

HOLDEN DEALERS HANDED DEVASTATING JUDGMENT IN SUPREME COURT

20 March 2025

The Australian Automotive Dealer Association (AADA) has expressed disappointment with the decision handed down in the Supreme Court of Victoria today which found that General Motors did not breach its agreement with Holden Dealers by failing to supply them with vehicles.

The case was brought forward by a group of Dealers who did not accept GM's controversial compensation offer at the time the Detroit-based company killed off the Holden brand in Australia. The Dealers are now considering their options.

"Today will come as a massive blow to those Dealers who have gone through the exhausting and emotional process of taking on a giant multinational car company," said AADA CEO James Voortman.

"The legal argument successfully put forward by GM that they had no obligation under the Dealer Agreement to supply cars to their retailers is incredibly disappointing and sets a dangerous precedent for the automotive industry," he said.

"These Dealers upheld their end of the bargain. They invested in facilities, employed staff and dedicated their talents to selling Holden vehicles in the communities in which they operate because they were led to believe that the Holden brand was set to stay in Australia for the long haul."

This is just another unedifying chapter in the story of how GM killed off one of Australia's most iconic brands and harmed its 200 Dealers in the process.

"The way in which Holden pressured its Dealers into accepting compensation offers resulted in rebukes by Commonwealth Ministers, a censure by the Australian Parliament and criticism from the competition watchdog," said Mr Voortman.

"This highlights the importance of the franchising protections announced by the Government earlier this week and it is critical that we achieve bi-partisan support and enact these measures as soon as possible."

"There also needs to be a conversation about how franchisees access justice. Large companies are only too happy go through a court process which is costly and can take years to get an outcome," he said.

ENDS.

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