

# **Questions** & Answers

### 1 Why a 'Right to Repair' Campaign?

Cars have become more and more 'computers on wheels'. Technological innovations provide better emissions control and more safety and comfort; but these innovations have made it increasingly challenging to service or repair a vehicle.

Without effective access to technical information, multi-brand diagnostic tools and test equipment, replacement parts and training, independent market operators would be deprived of their right to service and repair vehicles. Competition in the automotive aftermarket would be eliminated, and the entire independent automotive aftermarket chain is at threat of being driven out of business. And the European motorists would lose their freedom to choose the aftermarket care of their vehicles.

Despite these challenges, local and EU policy makers have little awareness of this threat facing the multi-brand automotive

aftermarket and how this affects Europe's economy and competitiveness. Moreover, the Motor Vehicle Block Exemption Regulation (EC) 1400/2002, which is designed to protect competition and consumer choice in the parts and repair sector, will expire in 2010, its renewal being uncertain. The 'Euro 5' Regulation 715/2007/EC, which will enter into force in September 2009, will cover access to all technical information for newly type-approved vehicles and can thus not fill the gap for the existing vehicle park.

As a reaction to the political, legal and technological challenges, a wide range of multi-brand market operators and motoring organisations have come together to defend not only their very right to repair – but importantly, consumers' right to have their vehicles serviced, maintained and repaired at a workshop of their choice.

#### 2 What is the Right to Repair Campaign?

The Right to Repair Campaign (R2RC) is a Europe wide information campaign on behalf of the many who care about the future of the multi-brand automotive aftermarket. There is a need for a fair and competitive regulatory environment that enables freedom of choice for the consumers and that gives aftermarket SMEs a chance to stay in business. The R2RC aims at preventing legislation that would deny consumers their right to have their vehicles

serviced, maintained and repaired at competitive prices in the workshop of their choice. It also commits to safeguard independent aftermarket operators' right to exist, serve and grow. Only strong, entrepreneurial competition will result in advantageous pricing for consumers and ensure that local businesses can continue to provide quality service in the neighborhood they serve and support.

### 3 What are the aims of the Right to Repair Campaign?

The Right to Repair Campaign focuses on consumer choice and effective competition in the automotive aftermarket. It is based on the right of motorists in the choice of the aftermarket care of their vehicles and the right of the independent operators to maintain, service and repair modern vehicles equipped with multiple electronic control units managed by complex software and multiplex networks.

#### The R2RC aims to

 improve the visibility and understanding of the independent automotive aftermarket;

- ensure that the legal right of access to technical information, tools and equipment, parts and training is upheld;
- promote a regulatory environment that effectively safeguards the interests of small and medium-sized companies in this sector;
- uphold motorists' rights to have their vehicles serviced, from day one, by the workshop of their choice.

#### 4 Why promote the Right to Repair?

The current Motor Vehicle Block Exemption Regulation (EC) 1400/2002 includes sector-specific rules on competition in the automotive industry. As the Regulation expires in 2010, is vital to

start advocating the renewal – and improvement – of its provisions. Unless we act now, the future of the multi-brand automotive aftermarket and freedom of consumers to choose is in jeopardy.

#### 5 How does this affect me?

Without full and fair access to technical information, replacement parts, training, multi-brand diagnostic tools and test equipment, the independent aftermarket operators will be deprived of their right to service and repair vehicles. Independent repairers will be driven out of business. Independent distributors will lose their clients. Tools and parts producers will lose their independent-aftermar-

ket-business. The survival of the entire independent aftermarket chain is at risk. The right to repair will safeguard the consumer's right to affordable and convenient aftermarket care for his vehicle, from day one — including the statutory and any extended warranty period - and throughout the entire life cycle of his vehicle.

#### 6 Why is the R2RC important for consumers?

The R2RC aims at maintaining effective and fair competition between independent aftermarket operators and the vehicle manufacturers' service networks in Europe as it is the only way to guarantee the European motorists' freedom of choice of where to take their vehicles for servicing or repair. Motorists should be able to choose what is done to their property and who executes the work on what is, after all, *their* car.

