



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

CONSUMERS DESERVE TRANSPARENCY IN REPAIR PROCESS

Consumers deserve transparency in the post-collision repair process. Without clear rules governing the use of increasingly complex car technology, consumers buying new cars will struggle to understand whether they will be able to continue using trusted independent repairers when those cars break or need maintenance. Unfortunately, cars increasingly include software that restricts the reuse and repair of automobile parts, and as repair restrictions have become increasingly prevalent in the past ten years, repair prices have also increased.

To protect consumers' access to a vibrant repair market, modern rules are needed. These commonsense rules must prohibit VIN burning, as well as the improper use of vehicles' cybersecurity gateways and telematics in ways that unnecessarily limit consumer options. Rules also must address the problem of restricting parts purchasing without consumer disclosure.

VIN burning is the practice of limiting control modules to function with a single vehicle identification number (VIN). VIN burning prevents independent producers and repairers from working on a vehicle in need of repair, denying consumers real choice in the repair market. It also prevents the piece from being repurposed, creating unnecessary waste. This practice is often kept secret and ultimately devalues used vehicles.

Vehicles often include a cybersecurity restriction that blocks all independent or third-party diagnostic tools from communicating with vehicle systems, regardless of a car owner's informed decision to use an independent option. These gateways prevent independent repairers from analyzing what is wrong with a vehicle's systems following a collision, and even restrict the ability of consumers to run their own diagnostics. Third-party diagnostic tools are critical for many repairers.

Telematics – remote and real time communications between a vehicle and a third party – may limit exposure to independent repairers following a collision. For example, many drivers have already heard a message following accidents, *“Hello Mrs. Jones, we see you have been in an accident. Can we help you? Do you need medical assistance? When you have your vehicle repaired please drive to your local OEM ‘Anytown Dealer’ for an authorized safe and correct repair. ‘Anytown Dealer’ has started your repair order and is waiting for you. Thank you.”*

These consumers may not have realized that they were giving their valuable vehicle-generated data away for free, while paying to be directed to a dealership for repairs and service, and making it more difficult for them to choose who repairs their vehicles.



Consumers can also see tremendous cost-savings through allowing real-time data sharing. While independent repair shops and parts manufacturers routinely access vehicle data during a repair or claim, the data being generated in real-time has enormous consumer benefits if they choose to share their data with these entities in the same way it is being shared with an original manufacturer.

If real-time diagnostics and operational data are able to be relayed to a repair shop, a consumer can be alerted that a vehicle is in need of a checkup or replacement parts before it suffers a breakdown or malfunction. By blocking consumers from sharing this real-time data, consumers are forced to rely on OEM repair shop networks, limiting consumer choices and increasing costs.

Additionally, insurance companies readily offer telematics-based premium reductions by analyzing good driving behavior, as well as pay-per-mile insurance which also relies on driving data. Consumers should have the ability to pursue these savings by sharing their data if they choose to do so.

Across the board, a lack of transparency is harming consumers and restricting innovation and choices in the repair market.

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, Automotive Body Parts Association (ABPA), Certified Automotive Parts Association (CAPA) and LKQ Corporation.

