

Auto Body Association of Connecticut

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"Pulling together for a better future"

August 16, 2019

United States Department of Justice 950 Pennsylvania Avenue, NW Washington, DC 20530-0001 c/o: JudgmentTerminationComments@usdoj.gov

Re: U.S. v. Association of Casualty and Surety Companies, et al Docket Number: 63 Civ. 3106

Save the 1963 Consent Decree

The 1963 Consent Decree permanently enjoined 265 insurers and various other coconspirators from conspiring to unreasonably restrain trade and commerce in the collision repair market. Insurers were enjoined from steering repair work, controlling appraisers, dividing customers, territories or markets among appraisers; and fixing, establishing or controlling auto body repair labor rates. The purpose was and remains to protect small business owners, consumer rights and consumer safety.

Today, these protections are needed more than ever, particularly in light of advances in automotive technologies and every expanding insurer practices of demanding unsafe repairs. **Vacating the 1963 Consent Decree would have a devastating effect on small business owners, consumer rights and the safety of vehicle repairs.** The anticompetitive practices addressed in the Decree are still occurring today. Indeed, the violations are so widespread that in 2009, the Auto Body Association of Connecticut, together with representatives from 48 of the 50 states (i.e. every known state auto body association in the country) petitioned the DOJ for enforcement of the law. **Less than ten years ago, every known auto body association in the country, thousands of small business owners, united in purpose to petition for enforcement of this law.** Thus, what is needed most is not to vacate the Decree, but to <u>enforce it</u>.

We certainly support the Department's efforts to "free American businesses, taxpayers, and consumers from the burden of judgments that no longer protect competition." But, unlike many of the judgments being considered, the 1963 Consent Decree is not "outdated", nor does it "elicit anticompetitive market conditions." To the contrary, **the Decree is as relevant today as it was when it was enacted**. It remains a critical protective measure against some of the most egregious anticompetitive practices in the auto repair market. Efforts to control and manipulate the auto body industry, distort fair competition, and promote unsafe repairs are arguably worse today than they were in 1963. These practices have given rise to a host of lawsuits and legislative reforms across the country, many of which cite to the 1963 Consent Decree.

The antitrust violations and anticompetitive practices at issue are hurting consumers and small business owners. Vacating the 1963 Consent Decree will undoubtedly hurt consumers and market competition. Accordingly, we respectfully pray that you **stand with consumers and small business owners** across the country to save the 1963 Consent Decree.