

April 8, 2020

The Honorable Steven T. Mnuchin  
Secretary of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, DC 2020

Dear Secretary Mnuchin:

As you work on behalf of our country to provide much-needed economic aid to the many domestic industries that are suffering as a result of the COVID-19 pandemic, I request that you consider the auto care sector. The auto care industry includes independent auto repair shops, part retail stores and distributors, and aftermarket auto part manufacturers. We are a significant contributor to the U.S. economy. Prior to the COVID-19 pandemic, our industry represented 536,237 businesses that employed 4.7 million people and generated \$ 405 billion in revenue.

We appreciate the establishment of the Paycheck Protection Program and urge you to work with Congress to increase the amount of funds allocated to this program to ensure that more businesses are given access to these much-needed loans. A significant number of our businesses employ fewer than 100 people and have had to lay off their employees in fear that otherwise they will not be able to keep their businesses afloat. The Payroll Protection Program will help them keep their doors open.

Beyond these small auto repair shops that are integral parts of our communities nationwide, our supply chain also relies upon many larger entities that are also in need of critical support. We have a number of member companies, including auto part manufacturers and distributors, that are in the 500-10,000 employee range. We encourage you to move forward with the Coronavirus Aid Relief and Economic Security Act (CARES Act) Section 4003's "Assistance for Mid-Sized Businesses" loan program, which would provide these entities with access to much needed low-interest loans to keep them afloat.

Many of our publicly traded member companies are reporting significant sales decreases and are in need of assistance not provided in the CARES Act. For example, although each auto part retail store employs fewer than 500 staff members, these stores are owned by a larger entity and not franchised, therefore they are ineligible for most of the loan programs included in the CARES Act, such as the Paycheck Protection Program.

Our industry is actively assisting our communities in this crisis. The Department of Homeland Security has classified our supply chain as an "essential businesses" so we can ensure that public health officials, postal workers, trucking operations, and citizens have access to vehicle repair service and parts. We appreciate that designation. But also caution that even while our doors remain open, business has dropped significantly.

Thank you for your consideration. I would be happy to discuss this in further detail with you or a member of your staff as well as bring in CEOs from our member companies to share their stories directly.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Hanvey". The signature is stylized with a large initial "B" and a long horizontal stroke at the end.

Bill Hanvey  
President and CEO  
Auto Care Association