

Preserving consumer choice and affordable repair in the automotive collision parts industry

FOR IMMEDIATE RELEASE

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CAR Coalition Lauds FTC Vote to Confront Repair Restrictions in Auto Industry

WASHINGTON, D.C. (July 21, 2021) – The <u>CAR Coalition</u>, a growing group of independent automotive parts, management and repair companies, associations, and insurers committed to preserving consumer choice and affordable vehicle repair, today lauded the Federal Trade Commission's unanimous vote today to increase enforcement against restrictions that limit consumers' right to repair, including the auto industry. The 5-0 vote follows a <u>Nix the Fix report released earlier this year</u>, which described restrictions of consumer options in vehicle repair.

In a statement before the FTC today, CAR Coalition representative Edward Salamy, Executive Director of the Automotive Body Parts Association, said, "We also commend the President's Executive Order on competition and strongly encourage the FTC to follow its guidance recommending a rulemaking process on repair and maintenance restrictions. We believe the repair and maintenance of motor vehicles should be included in that process. Americans are literally paying the price for the everincreasing cost of auto repairs. The time to act is now."

CAR Coalition Executive Director Justin Rzepka said, "The FTC is sending a clear signal—consumers must come first in the auto repair process. The CAR Coalition applauds today's action and looks forward to working with the FTC and other stakeholders as they work toward policy solutions that emphasize choice and security for auto owners."

A policy report issued by the FTC stated in part: "Through this work, the Commission uncovered evidence that manufacturers and sellers may, without reasonable justification, be restricting competition for repair services in numerous ways, including: imposing physical restrictions (e.g., the use of adhesives); limiting the availability of parts, manuals, diagnostic software, and tools to manufacturers' authorized repair networks; using designs that make independent repairs less safe; limiting the availability of telematics information (i.e., information on the operation and status of a vehicle that is collected by a system contained in the vehicle and wirelessly relayed to a central location, often the manufacturer or dealer of the vehicle); asserting patent rights and enforcement of trademarks in an unlawful, overbroad manner; disparaging non-OEM parts and independent repair; using unjustified software locks, digital rights management, and technical protection measures; and imposing restrictive end user license agreements."

The CAR Coalition continues to urge policymakers and stakeholders to advance federal legislation that expands choices for consumers in the post-collision auto repair market and gives consumers access to their own vehicle data.

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ABOUT THE CAR COALITION

The CAR Coalition is committed to preserving and protecting consumer choice and affordable vehicle repair by ensuring competition in the automotive collision parts industry. Members include: Allstate, American Property Casualty Insurance Association (APCIA), Automotive Body Parts Association (ABPA), Automotive Manufacturers Equipment Compliance Agency, Inc. (AMECA), AutoZone, Certified Automotive Parts Association (CAPA), Diamond Standard, Geotab, KSI Auto Parts, and LKQ Corporation. Learn more at carcoalition.com

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