

# Global Vehicle Right to Repair Position Statement



## Preamble

The vehicle service and repair industry is an essential service which includes manufacturing of garage equipment and replacement parts, distribution networks and service and repair shops. Around the world, we are responsible for keeping over a billion vehicles on the road in safe condition.

Independent auto repair shops are in every jurisdiction and constituency worldwide. These independent shops ensure that motorists in every community, including small and remote, have reasonable and timely access to essential vehicle services.

Across the globe, consumers are facing a significant threat to their right to repair their vehicles at the auto repair shop of their choice.

Vehicles are increasingly becoming like cellphones, connected wirelessly at all times. These connected vehicles collect thousands of data points on the health of vehicle systems. The automakers then transmit these data to themselves wirelessly, obstructing access to it by independent repair shops.

Without access to these data, there are significant risks to the automotive aftermarket including:

- independent auto repair shops cannot service a vehicle, and it becomes more difficult to ensure vehicles are operating as efficiently and safely as possible;
- consumers will lose the right to repair their vehicle at the auto repair shop of their choice, and we expect the problem to continue to grow;
- reduction in competition for service and repair of vehicles, thus risking shop closures, compromising hundreds of thousands of jobs, and limiting access for consumers to an affordable repair market; and
- governments may not meet their electric vehicle adoption goals because there will not be enough service and repair options for such vehicles.

For a truly open, fair, and competitive automotive aftermarket, consumers need to be protected by legislation that reflects the new reality of vehicles.

As such, we the undersigned believe that:

1. **Right to repair laws are fundamental to achieving fair and open competition and consumer choice in the vehicle service and repair industry.**
2. **The practice of introducing voluntary codes or Memoranda of Understanding is not workable. These agreements between the automakers and independent repair sector have failed and investigations reveal that the failure is due to the significant imbalance of market and political power between the parties; perceived self-interest by manufacturers in controlling repair of vehicles; and no enforcement mechanisms to prosecute breaches of these agreements.**
3. **The commercial interests at stake and the profits that vehicle manufacturers derive from these methods have resulted in a world-wide awareness that voluntary agreements do not work, and that formal intervention by government entities by way of legislation is required. This formal intervention must include a mandatory requirement to share service and repair information, diagnostic and repair tools, as well as repair software with the independent repair sector.**
4. **Failure to make auto service and repair information, tools, and software available results in lack of competition, driving up the price for auto repair and service for consumers and threatens to challenge the sustainability of the independent repair channel. Many would argue that a lack of access to safe, secure, and competitively priced auto services results in poor road safety and higher emissions outcomes.**

## Right to Repair Legislation – Objectives and Intended Outcomes

Objectives of right to repair laws for the vehicle service and repair industry should be principles-based and include the core objective of the law which is to:

**Promote a Level Playing Field** - Promote competition between repairers of motor vehicles and establish a fair playing field by mandating access, on fair and reasonable commercial terms, to information, tools, spare parts, and software used to diagnose, repair, service, modify or dismantle vehicles;

**Allow for Consumer Choice** - Enable consumers to have vehicles diagnosed, repaired, serviced, modified, or dismantled safely and effectively by a repairer of their choice;

**Ensure Affordability** - Encourage the provision of accessible and affordable information, tools, and software about vehicles to repairers, and to training organizations (for training purposes).

# Ten Principles of Best Practice Right to Repair Legislation

The following 10 principles provide best practice *guidelines* for developing a framework for right to repair legislation. These can be adapted and tailored as appropriate, to meet jurisdictions' specific needs and conditions.

<b>EQUAL ACCESS</b>	<p>Vehicle manufacturers/automakers must supply to certified independent repairs, on reasonable terms and conditions, the same automotive service and repair information, tools and software that is supplied to authorized dealers/service providers.</p>
<b>TELEMATICS</b>	<p>Traditionally, technicians have accessed diagnostic data by plugging a scan tool into the port of the vehicle's on-board diagnostics (OBD). However, OBD is no longer the only means for information extraction.</p> <p>Automotive service and repair information and data sharing laws should include standardized, cyber secure access to information that is transmitted via wireless technology known as telematics. In addition, access to all repair data, including bi-directional controls, shall be available to independents through standardized access, that does not mandate the use of a proprietary system.</p>
<b>PASS THRU</b>	<p>This information, tools and software shall be offered for supply by manufacturers in a form that is practical and reasonably accessible to all auto repairers.</p> <p>Automakers cannot force repairers to use proprietary tools as a pre-condition to accessing general and security-related service and repair information. Therefore, auto manufacturers shall be required to make all original equipment (OE) tool capabilities and service information available to tool and information third parties on fair and reasonable commercial terms in order to further ensure a competitive repair market.</p>

<p><b>SUBSCRIPTION TERMS</b></p>	<p>If the form in which information is supplied should allow for variability in the period for which the information is supplied, the data provider must make information available on terms and conditions that meet the commercial needs of the repair shops, (no less than by the day but also available in longer increments such as month and year).</p>
<p><b>FAIR MARKET PRICE</b></p>	<p>Access to information should be provided on a subscription basis that does not exceed the fair market value of the information, as determined by reference to the reasonable recovery of costs incurred in creating, producing, and providing the information, and/or the price charged for the supply of similar information in overseas markets and should be proportionate to the business at issue.</p>
<p><b>REAL TIME ACCESS</b></p>	<p>Service and repair information shall be provided in real time with the introduction of the vehicle into the marketplace or at the same time as it is available to an authorized service provider. If the information is readily available to any section of the repair and service industry, that information shall be published in real time.</p>
<p><b>ACCOUNTABILITY, DISPUTE RESOLUTION AND ENFORCEMENT</b></p>	<p>Information sharing schemes should be established by legislation, include access to dispute resolution and mediation services and should also include a readily accessible enforcement agency that is able to respond quickly and effectively to breaches of the law. Fines must be graduated and escalate in a range.</p>
<p><b>CIRCUMVENTION</b></p>	<p>Right to repair laws should anticipate the likelihood that automakers will use any and all means to find a loophole (e.g. use copyright as an opportunity to be non-compliant with the law; or use anti-circumvention laws to prevent independent shops, manufacturers, and tool suppliers from circumventing software for the purposes of legitimate vehicle repair).</p>

<b>OPERATIONALISATION</b>	Laws should permit the establishment of infrastructure to support and enable independent repairers access to vehicle security information that is required for vehicle specific security-related repairs. Reasonable standardized systems for vetting technicians for access to key code information have and can be created by regulators to ensure vehicle security and repair competition. Legislation should allow for the creation of an industry body to support the vetting process.
<b>TRANSPARENCY</b>	Legislation should mandate that each automaker is required to publish subscription terms on a common website. Car makers should be required to publish any changes to subscription prices and terms on the common platform within 48 hours of varying their terms. This transparency ensures that the regulators are able to see any trends in over-pricing or introducing unnecessary and anti-competitive hurdles.

# Signatures



## Automotive Aftermarket Alliance Brazil