#### This also means:

 The right to determine who should have access to the technical data stored by the computerized on-board systems, and to determine how such data may be stored and used;

- The right of motorists and independent operators to learn of any defect that needs to be corrected, this is especially important in the context of vehicle safety
- The right to have any quality part installed that meets all legal requirements, regardless of whether or not it was supplied by the vehicle manufacturer;

#### 7 What is the independent automotive aftermarket?

- Approximately 665.000 companies (2005), of which 650.000 are predominantly small and medium size enterprises (SMEs) and 15.000 are manufacturers of automotive components supplying also the independent aftermarket;
- employing 3.5 million people in the 27 Member States of the European Union (2005);
- serving a total of 260 million vehicles in the EU (passenger cars, trucks and buses) (2005);
- providing 227 million car drivers with 82 billion Euros worth of components (parts, tyres, accessories etc.) (2005).

## 8 Why is the independent aftermarket vital for the economy?

European motorists spend around 140 billion Euros per year on components and services for passenger cars. Obtaining a good deal on parts and services can make all the difference between affordable or non-affordable mobility.

The independent aftermarket improves the efficiency of the sector by investing in Research & Development, in training, in logistics, and by developing entrepreneurial opportunities it maintains competition in all corners of Europe.

## 9 Why is the independent aftermarket crucial for the Community?

A wide range of operators constitutes the independent and multi-brand automotive aftermarket: garages, body repairers, independent distributors, manufacturers of components and accessories, producers of diagnostic tools and equipment, inspection centres, training institutes and roadside rescue patrols. It forms a true network of SMEs across Europe, to the

benefit of local and regional economies. As a consequence, failure to uphold effective competition in Europe would considerably jeopardise the future and the potential development of business and local activities in every part of the EU, from the main centres to the most remote areas.

## Questions & Answers

### 10 Why is the independent aftermarket essential for the environment?

With the challenges of climate change, the EU is committed to ever tighter environmental requirements. The independent aftermarket supports the maintenance of the EU's environmental standards and makes safe and clean mobility possible throughout the entire life cycle of the vehicles. The independent

aftermarket participates actively in the protection of the environment by maintaining vehicles or by improving their emission performance by e.g. retrofitting particulate filters improving CO<sup>2</sup> emission levels.

### 11 What about the legal framework?

The ability of aftermarket operators to provide high-quality repair and maintenance at competitive prices depends on an appropriate legislative environment, in which the dominance of the vehicle manufacturers is balanced with consumer rights and the protection of SMEs.

Ensuring fair and effective competition is at the heart of Community legislation, which has included sector-specific rules on competition in the automotive industry for many years. The current Block Exemption Regulation (EC) 1400/2002 is designed to protect competition and consumer choice in the repair sector.

It states that parts suppliers may sell replacement parts directly into the aftermarket, and that authorised repairers may source quality parts from the supplier of their choice, including independent parts wholesalers. The use of such parts, as well

as the servicing of a vehicle by an independent repairer, will not invalidate the manufacturer's warranty. Independent operators are entitled to non-discriminatory access to technical information, tools and training. This ensures efficient and competitively priced repair and maintenance as well as effective roadside assistance by motorist associations across the EU.

These rules expire in 2010, and whether they will be renewed is the subject of controversial discussions. The European Commission will publish a report on the legislative framework in 2008. The R2R campaign will highlight the continued need for sector-specific rules protecting competition and consumer choice.

#### 12 Who supports the Right to Repair Campaign?

The Right to Repair Campaign gathers different categories of stakeholders having an interest in the creation of a competitive regulatory environment for the automotive aftermarket. It is supported by authorised and independent repairers, independent parts distributors, parts suppliers, producers of diagnostic tools and garage equipment, trade groups, roadside rescuing operators and motorist clubs and is open to any who care about the future of the multi-brand automotive aftermarket, and its rightful claim for consumer choice and a competitive after-sales market.

The Right to Repair Campaign original supporters are:

AIRC - Association Internationale des Réparateurs en

Carosserie

CECRA - European Council for Motor Traders and Repairs

EGEA - European Garage Equipment Association FIA - Fédération Internationale de l'Automobile

FIGIEFA - International Federation of Automotive Aftermarket

Distributors

#### 13 How to become involved?

If you wish to help us raise awareness on the right to repair issues, uphold the right for consumers' choice, the right for independent and multi-brand operators to exist, to serve and to grow, then join the Right to Repair Campaign!

For more information, please contact the Right to Repair Campaign Secretariat.











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