

Details of the steps taken by Honda MPE are set out in section 6 below.

Honda submits that regard should also be had to the disproportionate cost of compliance with the requirements of the Draft Recall Notice (as further described in section 8 below), and to the fact that there is no reasonable basis for it to be supposed that continuation of the recall by Honda MPE of GL1800 motorcycles fitted with Affected Takata Airbag Inflators under the regime proposed by the Draft Recall Notice would result in any incrementally better outcome in terms of replacement of those airbags than if Honda MPE continued its voluntary recall campaigns as described in sections 6 and 7 below.

5. Secondary submission – Proposed variations to the Recall Notice with respect to Honda MPE

If, contrary to Honda MPE's primary submission, it (or motorcycles) is not excluded from any Recall Notice, Honda MPE's secondary submission is that the terms of the Draft Recall Notice are inapposite to it (and to motorcycles, and the Goldwing model specifically) in a number of respects, and so it should be modified, or else drafted such that the ACCC has the ability to deem compliance and/or to relieve particular suppliers from the operation of particular sections of the Recall Notice.

Details of this submission are set out in section 9 below.

6. Honda MPE's endeavours to replace all Affected Takata Airbag Inflators

Honda MPE has made very considerable efforts to implement voluntary recalls of the Affected Takata Airbag Inflators. To date, it has undertaken two recall campaigns, as follows:

Date recall announced	15-June-2016	13-Feb-2017
Campaign number	PRA 2016/15440 (3HX)	PRA 2017/15906 (3J8)
Vehicle model subject to recall	GL1800 2008YM – 2010YM	GL1800 2012YM
Total number of vehicles subject to recall	379	143
Total number of airbags	379	143

These recall campaigns have involved the following elements:

- appointment of a dedicated recall officer at Honda MPE to co-ordinate and manage the airbag recall;
- purchasing customer data from NEVDIS, and updating our information periodically;
- purchasing customer data from SENSIS, seeking to corroborate or supplement the NEVDIS data where that data was incomplete or incorrect;
- multiple attempts to make contact with customers, via various targeted outreach methods including letters (as listed below, copies of which were attached to Honda MPE's response dated 23 August 2017 to the ACCC's section 133D notice), emails, telephone calls (details of which were also attached to that response as 'MPE GL1800 Recall Outbound Call Outcomes.xlsx') and text messages:
 - 3HX GL1800 Customer 1st Recall Lett.pdf
 - 3HX GL1800 Customer 2nd Recall Lett.pdf
 - 3HX GL1800 Customer 3rd Recall Lett.pdf
 - 3HX GL1800 Customer Warning Letter.pdf
 - 3J8 GL1800 Customer 1st Recall Lett.pdf
 - 3J8 GL1800 Customer Warning Letter.pdf
- the use of third party specialist organisations to seek to locate customers, via call centre provider, PROBE;
- notifications on the Australian Honda motorcycles website, www.motorcycles.honda.com.au, copies of which (*Goldwing Airbag recall - Update July2017.pdf* and *Goldwing Airbag recall - statement.pdf*) were attached to Honda MPE's response to the ACCC's section 133D notice dated 23 August 2017;
- establishment of dedicated recall website and VIN checker tool in March 2014 (see copy, 'Recall-PUD site.jpg', attached to Honda MPE's response to the ACCC's section 133D notice dated 23 August 2017);
- ongoing interactions with a third party retailer, bikesales.com.au, to seek to locate second-hand vehicle owners by providing the list of affected VINs to it;
- ongoing plans to ensure remaining 19.6% of customers subject to a current voluntary recall can be contacted, including plans for targeted social media, and digital advertising campaigns, such as:
 - arranging for prominent announcements to be included on the Facebook pages of the two Australian Goldwing owner/enthusiast clubs (the Goldwing Club of Australia and the Australian Goldwing Association);
 - posts on Honda MPE's own Facebook page;
- attending the AGM of the Australian Goldwing Association to answer questions regarding the recall;

- multiple communications with all Honda motorcycle franchisees (copies of which were attached to Honda MPE's response to the ACCC's section 133D notice dated 23 August 2017);
- in addition, direct contact with each of the small number (12) of Honda franchisees who are authorised to sell Goldwing (GL1800) model motorcycles in Australia to ascertain customer contact information known to them, through previous warranty claims or otherwise;
- implementing an active recovery plan to ensure 100% recovery of replaced airbag inflators and their delivery to Japan for safe destruction; and
- having active engagement with Honda motorcycle franchisees to ensure 100% parts availability (which has been maintained throughout both voluntary campaigns and prioritisation of replacement of Affected Takata Airbag Inflators).

