

14 September 2021
Small and Family Business Division
The Treasury
GPO Box 2013
Canberra ACT 2601
Via email: smallbusinessfranchising@treasury.gov.au

FCAI Submission to Automotive Franchising Discussion Paper

Hyundai welcomes the consultation process outlined in the discussion paper on automotive franchising put forward by the Small and Family Business Division of Treasury in August 2021.

As a member of the Federal Chamber of Automotive Industries (FCAI), we write to indicate our support and endorsement of the FCAI's submission.

Hyundai is the number three automotive brand in Australia by sales volume. Together with our luxury arm, Genesis, we represent about seven percent of the Australian market. Hyundai Motor Group (which includes Kia) globally is number five by production volume.

Hyundai is currently operating two retail sales models in this market: a 'direct to customer' process through our Hyundai-owned Genesis studios; and the traditional sales method via the 163-strong Hyundai dealer network.

Note that we are currently experiencing a time of unprecedented change in the global automotive industry. We expect to see more change in the next 20 years than we have seen in the last 120. Many disparate technologies are approaching us at different speeds – electric vehicles, hydrogen-powered vehicles, connected cars and fully autonomous cars are just a few examples.

At a broader group level, we are also developing zero-emissions aircraft, trucks, trams, trains and ships. Please see this link to our recent [Hydrogen Wave](#) event, along with details on Hyundai's commitment to be fully carbon-neutral by [2045](#).

We don't yet know how the market needs to change to prepare for and empower this rapid transformation. But as we seek to effectively navigate the way ahead – and secure the best

and regulatory stability to achieve world-class outcomes for Australian consumers. Our key focus is to improve the customer experience and servicing of our customers.

Stable regulation around distribution and deployment is critical, which is why we support the FCAI's position in advocating for the latest franchising laws to be given time to bed in and take effect.

If you have any queries regarding this letter or our company, please do not hesitate to contact me.

Yours sincerely,

John Kett
Chief Operating Officer
Hyundai Motor Company Australia

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