



20 January 2011

Mr Timothy Hughes
Principal Research Officer
Economics and Industry Standing Committee
Level 1, 11 Harvest Terrace
West Perth WA 6005

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

Timothy,

I write to you regarding the proposed introduction of a WA bill to govern franchising laws from a State perspective, rather than under the current Federal legislation.

I have been a Mr Rental franchisee for 7 years in Balcatta. Mr Rental was awarded the National Franchise System of the Year at the 2010 Franchise Council Awards, and is recognized as a leading franchise system in Australia and New Zealand. I was awarded the Commonwealth Bank Best Specialist Retailer in WA in 2009, the Australia Post Best Franchise in the City of Stirling in 2008, and the Runner-Up Franchisee of the Year in the 2008 FCA Awards in WA. I also support the Business Faculty at ECU in Joondalup, allowing the students to visit my store, and complete their business planning studies using my business as a real-life example. I have done this every semester since 2005.

Just prior to commencing as a franchisee and since then, I have maintained a strong understanding of the Franchising Code of Conduct. Over the past seven years I have had a handful of minor disagreements with my franchisor – probably not unlike most franchisees. We have a healthy and positive relationship, built on mutual respect I would say. Sometimes I am not happy with it, but overall I understand their positions of power in our franchise agreement. Also, as a franchisee I can truly say that I feel protected under the current legal framework, and if needed I feel there is an adequate process in place to ensure I am not unfairly dealt with, and the franchisor cannot and will not abuse their rights in the franchise agreement.

In summary, I think no law can be 'perfect', and I can understand the motivation behind the proposed WA bill. However the reality is, the current legal framework of the Franchising Code of Conduct and the Trace Practices Act appears to be strong and appropriate. As the saying goes, "If it ain't broke, don't fix it."

Sincerely,

Stephen Finn