The results of these voluntary recall campaigns (as at 9 October 2017) are that 341 of the 522 recalled motorcycles have been returned and the Affected Takata Airbag Inflators have been removed and replaced, whilst:

- Honda franchisees have ordered, and Honda MPE has despatched to them, airbags for a further 69 motorcycles for the purpose of replacing Affected Takata Airbag Inflators; and
- NEVDIS has confirmed that 12 of the 522 motorcycles are subject to statutory write-off; that is, they are unregistered and their re-registration is prohibited.

Details are set out in the table below.

TOTAL 3HX & 3J8						
	Airbags	Statutory W/O	Balance	Total claims	Total %	Remaining
CLAIMS	522	12	510	341	66.9%	169
PARTS	522	12	510	410	80.4%	100
3HX						
CLAIMS	379	11	368	258	70.1%	110
PARTS	379	11	368	309	84.0%	59
3J8						
CLAIMS	143	1	142	83	58.5%	59
PARTS SENT	143	1	142	101	71.1%	41

On the basis of the number of confirmed replacements (410), Honda MPE's completion rate for its voluntary recalls to date is 80.4% (as at the date of this submission). Further, Honda MPE continues to make every effort to ensure that the completion rate will be as close as possible to 100%.

With respect to the 100 GL1800 motorcycles fitted with Affected Takata Airbag Inflators subject to the voluntary recalls which remain:

- Honda MPE has been in (telephone) communication with 47 of the owners, but they have not yet made arrangements to participate in the recall. Honda MPE is continuing to seek to persuade these owners to make such an arrangement, and is confident that they will do so;

- Honda MPE has not been able to contact 52 of the remaining 53 owners:
 - In 5 cases, letters sent to the registered owner's last known address have been returned unopened, indicating that they have left that address, and Honda MPE has been unable to acquire a more current address or contact information from any source;
 - In another 5 cases, the registered owner has been contacted, but they have advised that they are no longer the owner of the motorcycle, and they are unable to say who is;
 - In each of the other cases, there has simply been no response, and any telephone contact number of which Honda MPE is aware is not connected;
- One customer has advised that their motorcycle was written off, but it has not been recorded as a statutory write-off and the customer cannot say what became of it.

The remaining 133 GL1800 motorcycles fitted with Affected Takata Airbag Inflators that have not already been the subject of a voluntary recall will be recalled from December 2017 and December 2018 (31 x MY2013 and 102 x MY2014-2016, respectively).

Honda MPE has implemented its voluntary recalls of the motorcycles fitted with Affected Takata Airbag Inflators by having in place meticulous systems regarding the implementation of voluntary recalls. Honda MPE has a detailed database recording the progress of each voluntary recall which contains each model/year/VIN of the Honda motorcycles the subject of a voluntary recall and whether the Affected Takata Airbag Inflator in the motorcycle has been replaced. Honda MPE also records each attempt at direct communication with the (presumed) owner, including by text or telephone call.

7. Challenges to 100% completion

As at the date of this submission, Honda MPE's completion rate for its voluntary recalls (in terms of confirmed replacements) is 80.4%. This equates to just 100 motorcycles unaccounted for.

In spite of the significant resources devoted by Honda MPE and the steps taken by Honda MPE, it has not proven possible, to date, to get the remaining 100 customers to participate in the voluntary recalls. This has not been through want of trying, as evidenced by the steps undertaken by Honda MPE above.

In relation to the outstanding customers, the issues are that either:

1. although Honda MPE is in communication with the customer, they are yet to arrange with a franchisee for a replacement airbag to be fitted; or
2. the current owner of the motorcycle is not known to Honda MPE, despite numerous attempts to identify the current owner, as set out above; or
3. Honda MPE is unable to obtain a response from the person whom it presumes is still the current owner.

In order to seek to contact the remaining unresponsive customers, Honda MPE will continue to:

- maintain social media communications, as detailed above; and
- regularly obtain updated registration details from NEVDIS and, as and when new contact details for the owner are recorded, or a new owner is registered, make further endeavours to contact that owner (or the new owner, as the case may be).

