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#### Automotive Technology Summit

### AUTOCATE® RIGHT TO ASSOCIATION

Independence drives us.

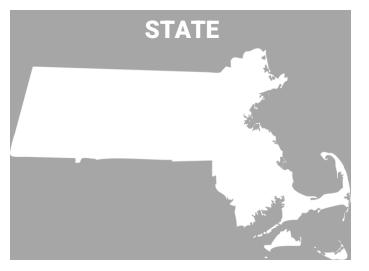
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### Tom Tucker Senior Director, State Affairs

#### **RIGHT TO REPAIR IS ACCELERATING**

### *Right to Repair* is a universal issue across multiple industries and legislative action should seek to remedy the problem.







## A GLOBAL MOVEMENT





#### **EU AND AUSTRALIA**

AAAA advocated – Australian data bill passed

EU Data access issue being discussed by agencies

Study in EU that found that extended vehicle would have significant consequences for competition.

European Commission intends to improve access and reuse of mobility and vehicle data.

October Joint Research Center published technical report advocating for a level playing field.

Aftermarket-favorable EU-wide legislation expected to pass in 2022.



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#### CANADA

Right to repair principles were included in every major political party's election platform

Two bills introduced early 2022

A third bill is in the House of Commons and is anticipated to go to Committee study this fall.

AlA Canada filed a petition with the House of Commons, calling for the swift passage of right to repair legislation reaching over 1700 signatures – well over the 500 needed to be presented in the House and for the government to table a response.



## MASSACHUSETTS



#### **RIGHT TO REPAIR HAS A LONG HISTORY**

In 2012, the aftermarket won the right to competitive access to vehicle data.





#### An Act Relative to Automotive Repair (2013, Ch. 165)

### "(f) With the exception of telematics diagnostic and repair information that is provided

to dealers, necessary to diagnose and repair a customer's vehicle and not otherwise available to an independent repair facility via the tools specified in paragraph"



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#### **MASSACHUSETTS BALLOT INITIATIVE**

#### Legislation

Bill introduced in early February 2019.

Provides car owners with control of vehicle-generated data.

Permits access by repairers with permission of car owner.

Requires vehicles to be equipped with a standardized platform that can securely share vehicle data via a direct data connection.

Prohibits authorization for access to OBD system unless standardized across all makes and models.



#### **MASSACHUSETTS** BALLOT INITIATIVE

#### **Current Status**

- Ballot initiative passed by voters November 2020 by 75-25 percent margin.
- Lawsuit from vehicle manufacturers seeking to overturn Massachusetts data access ballot initiative filed soon after
- Issues filed were federal pre-emption and cybersecurity concerns
- Trial was held in Boston, the week of June 15, 2021
- The central issue in the trial appears to be whether manufacturers can safely meet MY2022 compliance date.
- Judge has yet to issue verdict (delayed seven times)
- The side that loses likely will appeal the case



## FEDERAL



#### **FTC SUPPORTS CONSUMER CHOICE**

Nix the Fix Report in May 2021 cited barriers to repairs including

- Physical restrictions,
- unavailability of parts,
- manuals, and
- diagnostic software/tools.
- The report also cited how steering consumers to manufacturers' repair networks using telematics systems was also a major obstacle
- FTC reaffirmed their commitment to Right to Repair in their strategic plan through 2026 and will <u>focus on competition in</u> <u>the marketplace and tackling illegal repair restrictions.</u> <u>Consumers right to repair their products will be an agency priority</u>.





#### **BIDEN'S RIGHT TO REPAIR EXECUTIVE ORDER**





Directs or encourages agencies to take 72 specific actions focused on competition

Executive Order
focused on
competition signed
July 9, 2021

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On repair, encourages the Federal Trade Commission to "exercise the FTC's statutory rulemaking authority ... in areas such as ... unfair anticompetitive restrictions on thirdparty repair or self-repair of items"

Source



United States government official

When you own a product, you should be able to repair it yourself. That's why I included support for the "right to repair" in my Executive Order.

Now, companies like Apple and Microsoft are changing their policies so folks will be able to repair their devices themselves.

4:36 PM · Jan 24, 2022 · The White House

8,766 Retweets 2,870 Quote Tweets 71.9K Likes



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#### THE REPAIR ACT: OVERVIEW

- Ensures that vehicle owners and their repairers of choice have access to necessary data, software, replacement components, training, diagnostic tools, etc.
- Consumers/shops can demand action: Transparency that vehicle owners have right to repair choice and to use aftermarket parts and independent repair services.
- Tasks (NHTSA) with developing cybersecurity standards to allow for safe, secure repair access.
- FTC Enforcement:
  - Creates a committee to advise on implementation and identify emerging and future barriers to auto repair and maintenance.
  - FTC 'backstop' to ensure continued market competition and consumer choice, potentially ending this every-decade fight.



The Right to Equitable and Professional Auto Industry Repair







## **COURT DIRECTIVES**



#### **COURT DIRECTIVES**

- Both sides give interpretation of the ballot law
- OEM's Tell the court how you can comply with the law
- When can you comply and what needs to be done for you to comply?
- Compromise on the implementation date?
- Wants the parties to come together and determine how we make this happen and how long will it take
- OEM's need to tell judge what they have done to during the interim to comply with the law
- ✤ The court wants the OEM's and aftermarket to COLLABORATE





# HOW DOES THIS AFFECT SHOPS?



#### What Can YOU DO

- Document repair restrictions
- Educate your federal and state lawmakers
- Educate your customers, suppliers, distributors
- Host your elected official at your facility
- Get involved
- Start a right to repair committee in you state.
- ✤ The court wants the OEM's and aftermarket to COLLABORATE





#### **REPAIR RESTRICTIONS**

#### Diagnostic Diagnostic tools information VIN Security Paired/Burned Gateways ECUs Missing Subscription-Configuration based Information Limitations

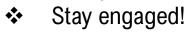


# CHANGE IS INEVITABLE BUT GROWTH IS OPTIONAL.



#### Conclusion

- Right to Repair is not coming, it's here.
- Whenever the decision is rendered by the courts or the legislatures, other cascading events will follow
  - Cell phones/tablets
  - Tractors
  - Medical devices
- You have the choice to be at the table to shape the future of repair or be on the menu as theses decisions are made for you.
- If would be a better option if the OEM's joined us at the table to find a solution that benefits all of us, especially the consumer
- The aftermarket stands ready and willing to collaborate to find a winwin solution
- ✤ Without a win-win solution, we all lose
- Tell your story
- I urge you to get in the game, stay in the game. The future of repair and our industry depends on it. Because no one tells your story better than you.









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