

## Customer Notice – RAC Approval

We have been suspended from the RAC accredited list and are currently in the process of disputing via legal representation. We would like to share the reason with our customers so they can decide if we have been treated fairly or not.

We have been a member of the scheme for nearly 3 years, and you cannot become a member unless you meet the RAC strict criteria. When we were assessed we passed the RAC test achieving a score of over 92% which we were informed was amongst the highest in the country. Being a member of the RAC Approved Scheme allows you to display their logo which gives customers confidence in you as a company and your products & services. What many customers don't realise is that this comes at a very high price to the garage. Considerable monthly fees have to be paid each month just to stay on the scheme but the RAC in return agree to send any vehicle breakdowns in the area to these approved garages in the hope that some of the fees we are forced to pay can be recouped from this extra breakdown work.

This is where the problem first began. In our area (Cardiff) there were 6 approved garages on the scheme. There are approximately 100 breakdowns per month which require vehicles to be recovered to garages for repair. Common sense and simple maths means that each of the 6 garages on the scheme should therefore get approximately 16 vehicles recovered in for repair each month. That would be a fair distribution of the breakdowns and possible additional work for each of subscribed garages. You will however be shocked to find that this is not the case.

In our area one garage alone receives 95% of all the broken-down vehicles recovered by the RAC. We have reason to believe there are similar instances in various other parts of the UK. For the 2 years we were on the scheme before it was suspended, we had a total of 2 vehicles recovered to us. The other garages in our area (apart from the one that receives 95% of the work) all reported similar findings. Hefty monthly subscription charges with no work returning as a result. In some cases, motorists had broken down less than 200 yards from an RAC approved garage and rather than be recovered to the closest, instead they were towed to the garage on the other side of the City which mysteriously receives all of the work. On one occasion a person broke down and requested they were recovered to their local RAC approved repairer in Cardiff as they were a regular customer. They were told by the RAC patrolman that they couldn't go there, and once again were recovered to the RAC's preferred garage instead.

We approached the RAC and raised our concerns that their business practices were unfair. Initially we were thanked by RAC management for bringing it to their attention. After we supplied them with the evidence we had gathered it appeared that some underhand tactics may possibly be in play. The potential for bribery or other incentives could not be ruled out as obviously the lion share of all the work was going to one garage which seemingly had no better facilities than any other garage on the scheme in the area. We were assured that this would be fully investigated and addressed so that all garages in the area had a fair share of the work.

Several months passed with no contact from the RAC and once again they were contacted. We were assured it was being investigated however we later found out that this was not the case. We then raised the complaint to senior management who once again assured us it would be dealt with but again no action was taken, and all of the work still went to the preferred garage. We eventually discovered that there were various connections between RAC management and RAC patrols which ensured that all work went to this one garage and would continue to in the future.

Our complaint was not upheld, and we were effectively told that nothing could be done about it. We were informed that any additional work in the form of vehicle breakdowns was not guaranteed to be equally distributed as defined in their terms and conditions. This was correct, however when we were sold the membership it was implied that we would benefit considerably from this breakdown work which was a major factor for us (and we are sure for other garages) in making the financial commitment to become RAC Approved. Our expenditure for signage, printed material and website amendments has exceeded £5000 in addition to the monthly fees paid for 2 years. All of this for zero work in return for us or the other 4 garages in Cardiff but plenty of work for the one garage in particular.

We threatened to take legal action against the RAC and to become 'whistle-blowers' to expose the corrupt operation that the RAC were running. Soon after these threats our RAC membership was suspended and were being removed from the scheme. We are currently in the process of taking legal action against the RAC to compensate us for the losses we have incurred along with damaging effect it has had on our business. We thought that our customers have the right to now how one of the allegedly most respectable and well-known names in the UK vehicle recovery business actually operate behind the scenes and we hope that our no longer being associated with them will not affect you from choosing us to repair your vehicle.