In addition, where feasible (geographically), Honda MPE proposes to utilise its after sales field staff to make personal visits to the unresponsive customers to confirm their current ownership of the motorcycle and to encourage them to participate in the recall or, if appropriate, to seek information as to any person to whom it may have been sold (but by whom it has not yet been registered).

Finally, having regard to the seriousness of the safety issues the Affected Takata Airbag Inflators pose, Honda MPE submits that it would be appropriate for the Minister and the ACCC to liaise with State Governments to ensure that motorcycles in which the Affected Takata Airbag Inflators are installed and are beyond the "timetable" set out for recalls in Schedule 1 to the Draft Recall Notice are not capable of registration without confirmation that the Affected Takata Airbag Inflators have been replaced.

8. Disproportionate cost of compliance with (Draft) Recall Notice

As set out in section 6 above, to date, Honda MPE has confirmed arrangements for, or has already replaced, 410 of the 522 Affected Takata Airbag Inflators which are the subject of voluntary recalls. We calculate that the total cost of these campaigns has been \$XXX, or a unit cost of \$XX per replaced Affected Takata Airbag Inflator.

However, our initial estimate of the costs that would be incurred with respect to the continuation of the 2 current recall campaigns and the further 2 campaigns planned for December 2017 and December 2018 is as follows:

1. Probe (Call centre)	
2. Communications (letter/EDM)	
3. Translations of short statement and "further information"	
4. Translating service for telephone	
5. NEVDIS cost	
6. API	
7. National Advertising - Print	
8. Television and radio ads - Production	
9. Television and radio ads - Air time	
10. Salvage Plan	
11. Additional staff resources	
12. Independent Auditor	
13. Increased contact cost	
14. Total cost	

This equates to a unit cost of \$XXXX per Affected Takata Airbag Inflator.

It is respectfully submitted that, whilst the steps required for compliance with the Draft Recall Notice may be appropriate where a motor vehicle manufacturer or importer is required to recall thousands, or tens of thousands, of vehicles, they are inapposite where the total number of motorcycles supplied with Affected Takata Airbag Inflators was merely 655, of which 410 are already accounted for in any event.

9. Implementation of Recall Notice

For the reasons set out in sections 3 and 4, it is submitted that Honda MPE / motorcycles should not be subject to the Recall Notice.

However, if notwithstanding this submission Honda MPE is (and motor cycles are) to be subject to the Recall Notice, in Honda MPE's submission, the terms of that notice should be amended from those of

the Draft Recall Notice. Such amendments should have regard both to the thoroughness and the success of the voluntary recalls that have already been (and which will be in the near future) implemented by Honda MPE, and to the disproportionate cost of compliance, having regard to the very small number of motorcycles with Affected Takata Airbag Inflators. Therefore the Recall Notice either:

- should not, in the case of Honda MPE, include certain measures; and/or
- should provide for a mechanism by which the ACCC is able to deem certain actions already undertaken by Honda MPE to amount to compliance with relevant requirements of the Recall Notice; and/or
- should provide for a mechanism by which the ACCC is able to exempt Honda MPE (as the sole supplier in Australia of a very limited number of motorcycles fitted with airbags) from particular requirements of the Recall Notice.

Honda MPE considers it appropriate, in the circumstances, that the following existing voluntary recall measures amount to compliance with the Recall Notice:

1. Honda MPE's existing communication and engagement procedures, as outlined in this submission (section 7 and part B of schedule 2 to the Draft Recall Notice),
2. Honda MPE to use the wording it has implemented in its previous written communications (copies of which were attached to Honda MPE's response to the ACCC's section 133D notice dated 1 September 2017);
3. Honda MPE's existing VIN checker tool on its dedicated recall webpage (section 8 of the Draft Recall Notice); and
4. Honda MPE's existing call centre, and the complaints handling processes Honda MPE already has in place and PROBE Honda MPE call centre procedure document (section 11 of the Draft Recall Notice).

