

what scratch?

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19 January 2011



Mr Timothy Hughes (Principal Research Officer)
 Economics and Industry Standing Committee
 Level 1
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 West Perth WA 6005

Submission to the Economics and Industry Committee in relation to the Inquiry into the Franchising Bill 2010

What Scratch? is a business operated by myself and my husband.

We started out as a sole trader providing automotive paint repair services and have successfully expanded our business throughout WA and NSW using the franchising model.

Given our growth in both states we needed to decide on a structure to allow adequate support for our growing number of franchisees. We decided to appoint a state manager for NSW and continue to manage the WA market ourselves.

Since the introduction of the Private Members' Bill however we have reconsidered that decision. The uncertainty as to whether new laws will be introduced and if they are, the uncertainty regarding how they will operate has helped us make the decision to move our headquarters to NSW. We also considered changing our entire business model to a licensing system.

I am sure that our example is one of many more to come if the proposed Bill becomes law. Western Australia will be the loser and franchising will be worse off. If you wish to retain franchisors in Western Australia then you need to leave the current system alone.

Yours faithfully

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Dale Burke
 Director
 What Scratch?

