Our Ref: 27/40

8 April 2003

The Secretary Senate Economics Legislation Committee Room SG: 64 Parliament House **CANBERRA ACT 2600**



(AAA)

Dear Dr Dermody

DESIGNS BILL 2002 AND THE DESIGNS (CONSEQUENTIAL RE: **AMENDMENTS) BILL 2002**

The Australian Automobile Association (AAA) is pleased to make a submission to the Senate Economics Legislation Committee's review of the Designs Bill 2002 and the Designs (Consequential Amendments) Bill 2002.

The Australian Automobile Association represents the interests of around 6 million motorists through its State and Territory motoring Clubs and Associations. As such, the Association attempts to ensure that motoring is affordable and that motorists have access to the best possible motoring products at a competitive price.

In this context, the Association has an interest in the legislative treatment of the complex issue of spare parts and the implications of this for motorists. It is our view that the proposed legislation, which provides for greater competition in the provision of spare parts, will benefit motorists. therefore strongly support the Bill.

The Association believes the exclusion of spare parts from design protection will ensure effective competition of the spare parts market and therefore supports the 'right of repair' exemption which provides a defence against infringement when design registered parts are used.

The Association is well aware of the complexity and controversy surrounding the issue of the special treatment of spare parts and that this issue has occupied the time and attention of many previous inquiries. However, the Association believes the concerns and interests of all interested parties, especially motorists, is protected by the sound decision to have IP Australia monitor the effectiveness of these provisions and provide a formal review of the special treatment of spare parts before the end of 2005.

Constituent Members

















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In supporting the legislation, the Association joins with the Australian Consumers Association (ACA), the Australian Consumer and Competition Commission (ACCC), IP Australia, the Australian Automotive Aftermarket Association Limited (AAAA) and Insurance Australia Group (IAG) in supporting the Designs Bill 2002 and the Designs (Consequential Amendments) Bill 2002.

Yours sincerely

Lauchlan McIntosh

EXECUTIVE DIRECTOR