Further, Honda MPE considers it appropriate, in the circumstances, that the following sections of the Draft Recall Notice not apply to it / motorcycles:

1. the determination of any amount to be paid to a customer by reference to a RedBook valuation, in circumstances where the extremely low rate at which GL1800 model motorcycles are sold via bikesales.com (from which RedBook valuations for motorcycles are derived) means that those valuations are extremely unreliable, and generally overstated;
2. any requirement for a consumer to be provided with a "loan or hire car";
3. the audit process specified under section 13: instead, Honda MPE would undertake to provide a quarterly report to the ACCC as required by section 12;
4. the requirement for an API link;
5. mainstream media coverage, in particular, national print, radio and television advertising (noting that it would not be feasible or useful for notification regarding (a single model of a) motorcycle to be included in any motor car industry advertising campaign); and
6. the requirement for a second hand market replacement plan (in circumstances where the nature and quantity of the Goldwing (GL1800) motorcycle is such that private second hand sales occur only rarely).

10. Definitional and practical concerns, requests for clarification about the draft recall notice, and request for government assistance

Honda MPE's key concerns with the Draft Recall Notice, and its requests for clarification are as follows:

- *Date of manufacture of Affected Takata Airbag Inflator*

Schedule 1 to the Draft Recall Notice requires certain recall actions to be initiated based on the time that has passed since the date of manufacture of the Affected Takata Airbag Inflator. Honda MPE is not capable of identifying or ascertaining the date of the manufacture of the relevant inflator and hence is not capable of complying with the approach in Schedule 1 to the Draft Recall Notice.

The only way that Honda MPE can ascertain the "age" of the Affected Takata Airbag Inflator is to use, as a proxy, the date of manufacture of the relevant motorcycle.

Honda MPE was instead proposing to proceed with its voluntary recalls in accordance with the statements by NHTSA, as set out in Honda MPE's response to the Notice issued by the ACCC under section 133D of the Competition and Consumer Act. Honda MPE submits that the Draft Recall Notice should be amended to reflect the approach of NHTSA, being that recall actions are initiated based on year models of vehicles (motorcycles) and pursuant to the timing proposed by NHTSA. Amending in accordance with the NHTSA schedule does not reduce the number of Affected Takata Airbag Inflators that are required to be recalled.

- *What is the target completion?*

As stated above, Honda MPE will continue to make every effort to ensure that the completion rate for the replacement of the Affected Takata Airbag Inflators is as close as possible to 100%. Having said that, the Draft Recall Notice places a large number of ongoing obligations on suppliers, with no clarity as to timeframe or completion dates.

Honda MPE would be grateful to receive guidance from DIRD and the ACCC as to what will amount to "completion" for a supplier - whether that will be based on a target completion rate or evidence of completed levels of attempted communication to consumers. While Honda MPE will continue to seek to effect recalls of Affected Takata Airbag Inflators until we obtain as close to 100% completion as possible, there needs to be clarity about the parameters for the conclusion of the ongoing mandatory requirements of the Recall Notice.

- *Assistance from State Registration authorities*

Honda MPE would like an indication from the ACCC as to the feasibility of State Registration authorities intervening, where there is an outstanding Affected Takata Airbag Inflator recall that has not been completed, to prevent renewal of registration until the airbag is replaced.

- *Section 7 and schedule 2 of the Draft Recall Notice - one contact per customer per month*

Honda MPE seeks clarity from the ACCC about the requirements set out at schedule 2, part B, 1(b)&(c) of the Draft Recall Notice. The current wording suggests that at least one method per customer per month is required until the completion of the recalls.

Where Honda MPE is communicating with customers for whom it has contact details, it is in a position so to communicate. However, for the remaining customers, Honda MPE submits that there is no scope for such targeted communications (ie, on a motorcycle by motorcycle basis).

Further, it should be made clear as to when a "Vehicle" is to be considered "unreachable".

- *Section 5 of the Draft Recall Notice: refunds to consumers*

To avoid potential future disputes, any Recall Notice or related ACCC publications should expressly state that consumers must return the motorcycle to the supplier, or their dealer, in order to obtain a

refund. Presumably the consumer is required to give the motorcycle to the manufacturer on payment of the refund, but this is not - and should be - specified.

11. Conclusion

Honda MPE welcomes the opportunity to make this submission and to participate in any further discussions with the ACCC with respect to the proposed Recall Notice.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'AH', with a horizontal line extending to the right.

Anthony Hinton

**General Manager Customer Service
Honda Australia Motorcycle and Power Equipment Pty. Ltd.**